



**Pathways to Prosperity Innovation
Challenge / *La Red* de Innovación e
Impacto**

Evaluation of Agreement S-LAQM-13-GR-1202

Evaluation Report

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EXECUTIVE SUMMARY

This report presents the findings of the evaluation of the State/WHA-funded Agreement S-LAQM-13-GR-1202 (hereafter “the Program”). This Program was designed to find existing local solutions that have the potential to foment sustainable economic growth by supporting four pillars: 1) empowering locally grown small businesses; 2) optimizing trade and competitiveness; 3) developing a modern workforce, and; 4) fostering environmental responsibility among the private sector. Once chosen, the selected solutions received multi-year assistance and funding to execute a strategy for expansion as well as set up metrics and frameworks to both guide and measure their performance. This portion of the Program was known and will be referenced hereafter in this report as ‘The Innovation Challenge’. In addition to finding existing, locally grown solutions with a track record of success, the Program collected a broad set of initiatives and solutions that would benefit from public-private partnerships, investor funding, and cross-sector collaboration.

While the four selected applicants to the Innovation Challenge each received up to USD 500,000 in grant funds and one-to-one technical assistance, the 26 remaining semifinalists’ solutions had an opportunity to receive advice and resources to scale their solutions as well, and eight from those 26 were selected and received up to USD 80,000 each to support the implementation of their solutions in the Latin America and Caribbean (LAC) region. The implementing team, the World Environment Center (WEC), Context Partners (CP), Baastel and EarthShift Global, through the design and implementation of a network model, built memberships opportunities within the Program to facilitate both scaling solutions and developing partnerships across the region beyond the implementation period. This second iteration of the Program was known as *La Red de Innovación e Impacto*.

The evaluation covers the period from September 2013 to September 2017, and considers progress towards results at all levels. It explores the achievement of outputs and outcomes, to the extent possible, for the projects implemented by the sub-grantees, for the Program as a whole, and for the two main components of the Program: The Innovation Challenge and *La Red de Innovación e Impacto*. The assessment offers findings, conclusions and lessons learned, identifies good practices, and makes practical recommendations to improve the effectiveness of similar programs and for the follow-up phase of this Program.

The evaluation used systematic cause and effect analysis, change analysis, an evidence matrix and data triangulation (i.e. confirmation from multiple sources). The approach was collaborative and flexible, integrating observations, opinions, suggestions, lessons learned, and recommendations from as many stakeholders as possible via on-the-ground interviews and focus groups, distance interviews, and surveys to complement extensive document review.

The evaluation findings demonstrate that the Program was relevant and highly satisfactory overall, and most of the expectations set out during planning and design were achieved. The USD 500,000 grant to each of the four selected projects of the Innovation Challenge and the USD 80,000 grant to each of the eight awardees of *La Red de Innovación e Impacto* provided these organizations a vital boost to grow their innovative projects, enhancing their ability to expand and/or replicate their solutions in other countries and contexts. These funded projects were impactful within social, environmental, and economic spheres. Aggregated results from the funded projects against specific F indicators¹ show that approximately:

¹ Standard Foreign Assistance Indicators (F Indicators) are a standard set of indicators which allow for the consolidation of certain key results to provide a broad picture of what is being achieved with United States Government (USG) foreign assistance resources.

- 4,761 MSMEs, including farmers, received business development services from USG assisted sources. Of these, at least 141 were micro-enterprises;
- 1,616 firms² received USG-funded technical assistance to export;
- 1,825 individuals have gained new or better employment;
- 3,787 farmers/producers have applied improved technologies or management practices with USG assistance.

Moreover, Program beneficiaries valued the support provided by the implementing partners. In particular, the multidisciplinary team that supported the implementation was one of the Program's greatest strengths. In addition, seminars, conferences, trainings, and other activities gave the 30 Program beneficiary organizations many opportunities to network with peers and identify potential new business ventures and partners. Early wins served to demonstrate the value of collaboration. Despite this positive assessment, access to funding opportunities (i.e. facilitating connections with potential investors and external stakeholders to the network), is considered a weakness of the Program, affecting both the potential for sustainability of the projects and for the Program as a whole.

Recommendations emerging from this evaluation include:

- State/WHA should continue to build on the initial success achieved through this Program by providing further funding to support sustainability and avoid losing traction. The next phase could be focused on creating key partnerships and approaches with local stakeholders that can complement the current approach and infrastructure but mostly, focus on the creation of an outreach and messaging strategy to external stakeholders, particularly those that might be able to continue managing and building *La Red* after the period of performance of the Program ends, thus ensuring its sustainability.
- If another Innovation Challenge is launched, it will be important to consider who the beneficiaries and potential grantees will be and adapt the rules and requirements to their needs and capabilities.
- WEC should also develop standardized written procedures to facilitate communication with, and management of, sub-grantees.
- If *La Red* is allowed to continue in the future, the implementing partners should:
 - Enhance strategic communications and marketing support to optimize external stakeholder outreach, increasing the current project team with experts to aid in this outreach plan, which will include summits, networking events, marketing, and branding efforts;
 - Ensure that the broader Network structure, design and specific incentive mechanisms be put in place to encourage participation for *all* members. Key to this point is also ensuring that structural and design elements do not disincentivize participation, for example, through reducing the variability of support across the members. Another way to do this would be to have a more focused Network, which might encourage greater collaboration between members as well as would allow for more tailored capacity building support. In offering capacity building, programming should be focused, practical, directly addressing areas of high need. Moreover, in terms of building relationships and connections, there is great value in in-person meetings and events, and;
 - Prioritize the long-term sustainability of *La Red*. This might mean to make sure the link to investors and the networking with the private sector are carried out fully during a next phase. The implementing partners should put more efforts and continue to coordinate investor meetings among key stakeholders and beneficiaries.

² For this indicator, smallholder farmers/producers have been considered as 'firms'.

TABLE OF CONTENTS

Executive Summary	i
Acronyms.....	v
Introduction	1
1. Background and Context.....	1
1.1. The Innovation Challenge	3
1.2. The Network (<i>La Red</i>)	4
2. Evaluation Methodology	6
2.1. Purpose, Scope and Focus of the Evaluation	6
2.2. Evaluation Approach and Methods	7
2.3. Evaluation Challenges and Limitations	8
3. The Innovation Challenge: Findings and Analysis.....	10
3.1. Relevance	10
3.2. Effectiveness.....	14
3.3. Efficiency and Performance.....	22
3.4. Sustainability	29
3.5. Lessons in Designing and Managing an Impactful Innovation Challenge	30
4. <i>La Red</i> : Findings & Analysis	33
4.1. Relevance	33
4.2. Effectiveness.....	34
4.3. Efficiency and Performance.....	45
4.4. Sustainability	52
4.5. Designing and Managing an Impactful Network: Lessons from the Literature for <i>La Red</i> ...	54
5. Financial Execution.....	56
6. Conclusions and Recommendations	59
6.1. The Innovation Challenge	59
6.2. <i>La Red</i>	61
Annex 1: Program-level Logic Model	63
Annex 2: Innovation Challenge's Logic Model.....	64
Annex 3. <i>La Red's</i> Logic Model	65

Annex 4: List of <i>La Red's</i> Members and Initiatives	66
Annex 5. List of Documents Consulted.....	70
Annex 6. List of Persons Interviewed	72

Table of Tables

Table 1. Definitions for Evaluation Criteria	6
Table 2. Examples of Alignment of Funded Projects to the Objectives of State/WHA.....	11
Table 3. Summary of Project Refinement by the Sub-Grantees as a Result of their Scaling Experience	15
Table 4. Project Results Achieved by Pillar, against F Indicators	17
Table 5. Most Important Perceived Areas of Impact.....	26
Table 6. Project Results Achieved by the 8, against F Indicators	40
Table 7. Breakdown of Project Funds Leveraged for the 4	58

Table of Figures

Figure 1. The Pathways Initiative Pillars.....	1
Figure 2. Timeline and Overview of Program Architecture.....	2
Figure 3. Roles and Responsibilities	3
Figure 4. The Innovation Challenge Four Selected Projects	4
Figure 5. Overview of <i>La Red's</i> Member Organizations.....	5
Figure 6. Country of Origin of Grantees of the Innovation Challenge and Scaling Country	12
Figure 7. Percentage of Activities Realized.....	22
Figure 8. Members' Self-Assessment of Areas of Impact, <i>La Red</i> Final Evaluation Survey (July 2017)	35
Figure 9. Percentage of Activities Realized.....	45
Figure 10. Members' Assessment of Areas of Support, <i>La Red</i> Final Evaluation Survey (July 2017).....	49
Figure 11. Rates of Participations of <i>La Red's</i> Primary Outputs.....	50
Figure 12. Rate of Participation of <i>La Red's</i> Courses and Workshops	51
Figure 13. Value of Support and Activities offered by Partners, <i>La Red</i> Final Evaluation Survey (July 2017) ..	52
Figure 14. Members' Assessment of Sustainability, <i>La Red</i> Final Evaluation Survey (July 2017)	53
Figure 15. Social Collateral Enforcement Mechanism	55
Figure 16. Spending Allocation by Category of Total Program Costs	57

ACRONYMS

Acronym	Definition
CAFTA-DR	Dominican Republic-Central American Free Trade Agreement
CCB	Cámara de Comercio de Bucaramanga (<i>La Red</i> member)
CoP	Communities of Practice
CP	Context Partners
CPML-N	Centro de Producción Más Limpia de Nicaragua (<i>La Red</i> member)
DAC	Development Assistance Committee (OECD)
ELTC	Latin American Community Based Tourism Encounter
EPA	Environmental Protection Agency (USA)
F-Indicator	Foreign Assistance Indicator
IDIA	International Development Innovation Alliance
IT	Information Technology
LAC	Latin America and the Caribbean
LM	Logic Model
LWR	Lutheran World Relief (<i>La Red</i> member)
M&E	Monitoring and Evaluation
MIL	Master Indicator List
MTE	Mid-term Evaluation
MSME	Micro, Small, and Medium Enterprise
NBC-PUCV	Núcleo Biotecnología Curauma, Pontificia Universidad Católica de Valparaíso (<i>La Red</i> member)
NGO	Non-governmental Organization
OECD	Organization for Economic Cooperation and Development
OES	Bureau of Oceans and International Environmental and Scientific Affairs
PMF	Performance Measurement Framework
RFA	Request for Applications
RBM	Results-based Management
SOW	Statement of Work
SROI	Sustainability Return on Investment
SSIR	Stanford Social Innovation Review
State	Department of State (United States)
SWOT	Strengths, Weaknesses, Opportunities, and Threats
US	United States of America
USAID	U.S. Agency for International Development
USD	United States Dollars
USG	United States Government
WEC	World Environment Center (USA)
WHA	Bureau of Western Hemisphere Affairs (US Department of State)
WWG	Washington Working Group

INTRODUCTION

This report details the findings of the evaluation carried out by Le Groupe-conseil baastel Itée (hereafter Baastel) of Agreement S-LAQM-13-GR-1202 (hereafter “the Program”). The Program is funded by the United States (US) Department of State (State), Bureau of Western Hemisphere Affairs (WHA), and is implemented by the World Environment Centre (WEC), backed by three partners: Baastel, Context Partners (CP), and EarthShift Global. The purpose of the Program is to promote inclusive economic growth and sustainable development in the Latin America and the Caribbean (LAC) region by scaling and accelerating innovative solutions. It began in September 2013 and was slated to end in September 2017; however, in mid-September 2017 a cost extension was granted to extend the Program.

Section 1 of this report provides a brief overview of the Program. Section 2 outlines the methodology used for the evaluation. Section 3 and 4 will then detail the major results and findings, with each section covering a component of the Program. Section 5 synthesizes the key lessons, providing general conclusions and specific recommendations.

1. BACKGROUND AND CONTEXT

The Pathways to Prosperity in the Americas Initiative (Pathways Initiative) was launched in 2008 as a policy-level dialogue between 16 Western hemisphere countries³³ to propel innovative and transformative solutions to some common challenges related to democracy, open markets, growth, prosperity, and sustainable development. The Pathways Initiative focused on four key pillars, as depicted in Figure 1, below.

Figure 1. The Pathways Initiative Pillars



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

Activities under Pillar II were 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.

³³ Pathways member countries were: Belize, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru, Trinidad and Tobago, Uruguay, and the United States (US). Brazil had observer status. The Inter-American Development Bank (IDB), the Organization of American States (OAS), and the Economic Commission for Latin America and the Caribbean (ECLAC) were also strategic Pathways partners. Source: US Department of State (DOS). (2014). *Pathways to Prosperity in the Americas*. [online].

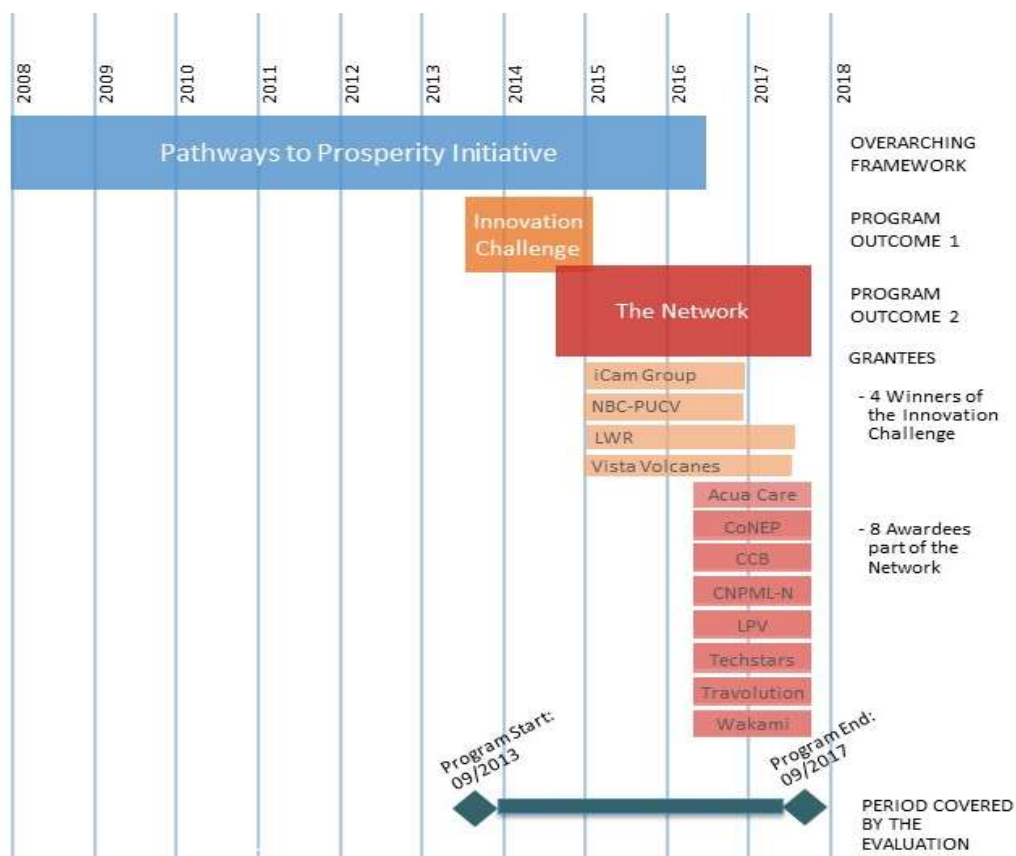


Through the sharing of best practices, Pillar III sought to ameliorate access to job markets, economic opportunities, and working conditions, especially for women, youth, and vulnerable populations. In addition, Pillar III activities aimed to promote dialogue amongst different government bodies, workers,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

The work that was being carried out under Pillar IV strived to improve and expand cleaner production practices, especially among MSMEs. It also sought 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 Program evaluated here developed within the Pathways Initiative as a means of achieving innovation goals under each of the four pillars. Figure 2 situates the two main components of the Program – the Innovation Challenge, and the Network (i.e. *La Red de Innovación e Impacto*), which evolved out of it – within the overall Pathways Initiative timeline. Details on the two components are provided in the sub-sections below.

Figure 2. Timeline and Overview of Program Architecture




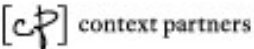



1.1. The Innovation Challenge

In October 2013, the Pathways Initiative partner countries launched a series of public competitions to solicit the most innovative and scalable ideas for generating inclusive economic growth under each of the four pillars. Out of this framework, the Innovation Challenge was created. It was designed to discover and reward promising, replicable, and scalable solutions and policies addressing regional needs from a variety of perspectives, and in a variety of contexts.⁴ Through the Innovation Challenge, grants from State were distributed to support implementation of local, high-impact initiatives to promote the growth and success of MSMEs. This Program was expected to provide: “a robust mechanism within the Pathways initiative to test and scale innovations, which will provide demonstrations of effective ways governments, the private sector, academia, non-governmental organizations, the public, and other stakeholders can achieve a degree of widespread impact”.⁵

In early 2014, State/WHA, in partnership with the WEC, formally launched the Innovation Challenge. It was designed, promoted, and applicants for it recruited by CP with the support of Baastel and EarthShift Global. A breakdown of their roles and responsibilities is provided below.

Figure 3. Roles and Responsibilities

	State manages US government relationships with foreign governments, international organizations, and the people of other countries. State diplomats carry out the President’s foreign policy.
	WEC is an independent non-profit organization whose role is to implement and coordinate the activities of the Innovation Challenge and the network that was subsequently established, providing oversight, guidance, and technical expertise.
	Baastel is a monitoring and evaluation (M&E) and Results-based Management (RBM) consulting firm. Throughout the Program, Baastel built individual and institutional capacity in these areas and managed all aspects related to M&E.
	CP is a social innovation design firm helping organizations deepen relationships with their communities to succeed in today’s connected world. CP organized the Innovation Challenge and subsequent network.
	EarthShift Global is an environmental and sustainability consulting firm that provides software, training, and consulting services that allow its clients to engage in informed decision-making about the social, economic, and environmental consequences that flow from their activities. They were responsible for undertaking the Sustainability Return on Investment (SROI) analysis for the four awardees of the Innovation Challenge.

In January 2015, the Innovation Challenge awarded four organizations with funding (~USD 500,000 each) to scale their solutions to a new context or location.⁶ The four selected organizations were: iCam Group (Mexico), Lutheran World Relief

⁴ WEC. (2014). *Pathways to Prosperity. Innovation Challenge. Latin America & the Caribbean*. [online].

⁵ State/WHA. (2013). Request for Applications (RFA) to support the Pathways to Prosperity in the Americas initiative.

⁶ For more details on the Innovation Challenge, please visit the following Website: <http://challenge.wec.org/en/rules>

(LWR) (Nicaragua), Núcleo Biotecnología Curauma, Pontificia Universidad Católica de Valparaíso (NBC-PUCV) (Chile), and Vista Volcanes (Guatemala). Each project fell under one of the Pathways Initiative four pillars, as shown in Figure 4, below.

Figure 4. The Innovation Challenge Four Selected Projects

iCam Group (Pillar III)

Country of origin: Mexico | *Country of scaling:* El Salvador and Panama
Solution: The “Integral Measurement System and Productivity Improvement for MSMEs” (SIMAPRO) process builds skills for MSMEs’ productivity, while facilitating communication between workers and employers to improve social dialogue and labor conditions.

Vista Volcanes (Pillar IV)

Country of origin: Guatemala | *Country of scaling:* Guatemala, El Salvador and Nicaragua.
Solution: “Capilla Malla Inocua” changes the use of chemical supplies to protect crop development and create a network of sustainable, small entrepreneurs equipped with the tools to grow their business, shifting to organic agricultural best practices.

LWR (Pillar I)

Country of origin: Nicaragua | *Country of scaling:* Nicaragua, El Salvador and Honduras
Solution: “Mobile Cocoa” builds a network of diverse stakeholders across sectors to improve cacao farmers’ understanding of production and international markets, while connecting them to resources.

NBC-PUCV (Pillar II)

Country of origin: Chile | *Country of scaling:* Peru
Solution: “Compitemas” provides SMEs tools to make decisions on technology and sustainability practices, as well as measure and monitor productivity, environmental and social impact.



1.2. The Network (*La Red*)⁷

In the fall of 2014, State/WHA granted WEC and its partners (Baastel, CP, and Earthshift Global) an expansion of the initial Innovation Challenge. With the four awardees of the Innovation Challenge selected, State/WHA and the implementing partners saw an opportunity to build a formal network that could further support the Program goal of promoting inclusive economic growth and sustainable development in LAC by scaling and accelerating innovative solutions. 30 participants – the four awardees in addition to participants who had submitted the Innovation Challenge’s 26 other top-ranking applications – were invited to join a support network for peer mentoring. Together, they formed *La Red* (or, in English, the Network; the two terms will be used interchangeably in the text).⁸

The central purpose of the Network was to strengthen and augment the reach and effect of its members’ solutions by leveraging connections and the support of stakeholders to help grow and fund them. In brief, the Network was created to:

- Offer a space for collaboration, peer learning and exchange of best practices between the 30 member organizations;

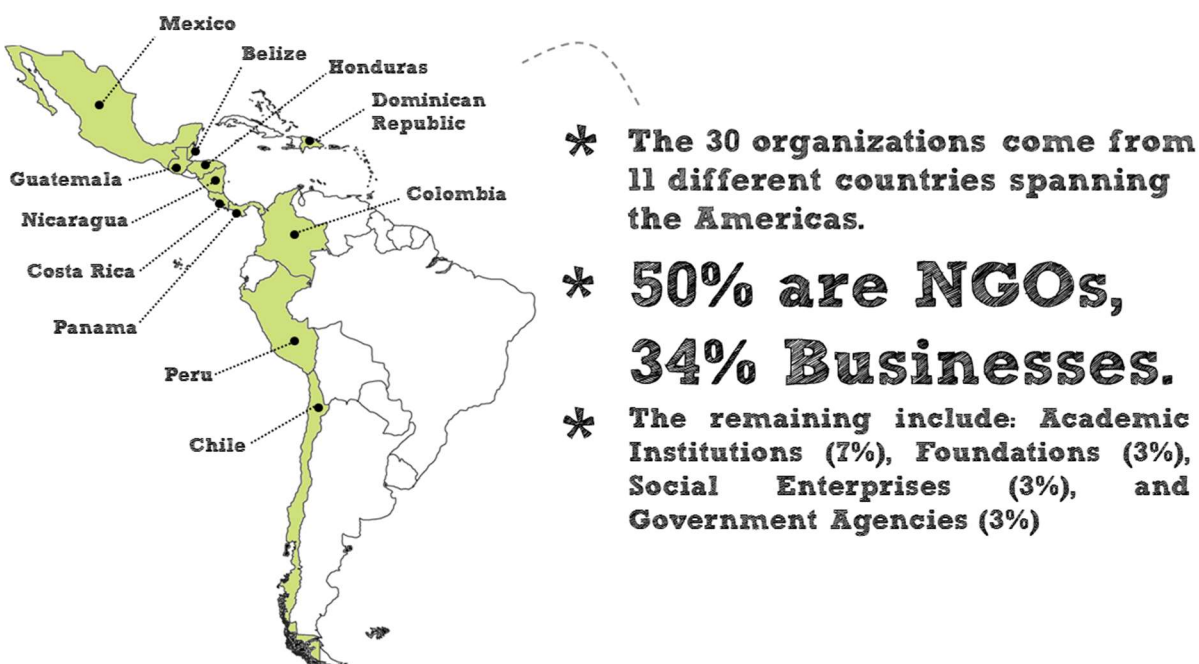
⁷ For additional information see: *La Red de Pathways Challenge*. (2014). *Engagement plan*; WEC. (2014). *Pathways challenge expansion implementation plan*; CP. (2014). *Pathways to Prosperity Network: Network Journey*; *La Red de Pathways Challenge*. (2015). *Guía de referencia para miembros*.

⁸ Until April 2017, the Network was known as *La Red de Pathways Challenge*. The name was then changed to *La Red de Innovación e Impacto* since the Pathways Initiative ceased to exist in 2016.

- Offer to these 30 innovative organizations capacity building and advisory services, including for finding the right connections, building close relationships with peer organizations, and creating opportunities to meet with investors;
- Provide funding up to USD\$80,000 each to eight entities to support the development of their intervention;
- Provide technical support, including consulting support from WEC and in-country network partners, support for business strategy development to help scale solutions; and access to M&E resources in order to measure impact and document best practices.

Figure 5, below, provides an overview of the participants in *La Red*. (A full list of the organizations and their initiatives can be found in Annex 4.)

Figure 5. Overview of *La Red*'s Member Organizations



In 2017, the Network partners enlisted the help of three accelerators⁹ to develop programs to be implemented with the members until August 2017. The accelerators selected were: Agora Partnerships, New Ventures, and NESST. Each one designed a different customized program for *La Red* members to choose from depending on their stages of development and interests.

⁹ 'Accelerators' can be defined as: "organizations that provide a series of support services and facilities to entrepreneurs, early stage ventures, and MSMEs. In particular, these institutions may serve as a classroom for entrepreneurs by providing resources that can increase the growth and competitiveness of new ventures". Source: DEEPCENTRE. (2015). *Evaluating Business Acceleration and Incubation in Canada: Policy, Practice, and Impact*.

2. EVALUATION METHODOLOGY

This evaluation is a summative one. The approach was designed to be flexible, in order to take into consideration the Program's context and evolution during the period under review.

2.1. Purpose, Scope and Focus of the Evaluation

The purpose of this evaluation is to provide an independent review of the achievements related to this State-funded Program implemented between September 2013 and 2017. It considers the findings on the advancement of achievements linked to results at all levels: achievement of outputs and outcomes, to the extent possible, for both the projects (i.e. implemented by the sub-grantees) and the Program as a whole. The assessment offers conclusions and lessons learned, identifies good practices, and makes practical recommendations to improve the effectiveness of similar Programs or for the follow-up phase to this Program.

To gather the required information, evaluation questions were developed drawing largely from the standard Organization of Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) evaluation criteria. Informing each of these criteria, in turn, are specific indicators, data collection methods, and data sources. The following table defines each of the criteria used in this evaluation.

Table 1. Definitions for Evaluation Criteria¹⁰

Evaluation Criteria	Description
Relevance	Considers the appropriateness of an intervention. It considers the extent to which the objectives and design of an intervention are consistent with the objectives, priorities, and needs of relevant and affected stakeholders. Further, it considers if the objectives and design are still appropriate given any changed circumstances.
Effectiveness	Refers to the extent to which an intervention's objectives and expected results were achieved.
Efficiency and Performance	Considers the extent to which the intervention's outputs were achieved, and the how well resources were used so as to achieve those outputs. It further considers the quality, design and management of the implementation of and support provided through the intervention.
Sustainability	Considers the continuation of the benefits from an intervention after assistance has been completed. The probability of continued long-term benefits.

