

2014-2015

First Annual Report

LA RED DE PATHWAYS CHALLENGE

PATHWAYS TO PROSPERITY

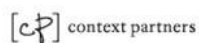
América Latina y el Caribe

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Le Groupe-conseil baastel

December 2015





La Red de Pathways Challenge is an initiative affiliated
with Pathways to Prosperity in the Americas.

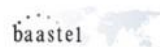


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ACRONYMS

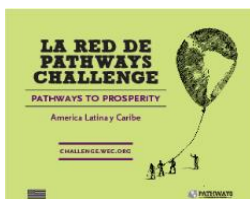
Acronym	Definition
AGEXPORT	Asociación Guatemalteca de Exportadores (Guatemala)
CCB	Cámara de Comercio de Bucaramanga (Colombia)
CPML-N	Centro de Producción Más Limpia de Nicaragua (Nicaragua)
CNP+LH	Centro Nacional de Producción Más Limpia de Honduras (Honduras)
CNPML	Centro Nacional de Producción Más Limpia (Panama)
CoNEP	Consejo Nacional de la Empresa Privada (Panama)
CoP	Community of Practice
CTAC	Centro Tecnológico de Aseguramiento de la Calidad (Chile)
F Indicators	Standard Foreign Assistance Indicators
FUNDES	Fundación para el Desarrollo Sostenible (Mexico)
KPI	Key Performance Indicators
LAC	Latin America and the Caribbean
LPV	Las Páginas Verdes (Mexico)
LWR	Lutheran World Relief (Nicaragua)
M&E	Monitoring and Evaluation
MTE	Midterm Evaluation
MS	Moderately Satisfactory
MSME	Micro, Small and Medium Enterprise
MU	Moderately Unsatisfactory
ND	No Data
NBC-PUCV	Núcleo Biotecnología Curauma, Pontificia Universidad Católica de Valparaíso (Chile)
NGO	Non-Governmental Organization
NYC	New York City
RBM	Results-based Management
ROI	Return on Investment
S	Satisfactory
SGI	Sistema de Gestión Integrado (CNPML-Panama)
SME	Small and Medium Enterprise
SROI	Sustainability Return on Investment
State	Department of State (USA)
SUNAFIL	Superintendencia Nacional de Fiscalización Laboral (Peru)
TA	Technical Assistance
U	Unsatisfactory
US	United States
USD	United States Dollars
USG	United States Government

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Acronym	Definition
VV	Vista Volcanes (Guatemala)
WEC	World Environment Center (USA)

1. INTRODUCTION

The United States Department of State (State) has funded the World Environment Center (WEC) and its partners, Le Groupe-conseil baastel ltée (Baastel), Context Partners, and EarthShift, to support organizations who are accelerating business development and promoting sustainable economic growth in Latin America. Since their selection as winners of the Pathways to Prosperity Innovation Challenge in the summer of 2014, four organizations have developed promising and innovative solutions. Those four winners and the subsequent 26 top-ranked applicants to the Challenge were invited to join a network during the fall of 2014. These 30 organizations - usually referred to as *members* of La Red - now comprise La Red de Pathways Challenge, a collaborative sustainable business network that will augment the breadth and impacts of these solutions by leveraging the support of stakeholders that will help to grow and fund them. The innovations address a range of sectors in agriculture, manufacturing, technology and trade from a collection of countries throughout the hemisphere from Chile to Mexico.



For more information on La Red de Pathways Challenge, please visit:
<http://lareddepathways.com/>

In January 2015, the Innovation Challenge awarded four top entities with funding (~USD\$500,000 each) to scale their solutions to a new context or location¹. During the weeks and months that followed the selection process, these entities started scaling their initiatives. The partners supported these four members in the implementation of their projects by providing technical assistance (TA) in business development, networking, monitoring and evaluation (M&E) and data collection, among many others aspects. This TA was not only provided to the four winners but also to all the other 26 members of La Red de Pathways Challenge who had been selected to participate in the Network. Almost a year after the process was put into motion, the present Annual Report summarizes the progress the participating members have made in implementing their projects and the results achieved to date.

This 2014-2015 Annual Report is simply structured: after this short introduction, section two briefly summarizes the support the partners have provided to the members starting from December 2014 to end of September 2015. Section three provides a snapshot of the 30 members' initiatives to offer an overview of the whole portfolio of the Network's innovative solutions supported with State funding. Section four summarizes the data and information on progress made, as provided by some members participating in the network during this first year of operation. The projects' results have been analyzed as part of the Pathways to Prosperity in the Americas Initiative pillars² to allow for a macro view of the full network's progress. Case Studies, which focus on the specific results achieved by the four top entities that were awarded funding this year and also stand as examples of how the networking amongst the members work, are presented in section five. Finally, section six presents some unexpected results, while section seven concludes the report with final overall concluding remarks.

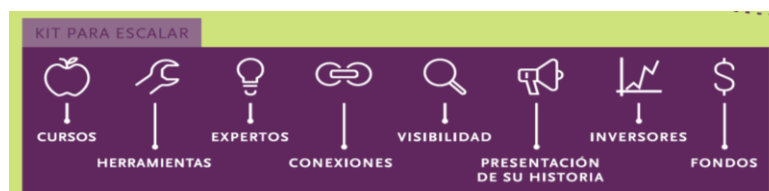
¹ For more details on the Innovation Challenge, please visit the following Website: <http://challenge.wec.org/en/rules>

² For more information about the Pathways to Prosperity in the Americas Initiative, please visit: www.pathways-caminos.org

2. PARTNERS' SUPPORT TO THE MEMBERS






La Red de Pathways Challenge was designed to lead members through a "network journey" – the steps of which steps are outlined below – fostering capacity building and connections with the goal of enabling the 30 solutions to have the capacity to scale their solution. The "scaling kit" (see Figure 1 below) for the members includes courses, tools, access to experts/mentors, investors/funders, partners, connectors, etc.

Figure 1. La Red the Pathways Challenge Members' Scaling Kit






The partners' support to the members of the network was delivered through two main methods: 1) online, through a network platform named Schoology and other virtual means (e.g. email, Skype, Adobe Connect, GotoMeeting, etc.), and 2) in-person, through workshops and events in different locations. The content of the support provided throughout this first year can be briefly summarized as follows³:

Table 1. Support Provided to Members by the Partners throughout the Member Journey's Steps

Step 1: Join Courses and Find the Support you Need (Online)		
Courses and Webinars:	<ul style="list-style-type: none"> Various courses delivered by experts on topics ranging from 'Scaling your Business' to 'Green Financing' to 'Marketing for Small Businesses'. Three RBM and M&E webinars. All but a few members participated in these webinars which served to build capacity of members in results-based management (RBM) and M&E. 	
One-on-one Consultancy:	<ul style="list-style-type: none"> Developing M&E tools and tracking results of members' intervention and conducting performance monitoring, so that members can measure their results and 'tell their story' most effectively. Guidance to access the resources and expertise, and to develop partnerships within and outside the network. 	
Communities of Practice (CoP):	<ul style="list-style-type: none"> Created on Schoology to give members a forum for exchanging experience and ideas. Members who have demonstrated high levels of engagement within the network have facilitated their own CoP around a topic of interest within their areas of expertise or external experts have been invited to moderate the exchange and share their knowledge with members such as in the following examples: <ul style="list-style-type: none"> ➤ <i>Women Entrepreneurs</i> led by Cámara de Comercio de Bucaramanga (CCB) ➤ <i>Management Tools and Platforms to Manage Projects</i> led by UpLatam/Techstars ➤ <i>Access to Green Financing</i> led by Centro de Producción Más Limpia de Nicaragua (CPML-N) ➤ <i>Guatemala</i> led by external expert, Luis Muñoz, Executive Director of Centro de Producción más Limpia de Guatemala ➤ <i>Peru</i> led by external experts Lizzie Valdivieso y Marice Salvador 	  
Overall, 63 persons have been trained through more than 120 hours of direct workshops and webinars provided by the partners.		


³ For more information on all the work of the partners, please refer to the Quarterly Progress Report submitted by the partners to State throughout the year.

Step 2: Improve your Knowledge, Network and Visibility (Mostly In-Person)

In-Person Workshops	<ul style="list-style-type: none"> In Mexico, the network brought together in October 2014 the four winners and other members to kick-start the network and provide assistance on certain aspects of project planning, management and M&E. In November 2014, Earthshift provided trainings to the four winners and some of their stakeholders/partners on Sustainability Return on Investment (SROI) and collected initial data to provide each of them with a SROI report for the scaling of their intervention. An event in Bogota was held in March 2015 that brought together participating organizations from La Red de Pathways Challenge for a training on RBM and M&E as well as on activating networks. 	
Networking Event	<ul style="list-style-type: none"> In September 2015, a Grand Forum was held in Miami. The first part of this event was a closed session with members focused on training, knowledge sharing, and developing connections with one another. 	
Newsletter and Website	<ul style="list-style-type: none"> Communications highlighting stories from members are posted on the Schoology platform every week and two Quarterly Digests, presenting some of the best news from the network members to external stakeholders, were sent out. In addition, the website of La Red de Pathways Challenge is often updated to give visibility to members' success and activities. 	



