PROJECT STATUS REPORT (PSR)

07/01/2022 - 12/31/2022 - PSR-09523

PROJECT SUMMARY

Operation number
RG-T3561

Suboperation number
ATN/ME-17961-RG

Project Name
Creating a Global Gateway for Technology Businesses in the Caribbean

Team Leader
Sudaney Blair

Executing Agency
Tech Beach Inc. (Caribbean)

Purpose
Developing a regional community and providing capacity building support to Caribbean technology businesses to realize their growth and scaling potential

Project cycle

Approval Date	Signature Date	First Disbursement Date	Last Disbursement Date
2020-04-24	**2020-06-17**	**2020-12-07**	**2023-12-17**

PSR SCORE

- 0 - 1 Red Flag
- 1 - 2 Yellow Flag
- 2 - 4 Green Flag

LEARNINGS

1. Risk and Lessons

1.1. Risk

1.1.1. What do you think is the biggest risk that threatens the achievement of the project objectives?

- Lack of interest or understanding by global entities in the small economies of the Caribbean. - Regional lack of understanding of how innovation ecosystems and accelerator programs work limits corporate and government support.

1.2. Greatest Achievement or Failure

1.2.1. What has been the greatest achievement or failure in the last semester that affected the implementation of the project?

Our greatest achievement has been that we've been able to execute our in-person events once again. This has enabled many companies that have come through our cohorts to meet with a number of investors, partners, mentors and talent. This has yielded a number of opportunities that would not have otherwise been possible. We believe events serve a tremendous purpose in the Caribbean, due to the lack of a robust ecosystem and lack of regional or international traffic through various islands to spur business activity.

1.3. Findings and Lessons

1.3.1. What are the most useful findings and lessons from this project that when taken into consideration could improve the execution and results of existing projects and the design of similar projects in the future? A finding describes an action, circumstance or decision that was critical in determining the positive or negative evolution of the project (for example, switching from the development of a blockchain platform to a web-based shared database reduced the cost and time devoted to implementing the traceability capabilities required by the project). A lesson is a concrete, actionable proposal based on a finding that, in similar circumstances, would facilitate problem solving, risk mitigation, and the achievement of results (for example, Develop guidelines and criteria to identify candidates that could benefit from the implementation of a blockchain platform, and assess during the design if the selected project satisfies the criteria before committing to develop one).

We have found that many companies being supported by the program have the ability to execute their solutions across a number of countries across the Caribbean. We have also found that large corporations and governments are slow to act in the area of technology and innovation, largely due to limited internal capacity and leadership. There are a number of large corporations with excess liquidity that would enable them to comfortably take risks to support the development of the digital economy, but action is not taken due to the limited internal capacity and leadership. There needs to be support for investment banking and venture capital in the region. These are the institutions that have developed the internal capacity to drive innovation within the region. Lessons Learned: There needs to be an aggressive multi-stakeholder approach to increasing the institutional capacity at the investor, large corporation and government level.

2. Scalability and replicability

2.1. Scalability Plan

2.1.1. Now that the Project is in the execution phase, have you developed any concrete plan or action that will allow it to reach a greater number of users/clients/beneficiaries (or broader environmental or resilience to climate change and natural disasters impacts) in the future?

The Caribbean doesn't have a need for us to reach more beneficiaries, but for us to go deeper in supporting companies to achieve the levels of scale that can be transformational to economies. We have designed an alpha program that sees the best companies gain additional support to drive impactful growth metrics.

2.2. Costs and Partners to Scale

2.2.1. Now that the project is in the execution phase, do you know how much it costs to offer your product / service per user / client / beneficiary? Is this a factor that could affect reaching a greater number of users / clients / beneficiaries in the future? Has any public or private institution requested this information from you, looking for scaling or replicating the model / product / service?

Yes, we're very aware of the costs of execution and we have both developed the talent internally and designed the partnerships that enable us to deliver quality programs. We have designed partnerships with various public and private sector entities that help drive scalability of the program.

2.3. Facilitating or Hindering Factors

2.3.1. Has any of these factors affected the number of users/clients/beneficiaries (more/fewer) reached by the project compared to what was originally planned (or environmental or resilience to climate change and natural disasters impacts)?

[Behavioral changes required by users/clients/beneficiaries, Market size that could be reached, Evidence of advantages of the solution for partners/allies/key market players]

2.4. Scalability Scope

2.4.1. How feasible it is that the organization could reach a number of users/clients/beneficiaries 5, 10 or 100 times the number originally planned in the project design, five years after the project ends?

