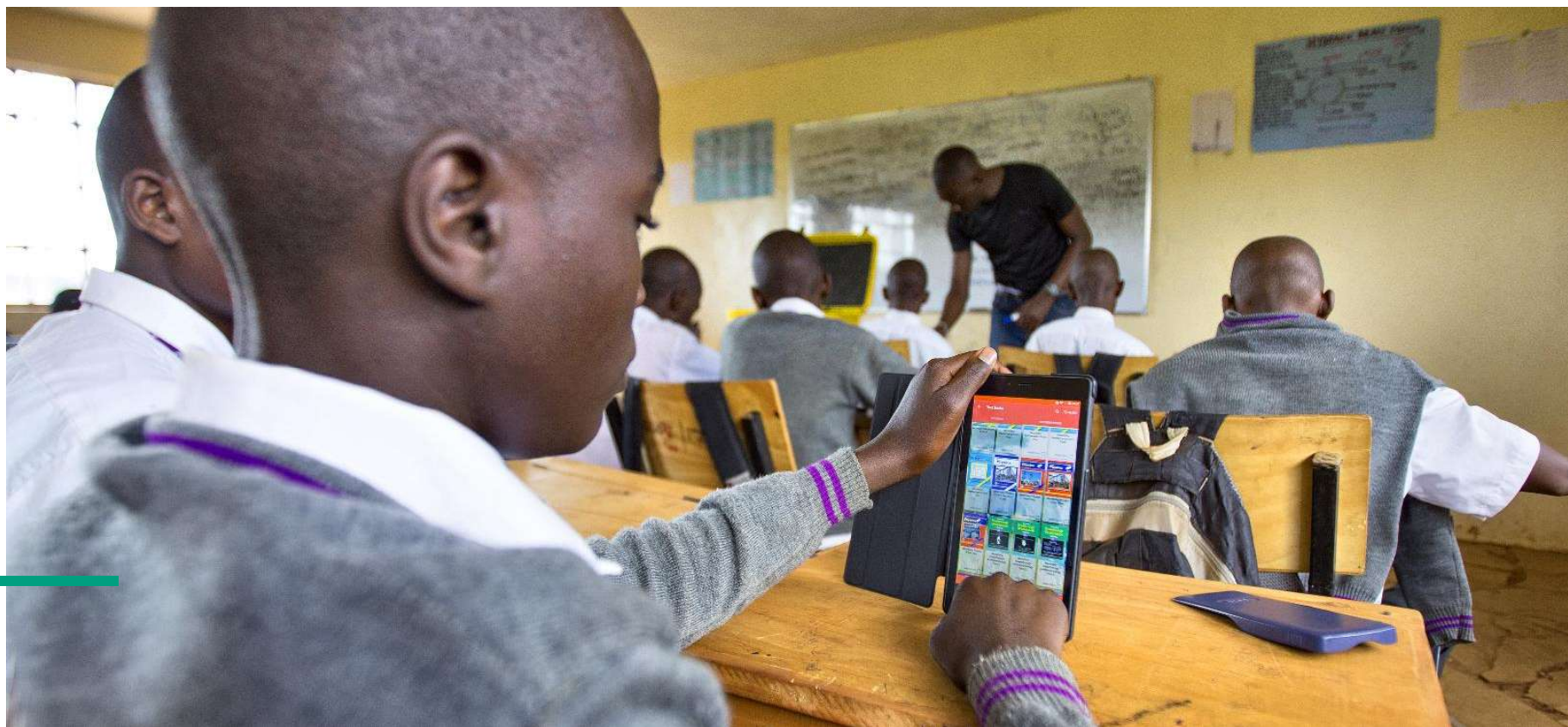


Business Partnership Facility

External evaluation Assessing impact and effectiveness



Elke Briers
Independent Expert

Brussels, October 2023

Financial support for private sector involvement contributing to SDGs in developing countries

Summary



What we support

- Entrepreneurial initiative contributing to at least one SDG
- Partnership consisting of at least one business entity
- Core business of the business partner(s)
- Project located in Africa or Palestine (27 countries)
- No focus on sector, 3 priority themes

How we support

- Non-refundable matching (50/50) funding; grant between €50,000 and €200,000
 - 9x call for projects between 2019-2023 (9th ongoing)
 - Initiated and funded by DGD (SDG charter by The Shift) – budget €12mio
 - Operational management by King Baudouin Foundation (KBF)
-

BPF funded projects must demonstrate their social impact and economic viability

Summary

**Social
impact**



**Economic
viability**

Is the BPF the right tool to stimulate private sector involvement in achieving the SDGs in developing countries?



