



LEAP III: PERFORMANCE EVALUATION OF USAID/BELARUS' I3 PROJECT

USAID Learning, Evaluation, and Analysis Project III (LEAP III)

Contractor: Integra Government Services International LLC

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INTRODUCTIONS

Contracted by Integra LLC, under the Learning, Evaluation, and Analysis Project III (LEAP III):

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EVALUATION OVERVIEW

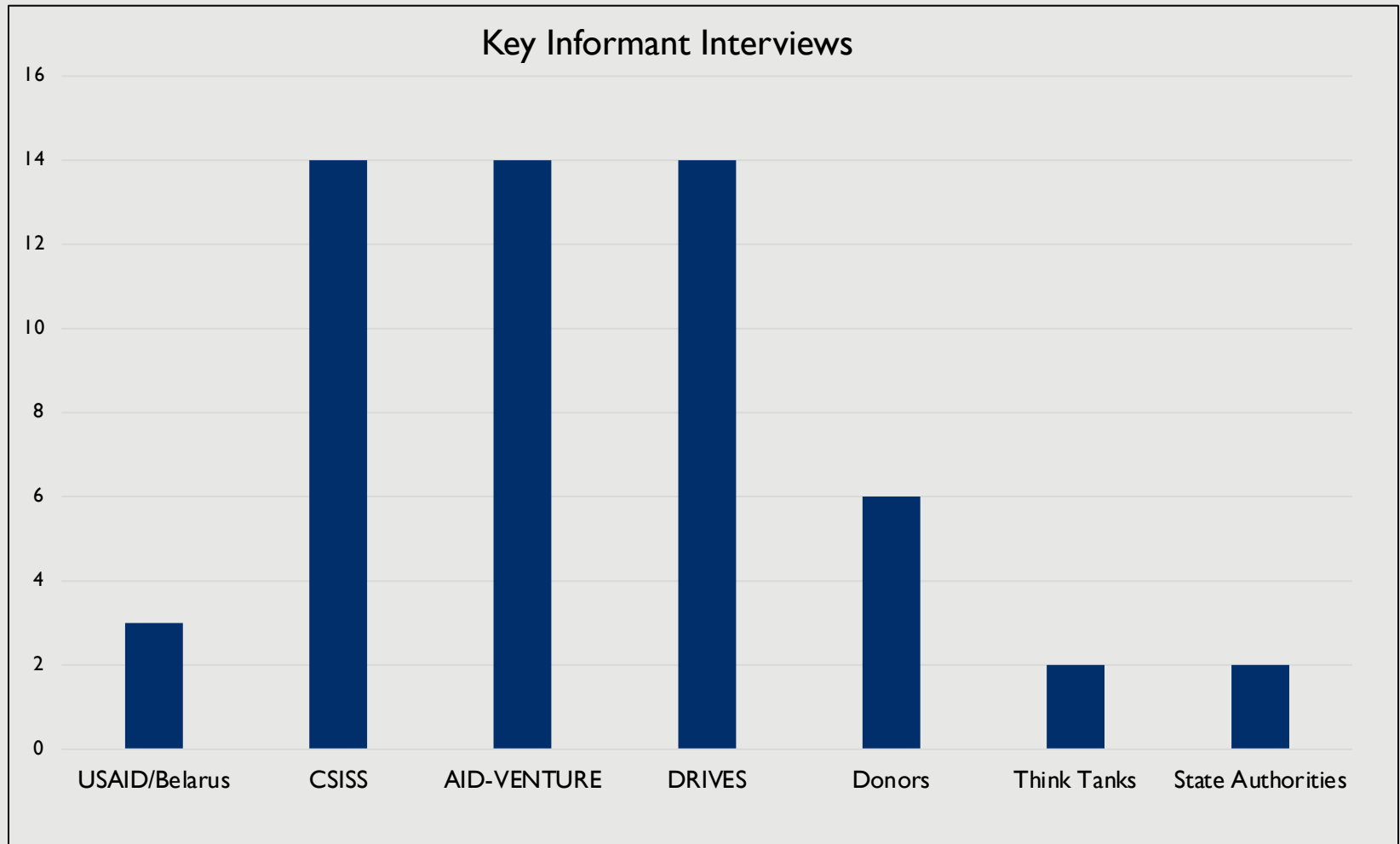
EVALUATION PARAMETERS

- Evaluation of the *Increasing private sector competitiveness through improving the enabling environment, Improving management and operational capacity, and Increasing access to finance (I3)* project and the AID-VENTURE, DRIVES, and CSISS activities
- Based on five guiding questions provided by USAID, focusing on relevance, effectiveness, and efficiency
- Evaluation included desk research and remote field data collection
- Data was collected through a mixed-methods approach, combining qualitative key informant individual and group interviews (KIs) and a quantitative online survey
- Field data was collected from July to August 2020
- Held check-in calls with USAID/Belarus and provided participation to KIs

