Final Evaluation of the Small Business Development Centres Program in the Caribbean - Phase II

Final report

Frankfurt and Geneva,
May 2018
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**List of acronyms and abbreviations**

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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>Beltraide</td>
<td>Belize Trade and Investment Development Service</td>
</tr>
<tr>
<td>CARICOM</td>
<td>Caribbean Community</td>
</tr>
<tr>
<td>CSME</td>
<td>CARICOM Single Market and Economy</td>
</tr>
<tr>
<td>D.C.</td>
<td>District of Colombia</td>
</tr>
<tr>
<td>DPE</td>
<td>Department of Planning and Evaluation (OAS)</td>
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<tr>
<td>ibid.</td>
<td>“Ibidem” (Latin for: “the same”)</td>
</tr>
<tr>
<td>ICAI</td>
<td>Independent Commission for Aid Impact (of the United Kingdom)</td>
</tr>
<tr>
<td>JBDC</td>
<td>Jamaica Business Development Corporation</td>
</tr>
<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
</tr>
<tr>
<td>MoU</td>
<td>Memorandum of Understanding</td>
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<tr>
<td>MoV</td>
<td>Means of Verification</td>
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<tr>
<td>MSME</td>
<td>Micro, Small and Medium Enterprise</td>
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<tr>
<td>OAS</td>
<td>Organization of American States</td>
</tr>
<tr>
<td>RPPI</td>
<td>Report on Progress of Project Implementation (OAS)</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium Enterprise</td>
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<tr>
<td>SBDC</td>
<td>Small Business Development Centers</td>
</tr>
<tr>
<td>St.</td>
<td>Saint</td>
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<tr>
<td>SWOT</td>
<td>Strengths, weaknesses, opportunities and threats</td>
</tr>
<tr>
<td>TN</td>
<td>Tennessee</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>U.S.</td>
<td>United States</td>
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<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
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<tr>
<td>USDS</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>UTSA</td>
<td>The University of Texas at San Antonio</td>
</tr>
<tr>
<td>YES</td>
<td>Youth Entrepreneurship Scheme (Barbados)</td>
</tr>
<tr>
<td>Criteria</td>
<td>Assessment</td>
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| **Relevance** | SBDC II is doing the right thing in CARICOM. | • Overall relevance reaches 85% on a 100% scale, using the five sub-criteria related to the validity of the Theory of Change as presented in the evaluation matrix;  
  • In two out of five sub-criteria the program shows a very high validity, including:  
    1. Barriers to MSME development in CARICOM countries  
    2. Change pathways from outputs to impact  
  • The validity of the main underlying problems, assumptions and external drivers of change is slightly less high; |
| **Efficiency** | Overall, the program uses resources appropriately. | • Overall efficiency reaches 92% on a 100% scale, based on the seven sub-criteria for program planning, management and implementation to assess efficiency.  
  • SBDC II shows strong achievement across the board, standing out as an area of good practice where OAS is making a significant positive contribution;  
  • SBDC II is very strong in the use of results-based management principles; transfer of learning and recommendations from previous SBDC evaluations; quality of program monitoring and the cost of program delivery;  
  • Despite a range of challenges to program implementation such as the delays in launching phase II, outputs were largely delivered on time;  
  • Quality of the performance indicators remained unchanged despite room for improvement at the output level due to the short time horizon between the end of the mid-term evaluation of SBDC – phase II; limitations in the RPPI format results in underreporting at program impact;  
  • The OAS showed a high cost-awareness concerning overhead costs and tried to keep the expenditure for program management at the bare minimum. |
| **Effectiveness** | SBDC II shows satisfactory achievement of outputs in most areas, but partial achievement in others based on the 15 sub-criteria including the five outcome indicators and eight output indicators | • Overall effectiveness reaches 71% on a 100% scale, based on the 15 sub-criteria including the five outcome indicators and eight output indicators with a high contribution of the SBDC program to the results;  
  • At the output level, the evaluation finds a results achievement reaching 84%;  
  • However, at the outcome level (purpose), the availability of data is scattered, and the level of achievement reaches 50%. This figure is likely to be influenced by underreporting due to a lack of data;  
  • The factors affecting SBDC performance comprise cultural, institutional and technical factors. All three factors show both positive and negative effects on SBDC – phase II; “On-the-job-learning” in sister SBDCs emerges as a potential low-cost technical approach to leverage on the different development stages of SBDCs in CARICOM, for example to strengthen the understanding and use of NeoSerra.  
  • The gender perspective of the SBDC program remains underdeveloped with the project team searching from options to address this shortcoming in the future. |
| **Sustainability** | The evaluation finds that the sustainability of SBDC II shows satisfactory results in most areas, but partial achievement in others. | • SBDC II reaches 69% on a 100% scale for sustainability, based on four sub-criteria;  
  • Ownership of the SBDC model shows the highest ratings but varies with Belize, Jamaica, Saint Lucia and St. Kitts and Nevis showing above average ownership;  
  • The enabling framework for SBDC shows high ratings to ensure the sustainability of the SBDC model in the CARICOM Member States with a direct contribution of the OAS program;  
  • Longer-term national governments’ funding of SBDC is largely based on pledges;  
  • Financial sustainability of MSME’s is below average coinciding with delays in program implementation to address access to finance and insurance. |
Figure 2: Legend for color coding used for results assessment

<table>
<thead>
<tr>
<th>Color Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>Green</td>
<td>Strong achievement across the board. Stands out as an area of good practice where OAS is making a significant positive contribution. Score 76 to 100 out of 100</td>
</tr>
<tr>
<td>Green/amber</td>
<td>Satisfactory achievement in most areas, but partial achievement in others. An area where OAS is making a positive contribution but could do more. Score 51 to 75 out of 100</td>
</tr>
<tr>
<td>Amber/red</td>
<td>Unsatisfactory achievement in most areas, with some positive elements. An area where improvements are required for OAS to make a positive contribution. Score 26-50 out of 100</td>
</tr>
<tr>
<td>Red</td>
<td>Poor achievement across most areas, with urgent remedial action required in some. An area where OAS is failing to make a positive contribution. Score: 0-25 out of 100</td>
</tr>
</tbody>
</table>
Executive summary

Program background: The United States Mission to the Organization of American States provided USD 1,658,724.40 of funding to the Small Business Development Centers Program in the Caribbean—phase II (SBDC II). This report constitutes the final evaluation of phase II of the Small Business Development Centers Program in the Caribbean.

The Small Business Development Centers model has successfully been in existence in the United States of America for over 35 years and has contributed to the enhancement of economic development in the United States through the provision of critical management and technical assistance to small businesses.

An SBDC program was introduced in the CARICOM region in 2012, implemented by the Organization of American States with funding from the United States Mission to the Organization of American States. CARICOM Member States Barbados, Belize, Dominica, Jamaica and Saint Lucia benefitted from phase I. In 2016, a second phase was launched with the aim to consolidate the model in the first five beneficiary countries and to expand the model to Antigua and Barbuda, the Commonwealth of the Bahamas and St. Kitts and Nevis based on the proven U.S. SBDC model.

The purpose of this evaluation is twofold: to assess program performance and to review previous evaluation recommendations were acted upon. The evaluation methodology used is explained in the main report. Intended users of this evaluation are the United States Mission to the Organization of American States, the Organization of American States, CARICOM Member States, Small Business Development Centers in CARICOM and the United States tax payer.

Foreign policy of the United States of America: On April 15, 2018 the Vice President of the United States of America addressed the Summit of the Americas in Lima, Peru. Vice President Pence stated that “The United States will always put the security and prosperity of America first. But America first does not mean America alone. The United States has always cherished our neighbors and friends across this region. Our nations are bound together by geography, but also by history and by an enduring aspiration for freedom (...) Beyond trade, the United States will continue to share our traditions of entrepreneurship throughout the region”. On 7 May, 2018, Vice President Pence endorsed those lines of thinking during a protocolary meeting at the Organization of American States. The evaluation finds that the program logic is largely valid and shows that the program directly contributes to the U.S. foreign policy in 2018. The relevance of the program – phase II is very high, reaching ratings as high as 85%. In fact, the program actively shares the U.S. traditions of entrepreneurship with the CARICOM Member States. The program contributes to a future of opportunity to micro, small and medium enterprises in CARICOM. Through the U.S. investment, shared prosperity for the region and beyond is supported in an increasingly challenging economic environment in CARICOM. The evaluation finds that United States Mission to the Organization of American States does the right thing at the right time in supporting the Small Business Development Centers Program – phase II in the Caribbean.

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1 By 5 February 2018
2 Secretary General of the Organization of American States: Project evaluation. Terms of Reference. Evaluation of the Small Businesses Development Centers Program in the Caribbean
The relevance of the program is also given for addressing the issue of migration, mainly to the United States through local job creation in CARICOM. Future opportunities are given to the youth to mitigate risky behavior, including migration or the activities of gangs or criminal syndicates. As such the program directly contributes to the United States Caribbean Basin Security Initiative, a proof of the coherence of investments made by the United States Department of States.

The program also addresses vulnerable groups such as women. As announced during the Summit of the Americas in Lima, Peru, the United States of America launches a new “2X Women’s Initiative” with USD 150 million to support women entrepreneurs throughout Latin America. Again, the full alignment becomes evident of the Small Business Development Centers Program in the Caribbean to actions of the administration of the United States of America.

The evaluation finds that the program uses resources appropriately, with 92% efficiency ratings. The program shows strong achievement across the board in the application of results-based management principles. SBDC team maintained the high standards in program monitoring. The OAS showed a high cost-awareness of overhead costs and tried to keep the expenditure for program management at the bare minimum. Despite a range of challenges to program implementation outputs were delivered mainly on time. The transfer of learning and recommendations from previous SBDC stands out as an area of good practice. The only caveat concerns the inclusion of vulnerable groups in the program. Quality of the performance indicators remained unchanged despite room for improvement due to the short time horizon between the end of the mid-term evaluation of SBDC – phase II.

The evaluation finds that SBDC – phase II shows satisfactory achievement in most areas, but partial achievement in others concerning program effectiveness with 71% achievement ratings of results. The achievement of short term results (outputs) is with 84% higher than for medium-term results (outcomes) at 50%. The latter figure is likely to be influenced by underreporting due to incomplete data.

The factors affecting SBDC performance comprise cultural, institutional and technical factors. All three factors show both positive and negative effects on SBDC – phase II. “On-the-job-learning” in sister SBDCs emerges as a low-cost technical approach to leverage on the different development stages of SBDCs in CARICOM, for example to strengthen the understanding and use of the NeoSerra client management system. The gender perspective of the SBDC program remains underdeveloped with the project team searching from options to address this shortcoming in the future.

Cost-benefit: In 2017, productivity indicators show that the thirteen SBDCs in Barbados, Belize, Jamaica and Saint Lucia served a total of 6.199 clients providing 9.178 registered advisory hours. Economic impact indicators reveal that 285 businesses were started and 192 jobs created in the thirteen centers. The U.S. taxpayer subsidized every business started with USD 5820,08 and every job created with USD 8639,19. The cost of the USD 7.793 million of capital accessed by MSME’s registered in the thirteen centers came at the cost of USD 0,21 for the U.S. tax payer per 1 USD accessed by SBDC clients. This capital is likely to create tomorrow’s jobs. The total cost per job created, including the matching funding by the OAS and the SBDC’s operational budgets amounts to USD 18.133,84. This cost is similar to the USD 16.340 incurred by the U.S. Small Business Investment Program (2017) and compares favorably with rural electrification projects in low and middle income countries (USD 43.478 per job), the Minnesota Emergency Employment Development Program (USD 34.000 initially) and the MEGA program in the U.S. (USD 25.000 per job/year).
The evaluation finds that the sustainability of SBDC – phase II shows satisfactory results in most areas, but partial achievement in others. The ownership of the SBDC model seems very strong and the enabling environment appears strong in most countries. Less strong sub-criteria are funding the SBDC model once OAS support ceases and financial sustainability of MSME’s concerning access to finance, to insurance and markets. The score for sustainability is "green-amber" (69% out of 100%).

Based on the above key findings, conclusions emerged, leading to the following set of recommendations with a very high or high prioritization:

R 1: SBDC team in the OAS: Consult the donor about an additional phase of the SBDC program over a period of three years. **Prioritization high: next 3 months**

R 2: SBDC team in the OAS: Keep working with current program countries with the aim to i) work towards a launch of at least one center per country in all current program countries by mid-term of phase III (as a cut off point for any future program assistance), and ii) consolidate SDBCs with NeoSerra reporting showing institutional performance and economic impact. **Prioritization high: next 3 months**

R 3: SBDC team in the OAS: Consult up to three out of the five of the remaining CARICOM Member States that are OAS members and not part of a special U.S. support mechanisms about their interest to participate in the program. Those countries are: Guyana, Grenada, Saint Vincent and the Grenadines, Suriname and Trinidad and Tobago. MoU’s with governments should be accompanied by engaging private sector organizations as an additional lever as part of a dual country engagement approach. **Prioritization high: next 3 months**

R 4: SBDC team in the OAS: Revise the output indicators for phase III of the program and include indicators at the goal level. Consider suggestions made in this evaluation report about sharpening further their results focus. **Prioritization high: next 3 months**

R 5: The SBDC team in the OAS should review the recommendations of the mid-term evaluation of SBDC – phase II again and consider to what extent recommendations are implementable in phase III. **Prioritization very high: next month**

R 6: SBDC team in the OAS: Fully align outcome level indicators with available data sources such as NeoSerra to avoid underreporting in phase III. **Prioritization high: next 3 months**

R 7: OAS Secretariat: Given the recommended expansion of the SBDC program to additional CARICOM Member States, the human resource capacities of the project team require strengthening with up to two additional posts for administrative or technical purposes. **Prioritization high: next 3 months**

R 8: The SBDC team in the OAS should consider whether south-south “on-the-job-learning” across SDBCs would be an option to complement the technical assistance element of the program. **Prioritization high: next 3 months**

R 9: The SBDC team in the OAS should create a dedicated output focusing on women and other vulnerable groups, rather than treating this aspect as an add on to another output. **Prioritization very high: next month**
Figure 3: Summary of the final evaluation of SBDC – phase II
Section I: Introduction

This document constitutes the final report of the final evaluation of the Small Business Development Centers Program in the Caribbean—phase II (SBDC II).

The Organization of American States (OAS) is implementing the second phase of the program with an approved execution period from 29 February 2016 to 13 May 2018. The United States Department of State funds SBDC II with USD 1,994,694.97 (81.19% of total funding) while the OAS provides in-kind support of USD 462,076.00 (18.81% of total funding).

1.1 Project background

The SBDC model has successfully been in existence in the United States for over 35 years and has contributed to the enhancement of economic development in the United States through the provision of critical management and technical assistance to small businesses. It remains one of the United States’ largest small business assistance programmes in the federal government.

An SBDC program was introduced in the CARICOM region in 2012, following a regional workshop in San Diego, California organized by OAS’ Department of Economic and Social Development in partnership with Caribbean Export Development Agency and the University of Texas in San Antonio. The approach of the program is to:

i) Thrive on the joint investment of three key sectors; academia, public and private sectors to combine efforts and funds to guarantee the sustainability of the program and eliminates inefficiencies and duplication of efforts among agencies.

ii) Focus on high value, long-term, one-on-one assistance to help clients generate a sustained economic impact that would lead to the establishment of new businesses, job creation, increases in sales and access to capital.

iii) Promote a results-oriented culture where SBDCs and the service professionals are continuously evaluated concerning the economic impact generated through client work.

