

PROJECT STATUS REPORT

JULY 2017 - DECEMBER 2017

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Strengthening the ecosystem for accelerating businesses in basic services

Project Number: RG-M1294 - Project Num.: ATN/ME-15493-RG

Purpose: Consolidate Agora's long-term sustainability as an effective model of business acceleration for high potential early- and growth-stage social enterprises

Country Admin

UNITED STATES

Country Beneficiary

MEXICO, NICARAGUA

Executing Agency:

AGORA PARTNERSHIPS

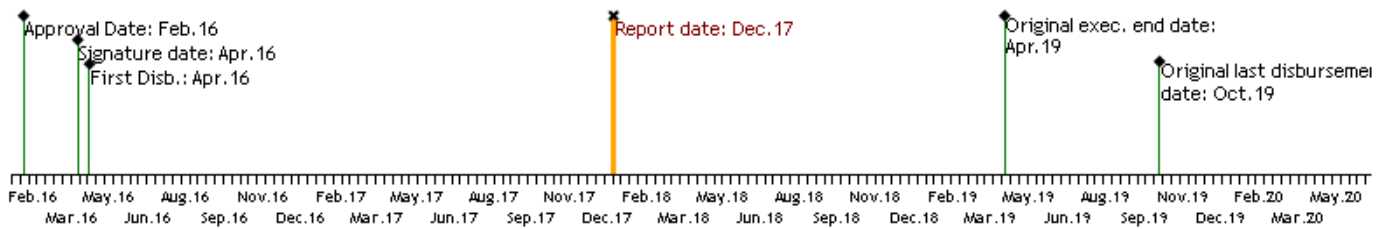
Design Team Leader:

SVANTE PERSSON

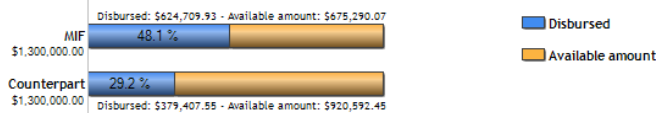
Supervision Team Leader:

ANITA FIORI

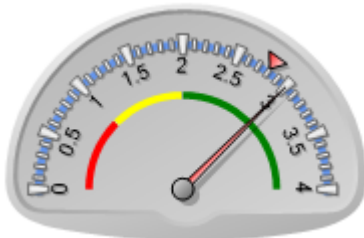
PROJECT CYCLE



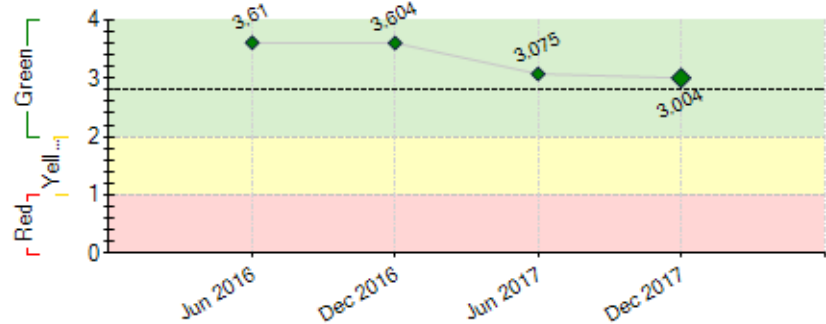
FUNDS



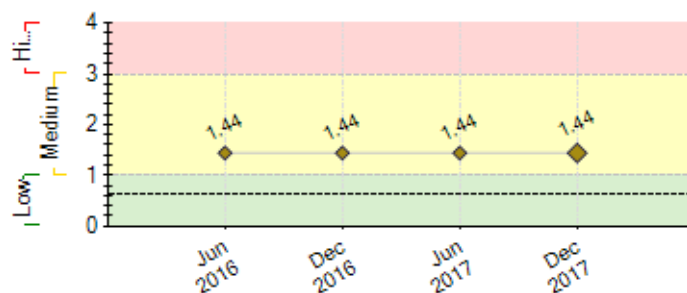
PERFORMANCE SCORE



Current score: Satisfactory: 3.004
MIF Average: 2.799



EXTERNAL RISKS



INSTITUTIONAL CAPACITY

Risk

Financial Management: Medium

Procurement: Medium

Technical Capacity: Low

SECTION 2: PERFORMANCE

Summary of project performance since inception

PSR 4

July, 2017 - December, 2017

1. 25 companies in the Agora 2016 Accelerator, 31 companies in the Agora 2017 Cycle 1 Accelerator, and 26 companies in Agora 2017 Cycle 2 Accelerator participated. Of 2016, 2017 Cycle 1, and 2017 Cycle 2 companies, 30 have raised \$10.1M in investment capital to date as has been reported to Agora to date. For 2017 Cycle 1 and Cycle 2 companies, they are now being supported in the investing matchmaking process, and will continue to raise capital moving forward.

2. No delays.

3. Two key risks include: (1) competition from larger groups offering products and services at subsidized prices and (2) low investor engagement. To mitigate, Agora is (1) ensuring each offering meets a real need and that Consultants help companies with partnerships and (2) leveraging the IDB's investment in Agora to find new investors, inviting them to the Entrepreneur Retreat and signing letters of intent.

4. Agora has a high level of optimism because we are on track with the majority of project objectives.

5. To achieve the project objectives Agora is continuing to (1) expand our recruiting efforts and improving the entrepreneur selection process, (2) grow counterpart funding and revenue-generating programs, (3) enhance the quality of the Accelerator consulting process, (4) build relationships with partners and investors that promote access to capital and services.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

1. 26 companies joined the Agora 2017 Cycle 2 Accelerator which closed on November 30, 2017. 22 of 26 companies were connected with investors through their experience with Agora, and investment connections are continuing post Accelerator. 100% of companies were satisfied with the Entrepreneur Retreat. 2.4 mentor matches were made on average per company, 6.5 investor connections have been facilitated per company on average for 2017 Cycle 1 Accelerator companies and 4.7 investor connections were made for 2017 Cycle 2 companies to date. Since joining the Accelerator 30 of the 82 Companies have raised capital totaling \$10.1M. In addition, Agora has continued to improve our financial sustainability through development of funders, including 30 institutional funders and 81 individual donors in 2017. We have also developed a significant counterpart partnership to accelerate 10 companies per year in Chile.

2. No delays.

3. 30 companies were selected for Accelerator Cycle 1 2018 and 9 Consultants, including 4 Senior Consultants and 5 Consultants, will deliver Agora Accelerator services to entrepreneurs in 2018. The primary focus in cycle 1 is to serve these 30 companies from 13 countries, to recruit and to select 28-32 companies for 2018 Cycle 2. In addition, Agora is currently working on a program redesign to incorporate lessons learned from this project as we plan for building Agora into a more efficient, self-sustaining and customer-centric organization for the years to come.