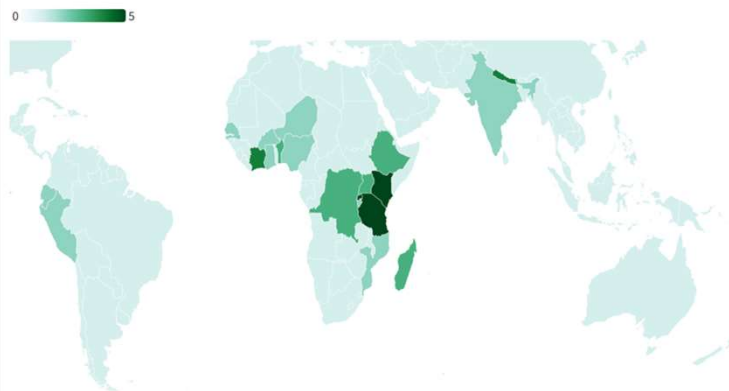
1. Mid term evaluation 2021
2. Final evaluation
 - TechForce Projects BV, Akvo, Diligent Consulting Ltd.
 - Preliminary findings, report available end of October



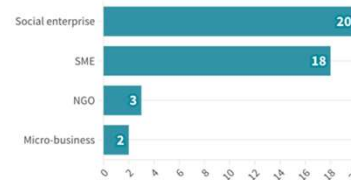
The evaluation is based on the survey of 37 grantees, 8 site visits and stakeholder interviews

- 58 grantees – €9,75mio (final round ongoing)
- Final evaluation
 - 37 projects surveyed
 - Geographical spread: most projects in East Africa
 - Main topic: “Climate, environment and biodiversity”
 - 8 site visits, stakeholder interviews, final beneficiaries, non selected candidates

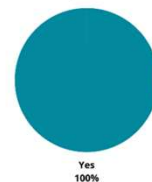
Where are the projects located?



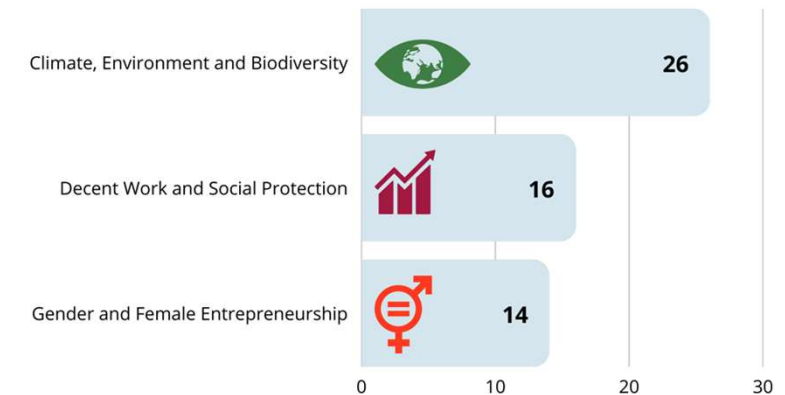
Type of business



Still operational today?



Priority theme of the projects



Grantee perspective

BPF helped on financial, social/environmental and governance level



Grantees confirm the impact of the BPF support on:

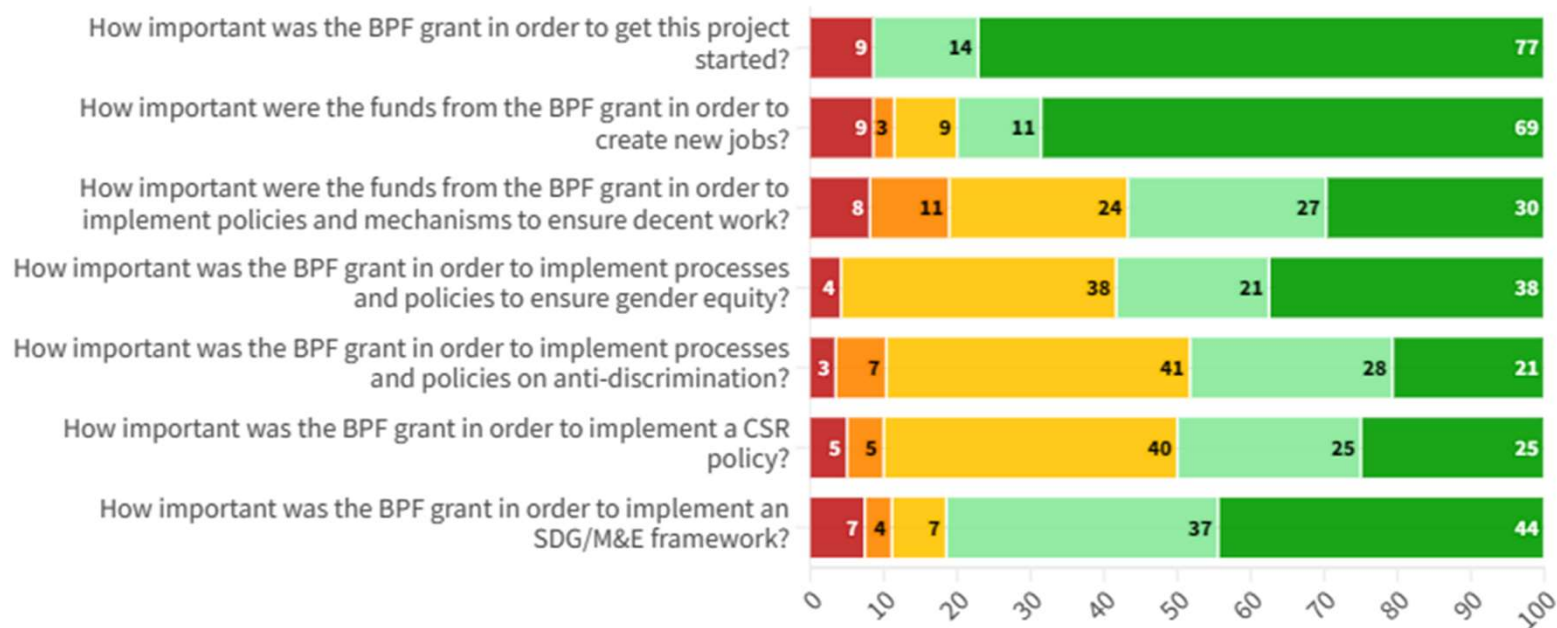
- **Financial level**
 - Financial support for ‘the missing middle’
 - Reduced risk to start a project
 - Access to additional funding
 - **Social/environmental level**
 - Reaching underserved communities
 - Job creation
 - Enabling blended value creation goals
 - Policies on gender, CSR, decent work and anti-discrimination
 - Development monitoring and evaluation frameworks
 - **Governance level**
 - Project efficiency
 - Facilitating partnerships
 - Improved communication and visibility
-