The first phase of the Caribbean SBDC programme began in 2012 with five beneficiary countries comprising Barbados, Belize, Dominica, Jamaica and Saint Lucia. The purpose of the intervention was to improve the access of small and medium enterprises (SMEs) in the CARICOM region to sustainable and effective business assistance services based on the US SBDC model. In 2015 the Department of Planning and Evaluation coordinated a final evaluation of Phase I of the program. Evaluation recommendations suggested among others that planning for phase II of the SBDC program in CARICOM member states ought to continue to deepen the engagement with pilot countries and start engaging with a smaller number of new countries. Those countries are Antigua and Barbuda, the Commonwealth of the Bahamas, and St. Kitts and Nevis. The mid-term evaluation of phase II recommended maintaining SBDC’s country engagement approach while strengthening funding commitments from government partners in the CARICOM member States. The evaluation

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identified the “funding of SBDC’s by national governments as the Achilles heel, the area of highest risk, of SBDC II”4.

The Project Document of SBDC II states that “phase two of the Project “Establishment of Small Business Development Centres (SBDCs) in the CARICOM Member States” is designed to build on the work undertaken in the first phase (2012-2015) with the first five beneficiary countries – Barbados, Belize, Dominica, Jamaica and Saint Lucia – while expanding the Caribbean adaptation of the U.S. SBDC model.

The consolidation of the model in the first five beneficiary countries will include the development of the legal and regulatory framework to underpin the model as well as strengthening the technical capacity of the SBDCs to assist their clients in accessing local and regional value chains and promoting better access to financing with a view to nurturing the development of successful SBDC networks throughout the Caribbean (...). The expansion of the project will assist in the creation of sustainable small business assistance networks in (...) additional Caribbean countries (Antigua and Barbuda, The Commonwealth of the Bahamas and St. Kitts and Nevis) based on the proven U.S. SBDC model. These countries will be determined on the basis of self-selection; however participation is contingent on the signature of MOUs to formalize government commitments. The Project will engage the support from the government, higher-education, NGO and private sectors for a more effective and integrated infrastructure for MSME assistance and help improve upon a largely fragmented array of existing programs. (...) The result of these collective efforts it is hoped will help each project beneficiary country in increasing the competitiveness of their respective MSME sectors, in starting and formalizing new businesses, helping existing businesses grow and become more profitable, in creating new jobs and in accessing new international markets for their goods and services”5.

1.2 Evaluation background and objective

The SBDC program benefitted from a final evaluation of phase I in 2015 and subsequently a desk-based mid-term evaluation of phase II towards the end of 2017. The final evaluation of phase II took place between March 2018 and May 20186, building on the extensive evaluative evidence available. The scope of the final evaluation of phase II had to be reduced due to changes in the timeframe available for the evaluation. This also explains the reduced time horizon between the mid-term evaluation and final evaluation of phase II.

The Department of Planning and Evaluation of the OAS clearly defined the objective for this evaluation: “The purpose of the final evaluation is twofold: to assess the performance of the SBDC model phase II in the beneficiary countries in the context of phase I, by reviewing its advances to date and comparing them to those established in the project objectives; and to determine to what extent the recommendations and lessons learned from the evaluation of phase I and the midterm evaluation report were taken into account in the execution and conclusions of phase II”7.

6 Achim Engelhardt conducted the evaluation, an independent evaluation consultant combining relevant technical experience in the SME sector and evaluation expertise in the CARICOM Member States.
The evaluation scope includes the following:

- Conduct a summative evaluation to assess the project's progress in achieving its objectives.
- Determine, to the extent possible, the effectiveness of the project as best reflected in the available results to date.
- Critically analyze the formulation, design, implementation, and management of the project and make recommendations as needed.
- Assess the likelihood of institutional and financial sustainability of the interventions financed by the project.
- Document lessons learned related to the formulation, design, implementation, management, and sustainability.
- Make recommendations, as appropriate, to improve the formulation, design, and implementation of future similar interventions.
- Assess if and how the project addressed the crosscutting issue of a gender perspective and to what results.

1.3 Evaluation methodology and approach

The evaluation work plan and matrix prepared at the inception stage of this final evaluation. The latter document suggested the use of a theory based evaluation approach given the positive experience with the approach for the previous evaluations of the SBDC program.

The evaluation work plan and matrix outline that theory-based evaluation approach specifies the program's intervention logic building on a set of assumptions and describing how the program designers think the change will happen. The intervention logic was validated through remotely engaging the project team in the OAS Secretariat and SDBC teams in the eight program countries. Out of the eight SBDC teams, seven participated in the validation as part of an online survey.

The following balanced and robust selection of tailored evaluation tools and processes was suggested for this final evaluation of SBDC – phase II:

a. **Key document review** in the execution of the project, among them: the project proposal, a logical framework used for the design and implementation of the project, indicators, and results achieved to date; progress reports on the execution of the project to date, and financial documents, among other things;

b. **Scoping calls** with the Department of Planning and Evaluation, the Department of Economic and Social Development implementing the program and the representative of the US Permanent Mission to the OAS;

c. **Theory of Change conference call** with the Department of Economic and Social Development implementing the program to assess any changes since the mid-term evaluation;

d. **Webinars** for SWOT\(^8\) analysis of SBDC with SBDC teams in all eight project countries, followed by with relevant program stakeholders such as the University of Texas at San Antonio or Duke University;

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\(^8\) Strengths, weaknesses, opportunities and threats
e. An on-line survey of SBDC teams and extended network of partners in all eight project countries;

f. Cost-benefit analysis using theoretical attribution of benefits from secondary data sources where primary data is unavailable;

g. Up to four case studies of MSMEs using SBDC services through a combination of available documentation and validation telephone calls with available firms.

h. Presentation of midterm report to OAS via Skype conference call, following data analysis;

i. Finalization of evaluation report and presentation in person to OAS in Washington DC.

The MSME case studies could not be realized, as MSME’s did not make relevant data available for the evaluation. In hindsight, this reaction could have been expected in the absence of field visits due to issues of trust and confidentiality. The “lessons learned” in section 8 address the value of field visits in this context in more detail.

Annex 4 contains the full evaluation work plan and matrix.
1.4 Reconstructed SBDC II Theory of Change

The mid-term evaluation of SBDC – phase II comprised a reconstruction of the program's Theory of Change with validation being undertaken during the final evaluation of SBDC – phase II.

Figure 4: Reconstruction of the Theory of Change for SBDC – phase II

The reconstructed Theory of Change of SBDC II presented in Figure 4 contains the following elements:

- Main assumptions:
  - 1. Adaptability: model is adaptable to the CARICOM context.
  - 2. Political buy-in: countries show willingness to concentrate resources for MSEs under one roof.
  - 3. Capacity: all partners have the capacity to play their role in fostering and encouraging innovation through academic/public/private partnerships.
  - 4. SBDC network: economies of scale through channel resources and link via SBDC networks & opportunities for expansion and diversification of exports via MSEs to MSEs trade.
  - 5. Access to finance available to extend businesses.
  - 6. MSEs’ willingness to engage in long-term relationships with SBDCs. 

- Output 1: New beneficiary countries, analyses and recommendations on the applicability of MSE model.
- Output 2: Policy guide developed to support the elaboration of an MSE framework.
- Output 3: Transferring and adapting the SBDC model to project beneficiary countries.
- Output 4: MSE advisors trained in the use of data to support the analysis of rate of expansion, participation and upgrading to local and regional value chains giving consideration to women and youth.
- Output 5: Space created for the exchange of information among SBDCs, financial and insurance companies for the promotion of alternative financing opportunities for MSEs.
- Output 6: Governance model developed for the creation of a holistic strategy that facilitates the sharing of best practices, the development of regional trade dialogue and donor advocacy efforts.
- Output 7: Monitoring and Evaluation.
• Formulation of the main problems
• Outputs (short-term results) and related assumptions
• Barriers to moving from outputs to outcomes (medium-term results)
• Outcomes
• Impact statement (long-term results)
• Linkages to external drivers of change catalyzing the achievement of the impact
• Main assumptions

Section 2 assesses in detail the validity of the Theory of Change of SBDC – phase II.
Section II: Findings
2. Relevance: is SBDC II doing the right thing?

This section addresses the evaluation criterion of relevance. The sub-criteria used do refer exclusively to the program’s Theory of Change. Other important sub-criteria to assess relevance were covered in the recent mid-term evaluation of SBDC – phase II and were not duplicated in the ToR for the final evaluation. Those sub-criteria comprised the alignment to OAS mandates, the relevance for strategies of the United States Department of State, relevance for SBDC countries' skills and business needs and the compatibility with cross-cutting issues of excluding vulnerable groups, including women. Results for those sub-criteria can be accessed in the mid-term evaluation report. It remains to be added that the latest statements by the Vice Presidency of the United States of America at the Summit of the Americas in April 2018 fully confirm the ongoing alignment of the SBDC – phase II program with the U.S. foreign policy also in 2018. Specific topics of coherence include shared U.S. traditions of entrepreneurship throughout the region, migration and security as well as women economic empowerment.

Key findings:
- The Theory of Change of SBDC – phase II is largely valid
  - SBDC team members in the CARICOM Member States coincided to a large extent with the OAS project team about six out of the eight underlying problems justifying the SBDC program in CARICOM
  - The main barriers hindering the achievement of the purpose and goals of SBDC – phase II are correctly identified
  - Change pathways to achieve SBDC purpose and goal are valid
  - A large consensus in five of seven main assumptions that need to hold true for SBDC – phase II to be successful
  - SBDC – phase II operates in a swiftly changing environment. Out of the seven external drivers of change, only two remained unchanged, with three drivers increasing in importance and one driver decreasing in importance.

The evaluation finds that the relevance of SBDC II is very high. Based on the evaluations’ scoring methodology, the relevance score of SBDC II is “green” (85 out of 100). In two out of five sub-criteria around the program’s Theory of Change, the program shows a very strong performance.

2.1 Validity of the Theory of Change

2.1.1 Identification of main problems

The online survey validated the main problems identified by the OAS project team. SBDC team members in the CARICOM Member States coincided with the OAS project team in six out of the eight underlying problems to a large extent justifying the SBDC program in

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9 Engelhardt, A./OAS 2017: Mid-term evaluation of the Small Business Development Centers Program in the Caribbean – Phase II. Pages 17 to 19.
11 Scores by sub-criteria: green: 4, green/amber: 3, amber/red: 2; red: 1
12 Except for SBDC team in the Commonwealth of the Bahamas who did not participate in the survey.
CARICOM. As such, the Theory of Change is based on correct identification of the main problems facing MSME’s in the region. Figure 5 provides an overview of the main problems facing MSME’s in CARICOM according to the OAS project team and the SBDC team’s validation rates from six out of the eight program countries.

For SBDC teams in CARICOM Member States, limitations in research and technology are the main problem for MSME development, with a validation rate of 91%. Shortcomings in the development of a supply base to serve the needs of development follow with 83% validation rate. The validation rate concerning the limited development of a diversified economic structure reached 80%, as do the low levels of productivity and quality which impact on the overall competitiveness of CARICOM Member States (also 80% validation rate). Challenges in the internationalization of the sector for MSME development are shared by 71% of SBDC teams’ members. The program funded value chain analysis, for example, showcases the challenges of integrating SME’s in the value chains of tourism in Jamaica despite growing opportunities\textsuperscript{13}. The same applies to SME integration into cruise ships value chains in Barbados\textsuperscript{14}.

The majority of SBDC members also coincides with the OAS project team about the inadequacy of special support programs to assist vulnerable groups such as women, youth, and rural producers, with a validation rate reaching 70%. MSME development being affected by the limitations in the absorption of labor surpluses follows with a 65% validation rate. The latter comes as a surprise considering the growing unemployment rates in CARICOM according to the International Labour Organization for 2007 to 2016.

Figure 5: Problems for MSME’s in the CARICOM Member States (%)

Just over half of the SBDC team members in the six CARICOM countries (57%) agreed that programs for the development of the MSME sector are often tied to social programs which are often unsustainable.


\textsuperscript{14} Daly, J. and Fernandez-Stark, K. / Duke Global Value Chains Center (2017): Barbados in the Cruise Tourism

Global Value Chain
2.1.2 Barriers to MSME development in CARICOM countries

The main barriers that hinder the achievement of the purpose and goals of SBDC – phase II are correctly identified.

The gender and youth gap and scattered and uncoordinated existing MSME support still constitute a hurdle. Challenges in employment creation and subsequent income earning weight heavy on the economies of CARICOM Member States. Besides, quality standards and management of products and services are a limiting factor to the economies of CARICOM Member States, particularly MSMEs.

2.1.3 Change pathways from output to impact

Overall, SBDC teams from seven out of the eight CARICOM Member States participating in the survey validated the change pathways to achieve SBDC purpose and goal, to varying extends at high levels, as shown in Figure 6.

Figure 6: Validity of change pathways from outputs to purpose and goal

The outputs of MSME policy development (85%) and transference and adaptation of the SBDC model (83%) achieve the highest approval rates to contribute to the success of SBDC – phase II. Similarly, high approval rates show the training in business and export development contributes to the success of the program (75%).

73% of SBDC team members judge that development of a regional SBDC network to facilitate the sharing of best practices, the development of regional trade linkages and bolster advocacy efforts contributes to the success of the program.

Two outputs receive less approval concerning their contribution to the success of SBDC – phase II: Exchange of information among SBDCs, financial and insurance companies (67%)
and Training in the use of value chain analyses to facilitate MSME participation and upgrading in local and regional value (65%).

One possible explication is the coverage of value chain analysis, reaching to date four out of the eight program countries. At the same time, exchange with financial and insurance companies took place in one country (Saint Lucia), with Jamaica being scheduled before the end of phase II of the SBDC program.

2.1.4 Assumptions

The OAS project team in Washington identified seven central assumptions that need to hold true for SBDC – phase II to be successful. SBDC team members in CARICOM largely coincided with five of those seven main assumptions, as shown in Figure 7.

92% of SBDC team members in CARICOM agreed about the assumption that the SBDC model is adaptable country’s context. This high approval rate is followed by 87% of SBDC team members agreeing about the assumption that all partners can play their role in fostering and encouraging innovation through academic/public/private partnerships in the respective CARICOM Member State.

75% of SBDC team members coincide with the OAS’ assumption that economies of scale materialize through shared resources and risk via SBDC networks and opportunities for expansion and diversification of exports via MSME-to-MSME trade.

Figure 7: Validity of main assumptions of SBDC - phase II to achieve program goal (%)

Similarly high is the validation rate of the following assumption (73%): MSMEs would show the willingness to engage in long-term relationships with SBDCs.

73% of SBDC team members in CARICOM also agree that impartiality of SBDCs is required to convince MSME’s to share business intelligence is a precondition to make the SBDC program a success. Access to finance is a bottleneck from SME development around the globe. The OAS’ assumption that funding would be accessible to expand businesses is only shared by 62% of SBDC team members in CARICOM.
Another critical assumption for SBDC – phase II to be successful is political buy-in. However, only 50% of SBDC team members in CARICOM agreed that their respective governments show the willingness to concentrate all resources for MSME support under one roof.

2.1.5 External drivers of change

SBDC – phase II operates in a swiftly changing environment. Out of the seven external drivers of change, only two remained unchanged, with four drivers increasing in importance and one driver decreasing in importance, as shown in Figure 8 below.