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
Goal: The objective of this project is to catalyze the acceleration of high potential early- and growth-stage social enterprises in Latin America and the Caribbean. The project will do so by consolidating Agora's long-term sustainability as an effective model of business acceleration for high potential early- and growth-stage social enterprises in the region.	I.1 Capital Raised for early- and growth stage companies participating in the Agora Accelerator	0	4.2	11.7		22.8	18.26
			Apr 2018	Apr 2019		Apr 2020	Dec 2018
	I.2 CRF 330301 - Number of net jobs created by firms and farms	0	30	110		250	351
			Apr 2018	Apr 2019		Apr 2020	Dec 2018
	I.3 CRF 330101 - Number of firms with annual sales growth of 10% or more	0	15	45		83	33
			Apr 2018	Apr 2019		Apr 2020	Dec 2018
	I.4 CRF 230400 - Number of firms that receive seed and/or early stage financing	0	12	35		65	55
			Apr 2018	Apr 2019		Apr 2020	Dec 2018
Purpose: Consolidate Agora's long-term sustainability as an effective model of business acceleration for high potential early- and growth-stage social enterprises	R.1 Agora's Annual Operating Budget	1.2	1.4	1.7		2	1.44
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Dec 2018
	R.2 Number of institutional funders that fund Agora	5	7	9		12	12
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Dec 2018
	R.3 Number of individuals who donate to Agora	30	50	70		90	98
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Dec 2018
Component 1: Grow Agora's mentor and investor networks and increase engagement Weight: 21% Classification: Satisfactory	C1.1 Average number of mentor connections made per company	0	1	2		2	2.42
			Apr 2017	Apr 2018		Apr 2019	Dec 2017
	C1.2 Number of investor connections made per company	0	3	5		5	5.7
			Apr 2017	Apr 2018		Apr 2019	Dec 2017
	C1.3 Increase in Investor Network engagement	50	90	140		200	355
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Dec 2017
Component 2: Build pipeline of companies and improve selection process Weight: 6% Classification: Satisfactory	C2.1 Number of high-potential applications to the Agora Accelerator	60	70			80	113
		Apr 2016	Apr 2017			Apr 2018	Dec 2017
	C2.2 Number of registered attendees for workshops	0	15	30		50	247
			Apr 2017	Apr 2018		Apr 2019	Nov 2017
	C2.3 Number of entrepreneurs in Agora Accelerator pipeline	450	500	600		750	361
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Dec 2017
Component 3: Enhancing Agora's Accelerator Program Weight: 70% Classification: Satisfactory	C2.4 Number of active recruiting partners	150	190	240		320	226
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Jun 2017
	C3.1 CRF 130100 - Number of firms receiving training or otherwise strengthened to provide new goods or services	100	130	180		240	156
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Jun 2017
	C3.2 Percent of companies satisfied with the Entrepreneur Retreat	78	80	83		85	100
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Aug 2017
Component 4: Knowledge management and program dissemination Weight: 3% Classification: Satisfactory	C3.3 Percent of companies satisfied with Accelerator consulting services	75	78	82		85	97.6
		Apr 2016	Apr 2017	Apr 2018		Apr 2019	Dec 2017
	C3.4 Formalization of Consulting Fellows training	0				1	1
						Oct 2016	Feb 2016
	C3.5 Creation of multiple Accelerator tracks	0				1	1
						Oct 2016	Apr 2016
Component 4: Knowledge management and program dissemination Weight: 3% Classification: Satisfactory	C4.1 Case Study Publication developed	0				1	
						Apr 2019	
	C4.2 Number of people who access MIF knowledge products or knowledge transfer activities	0				6000	
						Apr 2019	
	C4.3 Number of institutions that access MIF knowledge products or knowledge transfer activities	0				200	
						Apr 2019	

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
M1 1. 25 companies participated in the 2016 Accelerator 2. Accomplished 2016 consulting fellows training	25	Aug 2016	25	Mar 2016	Achieved
M1 Conditions Prior	1	Oct 2016	1	Oct 2016	Achieved
M4 1. 80% of 2016 companies introduced to at least one investor 2. 22 companies of 2016 class deliverables produced	22	Jan 2017	25	Dec 2016	Achieved
M2 1. 50 companies participating in the 2017 Accelerator 2. Accomplished 2017 consulting fellows training	50	Jul 2017	57	Nov 2017	Achieved
M5 1. 80% of 2017 companies introduced to at least one investor 2. 42 companies of 2016 class deliverables produced	42	Jan 2018	86	Dec 2017	Achieved
M3 1. 60 companies participating in the 2018 Accelerator 2. Accomplished 2017 consulting fellows training	60	Jul 2018			

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. Low investor engagement with companies	Medium	-Leverage the IADB's investment in Agora to recruit new investors into the Agora Investor Network, including other IADB windows -Invite potential investors to Entrepreneur Retreat to meet the companies at the beginning of the Accelerator -Signed letters of intent from investors to signify commitment to engaging with Accelerator companies - Holding Investor Retreat alongside Entrepreneur Retreat in order attract larger number of investors, deliver investor training, and facilitate more investor entrepreneur connections early in the Accelerator process	Project Coordinator
2. Competition from larger companies, government, and/or NGO's offering products and services at subsidized prices	Medium	-One of the selection criteria will be that the market in which the company works truly has a need for the product/service and a space for a private sector solution -Consultants will help entrepreneurs to navigate partnerships with larger competitors	Project Coordinator
3. Difficulty recruiting companies that are a good fit for the Agora Accelerator	Medium	-Highly qualified recruitment manager with excellent support team to implement extensive recruitment plan with strong focus on building partnerships with local organizations, networks, and HUBS to recommend entrepreneurs -Utilize 100 Accelerator alumni to recruit in their own networks - Effectively communicate the value proposition of the Agora Accelerator -Development of workshops to target idea- and seed-stage companies with the potential to apply to the Accelerator in the future - Focusing more on specific country level recruiting partnerships and communications in Mexico, Nicaragua, Colombia, Peru, Ecuador, Argentina and Chile to ensure successful recruiting	Project Coordinator