Grantee perspective

Additionality of the BPF grant



1 - Very unimportant 2 - Unimportant 3 - Neutral 4 - Important 5 - Very important



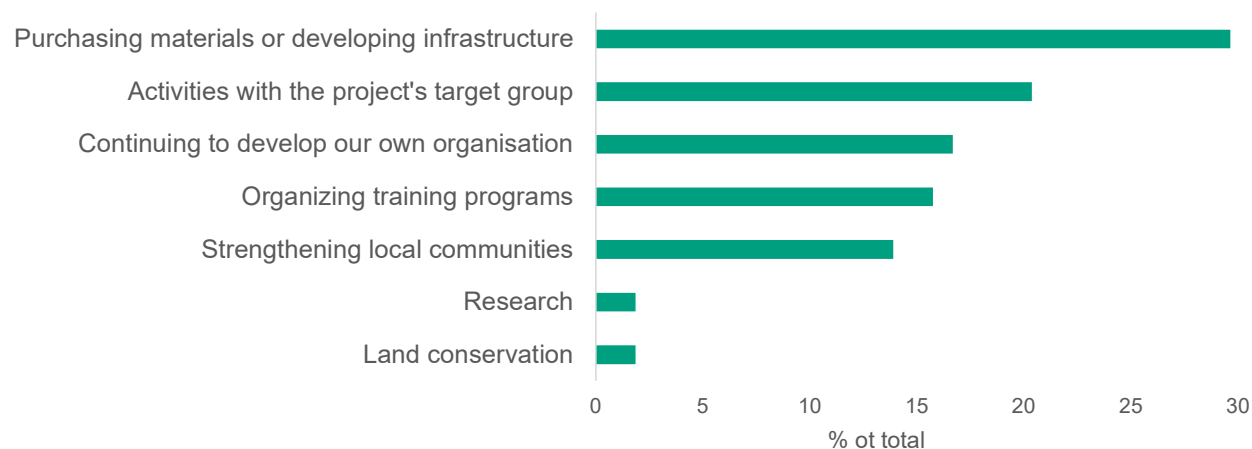
% of total of grantees confirming additionality of BPF grant across multiple areas. Note that distribution is not even of underlying data. E.g. Not all grantees have policies on anti-discrimination in place. But for those that do, their response above indicates the BPF grant contribution to those policies being implemented.

Grantee perspective – financial impact

The matching grant helped the companies to start the project and to attract additional financing



- Finding funding to support the missing middle is challenging
- BPF grant was either 'Very Important' or 'Important' (92%) to start the project
- 72% confirmed project would not have been able to start without grant
- Leverage the BPF grant to attract additional financing (65%)
- Use of funds and changes after use of grant:



Grantee perspective – social/environmental impact

The BPF portfolio contributes to 16 SDGs



Top 3 grantees' contribution to SDGs:

- SDG 1
- SDG 8
- SDG 13

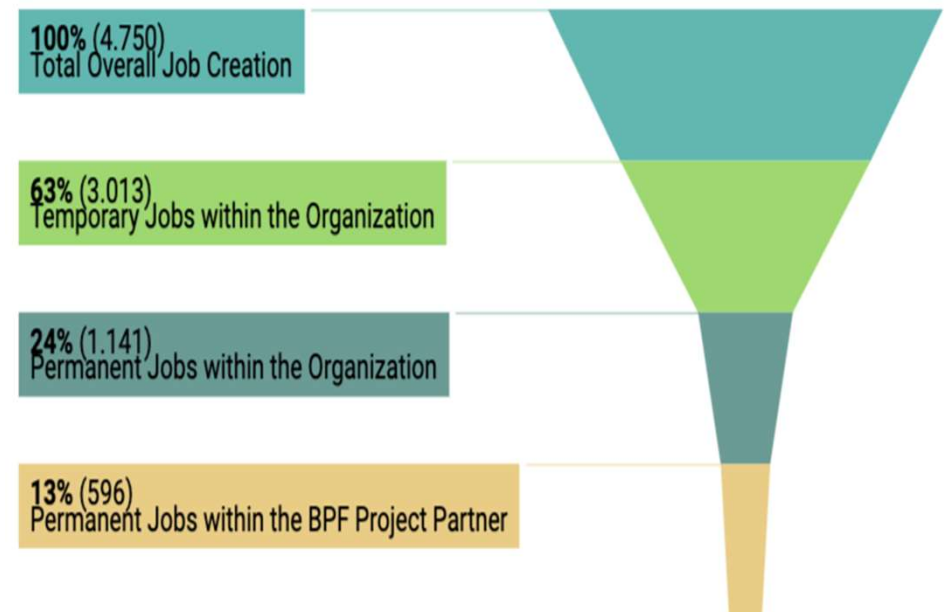


Grantee perspective – social/environmental impact

The BPF support created 4.750 jobs



- intended job creation (85%)
 - not intended, but happened anyways (11%)
-



Grantee perspective – social/environmental impact

The BPF projects reach vulnerable groups and have a social and/or environmental impact