[It could reach less than 5 times the number of users/clients/beneficiaries originally planned in the project design five years after its closure]

2.4.2. How likely is the organization to reach that number five years after the project ends?

[Probable (more than 50% but less than 90% chance)]

2.5. IDB Group business relation

2.5.1. Has a business relation been created with another part of the IDB Group different from IDB Lab?

We've developed relationships with IDB Invest, various country offices and research arms of the IDB.

2.6. Replicability Partners

2.6.1. Are you aware of any other entity at a national or international level that has copied / replicated completely or partially the business model of the project? Did you collaborate in the process with that entity?

[Yes]

If Yes, Explain

We've partnered with the DMZ at Toronto Metropolitan University, who are innovation drivers of the Canadian Tech Ecosystem.

2.7. Replicability Scope

2.7.1. Number of users / clients / beneficiaries reached by entities that have fully or partially replicated / copied the business model / products / services implemented with the support of the project?

[At least 5 times but less than 10 times the number of users / clients / beneficiaries planned in the original project design]

2.7.2. Have you experienced, in the last year, significant expansion (50% or more) of the reach of the business model of the project beyond what was expected in the original project design (due to increasing of the organizational size, operational scope or geographic spread)?

[No]

2.7.3. Number of users / clients / beneficiaries reached as of the end of the year?

[Less than 2 times the number of users / clients / beneficiaries planned in the original project design]

2.8. Sustainability

2.8.1. How do you think the project will continue once the IDB Lab financing ends? Examples: it has identified external financing sources to continue operating, it has reached the breakeven point through the sale of services and products, it has obtained the support of public institutions or the private sector, it will adjust the business model to remain viable (via franchises, etc.)

The long term sustainability of the project seems plausible, as we have designed partnerships with multiple Development Finance Institutions and Private Sector entities that derive value in the execution of the programs. The wide uptake by the private sector still remains to be seen.

3. Implementation

3.1. Facilitating or Hindering Factors

3.1.1. What specific aspects have (positively or negatively) affected the implementation of the project the most?

[Contracting consultants / suppliers, Available resources, Public recognition / award]

3.1.2. Explain in detail how these factors that you identified have made the implementation of the project easier or more difficult

Negatively We’re playing in an environment with limited resources and many government and private sector institutions have been slow to develop their understanding of what is required to drive an innovation ecosystem. Their support has still been limited. Positively We’ve had top tier partners in executing this program, both virtual and in person. Through the support of the DMZ and partnerships with Organizations like the DBJ and CDB, we have been able to support entrepreneurs in ways we have never been able to. We’ve seen the participation of top private sector companies as well, regionally like Massy Group and CW Business, then through global organizations like Microsoft and AWS. These organizations see the work that we’re doing as key to unlocking the potential of the region.

3.2. Novel Tecnologies Factors

3.2.1. If the project makes use of novel technologies or methodologies, what factors have facilitated or hindered the implementation of the technological solution initially proposed by the project?

[Interest from other companies / government in the technology]

4. Development Outcomes (Quantitative)

4.0 Has your project contributed to any of the following indicators in the last 12 months (last year)?

[4.1. Number of companies benefited, 4.2. Direct jobs generated by the project or financing]

4.1. Number of companies with improved business performance or productivity

Total

41

Companies Owned/Led by Men

28

Companies Owned/Led by Women

13

4.1.2. Indicate which indicator in the results matrix is related to your answer, or how did you calculate this number?

Surveys and personal experience.

4.1.3. What type of services did the companies receive?

[Non-Financial]

4.1.4. Please select how the project is benefiting these companies

[Improved productivity or business performance (e.g. improved sales/reduced costs/improved profitability/return on capital/yields/labor productivity, Improved capacity to address the needs of women, Improved capacity to address the needs of under-represented groups (e.g. afro-decedents/indigenous populations/people with disabilities/LGBTQ+)]

4.2. Direct jobs generated by the project. How many people were directly employed as a result of the project funded by IDB Lab?

Total

22

Jobs created: number of men

12

Jobs created: number of women

10

4.2.2. Indicate which indicator in the results matrix is related to your answer, or how did you calculate this number?

Surveys and personal experience.

4.5. Data Source

4.5.1. What kind of verification sources have you used to report the data you provided in this section? (Please select all that apply)

[Based on personal experience, Surveys]

5. Development Outcomes (Qualitative)

5.1. Target population identified in the design

Is the target population that was identified in the design being reached by the project? Select the target population actually reached by the project that was originally identified in the project design.

[Afro-descendants, Poor/vulnerable/low income population, LGBTQ+, Entrepreneurs, SMEs, Women]

5.2. Population served NOT identified in the project design

5.2.1. Select if there are Groups that were NOT originally identified in the project design but are being reached in the execution phase?