¹⁰ Definitions drawn in part from the following sources: OECD. (1991). *DAC Principles for the Evaluation of Development Assistance*; OECD (1986). *Glossary of Terms Used in Evaluation*, in 'Methods and Procedures in Aid Evaluation', and; OECD. (2000). *Glossary of Evaluation and Results Based Management Terms*.

2.2. Evaluation Approach and Methods

For purposes of evaluation, the Program has been divided into two components: the Innovation Challenge and *La Red*. Each of the components has its own outcome in the Program Logic Model (LM), detailed in Annex 1, with Outcome 1 corresponding to the Innovation Challenge (shown in detail in Annex 2) and Outcome 2 corresponding to *La Red* (shown in detail in Annex 3). While there is overlap, each component with its respective outcomes is treated here as a separate sub-initiative.

This division broadly reflects the Program's evolution and the nature of the support provided to its 30 beneficiary organizations. The 30 organizations are sub-divided based on the support they received:

- **"The 4"** — the four awardees of the Innovation Challenge. These were awarded each a USD 500,000 grant and received technical support through the Innovation Challenge. Additionally, they were also members of *La Red*.
- **"The 8"** — the eight members of *La Red* who were awarded each a USD 80,000 inducement grant.
- **"The 18"** — the remaining 18 organizations that did not receive direct funding through the Program but were nevertheless invited to be active participants in all other aspects of *La Red*.¹¹

The following methods were used to collect data for this evaluation:

- **Document Review**

This line of enquiry featured an examination of background documentation, relevant project and Program material, as well as an extensive review of quantitative and qualitative information supplied by all the beneficiary organizations dating back to 2013. Sources include, but were not limited to the Program's annual reports, quarterly Program-level progress reports, available project-level progress reports from the beneficiary organizations, project mid-term evaluations (MTE) and final evaluations, articles and publications, Program- and project-level Performance Measurement Frameworks (PMFs), field mission reports, and additional material provided by the implementers. A list of all documents reviewed can be found in Annex 5.

- **Key Informant Interviews and Surveys**

Inputs from Program beneficiaries, local and international partners (e.g. the Accelerators) as well as the implementation teams (WEC, CP and EarthShift Global) were collected either through survey, interviews - and sometimes both – or simply through discussions. During the summer of 2017, semi-structured one-on-one or group interviews with representatives involved at various levels in the design, implementation, and monitoring of the Program were conducted. A full list of those interviewed can be found in Annex 6. Information from the Program primary beneficiaries (i.e. *La Red* members) was also collected. Of note, as many of the 30 beneficiary organizations have been consulted and involved in this evaluation. Two surveys (one for each Program component) were sent to all members of *La Red* in July 2017. These surveys are referred to as the 'Innovation Challenge Final Evaluation Survey' and '*La Red* Final Evaluation Survey' in this report.

- **Field Observation**

Throughout the Program period of performance, various M&E missions were conducted by the evaluation team, mostly to the 4 but also to the 8 and to the extent possible to the 18 as well. While in the field, the evaluation team examined and assessed observable results, with a view to gathering evidence for triangulation with information obtained through the other

¹¹ Some of the 18 did receive other forms of financial support, such as funding support to attend the annual summits.

lines of enquiry. The Annual Summits of *La Red*, more specifically the Summer Summit in Washington, DC in July 2017 were also good occasions to meet with some of the 18 in person and discuss with them about the evaluation.

For the analysis, the combination of the abovementioned methods for data collection has ensured that there is a relatively sound representation of perceptions from different stakeholders. Overall, a collaborative approach was followed, integrating observations, opinions, suggestions, lessons learned, and recommendations from as many stakeholders as possible, within the limits of time and budget. In order to ensure that information was collected and crosschecked by a variety of informants, data triangulation (i.e. confirmation from multiple sources) served as a key tool to verify and confirm the information on hand. Evidence supplied by the different lines of enquiry was centralized using an evidence matrix in which facts and opinions gathered from various sources were displayed and triangulated for each evaluation question. This tool guided the evaluation team's work to analyze the material at hand and ensure that conclusions are based on sound and robust evidence.

As much as possible, a systematic cause and effect analysis was conducted in order to make credible claims about results achieved as a result of State/WHA's support. This type of analysis is based on the developed Program theory of change as found in the LM and, as possible, interviews with key informants which helped to elucidate where assumptions and external factors might have had a role to play to confirm or invalidate the results logic. A change analysis, which compared the evolution of key indicators over time, combined with the participants' knowledge to make claims about results achievement or progress, is the approach that was followed to measure the effectiveness of the Program.

2.3. Evaluation Challenges and Limitations

As is often the case while conducting evaluations, the evaluation team faced some challenges.¹² These challenges were manageable, and did not affect the results of the evaluation. They are highlighted here as potential lessons learned for future evaluation exercises.

- **Documentation issues**

The evaluation team engaged in extensive document review. Nonetheless, it is inevitable that some materials may not have been seen. In some cases, this was the result of missing documents, incomplete files or correspondence too large to be assessed comprehensively. With those organizations that have not received funding from State/WHA as part of this Program (i.e. those making up the 18) there is less information and data available. As such, the central focus of the evaluation has been on the 4 and the 8. Of note also, when the evaluation team triangulated information on particular projects, there were a handful of cases where there were discrepancies from one source to another in the data reported. This raises concerns and questions with regards to the validity of some data provided, especially in self-reported data. It should be stressed, however, that these cases of discrepancy were by far more the exception than the norm.

- **Establishing a counterfactual¹³**

The counterfactual and comparison approach initially envisioned had to be discarded and a results-based approach combined with a goal-free approach were taken instead. This had been discussed with WEC and State/WHA and it was agreed the evaluation would not do a counterfactual.

¹² Some of these challenges had already been noted in the Program M&E Plan and the partners were aware of them.

¹³ For more information, please refer to the Program M&E Plan.

- **Beneficiaries' availability and integrating perspectives from interviews**

A constraint for many evaluations is lack of access to key stakeholders who are often busy with multiple responsibilities that limit their availability to participate in evaluation interviews or surveys. In considering the results below, it is important to stress that not all members responded to the two surveys sent as part of this evaluation. In fact, just 13 of 30 members answered the *La Red* Final Evaluation Survey and there were only five respondents to the Innovation Challenge Final Evaluation Survey out of a potential of 12.¹⁴ This response rate reflects the broader reality of the Program, which did not see the active participation of all members.

Generally speaking, the evaluation team's flexibility allowed it to conduct a very satisfactory and complete evaluation in which almost all of the targeted informants participated. It is improbable that the stakeholders who could not be interviewed or surveyed due to other commitments would have significantly affected the results. To the extent possible, the various perspectives of the interviewees were used to triangulate data and derive trends and findings. The extent of viewpoints and perspective, however, certainly cannot all be reflected in this report; only those heard the most often or really judged important by the evaluation team were.

- **Implication of Baastel as an implementing partner of the Program**

This evaluation considers the support of Baastel in implementing and providing support to the Program. The risks of self-evaluation therefore had to be taken into consideration. However, the professionalism of the evaluation team is the guarantor of the objectiveness of the evaluation's content.

- **Lack of participation of State/WHA in the evaluation process**

Despite repeated attempts, the evaluation team was unable to conduct an interview with a representative from the donor agency. Information presented in this document regarding State is therefore largely based on reviews of publicly available documents.

- **Timing of the evaluation**

This evaluation report was mostly written in August 2017, prior to the formal conclusion of the Program, just as many of the 8 and two of the 4 as well as some partners (i.e. the Accelerators) were finishing up their last activities. Some final reports (narrative and financials) were therefore not available. The data and information presented in this report is accurate as of the time of writing; however, further developments may occur that are not captured here. That said, well over 90% of Program-level activities and outputs have been carried out. The evaluation team is confident that the findings presented here will hold as the last activities wrap up in the coming month.

¹⁴ The survey was only sent to the 12 finalists of the Innovation Challenge, which includes the 4.

3. THE INNOVATION CHALLENGE: FINDINGS AND ANALYSIS

This section details evaluation findings and analysis for the Innovation Challenge, the component of the Program linked to Outcome 1 (please refer to Annex 2 for more details).

3.1. Relevance

The relevance of the Innovation Challenge is assessed in relation to State/WHA's development priorities and the political and strategic priorities of the Pathways Initiative. This section also considers the relevance of the objectives and design for participants.

3.1.1. Alignment with General Context and State's Objectives and Priorities

- The Innovation Challenge succeeded in bringing to the forefront a broad range of promising ideas, providing ongoing support, increasing visibility, and making funds available to further accelerate the development, testing, and deployment of the top selected innovations. The Innovation Challenge proved to be a useful means of furthering the goals of the Pathways Initiative and State/WHA of supporting innovative practices for inclusive economic growth in the region.

655 organizations applied to the Innovation Challenge. Of the 204 that complied with all eligibility requirements,¹⁵ 12 were selected as finalists, and four from those 12 were ultimately awarded – one for each Pathways Initiative pillar. The extensive selection process included an initial screening (registration phase), followed by a formal application stage, and some question and answer sessions. The process ensured that relevant and feasible ideas were considered and compared, and that effective, efficient, sustainable, and scalable ideas were selected. Each of the four awardees – or sub-grantees – offered an innovative approach to the development of a more inclusive and sustainable economy in the countries where their projects were being implemented.¹⁶

In keeping with the collaborative spirit of the Pathways Initiative,¹⁷ the Innovation Challenge recognized the importance of supporting local ideas. As per the requirement of the Innovation Challenge, the finalists and awardees all came from LAC countries, to benefit other LAC countries.¹⁸

¹⁵ Context Partners. (2014). *Pathways to Prosperity Innovation Challenge – Weekly Trends*.

¹⁶ More details on the relevance of the four selected proposals for State and the Pathways Initiative are available in the four Project Evaluation Reports conducted by Baastel.

¹⁷ One of the goal of the Pathways initiative was to: “foster collaboration and the sharing of best practices to address common challenges between member countries.”

¹⁸ People and organizations from the following countries could apply to the Innovation Challenge: Belize, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua (with the exception of government entities), Panama, Peru, Trinidad & Tobago, Uruguay. In addition, the initiatives had to scale in one of the following countries in order to be eligible: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua (without benefitting the central government), Dominican Republic, Panama and/or Peru. Source: WEC. (2014). *Caminos a la Prosperidad. Concurso de Innovación. América Latina y el Caribe*. Website.

- The funded projects were also aligned with the US Strategy for Engagement in Central America, in particular “Objective 1: Region is more prosperous” and the following sub-objectives:¹⁹
 - Business Development,
 - Education and Workforce Development,
 - Reducing Poverty,
 - Increasing Resilience, and
 - Promoting More Efficient and Sustainable Energy.

Examples of how the projects aligned with these sub-objectives are provided in Table 2, below.

Table 2. Examples of Alignment of Funded Projects to the Objectives of State/WHA

Project (Organization)	Name	Description / Relevance ²⁰
'Mobile Cocoa' (LWR)		Business Development: This project promotes growth and advancement for small business owners/MSMEs/farmers through the development of small businesses in rural areas and aims to expand access to markets, testing the use of new technology in the cocoa sector.
'Compitemas Internacional -Peru' (NBC-PUCV)		Trade and Export: This project supports participating companies in improving their environmental performance and establishing socio-economic and environmental management systems to help them improve production. It aims to make companies more competitive and sustainable and thus better able to compete in the regional and/or global economy.
'SIMAPRO MSME' (iCam Group)		Workforce Development: SIMAPRO's participatory methodology favors communication and critical reflection, engaging staff and organizations (public and private) to generate creative and innovative proposals and actions to meet productive and social objectives. It proposes a clear model for enterprises to follow to generate continuous improvements in everyday practice, document actions, and measure their impacts, creating the necessary conditions for lasting and sustainable outcomes.
'Capilla Malla Inocua' (Vista Volcanes)		Increasing Resilience of Rural Communities: This project provides greenhouses and phytosanitary and nutrition programs accessible to small producers. It also strives to improve and expand cleaner production practices and enhance beneficiaries' compliance with public and private environmental requirements.

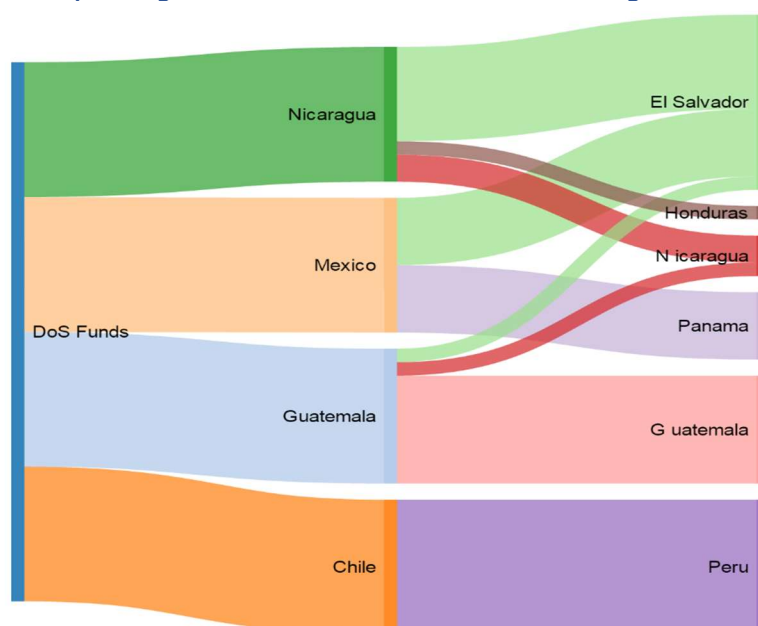
In addition to the above, the choice of funded projects to scale aligns with State's priority countries,²¹ notably its focus on bolstering cooperation with Guatemala, El Salvador, and Honduras. As Figure 6 shows, El Salvador has benefitted from the largest portion of funding, with three projects having scaled part of their solution there.

¹⁹ US Department of State. (nd). *US Strategy for Engagement in Central America – Lines of Action*.

²⁰ More details on the relevance of the four selected proposals are available in the four Project Evaluation Reports conducted by Baastel, mainly in the mid-term evaluations but also in the final evaluations.

²¹ Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Dominican Republic, Panama, and Peru.

Figure 6. Country of Origin of Grantees of the Innovation Challenge and Scaling Country



These projects thus complemented State/WHA's broader efforts in the region. This complementarity exemplifies a finding of a study by the Berkman Center for Internet & Society at Harvard University of similar prize-based initiatives. The study concluded that although "prizes may not be suited to solve every type of problem, they offer a powerful complement to government agencies' traditional channels of innovation."²²

- **The Innovation Challenge has enabled State/WHA to support outside problem solvers working on international development problems through a focus on testing models and bringing them to scale.**

In the US context, challenge grant funding is becoming more common.²³ Government initiatives like the Innovation Challenge can be a good way to transfer elements of the risk burden from the entrepreneur managing the targeted initiatives to the Challenge funder and prepare the initiatives' management for impact funders and investors. The Innovation Challenge allowed entrepreneurs to test their ideas and gain better understanding of what was replicable and scalable, helping them grow and succeed faster, and find solutions to the challenges the region faces – the core of State Strategy for Engagement in Central America.²⁴

In designing projects, State technical experts typically go through a rigorous process that results in a specific solution for a particular development challenge. The challenge model allowed State to explore a wider range of potential solutions for common development problems and engage with a greater variety of stakeholders such as businesses, entrepreneurs, researchers, and scientists to help identify workable solutions. Stepping outside the usual ways of working opened doors to new ideas. In this regard, it is significant that:

- Three of the four grantees had neither worked with nor received funding from State before.
- Two of the grantees came from the private (for-profit) sector, an actor State rarely works with but which the development community recognizes needs to become more involved in development. Another grantee came from an academic institution.

²² The Berkman Center for Internet & Society, Harvard University. (2012). *Public-Private Partnerships for Organizing and Executing Prize-Based Competitions, Executive Summary*.

²³ McKinsey and Company. (2009). "And the Winner is...": *Capturing the Promise of Philanthropic Prizes*.

²⁴ US Department of State. (nd). *US Strategy for Engagement in Central America*.

Sourcing innovations through challenges instead of typical grant processes appears to be a positive way to reward innovators and entrepreneurs and add value to the entrepreneurial ecosystem by supporting their development and growth.

3.1.2. Alignment with Participant's Needs

- **The evaluation found that the Innovation Challenge was mostly aligned with the needs and priorities of the beneficiary organizations.**

A survey administered by CP in late 2014 to assess the needs of the 26 best non-winning applicants to the Innovation Challenge found that 87.5% of respondents were seeking access to funding and donors.²⁵ This demonstrates the importance applicants placed on the possibility of being granted funds for scaling. For the Innovation Challenge awardees, the technical assistance provided by the partners was also highly valued and considered relevant – even though, when they applied to the Innovation Challenge, technical assistance was not their primary concern and they did not necessarily expect to receive advisory services in helping them scale their solutions. The interviews conducted for this evaluation found that they were uncertain what resources they would have access to apart from funding (e.g., technical advisers, tools, data).

Two aspects of the Innovation Challenge, both related to eligibility restrictions, limited its relevance to participants:

- **Country restrictions.** Grantees were required to have their solution principally benefit those from Dominican Republic-Central American Free Trade Agreement (CAFTA-DR) countries, Panama, or Peru. Some applicants, wished to expand within their own country or to non-eligible countries, with a few hoping to scale to the US or Africa. These applicants had to adapt their plans to comply with the restriction, and the evaluation interviews indicate that this was unclear for many applicants when they submitted their application.
- **Restriction against making a profit from the project.** This represented a challenge for many applicants, especially since over half of the original 655 applicants came from the private sector²⁶ as were half of the 12 finalists who were asked to go to Washington DC to make a pitch for the final selection. This restriction is standard for State's assistance awards but interviews conducted with the finalists indicate that it was not made clear to applicants early on in the process. One of the winning entities, for example, included the use of loans as part of their model and this had to be revised during project execution to make sure participants were only making a contribution to the project.

As part of this evaluation, the 12 finalists were asked to rate their level of satisfaction with the Innovation Challenge and its objectives. 80% of those who responded indicated they were highly satisfied, including the three of the four awardees, with the remaining 20% indicated they were satisfied. This reflects well on the Innovation Challenge's alignment with their needs and expectations.

²⁵ Context Partner. (Nov.2014). ²⁶ *Semi-Finalist Synthesis Final*.

²⁶ Out of 655 applications, 355 (or 54%) were from private sector organizations. Looking only at those who submitted an 'eligible' application, this number drops to 33%, which is still significant. Source: Context Partner. (April.2014). *Pathways to Prosperity Innovation Challenge. Weekly Trends. Week 9, Registration Close: April 18th, 2014.*

3.2. Effectiveness

This section is divided in three parts. The first assesses the success of the Innovation Challenge in reaching its expected results based on the Program-level LM.²⁷ The second closely considers the major results achieved by the Program through its funded projects. The third sub-section considers unintended results – not explicitly included in the LM.

3.2.1. Achievements of the Innovation Challenge

- **The evaluation found that the objectives of the Innovation Challenge have been achieved.**²⁸

The main purpose of the Innovation Challenge was to support the scaling of top existing, locally grown solutions (see Box 1 below). During interviews for this evaluation, all representatives from the 4 said that the support they received through the Innovation Challenge was what allowed them to successfully scale to another location. Some mentioned that while they believed they might have been able to make some progress on scaling on their own, they felt it would have been much slower and more difficult without the support from the Innovation Challenge.

Box 1. Who are the Winners of the Innovation Challenge?

Spotlight on the four winning organizations of the Innovation Challenge

All four solutions selected as winners of the Innovation Challenge already had a track record of high impact in their respective countries.

iCam Group, founded in 2000, promotes the competitiveness of individuals, organizations, and communities through education, training, and human development. Their model focuses on developing skills and providing technical support. Since 2010, iCam Group, in collaboration with its local partners, has supported over 200 MSMEs, helping them implement the SIMAPRO methodology.

LWR has been working in Central America since 1972 to promote sustainable livelihoods for rural farmers. Since 2007, LWR's regional profile has exceeded USD\$10 million, and includes a diverse portfolio of projects from agricultural value chains to disaster risk reduction to water, sanitation, and hygiene.

NBC's CompiteMAS platform has been implemented in Chile since 2013, and has a national coverage with more than 300 user companies.

Vista Volcanes, founded in 2001, is dedicated to the research and development of easy-to-apply, low-risk (to the people and to the environment), and high-productivity technological packages for horticultural projects.

- **Four projects were “discovered” and awarded funds to scale. All four projects scaled up their initiatives to a new context and/or location:**
 - iCam Group: From Mexico, this organization scaled and replicated the SIMAPRO methodology to El Salvador and Panama.
 - LWR: As part of its broader “Ground Up” initiative to improve the lives of coffee and cocoa farmers worldwide, the organization was already working with coffee and cocoa farmers in ten countries to create linkages along the value chain that benefit smallholder farmers, contribute to environmental sustainability, and stimulate competitiveness of socially responsible businesses.²⁹ The grant awarded through the Innovation Challenge allowed LWR to increase its presence to Nicaragua, Honduras, and El Salvador and reach new regions, farmers,

²⁷ It should be noted that the Program did not specify targets for outputs and that the outcome indicators selected are process oriented, which makes it difficult to determine whether the Innovation Challenge achieved its expected outcomes.

²⁸ The Innovation Challenge was created to: “discover existing local, high-impact solutions” and, through technical support offered to the awardees, “to scale up or replicate their initiatives. In WEC. (2014). *Caminos a la Prosperidad. Concurso de Innovación. América Latina y el Caribe*. Website.

²⁹ LWR. (nd). *Ground Up: The LWR Coffee & Cocoa Initiative*. [https://lwr.org/what-we-do/agriculture/ground-up].

- and beneficiaries. The project started implementing its mobile solution in Nicaragua and scaled to Honduras and El Salvador, all in the context of the larger projects supporting the cocoa sector.³⁰
- NBC-PUCV: This organization from Chile adapted its platform and selected MSMEs to receive technical assistance in Peru, working for the first time in this country as a result of the funds granted through the Innovation Challenge.
 - Vista Volcanes: The Innovation Challenges allowed this organization to expand its reach in Guatemala as well as to scale and replicate its solution to Nicaragua³¹ and El Salvador.
- **All four projects received appropriate guidance and support from the partners to scale:**
 - WEC provided project management expertise, advice on partnerships creations and contacts to extend the reach of the projects in the scaling countries.
 - CP provided inputs to refine the 4's scaling strategies.
 - EarthShift Global conducted SROI studies of the four projects (initial and final assessments). These studies document the Sustainable Return on Investment (or SROI) of the grant money over the period of performance (between 20-32 months) and over a full five-year period.
 - Baastel conducted evaluations (mid-term and final) of the four sub-grantees projects, which provided recommendations to the 4 on their scaling plan and other ways to improve.

Scaling required the sub-grantees to adapt to different circumstances, work with different people from different countries, and adapt to the rules of different partners. Through the piloting of their solution in a new context, they gained a better understanding of their strengths as well as their limitations. This learning was valuable in preparing them to continue expansion after the period of support ends. One representative of the 4 noted that the Innovation Challenge's greatest area of impact for their organization was with respect to learning. All sub-grantees reported that the feedback provided by the partners (with WEC through regular site visits, Baastel during M&E visits and in their mid-term and final evaluation reports, and EarthShift Global in the SROI studies and workshops) helped them make continuous adjustments through rapid cycles of learning. These improvements to their project's approach and methodology have increased their confidence in their ability to perform even better in the future. The pilot experience enabled the sub-grantees to explore and test new models and ideas, building paths to sustainability and scale.

A few examples of changes and learning that occurred as a result of participation in the Program are highlighted in Table 3.

Table 3. Summary of Project Refinement by the Sub-Grantees as a Result of their Scaling Experience

Organization	Examples of Changes
iCam Group	<ul style="list-style-type: none"> • Refined the SIMAPRO online platform which allows for remote project tracking in multiple countries and real time consolidation of results across locations. • Integrated new elements to the approach such as: <ul style="list-style-type: none"> ○ Working with micro enterprises as beneficiaries, ○ Working with universities and notably introducing students as junior consultants mentored by senior consultants, and ○ Building the capacities of leaders inside the companies instead of relying solely on external consultants.
NBC-PUCV	<ul style="list-style-type: none"> • Developed, with the support of WEC and Baastel, a competitiveness index. This index establishes ranges and helps to compare companies, evaluate the efforts of participating MSMEs, and identify obstacles to economic growth. • Worked with the agroindustry sector, with which the organization had little previous experience.

³⁰ LWR and VV were granted a no-cost extension to finalize the implementation of their projects.

³¹ Nicaragua was eventually put aside as a scaling country so no actual work was conducted there.

Organization	Examples of Changes
	<ul style="list-style-type: none"> Implemented in Peru following an associativity model (cluster/ partnerships in productive chains). In other words, the support was provided in a grouped manner to stakeholders who had previous business links in their respective value-chain.
LWR	<ul style="list-style-type: none"> Plan to extend the 'cocoa app' to other sectors. Developed the PMF with the support of Baastel, helping assess achievement of results and plan better.
Vista Volcanes	<ul style="list-style-type: none"> Improved the infrastructure of their greenhouses by, for example, finding lighter materials to permit more efficient transport in other countries, which is a necessity of scaling. Learned the importance of better market analysis at the beginning of the project. They had not anticipated issues associated with marketing the tomatoes, and would have provided more support in this area if they had known. They now have a better understanding of the financial situation of small producers and adapted their model to cater to their needs and circumstances. Improved their webpage.

3.2.2. Achievements of the Funded Projects

- The Innovation Challenge's winning projects have advanced the goal of promoting inclusive economic growth in the region through their interventions.**

The winning projects have had a positive impact on business/MSME competitiveness, labor employability, sustainability of practices, and adoption of new practices for more sustainable growth. In addition, there was a high success rate in expanding the projects to new contexts, with all the projects having scaled to at least one new location. Triangulation of the available data shows that, through the four projects funded by the Innovation Challenge, approximately:

- 4,531 MSMEs, of which at least 93 were microenterprises,³² and including farmers, received business development services from USG assisted sources over the past three years;
- 1,191 firms³³ received USG-funded technical assistance for export;
- 1,601 individuals have gained new or better employment; and
- 3,787 farmers/producers have applied improved technologies or management practices with USG assistance.