– Gender equity and social inclusion

Key Beneficiaries reached:

- Women
- Young adults
- Farmers and people in poverty

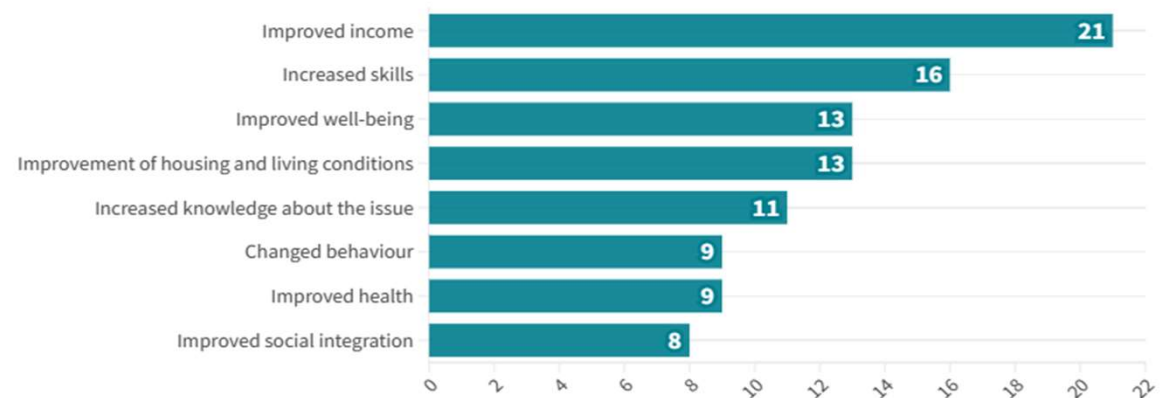
– Social Impact:

- Improved income
- Skills development
- Improved well-being, housing and living conditions

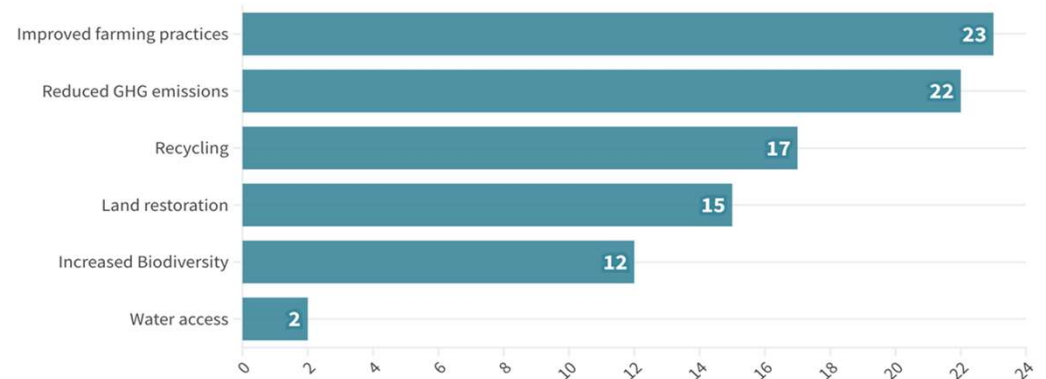
– Environmental impact:

- Improved farming practices
- Reduced greenhouse gas emissions

Social impact areas



Environmental impact areas



Grantee perspective – beyond the BPF grant

BPF grantees would like to connect, network and learn

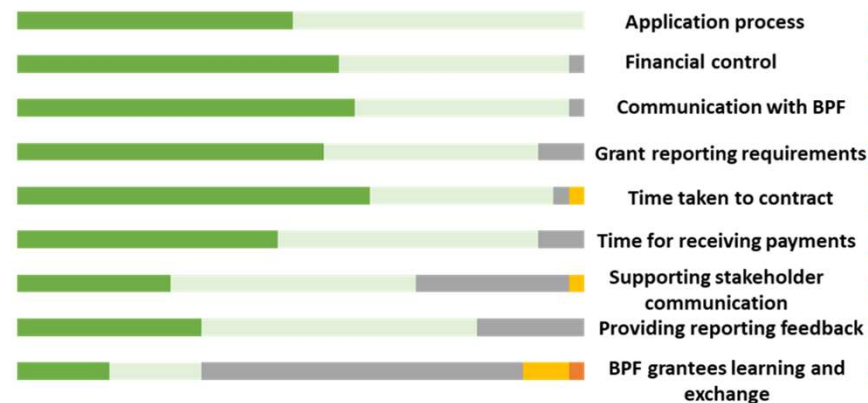


- Increased support to connect with other businesses (92%)
- Becoming part of a peer-learning community (78%)
- e-learning courses/sessions would be useful (68%)
- Technical assistance

How would you rate your satisfaction with BPF across the following area(s)?