Overall, 54 strategic alliances were identified as a result of the network, 23 of which came directly from the Grand Forum. Approximately 18 of those connections have strong potential to solidify and grow; many of these are between members.

Step 3: Connect with Investors and Advisors

Networking Event	<ul style="list-style-type: none"> In the second part of the September 2015 Grand Forum held in Miami, members of La Red de Pathways Challenge were invited to engage with foundations, impact investors, government representatives, thought leaders, corporations, and NGOs to build skills and explore shared challenges and opportunities for scaling solutions for business in Latin America and the Caribbean. 	
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23 external stakeholders attended the Forum and 65 stakeholder organizations added to La Red de Pathways Challenge network for ongoing communication and outreach after the event.

Step 4: Securing Funding

Award	<ul style="list-style-type: none"> Step 4 of the member journey will happen in early 2016. Members who have been continuously engaged with La Red de Pathways Challenge throughout 2015 will have the opportunity to win \$80,000 as a reward for their engagement and to further support scaling their solution. 	 
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These activities provided space (virtual and in-person) for the Pathways partners to provide the members with technical expertise, content, capacity building and support. They also facilitated interactions and relationship building between members and beyond so that they can engage in mutually beneficial partnerships as they strengthen their solutions and organizations. Over the next few years, and up until summer 2017 when La Red de Pathways Challenge is slated to end, the partners will continue to support member organizations in their journey to successfully scale-up.

3. OVERVIEW OF INITIATIVES

La Red de Pathways Challenge includes one donor (State), four implementing partners (WEC, Baastel, Context Partners, and EarthShift) and 30 organizations from Latin America to spread the benefits of economic growth and to support unique and innovative solution to serious challenges facing Pathways partner countries. The 30 initiatives supported by La Red de Pathways Challenge are diverse in nature and size and come from different countries of Latin America. The figures below show an overview of the initiatives' specificities, such as country of origin, and the projected or current country(ies) of scaling.

Figure 2. Countries of Origin of the Projects⁴

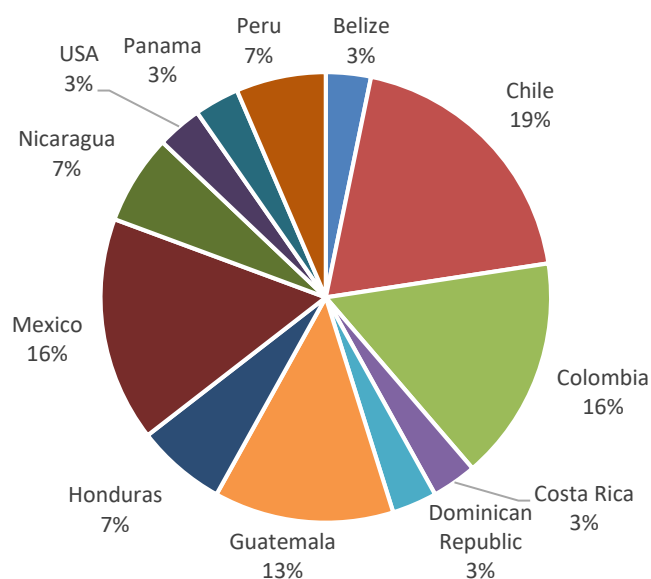
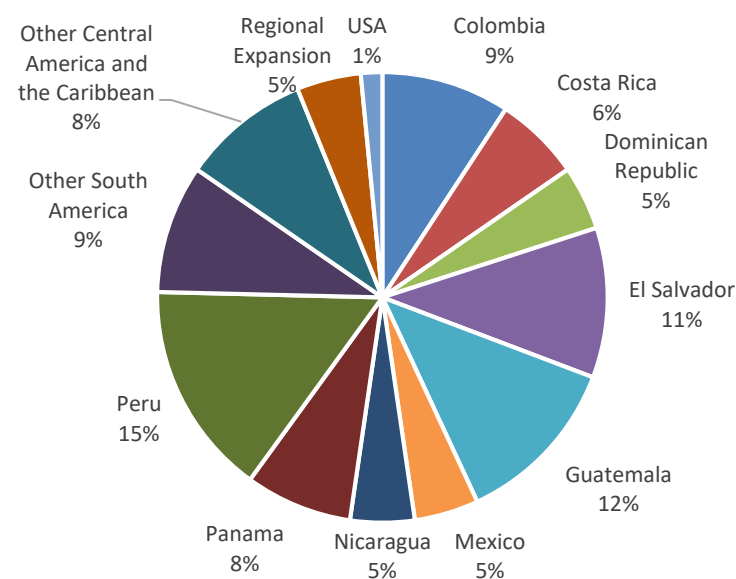


Figure 3. Countries and Regions of Projects' Scaling Destinations



The above figures show that the main countries of origins for the projects are Chile, Colombia, Mexico and Guatemala. As for the projects' scaling destinations, the most popular are Peru, Guatemala, El Salvador, and Colombia.

⁴ Some initiatives have more than one country of origin and or of scaling destination.

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When the Pathways to Prosperity Innovation Challenge was launched, any organization and partnership that were operating within eligible countries⁵ could apply. Entrants could represent all sectors—nonprofit, for-profit, government, university, or community initiatives. Therefore, the network is comprised of entities of various sizes and with different resources. Figure 4 demonstrates that the vast majority (87%) of the members' revenues are above USD\$250,000.

Figure 4. Budget Size of Member Organizations

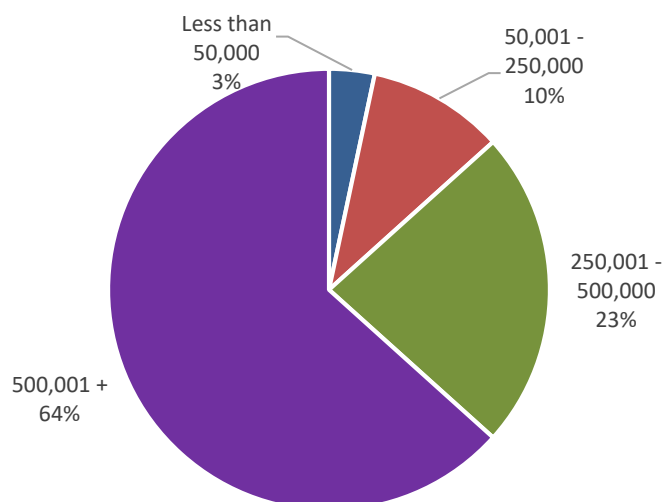
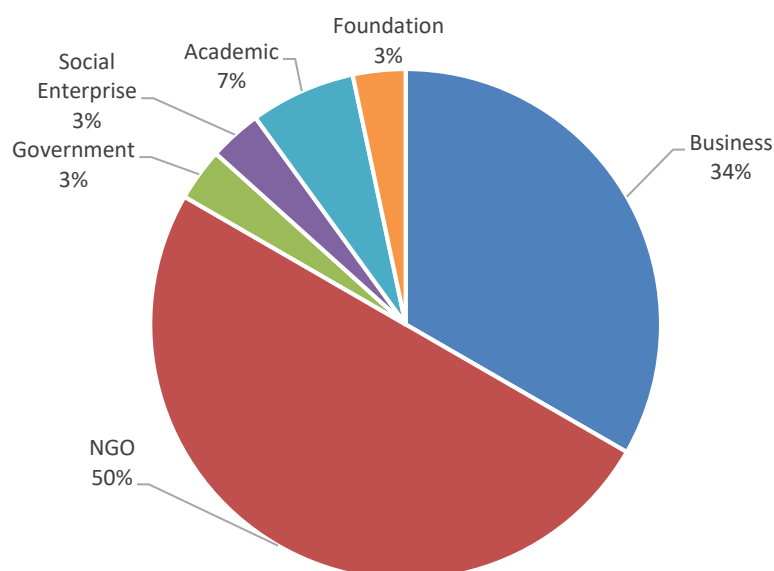


Figure 5 displays the nature of the members' institutions. As shown, the members of La Red de Pathways Challenge are mostly non-governmental organizations (NGOs) (50%) or businesses (34%).

Figure 5. Portfolio of Initiatives by Type of Institution



⁵ These were: Belize, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru, Trinidad & Tobago, and Uruguay.