These are significant accomplishments³⁴ for projects completed within a short timeframe (between 20 to 32 months) and for a Program that has only been operational for three years, with this being the first time it has delivered support and assistance of this type.

Table 4, below presents the above results achieved by the four awardees against the F Indicators³⁵ tracked by the Program and disaggregated per project with a short summary of accomplishments for each. These results are current as of mid-September 2017. Though each project was selected to respond to a problem specific one of the Pathways Initiative Pillars, they usually contributed to more than one Pillar, as shown below.

³² This number does not include the smallholder farmers LWR worked with. The evaluation team looks forward to State/WHA M&E specialist guidance whether or not these beneficiaries should be added and the numbers presented could be revised as necessary.

³³ For this indicator, firms include producers (farmers).

³⁴ The RFA makes it difficult to objectively determine what the goal of delivering inclusive economic growth on a large scale means. As a result, judgements on whether this expected objective has been achieved are based on the evaluation team's view of what would be a reasonable achievement for a Program of this type.

³⁵ Standard Foreign Assistance Indicators (F Indicators) are a standard set of indicators which allow for the consolidation of certain key results to provide a broad picture of what is being achieved with United States Government (USG) foreign assistance resources.

Table 4. Project Results Achieved by Pillar, against F Indicators

Implementing Organization	Results Achieved	F Indicators
Pillar I - Business Development		
Relevant/Selected F Indicators:		
<ul style="list-style-type: none"> 4.5.2-37 Number of MSMEs, including farmers, receiving business development services from USG assisted sources³⁶: 4,531 EG.5-3 (old ID 4.7.3-6) Number of microenterprises supported by USG assistance (i.e. enterprises counting less than 10 employees): 93³⁷ 		
LWR	By taking advantage of digital technology, the project worked towards increasing the competitiveness of 4,391 farmers in the cocoa sector in three countries (Honduras: 913 individuals/ Nicaragua: 2,659 individuals / El Salvador: 819 individuals)	*4.5.2-37 ³⁸
		
LWR champions the use of mobile technologies—most typically cell phones—to support a variety of agriculture-related activities. Their 'Mobile Cocoa' project promoted growth and progress for small business owners/MSMEs/farmers. <i>Photo Credit: LWR</i>		
iCam Group	<p>40 beneficiary MSMEs initiated in early 2015 implementation of the SIMAPRO methodology based on social dialogue and integrated measurement to improve productivity in organizations (El Salvador: 20 MSMEs / Panama: 20 MSMEs). A total of 34 (or 79%) completed the process (El Salvador: 14 MSMEs / Panama: 20 MSMEs)</p> <p>Of the initial group of 40 beneficiary MSMEs who initiated implementation, 8 were micro enterprises (less than 10 employees).</p>	<p>*4.5.2-37</p> <p>*EG.5-3</p>
NBC-PUCV	<p>21 MSMEs were selected as direct beneficiaries of this project and received in-depth technical assistance from specialists and capacity building in key aspects of sustainability. All 21 were from Peru (16 in Lima, six in Trujillo). Of these 21 beneficiary MSMEs, 6 were micro enterprises. From this initial group of 21 beneficiary MSMEs who have initiated implementation, a total of 20 (or 95%) finished the process.</p>	<p>*4.5.2-37</p> <p>*EG.5-3</p>

³⁶ After the revision done to the F indicators in 2016, this indicator reads as 'archive' in the latest Standard Foreign Assistance Master Indicator List (MIL). However, the indicators to be tracked for this Program were agreed to prior to those changes and that is the reason why this indicator is reported here.

³⁷ Same as footnote 36 above.

³⁸ LWR has been working mainly with smallholder farmers. These smallholders are growing the cocoa trees to sell their products; hence, they could be considered "micro enterprises" and counted under F indicator EG. 5-3 as well. The evaluation team looks forward to State/WHA M&E specialist guidance on this and the numbers presented in those tables could be revised as necessary.

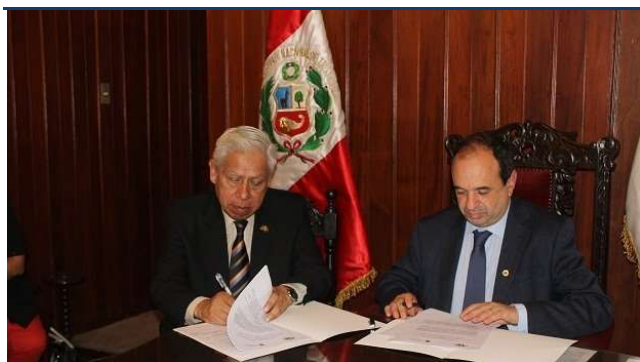
Vista Volcanes	79 greenhouses have been installed benefitting the same number of farmers, using State/WHA funding and beneficiaries' contributions. All 79 can be considered micro enterprises, and 17 are headed by women.	*4.5.2-3 ³⁹ *EG.5-3
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Pillar II - Trade and Export

Relevant/Selected F Indicators:

- 4.2.2-3 Number of firms receiving USG-funded technical assistance to export: 1,191
- 4.2.2-9 Number of firms receiving USG assistance that have obtained certification with (an) international quality control institution(s) in meeting minimum product standards: none

NBC-PUCV	The project provided direct in-depth assistance to 21 beneficiary MSMEs to increase their efficiency and transparency in the management of their trade operations as well as promoting compliance with public and private environmental requirements. As a result, and throughout the project period, 2 firms worked towards the implementation of the ISO 9001: 2015 standard. Three firms also indicated that the project contributed to increasing their exports. ⁴⁰	*4.2.2-3 *4.2.2-9 ⁴¹
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Left: Signing of the cooperation agreement between the PUCV and the National University of Trujillo for the development of the 'Compitemas International-Peru' project. Right: An employee in a shoe factory – a beneficiary company of the project in Peru. Photo Credit: NBC-PUCV

LWR	The project used digital tools to improve access to market information for MSME cocoa producers in Nicaragua, Honduras, and El Salvador. In its final report, LWR reported that 1,170 MSMEs use the digital tools to access cocoa market information. Moreover, the project allowed some of its beneficiaries to participate in international and regional forums and competitions that help link producers to other value chain actors. The LWR team also delivered training to the beneficiary producers on themes such as product marketing and certification, but no data was provided about the type of certification and whether or not any of the beneficiaries achieved any.	*4.2.2-3 ⁴²
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³⁹ For this indicator, MSMEs include producers (farmers). Producers are classified as micro based on the number of full time workers hired (permanent and/or seasonal) during the preceding 12 months, which amounted on average to between 1 and 10.

⁴⁰ Baastel. (March 2017). *Survey Results; Compitemas Internacional Evaluacion Final – Q4*.

⁴¹ Although beneficiary MSMEs made good progress towards obtaining certification, certifications were not completed during the project period – not surprisingly, given the lengthy process involved. Therefore, they are not counted under this F indicator.

⁴² For this indicator, firms include producers (farmers).

Pillar III - Workforce Development

Relevant/Selected F Indicators:

- EG. 6-1 (old ID 4.6.3-2) Number of individuals with new or better employment following completion of USG-assisted workforce development programs: 1,601

iCam Group	<p>The project helped 30 consultants (of which a third were women) acquire knowledge and skills that will help them find new employment or remain employed and productive and 15 consultants achieved certification of competency at the end of the program. In El Salvador, 2 consultants were hired by the organization where they implemented the SIMAPRO at the end of the support period while in Panama, 5 consultants have continued to apply the SIMAPRO methodology in companies after the project period. In El Salvador, six students (three male and three female) also worked closely with the senior consultants, receiving mentorship and building capacity to find good jobs or establish viable self-employment. 2 youth were offered jobs in the beneficiary organizations where they supported the implementation of the SIMAPRO. However, they chose to pursue their own self-employment ventures and are now working to build their own businesses.</p> <p>The evaluation found that in at least a few instances, workers involved with SIMAPRO activities in beneficiary MSMEs were promoted to supervisory or management roles. For these employees, this promotion generally translated into increased wages and/or benefits. Two managers interviewed during the final evaluation of this project noted that SIMAPRO activities helped them see the potential in some employees.</p> <p>In addition, and more generally speaking, employees from the 40 beneficiary MSMEs (approximately 1,513 persons, of which 47% were women) feel that they now work in better overall conditions with respect to the physical and/or emotional environment and, in some cases, remuneration (El Salvador: 673 employees working in the participating MSMEs (409 women)/ Panama: 840 employees working in the participating MSMEs (305 women))</p>	<p>*4.6.3-2</p> <p>*4.6.3-2</p> <p>*4.6.3-2</p> <p>*4.6.3-2</p>
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Employees from beneficiary companies in El Salvador improve their capacity during the Technology transfer workshop offered by iCam Group. **Photo Credit:** iCam Group

Vista Volcanes	<p>For each beneficiary, the evaluation found that on average one new employee became (more) involved in the farming business. In total hence, 79 individuals have new or better employment following completion of this project.</p>	<p>*4.6.3-2</p>
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Pillar IV - Clean Productive Environment

Relevant/Selected F Indicators:

- EG.3.2-17 Number of farmers and others who have applied improved technologies or management practices with USG assistance (EG.3.2-17b- Producers Sex Male / EG.3.2-17c-Producers Sex Female): 3,787
- 4.8-7 - Greenhouse gas (GHG) emissions, estimated in metric tons of CO₂, reduced, sequestered, and/or avoided as a result of USG assistance⁴³: 50,000

Vista Volcanes The **79 farmer beneficiaries (17 female and 62 male) began using improved technology** (i.e. the greenhouses and the technological package provided by Vista Volcanes). *EG 3.2-17
*EG 3.2-17 c/b



A producer shows off produce from the Vista Volcanes greenhouse installed by the project. **Photo Credit:** Vista Volcanes

iCam Group	27 organizations implemented improvements that allowed them to reduce their consumption of water and/or electricity, reduce chemical use or waste, and recycle , in an attempt to improve their environmental efficiency and reduce their environmental footprint.	⁴⁴
LWR	The LWR Cocoa Mobil application and the printed version of the toolkit were used to train 3,708 cocoa producers on improved technologies and/or management practices for their crops. 2,967 of these producers trained were male and 741 were females.	*EG 3.2-17 *EG 3.2-17 c/b
NBC-PUCV	Based on the actions implemented in the beneficiary MSMEs, the project team from NBC-PUCV estimated a reduction of at least 50,000 tons of CO₂ on a yearly basis . Moreover, the project worked with seven organizations from the agrofood sector, some of them being farmers/producer's associations. The project team provided capacity building trainings and technical assistance to help them apply new practices, such as composting, organic agriculture, solid waste management, food drying process, pest control, etc. It is unclear from the project document how many farmers and producers have been trained in total, but it is estimated that close to 70 have received capacity building in some way. ⁴⁵ While not actually providing change in costs (or savings) and revenue (or income), NBC-PUCV claimed that companies they worked with in Peru overall have: <ul style="list-style-type: none"> • Reduced their energy consumption by 18% • Realized savings of 20% on water consumption 	*4.8-7

⁴³ This indicator reads as 'archive' in the latest Standard Foreign Assistance Master Indicator List (MIL). However, the indicators to be tracked for this Program were agreed to prior to those changes and that is the reason why this indicator is reported here.

⁴⁴ As per the F indicator Reference Sheet for EG.3.2-17, this indicator measures the total number of direct beneficiary farmers, ranchers and other primary sector producers (of food and non-food crops, livestock products, wild fisheries, aquaculture, agro-forestry, and natural resource-based products) and not firms; hence, the results achieved by the 'SIMAPRO MSME' project have not been counted here.

⁴⁵ This number has not been added to the count for F indicator EG.3.2-17 since it is not known whether or not the participants in the training have applied the new practices/technologies.

3.2.3. Unexpected Results

This sub-section briefly considers outcomes achieved that were not necessarily defined within the Program- and project-level LMs and PMFs.

- **Because of their participation in the Innovation Challenge, not only the sub-grantees, but also some of the finalists refined their projects in order to build paths to further scale.**

The evaluation Interviews indicate that some of the non-winning Innovation Challenge finalists perceived their experience in the Innovation Challenge to be highly valuable as a result of the unprecedented visibility and acknowledgement they received from a variety of stakeholders, notably State/WHO and US ambassadors. At least five interviewees also mentioned having benefitted from the workshops that were provided by the partners to prepare them for their pitch in front of the judging panel in Washington, DC. They felt this helped them better understand donor thinking and adapt their project proposals based on the feedback received before and after their pitch. The box below highlights a particularly successful story.

Box 2. Case Study Highlighting Value of Participating in the Innovation Challenge

Spotlight on: Fundación REDDOM

The project proposed by Fundación REDDOM aimed at helping small agri-businesses in the Dominican Republic and Central America improve their climate resilience while implementing market driven standard environmental compliance to facilitate entry and competition in niche or demanding markets. While this project was not awarded a USD\$500,000 grant from State/WHO, Fundación REDDOM nevertheless considers their participation in the Innovation Challenge relevant. The main reason is that the support they received to prepare their pitch provided the organization's representative with valuable guidance both on how to best to present their project to donors, and also on adjustments that could make it stronger. Following the selection of the 4, REDDOM revised their project proposal and submitted the improved version to the United States Agency for International Development (USAID). The project ended up receiving significant funding through USAID's Feed the Future program. Through the project, Fundación REDDOM will consolidate and strengthen its presence in the Dominican Republic. This is more aligned with the organization's priorities than scaling elsewhere as would have been a requirement if they had received funds from the Innovation Challenge. The USAID-funded project period is also longer than the Innovation Challenge period, which is better for Fundación REDDOM, according to the representative interviewed for this evaluation.

- **Through the pilot projects, sub-grantee organizations were strengthened by establishing themselves in new contexts.**

In addition to bringing the benefits of the 4 solutions to additional beneficiaries and a new context, the scaling allowed the 4 to develop new lines of business, create new partnerships and alliances, and – for some – establish a presence for the first time in a new market. These are strong collateral impacts of the Innovation Challenge on the participants and serve to show that State/WHO, through this Program, adequately built capacity of LAC organizations to continue to work towards important development objectives in the region.

Box 3. Case Study Highlighting Impact of the Innovation Challenge

Spotlight on: iCAM Group

This pilot project permitted the iCam Group to make new contacts in the new scaling countries and further develop their approach with new entities. In both scaling countries, the iCam Group established networks of actors that are still working towards positioning the SIMAPRO interventions to be scaled by governments, the private sector, and other stakeholders such as international donors. Collaboration agreements were signed with 20 organizations in El Salvador and 19 in Panama. These agreements covered a range of partners, including government entities, trade and labor unions, business owners, and academic partners. In El Salvador, INSAFORP has expressed interest in continuing to support the project for a six-month period, possibly with a USD\$70,000 budget. In Panama, the productivity committees that were established remained operational at the end of the project implementation period, ensuring

dialogue between local actors in support of the intervention. By creating a network of stakeholders and signing collaboration agreements with various entities, the iCam Group was able to gain support for the model to continue to grow and succeed, transfer the methodology to local stakeholders, and open new markets and opportunities for the company after the period of support.

- Grantees considered the visibility generated by public awareness events to be valuable for their businesses.

For the 4, being selected as winners created opportunities to showcase their projects to potential clients and donors. They also noted that the opportunity to receive funding from State/WHO brought credibility to their organizations by allowing them to demonstrate that they can manage a project of this size. This has the potential to stimulate outside investment in the future.

3.3. Efficiency and Performance

This section considers the Innovation Challenge implementation and the support provided by the four partners. Particular attention is given to assessing the efficiency, quality, and design of the management structure for the Innovation Challenge, as well as the support provided to the 4.

3.3.1. Implementation of the Innovation Challenge

- The degree of achievement of planned Program-level outputs was highly satisfactory overall. In general, the implementation of activities was agile and timely.

Almost all the outputs were carried out to full completion or are well-advanced. The reasons for the incompleteness of certain activities tend to lie outside the control of the implementing partners, such as delays induced in the revision and approval of deliverables or in getting external funders to participate in the Program activities. The figure below provides a breakdown of the percentages of activities realized as per their output. It additionally includes explanations in the cases where activities were not fully completed.

Figure 7. Percentage of Activities Realized as of June 30, 2017⁴⁶

Output 1.1: Design, Management and Marketing of the broad Innovation Challenge to select 12 semi-finalists	Activity 1.1.1	100%
	Activity 1.1.2	100%
	Activity 1.1.3	100%
	Activity 1.1.4	100%
	Activity 1.1.5	100%
	Activity 1.1.6	100%
	Activity 1.1.7	100%
	Activity 1.1.8	100%
Output 1.2: Management of a participatory design process to refine finalist proposals for	Activity 1.2.1	100%
	Activity 1.2.2	100%
	Activity 1.2.3	100%
	Activity 1.2.4	100%
	Activity 1.2.5	100%

⁴⁶ WEC. (June 2017). *La Red de Innovación e Impacto - Quarterly Progress Report*.

**Agreement S-LAQM-13-GR-1202
EVALUATION REPORT**

scalability and select 4 finalists

Output 1.3:
Implementation, management, monitoring and evaluation of four final proposals addressing the 4 selected Pillars

Activity 1.3.1	100%
Activity 1.3.2	100%
Activity 1.3.3	100%
Activity 1.3.4	100%
Activity 1.3.5	100%
Activity 1.3.6	90% 10%

This activity looked at establishing and overseeing reporting requirements for the four winners of the Innovation Challenge and at developing Annual Reports for State/WHA. Two Annual Reports (2014-2015 & 2015-2016) were produced and shared with the partners, the members and State/WHA. The last Annual Report is still pending revision and approval by State. One more Annual Report (FY2017) could have been produced, but given the delays with the previous one, it was decided that it would be developed only if deemed useful and necessary and upon request by State/WHA only.

Activity 1.3.7	95% 5%
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This activity looked to carry out mid-term assessments of the four grantees of the Innovation Challenge and conduct data collection as a basis for the Final Evaluation. All four project mid-term evaluations (MTEs) have been submitted to State/WHA, partners, and to the grantees themselves. WEC and project implementers expressed their satisfaction with the results of those MTEs, as per discussion held with them. State/WHA's reaction has not yet been received; thus, the MTE reports are still pending formal approval which explains the non-completion of this task.

Output 1.4: Social, Environmental, and Economic Impact studies of 2 of the projects

Activity 1.4.1	100%
Activity 1.4.2	100%
Activity 1.4.3	100%
Activity 1.4.4	100%
Activity 1.4.5	100%
Activity 1.4.6	80% 20%

This activity looked to deliver Final SROI studies for the four grantees' projects. These studies were sent to State/WHA in late September and need State/WHA review and approval before considering this activity as completed.

Output 1.5: Design Scaled Implementation Plans

Activity 1.5.1	100%
Activity 1.5.2	60% 40%

This activity looked to connect scalable projects to investors and funders. Though attempts were made to facilitate grantees' connection to potential funders and investors throughout their period of performance, very few of those attempts resulted in fruitful developments and funding granted. This has been one of the major area of weakness of the Innovation Challenge.

- **The Innovation Challenge had good logistics and coordination led by WEC team. The Program did not experience significant delays and delivered its outputs according to plan, reflecting on the quality of the implementation team. All Innovation Challenge partners performed their specified roles proficiently, though concerns were voiced in relation to the work conducted by EarthShift Global.**

The team approach to managing the Innovation Challenge was appropriate. By leveraging the expertise of the three partners, WEC ensured it had the necessary expertise inside the team to cover important issues. The partners were adequately coordinated by WEC, who also provided project management support to the grantees per State/WHA guidelines, and leveraged its local-based team (Mexico and El Salvador) to accompany the grantees in their project's implementation. Two beneficiary organizations in the Innovation Challenge Final Evaluation Survey noted that the multidisciplinary team

that supported the implementation of the Innovation Challenge was one of its strengths. The time and effort, however, associated with forming partnerships, coordinating efforts across partners, and incorporating partners into the decision-making process should not be underestimated. There are times when this heavy structure generated high costs and some duplication of efforts. Nonetheless, it is clear that each partner brought to the Innovation Challenge capabilities that increased the Program's effectiveness as explicated below.

Output 1.1. Design and Management of the Innovation Challenge

CP developed the Innovation Challenge procedures and was guided by a thorough Management Plan to deliver on the objectives of the Program. The team acquired an online platform to facilitate the reception of multiple applications. The platform as well as a dedicated website were customized to ensure coherent branding and were critical for communication purposes, including in informing prospective applicants about the Innovation Challenge. CP also developed press releases for the media to ensure effective branding. **All this made for a strong design and implementation of the Innovation Challenge.** Moreover, throughout implementation, the partners have been careful to ensure that funding by USG was acknowledged in all communications and that visibility for the funder was explicit during events. That visibility was important to ensure that the USG gains appropriate recognition for this initiative.

Output 1.2. Participatory Process to Refine Finalist Proposals for Scalability and Select Four Winners

CP, in close collaboration with WEC and the other partners (Baastel and EarthShift Global), developed criteria to help select the winning entities and to ensure a thorough yet feasible judging process. Even though quite a few interviewees mentioned that at the time of the application there was little information made available to them about the eligibility requirements for the projects, the Innovation Challenge website and CP's communication documents appear quite detailed in these aspects. **In general, the eligibility requirements for the Innovation Challenge were clear, and a process for verifying that grantees met the requirements before granting the award was put in place. The use of a panel of judges to select the winners also helped to maintain impartiality.**

The Innovation Challenge Final Evaluation Survey showed that the finalists felt the selection process was transparent and impartial. That said, discussions with the partners showed they felt the judges' decisions did not always reflect the established selection criteria. For example, the partners recalled that one finalist was rejected because the judging panel believed this organization did not 'need' the grant money to scale as they had an excellent proposal and would be able to attract funding elsewhere easily and scale on their own, more than other proposals. The apparent 'need' for funding was not part of the criteria, and partners who wished the selection process would be based on merit were uneasy about this decision. Despite this incident, the implementing partners moved forward with the official announcement of the winners and awarded the four grants. An awards ceremony in the winners' honor wrapped-up the event, press releases were issued, and short videos of the grantees posted on the Pathways Initiative website to provide public recognition. Ambassadors of the US in the country of origin of the winners were told about the results and some have called and even invited for dinner the project team to congratulate them personally. Winners have mentioned they greatly appreciated this visibility and recognition and that this was important for them and in the future, this is a good practice that should be continued. The fact that US Ambassadors from the finalists' countries either attended the pitch sessions or at the very least were made aware that someone from the country was participating in the Innovation Challenge was noted as valuable in opening doors for future opportunities. Further, some of these US Ambassadors became supporters of the solution, providing credibility to it.

Output 1.3. Mentoring and Guiding of the Four Grantees in their Scaling Process

A lot of effort went into the realization of this output. **The level of assistance provided by the implementing partners to the grantees was in-depth and extensive.**

WEC, as the prime, took care of the contractual aspects related to the granting of the four winners. This included supporting the grantees in developing their Statement of Work (SOW), including an implementation plan, budget and budget narrative,

sub-agreements, as well as reviewing the financial reports before the release of funds. With input from the partners, WEC also submitted detailed reports to State/WHA every quarter on overall activities, outputs, and indicators of the Program as well as provided updates on the progress of the projects, as required by State/WHA. WEC developed contingency plans, to ensure they could effectively respond to potential risks, which is a good management practice, along with outreach plans, that included the design of annual conventions for the implementers to gather, share successes, challenges, and methodologies. In total, WEC organized three conventions: the launching event in Mexico in 2014, a summit in Washington DC in July 2016, and the final closing ceremony and summit in Washington, DC in July 2017. Two other events, coordinated by CP, took place in Bogota (Workshop in March 2015) and Miami (Forum in September 2015). These two events are addressed below in section 4 of the report which is specific to La Red. Concerning the three conventions, they were all very highly rated by participants, as shown in the follow-up satisfaction surveys. During interviews, grantees acknowledged WEC's good work in the Program's implementation. The level of assistance (which included at times technical assistance, not just the supervision of the Program's execution) provided by WEC team was noted as something of particular importance for the success of the projects. Most grantees appreciated the hands-on approach WEC took in helping them shape and guide their implementation in the new context (for example, helping in finding potential partners, introducing them to potential allies, providing technical recommendations, and even drafting reports). The WEC team's presence in formal events was also recognized as valuable support and showed their commitment with the projects, which in turn fostered trust between the grantees and WEC. In addition, the grantees mentioned a few times that WEC's in-field visits provided "motivation".

Despite the above, some areas noted for improvement regarding WEC included:

- Grantees would have liked to receive more capacity building support from WEC, notably in the area of project management. For example, in developing strengths, weaknesses, opportunities, and threats (SWOT) analyses and receiving guidance on how to deal with financial risks, such as exchange rates or bank commissions, when implementing projects funded from State in LAC, which WEC has lots of experience in.
- WEC's processes for managing grants could be improved. Grantees felt rules changed frequently which at times created frustration as they had to redo deliverables or resubmit documents and files to respond to what they perceived were changing demands. Lack of clarity in communication was a theme heard recurrently among grantees. Disbursements were also slow, which again resulted in frustrations. Nonetheless, because of the good rapport built between WEC and the grantees, most problems could be solved.
- Logistics to support and plan for the WEC visits and missions have been a burden on some grantees, especially for those implementing in rural areas. This was in addition to other partners' visits (e.g. Baastel's M&E missions and EarthShift Global's SROI workshops). This could have benefitted from enhanced coordination from WEC so to minimize any burden on grantees.
- When CP's contract ended in 2016, there were fewer partners to manage which placed greater demands on WEC as the lead organization. Strategic direction and coordination were sometimes lost as a result. Response times became somewhat slower and some have felt WEC's team appeared to lack sufficient 'operational' staff to do all the work required for the management of this grant.

Overall though, **all grantees (100%) who responded to the Innovation Challenge Final Evaluation Survey have judged WEC's work to be very efficient and well executed.** The effective coordination by WEC helped align and coordinate action among the partners to tackle different dimensions deemed important for the success of the intervention.