Very satisfied Satisfied Neither Dissatisfied Very Dissatisfied

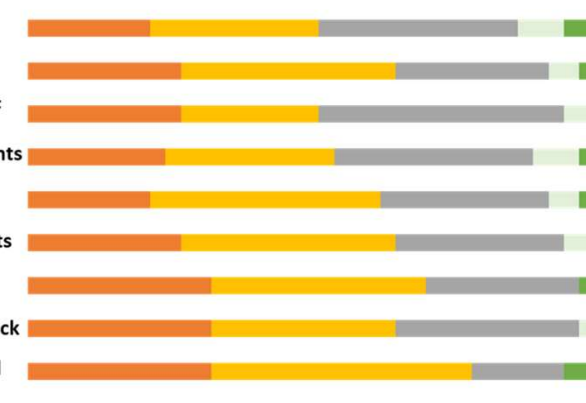
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%



Across which of these areas is it important that BPF increase their support?

Very important Important Neither Unimportant Very unimportant

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%



BPF support to private sector. What worked?



1. Providing clear and straightforward **application guidelines**.
→ good understanding and increased accessibility
 2. The **amount** of funding that BPF provided.
→ applicants can match
 3. The eligibility of organizations in **various stages of maturity** (e.g. start-up, scale-up, mature).
→ opportunity to large group of organizations
 4. Maintaining open and direct **communication** lines with grantees.
→ coach
 5. Being not too heavy on the **admin and reporting** requirements
→ grantees can focus more on actual project implementation.
 6. Being relatively **quick** in making **disbursements** (compared to other donors) and **prefinancing**.
→ big help to prepare and follow their cash flow planning
 7. Incentivizing the development of new company **policies** and new monitoring and evaluation frameworks.
→ help in external communication + future funding
-

BPF support to private sector. What did not work?



1. Providing **technical assistance** to grantees.
Tool available, not utilized by most grantees.
 2. **ESG screening**.
Tool for KBF during assessment, optionally a tool for grantees to improve ESG but not often used.
 3. Advising on how to ensure the **sustainability of the business model**. Could not be done in detail.
Almost 50% of the respondents lean towards being concerned or very concerned about it.
 4. Involving **Belgian Embassies** (for conducting local due diligence as well as for being contact person for locally based grantees).
-

Stakeholders vs grantees

Different opinions on certain aspects of BPF



- Additionality of the grant
 - Degree of matching funding
 - Reporting requirements
-

More information online:
www.businesspartnershipfacility.be



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 King Baudouin
Foundation
Working together for a better society



www.kbs-frb.be

www.europe-kbf.eu

[Video: KBF in 2 minutes](#)

www.afrika-kbs.org

BPF targets projects that are entrepreneurial partnerships and contribute to SDGs



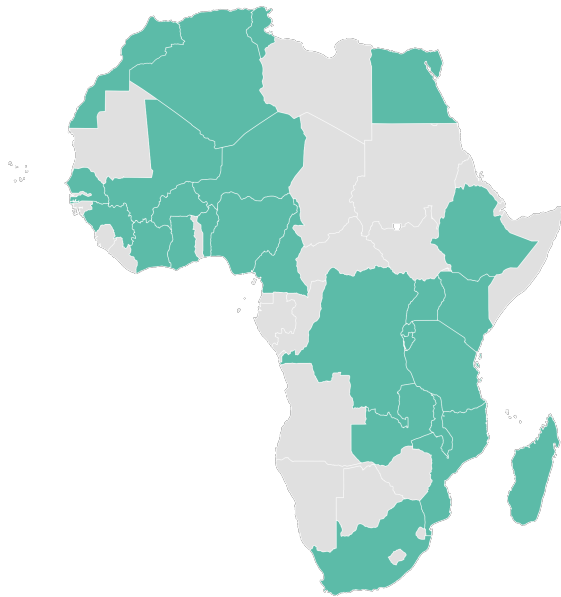
Target projects

- Must contribute to the achievement of at least one SDG in developing countries
Priority themes:
 - Climate, environment and biodiversity
 - Gender and female entrepreneurship
 - Decent work and social protection
 - Profitable business initiative
 - A partnership that brings together different actors from the private sector, civil society, academia and / or the public sector in the North and South
 - Partners may be Belgian, European or international legal entities, under public or private law
 - The project must be part of the 'core business' of a business partner involved
 - 3 years
-