**Figure 8: Validity in the external drivers of change for SBDC – phase II**

<table>
<thead>
<tr>
<th>Driver of change</th>
<th>Change in validity</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Countries have to leverage internal capacities in a difficult economic environment of low or no growth</td>
<td>• 2009 – 2017: 0.8% growth in the region compared to 4.8% average growth in other small developing states • Fiscal balances remain weak • High public-sector debts ¹⁵</td>
<td></td>
</tr>
<tr>
<td>Need to expand productive capacities and employment</td>
<td>• Unemployment rates 2017: Saint Lucia (20%), Antigua and Barbuda (14.1%), Dominica 13.9% • Debt/GDP ratio 2017: Barbados 157.1%, Jamaica 113.4%, Belize 93.9% • Social resilience affected by population trends 2015-2100: Jamaica -50%, Saint Lucia -28%, Barbados -10%, Belize +92%, Antigua and Barbuda +23%, Bahamas +21% (UNDESA) ¹⁶</td>
<td></td>
</tr>
<tr>
<td>Policy makers: need to empower MSMEs to create jobs</td>
<td>• Business climate stagnated between 2016-2018 (World Bank) ¹⁷ • SME sector still poorly organized and unable to jointly lobby policy makers</td>
<td></td>
</tr>
<tr>
<td>Give hope to youth to mitigate risky behaviors <em>(new: and migration)</em></td>
<td>• Youth unemployment Caribbean 2012-2016: 20% • Youth in the Caribbean wanting to emigrate: 28% increasing to 33% when being victims of a crime ¹⁸</td>
<td></td>
</tr>
<tr>
<td>Funding for capacity building rather than SBDCs</td>
<td>• Higher attractiveness of access to donor funding e.g. EDF 11, Compete Caribbean rather than technical assistance</td>
<td></td>
</tr>
<tr>
<td>Revised Treaty of Chaguaramas establishing the Caribbean Community including the CARICOM Single Market and Economy</td>
<td>Importance of regional trade, effects for MSMEs yet to be seen</td>
<td></td>
</tr>
</tbody>
</table>

¹⁶ ibid.
¹⁷ ibid.
¹⁸ International Monetary Fund, 2017: Crime and youth unemployment in the Caribbean.
3. Efficiency: were resources used appropriately to achieve program results?

This section analyses the efficiency of SBDC II based on the following set of sub-criteria, as suggested in the evaluation matrix and agreed with DPE: program’s application of results-based management principles, quality of monitoring mechanisms, quality of logframe indicators and implementation of recommendations and lessons learned from the mid-term evaluation. Besides the cost and timeliness of the program delivery were analyzed. The principal sources of evidence for this section are the document review and an in-depth telephone interview with the project team.

Key findings: the program uses resources appropriately

- The program shows strong achievement across the board in the application of results-based management principles;
- SBDC team maintained the high standards in program monitoring;
- Quality of the performance indicators remained unchanged despite room for improvement at the output level due to the short time horizon between the end of the mid-term evaluation of SBDC – phase II; RPPI format results in underreporting at program impact;
- The transfer of learning and recommendations from previous SBDC stands out as an area of good practice. The only caveat concerns the inclusion of vulnerable groups in the program;
- Despite a range of challenges to program implementation outputs were delivered mainly on time;
- The OAS showed a high cost-awareness of overhead costs and tried to keep the expenditure for program management at the bare minimum.

For the criterion of efficiency, the evaluation finds a strong achievement across the board, standing out as an area of good practice where OAS is making a significant positive contribution. Based on the evaluations’ scoring methodology\(^{19}\), the efficiency of SBDC II is “green” (92 out of 100\(^{20}\)). By the end of the implementation of phase II, approximately USD 518,000 will remain unspent\(^{21}\) due to the cost-awareness of the project team. That amount adds up to 22.5% of the initial budget for phase II.

3.1 Use of results-based management principles

The final evaluation of SBDC – phase II finds that the program shows strong achievement across the board in the application of results-based management principles, standing out as an area of good practice for the OAS.

The OAS’ Report on Progress of Project Implementation (RPPI) complements the logframe. The report contains baselines, targets and actual data for each indicator. At the purpose

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\(^{20}\) Scores by sub-criteria: green: 4, green/amber: 3, amber/red: 2; red: 1

\(^{21}\) SBDC project team, personal communication
level, the measures of success for SBDC II are strong. The NeoSerra data as a means of verification is appropriate. The NeoSerra customer relationship management system that is used in maturing SBDCs' allows capturing the number of new clients, including female and youth entrepreneurs.

For the output level, means of verification are appropriate and include registers for trainees or attendees, a certification process, Memoranda of Understanding and technical reviews. As stated in the mid-term evaluation of SBDC – phase II the results-orientation of some of those measures related to capacity building shows room for improvement. Section 3.3 addresses further this aspect.

At the goal level, indicators or means of verification are missing in the OAS' RPPI format. DPE recognizes this caveat and changed the format most recently. As a result, OAS programs like SBDC – phase II risks underreporting on the difference the OAS makes in the program countries. The mid-term evaluation stated that “Underreporting seems particularly regrettable, as data on access to capital funding, change in sales, businesses registered and jobs retained and created is available through NeoSerra. While currently only SBDC’s in Belize and Jamaica systematically capture their performance in NeoSerra, SBDCs' in Saint Lucia and Barbados are making progress (...in reporting)”

### 3.2 Transfer of learning and recommendations from previous SBDC evaluations

Overall, the transfer of learning and recommendations from previous SBDC stands out as an area of good practice. The only caveat concerns the inclusion of vulnerable groups in the program.

The mid-term evaluation of SBDC – phase II showed that the aggregated implementation rate of evaluation recommendations as part of the final evaluation of SBDC – phase I reached 87%. Besides, all four lessons identified in the final evaluation of SBDC – phase I were implemented.

The mid-term evaluation issued ten recommendations, five for future similar interventions and five for the remaining program implementation period. The aggregated implementation rate for the latter reached 75% and Figure 9 provides more details.

The mid-term evaluation of SBDC – phase II identified one main lesson for the SBDC program concerning the value of MoUs with counterparts in the Member States as a basis for a well-structured engagement. Given the electoral processes in the Bahamas and Antigua and Barbuda, the project team self-critically reflected the value of MoUs. The “high hurdles of politics” might point to the benefits of a dual country engagement including the private sector to push policy makers.

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### Figure 9: Implementation status of recommendations issued in the mid-term evaluation of SBDC – phase II

<table>
<thead>
<tr>
<th>Recommendations: mid-term evaluation of SBDC phase II for the remaining implementation period</th>
<th>Implementation status</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>R 4:</strong> The SBDC team in the OAS should select indicators used in NeoSerra to report on its goal level results. Prioritization: very high: next month</td>
<td>The RPPI reporting format does not allow for the use of goal level indicators. DPE is in charge of the RPPI format and aware of the shortcoming and recently revised the format. The project team continues to refer to NeoSerra data in its reporting.</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>R 5:</strong> SBDC team in the OAS: Facilitate improved engagement of academia SBDC teams in beneficiary countries. Explore the best-suited role for Caribbean Export to play in the remaining implementation period. Prioritization: very high: next month</td>
<td>Academia: the project team invited academia to sit on the Steering Committee of the regional SBDC network for CARICOM. More engagement with academia was facilitated in Jamaica. Caribbean Export: following the start of implementing the 11th European Development Fund, alignment with SBDC experienced changes. However, the SBDC team still is in communication with Caribbean Export, as shown below.</td>
<td></td>
</tr>
<tr>
<td><strong>R 6a:</strong> SBDC team in the OAS: During the remaining period of SBDC II implementation, work on vulnerable groups, including women, should be prioritized. Prioritization: very high: next month</td>
<td>In the value chain analysis and research, consultants were asked to ensure women and vulnerable groups would be addressed. However, those documents are largely gender-blind. The training needs assessment published in April 2018 does not specifically address gender despite the different needs of male and female entrepreneurs. On another front, the SBDC team started exploring options with Caribbean Export for SBDC’s to provide training for female entrepreneurs to access grant schemes under Caribbean Export’s “Women empowered through export” (We-Xport) program.</td>
<td></td>
</tr>
<tr>
<td><strong>R 6b:</strong> The SBDC team in the OAS should consider whether the remaining budget and timeframe would allow for i) rolling NeoSerra training for growing SBDC teams; ii) networking, structured dialogue and experience sharing in CARICOM and SBDC’s in Central and South America; iii) internship opportunities for university students in SMEs in SBDC II countries Prioritization: very high: next month</td>
<td>i) UTSA provided additional NeoSerra training through webinars; ii) Networking and structured dialogue are part of the regional workshop of the Regional MSME Promotion Center for Central America where SBDC countries from CARICOM are invited to participate; the project team recognizes the importance of internship opportunities due to the widening skills gaps in CARICOM. Opportunities for young people skills building were identified in Jamaica and Belize but would have to be addressed after the end of phase II of SBDC.</td>
<td></td>
</tr>
<tr>
<td><strong>R 8:</strong> SBDC team in the OAS: Exit strategies. Engage with SBDC teams in beneficiary countries to discuss departure process of the OAS from SBDC Prioritization: high: next 3 months</td>
<td>The topic of exit strategies is on the agenda for a regional workshop due to be held in May in the Dominican Republic. On a more ad-hoc basis, exit strategies were discussed with the SBDC team in Barbados. The project team reported about engaging with Compete Caribbean and Caribbean Export on options to channel SME sector support through SBDC’s. In this context, the project team also reached out to the Caribbean Development Bank.</td>
<td></td>
</tr>
</tbody>
</table>
3.3 Quality of performance indicators

Given the short time horizon between the end of the mid-term evaluation of SBDC – phase II in mid-December 2017 and the end of program funding in May 2018, no changes to the logframe were made. The identification of the shortcomings of some of the performance indicators prevails, as shown in Figure 10. In the current RPPI format, potential goal level indicators identified in the mid-term evaluation of SBDC – phase II cannot be used. However, changes to the format would allow to do so in the future. While no changes for the purpose level indicators are required, four output level indicators could be enhanced given the third phase of SBDC.

**Figure 10: Suggested revisions of SBDC – phase II logframe**

<table>
<thead>
<tr>
<th>Existing indicators</th>
<th>Existing Means of Verification (MoV)</th>
<th>Proposed revision of indicators</th>
<th>Proposed revision of MoV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal level: possible revisions suggested as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No indicators</td>
<td>No MoVs</td>
<td>Number of jobs created.</td>
<td>NeoSerra country reports &amp; client activity tracking</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of jobs retained.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Access to capital funding in USD$.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Change in sales in USD$.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of businesses registered.</td>
<td></td>
</tr>
<tr>
<td>Purpose level. No revisions required.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output level. Possible revisions suggested as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.3 Number of stakeholders from government and non-governmental organizations, the private sector and academia exposed to and understand the model in each project country by the end of the project execution.</td>
<td>Register of attendees at consultation meetings.</td>
<td>The indicator can remain unchanged. However, data should be disaggregated by stakeholder group.</td>
<td>MoV can remain unchanged.</td>
</tr>
<tr>
<td>5.1 Five (5) one week long workshops on value chain analysis completed in each of the first five beneficiary countries.</td>
<td>Training register and consultant reports.</td>
<td>Five (5) one week long workshops on value chain analysis completed in each of the first five beneficiary countries reaching 70% satisfaction rate.</td>
<td>Clients’ satisfaction survey should be added as MoV.</td>
</tr>
<tr>
<td>5.2 Ten (10) value chain analyses for selected high growth sectors completed, two each for the first five beneficiary countries.</td>
<td>Complete reports of analyses including strategies and opportunities for women and youth entrepreneurs.</td>
<td>Ten (10) value chain analyses for selected high growth sectors completed, two each for the first five beneficiary countries reaching 70% satisfaction rate.</td>
<td>Clients’ satisfaction survey should be added as MoV.</td>
</tr>
<tr>
<td>6.3 Number of workshops conducted aimed at improving linkages between SBDCs and financial providers and institutions by the end of the project execution period.</td>
<td>Register of attendance and reports of meetings/workshops.</td>
<td>The number of workshops conducted aimed at improving linkages between SBDCs and financial providers and institutions by the end of the project execution period reaching 70% satisfaction rate.</td>
<td>Clients’ satisfaction survey should be added as MoV.</td>
</tr>
</tbody>
</table>
3.4 Quality of program monitoring

Since the mid-term evaluation, the SBDC team maintained the high standards in program monitoring. Reporting complies with OAS’ RPPI. The use of baselines, targets and actual data for each logframe indicator contributes to the high-quality program monitoring.

3.5 Timeliness of program delivery

The program faced a range of challenges to ensure timely delivery of outputs: i) extended start-up time after authorization of funding was received; ii) unforeseen electoral processes in program countries in CARICOM and; iii) Hurricanes hitting the Eastern Caribbean in September 2017. Despite those challenges, outputs were largely delivered on time.

i) After the authorization of funding was received for SBDC – phase II, the OAS’ Department for Economic Development had to wait for five months to access the program budget due to internal administrative procedures in the OAS. This time-lag is significant in a 27-months program, as it amounts nearly to 20% of the implementation time.

ii) Snap elections in Jamaica and Saint Lucia and most recently in Antigua and Barbuda and the Commonwealth of the Bahamas interfered with the SBDC program. In the latter two countries preparations for launching SBDCs’ were affected. Pre-election periods are downtime for the implementation of any donor project or program. Following the elections, possible changes in Ministers and Permanent Secretaries required additional efforts from the OAS project team to re-engage authorities with the SBDC processes and to make up for lost momentum.

iii) Hurricanes Irma and Maria devastated parts of the Caribbean in September 2017. 91% of the total population of the Caribbean were exposed to wind speed zone of 60 km/h to 120 km/h during Hurricane Irma and 56% during hurricane Maria, according to UNOSAT. Dominica and Antigua and Barbuda were particularly hard hit among the SBDC – phase II program countries.

Despite the limited conduciveness in the program’s operating environment, SBDC – phase II implemented six out of eight outputs according to plan. Only work on the value chain analysis and the exchange of information among SBDCs, financial and insurance companies experiment delays. 50% of SBDC team members in CARICOM disagreed or fully disagreed that the same program results could have been achieved more quickly. Only voices from Dominica indicated self-critically that implementation could have been swifter on the island.

3.6 Cost of program delivery

Concerning the budget-sizes SBDC – phase II is among the most important investments of the U.S. Mission to the OAS with USD 2.3m allocated to the program. The OAS keeps managing the SBDC program since its launch in 2012 with one full-time person in the OAS Secretariat. Given the expansion of the program from five to eight countries in phase II, the diversification of service providers for technical assistance beyond UTSA and tough budget negotiations with the latter, the program seems managed in a cost-efficient manner. In fact, by the end of the implementation of phase II, USD 518.000 will remain unspent due to the

23 https://unitar.org/unosat/maps/GLOBAL
cost-awareness of the project team. That amount adds up to 22.5% of the initial budget for phase II.
The size of the program and its geographic spread could justify more staff in the OAS Secretariat or part-time contractors managing the program in the region. The OAS showed a high cost-awareness on overhead costs and tried to keep the expenditure for program management at the bare minimum. SBDC Teams in CARICOM share this assessment, with 70% of respondents to the on-line survey disagreeing or fully disagreeing that the program could have been implemented at a lower cost.
4. Effectiveness: were SBDC results achieved and how?

The following section reviews SBDC – phase II results and the rationale for program performance in CARICOM beneficiary countries. Using logframe indicators the section assesses the achievement of program outcomes and outputs. The analysis also comprises the level of SBDC contribution to results, factors affecting SBDC performance and how those are mitigated by the program, the use of a gender perspective and results. This section closes with the cost-benefit of SBDC – phase II.

Key findings:
- The evaluation finds a results achievement reaching 84% at the output level;
- The level of achievement of the outcome indicators reaches 50%. This figure is likely to be influenced by underreporting due to incomplete data;
- The factors affecting SBDC performance comprise cultural, institutional and technical factors. All three factors show both positive and negative effects on SBDC – phase II. “On-the-job-learning” in sister SBDCs emerges as a potential low-cost technical approach to leverage on the different development stages of SBDCs in CARICOM, for example to strengthen the understanding and use of the client management software NeoSerra;
- The gender perspective of the SBDC program remains underdeveloped with the project team searching for options to address this shortcoming in the future.