Baastel oversaw the M&E for some aspects of the Program. Guided by a Performance M&E Plan, Baastel built the capacity of grantees to monitor and report on their progress and most importantly results, which allowed for consistent reporting

from, data collection on, and monitoring of the grantees. The work of Baastel was crucial in terms of making data available⁴⁷ and to analyze and report on it to different audiences⁴⁸. This enabled the partners and the project teams themselves to tell their story better (especially important with pilot projects), guided the scaling with evidence-based decision making, and underscored the range and reach of the impact, while touching on an array of F-indicators, among other metrics. Given the grantees limited knowledge of RBM and M&E at inception, not having Baastel doing this work would have risked reducing the potential to have access to information and data important for accountability, effectiveness, and sustainability purposes. Equally important, to ensure the validity of the grantees' results claims, data validation was done by WEC through regular field trips and by Baastel during the M&E missions, which improves the trust that can be placed in the reporting. In addition, at the end of the period of performance, WEC conducted an audit on each of the four grantees and Baastel performed mid-term and final evaluations of the four grantees. While evaluations were important for the Innovation Challenge for accountability and learning purposes, **building into the Innovation Challenge governance a data collection, reporting, and learning framework also yielded important benefits and was considered by the partners as an important feature of the Innovation Challenge architecture.** Having Baastel as part of the project team helped to create a continuous process of "planning and doing," grounded in constant evidence-based feedback about what is or is not working. **The on-going personalized communications Baastel had with the grantees as well as punctual assistance for monitoring and reporting resulted in clear evidence of enhanced capacity to monitor and report in a results-based manner by the four winners.** This is evidenced by grantees mentioning during interviews carried out for this evaluation⁴⁹ that they particularly appreciated the capacity building and capacity transfer approach put forward by the Baastel team. From a methodological point of view, the RBM tools, such as the PMF Baastel developed in partnership with the grantees, were deemed by at least three out of the four grantees as the most valuable or impactful contribution this Program made to their project, as it helped them to focus on results rather than just activities. It also made it easier to tell their story to partners and funders and also contributed to their learning from success and mistakes based on evidence and data, therefore improving their operational effectiveness and efficiency.

Table 5. Most Important Perceived Areas of Impact⁵⁰

Area	Ranking attributed (shown by the % of responses given to each criteria)					Total number of respondents
	1 (lowest)	2	3	4	5 (highest)	
Use of new tools for results-based management (RBM) and monitoring	0	0	0	0	100%	3
Tips and recommendations supplied by partners to improve implementation	0	0	0	33%	67%	3
Adequate design of an implementation plan for a project / initiative	0	0	0	33%	67%	3

⁴⁷ See notably the Final Project Reports for LWR and NBC-PUCV where the project teams explicitly mention the benefits in term of data collection the collaboration with Baastel has brought to their initiative.

⁴⁸ For example, through the Annual Reports, the MTE and Final project evaluations, the Summary of Cumulative Data provided to State/WHO almost every year showing the progress against F indicators.

⁴⁹ Interviews with grantees were conducted during monitoring and evaluation on-site visits as well as during events through face to face encounters.

⁵⁰ This table shows responses from the 4 to a survey question about the importance of various areas of impact resulting from their participation in the Innovation Challenge and support provided by the partners. (Innovation Challenge Final Evaluation Survey, July 2017).

Area	Ranking attributed (shown by the % of responses given to each criteria)					Total number of respondents
	1 (lowest)	2	3	4	5 (highest)	
Adequate design of an implementation plan for a scaling project / initiative	0	0	0	67%	33%	3
Development of contingency plans	0	0	0	67%	33%	3
Support to expand funding opportunities	0	0	0	67%	33%	3
SROI	0	0	0	100%	0	3

Despite this positive assessment, the following concerns were raised in relation to Baastel's work:

- Some believe the application of RBM could have been more flexible. Some of the 4 felt certain indicators were "imposed" on the them so as to reflect priorities of State (for example, F indicators). Grantees sometimes found it difficult to track, monitor, and report on those indicators.
- The PMF development and reporting requirements were considered by some as "excessive". The four winners' PMFs contained a high number of indicators. Some have argued that this has hindered their ability to really use and make information management feasible.
- The local consultant might not have been 'integrated' enough to the Baastel team. In other words, their role could have been more visible and central in data collection and technical support. Some grantees and partners noted that they were not as responsive as the core Baastel team, and that they put forward a different approach with their interaction with the grantees, and notably one that was less conducive to collaboration.

Overall, **all grantees (100%) who responded to the Innovation Challenge Final Evaluation Survey rated Baastel's work as very efficient and well executed.**

Output 1.4. SROI Studies

EarthShift Global led the SROI studies of the sub-grantee projects, providing tools, technology, and training. An initial SROI pre-assessment for each project began in 2014 and was completed in mid-2015, while a final SROI assessment was conducted by mid 2016 and reports completed in late September 2017.

All data collected points to the important potential value the SROI studies produced by EarthShift Global could have had in contributing to the sustainability and profitability of the winning projects. These studies were also perceived to have the potential to be an interesting complement to Baastel's evaluations of the grantees, as they sought to measure social, environmental, and economic costs and benefits, and to identify and record all effects of a project deemed by participants to be significant, rather than focusing on targets predetermined at the design phase. SROI studies could have also had value in identifying and quantifying the benefits and drawbacks of the projects that may otherwise have been overlooked or understated in the 'traditional' evaluation reports.

Unfortunately, data also shows that this potential has not been adequately exhausted. Among the factors that explain this limitation, the following were mentioned by those interviewed during the evaluation process:

- Among the partners and grantees, the rigor of the SROI methodology was questioned. There was generally a limited amount of trust in the findings and methodology used.

- There was a lack of relevance of certain elements of the studies in some cases, such as iCam 'SIMAPRO MSME' project, in which an analysis of water and energy consumption by the participating company was made, although the focus of the project was on workforce development.
- Conclusions were sometimes based on individual cases and used to derive results as a whole, which diminished reliability.
- The formula used by the software to calculate the final value and the calculation method to arrive to the results lacked transparency.
- Stakeholder discussions were time-consuming, in particular for establishing proxy financial values for non-economic benefits. The concept is very abstract, and therefore difficult to communicate. Focus group discussions each lasted one full day and often did not yield the necessary data required to conduct a robust study.
- The SROI facilitator did not return with agreed values for important but less tangible outcomes such as 'greater levels of community collaboration' and 'an enhanced feeling of confidence among beneficiaries'. The ramification of this was that the EarthShift Global team had to explore equivalent values from development literature, compromising the philosophy of allowing community members to define their own values. This literature was also felt as 'out of context' by some partners.
- Limited understanding of State/WH, the other implementing partners, and members on the usefulness of the studies, rendering their value quite low as there is a low possibility to use the study generate will be used as users do not understand what the data means.
- The data collection workshops conducted with the grantees and their beneficiaries and the studies were written in English. Very few EarthShift Global team members can speak Spanish fluently, the native language of the beneficiaries. This limited their use and the understanding of their contribution to the development of the grantees' project.
- EarthShift Global team also had challenges such as the late delivery of their studies and trouble in providing timely feedback.

Nonetheless, all partners noted the good relationship and good spirit of the EarthShift Global team, who responded well to comments all along and revised their report multiple times to adjust to partners' requirements to make findings and conclusions more explicit.

In the Innovation Challenge Final Evaluation Survey, two grantees (67%) rated the performance of EarthShift Global as very efficient and well executed, while one other (33%) said it was efficient. There is no data in the survey for the fourth grantee as the representative invited to answer the survey did not fill the online questionnaire.

Output 1.5. Scaling Plans

Customized scaling recommendations for each awardee were developed by CP with the help of some of the partners (mostly WEC and EarthShift Global). **The document review shows that these recommendations and guidelines have not been integrated to a great extent in the 4's implementation plan as part of their SOW, limiting their value.** Another aspect of this output was linked to connecting the scalable projects to investors and funders. Despite some attempts, this has been qualified by some of the grantees as one of the biggest weakness of this Program.

3.3.2. Evidence of State/WHA's Performance and Accountability

State/WHA representatives ensured some degree of oversight over the Innovation Challenge strategy and management:

- An 'audit' through the form of a site visit to WEC's office was conducted in November 2016 to review administrative and internal controls, financial records management and accounting systems, compliance with federal award management procedures, and policy and coordination with partners and grantees (e.g. sub-recipients).
- State/WHA staff reviewed and carefully vetted the sub-grantees awards before letting WEC proceed with the awards.
- State/WHA Program Officer supported the partners by participating in weekly meeting calls and providing insights into potential areas of cooperation to expand the donor base as well as reminding/updating the partners on changes/regulations that might affect the project (eg. Communication guidelines, F indicators update, etc.). State Representatives also participated strongly and supported the Program Annual Summits.
- Representatives from State/WHA undertook some field trips to visit/monitor progress of some of the grantees' projects (for example, Vista Volcanes).

Implementing partners would have appreciated from State/WHA:

- More guidance and responsiveness in the development, revision and approval of deliverables.
- More support to seek opportunities (platforms) to share good practice, expose the results of the Innovation Challenge, and connect with other programming/agencies conducting similar challenges.

The implementing partners believe that the activities and members also would have benefited from greater support by the Washington Working Group (WWG) and their local counterparts, several of whom had provided input to the original project design. The Partners had developed several communication pieces to share with the WWG but consistently found it difficult to gain traction with them.

3.4. Sustainability

- **The expansion of the Innovation Challenge into *La Red* has brought some sustainability elements to the Innovation Challenge.**

By allowing those entities who had taken the time to propose a high potential application to be part of a Network following the awarding of the 4, State/WHA extended the potential for impact of the Program, using a broader set of instruments at its disposal and allowing the Innovation Challenge not to act in isolation, amplifying the opportunities for collaboration – and success – of these innovations it had 'discovered'.

- **In considering the sustainability of results achieved among the 4, one challenge for the grantees was in gathering enough local buy-in and funding to maintain their presence after the pilot phase and the funding from State/WHA ended.**

The Innovation Challenge approach was to invest in projects and businesses that will serve as models or pilots, creating a demonstration effect to show the environmental and economic opportunities of adopting such processes and create widespread adoption of new practices. However, notwithstanding the fact that the approach yielded some of its expected results in that sense, for now, the prospect of the awardesss continuing to *scale* after the funding ends is limited. At the moment, the four projects are continuing some form of work in the scaled countries. Some are in discussion to organize new projects, derived from the pilot phase, others are closing their activities and consolidating the results reached. Yet in terms

of actually continuing the scaling work initiated through the Innovation Challenge, for now, the forecast scenarios are not fully clear.

Although it is a relatively young portfolio of initiatives, grantees are struggling to secure a market *that pays* for the products and services developed through the projects in the new scaling countries. This is not an unusual finding, however. A study of similar types of initiatives led by the International Development Innovation Alliance (IDIA) Working Group on Measuring Impact showed that regardless of the approach, many innovation funders find similar challenges in their efforts to scale up emerging ideas. Scaling up almost always takes more time and money than funders initially estimate. Successful and sustainable scaling typically takes several years and requires long-term engagement in accordance with a well-articulated scaling vision and goal.⁵¹

Some of the characteristics of the projects that have demonstrated good prospects for sustainability are those in which grantees have:

- The institutional capacity to coordinate, problem solve, and provide technical training at a distance.
- Sufficient financial capacity to continue ensuring a presence in the new scaling country or at least conduct some visits from time to time.
- A strong level of commitment for the continuity of the project.
 - Those grantees that developed a 'network' of partners (e.g. 'SIMAPRO MSME') and included as part of their project a component to transfer capacity to local stakeholders (e.g. 'SIMAPRO MSME', 'Compitemas Internacional-Peru' and 'Mobile Cocoa') to administer and continue the project, have increased their chances for sustainability and continuity of the project.
 - Those that have business and financial incentives to secure the project results in the future (e.g. Vista Volcanes) have continued working towards supporting the beneficiaries, including those that have had trouble maintaining the needed pace and dedication to ensure enhanced productivity of their farms.

Finally, external factors, such as the needs and priorities of the country where the project has scaled, the private sector and industry for obtaining the services and products of the project, as well as the economic conditions and the level of development of the regulation and inspection, have also been found to influence the sustainability of the projects.

3.5. Lessons in Designing and Managing an Impactful Innovation Challenge

A few lessons have been distilled from the Innovation Challenge experience and are noted here to take into account in the future.

- **"Even proven innovations often fail when transferred to a different context. Yet the cumulative learning from failures may be tremendously valuable in understanding how a particular context ticks."**⁵²

As researchers wrote in an article in the Stanford Social Innovation Review (SSIR), innovation should be thought of as a "process" and innovation projects should not be evaluated only based on the outcomes they generate in the form of external impact because it is important not to undervalue the positive internal organizational impact that comes from learning from piloting the solution. This experience has the potential to build and strengthen the organizations' capacity for productive innovation over time since "productive social innovation [...] relies heavily on trial and error and organizational learning. [...]"

⁵¹ IDIA Working Group on Measuring Impact Scaling Innovation. (June 2017). "Insights on Scaling Innovation". Similar findings were also found in KASPER, G. & MARCOUX, J. (Spring 2014). "The Re-Emerging Art of Funding Innovation", *Stanford Social Innovation Review*.

⁵² SEELOS, C. & MAIR, J. (Fall 2012). "Innovation is Not the Holy Grail". *Stanford Social Innovation Review*.

despite high error rates and little positive impact long term, innovation as experimentation is often an essential prerequisite to continuous social innovation.”⁵³

- **When designing an Innovation Challenge, it is important to think through how the various components of the design will affect the end results and the selection of the entities that will be funded.**

A few features affected/influenced the Program in its search for innovative and scalable ideas.

- **For an *Innovation* Challenge, there was a privileging of lower-risk, predictable, and well-established solutions rather than higher-risk, newer, and unestablished ideas, processes, or approaches. The amount of the grant might have influenced this.**

When analyzing the profile of the four awardees (and comparing them to those of other contestants), it is evident that the grants were awarded to established, ‘safe’ solutions rather than to new or emerging methods and ideas. Even though the application and selection process did cast a wide net, engaging with unconventional problem solvers, and allowing potentially high-reward ideas to pass through the selection filter (e.g. AcuaCare and Sisvita/Bioganar), ultimately, the Innovation Challenge did not select these newer ideas. In this sense, the Innovation Challenge didn't really divert funds away from projects with more predictable impact and toward experiments with a potentially higher likelihood of failure. One factor that might explain this situation was the requirement that grantees be able to invest approximately 10% of scaling fees in cost sharing, as per the rules and requirements of this award. This might have explained why the judges have favored organizations that appeared to have the ability to absorb this level of funding.

- **The amount of the grant at USD 500,000 was substantial; not every organization can manage a grant of that size.**

While the amount of funds made available for the Innovation Challenge presented a strong incentive and certainly helped attract a large number of applications, for small entities, this amount was well over their capacity to manage. In the context of the Innovation Challenge, where partners were looking to find organizations able to add impact at an exponential rate and to scale quickly (~20 months) to another country, this amount served to disqualify smaller organizations and involve only those who had the ability to weather the financial implications and that had a track record of implementation and could have the potential to succeed.

- **The misconception that innovation equates ‘technology’ combined with the necessity for grantees to be able to monitor and report on their results has led to favoring projects/solutions that integrated the use of digital systems.**

Organizations that proposed a technological/information technology (IT) platform as part of their solution appear to have been favored. Three of the four winning entities (iCam Group, NBC-PUCV, and LWR) had an IT component as part of their solution. Two other contestants that reached the final stage of the Innovation Challenge (Corporación SOMOS MÁS and Crowdfunder México) also proposed the use of technology through the use of an online platform to deliver a greater good. Hence, four strong proposals (including three of the four winners) combined IT as part of their solution; this could be perceived as a sign that the Innovation Challenge gave too much importance to IT while selecting the short list. While not downplaying the value of technology in innovation and development, it is also important to keep in mind that innovation goes well beyond just technological innovation.

Something that might also have factored into this is the very essence of these projects, which were supposed to act as pilots to determine whether or not they were “successful for replication and scaling”; thus, the importance attributed to the tracking of information and results and its dissemination, which IT definitely can help with.

⁵³ *Idem*.

- **The Four Pathways to Prosperity Pillars were, in many aspects, too broad to provide definitive direction for the awardees' projects.**

A study conducted in 2009 by McKinsey&Company found that: "How well a broad aspiration translates into specific objectives determines a prize's success or failure more than any other single factor."⁵⁴ The Pathways Initiative and its four pillars provided a guide for the Innovation Challenge and helped organize the applications. However, these high-level objectives were too broad to be achieved by any single project. Moreover, the overlap between the Pillars (between Pillar II and Pillar IV, for example⁵⁵), limited the ability to assess clearly the project and the Program contribution against the pillars.

The lack of clear 'targets' was also another weakness of the pillars and the Innovation Challenge conceptual framework which complicated the assessment about whether or not the funded projects achieved the degree of success expected by the funder and the implementing partners.

⁵⁴ McKinsey&Company. (2009). *And the winner is...*, p.40.

⁵⁵ The case is clear with LWR, who had already been awarded funds for a similar project from State Bureau of Oceans and International Environmental and Scientific (OES) and the Pathways Initiative through a competitive grants process under the category of Sustainable Business Practices and Environmental Cooperation (Pillar IV) while under the Innovation Challenge, it was awarded for a very similar project under the category Empowering MSMEs (Pillar I). For more details, please refer to "Pathways to Prosperity in the Cocoa Value Chain" in El Salvador, Nicaragua, and Honduras. Link here: <http://reliefweb.int/report/el-salvador/lutheran-world-relief-expands-work-cocoa-farmers-central-america>

4. LA RED: FINDINGS & ANALYSIS

This section details the evaluation findings and analysis of *La Red*, the component linked to Outcome 2 of the Program-level LM (see Annex 3).

4.1. Relevance

The relevance of the Network is assessed in relation to State/WHA's development priorities and more specifically the objectives to leverage shared experience and knowledge across the hemisphere. This section also considers the relevance of *La Red*'s objectives for participants.

4.1.1. Alignment with State's Goals and Objectives

- The evaluation team considers *La Red*'s objectives and design relevant to State's objectives and priorities.

The broader mission of State is to "shape and sustain a peaceful, prosperous, just, and democratic world and foster conditions for stability and progress for the benefit of the American people and people everywhere."⁵⁶ Two of its core strategic objectives are to "expand access to future markets, investment, and trade" and "promote inclusive economic growth, reduce extreme poverty, and improve food security." Both of these objectives fall under State's Strategic Goal 1, which seeks to "strengthen America's economic reach and positive economic impact."⁵⁷

Innovation is a core component of Strategic Goal 1, identified as a means through which greater economic impact can be achieved. As State's Strategic Plan states: "A more innovative world is a more prosperous world and one that can tackle global challenges more effectively."⁵⁸ To this end, with the knowledge economy seen as a strategic asset, the US seeks to encourage a positive international environment that fosters cross-broader exchanges and collaboration, so as to contribute to this core goal.⁵⁹

La Red's broader objectives thus fall in line with State's Strategic Goal 1 and its two strategic objectives. As noted in Section 1, *La Red* was designed to fundamentally strengthen and augment the reach and effect of efforts promoting inclusive economic growth in the region.

Further, *La Red*'s design, in fostering innovation and catalyzing connections, sits centrally with State's valorization of innovation and cross-border exchange and collaboration.

4.1.2. Alignment with Participants' Needs

- The objectives and design of *La Red* aligned well with the needs of the beneficiary organizations. This is the result of the implementing partners' intentional and active work to ensure that alignment.

100% of members who responded to the *La Red* Final Evaluation Survey indicated that to some degree the objectives and purpose of *La Red* aligned with their needs as an organization. **92% of those respondents indicated that the objectives**

⁵⁶ *About State*, accessed at <https://www.state.gov/aboutstate/> on July 28, 2017.

⁵⁷ US State-USAID. (2014, p.8). *Strategic Plan FY 2014-2017*.

⁵⁸ US State-USAID. (2014, p. 9). *Strategic Plan FY 2014-2017*.

⁵⁹ US State-USAID. (2014). *Strategic Plan FY 2014-2017*.

and purpose aligned or strongly aligned with their organization's needs. The remaining 8% indicated a moderate degree of alignment.

One of the key factors contributing to the high degree of alignment with participants' needs is that a core output and related activities was an extensive needs assessment, the results of which directly shaped the design and functioning of *La Red*. Specifically, that research and analysis was carried out by CP through its delivery of Output 2.2 (Analysis of 26 solutions to assess capacity, strengths, and weakness) and its respective activities (Activities 2.2.1, 2.2.2, and 2.2.3) as well as WEC's implementation of Activity 2.5.3 (Review remaining cohorts needs).

Another important factor to consider is the flexibility and adaptability of the donor, namely State/WHA. *La Red* itself, as discussed, was not a part of the original RFA. It emerged out of a perceived opportunity to increase the reach and impact of the Program. State/WHA representatives assigned to this Program demonstrated a willingness for the nature and design of the Program's extension to take shape in response to the needs of the beneficiary organizations. Furthermore, as a core output of Outcome 2, State/WHA approved the use Program funds to carry out the needs assessments, which have positively yielded a more responsive Program and increased the Program relevance vis-à-vis beneficiaries.

4.2. Effectiveness

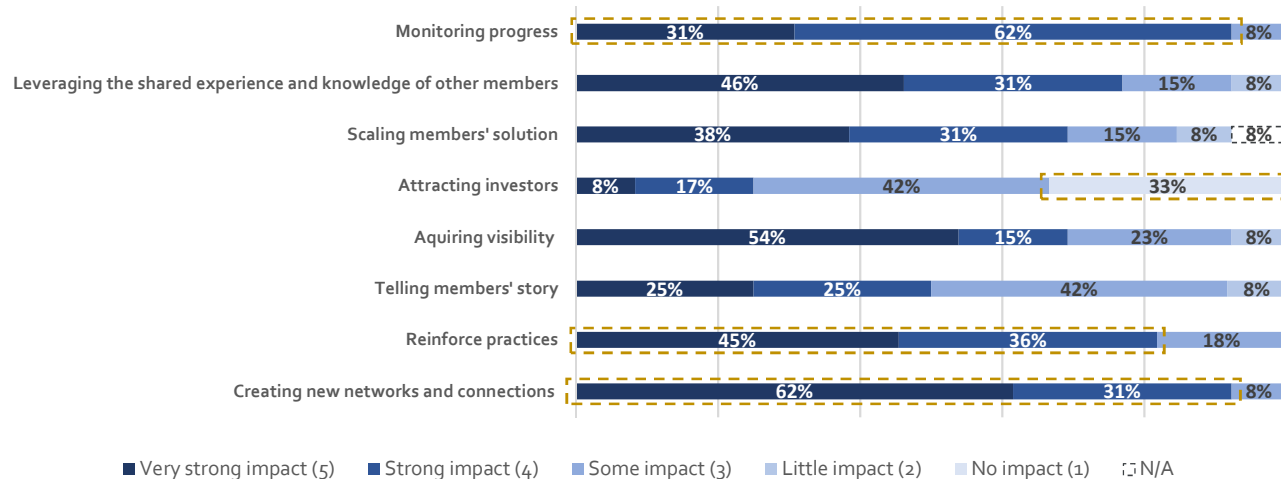
This section details the major results achieved through the development and operationalization of *La Red*. In doing so, the section highlights some case studies while also more broadly assessing the extent to which the results achieved align with what was desired and planned for.

4.2.1. Achievements of *La Red*

- *La Red* was generally successful in generating a positive influence in almost all the planned results areas.
- Strengthening organizational capacity and catalyzing connections are the two principal areas of results among *La Red's* members.
- One area where *La Red* had little impact, though it was desired, was in attracting outside investors.

In the *La Red* Final Evaluation Survey, member organizations were asked to self-assess the degree of impact *La Red* has had on them regarding eight areas the Program was designed to have an impact in. The following chart shows the results from the 13 awardee representatives who answered the survey, out of the 30 awardees that were invited to do so.

Figure 8. Members' Self-Assessment of Areas of Impact, La Red Final Evaluation Survey (July 2017)



As shown above, monitoring progress and creating new connections were identified as the areas of greatest impact, both with 93% of respondents indicating the impact was either very strong or strong. In the case of creating new networks and connections, 62% indicated a very strong impact. These results tally with what was heard during interviews carried out for this evaluation. When members were asked about the impact and benefits of being part of *La Red*, capacity building and catalyzing connections were the two themes that most commonly came up. The above findings based on the interviews and *La Red* Final Evaluation Survey are also consistent of prior assessments. As part of the 2016 mid-term assessment of *La Red* carried out by CP, members were asked to identify the top beneficial features of the *La Red*. The top two responses related to capacity building, with 83% indicating working on the PMF and 67% indicating informative webinars. Those surveyed also noted responses related to catalyzing connections, with 50% indicating participation in network events and 44% indicating connecting with other members through the Network online platform, Schoology. In that same survey, in assessing results achieved through *La Red*, 100% of respondents indicated improved capacity of staff and 77% indicated active relationships with other network members. Additionally, 78% indicated they had identified potential partners, with 72% noting they had established partnerships through their participation in *La Red*.

The area with the weakest impact identified in *La Red* Final Evaluation Survey was in attracting investors, with 33% indicating their participation in *La Red* actually had no or very little impact in this area. In fact, this is the only area where many respondents indicated no impact. In interviews with members, they noted that networking with investors was not at all strength of the Program.

Generally, *La Red* has very much been an active network, spurred on by continuous support, of which can broadly be categorized into three areas:

1. Strengthening core capacity of members through the provision of expert-led courses and one-one-one consultancies

Several courses, including webinars and in-person trainings, have been delivered by experts covering a wide variety of subjects, including business strategy design, market entry, trade facilitation, survey methods, RBM and M&E. More than 63 persons were trained through courses in the form of Webinars offered by experts. With 30 member organizations being involved in *La Red*, that means that more than one person per organization took the trainings offered; hence, building capacity within the member organizations.

Members of *La Red* have also received one-on-one consultancies, most notably in developing and operationalizing M&E tools. One specific area of capacity building that was frequently identified was capacity building in monitoring and RBM, for

example in learning how to build and use a PMF and other monitoring tools. Further guidance has been offered in accessing resources and in developing partnerships within and outside of *La Red*. The Accelerator programs were similarly identified as effective means of strengthening capacity. In 2017, three Accelerator programs (Agora, NESst, and New Ventures) were launched as part of *La Red* with the goals of strengthening members' business management capacity, providing guidance and support on further scaling and funding, and working to ensure the longevity of the Network. In total, 17 members (or 57%) have taken this opportunity to be part of at least one of these Accelerator programs, which provided them support resources that can increase their growth and competitiveness.