BPF projects must take place in one of these African countries or Palestine



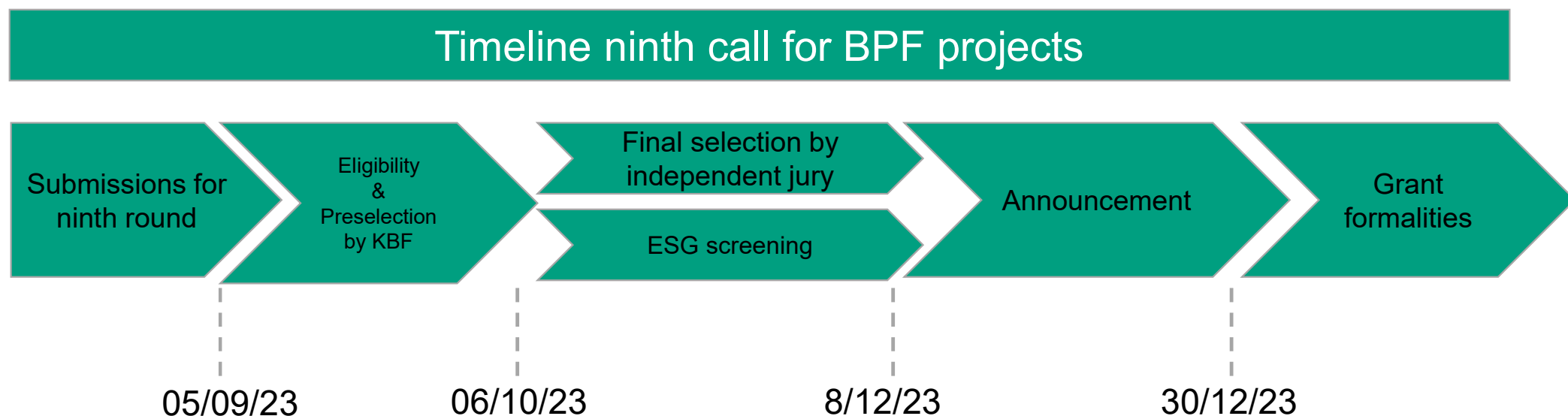
27 eligible countries



Algeria
Benin
Burkina Faso
Burundi
Cameroon
Cote d'Ivoire
DR Congo
Egypt
Ethiopia
Ghana
Guinea
Kenya
Madagascar
Malawi

Mali
Morocco
Mozambique
Niger
Nigeria
Palestine
Rwanda
Senegal
South-Africa
Tanzania
Tunisia
Uganda
Zambia

The ninth round of applications will close on the 5th of September 2023, announcement of results by the end of December 2023



9 selections over a period of 5 years

Submitted projects will be evaluated based on clear criteria



Eligibility Criteria

- Application deadline
- Application in English, French or Dutch
- Complete questionnaire and all the requested annexes
- Partnership with at least one for-profit partner.
- Geographic scope
- The requested budget between 50,000 and 200,000 euros
- The matching fund is confirmed and equal to the requested amount or higher, contributed by the for-profit partner(s)

Selection Criteria

- **Project Management:**
 - Efficiency
 - Experience and capacity of the beneficiary to implement the project
- **Economic viability:**
 - Self-sustainability
 - Additionality
 - Innovation (product and/or process), reproducibility and scalability
 - Impact on the sector or the market
- **Social and environmental impact:**
 - Development effects
 - Synergy and complementarity
- **Priority themes**

All for profit organizations are subject to an ESG screening by an independent specialized organization



ESG screening = Environmental, Social and Governance

- All for profit partners are subject to an ESG screening
 - Environment
 - Health and safety
 - Labor and human rights
 - Management (ethics and sustainable procurement)
 - Screening is performed by Sedex
 - The scores are discussed during the jury meeting
 - Nondisclosure of information = no grant
 - Insightful information for the applicants on ways to improve
 - We pay for this screening
-

Selected BPF projects receive non-refundable funding between 50,000 and 200,000 euros



Project funding details

- BPF funds between 50,000 to 200,000 euros and up to 50% of the total investment
- This implies total project budget must be larger than 100,000 euros and at least 50% funded by for-profit partners (matching fund)
- The budget provided by the partners must be a cash contribution, no valuation of pre-existing assets, no in-kind donations, no other grants or subsidies
- Co-financing can be provided by various private sector companies that submit a joint application for the project
- Loans from financial institutions can be considered part of co-financing
- Expenses until 3m before the submission deadline can count for matching funding



**A total of 12mio euros is available for 5 years
1.5mio euro for the ninth round (between 8 and 30 beneficiary projects)**

In addition, BPF will provide advisory support through consultants on results-based management and scaling-up



Additional advisory provided

- BPF funded consultants can be mobilized at the request of the project leader of the partnership, depending on the bottlenecks that may arise during the implementation of the project
 - A maximum of 7 man days of consulting will be granted per year of implementation of the project
 - The BPF will finance the consultants' fees, while all expenses (air tickets, accommodation, food, travel, etc.) will be borne by the grantees
 - Adjusted procedure
-

Information on the grantees is published on the BPF and on the KBF website



Supported projects

www.businesspartnershipfacility.be

- Information on application procedure and selection process (selection criteria, regulation, eligibility check list)
- Information on all grantees
- **FAQ**

Communication on the final selection:

- <https://www.kbs-frb.be/en/business-partnership-facility>
 - Press releases
 - Stories
-

Food and agriculture

Ivory Coast

- Develop a resilient, sustainable cocoa culture and increasing the income of cocoa farmers
- Installation of a small factory processing cocoa beans into cocoa mass
- Introducing mango drying according to international standard

Tanzania

- With an integrated honey processing and packaging facility in Tanzania, beekeepers move up the value chain
- Scale-up the annual production of organic fertilizer to strengthen the sustainable avocado value chain

Ethiopia

- Modernize the organic honey production to maximize the quality and the volume

Uganda

- Improve beekeeping and the living conditions of suppliers

Rwanda

- Establish an organic-certified value chain for dried pineapple for export to Europe

Zimbabwe

- The establishment of 20 bakeries, each owned and run by a local female entrepreneur