The evaluation finds that SBDC – phase II shows satisfactory achievement in most areas, but partial achievement in others. The score for effectiveness is “amber/green” with 71% out of 100%.

4.1 Achievement of program outputs and outcomes

The systematic tracking of the trajectory of SBDC II from baselines to its targets for all program indicators at output and purpose level allows for an assessment of final results. At the output level, the evaluation finds a results achievement reaching 84%. However, at the outcome level (purpose), the availability of data is scattered and often reaches back to phase I of SBDC, as noted in the mid-term evaluation of SBDC – phase II. The performance of SBDC – phase II against its five outcome indicators is presented in the following sections. The level of achievement of the outcome indicators reaches 50%. This figure is likely to be influenced by underreporting.

Outcome: To strengthen the institutional frameworks of national MSME support programs utilizing the United States Small Business Development Centers (US SBDC) model for the provision of targeted technical assistance to micro, small and medium enterprises in beneficiary countries.

Outcome indicator 1: Number of new clients registered for technical assistance from established SBDCs in project beneficiary countries by the end of the first year of Phase II project execution.

Data is available from three out of the five established SBDCs with. The evaluation finds evidence that the program overachieved the target of 20 new clients registered for technical assistance.

24 In the “Reports on progress of project implementation” dated February 2017 and September 2017.
assistance in Belize, with data from Jamaica and Saint Lucia relating to phase I of the SBDC program.

**Belize:** SBDC Belize reports for 2018 a total number of 867 clients\(^{25}\), an increase by 60 clients from the end of 2016.

**Jamaica:** The Jamaica Business Development Center (JBDC) reports that between January 2015 and March 2016 its Business Advisory Department registered 2706 clients\(^{26}\). However, this achievement predates phase II of SBDC.

**Saint Lucia:** SBDC Saint Lucia reports that about 472 prospective and existing business owners enrolled into the SBDC Program\(^{27}\). However, the reporting covered the period April 2015 to January 2016, prior to phase II of SBDC.

**Outcome indicator 2:** Percentage of new women and youth-led MSMEs receiving assistance from established SBDCs by the end of the project execution period.

For the validation of performance against this indicator, data from all established SBDCs would be required. Otherwise, the percentage of new women and youth-led MSMEs receiving assistance cannot be established.

Since the mid-term evaluation, no new data emerged to update performance, and 2017 data is used for the final-evaluation.

**Barbados:** The SBDC partner Youth Entrepreneurship Scheme (YES) under the Ministry of culture, sports and youth reports support to 53 entrepreneurs, 100% young entrepreneurs between January and June 2016\(^ {28}\).

**Belize:** The SBDC reports support to 250 women on basic business skills and life plan\(^{29}\). Those women were at risk of and are victims of gender-based violence and trafficking.

**Saint Lucia:** The SBDC reports the introduction of 57 business owners into the SBDC system, among them 53% women. However, this data refers to phase I of the SBDC program.

**Outcome indicator 3:** Number of targeted assistance programs executed by established SBDCs.

Again, performance cannot be comprehensively assessed is the absence of data from all established SBDCs.

SBDC Belize website advertised 18 workshops between January and November 2017 and ten workshops between January and April 2018\(^ {30}\). YES reports ongoing advice and support for 140 entrepreneurs between January and June 2016 in Barbados. It remains unclear how many assistance programs were implemented during SBDC-phase II.

**Outcome indicator 4:** Number of new countries in the CARICOM region adopting SBDC accreditation and quality standards by the end of the project execution period.

The target of eight countries will not be achieved by the of the implementation period of SBDC – phase II. The RPI states that “all first five beneficiary countries have received cabinet

\(^{25}\) Beltrade, 2018 : SBDC Belize economic impact 2012 - 2018

\(^{26}\) JBDC, 2016 : Annual Report 2015-2016, page 30

\(^{27}\) SBDC Saint Lucia, 2017: Highlights of work accomplished 2012 - 2016

\(^{28}\) Ministry of culture, sports and youth. Youth Entrepreneurship Scheme (YES), undated: Informational Brief on YES Implementation of Small Business Development (SBDC) Model in Barbados

\(^{29}\) Beltraide, 2017: Beltraide highlights 2012 – 2016

\(^{30}\) http://www.belizeinvest.org.bz/sdbcbelize.html; SBDC Belize registered 145 workshops between 2012 and 2016. However, it is unclear how many workshops were undertaken in 2016.
approval for the implementation of the SBDC model in country which has allowed them to execute activities regarding the project thus far”. The three new CARICOM countries joining the SBDC program in phase II are still in the process of preparing the launch of the Centers.

**Outcome indicator 5:** Number of awareness sessions conducted for the clients by participating SBDCs on business continuity planning in the context of disaster risk mitigation by the end of the project execution period.

A consultant reached CARICOM to start training MSMEs and government officials. The lack of awareness about SME disaster risk mitigation became apparent, and the OAS is filling a gap in this respect.

**Outputs**

**Output 1:** Analysis and recommendations on the applicability of the Small Business Development Centres (SBDC) model made available to new beneficiary countries.

The performance against this output is measured by three indicators, with one indicator on target and two out of three overachieving the targets.

**Indicator 1.1:** Number of stakeholders from government and non-governmental organizations, the private sector and academia exposed to and understand the model in each project country by the end of the project execution.

By the end of January 2018, 85 new stakeholders were exposed to the SBDC model, up from the baseline of 75, according to the RPPI report of SBDC – phase II. Consultations in all new SBDC program countries (Antigua and Barbuda, Saint Kitts and Nevis and The Commonwealth of the Bahamas). A re-engagement was undertaken in Jamaica and Saint Lucia following snap elections and subsequent political changes.

**Indicator 1.2:** Number of new countries willing to undertake model adaptations based on results of completed country assessments.

All three new SBDC countries in CARICOM benefitted from Modules one and two of the Director and advisor Certificate training. The training reached 48 persons representing 30 agencies in total.

**Indicator 1.3:** Number of key stakeholder groups completing SBDC Councilor and Director Certificate Training Program in each of the project beneficiary countries.

The target of ten key stakeholder groups trained was surpassed and the 2018 RPPI reports that 30 stakeholder groups completed the SBDC Councilor and Director Certificate Training Program. Stakeholders included private and public sector and academia from the CARICOM Member States joining the SBDC program in phase II: Antigua and Barbuda, Saint Kitts and Nevis and The Commonwealth of the Bahamas.

**Output 2:** Policy guide developed to support the elaboration of an MSME framework to underpin the adaptation of the SBDC model in all countries

**Indicator 2.1:** Implementation guide based on legal and technical recommendations completed for each of the project beneficiary countries by the end of the first year of project implementation.
The program planned to complete three SME policy implementation guides by the end of phase II. To date, five guides were completed and are currently being consulted for validation. The countries covered are Antigua and Barbuda, Dominica, Jamaica, Saint Kitts and Nevis and Saint Lucia.

**Output 3**: Transference and adaptation of the US SBDC model to project beneficiary countries.

This output is measured using two logframe indicators. One indicator is likely to be achieved and the second indicator is unlikely to be achieved in the remaining weeks of SBDC – phase II implementation.

**Indicator 3.1**: Number of new countries with at least one Small Business Development Centres (SBDCs) formally launched by the end of the project.

The target of one country is likely to be achieved, as the SBDC team in Saint Kitts and Nevis confirmed in an evaluation interview that the launch of the Center is scheduled for the end of May 2018. The launch of the SBDC in the Commonwealth of the Bahamas was scheduled before the end of January 2018, as reported in the mid-term evaluation of SBDC – phase II. This launch has not materialized due to changes in the political environment.

**Indicator 3.2**: Number of newly established pilot centers efficiently utilizing Neo Serra for the collection of economic impact data and reporting by the end of the project.

The SBDC team in Saint Kitts and Nevis plans to use NeoSerra and is in the process of migrating client data from its former clients' management database into NeoSerra. The target of two countries is unlikely to be achieved as the SBDCs in Antigua and Barbuda, and the Commonwealth of the Bahamas are not scheduled to be launched before the end of SBDC phase II.

**Output 4**: SBDC advisors trained in business and export development and in the incorporation of disaster risk management strategies in MSME business planning.

Out of the two indicators one is fully achieved and another one partly achieved.

**Indicator 4.1**: Number of new beneficiary countries completing the SBDC counselor and director training by the end of the project execution period.

The 2018 RPPI states that "SBDC Director and Advisor, Modules I and II have been completed in the new participating beneficiary countries- Antigua and Barbuda, Saint Kitts and Nevis and The Commonwealth of the Bahamas."

**Indicator 4.2**: Number of SBDCs in the first five project countries that have developed and implemented strategic plans by the end of the first year of project execution (2016).

Four countries have drafted and implemented Strategic Plans utilizing the SBDC best practices Barbados, Belize, Saint Lucia, and Jamaica. Work continues with partners in Dominica to complete the development of the strategic plan with support from UTSA consultants.
Output 5: SBDC advisors trained in the use of value chain analyses to facilitate MSME participation and upgrading in local and regional value chains considering women and youth-led enterprises.

For both indicators under output 5 achievement is high with exception of Dominica.

Indicator 5.1: Ten (10) value chain analyses for selected high growth sectors completed, two each for the first five beneficiary countries.

The team from Duke University completed five value chain analyses at the time of this final evaluation: for the i) cruise tourism and ii) rum sectors in Barbados; value chain analyses for Arabica Coffee, Offshore Services and Tourism in Jamaica. In Belize field work in the Offshore Services, Cocoa, and Shrimp sectors is ongoing. The start of field work in Saint Lucia is imminent but reports unlikely to be completed before the end of SBDC’s phase II. The evaluation judges that value chain analysis for Dominica would be premature at this stage. The evaluator coincides with the SBDC team in the OAS that it is preferable not to complete this component due to Dominica’s focus on recovery efforts from the devastation occasioned by hurricanes ‘Irma’ and ‘Maria’ in September 2017.

Indicator 5.2: Five (5) one week long workshops on value chain analysis completed in each of the first five beneficiary countries

Four workshops were completed to date in SBDC pilot countries but Dominica. Feedback from one of the most recent workshops in Belize indicates a high appreciation of participants. Understanding the methodology and being part of the process had empowering effects and enhanced the ownership of the Value Chain analysis reports. In fact, ExportBelize indicated the intent to focus activities in the Offshore Services, Cocoa, and Shrimp sectors.

Considerations for women and youth-led enterprises were suboptimal in the value chain analysis reports, and those reports are currently being revised accordingly.

Output 6: Space created for the exchange of information among SBDCs, financial and insurance companies for the promotion of alternative financing opportunities for SBDC clients.

Indicator 6.1: Number of workshops conducted aimed at improving linkages between SBDCs and financial providers and institutions by the end of the project execution period.

The target of one workshop per SBDC country will not be achieved by the end of implementation period of phase II. To date one 'CEO Breakfast' was successfully held in Saint Lucia, bringing together financiers and MSME authorities, including the Honorable Minister of Commerce. A second 'CEO Breakfast' is scheduled for Jamaica in early May 2018, before the end of the implementation period of SBDC – phase II. An additional 'CEO Breakfast' tentatively scheduled for March 2018 in Barbados did not take place due to internal dynamics.

Indicator 6.2: Number of mentorship arrangements developed between financial providers and/or institutions and SBDCs by the end of the project execution period.
Four out of the first five project countries have completed MoUs with financial partners to address issues related to MSME access to finance. Those countries comprise Barbados, Belize, Jamaica and Saint Lucia. It was anticipated in the 2018 RPPI that mentorship arrangements would be developed before the project concludes. However, this seems unlikely at the time of the final evaluation.

**Indicator 6.3:** Number of mentorship arrangements developed between SBDCs and financial institutions specifically for the benefit of youth and women entrepreneurs

**Output 7:** Governance model developed for the creation of a regional network of SBDCs to facilitate the sharing of best practices, the development of regional trade linkages and bolster advocacy efforts for the regional MSME sector among national and regional institutions

**Indicator 7.1:** Draft governance model and plan for a Caribbean Association of SBDCs developed and presented for consideration by beneficiary countries.

The target for this indicator has been achieved.

In 2017 senior representatives from seven program countries were invited to attend the Americas' Small Business Development Centers (ASBDC) Conference in Nashville, TN. AS reported in the mid-term evaluation “participants welcomed the opportunity of a special working group to facilitate the development of a draft operating model for an Association of Caribbean SBDCs. The discussions showed that rather than an Association, participants preferred a network approach with a much lighter governance structure with the aim to establish a community of practice.”

A Steering Committee for the network has been constituted, and the governance model is due to be finalized by the end of May 2018. In this context, a meeting is scheduled for the end of May 2018 to sign a MoU. Ministerial approval is expected by the end of 2018.

““The regional SBDC network has been on our table for the longest while. We are really making progress, and it would be the biggest thing ever to make the network a reality”.

Source: SBDC stakeholder

**Output 8:** Monitoring and Evaluation

SBDC – phase II monitoring is of high quality using systematically the OAS RPPI format. Detailed and complete reports date February 2017, September 2017 and March 2018. As already found in the mid-term evaluation, the lack of availability of systematic NeoSerra data from all operational SBDCs affects the robustness of tracking progress at outcome level. The final evaluation faced again this challenge of data unavailability.

The mid-term and final evaluation form part of this output. The OAS’s rigorous focus on evaluation for accountability and learning and the unconditional support by the U.S. Mission to the OAS for establishing an evaluation culture in the OAS are laudable. In this respect, the OAS is becoming a beacon among international organizations.

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31 All SBDC II countries but Dominica
Given that many donor-funded programs are no longer systematically evaluated, even programs of much bigger budgets than the SBDC phase II program, the OAS and SBDC “walk the talk” of results-based management.

The only shortcomings concerning the evaluations of SBDC – phase II were the late timing for the mid-term evaluation resulting in an insufficient time window to implement recommendations before the final evaluation. Besides, the final evaluation had to be undertaken without field visits due to changes in the evaluation scope. As a result, the validation of NeoSerra data through outreach to MSMEs was hindered. However, those shortcomings were beyond the responsibility of the SBDC project team in the OAS.

Figure 11 summarizes the perception of SBDC team members in CARICOM about the achievement of SBDC – phase II results.

The development of MSME policy guides gets with 77% the highest ratings for results achievement. The transference and adaptation of US SBDC model and the Strengthen the institutional frameworks of national MSME support programs receives with 77% equally high ratings for results achievement. The latter is, in fact, the outcome for the program. Results concerning the applicability of SBDC model reach 72%. Monitoring and evaluation receive 63% results ratings, followed by 57% results ratings for the exchange of information among SBDCs, financial and insurance companies. The output related to SBDC advisors trained in business and export development and the incorporation of disaster risk management strategies in MSME business planning receives 53% results ratings. The latter could be explained with the start of work on this output which is recent only. The overall satisfaction rate of SBDC teams with results achieved in phase II of the program reaches 68%.

For example programs funded by the United Kingdom’s Department for International Development (DFID) in line with established internal evaluation policies.
4.2 Level of SBDC contribution to results

At the output level, the SBDC program – phase II is in close control of results achievement. Hence the level of contribution is considered as high. The selection of outcome indicators also ensures a sufficiently high control of the program on SBDC results in CARICOM. While overall volatilities in the policy environment of program countries and the devastating effects of natural disasters are beyond the control of the OAS, a design flaw in phase I of SBDC puts NeoSerra data out of the reach of the SBDC project team. SBDC – phase II suffers as a result, and the level of underreporting at the outcome level is beyond estimation. Ultimately, this affects the SBDC contribution to results.