PROJECT RISK LEVEL: Medium **TOTAL NUMBER OF RISKS:** 5 **IN EFFECT RISKS:** 3 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 2

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: LP - Low Probability

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

Issue	Comments
[X] Lack of cost recovery mechanisms or external financing sources (government, donors and/or private sector) to continue the activities of the project once MIF resources are expended	
Actions related to sustainability which have been taken in the reporting period:	
<p>* Significant improvements have been made to our accounting procedures. These improvements allow us to track expenses more efficiently reducing the cost of the administrative department. We have also completed a reorganization of the company with a new org-structure. This initiative is expected to significantly reduce turnover among the workforce, provide more support staff for clerical tasks, increase the visibility of Agora in other markets and serve more companies.</p> <p>* During the second half of 2017, Agora continued with its fundraising strategies, and to great effect. Just prior to July 2017, Agora closed its largest core grant in the Accelerator's history. This allowed the company to focus on 3 key objectives:</p> <ul style="list-style-type: none"> - Increasing the amount of cohort/track funding from Accelerator Cycle One to Cycle Two to contribute to its IDB counterpart needs. During this time period, Agora closed funding from 30 different institutions. - Increasing our holiday individual fundraising numbers over 2016. During this time period, Agora closed funding from 81 different different individuals. - Beginning a new internal initiative called Agora 2020, which explores how to attract more earned revenue 	

SECTION 6: PRACTICAL LESSONS

	Relative to Sustainability	Author
1. 5. The biggest lesson learned, from the fundraising perspective, has been that the market surrounding accelerators/market intermediaries is changing. Philanthropists are interested in supporting intermediaries that are integrating more earned-revenue in their business models, and entrepreneurs are able to pay for more direct services across Latin America. As a result, Agora has launched an internal Agora 2020 initiative to respond to these changing conditions. This internal initiative, which explores how to incorporate more earned revenue into our existing business model, will be completed by March 2018. It will greatly influence how the organization proceeds post the current IDB grant. Date 12/31/17.		Bell, Brian
2. 4. Additionally, due to some communications and team related challenges in 2017, we learned to invest more in the team. This has included intentionally bringing in ways of showing appreciation to team members involved in the Accelerator as well as incorporating more team building activities into the 2018 Accelerator Consultant onboarding phase. Date 12/31/17.	Implementation	Bell, Brian
3. 3. We also saw the implications of working with small, under-capacitated entrepreneur teams. During 2017 Cycle 2, we worked with two companies that were led by very independent entrepreneurs with limited number of partners and managers. These two entrepreneurs struggled to make time for the consulting process. We have learned the need for companies in the Accelerator to have sufficiently sized and experienced teams so the lead entrepreneur engaged with Agora's has the ability to fully engage in the consulting process.	Implementation	Bell, Brian
4. 2. During 2017 Cycle 2 of the Accelerator, we learned about the importance of optimizing the consulting process focused around development of investor deliverables. While consultants had access to the full consulting methodology and modules, they found the most effective way to address company strategic growth challenges was through development of investment and growth	Implementation	Bell, Brian

deliverables, which are much more tangible and immediately useful for entrepreneurs, who are most engaged when working on key deliverables than when working on modules and associated tools alone. Date 12/31/17.

5. 1. One of the primary lessons learned during 2017 Cycle 2 was the importance of carrying forward knowledge from one Accelerator cycle to another. 2017 Cycle 2 was the first time Agora had a team of Accelerator consultants continue to deliver services to two cycles of companies continuously. We saw clear improvements in efficiency of the consulting process which resulted in increased outcomes including more mentor connections per company, more deliverables produced per company, and higher entrepreneur satisfaction both from the entrepreneur retreat and the Accelerator consulting process. Date 12/31/17.

Implementation

Bell, Brian