2. Catalyzing connections through the provision of networking opportunities (virtual and in-person)

The partners have spurred on the Network by giving it spaces, virtually, through the creation of an online platform called Schoology, as well as through the organization of several in-person events. These spaces have allowed for members to exchange experiences, promote ideas, widen visibility, as well as (to a lesser extent) connect with external investors and advisors. Communities of Practices (CoPs) on Schoology allowed members to exchange ideas and experiences, including facilitating their own forums around topics of interest within their areas of expertise or by inviting external experts to share their knowledge. Several in-person events have been organized, including the Colombia Workshop in March 2015, the Miami Forum of September 2015, the July 2016 and 2017 Summits in Washington, DC, addressing a wide variety of subjects including lessons learned from scaled projects, impact investment, success and failure stories about innovation, and existing global networks and organizations that support them.

During interviews, members spoke of the value of building relationships with other members, in making new contacts, establishing partnerships (principally with other members), and learning from others' experiences. In fact, at least seven members signed collaboration agreement to solidify and expand their work together during the period of performance of *La Red*. In terms of networking and building connections, members noted they far preferred in-person over virtual means of networking. The summits and other in-person events, such as when members would meet other members for site-visits, training/knowledge transfer, and member-hosted forums or conventions, among other activities, were more effective in establishing and building relationships compared to Schoology, for example.

Box 4 considers a case study showcasing *La Red's* effect in catalyzing connections.

Box 4. Case Study of Collaboration achieved through *La Red*

Spotlight on: Acua Care

Workshops and Conferences for MSMEs in Guatemala and Nicaragua with Prototype Program in Colombia for Educational Material Elaboration on Sustainable Practices and Biological Wastewater Treatment

AcuaCare's project sought to deliver workshops and conferences where MSMEs could learn practical skills for complying with international environmental standards through sustainable practices and vermifiltration application, encouraging them to build their own wastewater treatment systems as a low-cost solution. AcuaCare had planned to build pilot plants and deliver workshops in Colombia; however, with the changes to programming requirements that came in early 2017, the project had to adjust its plans to scale to one of the CAFTA-DR countries, Panama, or Peru.

AcuaCare's active participation in *La Red* was central in allowing it to adapt to these requirements and establish and catalyze connections with member organizations from other LAC countries.

In Guatemala, for example, AcuaCare partnered with Vista Volcanes, training their staff to become trainers in the production of organic fertilizers. To date, the Vista Volcanes staff have trained over 100 female-run micro-enterprises. In Nicaragua, AcuaCare connected with another *La Red* member, the Nicaragua Cleaner Production Center (CPML-N), where they similarly trained staff on good practices for composting and organic production. A similar demonstration plant was established at the Ometepe island, where more than 100 visitors have learned on AcuaCare's technology, representing universities, agroindustry and tourism sectors. These partnerships with other *La Red* members have exponentially increased Acua Care's reach and impact, allowing for the replication and operationalization of its technologies to other countries in the region.

This example shows how developing networks and fostering collaboration allow small businesses to accelerate their interventions. Through this experience, as well as others noticed through the Network, it has clearly been shown that local allies are a key piece for scaling and gathering partners in other countries.

On a less positive note, members noted that the heterogeneity of the Network at times adversely affected the ability to connect with other members, as in many cases the organizations had little in common. The desire for a more focused Network, where there was less heterogeneity between members, was expressed by some members, and to some extent also by the prime. To be sure, there were efforts made to create 'cohorts' within the Network, based on significant workshopping with stakeholders, linking together similar members, which would have greatly aided in this issue. In the end, however, the cohorts never really materialized. Of note, the selection of who would be in which cohort was decided by the partners. Members noted that the cohort they were placed in did not always align with the cohort group they felt would be the best fit for them.

3. Incentivizing participation and accelerating members' solutions

While the Network was successful in garnering interest from 30 members at inception to create *La Red*, there was also a high degree of variability in terms of rates of participation across the three categories of members (i.e. the 4, the 8 and the 18). Rates of participation among the 4 and 8 funded members were high; in contrast, the rates among the 18 non-funded members were somewhat low, with some interesting and important exceptions. This finding is reinforced when considering the timeline of *La Red*: once the 8 awards were announced, it became clear that some of the non-funded members would be less involved. Responses and demonstration of interest to communication efforts from *La Red* became scarce among the 18 and sometimes simply ceased. Overall, considering the events, Schoology, courses and workshops, and the Accelerator programs, members making up the 4 participated at a rate of 68%, the 8 at a rate of 58%, and the 18 at a rate of 27%. In fact, five members from the 18 (over a quarter), actually dropped out altogether of *La Red*. **The principle reasons for the lower rates of participation and dropouts among the 18 were: 1. Lack of time; 2. Difference in members' priorities and areas of support offered by *La Red*; and 3. Monetary limitations/restrictions.**

Based on interviews and email correspondence with the 18, one of the principle reasons for members' inactivity in *La Red* was that member organizations simply did not have time. Not for a lack of interest, many stressed they still very much wanted to continue to participate in *La Red*, it was that other priorities required their attention.

A second key reason was that members felt their priorities and needs no longer aligned with the support offered by *La Red*. In some cases, members' priorities fell outside of the scope of *La Red's* requirements, such as wanting to expand within their own country or expand to State/WHA 'non-approved' countries. In most cases, members felt their involvement in the Network was no longer a viable means of responding to their needs, the most evident need being funding. One of the main draws to *La Red* for many was the potential opportunity of obtaining funds, via the grants offered or through opportunities to connect with investors. After the inducement grants were awarded, participation rates especially among the 18 saw a sharp decline. Further, in interviews, members noted that, a part some links made with external stakeholders during some of *La Red's* events, networking with investors was limited within the Program. While in its design that was a core element, *La Red's* primary focus ended up being in catalyzing connections with other members rather than with external stakeholders. Attracting investors was *La Red's* weakest area of impact.

Finally, a third reason that several members noted was they had monetary limitations or restrictions that affected their ability to participate in the Network activities, particularly in paying for travel to the summits and other in-person events. More could have been done to incentivize the participation of the 18. Members that make up the 4 and 8 received larger financial support through *La Red* to participate in in-person events. This additional support helped to cover costs associated with travel. Some of the 18 were also able to receive funding but, by in large, they were far less likely to and when they did, the support was less. Broadly, the variability in support provided across members did not help in encouraging participation.

In terms of formal incentive mechanisms, the USD 80,000 inducement grants proved to be quite effective in incentivizing participation among the members. Key to that was that participation was a central criterion for the selection process. After that, however, there were very few incentive mechanisms put in place, the result of which is reflected above.

- ***La Red* Final Evaluation Survey showed that the Network also had an impact in helping some members scale their solution and in acquiring visibility.**

The 2016 mid-term assessment conducted by CP highlighted the impact *La Red* had in increasing the visibility of its members. It noted 78% of members had been featured in the media/press since the network launched. This can be contrasted with CP's 2015 mid-term assessment where only 31% of members had been featured in the media/press. That is an increase of almost 50% over the course of one year.

In 2016, *La Red* selected and awarded a USD 80,000 inducement grant to eight members from *La Red* as a reward for their engagement in the Network and to help further accelerate their solution. The 8 were able, thanks to those funds, to further some existing projects and expand their reach and/or create new projects entirely. Four organizations part of the 8⁶⁰ were actually able to scale to another country leveraging other members' connections and/or partnering with other members.

To provide an illustrative example of the aforementioned areas of impact Box 5 provides an illustrative example of how *La Red* impacted CONEP in a broad range of areas.

Box 5. Case Study Example of Broad Results and Impact Achieved through *La Red*

Spotlight on: CONEP

The CONEP was one of the 12 finalists of the Innovation Challenge. While they were not one of the winners of the USD\$500,000 grant, the Program's expansion served them invaluable, with their participation in *La Red* allowing the organization to benefit greatly on numerous dimensions:

- **Build capacity of staff:** CONEP staff actively participated in several trainings offered, building their capacity in RBM, M&E, and marketing, among other areas. Further the staff demonstrated their ability to use that new knowledge to systematize and improve their practices. Through this process, they are now empowered to do their job better and are more accountable to results, according to their direct manager/director.
- **Creating opportunities for connection and developing strategic alliances to grow:** CONEP, with the support of *La Red* partners, generated alliances with two of the four winners of the Innovation Challenge, namely iCam Group and NBC-PUCV. CONEP is now leading the implementation and expansion of the SIMAPRO project and the CompiteMAS solution in Panama, all the while opening new lines of business.
- **Access to funding:** The aforementioned partnerships allowed for not only the refinement and strengthening of the solution CONEP was offering (through using of the two winners' online platform, notably) but also allowed the organization to access funds through *La Red* USD\$80,000 inducement grant.
- **Support to achieve better sustainability:** With the support from NESsT, one of the three Accelerator programs offered by *La Red* to its member, CONEP has been working on developing new business models that will allow it to move away from grants and potentially develop more 'self-sustaining' projects, thereby helping the financial sustainability of the organization.

As a result of all the above, according to one of CONEP's main administrator, the organization has increased its revenue by close to 50% over the past six months.

⁶⁰ These are: Acua Care; Bucaramanga Chamber of Commerce (CCB); Incubatec-UFRO, and; WAKAMI.

- While *La Red* had a strong impact, in considering its breadth, the impact of the Network was not felt uniformly across all of the beneficiary organizations. The generation of impact from *La Red* required a lot of agency and active participation of member organizations. Those members who experienced the greatest impact as a result of *La Red* were those who were most actively engaged in the Network.

From interviews with members, it is very clear that those who got the most out of *La Red*, those who saw the greatest positive impact, were those who participated and were most actively engaged, or, as one partner put it, were “those who played the game”. Conversely, those who were more passively engaged got less out of *La Red*. While there is very little data on the 18, including data on the impact this group experienced, their general lack of activity strongly suggests that *La Red* did not have a strong impact within these members. There are a few exceptions; however, on the whole, it would appear that the areas of impact noted at the beginning of this section, while strongly felt by some, were not felt by all.

4.2.2. Achievement of the Funded Projects

- The evaluation team found that *La Red* funded projects were impactful within social, environmental, and economic spheres.

This sub-section presents the aggregated results against F Indicators with numbers as of mid-September 2017. It highlights members who form the 8, who have received funding funds from State/WHA as part of their support to *La Red*. Results for the 4 have been highlighted previously in section 3.2.2.

Triangulation of the available data shows that approximately:

- 230 MSMEs, including farmers, received business development services from USG assisted sources over the past year through the eight funded projects of *La Red*. Of these, at least 48 were micro-enterprises;
- 425 firms received USG-funded technical assistance to export;
- 224 individuals have gained new or better employment;
- Farmers and producers have applied improved technologies or management practices with USG assistance. However, many projects worked with cooperatives and firms making it difficult to know exactly how many beneficiaries were farmers and producer and providing a number for EG 3.2-17.

These are significant accomplishments⁶¹ for projects with a short timeframe (approximately 12 months).

Table 6 below presents the above results achieved by the 8 against the F Indicators tracked by the Program and disaggregated per project with short summary of accomplishments for each. These results are current as of mid-September 2017.

⁶¹ The RFA makes it difficult to objectively determine what the goal of delivering inclusive economic growth on a large scale means. As a result, judgements on whether this expected objective has been achieved are based on the evaluation team’s view of what would be a reasonable achievement for a Program of this type at this point of time.

Table 6. Project Results Achieved by the 8, against F Indicators

Implementing Organization	Results Achieved	F Indicators
Business Development		
Relevant/Selected F Indicators:		
<ul style="list-style-type: none"> 4.5.2-37 Number of micro, small and medium enterprises (MSMEs), including farmers, receiving business development services from USG assisted sources⁶²: 272⁶³ EG.5-3 (old ID 4.7.3-6) Number of microenterprises supported by USG assistance: 90⁶⁴ 		
AcuaCare Vista Volcanes Nicaragua CP Center	<p>AcuaCare provided trainings and technical assistance to more than 50 business associations, cooperatives, farmers and MSMEs to improve their knowledge and technical expertise of cleaner production practices, most specifically in regard to waste water treatment. As a result, a wealth of individuals increased its knowledge, either through conference, visiting a pilot project, and/or watching the online videos developed through the funding provided by State/WHA for this project. While the project worked mostly with business associations and cooperatives that count many members (likely to be small or very small producers and enterprises), some MSMEs also participated in trainings and received direct assistance through this USG-funded project⁶⁵:</p> <ul style="list-style-type: none"> Colombia: ~25 MSMEs assisted to conferences organized by AcuaCare and received trainings. Guatemala: At least one MSME (Vista Volcanes), received direct training and prototypes for sludge treatment. Nicaragua: At least 15 MSMEs from the tourism, agro-food sectors (mostly dairy) received direct capacity building. From these 15 MSMEs, one from the tourism sector (Ojo de Agua, at the Ometepe island), installed a prototype for wastewater/sludge treatment. 	<p>*4.5.2-37</p> <p>*4.5.2-37</p> <p>*4.5.2-37</p>
CCB & Incubatec-Ufro	<p>Together, CCB and Incubatec-Ufro have designed and implemented two acceleration programs for business incubation, providing business development services mostly to women entrepreneurs in two countries.</p> <ul style="list-style-type: none"> Colombia: 14 MSMEs, (three led by males; 11 led by females). Dominican Republic: 16 MSMEs, all owned by business women. All 30 beneficiaries were micro enterprises (i.e. counting less than 10 employees). 	<p>*4.5.2-37</p> <p>*4.5.2-37</p> <p>*EG 5-3</p>
CPML-Nicaragua	<p>Trainings and technical assistance were provided to 34 MSMEs⁶⁶ (24 in Nicaragua, five in Guatemala and five in El Salvador). For each of these MSMEs, the project developed a diagnostic report followed by either a cleaner production report or a business model canvas, which helped stimulating their production by making better use of raw materials, water, and energy and reducing the generation of</p>	<p>*4.5.2-37</p>

⁶² After the revision done to the F indicators in 2016, this indicator is no longer in use (i.e. reads as 'archive' in the latest Standard Foreign Assistance MIL. However, the indicators to be tracked for this Program were agreed to prior to those changes and that is the reason why this indicator is reported here.

⁶³ The total number reported here doesn't match up exactly the numbers reported above. This is because two projects (CPML-N and Acua Care) had four beneficiary MSMEs that were receiving support from both projects. To avoid double counting, these four MSMEs have been counted only once in the overall total while they appear in the space provided for each project.

⁶⁴ This is a very conservative number and the reality is that probably, more microenterprises have benefitted from one of the 8 funded projects. However, only companies for which it was possible to know exactly and many workers they had (i.e. less than 10) were counted here. In many cases, this data was not available to the evaluation team.

⁶⁵ There was very little information about the MSMEs that benefitted from the project, for this reason, it is not possible to provide data on the number of micro enterprises that were supported (F indicator EG.5-3), but it is likely that most enterprises were small or very small. The numbers presented in this table may differ from the self-reported data in the project's final PMF and Final Report as it appears that the number of participants/MSMEs/Cooperatives/Associations, etc. were all counted indistinctively. The evaluation team has made a thorough search in the assistance register list provided by the project as Annexes to the Final Report to derive those numbers and ensure only MSMEs (i.e. private companies and producers) would be counted under the F indicator. These numbers are conservative estimates and the reality is that probably more MSMEs benefitted from this project.

⁶⁶ Two of the beneficiaries were cooperative businesses (i.e. Tourist Services Cooperative (COOSETUR) and Cooperativa Turistica Los Ramos (COOTUR).

		waste and fostering the adoption and implementation of cleaner production practices. At least 13 beneficiary companies were micro enterprises . ⁶⁷	* EG 5-3
CoNEP CNP+L	&	11 MSMEs benefitted from the project's support for the establishment of an integrated management system to reduce costs, environmental and social risks and increase their competitiveness. Of these 11 MSMEs, four were micro enterprises .	*4.5.2-37 * EG 5-3
Las Verdes	Páginas	Thanks to the assistance provided through this USG-funded project, 20 MSMEs ⁶⁸ have strengthened their knowledge in marketing and sales and 10 of them received the support of Las Páginas Verdes in designing a marketing and communication plan. <ul style="list-style-type: none"> • Mexico: Five MSMEs • Guatemala: Eight MSMEs • Honduras: Three MSMEs • El Salvador and Nicaragua: One MSME each • Costa Rica: Two MSMEs <p>In addition, the marketing research about green consumers in Latin America conducted and funded through this project reached a vast audience (it was sent to 315 people, many of them business owners). This research provided MSMEs that offer sustainable products or services access to information about green or sustainable consumers. This information could be used by MSMEs to align their processes, products and services to consumers' needs, wants and aims.</p>	*4.5.2-37
Techstars		Through the Community Workshops and other events organized by Techstars, 42 startups founders were supported in different ways. These startups, which are considered micro-enterprises, are trained on general managerial practices as well as on the Techstars Startup Weekend Methodology, oriented towards business community strengthening. In addition, the project was able to generate links between involved startups and help strengthen community leaders' role a network in what are called "entrepreneurial ecosystems".	*4.5.2-37 * EG 5-3
Travolution		During the Latin American Community Based Tourism Encounter (ELTC), Travolution facilitated the creation of links between many actors involved in local development and community tourism. The round tables and the different activities organized during the event enabled buyers, tour operators, non-governmental organizations (NGOs), and government entities to expand their outreach to, and purchases from community tourism providers and communities and helped support the development of new products and ideas. The event was visited by more than 250 participants from over 20 countries, mostly from LAC. Based on the assistance list provided by the project team, at least 77 MSMEs ⁶⁹ benefitted from this event. The vast majority were MSMEs from Colombia, where the event took place. There were also MSMEs from Brazil, Chile, Costa Rica, Ecuador, Guatemala, Honduras, Nicaragua, and Peru.	*4.5.2-37 ⁷⁰

⁶⁷ The number of employees in each of the beneficiary enterprises is not known; information only for some was provided and has been included here. It is highly likely the majority of enterprises part of this project were micro or small enterprises.

⁶⁸ There wasn't enough information about the MSMEs that benefitted from the project to include data on the number of micro enterprises that were supported (F indicator EG.5-3), but it is likely that most enterprises were micro or small enterprises.

⁶⁹ The event attracted many business associations and cooperatives that count many members (likely to be small or very small producers and enterprises), but only MSMEs were counted here. The evaluation team has made a thorough search in the assistance register list provided by the project as part of their progress reports to derive those numbers and ensure only MSMEs (i.e. private companies and producers) would be counted under the F indicator. These numbers are conservative estimates and the reality is that probably more MSMEs benefitted from this project.

⁷⁰ There wasn't enough information about the MSMEs that benefitted from the project to include data on the number of micro enterprises that were supported (F indicator EG.5-3), but it is likely that most enterprises were micro or small enterprises.

WAKAMI		The project incubated five new rural businesses , transforming them into formal businesses that have the capacity of produce fashion accessories with high quality standards. The incubated rural businesses' income has grown on average by 40% in 2016. Four were small businesses, and one was a micro enterprise (10 employees – all women). In addition, the project delivered various training workshops, benefitting 16 rural businesses . These workshops aimed at improving the management of rural business that were already operational before the project started.	*4.5.2-37 * EG 5-3 *4.5.2-37
Trade and Export			
Relevant/Selected F Indicators:			
<ul style="list-style-type: none"> EG 2.2-1 (old ID 4.2.2-3) Number of firms receiving USG-funded technical assistance to export: 425 			
CoNEP CNP+L	&	At least two MSMEs received assistance related to Hazard Analysis and Critical Control Point (HACCP), an internationally recognized system for reducing the risk of safety hazards in food. Once those entities can show adherence to this standard, they will be able to assure export customers of the quality and performance for their goods and services.	71
Las Páginas Verdes		The project funding served to grant five MSMEs from Central America a spot in the Tiper magazine, a magazine published in Mexico and available online directed towards encouraging sustainable consumption among readers/consumers. Those five MSMEs also received a free stand at the Mexico EcoFest, the largest green festival in Latin America, who serves as fair for green enterprises to promote and sell their products or services and make sustainable brands visible for a large number of potential consumers.	*EG 2.2-1
Travolution		While the project purpose wasn't to provide assistance to firms to export, the ELTC served to generate and enhance visibility of community-based tourism as a motor for local sustainable development. An open to public market took place during the event where attendees/ beneficiaries from Central America, Peru, Dominican Republic and other Latin-American countries displayed their value proposition both to the Colombian public and to the agencies and tour operators participating from other countries in LAC, the USA and Europe. The event was an opportunity for representatives coming from various Latin American countries to connect and create alliances with community-based tourism organizations throughout the hemisphere.	72
WAKAMI		Through this project, in March 2017, WAKAMI launched a new online platform to sell products made by their producers/beneficiaries. This site allowed to expand the market for the all beneficiary businesses (more than 420 women producers) part of WAKAMI value chain; orders have been received from several states from USA and other six countries: Canada, Denmark, Germany, Hong Kong, Ireland and Italy.	*EG 2.2-1

⁷¹ Even though good progress has been achieved in the beneficiary MSMEs towards obtaining a certification, the certifications were not achieved during the project period of performance, which is considered normal given the lengthy process associated with those processes. Therefore, they are not counted under the F indicator EG 2.2-2.

⁷² Improving trade and export were not part of the objectives of the Travolution project; therefore, key metrics have not been monitored and no results are reported here.

Workforce Development

Relevant/Selected F Indicators:

- EG 6-1 (old ID 4.6.3-2) Number of individuals with new or better employment following completion of USG-assisted workforce development programs (EG. 6-1a – Number of males / EG 6-1b – Number of females): 224 individuals, 42 male / 60 female⁷³

CCB & Incubatec-Ufro	In the Dominican Republic, four new jobs have been created by the companies that benefited from the acceleration program offered by the project. In addition, seven of the participating MSMEs in this country reported that their sales have increased thanks to the acceleration program provided by CCB & Incubatec-Ufro and funded by State/WHO. The surveys conducted by the project team show that the 30 participants (14 entrepreneurs (three males; 11 females) in Colombia / 16 entrepreneurs (all female) in Dominican Republic) now benefit from what they perceived as a better employment, as shown by their level of satisfaction with the support provided by the program to grow their businesses and the increase in their knowledge or skills after completing the program.	*EG 6-1 *EG.6-1a *EG.6-1b
CoNEP & CNP+L	The project trained 20 consultants (amongst which 16 were women / 4 men) in two different methodologies, helping them acquire new knowledge and developing skills and behaviors that will help them find new employment and/or stay employed and productive. In addition, and more generally speaking, employees from the 11 beneficiary MSMEs that received trainings (~52 persons, among which 17 were women and 35 were men) now work in what they overall consider to be better working conditions in terms of physical and/or mental conditions as well as in some cases remuneration.	*EG 6-1/ *EG.6-1a & b *EG 6-1/ *EG.6-1a&b
Las Páginas Verdes	As a result of the technical assistance provided to the beneficiary MSMEs, many owners of these companies felt their company became more credible, more professional, and therefore more attractive to do business with. Generally, this increased their satisfaction with their work and for at least four small business owners , the project has been instrumental to increasing their sales.	*EG 6-1
Travolution	Following the ELTC, Travolution reported that at least five new projects had been created by participants in the encounter to continue efforts towards local development and community-based tourism. These might lead to the creation of new or better employment in the near future. However, this is considered a ripple effect that the project might have had and in this sense, the number of individuals for which this became a reality has not been tracked and/or reported by the project team as part of their reporting for this project.	
WAKAMI	By July 2017, the project had reached a total of 114 new producers . These producers are mostly women. Through the workshop conducted, the producers were trained in production techniques and for making new Wakami products. These workshops allowed to increase the productivity of the rural business, through enforcing their capabilities, handling more techniques they can increase their production and generate more income.	*EG 6-1

⁷³ Not all the data was provided with proper disaggregation by sex; that explains why the numbers do not add up.

Clean Productive Environment

Relevant/Selected F Indicators:

- **EG.3.2-17 Number of farmers and others who have applied improved technologies or management practices with USG assistance**
- **4.8-7 - Greenhouse gas (GHG) emissions, estimated in metric tons of CO₂, reduced, sequestered, and/or avoided as a result of USG assistance⁷⁴: 35.29**

AcuaCare	13 prototypes of AcuaCare's sludge treatment for liquid and solid waste were transferred to communities, cooperatives, and MSMEs who are now better equipped with new technology to treat their wastewater. Many of the beneficiaries were agricultural enterprises.	75
	<ul style="list-style-type: none"> • Colombia: nine prototypes were installed, benefitting mostly the dairy sector (e.g. improved water treatment through improving grease retention and sludge treatment) and the floral industry (flower growers). • Guatemala: three prototypes were installed to produce organic fertilizers for farmers. Farmers used the fertilizers, for example, for growing pineapple. • Nicaragua: one prototype installed at a sustainable tourism MSME (Ojo de Agua). The prototype installed serves both for treating dry (e.g. waste from kitchens, agriculture and tourism activities) and humid organic sludge (e.g. sludges from waste water treatment plant). 	
CNPML- Nicaragua	<p>The project supported the financing and installation of new technologies, notably in the form of photovoltaic solar systems, LED lamps and water saving systems in 16 MSMEs of Nicaragua.</p> <p>According to data provided by the project team at the closing their project, the environmental benefits of these implementations is equivalent to 35.29 tons of CO₂ that will not be emitted to the environment and therefore will not contribute to the greenhouse effect.⁷⁶</p>	<p>77</p> <p>*4.8-7</p>
CoNEP CNP+L	<p>& Two beneficiary MSMEs are in the process of achieving the Panama Municipality certification 'Basura Cero' (or Zero Waste, in English), a certification to boost recycling in Panama and that ensures companies reduce the disposal of waste through the implementation of so-called 'three R': Reduce, Reuse and Recycle. Moreover, two MSMEs received technical assistance to develop an Audit Plan. This Audit Plan is a required first step to obtain an Environmental Audit approved by the Panama Ministry of Environment.</p>	78

In addition to these results, the projects of many of the 8 included awareness raising seminars and/or information sessions for the public. It is interesting to note that while the 4 established stronger presence where they scaled (notably by training local implementing partners to conduct the intervention on their behalf), having limited funds, some of the 8 had to be resourceful to achieve their targets and a couple of leveraged the use of e-learning/conferencing software to reach a wider audience.