The online-survey also enquired about the level of SBDC contribution to results. 50% of SBDC team members in CARICOM judged the level of contribution as high to very high and 38% as medium.

Concerning stakeholder satisfaction about the results achieved in phase II of SBDC, 56% of SBDC team members provided high to very high ratings and 33% medium ratings.

4.3 Factors affecting SBDC performance

The factors affecting SBDC performance are listed and analyzed in section 4.8. Three main factors emerge cultural, institutional and technical factors, as shown in Figure 12.

Figure 12: Summary of factors affecting the performance of SBDC – phase II
All three factors show both positive and negative effects on SBDC – phase II and the program addresses those factors to a varying extent. The factors were identified as part of a SWOT (strengths, weaknesses, opportunities and threats) analysis of the program with SBDC teams and implementation partners.

4.4 Use of gender perspective and results

SBDC funded research is largely gender-blind. The training needs assessment published in April 2018 does not specifically address gender despite the different needs of male and female entrepreneurs. At the same time, value chain analysis are being revised to better include a gender perspective following comments from the OAS.

On another front, the SBDC team started exploring options with Caribbean Export for SBDC’s to provide training for female entrepreneurs. The purpose would be to access grant schemes under Caribbean Export’s “Women empowered through export” (We-Xport) program, as reported in section 3.2 of this evaluation report. This cooperation would be a significant advancement to also include a gender-dimension more prominently in the program implementation.

4.5 Unforeseeable or unplanned results

The SBDC project team in the OAS and SBDC teams have not identified any unintended results of the program. The document review confirmed that finding.

4.6 Cost-benefit

Figure 13: Productivity and economic impact of SBDC – phase II (2017)
By 5 February 2018, the U.S. Mission to the OAS had transferred USD $1,658,724.40 or 71.85% of the total budget approved for SBDC – phase II. Based on these figures the cost for the benefits of SBDC – phase II can be calculated if compared to the productivity and economic impact figures delivered by UTSA from 2017. The latter data is presented in Figure 14 while this section starts with Figure 13 providing an overview of productivity and economic impact.

Figure 14: Unit costs of SBDC – phase II benefits for 2017

<table>
<thead>
<tr>
<th>2017 productivity indicators</th>
<th>Jamaica</th>
<th>Belize</th>
<th>Barbados</th>
<th>St. Lucia</th>
<th>SBDC CARICOM Subtotal</th>
<th>Unit cost per USOAS investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of registered advising hours</td>
<td>4.986</td>
<td>558</td>
<td>1.879</td>
<td>1.755</td>
<td>9.178</td>
<td>USD 180,72</td>
</tr>
<tr>
<td>Total clients served</td>
<td>2.809</td>
<td>1.681</td>
<td>856</td>
<td>853</td>
<td>6.199</td>
<td>USD 267,58</td>
</tr>
<tr>
<td>2017 economic impact indicators</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of business starts</td>
<td>166</td>
<td>10</td>
<td>19</td>
<td>90</td>
<td>285</td>
<td>USD 5820.08</td>
</tr>
<tr>
<td>Number of jobs created</td>
<td>102</td>
<td>45</td>
<td>27</td>
<td>18</td>
<td>192</td>
<td>USD 8639.19</td>
</tr>
<tr>
<td>Amount of access to capital or new financing obtained (USD)</td>
<td>6.235.000</td>
<td>814.698</td>
<td>704.580</td>
<td>38.785</td>
<td>7.793.063</td>
<td>USD 0.21</td>
</tr>
</tbody>
</table>

Source: UTSA, evaluator’s calculations

The 2017 productivity indicators show for example the cost per registered advising hours of the operating SBDCs in Barbados, Belize, Jamaica and Saint Lucia. The cost amounts to USD 180,72 of the USOAS budget spent for SBDC – phase II per registered advising hours across the 13 operating Centers.

Based on the same logic of calculation, the cost per client served was USD 267,58. At what economic impact do those investments come? Again, Figure 13 provides an interesting insight. While the cost per business started (USD 5820.08) and per job created (USD 8639.19) seem elevated due to the small number involved, those numbers need to be interpreted in the context of the short period of the full operationalization of the SBDC’s concerned. Hence economic impact for those indicators seems still limited.

A probably more informative figure at this stage of the SBDC program is the amount of access to capital or new financing obtained. This indicator can serve as a proxy for the future impact of SBDCs, as new financing is the basis for future business expansion, growth and ultimately jobs. The cost of the USD 7.793 million accessed came at the cost of USD 0.21 for the U.S. tax payer per 1 USD accessed by SBDC clients.

Figure 15 shows a comparison of the total cost per job created in phase II of SBDC (2017) with other economic development programs.

The USD 18.133.84 peer job created in SBDC – phase II is similar to the costs in the U.S. Small Business Investment Company Program (SBIC) with USD 16.340, according to the Library of Congress, Federal Research Division. The costs incurred for job created in SBDC – phase I program compares favorably with the costs in conventional fiscal stimulus in the U.S. (USD

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35 Comprised by the funding of USOAS, the OAS matching funding and the operational budgets of the 13 SBDC in four program countries.
112,000) or jobs creation tax credit in the U.S. (USD 56,000), as analyzed by the W.E. Upjohn Institute for Employment Research. Favorable comparison also shows for rural electrification projects in low and middle income countries with an average cost of USD 43,478 per job created, according to the International Finance Cooperation (2013). The same applies for the Minnesota Emergency Employment Program or the MEGA program in the U.S. with costs of USD 34,000 per job created, USD 25,000 respectively. Only the costs per job created through water and sanitation projects in low and middle income countries is with USD 10,000 well beyond the costs of SBDC – phase II.

Figure 15: Cost per job created: comparison of SBDC – phase II with other employment related programs or initiatives

<table>
<thead>
<tr>
<th>Program/initiative</th>
<th>Source</th>
<th>Cost per job created in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. conventional fiscal stimulus</td>
<td>W.E. Upjohn Institute for employment research, 2010</td>
<td>112,000</td>
</tr>
<tr>
<td>U.S. job creation tax credit</td>
<td>W.E. Upjohn Institute for employment research, 2010</td>
<td>56,000</td>
</tr>
<tr>
<td>Rural electrification projects in low and middle income countries</td>
<td>International Finance Cooperation, 2013</td>
<td>43,478</td>
</tr>
<tr>
<td>Minnesota Emergency Employment Development Program (1983 – 89)</td>
<td>W.E. Upjohn Institute for employment research, 2010</td>
<td>34,000 reduced to 13,000 after 10 years of program</td>
</tr>
<tr>
<td>MEGA program (U.S.)</td>
<td>W.E. Upjohn Institute for employment research, 2010</td>
<td>Gross costs: 25,000 job/year</td>
</tr>
<tr>
<td>SDBC – phase II CARICOM</td>
<td>Own analysis</td>
<td>18,133.84</td>
</tr>
<tr>
<td>Water and sanitation projects in low and middle income countries</td>
<td>International Finance Cooperation, 2013</td>
<td>10,000</td>
</tr>
</tbody>
</table>

Key: cost per job created

> USD 50,000 | USD 50,000 – USD 25,000 | < USD 25,000

4.7 Theoretical attribution

Assessing the full impact of MSME programs is very costly and time-intense. To better understand the theoretical attribution of the SBDC – phase II, existing evaluative evidence is used for this section. The evidence was gathered in Latin America and the Caribbean but also other regions and used for the theoretical attribution. Data sources include the Caribbean Development Bank

37 IFC, 2013: IFG Jobs study. Assessing private sector contributions to job creation and poverty reduction
38 Based on the investments of the USOAS (USD 1,658,724.40), the OAS (USD 462,076.00) and the SBDC operational budgets in the four selected countries where data is available (USD 1360898). The total investment is USD 3481698 for the creation of 192 jobs.

The World Bank’s 2010 Impact evaluation of SME Programs in Latin America and Caribbean found evidence that SME “program participation is causally related to improvements in a range of intermediate outcomes (training, adoption of new technology and organizational practices), as well as positive gains in sales, labor productivity, wages and (to a lesser extent) employment”\(^{40}\). Those results from Chile, Colombia, Mexico, and Peru were validated with reviewing 20 existing impact evaluation. The World Bank’s evaluation results are opposed to generally more pessimistic evaluation results of SMEs programs in the 1990s.

In 2016, the International Initiative for Impact Evaluation undertook a review of 36 studies of SME programs between 2003 and 2010 in different regions\(^ {41}\). The review also found positive effects of business support for SMEs concerning:

- Improved firms’ performance
- Job creation
- Labor productivity
- Increase in the firms’ investment
- Increase in exports

The latter is of importance for the SBDC – phase II, as changes in export performance are yet to be detected in SBDC program countries.

The Caribbean Development Bank researched MSME development in the region and found weaknesses in the life cycle system of financing MSMEs as a precondition for growth, particularly in the CARICOM Member States of Antigua and Barbuda, Barbados and Belize\(^ {42}\).

Interestingly, however, the World Bank found “no significant treatment effects were found for the use of credit and loans programs alone, suggesting that access to finance by itself is unlikely to spur firms to make needed organizational and technological changes to improve performance”\(^ {43}\).

The International Labour Organization found a connection between public-private partnerships in SME support programs and the extent of the impact. Besides, SME policies and frameworks in place enable multinational companies to include national SME’s into their supply chains\(^ {44}\). The latter finding is relevant for SBDC – phase II. The final evaluation of phase I of SBDC indicated the potential of including SME’s in the supply chain of the cruise ship industry in Belize. Besides, the Global Value Chain analysis funded under SBDC – phase II also point to sectors where MSME’s can be included in supply chains in the selected CARICOM Member States.

\(^{40}\) World Bank, 2010: Impact evaluation of SME Programs in Latin America and Caribbean page 55
\(^{42}\) Caribbean Development Bank, 2016: Micro-small-medium enterprise development in the Caribbean: towards a new frontier
\(^{43}\) World Bank, 2010: Impact evaluation of SME Programs in Latin America and Caribbean page 55
\(^{44}\) International Labour Organization, 2016: Formalization of SMEs in supply chains in Latin America: what role for multinational enterprises? Thematic Policy Brief – Enterprise Formalization
### 4.8 Strengths, weaknesses, opportunities, and threats

This section summarizes the results of an analysis of strengths, weaknesses, opportunities and threats (SWOT) analysis of SBDC – phase II undertaken with the project team, two main implementation partners and SBDC teams in Belize, Saint Kitts and Nevis and Saint Lucia.\(^{45}\)

#### Strengths

Strengths are identified at different levels such as the cultural, institutional and technical level.

At the *cultural level*, the SBDC model can serve as a "game changer" due to the horizontal integration of otherwise vertically operating agencies in the CARICOM Member States.

**Institutionally**, the SBDC approach stipulates the development of networks to leverage scarce resources and to capitalize on partners strengths. The latter was observed for example by the SBDC in Belize and Saint Lucia. From a government viewpoint, this approach enables efficiency gains for MSME sector support which is often proliferated across the public sector in the CARICOM Member States. At the same time SBDC – phase II further raised the profile of SBDC partners, particularly where economic impact reporting took place such as Belize, Jamaica, and Saint Lucia. The model requires to show the return on investment, and those expectations can only be managed by delivering results.

The more regional SBDC cooperation advances, the less likely are changes to SBDC's following political changes, as learned in Central America.

From a *technical perspective*, SBDC – Phase II continued consolidating the acknowledgment that the SBDC model is well suited to scale MSME support in the CARICOM Member States from the support of start-ups to mature businesses with the ultimate aim of export. SBDCs participating in the webinars for the final evaluation of SBDC – phase II stressed the importance of NeoSerra client management software as a tool with different purposes:

1. Capture systematically clients' information, including the type of business and its development stage along the path to export;
2. Tracking hours and type of support delivered by the SBDC;
3. Sharing type of support provided to MSMEs with other SBDC service providers;
4. Tool allows for target setting and tracking results accordingly; and
5. Robust accountability tool of staff performance to SBDC director and SBDC performance to Permanent Secretary and Minister in charge. Reports even reach the Prime Minister, for example in Saint Lucia.

The optimal use of NeoSerra was and still is a major concern among SBDCs, as reported in the mid-term evaluation of SBDC – phase I and the final evaluation of SBDC – phase II. The OAS project team has to readjust support for SBDCs and the University of Texas at San Antonio (UTSA) had to extend its technical advice to adapt NeoSerra to the local contexts.

Patients and endurance of the OAS project team and UTSA is still required but paid off for example in Saint Lucia where the SBDC team acknowledged with gratefulness the extra time dedicated through hands-on technical advice to NeoSerra on the island to enable its

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\(^{45}\) All three main implementation partners and all eight SBDC teams in CARICOM were invited to participate in webinars to undertake a SWOT analysis about SBDC – phase II.
increasing use across partners. This extra support is still required in the countries joining SBDC in phase II, for example, the SBDC in Saint Kitts and Nevis.

In fact, UTSA identified the amount of and time for extra technical advice through hands-on support as one of the main differences of implementing the SBDC model in CARICOM compared to Latin America. In this context, more direct communication between the SBDC and UTSA could lead to further efficiency gains.

Another technical dimension is the accompaniment of clients throughout different stages of their business development, rather than one-off interventions. This experience was highlighted by ExportBelize and attributed directly to its adoption of the SBDC approach.

Weaknesses

Some of the strengths mentioned above "come with a but," meaning that these strengths have directly a downside attached.

Culturally, the vertical integration of MSME service providers and the empowerment of mid-level staff can result in resistance. This approach can cause hostility among more traditional stakeholders and their peers where change is perceived as threatening and long-earned interests are at stake.

From an institutional perspective, MSME support agencies might be grouped all under one SBDC roof. In practice, however, those same agencies still compete for project funding. Hence the incentives for cooperation are in peril each time funding application for new projects are due. Besides, fragmentation among SBDC partners is still a reality in some CARICOM countries and the place for academia still not found. In Saint Lucia, for example, academia is strongly teaching oriented with a theoretical curriculum. Capacities of academia to undertake research form example as part of global value chain analysis seem doubtful in that context. Stakeholders acknowledge that it is beyond the scope of the SBDC program to address those structural issues in academia.

Technically, the OAS does not provide access to funding form MSMEs through SBDC – phase II. This aspect of the program design still needs to be managed by linking SBDCs to existing or emerging sources of MSME financing.

Opportunities

The SBDC program could cease the opportunities to further strengthen the cultural change in CARICOM countries concerning horizontal cooperation among public sector entities. Through overcoming skills gaps, MSME productivity can eventually be increased, with the three CARICOM countries joining the program in phase II now also moving into the consolidation phase once the SBDCs are officially launched.

UTSA identified three specific areas of technical assistance to increase MSME productivity

- A regional tool for accounting and cost structures;
- Common methodology and processes for access to capital; and
- Marketing assistance, e-marketing.

Two SBDC teams identified “on-the-job-learning” as an opportunity to leverage on the different development stages of SBDCs in CARICOM. Working hands-on with more
experiences SBDC staff for example on the use of NeoSerra could be highly beneficial. Placing staff from a recently established SBDC in a center launched in phase I of the program seems an opportunity to good to be missed. It would be an example of “south-south learning” also causing less dependence on donor-funded technical support.

“Having the chance to be temporarily placed in a more established Center would make all the difference for us. We could learn so much about the best application of NeoSerra.”

Source: SBDC team member in CARICOM

**Threats**

The main threats identified for the SBDC program concern the central leadership role of the OAS and political buy-in from CARICOM countries.