I3 OVERVIEW

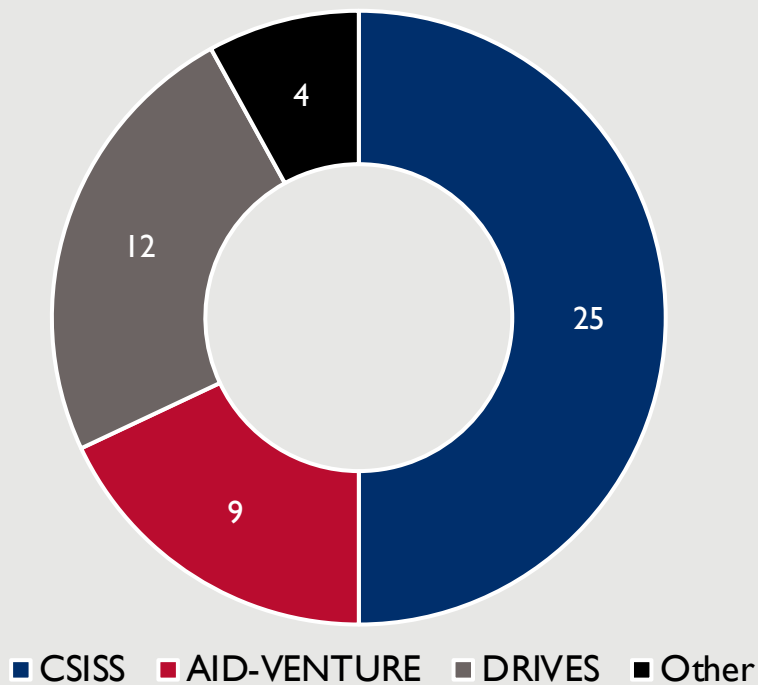
ACTIVITY NAME	ACTIVITY OBJECTIVES
AID-VENTURE	<ul style="list-style-type: none">• Contribute to the creation of the legal and regulatory framework conducive to venture funding;• Expand the availability of venture capital to help build a local community of private venture investors and integrate Belarus into the international venture funding ecosystem;• Build capacity for venture fund creation; and• Strengthen connections between demand and supply—bring investors closer to startups.
DRIVES	<ul style="list-style-type: none">• Build the capacity of institutions in Belarus to provide relevant and current entrepreneurship courses;• Increase educational opportunities that are geographically and financially accessible to Belarusian entrepreneurs, especially outside of Minsk, in order to increase entrepreneurial activity and the number of new businesses in Belarus; and• Provide opportunities for young entrepreneurs to network, share business plans, and be mentored by fellow entrepreneurs.
CSISS	<ul style="list-style-type: none">• Create a network of local organizers of startup development activities; and• Build a sustainable system of promotion, cultivation, training and expertise for start-ups and small businesses.