⁷⁴ This indicator is no longer in use (i.e. reads as 'archive' in the latest Standard Foreign Assistance MIL. However, the indicators to be tracked for this Program were agreed to prior to those changes and that is the reason why this indicator is reported here.

⁷⁵ Since many beneficiaries were reported by the project team as being 'Cooperatives', it is not possible to know exactly how many producers the project benefitted exactly and that is why there is no number reported for F indicator EG.3.2-17. In addition, since producers were included under MSMEs under indicators 4.5.2-37 above, they are not counted here to avoid double-counting.

⁷⁶ CPML-N. (2017-07). Presentacion al Summit de la Red de Innovacion e Impacto, Washington DC, slide 24&25.

⁷⁷ As per the F indicator Reference Sheet for EG.3.2-17, this indicator measures the total number of direct beneficiary farmers, ranchers and other primary sector producers (of food and non-food crops, livestock products, wild fisheries, aquaculture, agro-forestry, and natural resource-based products) and not firms; hence, the results achieved by the project have not been counted here.

⁷⁸ *Idem*.

4.3. Efficiency and Performance

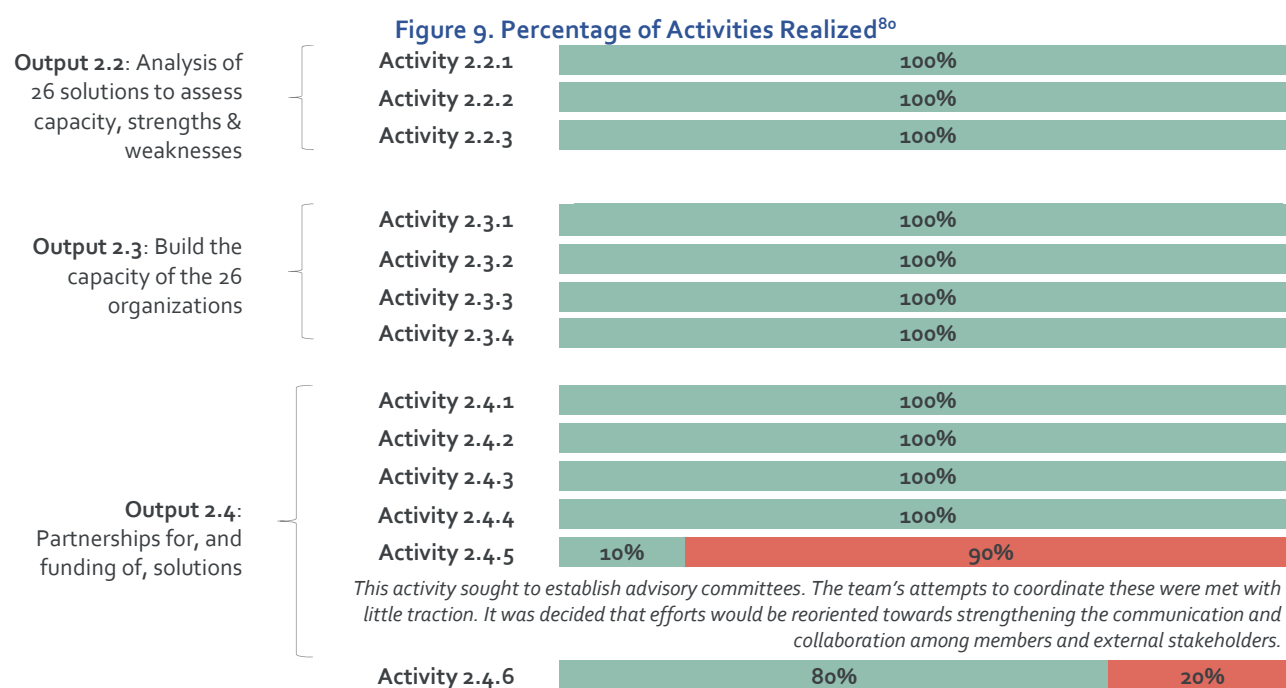
This section closely considers *La Red's* implementation, the extent to which outputs were achieved and how well *La Red's* actual implementation compares to what was planned, how resources were used so as to achieve those outputs. It further considers the quality and design of the implementation of and support provided through the intervention.

4.3.1. *La Red's* Implementation

- The degree of achievement of planned Program-level outputs was satisfactory overall. While only two of the seven outputs were carried out to full completion at the time of conducting this evaluation, the remaining outputs are all well-advanced and there should be no issues to finalizing them in their majority by the time the Program is slated to end. Further, the reasons for the incompleteness of activities tend to lie outside the control of the implementing partners.

On average, under Outcome 2, 92% of planned activities were completed. For activities that were not fully completed or didn't necessarily reach their target, one significant factor noted was the lack of active engagement of some of the member organizations, most notably of organizations from the 18. Another important factor influencing incompleteness of Program activities relates to delays associated with the unforeseen changes in programming requirements (see below for more details on this). This was an issue that came up frequently in interviews with beneficiary organizations and the implementing partners alike, its effect of which went well beyond adversely influencing the completion rate of planned Program activities.

The figure below provides a breakdown of the percentages of activities realized as per their output.⁷⁹ It additionally includes explanations in the cases where activities were not fully completed.



⁷⁹ The percentages listed here were accurate as of the time of writing, early September 2017. The Program is slated to conclude at the end of September 2017, as such certain percentages might be slightly higher.

⁸⁰ *La Red de Innovación e Impacto*. (June 2017). *Quarterly Progress Report*.

**Agreement S-LAQM-13-GR-1202
EVALUATION REPORT**

This activity sought to establish institutional partnerships. Several discussions were had, including with accelerators, multilateral organizations, and entrepreneur networks. It turns out it was an unrealistic expectation of the level of involvement that external stakeholders such as the Washington Working Group, the Pathways Ministries and the Clearinghouse, local Small Business Development Centers, and national industrial associations, among others, would want to be involved in a network that represents varied countries, sectors, markets, and services. These efforts have instead been focused on developing deeper partnerships with the selected accelerators whose main purpose of participation is to help build the capacity of participating members, based on their needs, to scale to their next level.

Output 2.5: Eight selected semi-finalists to receive funding based on their performance

Activity 2.5.1	100%	
Activity 2.5.2	100%	
Activity 2.5.3	80%	20%
<i>This activity looked to carry out a needs assessment of the 18. These assessments have been collected by the accelerators; however, not all of the 18 have opted to participate.</i>		
Activity 2.5.4	100%	
Activity 2.5.5	80%	20%
<i>This activity sought to select and fund local accelerators/incubators. Partnerships have been made with Agora, New Ventures, and NESST. It is expected that this activity will be fully completed upon the closing of the Program.</i>		
Activity 2.5.6	100%	
Activity 2.5.7	90%	10%
<i>This activity looked at establishing and overseeing reporting requirements of the 8. All of the 8 have received and are using the revised reporting template for reporting each period, except for one for which progress reports have not been received after the reprogramming and this despite multiple reminder by Baastel as well as by the prime. The team offered intensive support to the grantees for their reporting, both at a distance but also in person, during field visits to all the 8 during February-April 2017 as well as during the 2017 July Summit in DC. There should be no issues in receiving reports/PMF for the final reporting period, though a few grantees may be late in part given the unforeseen changes in programming requirements and the no-cost extension requested.</i>		

Output 2.6: Monitoring & Evaluation of the 26 semifinalists

Activity 2.6.1	100%	
Activity 2.6.2	75%	25%
<i>This activity sought to establish baselines for the 26 semi-finalists. 14 baselines were established, with an additional three preliminary draft baselines established. The remaining organizations failed to adequately participate and engage so as to be able to successfully establish a baseline, despite repeated attempts from the project team. Overall, it has proven quite difficult to engage and collect data from the 18 members who did not receive a financial award.</i>		
Activity 2.6.3	70%	30%
<i>This activity looked to monitor and follow-up with the 26 semi-finalists. The 8 who were awarded the inducement grant have been very good at submitting the required progress reports. Only three of the 18 have consistently provided progress reports of their activities. As noted with Activity 2.6.2, it has proven quite difficult to engage and collect data from the 18 members who did not receive a financial award through La Red.</i>		

Output 2.7: Information publicized on project activities

Activity 2.7.1	90%	10%
<i>This activity sought to publish articles and press releases on project activities. Several of the beneficiary organizations and their achievements through La Red have been featured in various media. Additionally, La Red's social media presence has been ramped up significantly. It is expected that this activity will be fully completed upon the closing of the Program.</i>		

Output 2.8: Creation of, or training in, effective project management tools

Activity 2.8.1	100%	
Activity 2.8.2	100%	

- **The retroactive changes in programming requirements had a negative effect on the member organizations, the implementation of their solutions, and even on *La Red*'s implementation as a whole.**

In February of 2017, State/WHA discovered that specific parameters had to be applied to the 8 beneficiaries that had not been noted during the criteria review of the award process. The projects had to benefit in majority those from CAFTA-DR countries, Panama, or Peru. This change in programming requirements proved to be highly problematic, especially given that projects had formally been approved without such restrictions, implementation was well underway, and funds had been awarded and, in a handful of cases, largely spent. Projects were scheduled for completion at the end of June/early July of 2017; the news of the reprogramming had taken place just months before. Five of the 8 were directly affected and had to undergo substantial reprogramming - from reorienting activities to redoing grant documents - so as to comply with the new requirements. Further, once adjustments were made, there were delays in the re-approval process. As a result, several of the projects had to ask for no cost extensions. In the end, the majority of affected members were able to successfully adapt. In some cases, leveraging the connection from other members in *La Red* has allowed to re-focus activity quickly.

The broader implications of the changes were significant, for both the affected members and the implementing partners in having to unexpectedly reorient resources to adapt and make the necessary changes. In interviews, the affected members spoke of the high levels of stress these retroactive changes brought, impacting not only the project but also the day-to-day operations of the organizations. Members were concerned at times, for example, that they might have to shut down their project or return funds already received and spent. Further, affected members had already made commitments to carry out their projects in a specific location, and now had to change locations. In some cases, members had to divert resources from their own funds to follow through with their initial commitment.

Box 6 and Box 7 below provide specific case study examples of the effect and adaptations taken by member organizations. From the partners' perspective, in interviews with the evaluation team, several credited WEC's leadership in helping to manage and mitigate the impact of the reprogramming.

Box 6. Case Study of a Positive Adaption to the Reprogramming

Spotlight on: CCB and Incubatec-UFRO

Cooperation Project to Strengthen and Accelerate Female Entrepreneurship in Colombia and Dominican Republic

This project came about through connections developed between members Incubatec-UFRO (from Chile) and CCB (from Colombia) during *La Red* in-person activities. In October 2016, the project team began working with a group of Colombian entrepreneurs from Bucaramanga, offering them an acceleration program designed to grow their potential.

In February 2017, when the changes in programming requirements occurred, the project team was able to leverage a partnership with CREE BANRESERVAS in the Dominican Republic, transferring their model and continuing the project there instead of in Colombia, thus complying with State/WHA and WEC reprogramming requirements. The project team worked diligently on building the new partnership and revising their grant documents, which received approval from State/WHA and WEC in April 2017.

The project was initially designed to be implemented over a year (June 2016 to June 2017). With the reprogramming, Incubatec-UFRO and CCB had approximately 2 months (from mid-April until June 21, 2017) to implement their project and reach their targets in the Dominican Republic. Given these significant constraints, the project team had to revise their methodology and tools so as to maximize their impact and efficiency.

In the end, the collaboration was quite successful. While the reprogramming put significant pressure on both organizations, they nevertheless demonstrated a high degree of ingenuity and adaptability which allowed them to make the most out of the situation. According to Incubatec-UFRO representatives, some of the innovations brought forward out of the reprogramming will likely be replicated in other projects, given their success. This scaling experience to another context also solidified CCB and Incubatec-UFRO relationship. The two organizations envision this as the first of many future collaborations.

Box 7. Case Study of the Adverse Effect of the Reprogramming

Spotlight on: Techstars

Project to Foster the Startup Ecosystem in Latin America

The main objective of this project, approved in June 2016, was to support Techstars' Latam Summit which aimed to create prosperous and flourishing entrepreneurial communities by identifying and empowering local leaders who will catalyze and accelerate the next generation of early stage entrepreneurs through Techstars' programs. The Latam Summit took place in Santiago de Chile from September 15 to 17, 2016.

The changes in programming requirements came as a shock to the project team, who at that point in time had successfully delivered their major event and had not factored this in their plans and activities. It proved difficult for the team to reorient their efforts as most of the implementation had already occurred and the bulk of the budget had already been spent when they were told about the country of focus of State/WHA funds.

As part of reprogramming efforts, Techstars had to invest considerable time and effort in discussions with WEC to find ways to reorient their activities and to re-do their grant documents to comply with the new requirements. The stress and anxiety that came with the perception of having signed an 'illegal' contract and the potential of no longer receiving expected funds - and even potentially having to reimburse funds received - created tension internally within Techstars. The situation disrupted not only the project but also the operations of Techstars as a whole.

Additionally, in order to adjust its project, the team had to put on hold the launching of the post-Summit surveys, which would have allowed to track skills developed by their participants and know whether or not new skills/tools had been put into practice. Since the reprogramming, it has proven difficult to receive quality information on progress and results achieved from Techstars. For example, the Program team has not received all the progress reports expected from Techstars, which limits the ability of the partners to track implementation and results, learn from the initiative, and report to State/WHA and other stakeholders for accountability purposes and visibility of *La Red*.

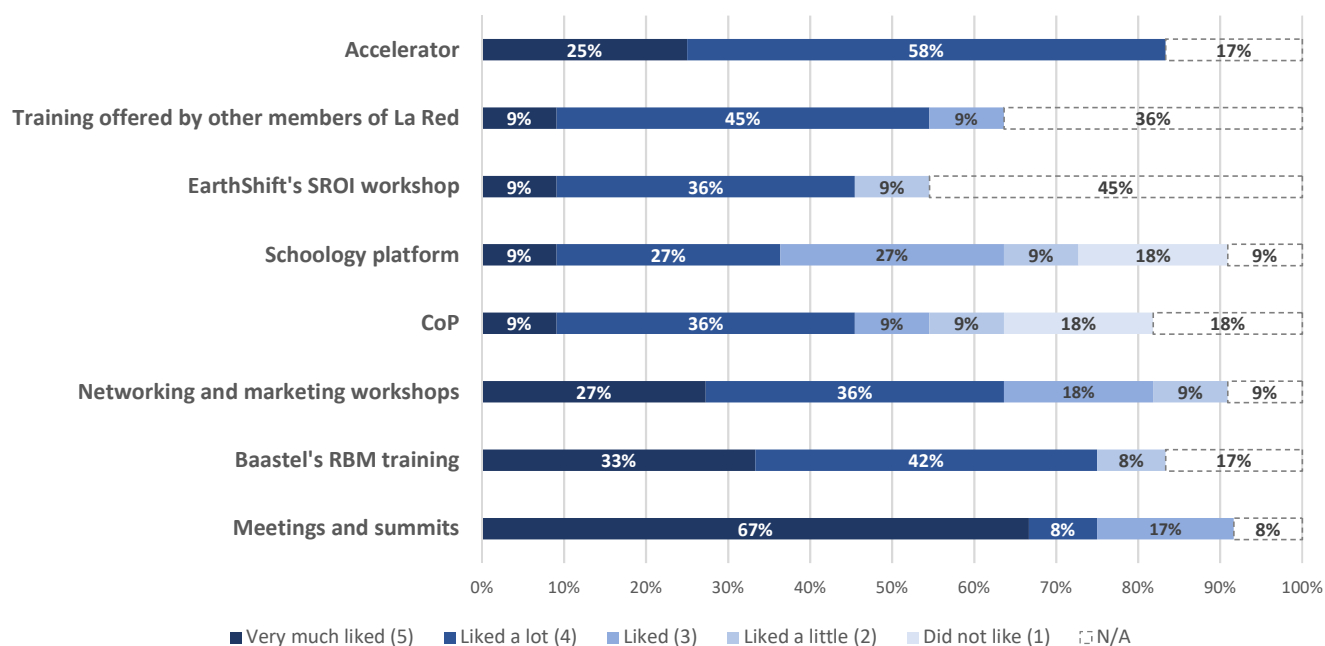
- **Beyond the reprogramming, interviews with members and partners raised some other key issues related to the management and implementation of *La Red*.**

Several members noted **delays in the approval of their projects and in receiving the funds from WEC**. This also includes delays in the re-approval of projects when the reprogramming occurred. In some cases, this resulted in members having to request no-cost extensions. An additional issue raised relates to **language barriers** and the importance of ensuring that materials and resources use and individuals (including those involved in *La Red's* management and coordination to external stakeholders and experts) speak Spanish, the native language of the beneficiary organizations. This was not, unfortunately, always the case. While in its design that was a core element, ***La Red's* primary focus ended up being in catalyzing connections with other members rather than with external stakeholders. This was identified as a factor that contributed to inactivity and in some cases the dropping out of some members from *La Red*.** Finally, another key issue worth highlighting are the **levels of scrutiny demanded from the 8**, which were deemed too high according to many grantees but also to some extent some of the partners. The 4 were required to report on their results (using the PMF) on a semi-annual basis while the 8 were required to report quarterly, even though the amount of the award they received was way less important. The 18 in contrast were not required but encouraged to report on a semi-annual basis.

- **Overall, *La Red* and the support provided through it was highly valued by its members. There were specific areas of support, however, that were valued more than others.**

All (100%) of the members who participated in *La Red* Final Evaluation Survey indicated that they valued to some degree the support provided by *La Red*. Of those, over three quarters indicated that the support provided was 'highly valued'. That said, when asked about specific areas of support, it is clear not all areas were equally valued. The following graph lists the key support areas provided to the members. Through *La Red* Final Evaluation Survey, the participants were asked to indicate which of the support areas they very much liked, liked a lot, liked, liked a little, or did not like.

Figure 10. Members' Assessment of Areas of Support, *La Red* Final Evaluation Survey (July 2017)



- The in-person meetings and summits, Accelerator programs, and Baastel's RBM training were the areas of support that members appreciated most.

The Accelerator programs had 100% of respondents to whom the question was applicable indicate that they either 'very much liked' the program they were participating in (25%) or liked the program a lot (58%). The in-person meetings and summits as well as Baastel's RBM training both saw 75% of respondents indicating they 'very much liked' or 'liked a lot' these areas of support. Notably for the meetings and summits, the vast majority of members (67%) indicated this area of support was 'very much liked'.

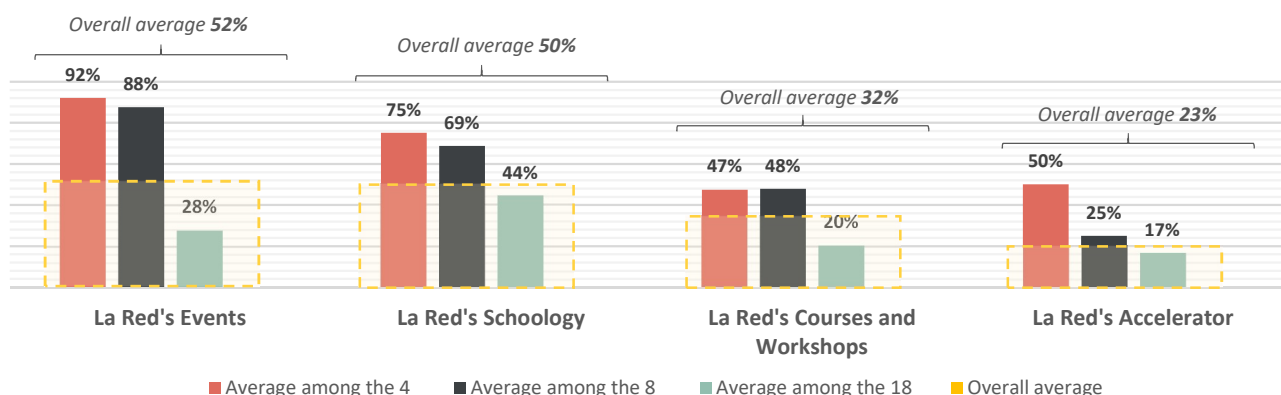
The networking and marketing workshops as well as the training offered by other members of *La Red* also received a lot of appreciation from the members, with the majority of respondents indicating these areas of support were 'very much liked' and 'liked a lot'.

On the other end of the spectrum, the Schoology platform, and CoP were areas that comparatively received less appreciation. In fact, the virtual Schoology platform and its CoP both saw 18% of respondents indicate they 'did not like' these areas of support, the only areas of support were respondent indicated as such. Although the use of new communication technologies facilitated the construction of the Network, the Program experience has also shown that there are limits to their use in sharing, collaboration and learning. Some of the limiting factors identified by the respondents are: i) the IT skills and culture varies among the network participants, and; ii) the limited time they have to attend a constant flow of information and a considerable volume of messages through virtual tools used by the Program.

- Paralleling the findings above, the rates of participation were far from even across the various areas of support.

The following graph provides a macro-level view of the varying rates of participation across key support areas, with a breakdown of rates of participation for each of the three categories of members (i.e. the 4, the 8 and the 18).

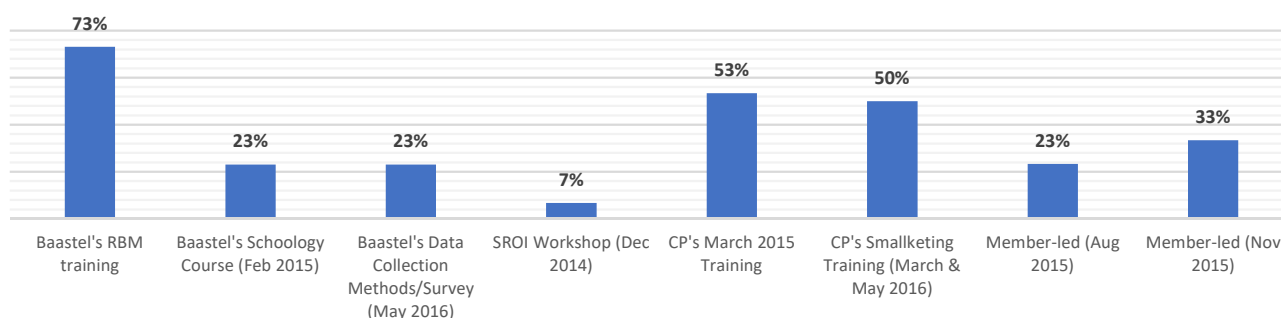
Figure 11. Rates of Participations of *La Red's* Primary Outputs⁸¹



As the graph shows in comparing across areas of support, *La Red's* in-person events, including its summits, had the highest rates of participation across all 30 members with an overall average of 52% of member organizations attending those events. If one considers the rates of participation of just the 4 and 8, that average goes up to 87%. Schoology has somewhat lower rates of participation than the face to face events but higher than the courses and accelerator activities similarly, with an overall across all 30 average of 51% of member organizations that set up a profile and posted something at least once on the networking platform. Again, considering the rates of just the 4 and 8, that average goes up to 71%. The Accelerator programs and courses and workshops show relatively low overall rates of participation, with averages of 32% and 23%, respectively. A factor explaining the above findings relates to the highly diverse make up of *La Red*, where members vary from size, sector, and type of organization to focus, approach, and nature of work. The **capacity building support had to cover a wide range of topics, responsive of the diverse nature of the Network and its wide range of needs**. This meant at times, the topics covered were not always relevant to all organizations. With the Agora accelerator program, importantly, while the other three areas which had open invitations for all members, only a few members were selected to participate in the program, explaining its lower overall average. For the other two accelerator programs, although they were theoretically opened to all members, the approaches were better aligned with the needs of some of the members than for others. In addition, as the programs were integrated in the last year of *La Red*—with the objective of reinvigorating the participation of the members, among others—some members were busy implementing the remainder of their projects which left them little time to participate in the Accelerator programs. Nonetheless, the Accelerator programs seem to have provided an opportunity to get back traction with members of *La Red* that appeared to have dropped off after the awarding of the 8, and revitalize somewhat *La Red*. For the courses and workshops, when one breaks down the rates of participation for across specific courses, as shown in the graph below, it is clear within this area of support there was a very high degree of variability in rates of participation.

⁸¹ Rates of participation for the events, courses and workshops, and Accelerator programs are based on attendance records. Rate of participation for Schoology is based on a series of measures, including considerations of which members setup a profile, posted on Schoology, participated in CoP, and took part in the platform's launch and training.

Figure 12. Rate of Participation of *La Red*'s Courses and Workshops



While the overall average across all the courses and workshops was quite low, specific courses and workshops had notably very high rates of participation. An example of this was Baastel's RBM training which had an average rate of participation of 73%. If one considers the rates of participation of just the 4 and the 8, that average goes up to 94%. Similarly, CP's expert-led courses overall had high rates of participation. In contrast, the training offered by the members and by EarthShift Global⁸² saw far lower rates of participation.

In explaining the above findings, based on interviews with the members, those areas of support that were most valued and that saw the highest rates of participation were ones **that were focused and highly practical, directly addressing an area of high need for the members, notably to accomplish expectations by *La Red* such as accessing the inducement grants.** This was particularly important for the areas of support related to capacity building. The RBM training, for example, which was highly valued and had one of the highest rates of participation, offered members practical skills and tools that served valuable for managing initiatives and further served valuable in seeking out funds. Similarly, members greatly appreciated the Accelerator programs. Participants noted these programs directly and pragmatically addressed areas of key concern, notably such as long-term financial sustainability.

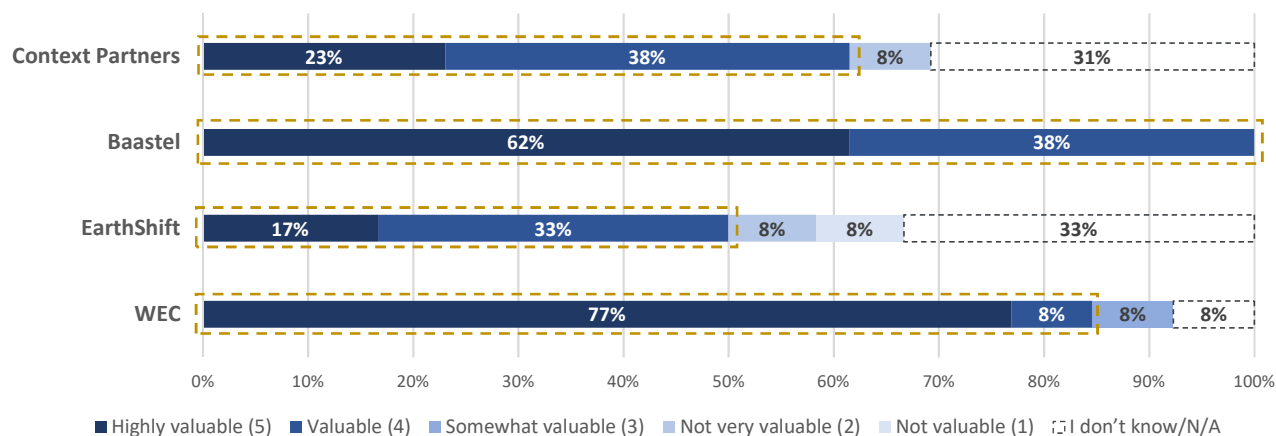
4.3.2. Partner Performance & Coordination

- On the whole, the implementing partners, led by WEC, implemented *La Red* in an efficient manner and provided quality support that was valued by the members of the Network. There was, however, some variability between the partners.