[None]

5.3. Facilitating or Hindering Factors

5.3.1. Factors that have affected (facilitated or hindered) reaching these groups, or the resilience/environmental impacts, in the numbers/dimensions that the project had originally planned.

[Market Size, Institutional Capacity]

5.3.2. Explain in detail how these factors that you have identified have affected the ability of the project to reach the groups (achieve resilience/environmental impacts) in the numbers/dimensions originally expected

The market size of the Caribbean is small, so naturally we are limited by the number of people starting technology driven companies. In addition, our criteria for companies fitting into our program suggests that they are beyond an idea and are keen on rapid growth and raising capital. To address this limiting factor, we have opened up our criteria to Caribbean Founders building companies anywhere in the world, and their solutions will have an impact on the Caribbean. For example, we have a founder who is based in New York, but is working on a ridesharing platform that will first launch in Jamaica. Large institutions are limited with internal capacity that truly understands how they can fit and support the growth of a technology ecosystem, which then drives value to their business. They all can agree that an innovative

climate is something they want, but how they work with the players to achieve those goals is very unclear. As such, there is a lot of hesitation around working with entities like TBR in supporting the development of an innovation ecosystem.

INDICATORS

Overachieved Achieved Pending In process Overdue

C1: Support the Acceleration of Regional Technology Businesses

Weight: 73% **Qualification:** Satisfactory

0%

	Indicators	Planned	Achieved	Status
I7		4 (2023-12-17)		
I1	Technology Business Acceleration Program developed and launched	1 (2021-12-17)		
I2	Number of technology businesses completing the acceleration program	200 (2023-12-17)		
I4		1000 (2023-12-17)		
I3		50 (2023-12-17)		
I5		8 (2023-12-17)		
I6	Number of Technology Industry Experts and Mentors connected to the Acceleration Program and Tech Beach Community	225 (2023-12-17)		

C2: Support Corporate Innovation in the Caribbean

Weight: 19% **Qualification:** Satisfactory

0%

	Indicators	Planned	Achieved	Status
I4	Number of individuals from regional corporate sector participating in short term skills training programs	80 (2021-12-17)		
I3		20 (2023-12-17)		
I1		1 (2021-12-17)		
I2	Number of Workshops demonstrating use of Technology as a key driver of company innovation and growth	10 (2023-12-17)		

C3: Knowledge Dissemination and Sustainability

Weight: 8% **Qualification:** Satisfactory

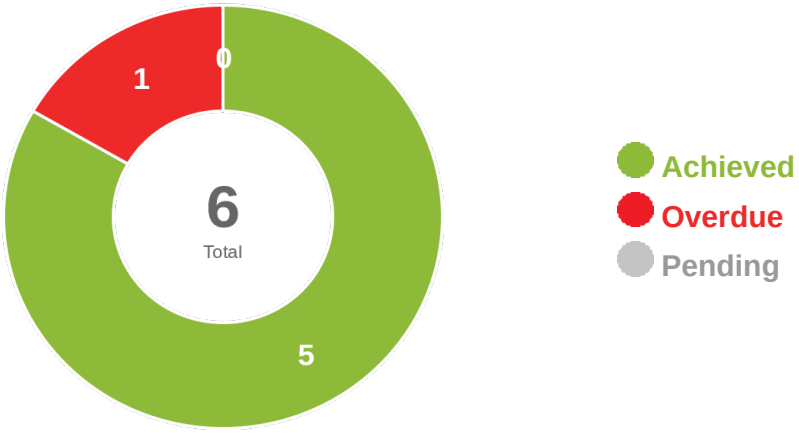
0%

	Indicators	Planned	Achieved	Status
I2		2000 (2023-12-17)	**301** (2020-11-12)	
I1		1 (2023-12-17)		
I4	Knowledge product on regional technology sector	1 (2022-12-17)		
I3	Number of individuals reached via program website and application and other social media channels	1000000 (2023-12-17)	**7565** (2021-01-30)	

C4: Project Administration & Evaluation

Weight: 0% **Qualification:** High Satisfactory

MILESTONES



Milestones	Achieved Value	Due Date	Achieved Date	Status
*Condiciones Previas / Prior Conditions	1	2020-12-17	2021-02-11	
*First Cohort of Businesses Acceleration Completed	1	2021-06-30	2021-06-25	
*Caribbean Technology Sector study completed	1	2022-06-30	2021-12-31	
*First Corporate Innovation Program with Study Tour completed	1	2022-10-28		
*Business model for acceleration program tested	1	2023-03-31		
*Mentorship Program Developed	1	2021-12-31		