

# PROJECT STATUS REPORT

JANUARY 2012 - JUNE 2012

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** Increasing Opportunities for the Majority through Business Plan Competitions

Project Number: RG-M1104 - Operation Number: ATN/ME-10509-RG

**Purpose:** Apoyar competencias de planes de negocios para empresas enfocados al mercado de la base de pirámide.

**Country Administrator**  
UNITED STATES

**Beneficiary Country**  
BOLIVIA, CHILE, COLOMBIA, ECUADOR,  
PERU, VENEZUELA

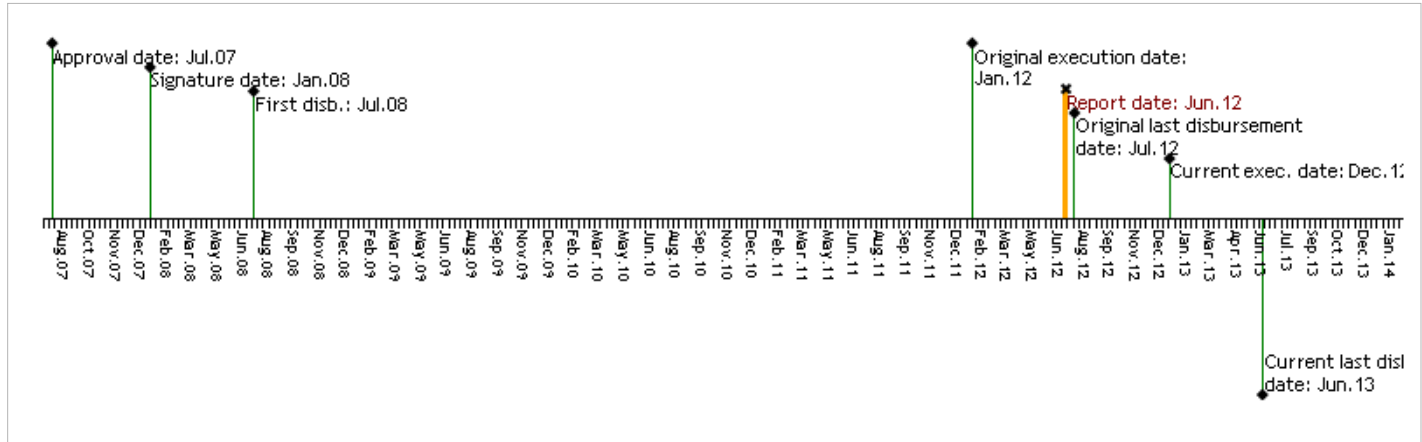
**Group**  
SME - Small and Medium Enterprise  
Development

