



USAID
FROM THE AMERICAN PEOPLE



13 PERFORMANCE EVALUATION

USAID BELARUS

Overview of the Evaluation

The United States Agency for International Development (USAID)/Belarus requested the Learning, Evaluation, and Analysis Project III (LEAP III) team to conduct a performance evaluation of the ***Increasing Private Sector Competitiveness through Improving the Enabling Environment, Improving Management and Operational Capacity, and Increasing Access to Finance*** (I3) project, implemented by several local Belarusian and American implementing partners. The evaluation looked at the performance of three of the project's ongoing activities intended to contribute to private sector development in Belarus: Facilitating Access to Venture Funding in Belarus (AID-VENTURE), Delivering Regional Instruction Vital to Entrepreneurial Success — Belarus (DRIVES), and Creating Sustainable Infrastructure to Support Start-Ups and Small Business Development in the Regions of Belarus (CSISS). Ultimately, the evaluation outlined actionable recommendations to USAID/Belarus about any necessary adjustments to the implementation of the selected activities and future programming needs and approaches. In particular, the evaluation answered the following five evaluation questions (EQs):

1. Have the I3 project activities contributed to increasing the competitiveness of small and medium enterprises (SMEs) in Belarus?

2. Have the current modes of implementation of AID-VENTURE, DRIVES, and CSISS activities been efficient in achieving respective project goals? What works well and what doesn't? What unintended effects have resulted to date from the project approaches, tools, and activities?
3. How organizationally efficient are the AID-VENTURE, DRIVES, and CSISS implementing partners?
4. How successful have implementing partners been in their private sector engagement (PSE) efforts? What PSE approaches can be scaled up?
5. Are there new, emerging entrepreneurship development needs to be addressed in Belarus?

Methodology

The evaluation team used a mixed-methods approach, combining qualitative, in-depth remote interviews with key stakeholders, project partners, and informants paired with online surveys and group interviews to answer the EQs focused on specific interventions, such as entrepreneurship promotion, private investment expansion, business training, and building sustainability of activities and organizations. The team carried out a total of 55 remote key informant interviews remotely due to the COVID-19 pandemic. The survey explored the current state of private enterprise development in Belarus, changes occurring in the last five years, factors influencing and hindering SMEs competitiveness, effectiveness and efficiency of the I3 implementation modes, implementing partners' organizational effectiveness, the status of PSE in I3 activities, and emerging entrepreneurship development needs. The team also conducted an extensive desk review of key project and external documents, including secondary data and background documents (i.e., relevant academic, periodical publications, and other donors' reports; project surveys and monitoring and implementation plans; and quarterly and annual reports, etc.).

Evaluation Findings

Based on the evaluation, the three project activities evaluated were properly designed, relevant, and delivered assistance that aligned with beneficiaries' needs. Current modes of implementation used by AID-VENTURE, DRIVES, and CSISS have been efficient in achieving project goals and creating a supportive ecosystem for aspiring entrepreneurs, start-ups, SMEs, and local investors. Each of the I3 activities successfully contributed to strengthening various aspects of the economic ecosystem needed for SMEs and start-ups to launch, grow, increase employment, and become competitive. Based on the findings, the team highlighted the following high priority key recommendations: (1) increase focus on regional-level programs; (2) increase the number of start-ups and small and medium sized enterprises to enhance competition, especially at the regional level; (3) increase access to finance; and (4) attract more attention to support for women entrepreneurs.