Changes in governments in CARICOM countries might affect the level of enthusiasm about the SBDC program and more directly the funding of Centers. This threat seems real as long as the regional support mechanism is still under development.

To date, the OAS functions as the common connection point of SBDCs in CARICOM. Would SBDC still operate in all program countries once the OAS leaves? This question stresses the importance of an exit strategy for the SBDC program.

On a more practical level, CARICOM countries joining the program in phase II face the threat that NeoSerra licenses are due to expire in 2019. Transitional arrangements are required to cover the cost of extending the licenses at a time when the SBDCs might still be unable to show the significant economic impact to its governments.
5. Sustainability: are results lasting?

This section analyzes the sustainability of program results. Principal data sources used in this section are the RPPI, previous evaluative evidence, interviews with SBDC teams, including in the OAS Secretariat and the online survey. Data from the online survey comes with the caveat that SBDC team from the Commonwealth of the Bahamas did not participate in the survey.

Key findings:
- The enabling framework for SBDC shows high ratings to ensure the sustainability of the SBDC model in the CARICOM Member States with a direct contribution of the OAS program;
- Ownership of the SBDC model is very high but varies across countries with Belize, Jamaica, Saint Lucia, and St. Kitts and Nevis showing above average ownership;
- Longer-term national governments’ funding of SBDC is largely based on pledges and financing SBDC remains a preoccupation, as found in the midterm evaluation;
- Financial sustainability of MSME’s is below average combined with delays in program implementation to address access to finance and insurance.

The evaluation finds that the sustainability of SBDC II shows satisfactory results in most areas, but partial achievement in others. The ownership of the SBDC model seems very strong and the enabling environment appears strong in most countries. Less strong sub-criteria are funding the SBDC model once OAS support ceases and financial sustainability of MSME's concerning access to finance, to insurance and markets. The score for sustainability is "green-amber" (67% out of 100%).

Figure 16: Sustainability of the SBDC model in the CARICOM Member States (%)
5.1 Ownership of the SBDC model

The ownership of the SBDC model varies across participating the CARICOM Member States with Belize, Jamaica, Saint Lucia, and St. Kitts and Nevis showing above average ownership. Overall, the ownership of the SBDC model proofs the strongest sub-criterion of sustainability in the program countries, with reaching 80% in the survey, as presented in Figure 16.

However, no data is available from the Commonwealth of the Bahamas. Questions about the ownership of the model also arise in Antigua and Barbuda and Barbados. In fact, election events in the Commonwealth of the Bahamas but also Antigua and Barbuda resulted in changes of key stakeholders such as the relevant Permanent Secretaries leading to uncertainties about the future of SBDCs.

In Dominica, SBDC engagement has been erratic since the start of the pilot in 2012. Following the natural disasters in late 2017, SBDC seems again less high on the political agenda. The mid-term evaluation had also identified challenges in the political support for SBDC in Barbados due to the challenges in proofing tangible results.

5.2 National government funding for SBDCs

The mid-term evaluation of SBDC – phase II found that "The funding of SBDC’s by national governments appears as the Achilles heel, the area of highest risk, of SBDC II, and the likelihood is uneven across the beneficiary countries." This situation has not improved since the mid-term evaluation due to the deteriorating public finances in Belize and Barbados. The situation in Dominica remains unclear. Pledges to fund SBDC’s are reported from Antigua and Barbuda, the Commonwealth of the Bahamas, Jamaica, Saint Lucia, and St. Kitts and Nevis, as identified in the mid-term evaluation. To what extend pledges are followed by the allocation and disbursement of budgets remains to be seen.

Conceptually, the OAS is addressing the issue of sustainability since the launch of the SBDC program in 2012. Contrary to other development initiatives, the OAS does not provide direct funding to the CARICOM Member States. The OAS offers support through technical assistance while the Member States have to fund SBDCs. While this approach makes the SBDC program less attractive to the CARICOM Member States, as reflected by the SBDC teams, sustainability is treated at the heart of the program. Several SBDC teams interviewed during the mid-term evaluation indicated underfunding and lack of funding security. Figure 16 indicates that SBDC team members are more concerned about the funding of the SBDC model than about the appreciation of the SBDC approach. SBDC teams participating in the survey provided an overall positive self-assessment with a 68% rating for the sustainability of funding SBDCs.

5.3 Enabling environment: policies and institutional frameworks

The RPPI issued in February 2018 lists five countries where the OAS program provided support for developing a policy guide to support the elaboration of an MSME framework: Jamaica, Saint Lucia, and the three CARICOM Member States joining the program in phase II. This work aims to underpin the adaptation of the SBDC model in all countries.

Survey participants positively judge the enabling environment for SBDC with a sustainability rating of 75%.

5.4 Financial sustainability of MSMEs: access to finance, insurance, and markets

The implementation of SBDC – phase II lagged behind creating spaces for the exchange of information among SBDCs, financial and insurance companies for the promotion of alternative financing opportunities for SBDC clients. As a result, ratings for the sustainability sub-criteria “MSME’s access to insurance” (55%), “MSME’s access to finance” (63%) and “Linking MSME’s to domestic or foreign markets” (60%) are below the average of 67%.
Section III: Conclusions and recommendations

The key findings presented in section II lead logically to the conclusions listed below and are grouped by evaluation criteria. The logic between main evaluation findings and conclusions is transparently presented in Figure 17.

6. Conclusions

Relevance
Given the worsened economic environment across most CARICOM Member States benefitting from the program, the relevance of integrated MSME support programs like SBDC is further increasing.

The OAS faces increasing challenges to ensure political buy in for the SBDC in some countries. MSME’s access to finance remain a challenge that requires more attention.

Efficiency
The OAS manages the program efficiently with a robust results-based focus. This practice constitutes value for money for the U.S. taxpayer.

Performance indicators would benefit from a revision at the output level.

The project team takes evaluations seriously and acts upon its recommendations where feasible. The inclusion of vulnerable groups in the program, however is still insufficient.

Effectiveness
Outcome level indicators are currently not fully aligned to available NeoSerra data. This leads to underreporting where additional data needs to be collected for example for women- or youth lead MSME’s supported.

As concluded in the mid-term evaluation, the OAS project team needs to address many factors affecting the SBDC program which are often at the very limits of OAS’ control. In fact, its mitigation appears high, considering the magnitude for example of cultural or institutional factors in CARICOM Member States.

This conclusion needs to be appreciated in the context of the size of the SBDC team in the OAS, its location in the OAS Secretariat rather than the beneficiary countries, an expanding number of beneficiary countries and the size of the program budget.

Since its inception, the SBDC program struggles to appropriately embed a gender perspective.

Sustainability
Program efforts to also address the policy framework for MSME development are worth the effort.

Ambiguities concerning the ownership and funding of SBDCs call for clear communication about the future of SBDC once OAS funding ceases.

SBDC – phase II missed to timely address the aspects of access to finance and insurance.
7. Recommendations

Relevance

R 1: SBDC team in the OAS: Consult the donor about an additional phase of the SBDC program over a period of three years.

**Prioritization high: next 3 months**

R 2: SBDC team in the OAS: Keep working with current program countries with the aim to i) work towards a launch of at least one center per country in all current program countries by mid-term of phase III (as a cut off point for any future program assistance), and ii) consolidate SDBCs with NeoSerra reporting showing institutional performance and economic impact.

**Prioritization high: next 3 months**

R 3: SBDC team in the OAS: Consult up to three out of the five of the remaining CARICOM Member States that are OAS members and not part of a special U.S. support mechanisms about their interest to participate in the program. Those countries are: Guyana, Grenada, Saint Vincent and the Grenadines, Suriname and Trinidad and Tobago. MoU’s with governments should be accompanied by engaging private sector organizations as an additional lever as part of a dual country engagement approach.

**Prioritization high: next 3 months**

Efficiency

R 4: SBDC team in the OAS: Revise the output indicators for phase III of the program and include indicators at the goal level. Consider suggestions made in this evaluation report about sharpening further their results focus.

**Prioritization high: next 3 months**

R 5: The SBDC team in the OAS should review the recommendations of the mid-term evaluation of SBDC – phase II again and consider to what extent recommendations are implementable in phase III.

**Prioritization very high: next month**

Effectiveness

R 6: SBDC team in the OAS: Fully align outcome level indicators with available data sources such as NeoSerra to avoid underreporting in phase III.

**Prioritization high: next 3 months**

R 7: OAS Secretariat: Given the recommended expansion of the SBDC program to additional CARICOM Member States, the human resource capacities of the project team require strengthening with up to two additional posts for administrative or technical purposes.

**Prioritization high: next 3 months**

R 8: The SBDC team in the OAS should consider whether south-south “on-the-job-learning” across SBDCs would be an option to complement the technical assistance element of the program.
Prioritization high: next 3 months

R 9: The SBDC team in the OAS should create a dedicated output focusing on women and other vulnerable groups, rather than treating this aspect as an add on to another output.

Prioritization very high: next month

Sustainability

R 10: The SBDC team in the OAS should create a formal exit strategy with all SBDCs to enhance preparations for SBDC sustainability, as recommended in the mid-term evaluation.

Prioritization medium: next 6 to 9 months

R 11: SBDC team in the OAS: In phase III the aspects of access to finance and insurance for MSMEs should be treated as a priority as part of the OAS’ technical assistance to SBDCs.

Prioritization medium: next 6 to 9 months
8. Lessons learned

1. Expansion of the country coverage
The efforts required for integrating new countries in the SBDC program might have been underestimated. In fact, the program management experienced challenges due to the following factors:

- The time required to engage partners in government and other relevant stakeholders in the new countries,
- Internal administrative processes in an international organization such as the OAS;
- Project team with same number of staff members dealing with close to 40% additional program countries.

Those factors were softened by a sound program budget but significantly aggravated by the short project implementation period of 27 months. The short project implementation periods for the program were critically commented on as early as in the final evaluation of SBDC – phase I. For phase III of SBDC, the continued expansion of the country coverage requires careful consideration. This is particularly true due to the size of the economies of some of the potential candidate countries such as Guyana, Suriname or Trinidad and Tobago. The OAS needs to manage the risk of overburdening and potentially breaking the SBDC program. This risk could become reality with a swift inclusion of all remaining CARICOM Member States even with a growing project team and an increased budget. Time is the most important factor that would determine the success of broadening the country coverage. For a fully coverage of all 5 remaining and eligible CARICOM countries up to five years might be required based on the experiences of phase II of the program.

2. Value of field visits
For the validation of economic impact data, field visits seem irreplaceable as a means of triangulation.

For approaching MSMEs and enquire about firm level data, remote ways of engagement proved unfeasible. Field visits are required to create a rapport with a firm, establish trust and ultimately get access to economic data of a company. The latter is often considered as business intelligence which is not easily shared.
### Figure 17: Summary of key findings, conclusions and recommendations

<table>
<thead>
<tr>
<th>Key findings about SBDC II</th>
<th>Conclusions</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Relevance</strong></td>
<td>The Theory of change of the program is largely valid, including barriers for MSME development and the change pathways to achieve SBDC impact.</td>
<td>Given the worsened economic environment across most CARICOM Member States benefitting from the program, the relevance of integrated MSME support programs like SBDC is further increasing.</td>
</tr>
<tr>
<td></td>
<td>Six out of eight main underlying problems remain fully valid.</td>
<td>The OAS faces increasing challenges to ensure political buy-in for the SBDC in some countries. MSME’s access to finance remain a challenge that requires more attention.</td>
</tr>
<tr>
<td></td>
<td>Five out of seven main assumptions for SBDC to be successful fully hold true; questions arise for political buy-in and for MSME’s access to finance.</td>
<td>R 3: SBDC team in the OAS: Consult up to thee out of the five remaining CARICOM Member States that are OAS members and not part of a special U.S. support mechanisms about their interest to participate in the program. Those countries are: Guyana, Grenada, Saint Vincent and the Grenadines, Suriname and Trinidad and Tobago. MoU’s with governments should be accompanied by engaging private sector organizations as an additional lever as part of a dual country engagement approach. Prioritization for R 1, R2 and R 3: high: next 3 months</td>
</tr>
<tr>
<td></td>
<td>Out of the seven external drivers of change, only two remained unchanged, with four drivers increasing in importance and one driver decreasing in importance mainly due to a worsened economic environment in CARICOM.</td>
<td><strong>Efficiency</strong></td>
</tr>
<tr>
<td></td>
<td>Quality of the performance indicators remained unchanged despite room for improvement at the output level due to the short time horizon between the end of the mid-term evaluation of SBDC – phase II; The RPPI format results in underreporting at program impact.</td>
<td>Performance indicators would benefit from a revision at the output level and an inclusion of indicators at the goal level following the latest changes in the RPPI format</td>
</tr>
<tr>
<td></td>
<td>The transfer of learning and recommendations from previous SBDC stands out as an area of good practice. The only caveat concerns the inclusion of vulnerable groups in the program.</td>
<td>The project team takes evaluations seriously and acts upon its recommendations where feasible. The inclusion of vulnerable groups in the program, however is still insufficient.</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>Sustainability</td>
<td></td>
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<tr>
<td>---------------</td>
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<tr>
<td>The evaluation finds a results achievement reaching 84% at the output level.</td>
<td>Outcome level indicators are currently not fully aligned to available NeoSerra data. This leads to underreporting where additional data needs to be collected for example for women- or youth lead MSME’s supported.</td>
<td></td>
</tr>
<tr>
<td>The level of achievement of the outcome indicators reaches 50%. This figure is likely to be influenced by underreporting due to incomplete data.</td>
<td>R 6: SBDC team in the OAS: Fully align outcome level indicators with available data sources such as NeoSerra to avoid underreporting in phase III.</td>
<td></td>
</tr>
<tr>
<td>The factors affecting SBDC performance comprise cultural, institutional and technical factors. All three factors show both positive and negative effects on SBDC – phase II. “On-the-job-learning” in sister SBDCs emerges as technical approach at low-cost to leverage on the different development stages of SBDCs in CARICOM, for example to strengthen the understanding and use of NeoSerra.</td>
<td>R 7: OAS Secretariat: Given the recommended expansion of the SBDC program to additional CARICOM Member States, the human resource capacities of the project team require strengthening with up to two additional posts for administrative or technical purposes.</td>
<td></td>
</tr>
<tr>
<td>The gender perspective of the SBDC program remains underdeveloped with the project team searching from options to address this shortcoming in the future.e</td>
<td>R 8: The SBDC team in the OAS should consider whether south-south “on-the-job-learning” across SBDCs would be an option to complement the technical assistance element of the program.</td>
<td></td>
</tr>
<tr>
<td>Since its inception, the SBDC program struggles to appropriately embed a gender perspective.</td>
<td>Prioritization for R 6, R 7 and R 8: high: next 3 months</td>
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<tr>
<td>The enabling framework for SBDC shows high ratings to ensure the sustainability of the SBDC model in the CARICOM Member States with a direct contribution of the OAS program.</td>
<td>Program efforts to also address the policy framework for MSME development are worth the effort.</td>
<td></td>
</tr>
<tr>
<td>Ownership of the SBDC model is very high but varies across countries with Belize, Jamaica, Saint Lucia, and St. Kitts and Nevis showing above average ownership.</td>
<td>No recommendation</td>
<td></td>
</tr>
<tr>
<td>Ambiguities concerning the ownership and funding of SBDCs call for clear communication about the future of SBDC once OAS funding ceases.</td>
<td>R 10: The SBDC team in the OAS should create a formal exit strategy with all SBDCs to enhance preparations for SBDC sustainability, as recommended in the mid-term evaluation.</td>
<td></td>
</tr>
<tr>
<td>Longer-term national governments’ funding of SBDC is largely based on pledges and financing SBDC remains a preoccupation, as found in the mid-term evaluation .</td>
<td>Prioritization: medium: next 6 to 9 months</td>
<td></td>
</tr>
<tr>
<td>Financial sustainability of MSME’s is below average combined with delays in program implementation to address access to finance and insurance.</td>
<td>SBDC – phase II missed to timely address the aspects of access to finance and insurance.</td>
<td></td>
</tr>
<tr>
<td>R 11: SBDC team in the OAS: In phase III the aspects of access to finance and insurance for MSMEs should be treated as a priority as part of the OAS’ technical assistance to SBDCs.</td>
<td>Prioritization: medium: next 6 to 9 months</td>
<td></td>
</tr>
</tbody>
</table>
Annex 1: Terms of Reference

SECRETARY GENERAL OF THE
ORGANIZATION OF AMERICAN STATES

PROJECT EVALUATION

TERMS OF REFERENCE

WASHINGTON DC
(Individual Consultancy)

Final Evaluation of the Small Business Development Centres
Program in the Caribbean - Phase II
I. Background

1.1 Micro, Small and Medium sized enterprises have long been identified as the catalyst for economic and social development in the Caribbean. A long history of entrepreneurial spirit has spawned the development of several sectors related to natural resources, manufacturing, agro-processing and a myriad of services sectors. These SME sectors have often been credited with having the potential for the creation of forward and backward economic linkages, reducing foreign currency expenditure and utilizing local raw material inputs. By virtue of their small size SMEs are also deemed flexible enough to ably respond to rapid changes in market conditions. Thus, the support and development of the SME sector in the Caribbean region became a comprehensive economic development strategy that it was hoped could guarantee equitable short and medium term growth.