In *La Red* Final Evaluation Survey, members were asked to assess the value of the support and the activities offered by each of the partners. The following chart shows the results.

⁸² It is important to note that EarthShift Global had no obligation to work with the Network. Their work was to focus mostly on supporting the 4. Nonetheless, they did offer public workshops to members of *La Red* as they were visiting the 4 and a few members have attended those. This is what is reported here.

Figure 13. Value of Support and Activities offered by Partners, *La Red* Final Evaluation Survey (July 2017)



The percentage of respondents indicating that they deemed support and activities provided highly valuable or valuable varied across the partners, with **Baastel scoring 100%, WEC 85%, CP 61%, and EarthShift Global 50%**. It should be noted here that Earthshift Global’s support was specifically addressed to the four awardees. This is demonstrated by the fact that 33% of respondents answered “Do not know” to the above question when related to Earthshift Global’s support. These respondents could not answer a question on support that was not provided to them. However, some of the members that were not specifically targeted by EarthShift Global did minimally collaborate with the team which explains how the data on that question represents more than just the four awardees answering.

The *La Red* Final Evaluation Survey also found a high degree of variability with regard to members’ perceptions of partners’ efficiency in providing support. The percentage of respondents who indicated that the respective partner was very efficient or efficient was as follows: for **Baastel 100%, WEC 92%, EarthShift Global 50%, and CP 46%**. The lower results for CP can be explained by the fact that much of CP’s work happened ‘behind the scene’ and in organizing the Network. As a result, some members were unclear about CP’s roles and function. Also, CP has been absent during the last of the Network as they decided to not continue their implication with *La Red* when the no-cost extension was granted by State/WHA.

The consensus in interviews with the implementing partners was that cooperation and coordination between the implementing partners was excellent. Their weekly team meetings and period review sessions certainly helped in this regard. All partners noted that everyone was very willing to cooperate and pitch in, and that everyone pulled their weight. Of note was WEC’s excellent leadership in coordinating the partners and their various roles.

4.4. Sustainability

Sustainability considers the continuation of benefits from an intervention after assistance has been completed⁸³.

- The continued operation of *La Red* is highly dependent on external funding.
- On the whole, *La Red* has lacked a considered and strategic exit strategy.

Interviews with the partners for this evaluation have stressed concerns about what will happen after funding for *La Red* ends. State/WHA appear to be the sole entity responsible for financial sustainability, which is problematic as there is a high probability that when USG retires its support, the Program will cease. State/WHA considering an extension and additional

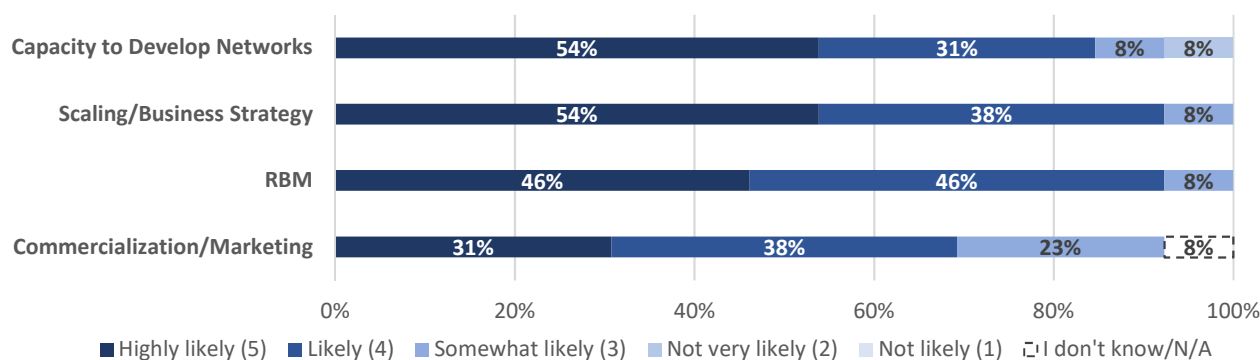
⁸³ OECD. (1991). *DAC Principles for the Evaluation of Development Assistance*; OECD. (1986). *Glossary of Terms Used in Evaluation*, in 'Methods and Procedures in Aid Evaluation'; OECD. (2000). and the *Glossary of Evaluation and Results Based Management (RBM) Terms*.

funding to the partners denote evidence of success and sustainability, and shows how this type of initiative adds value. Nonetheless, the Program is highly dependent on external sources. There has been either limited thinking or actual efforts put into planning for an exit strategy so as to respond to this dependency. A factor contributing to this has been the dynamic and adaptive development of *La Red*. Its focus and design has emerged out of an iterative process that, while producing a very responsive Program, has not prioritized the long-term sustainability of the Network, its areas of support, and its broader processes. It is also a very young Program and hopefully as it reaches more maturity, ways to ensure more sustainability will be found. One partner noted that if she had known how *La Red* looks in its current iteration, changes would have been made in the approach of the Program and how partners interact with the members so as to more strategically promote greater sustainability. From a design point of view, the evolving nature of the Program has resulted in a myopic focus on results.

- **Members foresee that the materials, tools, and knowledge obtained through *La Red* will continue to be used in the future.**

As discussed in previous sections, capacity building has been one of the areas where evidence of results achieved are the greatest. The results of that have demonstrated strong sustainability. The following chart details the findings of the members' self-assessment of sustainability as per four key areas obtained, as per *La Red* Final Evaluation Survey.

Figure 14. Members' Assessment of Sustainability, *La Red* Final Evaluation Survey (July 2017)



The respondents indicated they are likely to continue to use materials, tools, and knowledge across all four areas. The areas where respondents felt materials, tools, and knowledge will continue to be used the most was scaling/business strategy, with 92% indicating the continued use was 'highly likely' or 'likely'. Capacity to develop networks and RBM scored 85% and 84%, respectively. Continued use of materials, tools, and knowledge for commercialization/marketing scored slightly lower with 69% indicating 'highly likely' and 'likely'.

- **There are already signs that connections between members will continue in the future.**

From data collected through interviews as well as through direct observation, some of the members have initiated interesting business contacts with one another that are likely to continue in the future.

- Sector 3 has been cooperating with iCam Group as well as with Wakami. There are even trilateral links between NBC-PUCV, Incubatec-UFRO and Sector 3;
- CPML-N and NBC-PUCV have signed a collaborative agreement. They are currently working together and planning for a visit of CPML-N in Chile for October 2017;
- Acua Care is collaborating quite extensively with Vista Volcanes, as well as with the Nicaragua CP Center;
- CONEP has been using the approaches, methodologies and tools provided by iCam Group and is working in close relationship with NBC-PUCV to adapt the Compitemas Platform to Panama.

Whether these links remain solid over time cannot be determined at the moment but there are signs some will. For example, as Sector 3 is already selling Wakami products in Peru, such business links have the potential of being sustained. In

Guatemala, Vista Volcanes is already using Acua Care's approach and provided the related services to its project beneficiaries and clients. In this case, as Acua Care shares its approach to clean agricultural practices but does not actually get fully involved in the implementation of the approach, the links might not be as continuous. Nonetheless, from discussions with both Vista Volcanes and Acua Care, there were also personal links that have been developed between the representatives from both organizations. Above the professional connections, the personal ones also have important roles in maintaining the actual existence of *La Red*. Even though most members said their 'official goodbye' during the Final *La Red* Washington, DC event in July 2017, in September 2017 at the time of writing this report, members were still using the Whatsapp group created to share updates and posting photos of them visiting each other.

4.5. Designing and Managing an Impactful Network: Lessons from the Literature for *La Red*

La Red is far more than just a network. It is a dynamic Program that offers support on multiple levels, through the provision of funds, capacity building, and networking. Each of these areas of support can be considered as working towards strengthening specific types of capital that members possess – financial capital, human capital, and social capital. Strengthening that capital, in turn, helps the beneficiaries accelerate their solutions, as per the outcome-level result. In considering how the design and functioning of *La Red* can maximize its impact, it may be helpful to briefly step back and consider lessons that can be drawn from the broader literature on how social capital differs from financial and human capital.

Broadly speaking, **capital refers to resources or assets that facilitate productive action**. Financial capital refers to economic resources or assets. Human capital resources or assets take the form of knowledge or skills collected by an individual over time. These two forms of capital are typically well known and understood. Social capital – less well known and understood – refers to **resources or assets embedded in relationships or interactions between at least two actors**. Whereas financial or human capital resources are invested and vested in individual actors, social capital has to do with actors' connections and access to resources in a network or group. It is capital captured through social relations. As such, social capital is created, upheld, and reinforced differently than other forms of capital. For example, social capital deteriorates, in contrast to financial capital, not because of excessive use, but rather because of lack of use. The more you use social capital – the greater the intensity and frequency of interactions – the stronger it becomes. Its value depends on a high degree of agency and participation on the part of the user.⁸⁴

Further, social capital *use* can be quite different from other types of capital. It involves and requires trust. Trust, in turn, is highly influenced by the nature and structure of a given network, making the issue of network design paramount. Networks that foster greater trust yield greater social capital. When actors decide to work together, when they put trust into action, there is an inherent element of risk. When actors decide to work together, they are, in essence, collateralizing their social capital. Rather than putting up material assets as collateral, as would be the case with physical capital, what they put up for collateral is (1) *the trust that forms the connections within a given network* and (2) *the potential benefits that come with those connections*. The possibility of losing forms of connections within a given network and losing potential future benefits secures transactions the same way the possibility of losing physical collateral can secure formal lending.⁸⁵

By way of summary, the broader literature on capital, and social capital in particular, shows:

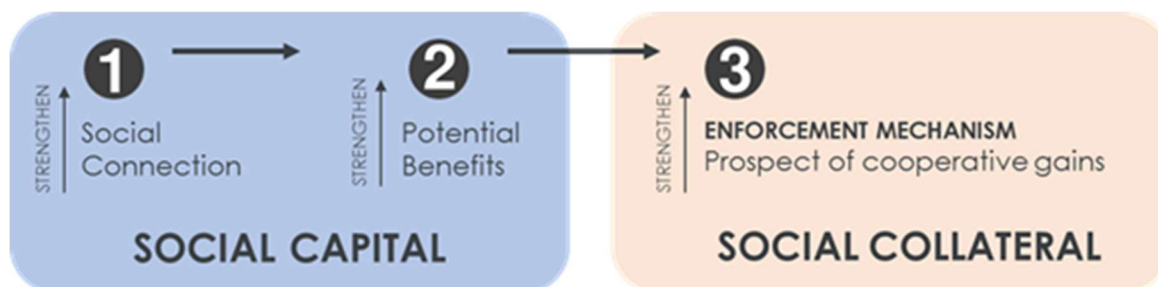
- (i) Social capital is not vested in individual actors but rather in relationships.
- (ii) Social capital requires active participation and a high degree of agency on the part of the user.

⁸⁴ See: Putnam. (2000). *Bowling Alone*. New York: Simon & Schuster; Fukuyama. (1995). *Trust: The Social Virtues and the Creation of Prosperity*. London: Hamish Hamilton; Granovetter. (1973). The Strength of Weak Ties. *American Journal of Sociology* 78, no. 6; Bourdieu. (1997). *Forms of Capital*.

⁸⁵ See: Karlan *et al.* (2008). Trust and social collateral. *Quarterly Journal of Economics*; Lin. (2008). A Network Theory of Social Capital. In *The Handbook of Social Capital*, edited by Dario Castiglione, Jan W. Van Deth and Guglielmo Wolleb, 50-69. New York: Oxford University Press, 2008.

- (iii) The more you use social capital the stronger it gets.
- (iv) Networks that foster greater trust yield greater social capital.
- (v) When collateralizing on social capital what deters an individual from “defaulting” is the fear of losing social connections and potential benefits associated with those connections, as well as the prospect of gaining even more benefits through long-term repeated group cooperation. The more social connections and potential benefits are strengthened, the greater the probability of compliance and cooperation (see the figure below).

Figure 15. Social Collateral Enforcement Mechanism



With respect to *La Red*, maximizing impact requires consideration of the varying types of capital the areas of support seek to strengthen. The strengthening of financial capital, through the USD\$500,000 grant or the USD\$80,000 inducement grant, is arguably straightforward. The funds are invested, directly facilitating productive action. Strengthening human capital through courses and workshops requires an extra step, increasing the knowledge and skills individuals hold, which in turn can facilitate productive action. This requires active participation by the individuals concerned: buy-in and agency are critical. Unsurprisingly, those courses offered through *La Red* that were most practical and directly addressed an area of need generated the most buy-in and had the highest rates of participation.

Strengthening social capital, compared to human capital, arguably requires even more agency and participation on the part of the user. The use of social capital requires the strengthening of social connections and the strengthening of potential benefits. Key to this is trust, which in turn is linked to the *design* of the network.

Overall, the design of *La Red* was highly conducive to growing and collateralizing social capital. The competitive nature of the network member selection process favoured the promotion of trust. If a member was a part of *La Red*, they were deemed to be a quality organization. In interviews, this is a dividend that many members noted. *La Red's* selection of only the best acted as a form of vouching, greatly reducing risk, promoting trust and helping build social capital and its potential. Further, the use of in-person events, as discussed above, was highly valued by the members, more so than virtual platforms. This falls in line with the literature, which has shown that in-person interactions promote the strengthening of social connections. As one of the implementing partners noted, “Networks are only as strong as the relationships that exist. Virtual will not be very strong if people are not able to connect in more meaningful ways.”

Nevertheless, certain design elements of *La Red* were less conducive to strengthening social capital. One was the stratified nature of the support provided. This internal hierarchical design can undermine social connections. Further, among the 18, there was a clear limit to the potential benefits available. In interviews, members among the 18 noted the low rate of return compared to the time and effort required to be part of the Network. Several of the 18 felt that *La Red* was not an effective means of addressing their key need for funding. The evaluation team found that the lack of monetary support significantly undermined incentives for participating in *La Red*. Looking forward, this is an area with space for improvement, specifically as it relates to *La Red's* design and the establishment of adequate incentive structures and mechanisms influencing the participation of member organizations.

Another element worth highlighting is the heterogeneous make-up of *La Red*. Within the literature, there is debate about whether a more homogenous or heterogeneous make-up is better for social capital (“bonding” vs “bridging”⁸⁶); however, in interviews with members, it was made clear that the diverse make-up of the Network resulted in cases where members had little in common with each other, limiting their potential to collaborate.

One last point to consider in linking the findings of this evaluation to the broader literature relates to participation. A key finding from the evaluation is that the members who most actively participated and engaged in the Network also benefited the most. Conversely, those who were less engaged benefited less. This falls in line with research on social capital which stresses that active participation strengthens social capital. Participation, and therefore the incentives for participation – for *all* beneficiary organizations – is thus paramount for the success of *La Red*. Finding organizations that have a “culture” of collaboration, and a genuine commitment to the potential of participating and showing leadership in their community, should therefore be part of the selection process for such a network. *La Red* partners, in forming the Network, looked mostly at the ‘hoped-for-success’ of the solution proposed; in the future, they may wish to consider conducting organizational assessments to find those entities with strong collaborative leadership values to help generate and sustain engagement.

One lesson from the experience of La Red to date is also to be aware of the dangers of collaboration overload. One member of *La Red* has expressed that the year 2017 has left him with a general sense of saturation. Juggling with its participation in two Accelerator programs and the necessity to complete his project for which he received an inducement grant in 2016 through *La Red*. In addition, because of the reprogramming of some members, he was asked to collaborate with members from other countries so they could use his organization’s connection to scale in one of the CAFTA-DR country. It is important that *La Red* partners find a balance in asking for members’ collaboration – by wanting to help members find a right connection and develop their full potential, they can tend to fill members’ days with meetings and reminders, courses/classes and opportunities rather than letting them get on with their work, which can be detrimental.

5. FINANCIAL EXECUTION

Since this evaluation is not a financial audit, only a limited assessment of costs was undertaken. Moreover, because of the many iterations of the Program and consequently of the budgets, and because no final report for this Program has been produced, determining whether expenditures at the Program-level aligned with approved budgets is difficult. Nevertheless, this section reports some findings related to finances.

State/WHA granted the partners a budget of USD\$3,864,970 to deliver on their respective roles and responsibilities in the Innovation Challenge. This budget was distributed among the partners as follows: WEC USD\$1,786,781 CP USD\$1,048,224, Baastel USD\$734,629, and EarthShift Global USD\$295,636.^{87 88} In addition, USD\$2,000,000 were awarded to the 4 and 640,000 to the 8 to support scaling of their solutions (41.6% of the total budget).

As illustrated in Figure 16, below, **approximately 41% of the total Program budget went to project sub-grants – that is, to the Program beneficiaries to accelerate the development of their solutions. Contractual and Personnel costs absorbed the next highest percentages of spending, at 34% and 14% respectively.** This heavy management infrastructure, with four implementing partners, is judged appropriate by the evaluation team. Since this was the first time the partners had delivered a Program of this kind, much work had to be done to establish a sound basis for the Innovation

⁸⁶ See: Putnam. (2000). *Bowling Alone*. New York: Simon & Schuster; Fukuyama.

⁸⁷ These amounts do not include partners’ travel costs; only consultancy and personnel costs are included.

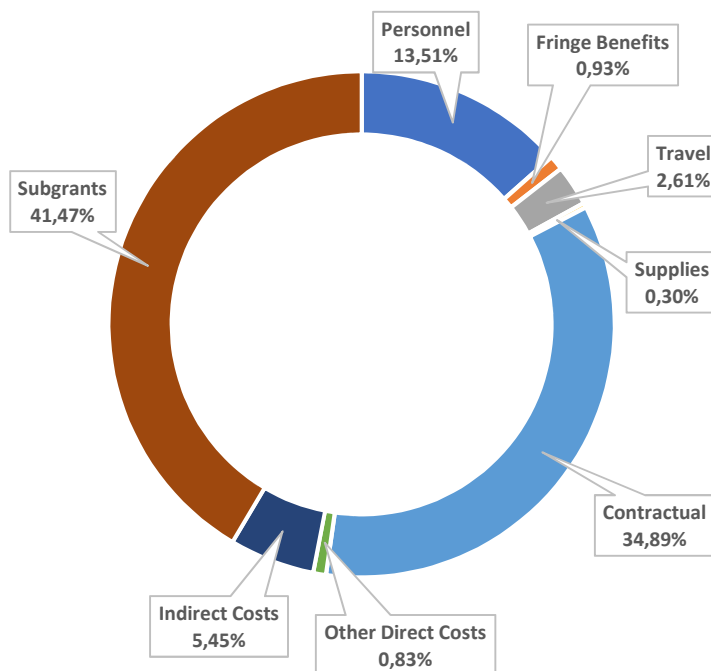
⁸⁸ These amounts reflect the planned, as opposed to actual, amounts. If WEC and/or State/WHA provide the actual amounts, these will be included in the final version of this Evaluation Report. Until they are confirmed and validated, they were left highlighted in yellow.

Challenge and for the Network – and to collect a wealth of data and information (M&E and SROI) to learn from the pilot projects and the Program as a whole. The partners also had to ensure proper outreach to the public and interested stakeholders. More generally, administering the Program, with its many sub-grants (partners, grantees, additional stakeholders such as the Accelerators), involved significant costs.

As the Program reaches maturity, it may be possible to rationalize costs and reduce the administrative architecture. Nonetheless, it is important to recognize that a Program of this kind – with networks, in particular – rarely function well without a strong backbone organization. Adequate funding to support and coordinate the work is important. As discussed in the sections on efficiency and performance, the quality of the implementation team is linked to the effectiveness of other expenditures, and the work done by the prime (i.e. WEC) and its partners can help attract new funds. As a review of similar programs conducted in 2009 found,

prizes fail when the sponsor fails to understand how much effort and investment is required beyond the simple "economic capital" of the award itself. A sponsor might imagine that a prize that carries cash value of, say, \$50,000 requires around \$60,000 or \$75,000 a year to run. But depending on the kind of prize and the field of endeavor, the actual costs might be \$500,000 or more when you include raising public awareness that a prize exists, inducing people to nominate and apply, mounting a publicity campaign, and administering the whole program.⁸⁹

Figure 16. Spending Allocation by Category of Total Program Costs⁹⁰



All partners and sub-grantees agreed in interviews that they received sufficient funding to carry out their planned activities. Only those among the 8 who were affected by the reprogramming had trouble delivering all their activities within the budget allocated.

Co-financing increased the total value of the Innovation Challenge and *La Red's* funded projects significantly beyond the State/WHA budget. This was achieved in the following ways:

⁸⁹ McKinsey&Company. (2009). *And the winner is...*, p.59.

⁹⁰ *La Red*. (June 2017). *Financial Report*.

1. Using State/WHA funding, grantees such as LWR leveraged and secured additional capital funding. In the case of LWR, this was directed to further cocoa innovation projects. In other cases, such as with CPML-N, the funding from State/WHA served to complement the grantee's existing projects, allowing the organization to offer more assistance to beneficiaries and reach some new beneficiaries.
2. Cost-sharing from project implementers. The majority of cost share funds were procured by the grantees themselves.

Table 7. Breakdown of Project Funds Leveraged for the 4

Project Name	State/WHA Financing confirmed at endorsement/approval in USD	Funding leveraged (cost share – actual amount executed by the grantees) in USD
SIMAPRO MSME	499,888	112,359 58% in-kind contribution made by the implementer, the rest leveraged through partnerships or alliances with local stakeholders
CompitemAS Internacional – Peru	500,000	221,760 70% in-kind contribution made by the implementer, the rest leveraged through partnerships or alliances with local stakeholders
Mobile Cocoa	499,999	585,000 535,000 Swiss Development Cooperation; \$50,000 LWR ⁹¹
Capilla Malla Inocua	500,000	177,902 100% of the contribution made by the implementer
Total	1,999,887	1,097,021

State/WHA, through its contribution to the Innovation Challenge, contributed on average 65% of the total amount required to execute the projects, while 35% was obtained by counterparts. **The additionality⁹² of the Innovation Challenge is high** since, as discussed in the sustainability section below, local governments and the private sector did not manifest strong interest in financing projects such as these. Without State/WHA financing, this scaling and the results achieved would probably not have been obtained.

It is too early to report on the co-financing of the 8 since the majority submitted their financial reports only in August or early September; at time of writing, WEC was still reviewing these grantees' financial reports. Nevertheless, experience to date shows that many grantees experienced difficulties showing eligible proof of their co-funding contributions, substantially delaying their reimbursement and the closing of their agreements. Clearer indications – such as written guidelines – of how to present the information and what constitutes an eligible proof of co-financing contributions, might have helped.

⁹¹ LWR. (2015). *Mobile Cocoa: Technology to Improve Farmers Lives*. [https://lwr.org/wp-content/uploads/LWR_MOBILE-COCOA_LATIN-AMERICA.pdf].

⁹² "Additionality" considers the extent to which desirable outcomes would have occurred without public intervention. See more here: <http://www.oecd.org/innovation/policyplatform/48136975.pdf>.

6. CONCLUSIONS AND RECOMMENDATIONS

This section synthesizes key elements of what was learned through the evaluation. Recommendations identify specific actions that the evaluation team proposes be taken based on the findings and conclusions.

Overall, the USD 500,000 grant to the four winning Innovation Challenge projects and the USD 80,000 grant to the 8 awardees of *La Red* represented a vital boost to these organizations, helping grow their innovative solutions and enhancing their ability to scale and replicate their solutions in different countries and contexts. In addition, seminars, conferences, trainings, and other activities carried out through the Program allowed the 30 beneficiaries to network with peers and identify potential new business opportunities and most importantly partners.

Despite the above successes, not all outputs, activities and strategies designed to achieve the two Program outcomes had the same level of effectiveness, despite their potential and their initial relevance. Some could have been implemented through a better process and others showed scope for improvement. These interventions include the following:

- SROI studies conducted by Earthshift Global: SROI studies could have had value in identifying and quantifying the benefits and drawbacks of the projects that may otherwise have been overlooked or understated in the 'traditional' evaluation reports. Unfortunately, data also shows that this potential has not been adequately exhausted.
- Virtual connectivity: although the use of new communication technologies facilitated the construction of the Network, limitations to their effectiveness for sharing, collaboration, and learning became clear over the course of the Program. In-person events were more appreciated and more effective for building relationships.
- Access to funding opportunities: little work has yet been done on facilitating connections with potential investors (external stakeholders to the Network) and MSME credit providers; this is considered a weakness of the Program.

6.1. The Innovation Challenge

Summary of Main Findings

Relevance:

- The Innovation Challenge succeeded in bringing to the forefront a broad range of promising ideas, providing ongoing support, increasing visibility, and making funds available to further accelerate the development, testing, and deployment of the winning innovations. The Innovation Challenge proved to be a useful means of furthering the goals of the Pathways Initiative and State of supporting innovative practices for inclusive economic growth in the LAC region.
- The Innovation Challenge was mostly aligned with the needs and priorities of the beneficiary organizations.

Effectiveness:

- The Innovation Challenge was highly satisfactory and complied with the expectations set out during planning and design. As a result, four top existing, locally grown solutions have been supported by the implementing partners and succeeded in bringing their solution to scale in a new country/context.
- The Innovation Challenge's winning projects have advanced the goal of promoting inclusive economic growth in the region through their interventions. These projects were found to have had a positive impact on business/MSME competitiveness, labor employability, the sustainability of practices, and adopting new practices for more sustainable growth.

- Based on very positive grantees' feedback, the Innovation Challenge was found to have built the capacity of the 4 with evidence suggesting that have reinforced in their practice and management. Participation in this Program allowed them to bring to their project operational refinement to build paths to sustainability and scale as well as to establish a presence in a new context, contributing to their organization strengthening.