To further define the members and their projects, it is important to detail the context in which they are evolving. The Pathways to Prosperity in the Americas Initiative has been established as a policy-level dialogue between countries in the Western Hemisphere and as a vehicle to propel forward innovative and transformative solutions to address some of the common challenges in terms of democracy, open markets, growth, prosperity and sustainable development. The Pathways to Prosperity in the Americas Initiative focuses on four key pillars:



Pillar I is focused on empowering micro, small and medium enterprises (MSMEs). With the objective of stimulating economic growth throughout the region, the activities that are being carried out under this Pillar seek to promote MSME's market access, modernization, technological innovation, and access to credit and finance mechanisms.



Activities under Pillar II are directed towards the optimization of trade including topics such as promoting compliance with environmental requirements, optimizing performance of public and private sector, efficiency, and transparency, with the aim of increasing market access and the flow of trade within the region.



Through the sharing of best practices, Pillar III seeks to ameliorate access to job markets, economic opportunities, and working conditions, especially for women, youth, and vulnerable populations. In addition, Pillar III activities aim to promote dialogue amongst different government bodies, workers, and employers in order to avoid labor conflicts, consequently establishing a favorable investment climate.

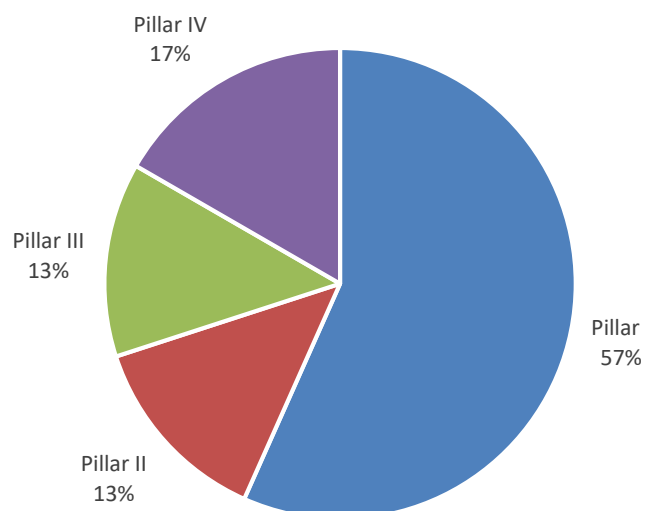


The work that is being carried out under Pillar IV strives to improve and expand cleaner production practices, especially among MSMEs. It also seeks to promote the exchange of best practices in order to help farmers and MSMEs, among other sectors, increase market access for their sustainably produced products.

The Challenge applicants were asked to classify their project by these pillars described above with the objective of selecting the four best solutions, one from each Pillar.

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Figure 6. La Red de Pathways Challenge Portfolio of Initiatives by Pillars



The majority of the projects part of La Red de Pathways Challenge were self-categorized by the members as falling under Pillar I, Empowering MSMEs (57%) with a relatively equal distribution among the three other pillars.

Table 2 below presents the details of each of the 30 projects put forward by members of La Red de Pathways Challenge, in alphabetic order. In this table, projects are briefly described, pointing to which sector they mainly operate in, what type of beneficiaries they target, the country of origin of the member organization, the geographical area they seek to scale to, the member's type of institution, its revenue, the pillar in which it operates and whether or not the member submitted a report on its progress during this year. It is important to note that, as opposed to the four grantees, the rest of the organizations part of La Red de Pathways Challenge had no contractual agreement to report on their results and activities. Nonetheless, several willingly decided to provide updates to the partners and therefore the self-reported results achieved by these members will be discussed in sections below. Only those who have submitted progress reports are highlighted in

this report.

Table 2. La Red de Pathways Challenge Portfolio - Overview of Initiatives⁶

Project-implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)	Pillar	Submitted monitoring report
AcuaCare	Water treatment that is 70% more economic than others and generates zero waste.	Agriculture Industry	All SMEs	Colombia	Colombia El Salvador Guatemala Mexico Panama	Business	\$50,000– \$250,000	4	X
Asociación Guatemalteca de Exportadores (AGEXPORT)	Provides access to global markets for small farmers in rural areas, promoting a dynamic value chain.	Agriculture	Independent farmers Small farms	Guatemala	Guatemala	NGO	\$500,000 +	1	
Bioganar International	Creates and implements biotech solutions for environmentally clean,	Agriculture Industry	All SMEs	Colombia Puerto Rico	Central America Caribbean	Business	\$250,001– \$500,000	4	

⁶ The four top entities that have been awarded funding in 2015 to scale their project to a new context or location are lightly highlighted.

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Project-implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)	Pillar	Submitted monitoring report
	sustainable organic waste and industrial water purification.				USA				
CCB	Operates an innovative mentoring model for empowering women entrepreneurs.	Commercial/Retail	Women entrepreneurs	Colombia	Colombia El Salvador Peru	Business	\$500,000 +	1	
Capitalia	Capitalia provides investment banking services to SMEs in order to increase the likelihood of success in seeking investment or financing.	All	SMEs	Colombia	Panama, Peru, Dominican Republic, Nicaragua, Costa Rica	Business	\$250,001 -- \$500,000	1	
Centro Nacional de Producción Más Limpia de Honduras (CNP+LH)	Implements a program that improves environmental performance by controlling costs and improving environmental management.	Agriculture Industry/ Manufacturing Poultry Textiles Tourism	All SMEs in: Agribusiness Industry/ Manufacturing Poultry Tourism	Honduras	Belize Panama	NGO	\$250,000– \$500,000	4	
CPML-N	Implements a program that improves environmental performance by controlling costs and improving environmental management.	Agriculture Industry/ Manufacturing	All SMEs	Nicaragua	El Salvador Guatemala	NGO	\$500,000 +	4	X
Centro Tecnológico de Aseguramiento de la Calidad (CTAC)	Provides rural areas with technology and connectivity, training, and content for wireless communication networks.	Technology	SMEs	Chile	Costa Rica, Dominican Republic, Peru	Business	Less than \$50,000	1	
Comunidades de la Tierra /Wakami	Links rural women entrepreneurs to value chains (international markets) through a customized network.	Commercial/Retail	Rural women entrepreneurs	Guatemala	Guatemala	NGO	more than \$500,000	1	X
Consejo Nacional de la Empresa Privada (CoNEP)	Implements an integrated system of certifications to reduce the complexity and cost through parallel implementation to exploit synergies, economies of scale and transfer of knowledge.		MSMEs	Panama	Regional expansion	NGO	\$250,001– \$500,000	2	X
Núcleo Biotecnología Curauma, Pontificia Universidad Católica de Valparaíso (NBC-PUCV)	Offers an open platform sharing environmental and production information with SMEs to develop and maintain indicators to measure sustainability	Agriculture Industry	All SMEs	Chile	Peru	Academia	\$500,000 +	2	X
Fundación México – Estados Unidos para Ciencia A.C.	Provides business training/advising for tech companies wanting to globalize.	Technology	Technology-based companies	Mexico	Mexico	NGO	\$500,000 +	1	X

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Project-implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)	Pillar	Submitted monitoring report
(TechBA)									
Fundación para el Desarrollo Sostenible (FUNDES)	Uses a network approach to provide customized services (training and consultancy), to generate improved business and management strategies.	Technology Agriculture	Entrepreneurs MSMEs	Mexico	Guatemala	Business	\$500,000	1	X
Fundación Parque Metropolitano la Libertad	Coordinates and hosts an annual trade fair for digital animation to promote Costa Rica and Central America as a creative hub with its own intellectual property and high production quality	Digital animation and video games	Digital animation SMEs in Central America	Costa Rica	El Salvador Guatemala	Foundation	\$500,000 +	1	X
Fundación REDDOM	Supports SMEs in accessing specialized markets through value chain alliances, in compliance with international trade and environmental regulations.	Agriculture	SMEs	Dominican Republic	Dominican Republic	NGO	\$500,000 +	2	
iCam Group	Implements a hub and spoke model whereby consultants in local areas work with businesses to support workers by developing an effective business model and generating skills required for sustainability and autonomy.	All	SMEs	Mexico	El Salvador Panama	Business	\$500,000 +	3	X
IncubatecUfro – Universidad de la Frontera	Business incubator for start-up SMEs providing access to financing and business skills	All	Start-up businesses	Chile	Chile Colombia Peru Costa Rica	Academic	\$500,000 +	1	X
Just Us Inc.	Provides skills and job training, access to employment, as part of a comprehensive strategy to reduce poverty and prevent crime.	Education Services Occupational Counseling Services	At-risk populations Youth	Belize New York City (NYC)	Belize Costa Rica Panama	NGO	\$250,001–\$500,000	3	
Lutheran World Relief (LWR)	Provides mobile technology to improve farmers' lives	Agriculture	Rural SMEs Small cocoa farmers	Nicaragua	Nicaragua Honduras El Salvador	NGO	\$500,000 +	1	X
Las Páginas Verdes (LPV)	Comprehensive network and directory of sustainable products, companies and SMEs throughout Latin America and the Caribbean (LAC).	Commercial/ Retail	Sustainable SMEs	Mexico Colombia	Chile Peru	Social Enterprise	\$500,000 +	1	X
Pago Ranking	Online web positioning service for	Technology	SMEs that	Chile	Colombia	Business	\$500,000 +	1	