1.2 Despite significant efforts and resources expended in the development of the SME sector in the Caribbean region, countries continue to be plagued by significant problems that hinder their development such as:

i) The absence of a specific legislative framework for SMEs or inadequate legislation and the lack of structures to efficiently support regional and national policies on SMEs

ii) Limited access to capital markets

iii) SME initiatives that are often fragmented and uncoordinated

iv) Low levels of productivity and quality which impact on the overall competitiveness of Caribbean countries

v) Limited research and technology

vi) Difficulties in internationalization of the sector

vii) The inadequacy of special support programmes to assist vulnerable groups such as women, youth and rural producers.

viii) Programmes for the development of the sector are often tied to social programmes which are often unsustainable.

1.3 In recognition of these and several other issues, the Department of Economic and Development in partnership with Caribbean Export Development Agency and the University of Texas in San Antonio organized the Regional Workshop “Promoting and Improving SME Competitiveness and Productivity in the Caribbean” which was held in San Diego, California in September 2011. The purpose of the workshop was to strengthen the capacity of institutions that support, assist and train micro, small and medium sized enterprises in the Caribbean through the sharing of best practices and success
1.4 It was also at this workshop that the U.S. SBDC model was presented and the seeds for the Caribbean SBDC project were sown, resulting in a pilot programme being adapted in five countries namely, Barbados, Belize, Dominica, Jamaica and Saint Lucia. This pilot project, which was funded by the United States Government through the U.S. Permanent Mission to the OAS, was conceptualized to focus on the transfer of the U.S. Small Business Development Centre model to the Caribbean and was designed to provide a vast array of technical assistance to small businesses and aspiring entrepreneurs.

1.5 The model has successfully been in existence in the United States for over thirty – five (35) years and has contributed to the enhancement of economic development in the United States through the provision of critical management and technical assistance to small businesses. As a result of the no cost, extensive, one-on-one, long term professional business advising low – cost training and other specialized services to SBDC clients, the programme remains one of the United States’ largest small business assistance programmes in the federal government. The strength of the programme is also derived from the cooperative effort of the private sector, the educational community and federal, state and local governments.

1.6 In the context of evaluating the compatibility of the SBDC model with other existing business development programmes in beneficiary countries, it is important to emphasize the flexibility and capacity of the model to successfully expand SBDCs not only in the United States but also throughout Latin America. The model has proved flexible enough to operate in different cultural, economic and social settings, as well as coexist and integrate with other business development programmes such as business incubators in Mexico and a cluster programme in El Salvador.

1.7 The approach of the SBDC model is simple but in many ways powerful as it:

iv) Thrives on the joint investment of three key sectors; academia, public and private sectors to combine efforts and funds in order to guarantee the sustainability of the programme and eliminates inefficiencies and duplication of efforts among agencies.

v) Focuses on high value, long term, one-on-one assistance to help clients generate sustained economic impact that would lead to the establishment of new businesses, job creation, increases in sales and access to capital.
vi) Promotes a results oriented culture where SBDCs and the service professionals are continuously evaluated in terms of the economic impact generated through client work.

Past Operations

1.8 The first SBDC operation was introduced in 2012, in Barbados, Belize, Dominica, Jamaica and Saint Lucia, with the purpose of improving the access of SMEs in the CARICOM region to sustainable and effective assistance services based on the US SBDC model.

1.9 Phase I of the SBDC program had an initial budget of US$ 791,786 donated by the United States Government through the United States Permanent Mission to the Organization of American States. Other donors were the OAS and the Caribbean Export with US$ 88,720 and US$ 203,861 in in-kind support, respectively. SBDC phase I core services were focused on three key areas that covered the needs of startups as well as those of established businesses, these services benefit small businesses and generate economic impact that creates new jobs, increases revenues, strengthens and diversifies the formal economy, and promotes country stability and growth:

i) One-on-one, confidential, free and long-term technical assistance.

ii) Group training focused on subjects of interest to small businesses and presented by SBDC staff and private sector professionals.

iii) Market research tailored to the client’s needs.

SBDC Phase I evaluation

1.10 In 2015 the DPE coordinated a final assessment of phase I of the program. At the time it was concluded that it was too early to judge the program based on results related to economic indicators, as four out of five centers were only recently launched and SBDC training and business development support, which was tracked in Neo Serra had only started in Belize. The groundwork was determined to have been laid for Small Business Development Centers operating in all five pilot countries.

1.11 Additionally, it was recommended to continue with planning for phase II of the SBDC program in CARICOM member states to deepen engagement with pilot countries (Barbados, Belize, Dominica, Jamaica and Saint Lucia) and start engaging with a smaller number of new countries.

II. Objective

2.1 The purpose of the final evaluation is twofold: to assess the performance of the SBDC model phase II in the beneficiary countries in the context of phase I,
by reviewing its advances to date and comparing them to those established in the project objectives; and to determine to what extent the recommendations and lessons learned from the evaluation of phase I and the midterm evaluation report were taken into account in the execution and conclusions of phase II.

A. Scope of the evaluation

2.2 The evaluation will provide a general assessment of the achievements to date within the Caribbean SBDC phase II project. To achieve the objective the Consultant shall:

- Conduct a summative evaluation in order to assess the project’s progress in achieving its objectives.
- Determine, to the extent possible, the effectiveness of the project as best reflected in the available results to date.
- Critically analyze the formulation, design, implementation and management of the project and make recommendations as needed.
- Assess the likelihood of institutional and financial sustainability of the interventions financed by the project.
- Document lessons learned related to the formulation, design, implementation, management and sustainability.
- Make recommendations, as appropriate, to improve the formulation, design and implementation for future similar interventions.
- Assess if and how the project addressed the crosscutting issue of gender perspective and to what results.

1.1 In addition to the above, the consultancy will make every attempt to answer the following performance questions:

i) Were the outcome indicators achieved?

ii) Were results achieved attributable to the actions of the operation?

iii) If empirical attribution cannot be established, is there a robust theoretical attribution?

iv) Did the project team apply results-based management principles from the project’s inception to its conclusion?

v) Were lessons learnt and recommendations included in the midterm evaluation taken into account during the remaining implementation period?

vi) Was the monitoring mechanism used as an efficient and effective tool to follow-up on the progress of project’s actions?
vii) Were there any unforeseeable/unplanned results or outcomes?

**B. Information sources**

1.2 Among other sources the consultant will review the following:

i) Project document

ii) Progress implementation reports

iii) Completion report of phase II

iv) Project indicators identified in the logical framework

v) Products derived from the implementation of the project and means of verification

vi) Midterm evaluation report

vii) Any other documents deemed relevant for the completion of the work

**C. Stakeholders**

1.3 Among other stakeholders the consultant will consider the following:

i) Project Team

ii) Local and national counterparts.

iii) Donors.

iv) U.S. State Department.

v) Project Beneficiary Countries.

**II. ACTIVITIES**

2.1 This consultancy will be coordinated and supervised by the Department of Planning and Evaluation (DPE).

2.2 The consultant shall work in close cooperation with SEDI/DED, who will in turn designate a member of their staff to facilitate the evaluation process. The evaluation process will take a participatory approach and take account of the views of all key stakeholders. In general the evaluation will be based on interviews, analysis of documents, hard data, use of relevant evaluation instruments (i.e. application of surveys, focus groups, etc.) and all available data sources, as required. In addition the consultant shall:

2.3 Develop a brief work plan and evaluation framework for the consultancy, including the description of the activities to be performed and the products as well as the order and focus of each.

2.4 Review key documents in the execution of the project, among them: the project proposal, logical framework used for the design and implementation
of the project, indicators, and results achieved to date; progress reports on the execution of the project to date, and financial documents, among other things.

2.5 Conduct interviews and collect information from key stakeholders, including: Project Team; US Mission officials; government officials, and direct and indirect beneficiaries, among others.

2.6 Conduct interviews and focus groups to assess project performance, outcomes and outputs.

2.7 Establish the project’s efficiency and identify lessons learned and recommendations for the ongoing and future executions.

2.8 Conduct a cost-benefit analysis on the operation, identifying as a first step the social and economic costs and benefits of the operation.

2.9 Assess the management of the project to date in the use of planning and implementation tools, such as annual operations plans, logical framework, and project monitoring reports among others.

2.10 Determine the progress in each of the participating countries, their weaknesses, strengths and next steps, and if the model is actually sustainable.

2.11 Analyze how and if the project incorporated a gender perspective approach in the execution of its components, and if there were any such efforts, determine how consequential it was.

2.12 Review and suggest adjustments to the indicators identified in the Logical Framework. In addition, the consultancy shall identify, propose and measure indicators that were not considered in the design.

2.13 Determine whether lessons learnt and recommendations drawn from the evaluation of phase I were taken into account during the design and applied during the implementation of Phase II.

2.14 Produce a midterm report describing the progress of the final evaluation and the findings to date. The report will be accompanied by a Power Point presentation. Participate in a videoconference with OAS headquarters to present the report.

2.15 Produce a final report analyzing and describing the execution, outputs and outcomes of the supported actions; lessons learned, recommendations and conclusions; a section for sustainability and beneficiaries, among others. The report will be accompanied by a Power Point presentation.

III. PRODUCTS AND DELIVERABLES

3.1 The consultancy will produce and deliver the following documents taking into consideration each of the activities described in the above section:
i) A detailed brief work plan and the evaluation Framework within 15 days of signing the contract.

ii) A draft of the Final Evaluation Report on the progress of the consultancy including the theory of change and a Power Point to be presented on a previously agreed date.

iii) Final Evaluation Report including all products mentioned above and a Power Point Presentation to be presented at OAS headquarters on a previously agreed date.

IV. CONSULTANCY CHARACTERISTICS

4.1 Type of consultancy: Individual Consultant

4.2 Duration: approximately 40 non-consecutive days.

4.3 Place of work: Consultant’s place of residence.

4.4 Qualifications: The consultant must demonstrate a minimum of 10 years of experience in project evaluation and must hold a graduate degree in public policy, economics, management or related area; and have experience working in Latin America and the Caribbean. In addition, the consultant should be proficient in the use of the English and Spanish language, oral and written. Experience working in the English Speaking Caribbean is required; and experience in Small Business Development, MSME support programmes, and the institutional strengthening of MSME support institutions is a plus.

V. TIMEFRAME & PAYMENT SCHEDULE

5.1 It is expected that the consultancy will require a total of 40 non-consecutive working days between March and May of 2018.

5.2 The payment schedule is as follows:

• 30% Upon signing the contract.
• 30% Upon delivery of a midterm report accompanied by a Power Point presentation.
• 40% Upon delivery of the Final Evaluation Report accompanied by a Power Point presentation.
Annex 2: Documentation reviewed

Annex 3: List of people interviewed
Annex 4: Evaluation workplan and matrix

Final evaluation of the Small Business Development Centers Program, phase II

Evaluation matrix and workplan

Prepared for the Organization of American States

March 2018
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ANNEX 3 EVALUATION QUESTIONNAIRE FOR WEBINARS: SBDC TEAMS IN CARICOM MEMBER STATES 22
1. Introduction

This document contains the evaluation matrix and work plan for the Final Evaluation of the Small Business Development Centers Program in the Caribbean (SBDC) – Phase II. This document has the following primary objective:

- “Develop a brief work plan and evaluation framework for the consultancy, including the description of the activities to be performed and the products as well as the order and focus of each”\(^{47}\).

Evaluation background and scope

The evaluation Terms of Reference (ToR)\(^{48}\) outline the background of this evaluation:

“The purpose of the final evaluation is twofold: to assess the performance of the SBDC model phase II in the beneficiary countries in the context of phase I, by reviewing its advances to date and comparing them to those established in the project objectives; and to determine to what extent the recommendations and lessons learned from the evaluation of phase I and the midterm evaluation report were taken into account in the execution and conclusions of phase II.”

The evaluation scope can be summarized as follows\(^{49}\):

- Conduct a summative evaluation to assess the project's progress in achieving its objectives.
- Determine, to the extent possible, the effectiveness of the project as best reflected in the available results to date.
- Critically analyze the formulation, design, implementation, and management of the project and make recommendations as needed.
- Assess the likelihood of institutional and financial sustainability of the interventions financed by the project.
- Document lessons learned related to the formulation, design, implementation, management, and sustainability.
- Make recommendations, as appropriate, to improve the formulation, design, and implementation of future similar interventions.
- Assess if and how the project addressed the crosscutting issue of a gender perspective and to what results.


\(^{48}\) Ibid, page 5.

\(^{49}\) Ibid
PROGRAM background

The SBDC program has benefitted from two evaluations to date: the final evaluation of phase I in 2015 and the mid-term evaluation of phase II in late 2017. Combined with the program documentation, this evidence-base constitutes a satisfactory basis for the final evaluation of phase II.

The SBDC model has successfully been in existence in the United States for over 35 years and has contributed to the enhancement of economic development in the United States through the provision of critical management and technical assistance to small businesses. It remains one of the United States’ largest small business assistance programmes in the federal government.50

An SBDC program was introduced in the CARICOM region in 2012, following a regional workshop in San Diego, California organized by OAS’ Department of Economic and Social Development in partnership with Caribbean Export Development Agency and the University of Texas in San Antonio. The approach of the program is to:

vii) Thrive on the joint investment of three key sectors; academia, public and private sectors to combine efforts and funds to guarantee the sustainability of the programme and eliminates inefficiencies and duplication of efforts among agencies.

viii) Focus on high value, long term, one-on-one assistance to help clients generate a sustained economic impact that would lead to the establishment of new businesses, job creation, increases in sales and access to capital.

ix) Promote a results-oriented culture where SBDCs and the service professionals are continuously evaluated concerning the economic impact generated through client work.