Benin

- To set-up a transformation unit to produce organic and fair trade shea butter for export to the cosmetic industry.
-



Food and agriculture

Ghana

- Scaling-up mango production for processing & export
- Blockchain and AI to increase the income of rural farmers

DR Congo

- To organize farmers in South-Ubangi to grow coffee and cacao to increase their salary
- Scaling up of new products and new markets for sustainable economic development on the edge of a National Park

Burundi

- Development of export-oriented essential oils supply chains with small farmers

Rwanda

- Support a partnership of 3 young coffee entrepreneurs to train small coffee producers and to obtain certification

Nepal

- Improve poor family incomes by increasing milk production, enhance the marketing system and facilitate the access to finance
- Financial security for smallholders by strengthening the tea value chain

Peru

- To improve the income of the farmers by giving them access to the fair-trade market

Madagascar

- Creating a sustainable honey chain in Madagascar

Burkina Faso

- The deployment of a network of greenhouses for sustainable agricultural production adapted to climate change



Water and sanitation

Rwanda

- Water mini-grid powered by renewable energy to provide affordable safe water in rural and peri-urban areas
- Improve access to clean and safe drinking water for the low-income population through the installation of 40 eco-friendly water ATMs in poor urban communities

Ethiopia

- Establish a rural distribution channel for water filters by women



Renewable energy



Senegal

- Offer entry-level solar home systems to low-income, off-grid households

Benin

- Electric motorcycles with tradable battery to create a clean ecosystem

Nigeria

- Install solar-powered cold rooms in markets or farm clusters to store fresh produce, preserving them for a couple of weeks

Niger

- Electrification with solar energy

Kenya

- Scale up of 2 small hydro power plants

Tanzania

- The scale-up of the solar-powered recycling division and the start a furniture division

Ivory Coast

- Expanding the compost activities by producing biofertilizer to boost the farmer's yield

Recycling

Tanzania

- From food waste to animal feed by Black Soldier Fly Larvae

Mozambique

- Recycle more urban waste into compost to provide a local, sustainable response to waste

Kenya

- Close the digital gap by giving used ICT material a new life
- Black Soldier Fly treatment of biowaste
- The transformation of coconut husks into cocopeat, geo-textile, briquettes, ecocobboards

Ecuador

- Transformation of rice straw into thermal and acoustic insulation for construction

DR Congo

- To set up infrastructure to collect plastic waste from households, to recruit & train 105 collectors and to install a plastic recycling plant in Kinshasa.

Burkina Faso

- Building a full industrial production plant to manufacture eco-friendly furniture from recycled plastic waste

Benin

- Collection of pineapple processing residues for intensive production of organic fertiliser and ethylene-enriched activated carbon
-



Business services



DR Congo

- To give young entrepreneurs in the Kivu region access to bank credit thanks guarantee fund which covers 50% of the credit granted to them
- An incubator in Kinshasa will train local start-ups to develop new skills in order to provide solutions for the city of tomorrow.