**Subgroup**  
BOPD - Economic Inclusion

**Executing Agency:** TechnoServe

**Design Team Leader:** Shepherd, Daniel  
**Supervision Team Leader:** Peinado-Vara, Estrella

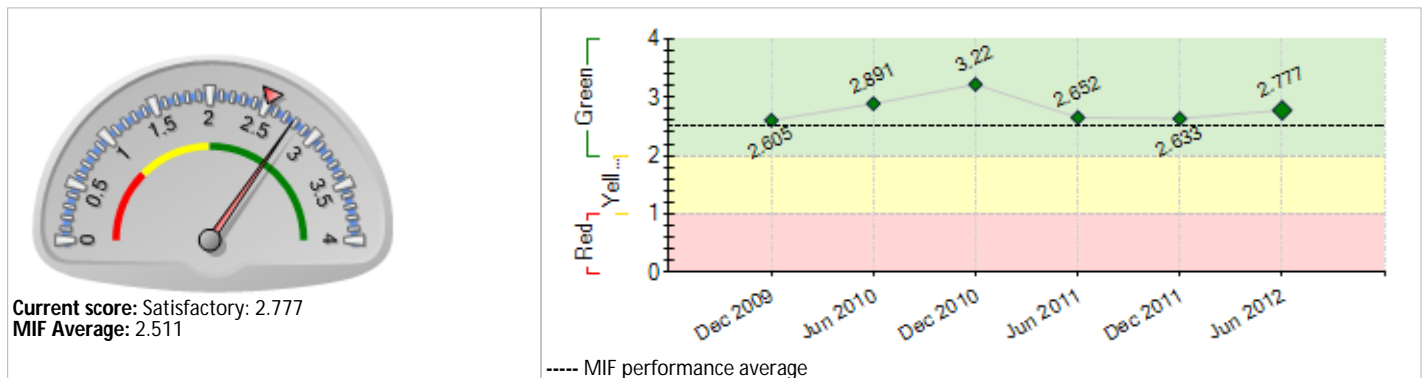
### TIMELINE



### FUNDS



### PERFORMANCE SCORE



### EXTERNAL RISKS

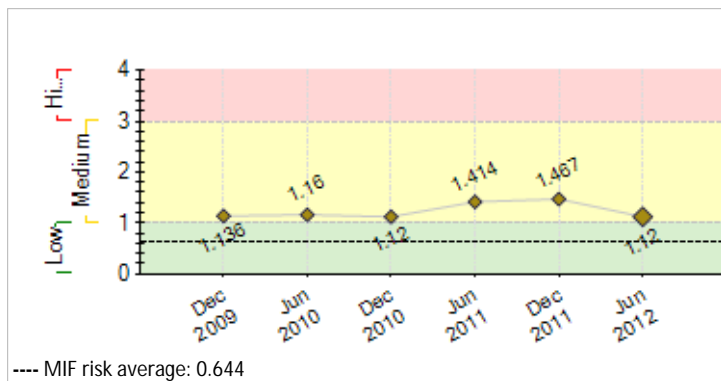
### INSTITUTIONAL CAPACITY

Risk

Financial Management: 0

Procurement: 0

Technical Capacity: 0



## SECTION 2: PERFORMANCE

### Summary of project performance since inception

Target performance indicators are on track or exceeding expectations. The project's cumulative performance has been very satisfactory.

This semester we begin seeing results of our access to markets and finance efforts in Ecuador and Bolivia. Up to date, in Ecuador 100% of our BPC2 winners have obtained their seed capital loans and are ready for the Access to Markets specialized consultancy. In Bolivia the entrepreneurs are focused on practicing the knowledge acquired in the Access to Markets and Finance consultancies, some of them are still legalizing their companies, taking advantage of the networks built in the Aftercare stage.

Venezuela reports high levels of motivation among the entrepreneurs; efforts focused on financial literacy are now translating into a behavioral change, where they are looking at their business as a life plan as opposed to just a way of subsistence. Since the beginning of the AfterCare in September 2011 entrepreneurs in Venezuela have increased their sales in \$368,455. The most important progress is that entrepreneurs now register sales and have better bookkeeping. However, the risk level in Venezuela is still high since it remains a very polarized and politically-sensitive country.

The likelihood of the project achieving its final objectives is very optimistic.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

### Summary of project performance in the last six months

During the past semester, the project's performance has been very satisfactory. The main achievements of the semester were:

Ecuador- Around 8,000 hours of one-on-one tailor-made consultancy for participants of both BPC1 and 2, focusing on enhancing the capacities of the businesses to increase sales and generate jobs.

Venezuela- The majority of the Business Rounds have been held, and the financial awards were assigned (a total of \$62,286 were awarded, of which 68% has been disbursed). Aftercare participants have also received \$14,000 in microcredit loans approved. In this period we carried out 3,625 hours of Aftercare consultancy and had two workshops: Win-Win Negotiations and Presentation Skills. We've had a delay in the Business Rounds in La Encrucijada. This is due to the high politization of the area, making entrepreneurs request the technical assistance in groups, as they see themselves as a One (and not as individuals!). Therefore, we have had to engage in various conversations and when necessary ask entrepreneurs to officially request to be taken out of the program, and include some new ones that are willing to follow the program rules.

Bolivia: 8 companies achieved their first sales milestone this semester and a total of 34 have now obtained financing.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

## SECTION 3: INDICATORS AND MILESTONES

Indicators	Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Purpose:</b> Apoyar competencias de planes de negocios para empresas enfocados al mercado de la base de pirámide.	P.I1	Número de planes de negocio premiados a través de las 12 competencias.	0			120	271
		Jan 2008			Jul 2012	Jun 2012	
	P.I2	Número de participantes en las primeras nueve competencias con negocios operando con ventas.	0			360	324
		Jan 2008			Jul 2012	Jun 2012	
P.I3	Valor en US\$millones de incremento en ventas por los nuevos negocios entre las empresas participantes en el	0				10	12.4

	proyecto, de lo cual, al menos 30% del mercado BOP.	Jan 2008				Jul 2012	Jun 2012	
P.14	Número de nuevos empleos generados por los nuevos negocios.	0				1000	1736	
		Jan 2008				Jul 2012	Jun 2012	

**Component 1: Promoción y Preparación****Weight:** 20%**Classification:** High Satisfactory

C1.11	Número de unidades del Programa y número de comités organizadores establecidos en diferentes países (una unidad y un comité por cada país). (Acumulado)	0	6			12	11	Finished
		Jan 2008	Jan 2009			Jan 2010	Jun 2012	
C1.12	Número de personas con conocimiento del Proyecto a través de seminarios, publicaciones, y su participación en el Proyecto.	0				6000	88483	Finished
		Jan 2008				Jul 2012	Jun 2012	
C1.13	Número de representantes de la empresa privada, medios de comunicación, e instituciones colaboradoras con conocimiento de los resultados del Proyecto a través de reuniones, informes, seminarios y publicaciones.	0				1000	2858	Finished
		Jan 2008				Jul 2012	Jun 2012	