The first phase of the Caribbean SBDC programme began in 2012 with five beneficiary countries comprising Barbados, Belize, Dominica, Jamaica and Saint Lucia. The purpose of the intervention was to improve the access of SMEs in the CARICOM region to sustainable and effective business assistance services based on the US SBDC model. In 2015 the Department of Planning and Evaluation coordinated a final evaluation of Phase I of the program. Evaluation recommendations suggested among others that planning for phase II of the SBDC program in CARICOM member states ought to continue to deepen the engagement with pilot countries and start engaging with a smaller number of new countries. Those countries are Antigua and Barbuda, the Commonwealth of the Bahamas, and St. Kitts and Nevis. The mid-term evaluation of phase II recommended maintaining SBDC’s country engagement approach while strengthening funding commitments from government partners in the CARICOM member States. The evaluation identified the “funding of SBDC’s by national governments as the Achilles heel, the area of highest risk, of SBDC II”51.

50 Secretary General of the Organization of American States: Project evaluation. Terms of Reference. Evaluation of the Small Businesses Development Centers Program in the Caribbean
2. Evaluation approach and methodology

Due to the positive experiences with using a theory based evaluation approach for the final evaluation of SBDC's phase I and the mid-term evaluation of phase II, the evaluation consultant proposes again a theory based evaluation approach as again proposed.

Figure 1: SBDC – phase II: Theory of Change

Source: Engelhardt, 2017: Mid-term evaluation of SBDCs, phase II
The theory-based evaluation approach specifies the program’s intervention logic building on a set of assumptions and outlining how the program designers think the change will happen. The intervention logic will be validated through remotely engaging the project team in the OAS Secretariat and SDBC teams in the eight program countries.

The added value of theory-based evaluation is that it further elaborates the assumptions behind the Program, as well as linkages between output, outcomes, and impact. Also, the approach highlights stakeholder needs as part of a situation analysis. The situation analysis also identifies barriers to MSME's growth, innovation, productivity, and revenue. Analyzing the Programs’ response as well as results follow. Figure 1 outlines the Theory of Change of phase II of SBDC created as part of the mid-term evaluation of phase II of SBDC, based on a concept developed by the University of Wisconsin.

Logically the Theory of Change is linked to the logframe of the SBDC program – phase II.

To further strengthen the theory based evaluation approach beyond its previous applications for the SBDC program, the validity of each component of the Theory of Change will be scored, rather than only the overall program theory. This measure constitutes a rigorous, even more, advanced use of the theory based evaluation approach and is in line with international good practice.

The SBDC program – phase II benefits from a logframe with specific, measurable and time-bound indicators. For the output indicators baselines, targets and recent results are available, for example in the Report on the progress of project implementation dated February 2018.

The assessment of progress against those log frame indicators will be the basis for evaluating the effectiveness of the SBDC program – phase II.

The following rich and robust selection of tailored evaluation tools and processes are suggested for this final evaluation of SBDC – phase II:

j. **Key document review** in the execution of the project, among them: the project proposal, a logical framework used for the design and implementation of the project, indicators, and results achieved to date; progress reports on the execution of the project to date, and financial documents, among other things;

k. **Scoping calls** with the Department of Planning and Evaluation, the Department of Economic and Social Development implementing the program and the representative of the US Permanent Mission to the OAS;

l. **Theory of Change conference call** with the Department of Economic and Social Development implementing the program to assess any changes since the mid-term evaluation;

m. **Webinars** for SWOT analysis of SBDC with SBDC teams in all eight project countries, followed by with relevant program stakeholders such as the University of Texas at San Antonio or Duke University;

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52 Strengths, weaknesses, opportunities and threats
n. An on-line survey of SBDC teams and extended network of partners in all eight project countries;

o. Cost-benefit analysis using theoretical attribution of benefits from secondary data sources where primary data is unavailable;

p. Up to four case studies of MSMEs using SBDC services through a combination of available documentation and validation telephone calls with available firms. (The sampling will depend on the openness of firms to share their experiences and their availability. The initial sampling uses a purposeful approach with SBDC’s calling for interested firms with a track record of using SBDC services to come forward on a voluntary basis);

q. Presentation of midterm report to OAS via Skype conference call, following data analysis;

r. Finalization of evaluation report and presentation in person to OAS in Washington DC.

3. work plan
The evaluation work plan in Figure 2 outlines all main steps for the evaluation.

Figure 2: Evaluation work plan

<table>
<thead>
<tr>
<th>Evaluation steps</th>
<th>Dates in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Preparation</td>
<td>5 to 11 March</td>
</tr>
<tr>
<td>2. Document review, including scoping calls with OAS and U.S. Mission. Delivery of evaluation framework, including questionnaire and workplan</td>
<td>12 to 18 March</td>
</tr>
<tr>
<td>3. Theory of change (TOC) conference call with the project team in OAS</td>
<td>19 to 22 March</td>
</tr>
<tr>
<td>4. Online evaluation survey to SBDC teams in all eight SBDC countries for ToC validation and SBDC performance to date</td>
<td>23 March to 8 April</td>
</tr>
<tr>
<td>5. Focus group telephone interviews with SBDC teams in all eight SBDC countries for SBDC SWOT analysis</td>
<td>23 to 26 April</td>
</tr>
<tr>
<td>6. Data analysis and reporting</td>
<td>8 to 26 April</td>
</tr>
<tr>
<td>7. Mid-term report</td>
<td>27 April</td>
</tr>
<tr>
<td>8. Feedback period</td>
<td>27 April to 2 May</td>
</tr>
<tr>
<td>9. Feedback period</td>
<td>2 May</td>
</tr>
<tr>
<td>10. Final Report</td>
<td>3 May to 9 May</td>
</tr>
<tr>
<td>11. Presentation of final report in OAS Secretariat</td>
<td>11 May</td>
</tr>
</tbody>
</table>

This report concludes with three Annexes.

- Annex 1: Evaluation matrix with evaluation questions, proposed evaluation tools, and data sources;
- Annex 2: Evaluation questionnaire for an on-line survey: SBDC project teams and partners in countries and;
## Annex 1  Evaluation matrix

<table>
<thead>
<tr>
<th>Evaluation questions/issues</th>
<th>Proposed evaluation tools</th>
<th>Data source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Relevance: Are SBDCs doing the right thing in CARICOM?</strong></td>
<td><strong>Proposed evaluation tools</strong></td>
<td><strong>Data source</strong></td>
</tr>
<tr>
<td>Analysis of SBDC II design and formulation: is the project’s implicit Theory of Change valid?</td>
<td>ToC focus group with OAS project team</td>
<td>Project profile and other documents; project stakeholders; commented by expert opinion</td>
</tr>
<tr>
<td></td>
<td>o Are the main problems for MSMEs correctly identified?</td>
<td>Document review Feedback round by country teams Online survey</td>
</tr>
<tr>
<td></td>
<td>o Are the barriers to MSME development in the CARICOM beneficiary countries correctly listed?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>o Are change pathways relevant for MSMEs?</td>
<td></td>
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<tr>
<td></td>
<td>o Do assumptions still hold true?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>o Are the external drivers of change for successful SBDCs in the CARICOM countries still in place?</td>
<td></td>
</tr>
<tr>
<td><strong>Efficiency: Were resources used appropriately to achieve results?</strong></td>
<td>Document review Interviews (telephone interviews with the project team in OAS)</td>
<td>Project profile, monitoring reports, and other documents; project stakeholders; commented by expert opinion</td>
</tr>
<tr>
<td>Did the project team apply results-based management principles from its inception to its conclusion (including in the use of annual operations plans, logical framework, and project monitoring reports)?</td>
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<tr>
<td>Was the monitoring mechanism used as an efficient and effective tool to follow-up on the progress of project’s actions?</td>
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<tr>
<td>To what extent were logframe indicators suited to track SBDC processes and results?</td>
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<tr>
<td>Were lessons learned and recommendations included in the midterm evaluation taken into account during the remaining implementation period?</td>
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</tr>
<tr>
<td>Evaluation questions/issues</td>
<td>Proposed evaluation tools</td>
<td>Data source</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Effectiveness: were project results achieved and how?</td>
<td>Document review (logframe, progress reports, Neo Serra data) Interviews (telephone interviews with the project team in OAS and focus group interview with country SBDC teams) Online survey Webinars with country SBDC teams (SWOT analysis)</td>
<td>Monitoring reports; project stakeholders; commented by expert opinion</td>
</tr>
<tr>
<td>To what extent were program outcomes achieved?</td>
<td></td>
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<tr>
<td>Determine, to the extent possible, the effectiveness of the project as best reflected in the available results (outputs) to date.</td>
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<tr>
<td>To what extent were results achieved attributable to the actions of the operation?</td>
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<tr>
<td>What are major internal and external factors that influenced the implementation of the project?</td>
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<tr>
<td>To what extent did the intervention use a gender perspective and address the cross-cutting issue of a gender perspective and to what results?</td>
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<tr>
<td>If empirical attribution cannot be established, is there a robust theoretical attribution?</td>
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<tr>
<td>Were there any unforeseeable/unplanned results or outcomes?</td>
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<tr>
<td>What are the cost-benefits of the project?</td>
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<tr>
<td>What are the strengths, weaknesses, opportunities, and threats of SBDC and with what implication for any future program phase?</td>
<td></td>
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</tr>
<tr>
<td>Sustainability: Lasting results?</td>
<td>Document review (logframe, progress reports) Interviews (telephone interviews with the project team in OAS and focus group interview with country SBDC teams) Online survey</td>
<td>Project stakeholders; commented by expert opinion</td>
</tr>
<tr>
<td>Assess the likelihood of institutional and financial sustainability of the interventions financed by the program:</td>
<td></td>
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<tr>
<td>To what extent have partners developed ownership over the SBDC model regarding funding the approach?</td>
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<tr>
<td>To what extent are policies and institutional frameworks in place to enable the implementation of the SBDC model?</td>
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</tbody>
</table>
Annex 2 Evaluation questionnaire for on-line survey: SBDC teams and PartnErs in program Countries

For project managers and implementation partners (public sector, private businesses, and academia). Questions to be used for a long-term survey.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Organization/Enterprise</th>
<th>Date</th>
</tr>
</thead>
</table>

(A) Relevance

1. To what extent are the problems for MSME’s in your country correctly identified?

<table>
<thead>
<tr>
<th>Problem</th>
<th>Fully agree</th>
<th>Agree</th>
<th>Medium</th>
<th>Disagree</th>
<th>Fully disagree</th>
<th>No answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limitations in the absorption of labor surpluses</td>
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<tr>
<td>Limited development of a diversified economic structure</td>
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<tr>
<td>Shortcomings in the development of a supply base</td>
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<td>to serve the needs of development</td>
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<td>Low levels of productivity and quality which impact on the</td>
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<td>overall competitiveness of my country</td>
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<tr>
<td>Limited research and technology</td>
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<tr>
<td>Difficulties in the internationalization of the sector</td>
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<td>The inadequacy of special support programmes to assist vulnerable</td>
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<tr>
<td>groups such as women, youth and rural producers</td>
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<tr>
<td>Programmes for the development of the sector are often tied to social</td>
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<tr>
<td>programmes which are often unsustainable.</td>
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<tr>
<td>Others</td>
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</tbody>
</table>

*Please explain "others."*

2. To what extent are the assumptions of using the SBDC model in your country correctly identified? (assumptions are preconditions for SBDC to succeed)

<table>
<thead>
<tr>
<th>Adaptability: the SBDC model</th>
<th>Fully agree</th>
<th>Agree</th>
<th>Medium</th>
<th>Disagree</th>
<th>Fully disagree</th>
<th>No answer</th>
</tr>
</thead>
</table>
is adaptable my country’s context
Political buy-in: my government shows the willingness to concentrate all resources for MSME support under one roof
Capacity: all partners can play their role in fostering and encouraging innovation through academic/public/private partnerships in my country
SBDC network: Economies of scale materialize through shared resources and risk via SBDC networks & opportunities for expansion and diversification of exports via MSME-to-MSME trade
Access to finance is available to expand businesses in my country.
MSMEs show willingness to engage in long-term relationships with SBDCs
Impartiality of SBDCs convince MSME’s to share business intelligence.

<table>
<thead>
<tr>
<th>Lines of SBDC activities</th>
<th>Fully agree</th>
<th>Agree</th>
<th>Medium</th>
<th>Disagree</th>
<th>Fully disagree</th>
<th>No answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSME policy development</td>
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<tr>
<td>Transference and adaptation of US SBDC model</td>
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<tr>
<td>Training in business and export development</td>
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<tr>
<td>Training in the incorporation of disaster risk management strategies in MSME business planning</td>
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<tr>
<td>Training in the use of value chain analyses to facilitate MSME participation and upgrading in local and regional value</td>
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<tr>
<td>Exchange of information among SBDCs, financial and insurance companies</td>
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<tr>
<td>A regional network of SBDCs to facilitate the sharing of best practices, the development of regional trade linkages and bolster advocacy efforts</td>
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</tbody>
</table>

Please explain "others."

3. To what extent are the following lines of SBDC activities leading to strengthening the institutional frameworks of national MSME support programmes and ultimately sustainable improvement of the micro, small and medium enterprises (MSME) sector in your country?
(B) Efficiency: appropriate use of resources

4. To what extent could the same results have been achieved for less money or more quickly?

**Please explain:**

(C) Effectiveness: achievement of project results

5. To what extent is your SBDC making progress in achieving planned project objectives in your country?

<table>
<thead>
<tr>
<th>Achievement of planned objectives</th>
<th>Very high</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Very low</th>
<th>No answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>To strengthen the institutional frameworks of national MSME support programmes utilizing the United States Small Business Development Centres (US SBDC) model for the provision of targeted technical assistance to micro, small and medium enterprises in beneficiary countries.</td>
<td></td>
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<tr>
<td>Analysis and recommendations on the applicability of the Small Business Development Centres (SBDC) model made available to new beneficiary countries</td>
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<tr>
<td>Policy guide developed to support the elaboration of an MSME framework to underpin the adaptation of the SBDC model in all countries.</td>
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<tr>
<td>Transference and adaptation of the US SBDC model to project beneficiary countries.</td>
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</tr>
<tr>
<td>SBDC advisors trained in business and export development and the incorporation of disaster risk management strategies in MSME business planning.</td>
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</tr>
<tr>
<td>SBDC advisors trained in the use of value chain analyses to facilitate MSME participation and upgrading in local and regional value chains considering women and youth led enterprises.</td>
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<tr>
<td>Space created for the exchange of information among SBDCs, financial and insurance companies for the promotion of alternative financing opportunities for SBDC clients.</td>
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<tr>
<td>Governance model developed for the creation of a regional network of SBDCs to facilitate the sharing of best practices, the development of regional trade linkages and bolster advocacy efforts for the regional MSME sector among national and regional institutions.</td>
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<tr>
<td>Monitoring and evaluation (reporting results to the OAS)</td>
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</tbody>
</table>

6. To what extent were results achieved attributable to the actions of the operation?

7. To what extent did the intervention result in addressing the crosscutting issue of a gender perspective and to what results?

8. Were there any unforeseeable/unplanned results or outcomes?

(D) Sustainability: lasting results?

9. To what extent are SBDC results lasting in your country once OAS support ceases?
## Evaluation matrix and workplan, March 2018

### Ownership of SBDC model: appreciating the approach

<table>
<thead>
<tr>
<th></th>
<th>Very high</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Very low</th>
</tr>
</thead>
</table>
| Policies and institutional frameworks in place to enable the implementation of the model
| MSME’s access to finance
| MSME’s access to insurance
| Linking to domestic or foreign markets

### Please explain your assessment:

### Annex 3 Evaluation questionnaire for WEBINARS: SBDC teams in CARICOM member states

1. What are the strengths of SBDC in your country?

2. What are the weaknesses of SBDC in your country?

3. What are the opportunities of SBDC in your country?

4. What are the threats of SBDC in your country?

5. What are the implications for any future phase of SBDC in your country?