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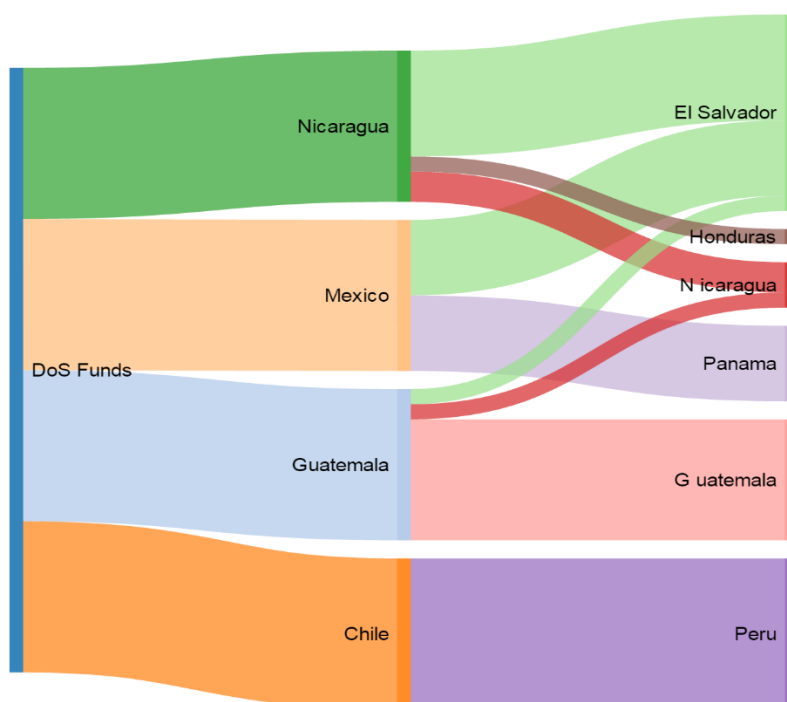
Project-implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)	Pillar	Submitted monitoring report
	SMEs to enable enhanced web presence.		benefit from online marketing		Peru				
Sector 3 Social Venture Group	Operates an online business skills training program for women entrepreneurs.	All	Women entrepreneurs MSMEs	Peru	Peru	NGO	\$250,001–\$500,000	1	
Sembrador Capital	Venture capital funds for building innovative SMEs in agriculture.	Agriculture	SMEs in Agriculture	Chile	Colombia Peru	Business	\$500,000 +	1	
Somos Más	Operates a network connecting more than 41,000 entrepreneurs across Latin America to achieve business growth.	All	Entrepreneurs	Colombia	Regional expansion Europe	NGO	\$500,000 +	3	
Starfish (Estrella de Mar)	Identifies talented young women in Guatemala’s most marginalized communities and provides them with locally contextualized skills and training to start small businesses.	Commercial/ Retail	Young women entrepreneurs in indigenous communities	Guatemala	Guatemala	NGO	\$500,000 +	1	x
UpLatam/Techstars	Leads an experiential training program for start-up SMEs with global potential.	All	Entrepreneurs Start-up SMEs	Mexico	Regional expansion	NGO	\$250,000–\$500,000	1	x
Superintendencia Nacional de Fiscalización Laboral (SUNAFIL)	Provides self-assessment tools for voluntary compliance to social and labor standards through online platform.	All	SMEs	Peru	Peru	Gov’t	\$500,000 +	3	
Travolution	Coordinates local SMEs in community tourism, serving as a community tourism operator.	Tourism	Tourism entrepreneurs	Chile	Argentina Brazil Colombia Ecuador Mexico Uruguay	NGO	\$50,001–\$250,000	1	
Vista Volcanes (VV)	Simple easy-to-use, low risk technology which generates high productivity for horticulture projects	Agriculture	Small farmers Sustainable SMEs	Guatemala	Guatemala El Salvador Nicaragua	Business	\$500,000 +	4	x
Voces Vitales Honduras	Provide a business management training program for women leaders and entrepreneurs with goal of re-building the middle class.	All	Women entrepreneurs	Honduras	Honduras	NGO	\$50,001–\$250,000	2	

3.1. Fund Allocations

In its first year of operation, La Red the Pathways Challenge awarded funds by State to four organizations who are implementing their solution in another context or location: iCam Group (Mexico), Lutheran World Relief (LWR) (Nicaragua), NBC-PUCV (Chile), and Vista Volcanes (Guatemala). The interventions conducted by these implementers are further described in the case studies section below. In monetary terms, they represent approximately USD\$2 million to spread the benefits of economic growth more broadly to citizens in LAC that State is supporting. Each of these State-funded projects fall under one each of the Pathways to Prosperity four pillars.

As of September 31, 2015, close to half of project funds (USD\$858,434 or 43%) allocated have already been transferred to the relevant implementers to finance their project activities and indirect costs. Figure 7 represents where these initiatives are coming from and where they are currently scaling.

Figure 7. Country of Origin of Grantees of the Innovation Challenge and Scaling Country



Eight countries⁷ are eligible to receive funding from La Red the Pathways Challenge. To date, and as visible in Figure 7 above, El Salvador has benefitted from the largest portion of funding, from three projects that scaled/are projecting to scale their solution there.

In addition, USD\$1,274,532 has been transferred to cover the partners' work with the network and WEC coordination and administrative expenses.

La Red the Pathways Challenge will make available up to USD\$640,000 for allocation to eight new entities (~USD\$80,000 each) to support their growth in early 2016.

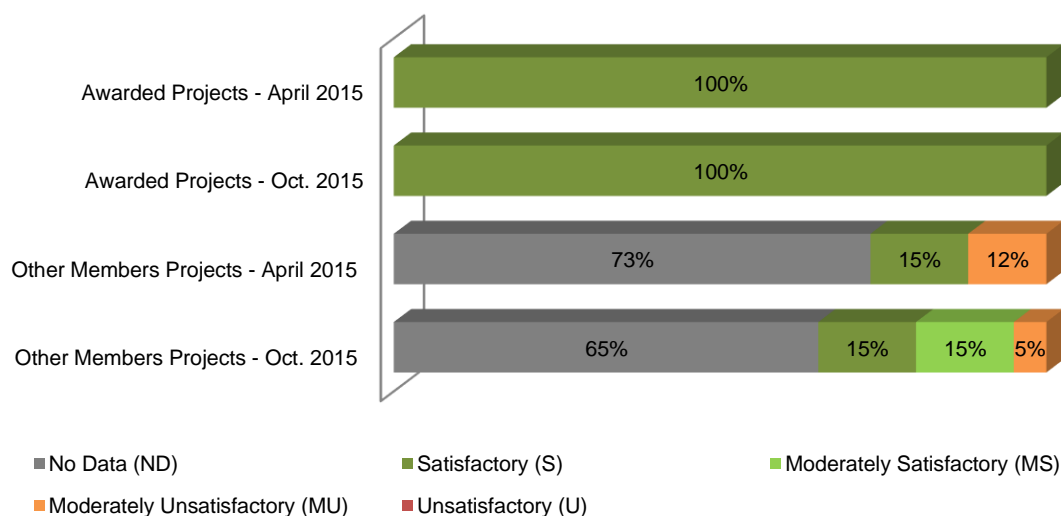
⁷ Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Dominican Republic, Panama, and Peru.

4. PORTFOLIO REPORTING AND OVERVIEW OF PROGRESS TO DATE

With support from the partners, the participating members were encouraged to collect data on the progress made in the implementation of their projects as well as on the results reached on a bi-annual cycle (April and October of each implementation year). These members were provided with a standardized reporting format designed to facilitate data collection⁸ and during project implementation, each project was asked to monitor the expected **achievements of objectives** as well as the **overall implementation progress** on a four-point scale (4- Satisfactory (S); 3- Moderately Satisfactory (MS); 2- Moderately Unsatisfactory (MU); 1- Unsatisfactory(U)).⁹

15 of the 30 La Red de Pathways members have submitted progress reports in April and/or October 2015. A few members did not provide progress data as the projects they presented to the partners were specifically designed for the network and without the funding, they did not initiate the implementation. Nonetheless, half of the members provided progress reports to the extent possible, some with little or no data (ND) on the monitoring of results reached. Despite this and as an overall, projects approved this year and part of the network are expected to yield good or excellent results. Figure 8 below present the results of the self-assessments from members concerning their progress towards reaching their objectives and results as well as in their project's implementation progress. The figure presents the data by differentiating the four winners from the 26 other members and by reporting cycle.