**Component 2: Competencias de Planes de Negocios****Weight:** 50%**Classification:** High Satisfactory

C2.11	Número de consultores capacitados.	0	60			120	170	Finished
		Jan 2008	Jan 2009			Jan 2010	Jun 2012	
C2.12	Número de postulaciones de negocios sometidas a los concursos.	0	900	2700		3600	9987	Finished
		Jan 2008	Jan 2009	Jan 2010		Jan 2011	Jun 2012	
C2.13	Número de negocios seleccionados.	0	240			720	929	Finished
		Jan 2008	Jan 2009			Jan 2010	Jun 2012	
C2.14	Número de planes de negocios premiados.	0	30	60		120	271	Finished
		Jan 2008	Jan 2009	Jan 2010		Jan 2011	Jun 2012	
C2.15	Número de participantes en las primeras seis competencias con negocios operando con ventas.	0				280	324	Finished
		Jan 2008				Jan 2011	Jun 2012	
C2.16	Número de postulaciones sometidas provenientes de cadenas de grandes empresas	0	15	45		60	134	Finished
			Jan 2009	Jan 2010		Jan 2011	Jun 2012	

**Component 3: Seguimiento y Acompañamiento ("Aftercare")****Weight:** 30%**Classification:** Satisfactory

C3.11	Número de empresas con "aftercare" recibido.	0	170			500	538	Finished
		Jan 2008	Jan 2010			Jan 2011	Jun 2012	
C3.12	Número de participantes en las primeras seis competencias con negocios operando con ventas.	0				120	324	Finished
		Jan 2008				Jan 2010	Jun 2012	

Milestones	Planned	Due Date	Achieved	Date achieved	Status
M1 Previous Conditions	1	Jul 2008	1	Jun 2008	Achieved

**CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE***[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Venezuela is facing a very polarized political situation because it is election year in the country. President Hugo Chavez is aiming for a re-election, amidst a very tense environment, with opposition being as fierce as ever, but the incumbent manipulating the setting of the elections with corruption.	Medium	Consultants need to be prudent in the communities and make sure that the AfterCare does not have one bit of political discussions. Similarly, we need to be prepared to face delays due to organized protests and other events in the ramp-up to the elections.	Project Coordinator
2. An important risk across all countries, is the loss in thrust with the implementation and improvement of their business, once the entrepreneurs stop receiving the support from consultants in the aftercare program, especially because these consultants have developed very close ties with the businesses they advice.	Medium	a) encourage the entrepreneurs to develop a "Strategic Plan for the whole Year" so that they will have concrete actions to undertake once the aftercare is completed in June 2010 (First BPC); 2) the development of new alliances with different organizations to provide support to entrepreneurs in terms of commercial linkages.	Project Coordinator
3. It will be hard to do proper monitoring and evaluation of the program once the competitions are over.	Medium	We have created a continuous M&E effort led by two people in the team, where we aim at reviewing the impact created by the program after the intervention has finished. The first step has taken place with 200+ entrepreneurs in Colombia, Peru, Chile and Ecuador during July 2011.	Project Coordinator

**PROJECT RISK LEVEL:** Medium **TOTAL NUMBER OF RISKS:** 7 **IN EFFECT RISKS:** 3 **NOT IN EFFECT RISKS:** 2 **MITIGATED RISKS:** 2**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** P - Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY***[None reported in this period]***Actions related to sustainability which will be or have been implemented:**

1. Access to finance: by linking entrepreneurs to formal financial institutions we allow them to receive credit during the Aftercare and beyond the BPC. We are working in formalizing the businesses and promoting ethical behavior that will outlast the BPC.
2. We are promoting good business
- 3.

practices such as bookkeeping, business formalization, and helping entrepreneurs to think of their business as a life plan and not a subsistence practice.

4. We are working in motivating entrepreneurs through the participation in events such as Business Rounds and commercial fairs, giving them visibility and strengthening networks.

## SECTION 6: PRACTICAL LESSONS

1. Monitoring of Aftercare consultants: Since most of the consultants often have other professional activities in parallel, it is really important to stay in constant communication with entrepreneurs and receive their feedback on the performance of their consultant.	Relative to Implementation	Author Rico, Andres
2. Employment generation: Since many of the businesses are small and of a subsistence nature, many do not need or can't afford stable and regular employment creation. Similarly, the context of countries like Venezuela is unfavorable for job creation since it is very costly to have a formal employee. To address this obstacle we are formalizing the businesses in order for the entrepreneurs to eventually create formal jobs.	Implementation	Rico, Andres