STAKEHOLDER INTERVIEWS AND CONSULTATIONS

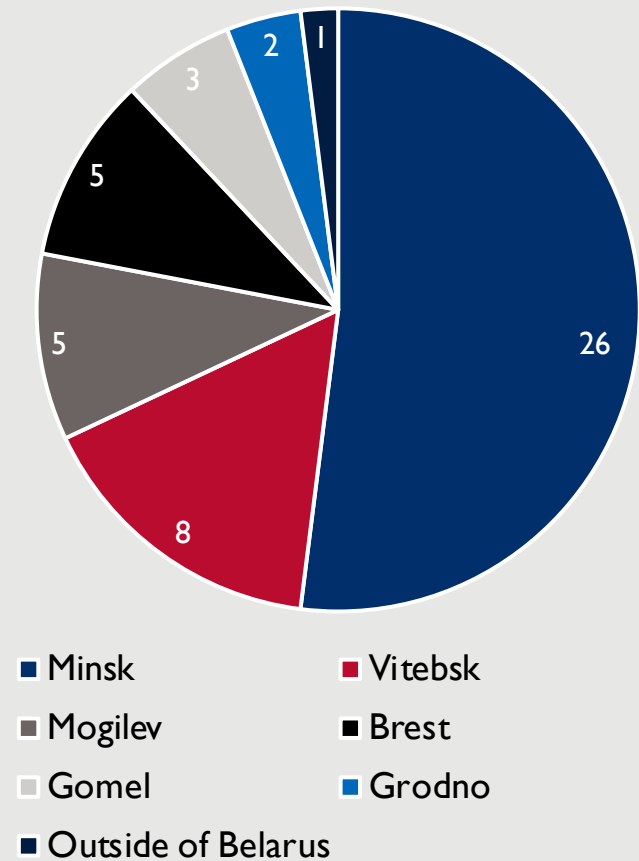


SURVEY DATA – 50 TOTAL RESPONDENTS

By Stakeholder Type



By Oblast



KEY TAKEAWAYS

By Evaluation Questions (EQs)

*EQI: Have the I3 project activities
contributed to increasing the
competitiveness of SMEs in
Belarus?*

KEY TAKEAWAYS – EQ I

- Increased access to knowledge and skills necessary to start and grow a business, including at the regional level
- Improved availability of funding necessary to start a business
- Raised awareness of risks & rewards of entrepreneurship and improved attractiveness acceptance
- Needed advanced legislative and policy reforms in area of financing

WHAT ARE THE MOST IMPORTANT CHANGES THAT OCCURRED IN SME DEVELOPMENT OVER THE PAST 5 YEARS IN BELARUS?



1. Quality and accessibility to business education



4. Legislation/ regulation



2. Increased attention to start-ups, including young businesses/ entrepreneurships



5. Increased attention/ support to women-entrepreneurs



3. Business enabling environment

EQ2: Have the current modes of implementation of the AID- VENTURE, DRIVES and CSISS activities been efficient in achieving respective project goals?

KEY TAKEAWAYS – EQ 2

- 13 projects efficiently used a broad spectrum of activities and new technology to enhance capacity of investors, start-up entrepreneurs, and implementing partners
- Introduced "state of the art" technology, allowing efficient outreach of trainings to the regions
- Variety of approaches engaged representatives of key stakeholder groups while contributing to improvement of SME ecosystem
- Level of leveraging of private and state resources was nominal

EQ 2 – AID VENTURE

Created a community of effective local investors capable of identifying and counseling innovative start-ups

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- Created network of local investors and an established platform for communication, sharing of information, and mentoring
- Trained start-ups in effectively presenting innovative ideas and forming partnerships
- Introduced events that matched investors with entrepreneurs
- Improved legislation and policies governing start-up early stage SME finance
- *Minimal outreach and impact in regions achieved*
- *Framework for future public sector engagement created but currently insufficient to expect sustainability of key activities*

EQ 2 – DRIVES

Current and aspiring entrepreneurs and SME owners acquired critical business knowledge and skills throughout the regions

- Tailored business courses in response to feedback and demands
- Introduced “state of the art technology”
- Established regional centers, engaging local stakeholders
- Created networking events to offset drawbacks of online learning
- *Potential market distortion on regional business education and training providers*
- *Level of IPM training fees without USAID support may prove to not be competitive*

EQ 2 - CSISS

Contributed to creating an entrepreneurial culture among youth and support for start-ups throughout the regions

- Start-up business training tailored to needs of start-ups and young entrepreneurs
- “Training of Trainer” trainings improved partner competency
- Established a network of local service providers and leveraged local resources
- Introduced innovative events (business breakfast) for women/other groups
 - *Fee-based training to target sectors threatens sustainability*
 - *Lack of regional businesses & investors at networking events*
 - *Little assistance to advance students on pathway to becoming entrepreneur*
 - *Turnover of trainers and key personnel within regional partners threatens sustainability*

*EQ3: How organizationally
efficient are the implementing
partners?*

KEY TAKEAWAYS – EQ 3

USAID/Belarus is recognized as being highly effective and efficient in filling a critical development “niche” while working with and increasing capacity of implementing partners.