Figure 8. Performance Rating - Progress towards Achievement of Objectives of Members of La Red de Pathways Challenge & Implementation Progress of Members' Project, for YR 2015



It is important to note that as opposed to the four grantees, the rest of the organizations part of La Red de Pathways Challenge had no contractual agreement to report on their results and activities. That explains why for the majority, there are no data to report. However, a positive trend is visible as more members did send their progress report in October than earlier in April, which can be interpreted as a sign that as relations are built with

⁸ Please see La Red de Pathways' M&E Plan for more details on the monitoring process and the tools used.

⁹ Ratings are based on standardized benchmarking scales.

the members, those feel more engaged and willing to participate as they see the value in doing so. In April 2015, 10 members had submitted their progress reports whereas in October, 15 had done so. The four winners, for both 2015 reporting cycles, self-rated their progress towards achievement of objective and implementation progress as 'satisfactory'. The majority of the other members also rated their progress as 'satisfactory', even though they did not receive funds as part of their participation in La Red the Pathways Challenge. However, four of the latter self-rated their progress as 'moderately satisfactory' and two as 'moderately unsatisfactory'. Although it is quite early to determine the causal link between the presence of funding and level of self-rating, it can be noticed that only members from the projects not receiving funding have self-rated their progress below satisfactory. This information needs to be coupled with the actual monitoring data to better provide meaning on the self-rating. Lower self-rating does not necessarily mean lower implementation progress but rather that the members are less satisfied with the progress compared to what they were expecting.

As projects approved this year begin to be completed and others are also awarded to scale-up further in 2016, actual results achieved will be compared with expected results recorded at the time of approval, and their contribution to the Pathways to Prosperity Initiative's pillars will be tracked through the use of Standard Foreign Assistance Indicators (F indicators)¹⁰. At this point, the analysis by pillar of the self-rating system is somewhat difficult to interpret as very few projects have been awarded funds and there are too few progress reports to really distill trends and findings. Since it will take some time for actual results to be produced by projects approved by La Red de Pathways Challenge, this year's annual report uses five case studies to report on actual results achieved by projects under implementation, with a particular focus on the four winners.

4.1. Results Achieved Against F Indicators

Table 3 below summarizes key cumulative data regarding F indicators and related progress made by the four grantees as of September 30, 2015. As the four winners of the Innovation Challenge are the only members presently receiving funding from State as part of their work with La Red de Pathways Challenge, only their results are presented in this table. Other highlights from the rest of the network are discussed in subsequent sections.

Table 3. Summary of Cumulative Data for F Indicators – Four Grantees of the Innovation Challenge, for YR 2015

Aggregated Results Against F Indicators	Results Achieved by October 2015, Disaggregated by Organization	Implementing Organization
113 SMEs from five different countries in LAC are directly benefitting from United States Government (USG) enterprise assistance through the four funded projects of the Innovation Challenge. * 4.7.3-6	40 beneficiary SMEs have initiated the implementation process of SIMAPRO, a methodology based on social dialogue and integrated measurement for improvement of productivity in organizations: <ul style="list-style-type: none"> In El Salvador: 20 SMEs In Panama: 20 SMEs 	iCam Group
	31 cacao SMEs ¹¹ received training on the use of the LWR information technology: <ul style="list-style-type: none"> In Nicaragua: 31 cacao SMEs (6 women owned) 	LWR

¹⁰ F indicators are a standard set of indicators which allows for the consolidation of certain key results to provide a picture of what is being achieved with USG foreign assistance resources to Congress and the public. Please see La Red de Pathways' M&E Plan for more details on these.

¹¹ In many cases, these are individual producers but the project implementers consider these as SMEs; therefore, they have been included in the count. However, it was felt that it was important to highlight this particular nuance.



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Aggregated Results Against F Indicators	Results Achieved by October 2015, Disaggregated by Organization	Implementing Organization
 <p>40 persons have gained a new employment through these projects, amongst which 15 are women.</p> <p>~1500 persons can be considered as having gained better employment, though the benefits and what these benefits are cannot be ascertain at this time. *4.6.3-2</p>	<p>21 SMEs registered information in the CompiteMAS platform and are learning how to track performance indicators for strategic decision making:</p> <ul style="list-style-type: none"> <i>In Peru</i> : 21 SMEs <p>21 beneficiary SMEs¹² benefit from the VV growing technology:</p> <ul style="list-style-type: none"> <i>In Guatemala</i> : 21 SMEs (2 women owned) <p>The project contracted 30 consultants to work for the project, amongst which 33% are women:</p> <ul style="list-style-type: none"> <i>In El Salvador</i>: 14 consultants working for the project (5 women) <i>In Panama</i>: 16 consultants working for the project (5 women) <p>In addition, and more generally speaking, employees from the 40 beneficiary SMEs (~1388 persons, among which 47% are women) now work in what they consider better working conditions in terms of physical and/or mental conditions as well as in some cases remuneration.</p> <ul style="list-style-type: none"> <i>In El Salvador</i>: 679 employees working in the 20 participating SMEs (403 women) <i>In Panama</i>: 709 employees working in the 20 participating SMEs (252 women) <p>The project contracted 10 persons to work for the project in Peru, amongst which 50% are women:</p> <ul style="list-style-type: none"> <i>In Peru</i> : 10 persons comprising CompiteMAS Peru field based team (5 women) <p>12 beneficiaries now receive nominally the minimum salary.</p> <p>From the 23 projects implemented by VV, 98 family members have new/better employment.</p> <ul style="list-style-type: none"> <i>In Guatemala</i> : All results mentioned occurred in Guatemala. 	<p>NBC</p> <p>VV</p> <p>iCam Group</p> <p>NBC</p> <p>VV</p>
<p>94 farmers¹³ are now applying new technologies and/or management practices to improve their crops. * 4.5.2-5</p> 	<p>50 cacao farmers are now receiving data through the LWR digital tools:</p> <ul style="list-style-type: none"> <i>In Nicaragua</i>: 26 farmers (5 women) <i>In Honduras</i>: 24 farmers (6 women) <p>44 farmers have adopted new technology</p> <ul style="list-style-type: none"> <i>In Guatemala</i>: 44 farmers (13 women in two projects) 	<p>LWR</p> <p>VV</p>
<p>25 beneficiary SMEs now use technologies or practices that better respond to environmental standards.</p>	<p>4 beneficiary SMEs now use more sustainable management practices:</p> <ul style="list-style-type: none"> <i>In Peru</i> : 4 SMEs <p>The 21 beneficiaries that have adopted the new technologies have</p>	<p>NBC</p> <p>VV</p>

¹² *Idem.*

¹³ The project CompiteMAS of the NBC-PUCV works with Farmer and Livestock Producers Associations in Peru. It is not clear at this point in time however how many farmers or if any have applied new technologies or management practices yet as a result of assistance received. This data will likely come up in subsequent reporting.

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Aggregated Results Against F Indicators	Results Achieved by October 2015, Disaggregated by Organization	Implementing Organization
<p>* 4.5.2-42</p> 	<p>reduced their insecticide use to non-use:</p> <ul style="list-style-type: none"> <i>In Guatemala</i> : 21 beneficiaries 	
<p>Annual economic savings of SMEs / Annual income level of SMEs ¹⁴</p> 	<p>None to report at this time. iCam will measure the average return on investment (ROI) in the participating SMEs. This data will likely come in subsequent reporting.</p> <p>Too early to report. NBC established the baseline to measure the profitability of the participating SMEs. This data will likely come in subsequent reporting.</p>	<p>iCam Group</p> <p>NBC</p>

Overall it is evident that all the projects funded by State as part of La Red de Pathways Challenge are well underway and are already contributing to priority areas of the USG, while progressing well in their implementation.

To date, through the combined efforts of the four winning members and their local counterparts:

- 113 SMEs of five different countries in LAC are being supported and empowered with the objective of stimulating economic growth throughout the region;
- 40 persons have gained a new employment through these projects, amongst which 15 are women (37%). In addition, ~1500 persons can be considered as having gained better employment, though the details of what "better employment" means is diverse;
- 94 farmers are now applying new technologies and/or management practices to improve their crops;
- 25 SMEs that benefitted from USG supported assistance now use technologies or practices that better respond to environmental standards.

These results add to other results achieved by the four grantees as well as the other 26 organizations part of La Red the Pathways Challenge and presented briefly below.

4.2. Results Achieved by Pillar

Although the members have provided their progress reports on an individual basis, this Annual Report aggregates the data at the pillar level to present a unified/macro view of how the network is progressing and contributing to the priority areas as a whole. To render the information and data presented below intelligible and interesting, the pillars have been divided into sub-objectives to better capture the progress made by the network. Summary tables are presented for each pillar.

¹⁴ As per State guidance, this indicator should measure the change in costs (or savings) and revenue (or income).

4.2.1. Pillar I – Empowering MSMEs

The projects categorized in Pillar I¹⁵ have contributed to empowering their beneficiary SMEs by promoting their access to markets and/or financing mechanisms, and by strengthening the way they manage their business, either by supporting their modernization or by facilitating training and connections. The table on page 15 presents projects' monitoring data rolled-up into the sub-objectives. Details from each project are also presented.