Efficiency and performance:

- Delivery of the Innovation Challenge activities and performance of the implementing partners were both satisfactory overall. Almost all the outputs were carried out to full completion or are well-advanced and the level of assistance provided by the implementing partners to the grantees was in-depth and extensive.
- WEC's processes for managing grants could be improved.

Sustainability:

- The creation of *La Red* has helped to provide a sustainability element to the Innovation Challenge.
- Had the Pathways Initiative continued longer, State/WHA could have demonstrated international leadership in the use of local creativity to improve inclusive economic growth in the region through the funding and learning from these initiatives. Additionally, the investment made by State/WHA in this type of Innovation Challenge had the potential to increase US influence in these international discussions and offer a valuable contribution to State's diplomatic agenda. For this to have materialized, however, a clear strategic vision for coordination with wider Pathways programming efforts and other cooperation programs would have been required.
- A major challenge for the grantees was in gathering enough local buy-in and funding to maintain their presence after the pilot phase and the funding from State/WHA ended.

Recommendations

The evaluation team makes the following recommendations:

- **WEC should develop standardized written procedures that grantees can refer to at any time to improve the clarity and management of the sub-grants.** This would also help improve WEC team communication with the grantees. Government agencies that act as implementing partners for State/WHA often have guidelines for their sub-grantees to follow. WEC should build its own set of guidelines, derived from other institutions (for example, see here from the US Environmental Protection Agency (EPA): <https://www.epa.gov/financial/grants>).
- **State/WHA should continue to build on the initial success achieved through this Program and provide more funding to the Program.**⁹³ The focus for the next phase should be on ensuring sustainability and make sure all is not lost at this preliminary and promising stage because of lack of funding to continue.
- **If another Innovation Challenge is launched, it will be important to consider who the beneficiaries and potential grantees will be and adapt the rules and requirements to their needs and capabilities.** As experience has shown, not all organizations have the capacity to manage grants of the size awarded through this Program. In addition, scaling to another country or location is a lengthy process. Partners should ensure they do not set awardees up for failure by challenging them to achieve impossible objectives.

⁹³ State/WHA granted a cost extension to extend the Program in mid-September 2017. The recommendations had been written before that happened.

6.2. *La Red*

Summary of Main Findings

Relevance:

- The evaluation team considers *La Red's* objectives and design relevant to State's objectives and priorities.
- The objectives and design of *La Red* aligned well with the needs of the beneficiary organizations. This is the result of the implementing partners' intentional and active work to ensure that alignment.
- Certain elements of *La Red* turned out to be less useful than expected, such as Schoology and the concept of Cohort groups amongst the members, despite having been fully researched and designed in an appropriate way.

Effectiveness:

- *La Red* was generally successful in generating a positive influence in almost all the planned results areas. Strengthening organizational capacity and catalyzing connections are the two principal areas of results among *La Red's* members. One area where *La Red* had little impact was in attracting outside investors.
- *La Red's* success in terms of generating internal connections between members can be extensively attributed to partners' hands-on community management from WEC and to a lesser extent Baastel.
- The impact of the Network was not felt uniformly across all of the beneficiary organizations. Rates of participation among the 4 and 8 were high; in contrast, the rates among the 18 were quite low and for this reason, results were more strongly felt amongst the first groups than the second one.
- Generating results from *La Red* required a lot of agency and active participation of member organizations. Those members who experienced the greatest impact as a result of *La Red* were those who were most actively engaged in the Network.

Efficiency and performance:

- The degree of achievement of planned Program-level outputs was satisfactory overall. On average, under Outcome 2, 92% of planned activities were completed.
- The retroactive changes in programming requirements had a negative effect on the member organizations, the implementation of their solutions, and even on *La Red's* implementation as a whole.
- Overall, *La Red* and the support provided through it was valued by its members. There were specific areas of support, however, that were valued more than others. The in-person meetings and summits, the Accelerator programs, and Baastel's RBM training were the areas of support that members appreciated most.
- The rates of participation were far from even across the various areas of support, with Baastel's RBM training and *La Red's* in-person events had the highest rates of participation.
- On the whole, the implementing partners, led by WEC, implemented *La Red* in an efficient manner and provided quality support that was valued by the members of the Network. When faced with obstacles and bottlenecks (e.g. issues with Schoology and the Cohort groups), the partners proved to be flexible in managing changes and reorientations. There was, however, some variability between the partners.

Sustainability:

- The continued operation of *La Red* is highly dependent on external funding. On the whole, *La Red* lacked a considered and strategic exit strategy.

- Members foresee that the materials, tools, and knowledge obtained through *La Red* will continue to be used in the future. Some connections made through the Network between members are also showing good signs to continue and be built upon in the future.

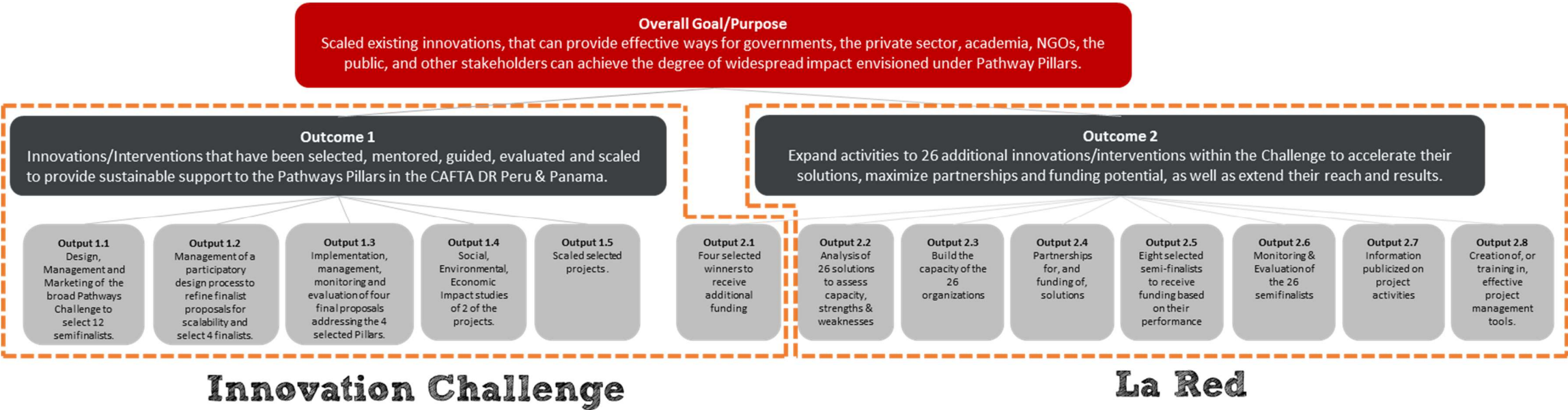
Recommendations

The evaluation team makes the following recommendations:

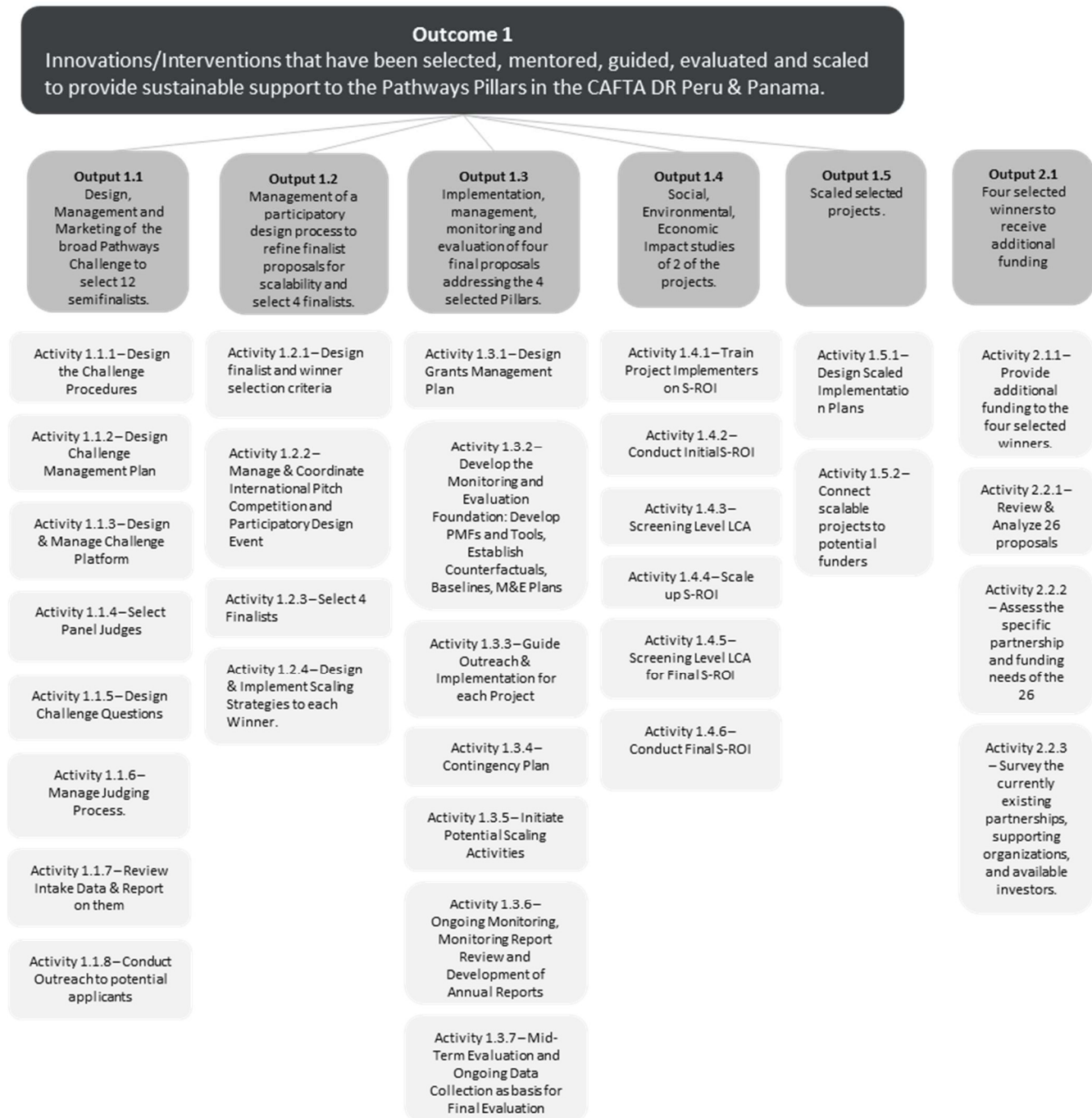
- **State/WHA should continue supporting *La Red* and grant the partners a cost-extension.**⁹⁴ The next phase could be focused on creating key partnerships and approaches with local stakeholders that can complement the current approach and infrastructure but mostly, focus on the creation of an outreach and messaging strategy to external stakeholders, particularly those that might be able to continue managing and building *La Red* after the period of performance of the Program ends, thus ensuring its sustainability.
- If *La Red* is allowed to continue in the future, **the implementing partners should:**
 - **enhance strategic communications and marketing support to optimize external stakeholder outreach**, increasing the current project team with experts to aid in this outreach plan, which will include summits, networking events, marketing, and branding efforts;
 - ensure that the broader Network structure, design and specific incentive mechanisms be put in place to **encourage participation for all members**. Key to this point is also ensuring that structural and design elements do not disincentive participation, for example, through reducing the variability of support across the members. Another way to do this would be to have a more focused Network, which might encourage greater collaboration between members as well as would allow for more tailored capacity building support. In offering capacity building, programming should be focused, practical, directly addressing areas of high need. Moreover, in terms of building relationships and connections, there is great value in in-person spaces and events.
 - **Prioritize the long-term sustainability of *La Red***. This might mean to make sure the link to investors and the networking with the private sector are carried out fully during a next phase. The implementing partners should put more efforts and continue to coordinate investor meetings among key stakeholders and beneficiaries.

⁹⁴ State/WHA granted a cost extension to extend the Program in mid-September 2017. The recommendations had been written before that happened.

ANNEX 1: PROGRAM-LEVEL LOGIC MODEL



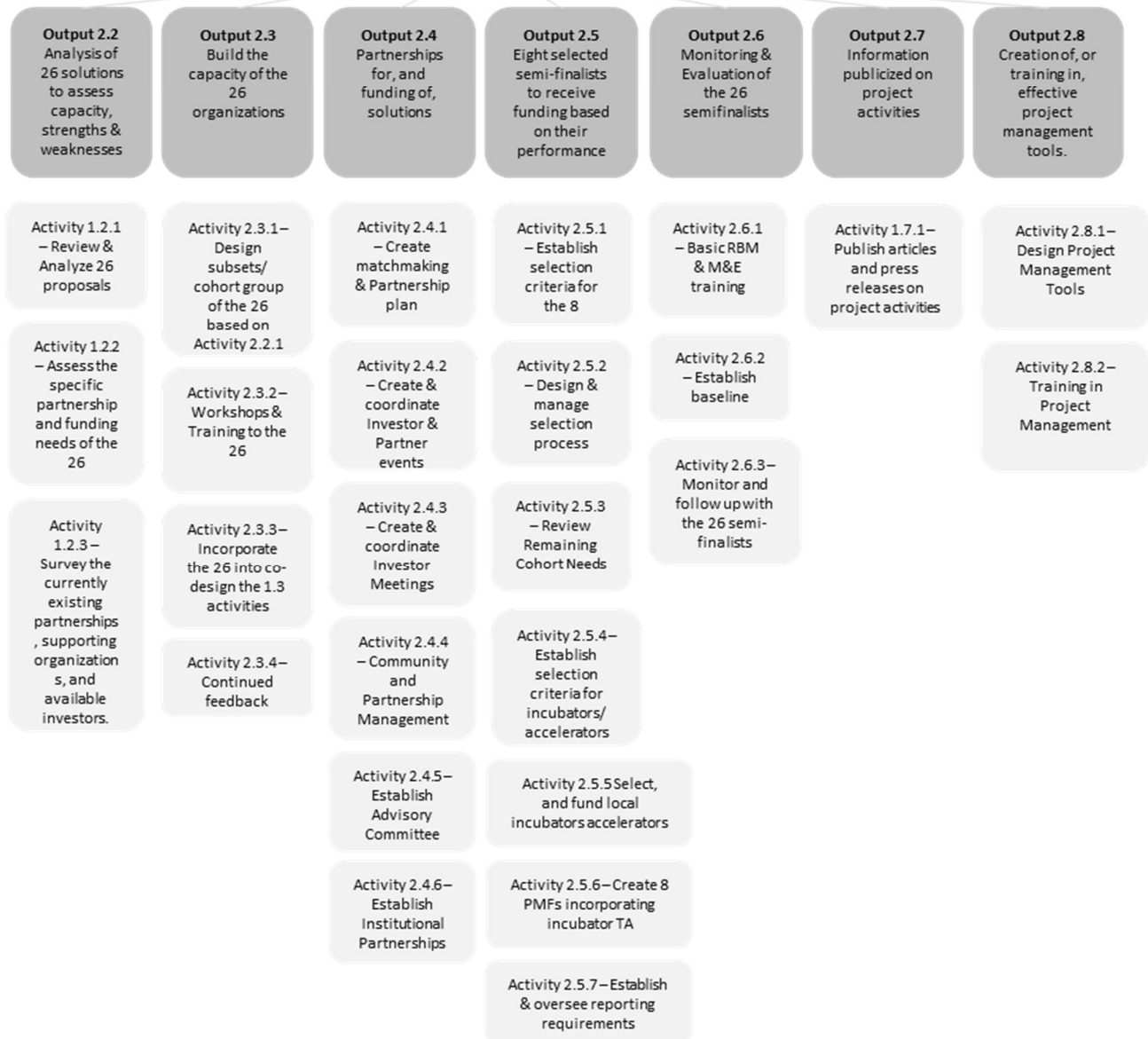
ANNEX 2: INNOVATION CHALLENGE'S LOGIC MODEL



ANNEX 3. LA RED'S LOGIC MODEL

Outcome 2

Expand activities to 26 additional innovations/interventions within the Challenge to accelerate their solutions, maximize partnerships and funding potential, as well as extend their reach and results.



ANNEX 4: LIST OF *LA RED*'S MEMBERS AND INITIATIVES

The 4 that have been awarded funding in 2015 as part of the Innovation Challenge to scale their project to a new context or location are highlighted in light grey while those who were part of the 8 awarded in 2016 through the collaborative work of *La Red* are in light blue.

Project- implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)
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
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 +
Bioganar International	Creates and implements biotech solutions for environmentally clean, sustainable organic waste and industrial water purification.	Agriculture Industry	All SMEs	Colombia Puerto Rico	Central America Caribbean USA	Business	\$250,001– \$500,000
CCB	Operates an innovative mentoring model for empowering women entrepreneurs.	Commercial/ Retail	Women entrepreneurs	Colombia	Colombia El Salvador Peru	Business	\$500,000 +
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
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
CPML-N	Implements a program that improves environmental performance by controlling	Agriculture Industry/ Manufacturing	All SMEs	Nicaragua	El Salvador Guatemala	NGO	\$500,000 +

Agreement S-LAQM-13-GR-1202
EVALUATION REPORT

Project- implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)
	costs and improving environmental management.						
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
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
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
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 +
Fundación México – Estados Unidos para Ciencia A.C. (TechBA)	Provides business training/advising for tech companies wanting to globalize.	Technology	Technology-based companies	Mexico	Mexico	NGO	\$500,000 +
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
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 +
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 +

**Agreement S-LAQM-13-GR-1202
EVALUATION REPORT**

Project- implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)
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 +
Incubatec-UFRO	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 +
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 Occupatio-nal Counseling Services	At-risk populations Youth	Belize New York City (NYC)	Belize Costa Rica Panama	NGO	\$250,001– \$500,000
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 +
Las Páginas Verdes	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 +
Pago Ranking	Online web positioning service for SMEs to enable enhanced web presence.	Technology	SMEs that benefit from online marketing	Chile	Colombia Peru	Business	\$500,000 +
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
Sembrador Capital	Venture capital funds for building innovative SMEs in agriculture.	Agriculture	SMEs in Agriculture	Chile	Colombia Peru	Business	\$500,000 +
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 +

**Agreement S-LAQM-13-GR-1202
EVALUATION REPORT**

Project- implementing institution	Short description	Sector	Beneficiaries	Country	Scaling Plan	Type of institution	Revenue (USD)
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 +
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
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 +
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
Vista Volcanes	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 +
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

ANNEX 5. LIST OF DOCUMENTS CONSULTED

- **Program Documents**

Pathways to Prosperity in the Americas. (2013). "Pathways to Prosperity in the Americas". [<http://pathways-caminos.org/en>]. *The Pathways to Prosperity in the Americas' Initiative has now ended, the website no longer exists.*

State/WHA. (2013). *Pathways to Prosperity Challenge Partner Competition RFA*.

US Department of State. (2014). *Pathways to Prosperity in the Americas Brief*. [<https://www.state.gov/documents/organization/160544.pdf>].

US State-USAID. (2014). *Strategic Plan FY 2014-2017*. [<https://www.state.gov/documents/organization/223997.pdf>].

US Department of State. (nd). *US Strategy for Engagement in Central America – Lines of Action*. [<https://www.state.gov/p/wha/rt/strat/action/index.htm#1>].

WEC. (2014). "Innovation Challenge Website". [<http://challenge.wec.org/home>].

Program PMF and Work Plans

Partners' Quarterly Progress Reports to State/WHA

Deliverables produced by the Implementers (e.g. manuals, PPT, audits, plans (e.g. Work Plans, M&E Plan, Engagement Plan, etc.) *La Red* Prospectus, Annual Reports, Evaluation Reports, Summary of Survey Results, SROI reports, etc.)

30 Applications to the Innovation Challenge

F indicator Master Indicator List (MIL)

Press Releases/Newsletters related to the Program

- **Project Documents**

Statement of Work (SOW), Implementation Plans and PMF for each funded project (4+8)

Budgets for each funded project (4+8)

Organizations' Website (4)

Progress Reports (semi-annual, quarterlies and final) for each project (4+8)

Partners' Field Mission Reports

Emails exchanges with Implementers

Press Releases/Newsletters related to the different projects

- **External Resources**

BOURDIEU, Pierre. (1997). *Forms of Capital*.

CONRAD, Abigail, et. al. (2017). *A Framework for Evaluating Innovation Challenges*.

DEEPCENTRE. (2015). *Evaluating Business Acceleration and Incubation in Canada: Policy, Practice, and Impact*.

FUKUYAMA, Francis. (1995). *Trust: The Social Virtues and the Creation of Prosperity*.

- GRANOVETTER, Mark S. (1973). "The Strength of Weak Ties". *American Journal of Sociology*, Vol. 78, Issue 6.
- KARLAN, Dean, *et al.* (2009). "Trust and social collateral". *Quarterly Journal of Economics*.
- KASPER, Gabriel & Justin MARCOUX. (Spring 2014). "The Re-Emerging Art of Funding Innovation", *Stanford Social Innovation Review*.
- LIN, Nan. (2008). "A Network Theory of Social Capital". In Dario Castiglione, Jan W. Van Deth and Guglielmo Wolleb (ed). (2008). *The Handbook of Social Capital*, 50-69.
- MCKINSEY AND COMPANY. (2009). "And the Winner is...": Capturing the Promise of Philanthropic Prizes. [http://mckinseysociety.com/downloads/reports/Social-Innovation/And_the_winner_is.pdf].
- OECD. (1991). *DAC Principles for the Evaluation of Development Assistance*.
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- SEELOS, Christian & Jonathan MAIR. (Fall 2012). "Innovation is Not the Holy Grail". *Stanford Social Innovation Review*.
- THE INTERNATIONAL DEVELOPMENT INNOVATION ALLIANCE (IDIA), Working Group on Measuring Impact Scaling Innovation. (June 2017). "Insights on Scaling Innovation". [<https://static.globalinnovationexchange.org/s3fspublic/asset/document/Scaling%20Innovation%20DIGITAL%20COPY.pdf?C719lAFtMThwNbUpdcs4TeYl5vYa2u9p>].
- TONG, Raymond & Karim R. LAKHANI. (2012). *Public-Private Partnerships for Organizing and Executing Prize-Based Competitions*. The Berkman Center for Internet & Society, Harvard University.
- PUTNAM, Robert D. (2000). *Bowling Alone*.

ANNEX 6. LIST OF PERSONS INTERVIEWED

The following list contains the stakeholders met/interviewed in the context of this evaluation.

Name, Title	Organization (location)	Main Relation to Project
<ul style="list-style-type: none"> Ernesto Samayoa, Director of Latin America Operations Christian Izquierdo Cruz, Technical Director 	<ul style="list-style-type: none"> WEC 	<ul style="list-style-type: none"> Implementing Partner/Prime
<ul style="list-style-type: none"> Patricia Breuer Moreno, Network Manager Jessi Bellama, Design Strategist Sarah Frohnhoefer, Design Strategist and Senior Consultant 	<ul style="list-style-type: none"> CP 	<ul style="list-style-type: none"> Implementing Partner
<ul style="list-style-type: none"> Lise Laurin, CEO Maria Dolores Correa Laphan, Founder and Director Juan Ramon Macedo Garcia, Project Coordinator 	<ul style="list-style-type: none"> EarthShift Global iCam Group 	<ul style="list-style-type: none"> Implementing Partner One of the 4
<ul style="list-style-type: none"> Alvaro Camacho, Project Coordinator Nakord Garcia, Country Director Nicaragua Paula Salgado, Finance 	<ul style="list-style-type: none"> LWR 	<ul style="list-style-type: none"> One of the 4
<ul style="list-style-type: none"> Rolando Chamy, General Director Elba Vivanco, Strategic Director 	<ul style="list-style-type: none"> NBC-PUCV 	<ul style="list-style-type: none"> One of the 4
<ul style="list-style-type: none"> Leonel Navas, General Director Salomón Estuardo Arroyave, Technician Nora Pocon, Administrative Assistant 	<ul style="list-style-type: none"> Vista Volcanes 	<ul style="list-style-type: none"> One of the 4
<ul style="list-style-type: none"> Juan Carlo Guaqueta, Co-Founder and CEO 	<ul style="list-style-type: none"> Acua Care 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Fabio Diaz, Entrepreneurship Project Coordinator Juan Diego Rojas Peralta, Vice president, Business Development 	<ul style="list-style-type: none"> Cámara de Comercio de Bucaramanga 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Abdiel Gaitán, Consultant 	<ul style="list-style-type: none"> CoNEP 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Ronald Fonseca, Director 	<ul style="list-style-type: none"> CPML-N 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Begoña Ortiz Ariza, General Director Ana Garcia, Marketing and Communication Manager Milissa Barrera Alberú, Commercial Director 	<ul style="list-style-type: none"> Las Páginas Verdes 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Aldo Aguirre, Latam, US & Canada Director - Startup Programs 	<ul style="list-style-type: none"> Techstars 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Camilo Alvarado, Coordinator in Colombia Tatiana Viecco, Operations 	<ul style="list-style-type: none"> Travolution 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Maria Pachecho, Founder 	<ul style="list-style-type: none"> WAKAMI 	<ul style="list-style-type: none"> One of the 8
<ul style="list-style-type: none"> Gerardo Lagos Wiesenfeld, Innovation Manager Cristian Campomanes Gutiérrez, Manager of Incubator Development 	<ul style="list-style-type: none"> Incubatec UFRO 	<ul style="list-style-type: none"> One of the 18
<ul style="list-style-type: none"> Ximena Querol, Founder and CEO 	<ul style="list-style-type: none"> Sector 3 	<ul style="list-style-type: none"> One of the 18
<ul style="list-style-type: none"> Cecilia Arriaza, Coordinator, University Studies Coordinator and Manager of Quetzal Fund Andrea Coché, Secondary School Professional 	<ul style="list-style-type: none"> Starfish 	<ul style="list-style-type: none"> One of the 18

Agreement S-LAQM-13-GR-1202
EVALUATION REPORT

Name, Title	Organization (location)	Main Relation to Project
• Alejandro Esteban	• TechBA	• One of the 18
• Jesús de los Santos, Founder	• Fundación REDDOM	• One of the 18
• Roger Falkenstein	• FUNDES	• One of the 18
• Cecilia Martinez, Executive Director	• Voces Vitales Honduras	• One of the 18



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