- CSISS is implemented by a young, dynamic, fast growing, and effective team that is engaged and eager to learn
- DRIVES' IPM is experienced, highly professional, and a recognized leader in business education and research
- AID-VENTURE's partner is a proven, well-known NGO leader that continues to improve and creatively adapt in order to address local needs
- Needs to improve organizational capacity and strategic communication
- Needs to significantly improve the governance, incentives, and operations of their regional network
- Needs to increase transparency and improve communication with partners and beneficiary participants (last minute announcement/info provision)

*EQ4: How successful were
implementing partners in their
PSE efforts?*

KEY TAKEAWAYS – EQ 4

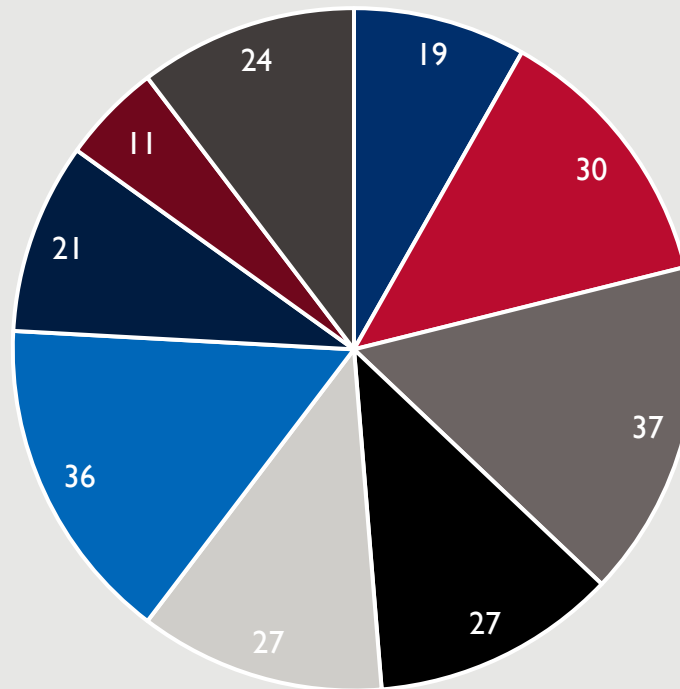
- Although not specifically required, each partner made efforts to engage the private sector and adjusted their activities to better align with practical needs
- Private sector was marginally engaged to leverage financial resources and create a framework for future financing and sustainability
- Knowledge and experience of business leaders and local investors in Minsk was leveraged into trainings and events, but strategy was minimal in regions
- More effort is needed to engage the private sector and ensure constraints to their growth are addressed and mitigated

EQ5: Are there new, emerging entrepreneurship development needs in Belarus to be addressed?

KEY TAKEAWAYS – EQ 5

- Entrepreneurship ecosystem continues to improve, but access to business training, financial support, and market information and assistance needs to continue to improve, especially in the regions
- “One-Stop” business start-up/SME development centers should be created
- Existing opportunities to enhance local and international value chains, improve production and processing, and increase sales should be identified and highlighted to local entrepreneurs
- Improving the capacity of existing regional techno parks, incubators and aligning university business programs and services to local business needs holds great potential.
- Regional private sector stakeholders should be engaged as co-creator of future programs supporting traditional and innovative industries.

WHAT KIND OF ADDITIONAL SUPPORT IS NEEDED WITHIN A FRAMEWORK OF ENTREPRENEURSHIP DEVELOPMENT?



- Policy development
- **Business support infrastructure**
- Grants
- Best practices
- Lower administrative costs - accountant
- Education
- Study visits
- **Access to funding**
- Simplification of new business registration

OVERALL INITIAL IMPRESSIONS

- USAID/Belarus team proved to be innovative and successful in identifying the right “niche” to effectively use relatively small budgets for maximum impact
- The amount of dedication shown from selected group of local partner organizations that contribute to development of Belarus is impressive
- Investors and young entrepreneurs participating in program activities recognize, appreciate, and value the benefits from USAID assistance
- Women currently in business and aspiring to become entrepreneurs are proactive, ambitious, well-educated, and recognized as valued team members and leaders
- Protests and government response dramatically impacts the future of civil society, economic development, and quality of life throughout Belarus