4.2.2. Pillar II - Facilitating Trade and Regional Competitiveness

To facilitate trade and regional competitiveness of the beneficiary SMEs in LAC, members' projects have provided their beneficiaries with training, technology and guidance material with a view to having some SMEs be certified or to comply with regulations. The projects also facilitated the development of partnerships between the SMEs and relevant institutions as well as promoted efficiency and transparency in the management of their trade operations. More details are provided and presented on page 16.

4.2.3. Pillar III – Developing a Modern Workforce

Pillar III speaks to stimulating job creation/enhancement and eventually creating new employment. To reach these targets, events, official documents, training material as well as workshops were developed to start building the capacities of stakeholders, also with the intention of improving working environments. Key results are displayed in the table on page 17.

4.2.4. Pillar IV - Sustainable Business Practices and Environmental Cooperation

The last pillar is essentially centered on the role SMEs can play in safeguarding the environment. The idea is to support SMEs in integrating cleaner production practices in their day-to-day management and to better comply with environmental requirements and therefore diminish the negative impact they can have on the environment while also becoming more sustainable. The projects also endeavored to increase the visibility of products developed in a sustainable way. Please see the results achieved under this pillar on page 18.

¹⁵ In certain circumstances, data on a project from a specific pillar might be presented in another pillar as well, if deemed pertinent for both. However, in the same pillar, the same beneficiaries will not be counted twice.

Pillar I - Empowering Micro, Small, and Medium-sized Entities (MSMEs)

214 SMEs have been supported through the projects of the members of La Red de Pathways Challenge.

206 persons (farmers, producers, technicians) received assistance and professional feedback this year from La Red de Pathways Challenge's member organizations.

Promote MSME's market access

1 new store was opened in Guatemala by *WAKAMI* where members of Wakami Villages can sell their products.



5 SMEs working in the animation and video game sector in Costa Rica have been supported by a project from *Fundación Parque Metropolitano La Libertad* and are now present in the international market. These five new beneficiary SMEs and those that were already part of the project (10) have received assistance to participate in four international events for the animation and video game industry.

10% of Mexican companies supported by *TechBA* established themselves abroad and 20% of them have made strategic alliances abroad.



Support MSME's modernization, technological innovation

15 SMEs supported by the project of *IncubatecUfro* in Chile adopted new technologies as a result of the support provided to generate spin-off (e.g. research, prototyping, development, etc.);



60 cacao producers (including 11 women) and 10 technicians (including 4 women), all beneficiaries of *LWR*'s project, received relevant information and data through the new digital tool offered to them and promoted by the project as well as training:

- In Nicaragua: 26 (5 women)
- In Honduras: 24 (6 women)

44 Guatemalan farmers (including 13 women) have started to use greenhouses to grow their vegetable crops instead of relying on more traditional methods thanks to *VV*'s project.

Facilitate MSME's access to credit and finance mechanisms

10 Costa Rican animation and videogame SMEs supported by the project of the organization *Fundación Parque Metropolitano La Libertad* are in discussion with banking institutions to explore potential financing of their operations. 13 lobbying events have been organized by the project to attract the attention of financial institutions and the government to the animation and videogames industry in the country and four documents (i.e. three reports and one strategy) have been produced to enhance the industry's access to credit.

9 Chilean beneficiary SMEs receiving support from *IncubatecUfro* received subsidies thanks to the project.



13% of *TechBA* supported companies (from Mexico) obtained private investment as a result of the support provided by the initiative.

Strengthen Business Management/Competitive development

79 SMEs received training, certification and/or technical assistance to better manage their business:

- In Chile: 29 start-ups supported (*IncubatecUfro*)
- In Peru: 50 SMEs supported (including 2 companies that have been certified) (*NBC*)

58 producers created new business connections as a result of the support they received:

- In Guatemala: 58 new producers have been integrated in the *Wakami* value chain.

57

persons also received training, certification and/or technical assistance to better manage their business:

- In El Salvador: 2 farmers trained (VV)
- In Guatemala: 55 farmers trained (VV)
- In Nicaragua 32 farmers trained (VV and LWR)

15

SMEs created new business connections as a result of the support they received:

- In Costa Rica: 15 animation and videogame SMEs have been integrated in an agreement with the Canadian industry and relevant governmental institutions. These SMEs have also developed new contact with regional instances from the industry thanks to *Fundación Parque Metropolitano La Libertad*.

In Chile: 7 new networks and communication channels were created for SMEs with shared interest by *IncubatecUfro*.

Pillar II - Facilitating Trade and Regional Competitiveness

15

SMEs have been supported to have access to new/demanding markets through the projects of the members of La Red de Pathways Challenge.

- In Guatemala: 13 SMEs
- In Peru: 2 SMEs



50

SMEs in Peru have been trained through workshops and seminars on sustainable management practices as part of NBC CompiteMas project.

238

persons received trade related training and/or technical assistance:

- In Guatemala: 13 SMEs are involved in constant training on their integration in the *Wakami* value chain. These represent 238 producers.

Helping firms take better advantage of trade agreements/trade requirements

4

SMEs' export potential diagnostics (including action plans) have been developed by *CoNEP* for their beneficiary SMEs based in Panama. 70% of their recommendations were implemented by the four beneficiary SMEs. These SMEs are also in the process of being certified and have participated in 12 workshops to receive new certification.

238

Producers from 13 SMEs from Guatemala are involved in constant training on their integration in the *Wakami* value chain. One manual was also developed to help beneficiaries understand the process of obtaining the *Wakami* certification program.

2

SMEs have been certified in the use of sustainable management practices.

- In Peru: 2 SMEs have been certified thanks to *NBC CompiteMas* project
- In Panama: 4 SMEs are in the process of being certified and have participated in 12 workshops to reach the certification as part of *CoNEP*'s project.

Certified



Promote compliance with public and private environmental requirements for the private sector

8

SMEs have adopted new technologies or practices to respond to environmental standards:

- In Panama: 4 SMEs are now using cleaner production practices as a result of *CoNEP* assistance.
- In Peru: 4 SMEs now use sustainable management practices as a result of *NBC CompiteMAS* project support.



Many of *NBC CompiteMas* project beneficiary SMEs' conformity levels to the environmental norms have passed from very low to low, which is a marked improvement.

Promote collaboration/integration between entities/key actors

11

public-private partnerships were signed and/or business connections created/supported as a result of the assistance provided by the project of the member.

- In Panama: 7 public and private institutions are participating together in a committee formed explicitly by the *CoNEP*.
- In Peru: 4 SMEs have been supported by *NBC* during their participation in international events promoting their products

4

SMEs supported by *CoNEP* received support during their participation in international events aimed at promoting their products.

Increased efficiency and transparency in the management of trade operations through a better use of information technologies

4

SMEs are now using indicators to track the eco-efficiency of their management and production mechanisms. 100% of the representatives from these SMEs are satisfied with the support *CoNEP* is providing. SMEs have improved their managerial practices as a result of the project.



25

SMEs adopted new technologies/monitoring systems to track key metrics/key performance indicators (KPIs) and new management practices aimed at increasing efficiency and/or transparency in their operations:

- In Peru: 21 beneficiary SMEs of *NBC CompiteMas* project have collected data on their sustainability practices to compile their baseline data. 20 of these SMEs now have a plan called "Ecomejora" to environmentally improve the way they manage their business.
- In Panama: 4 SMEs supported by *CoNEP* are using indicators to track the eco-efficiency of their management and production mechanism. 100% of the representatives from these SMEs are satisfied with the support *CoNEP* is providing.

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Pillar III - Developing a Modern Workforce

~1,388

SMEs' employees now benefit from better working environments.

Generally speaking, employees from the 40 beneficiary SMEs part of *iCam Group* project (~1,388 persons, among which 47% are women) now work in what they consider better working conditions in terms of physical and/or mental conditions as well as in some cases remuneration.

- In El Salvador: 679 employees working in the 20 participating SMEs (403 women)
- In Panama: 709 employees working in the 20 participating SMEs (252 women)

1,400

start-ups were generated.

- *Techstars*, through their Community's Program, generated 1,400 start-ups, helping improve access to job markets (including self-employment), mostly for youth.



Enhance working conditions, especially for women, youth, and vulnerable populations

40

SMEs (20 in El Salvador and 20 in Panama) are working with *iCam Group* to implement the SIMAPRO methodology to improve working conditions. The work accomplished with the SMEs lead to more than a 1,000 proposals to improve working conditions (959 in El Salvador and 197 in Panama) of which between 50% and 60% have been implemented. This has led to the increase of the level of satisfaction of employees with working conditions in the beneficiary SMEs from 58% to around 65%.