Education



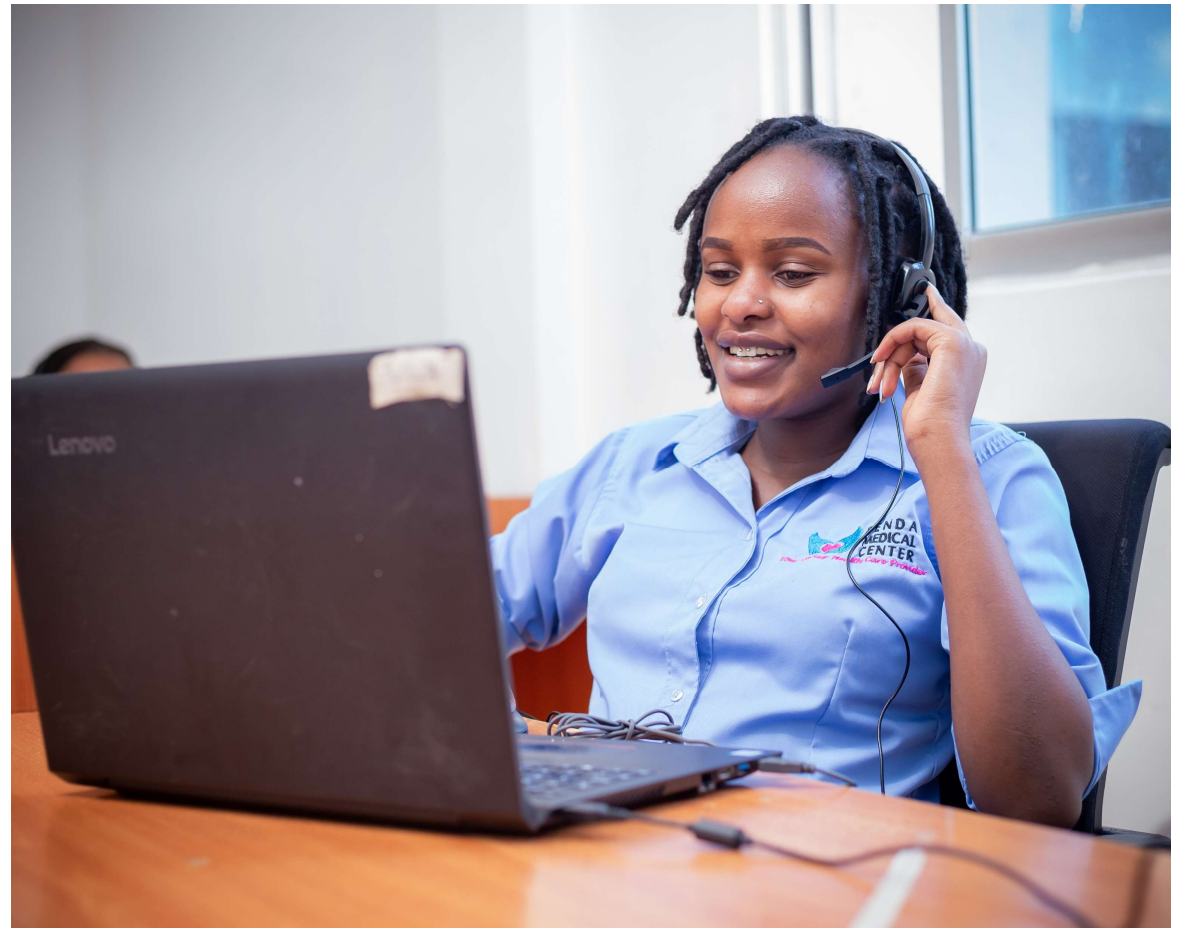
Uganda

- Expansion and upscaling of a private school

Health

Kenya

- Chat na Penda – intuitive digital health tools for low-income families



Housing



Nepal

- Scaling up an innovative micro-business model with eco-friendly building block technology

Textile

India

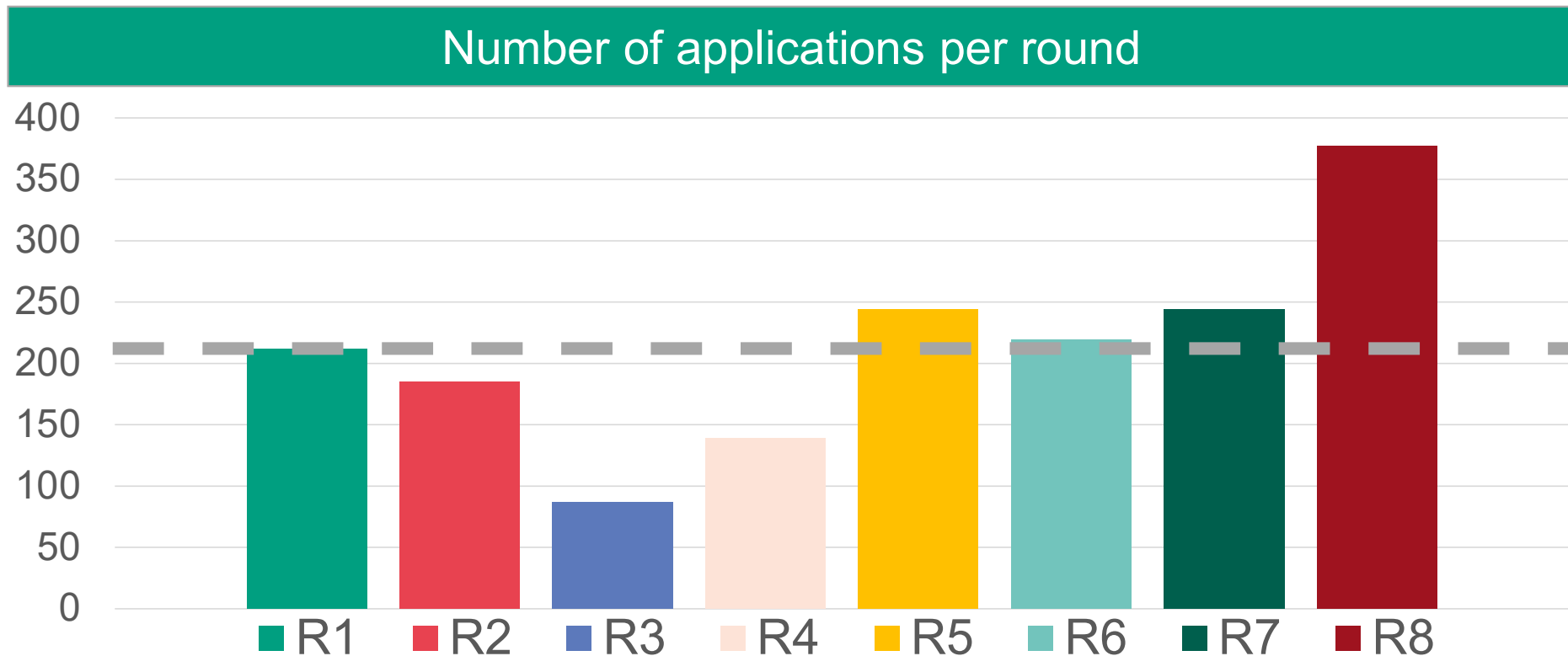
- Expanding of a social weaving and knitting workshop to become autonomous and to provide a decent income for vulnerable women

Rwanda

- The production of eco-friendly sanitary pads
-



On average, we receive 213 project applications per round. We received relatively more eligible applications in the latest rounds.



Most applicants request a relatively high amount (150.000 - 200.000 euros). This is stable over the 7 first rounds.

Applications – requested amount (7 rounds)