EXTERNAL FACTORS AFFECTING THE EVALUATION

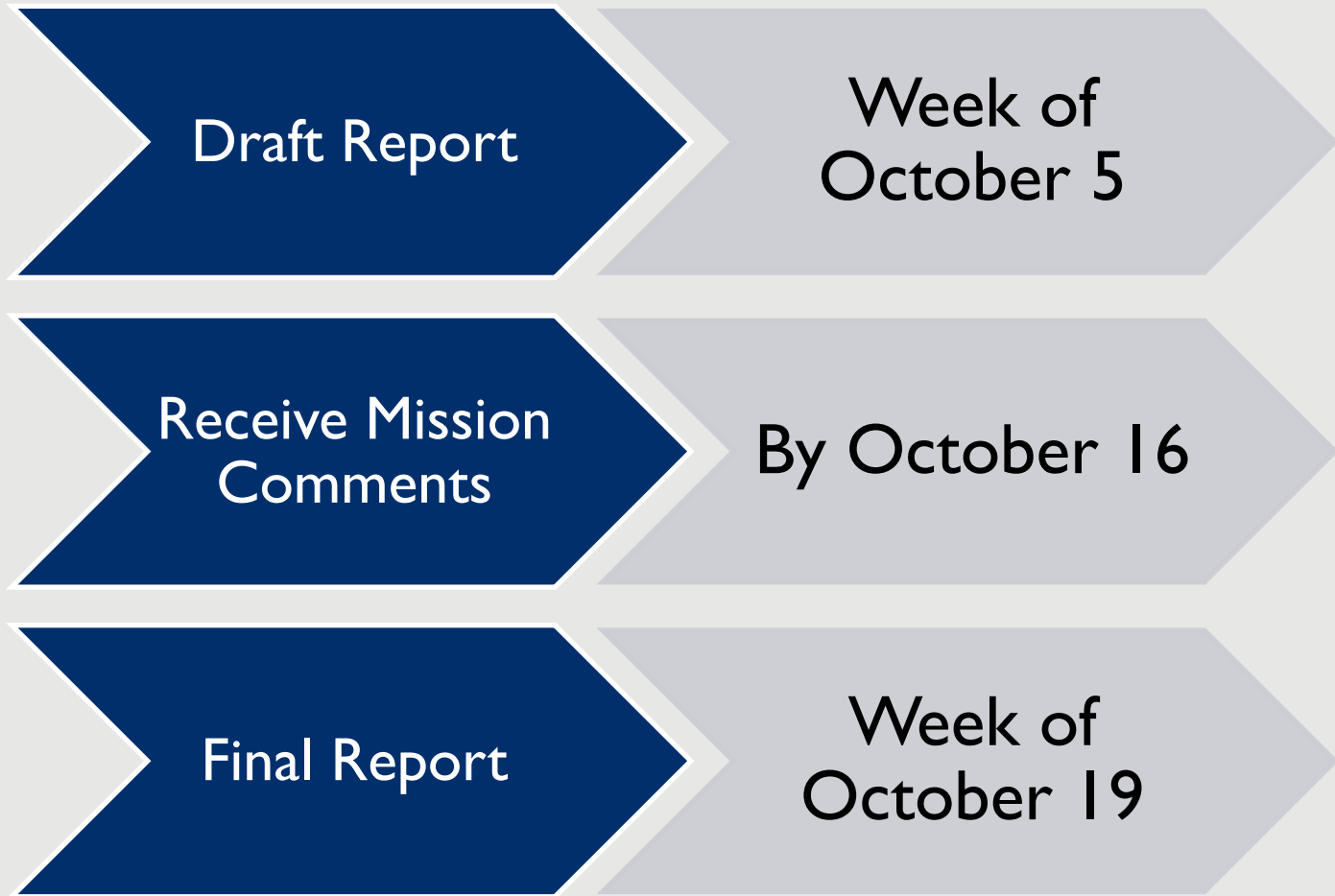
A black and white photograph of a large crowd of people participating in a protest or rally. The crowd is dense, filling the street and sidewalks. Many people are holding flags, including the Bulgarian flag. Some individuals are holding signs with text in Cyrillic. In the foreground, a woman in a white tank top and light-colored pants is walking towards the camera, holding a sign that reads "ПОЧЕМУ УБИЙЦИ ЕЩЕ НЕ НАКАЗАНИ" (Why have the killers not been punished yet?). To her right, a man in a white t-shirt and dark pants is walking, holding a sign that reads "НЕ ЗАБУДЕМ" (We will not forget). The background shows a large crowd of people, some holding flags, and a building with a clock tower in the distance.

COVID-19

Elections

Mass Protests/Internet
Connectivity

NEXT STEPS



— QUESTIONS?



USAID
FROM THE AMERICAN PEOPLE



USAID
FROM THE AMERICAN PEOPLE

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