12,600

Youth participated in the experience sharing events of the Startup Weekends organized by *Techstars*. 30% were women (3,780).



98

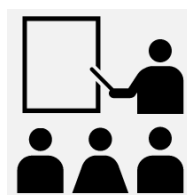
family members in rural Guatemala have found employment through VV 23 projects implemented to date.

Promote dialogue amongst different government bodies, workers, and employers in order to build a good working environment

174

events, trainings, or activities designed to build support for good labor relations (for example, through dialogue, outreach, prevention, and alternative dispute resolution) were organized as part of *iCam Group* project

- In El Salvador: 160
- In Panama: 14



167

documents promoting the dialogue between different stakeholders have been produced.

As part of *iCam Group* project, 37 working arrangements were signed between SIMAPRO network members including consultants, SMEs, government bodies, employee associations and educational institutions. In addition, 40 reports including diagnostics, training summaries and baselines (one for each of the SMEs in each country, 20 in El Salvador and 20 in Panama) and 2 evaluation reports on the working conditions in the beneficiary SMEs have been developed (one in each country). 88 official SIMAPRO bulletins, news and testimonies were also published through the local and regional electronic platforms (48 in El Salvador and 40 in Panama).

Pillar IV - Sustainable Business Practices and Environmental Cooperation

44

producers have adopted cleaner production technologies or practices:

- In Guatemala: 44 farmers (VV)



8

SMEs have adopted cleaner production technologies or practices:

- In Panama: 4 SMEs are now using cleaner production practices as a result of CoNEP assistance.
- In Peru: 4 SMEs now use sustainable management practices as a result of NBC Compitemas project support.

Improve and expand cleaner production practices, especially among MSMEs

200

persons received training/technical assistance designed to build capacity/educate/develop awareness about cleaner production:

- In Peru: ~200 people participated in trainings/workshops related to cleaner production practices in SMEs and greenhouse gases mitigation delivered by NBC through their Compitemas Project.

2

agreements were signed between stakeholders involved in the CPML-N project. One in Nicaragua, and another was signed with LWR to provide funds for the project.

44

Guatemala farmers have adopted VV project's vegetable growing technology, including 13 women taking part in the projects.



Promote compliance with public and private environmental requirements for the private sector

3

organizations switched to a sustainable way to treat polluted water:

- In Colombia: *Acua Care* installed 2 prototypes using worms for water filtration for commercial use and 1 for the community. Potential future *Acua Care* clients have increased dramatically since Colombia adopted a new resolution (ref.0631) which creates penalties for wastewater.



Encourage public participation in environmental decision making and promote the exchange (of best practices)

3

events were organized encouraging public participation were held:

- In Mexico: LPV held a Green Shopping Festival (EcoFest) and organized a Sustainable Business Fair (Sector Verde). Both events seek to foster sustainability by promoting "green consumption". ~3000 persons attended the workshop and conferences around green consumption organized by LPV.
- In Nicaragua: A municipal forum was held by CPML-N amongst SMEs involved in the project in Nicaragua.

Increase market access for sustainably produced products

311

new SMEs have been integrated in the LPV catalogue promoting green products.

The member organization also noted an increase of 531 persons in the average of new persons a month that are now using the online search engine from LPV (from 1,370 to 1,901) with a small decrease in percentage of average clicks per month on their online bulletin due to external factors.

VV will be working with beneficiaries to market and sell their sustainably produced products in the next phases of their project.



5. CASE STUDIES

La Red de Pathways has only been in operation for about a year.¹⁶ However, as is evident from data presented in reports provided by members and aggregated here in this Annual Report, progress is being made to help serve countries participating in the Pathways to Prosperity in the Americas Initiative as they strive to learn from one another's experience and spread the benefits of economic growth more broadly to all citizens. La Red de Pathways has attracted a robust portfolio of innovative and transformative projects. A snapshot of selected projects showcasing the different areas supported by La Red de Pathways, is provided below. At this point in time, since only four awardees have begun implementation to scale their solutions with funding granted through La Red de Pathways, the focus of the case studies is on those initiatives which fall under each one of the different pillars pursued by the Pathways to Prosperity in the Americas Initiative. In addition, a case study showing a concrete example of how the connections made through the network help participants strengthen and augment the reach and effects of their solutions is also presented as an important result achieved in this first year of operation.

¹⁶ The announcement for the expansion of the funding granted to WEC and its partners to create La Red the Pathways Challenge was announced in September 2014, which is considered the official launch, making it roughly a year.

5.1. Pillar I – Empowering MSMEs: Mobile Cocoa



LWR's 'Mobile Cocoa' project seeks to *improve the competitiveness of MSMEs* in the cocoa sector from Nicaragua, Honduras and El Salvador by:

- Improving the management of cacao SMEs by digitizing and providing training on a cocoa toolkit;
- Enabling better access to information and opportunities for exchange, and;
- Ensuring better representation of cocoa SMEs in policy discussions.

Progress:

Approval Date	Projected End Date	Total Funding (State)	Amount Disbursed (as of Oct. 2015)
January 2015	May 2017	USD\$ 499,999	USD\$ 46,633 (9%)

LWR officially launched their project during the Cocoa Producers Forum held on November 11, 2015 in Managua, Nicaragua.

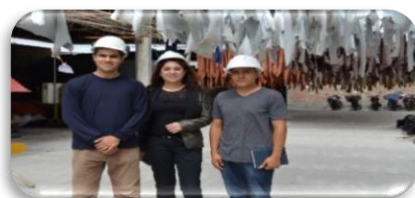
To date, LWR successfully distributed approximately 40 smartphones equipped with data plans and the mobile cocoa application to their local promoters in all three countries where they work, except in El Salvador for which smartphones were bought but have not been distributed yet.

Additionally, in Nicaragua and Honduras, they have completed training workshops in the use of the cell phones and corresponding applications. LWR also supported the organization of two national forums to increase visibility of the Cacao sector.

Links of Interest:

- Press Release announcing the launch of the project during the Cocoa Producers Forum: http://forocacao.com/media/Nota_de_Prensa_Cacao_Movil.pdf
- Cocoa Producers Forum : <http://forocacao.com/>
- LWR Website : <http://lwr.org/>

5.2. Pillar II – Facilitating Trade and Regional Competitiveness: CompiteMas



The aim of 'CompiteMAS Peru' implemented by the NBC-PUCV is the development and implementation of the CompiteMAS online management platform for **increasing the competitiveness and sustainability of SMEs** in Peru.

Specifically, CompiteMAS aims to:

- Facilitate SMEs' access to markets that demand sustainability standards;
- Transfer to small businesses the tools to meet the requirements of markets (for example through cleaner production trainings or through support requirements of a quality management system);
- Create opportunities for exchange between SMEs to identify new needs for sustainability;
- Provide businesses with the strategies necessary to strengthen sustainability and reduce their risks against market changes.

Progress:

Approval Date	Projected End Date	Total Funding (State)	Amount Disbursed (as of Oct. 2015)
January 2015	August 2016	USD\$ 500,000	USD\$ 220,691 (44%)

21 SMEs were selected as direct beneficiaries of CompiteMAS Peru. These SMEs are receiving tailored and personalized support throughout the project life. This year, the CompiteMAS team helped these beneficiaries establish a baseline diagnostic as well as an energy audit. These were helpful to companies to determine their energy consumption, visualize potential opportunities for energy savings, which, along with reducing energy use, can translate into increased productivity and potentially in a reduction / reuse of waste as well. Almost all of the participating SMEs developed, based on these diagnostics, an environmental/eco-friendly improvement plan. Additionally, 24 other SMEs, as indirect beneficiaries, presently have access to the online platform to assess their performance. It is expected that by the end of the project, close to 300 SMEs will be involved in the project as indirect beneficiaries.

The NBC- PUCV team, with Peruvian experts, also conducted seminars on sustainable practices with the Peruvian SMEs this year and organized broader (public) educational workshops and seminars on these themes.

Links of Interest:

- CompiteMAS Website : <http://www.compitemas.pe/>
- Video on Chilean TV explaining the project in Peru: <https://www.youtube.com/watch?v=Kk1fliWxTtY>

5.3. Pillar III – Developing a Modern Workforce: SIMAPRO



The 'SIMAPRO¹⁷ MSME' project of iCam Group is based on the **construction of communication networks, collaboration and learning in the company, between companies, and other stakeholders** such as employers and workers organizations, universities and government agencies.

The project seeks to:

- Improve SMEs' working conditions, productivity, and competitiveness in El Salvador and Panama by utilizing the SIMAPRO methodology;
- Develop capabilities and local conditions for development in both countries, in order to continue scaling to other SMEs, in an autonomous way.

Progress:

Approval Date	Projected End Date	Total Funding (State)	Amount Disbursed (as of Oct. 2015)
January 2015	August 2016	USD\$ 499,888	USD\$ 206,427 (41%)

40 SMEs (20 in El Salvador and 20 in Panama) have started the implementation of the SIMAPRO model with the help of 30 consultants trained and hired locally specifically to support these organizations in their efforts to build employees' capacities and develop a culture of constant learning inside the organizations with a view to improve productivity and working conditions. Most organizations have, or are about to, complete the first phase of the model which consists in a 'marathon of improvements' and are now entering a phase of monitoring and measurement. The project tracks achievements through their online platform SIMAPRO-Latam and disseminates results and successes through frequent newsletters and news posted on their website.

Link of Interest:

- iCam Group SIMAPRO Website : <https://www.simaprolatam.org/index.php>
- Video on Salvadorian TV explaining the project in El Salvador:
<https://www.youtube.com/watch?v=ouUcuKWH8g>

¹⁷ SIMAPRO stands for Integral Measurement System and Productivity Improvement (Sistema Integral de Medición y Avance de la Productividad in Spanish).

5.4. Pillar IV – Sustainable Business Practices and Environmental Cooperation: Capilla Malla Inocua



The 'Capilla Malla Inocua' project of VV offers a **technological package** to rural communities in Guatemala, El Salvador and Nicaragua for the **production of pesticides free tomatoes in greenhouse**.

This project works towards:

- Improving rural families' way of living (both economically and environmentally speaking), turning them into successful families (e.g. reaching incomes that meet their commitments and financial needs, turning them into small entrepreneurs) and becoming an example to their communities;
- Ensuring the efficiency and quality of their products;
- Providing them with access to competitive markets for their sustainably produced products.

Progress:

Approval Date	Projected End Date	Total Funding (State)	Amount Disbursed (as of Oct. 2015)
January 2015	May 2017	USD\$ 500,000	USD\$ 384,683 (77%)

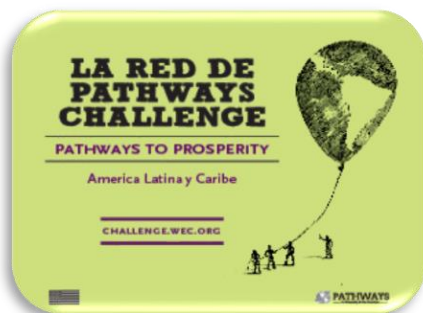
As of September 2015, 33 projects are under implementation in Guatemala. A few of the beneficiaries of VV project have already started their harvest season, with the first production of tomatoes and green peppers in Guatemala.

Some people were also trained in all three countries (Guatemala, El Salvador and Nicaragua). The diagnostic phase of the project to scale in El Salvador and Nicaragua has also started with some field visits taking place in both countries to find interested communities and appropriate locations for the implementation of the project.

Links of Interest:

- Video explaining the 'Capilla Malla Inocua' project of VV by the project director, Ramón Cermeño: <https://www.youtube.com/watch?v=gjRO5pNl1jc>
- Vista Volcanes S.A. Website : <http://www.vistavolcanes.com/>

5.5. La Red de Pathways Challenge: The Network Connections



La Red de Pathways Challenge is a collaborative network of 30 organizations in LAC working to support SMEs, accelerate business development, and promote sustainable economic growth. The Network is designed to empower these organizations to scale solutions. As part of their engagement, network members connect through an online platform and through in-person events, share ideas and skills with one another, and have created and refined their strategies for increasing their scale and impact.

Through the alliances developed with two of the winners of the Innovation Challenge, namely iCam Group and NBC, the CoNEP - another member of La Red the Pathways Challenge based in Panama - and its technical partner, the Centro Nacional de Producción Más Limpia (CNPML) of Panama, epitomize the strengthening of the effect of members' solutions through the exchange of good practices and ideas. Early on when iCam Group was awarded funds from State to implement their project 'SIMAPRO MSME', the CoNEP and the CNPML decided to become extensively involved with the scaling of this model in their country, Panama. One representative from the CoNEP decided to get trained by iCam Group to act as a consultant of the SIMAPRO methodology in organizations in Panama, bringing to iCam Group his knowledge and connections of the private sector in Panama and also harnessing the opportunity to learn innovative ways to motivate employees in companies, an area for which he had been seeking advice and guidance for a long time prior. The CNPML for its part decided to get involved as a beneficiary SME, receiving the assistance of the project to implement the SIMAPRO model in the organization.

Later on, and as part of connections made between organizations during the Grand Forum organized by La Red de Pathways Challenge in Miami in September 2015, representatives from the NBC and the CoNEP met and discussed similarities of their respective work. There was a good opportunity for synergies and after the event, they have remained in contact to discuss the possibility to bring the NBC 'CompitemAS' platform and tools to Panama. Yet again, and as was the case with iCam Group, the NBC could benefit of CoNEP's experience in the country to adapt its project to this new context, while allowing CoNEP to complement and enhance the work it is currently doing in Panama through the technological innovation that CompitemAS could bring to their country.

The following figure comes from a revision of CoNEP and CNPML's joint proposal that these organizations had presented to the Innovation Challenge in 2014, which is named 'Sistema de Gestión Integrado (SGI)', and that now integrates tools, methods, and approaches learned through contact with the CompitemAS and SIMAPRO projects as part of La Red the Pathways Challenge, making it now a comprehensive and more robust solution.

Figure 9. Integration of SIMAPRO and CompiteMAS to SGI Proposal¹⁸



This story exemplifies the true win-win situations made possible by La Red de Pathways Challenge and stands as an extraordinary example of both "innovation" and cooperation that the Challenge has catalyzed as well.

¹⁸ A.CERRUD. (2015). *Sistema de Gestión Integrado para el fortalecimiento de las PyME's en Panamá*, PPT.

6. UNEXPECTED RESULTS

Generally speaking, the sole fact that 15 out of the 30 members have submitted their progress reports in one or both of the reporting cycles is a great result which, if not unexpected, surpasses the expectations of the partners. This shows good commitment to the network from its members and a deep interest in the process overall. This is further evidenced by the members' participation on Schoology, and in events organized and implemented by the partners. Some members participated in the network even more actively, actually providing webinars to other members and/or facilitating CoP where they shared with others some good practices learnt from experience in a particular domain, as described in section 2.

The networking and alliances developed through the work accomplished by the partners and members inside La Red de Pathways Challenge – exemplified in the last case study presented above – is also considered a result that exceeded expectations and was generally unforeseen. La Red de Pathways Challenge had initially thought that connecting the members to funders and external connections was what could be really helpful and beneficial to the members. However, in addition, the members also quickly noticed that there was good potential for them to also develop such links with other members of La Red de Pathways Challenge. These links are directly attributable to the network through: communication from, and management by, the partners of the online platform for members only; regular and consistent communication through all other means to the members; and the members' self-initiative in developing potential synergies with other members where they see the leverage that can be achieved.

While implementing the projects with the support from the La Red de Pathways Challenge partners and members, some member organizations have started receiving additional funding or support to implement their projects. One of these projects, the LWR 'Mobile Cocoa', has been awarded further financial support to increase the reach of its results. The LWR members have brought to the attention of the partners that they had used the skills acquired through La Red de Pathways Challenge (e.g.: pitching techniques, use of RBM tools such as logic models for project presentation, etc.) to obtain the additional funding.

7. CONCLUSION

To conclude, although this first Annual Report is more descriptive than analytical, generally speaking, the projects are progressing quite well in terms of their implementation plans and at a satisfactory pace. At a more macro level, it seems that many of the projects are on track to achieving their targets – some have already surpassed them, even without receiving funding from La Red de Pathways Challenge – and eventually making a contribution towards higher-end results.

It is important to keep in mind, however, that the information presented in this report is solely based on data provided by the members themselves. The partners are following up to the extent possible to make sure the information is as detailed as possible but there always exist risks with any system based on self-reported monitoring. The midterm evaluation (MTE) planned to take place from November 2015 to early 2016 will provide a more objective and external perspective on the results reached by the awardee projects while analyzing data much more extensively, although the evaluation exercise will not cover all members' projects presented here. The Annual Report is still a source of information that can serve to give a snapshot at how things have advanced in the last year (and up to September 2015) and against which progress later on can be compared.

Next steps

In the upcoming year, one of the most important milestones for La Red the Pathways Challenge will be the selection of eight sub-awardees for a USD\$80,000 grant from State. It is to be expected that the members that will be selected — and potentially others — will want to update their monitoring tools to better track the results of their activities and they will be encouraged to do so. The partners will continue supporting all interested members whether they are selected as part of the eight sub-awardees or not. However, it is to be expected that those that will not be selected will probably have somewhat less incentives in continuing providing data on the implementation of their projects. To the extent possible, partners' will need to place effort on attempting to keep them active in the network. In that sense, making sure that all reporting tools are as user-friendly and simple as possible will be a target the partners will work towards.

Figure 10. Overview of Timeline and Past and Upcoming M&E Milestones

