

# Measuring Results:

Enterprise Challenge Fund  
Practices and Prospects

# Business Linkages & Financial Deepening CFs

- Descriptive, not quantitative
- Internal, not independent
- Focussed on direct, not indirect, impacts
- No impact 'target' ex ante
- No 'system' ex ante/ ex poste

“Individual projects have targets for the number of people to be supported by the time that FDCF support ceases. However, there is no overall outcome target defined in the log frame, so it is difficult to assess how much impact the programme is really having in addressing pro-poor issues.”  
(FDCF Review, 2005)

# But plenty of impact...

- BLCF: \$21m = 107,000 jobs
- Vodafone story
- Micro-insurance story

# ...and lessons re. significance of indirect impacts

- Systemic change in markets
- Replication
- Crowding in
- Scaling up
- Behavioural changes in businesses

... with implications for design

# The AusAID Context

- White Paper, Budget, Growth
- Effectiveness, effectiveness, effectiveness
  - PFs
  - ODE
  - QA reform
- Challenge Funds – evidence of effectiveness?

# CF Feasibility Analysis

- Methodology
- Estimating CF demand
- Forecasting CF project types
- Estimating CF beneficiaries
- Benchmarking

<b>Country</b>	<b>Cambodia</b>	<b>Lao</b>	<b>E. Indo</b>	<b>S. Phils</b>	<b>TOTAL</b>
<b>Est. no. Projects</b>	60	13	75	130	<b>278</b>
<b>Mean Value A\$</b>	220,833	188,462	330,000	434,615	<b>348,741</b>
<b>Total Direct Beneficiaries</b>	58,000	12,100	162,000	171,000	<b>403,100</b>
<b>A\$ per Beneficiary</b>	114	101	76	165	<b>120</b>
<b>Beneficiaries perA\$100,000</b>	875	988	1,309	605	<b>832</b>

<i><b>Beneficiaries/ A\$100,000</b></i>	<b>Cambodia</b>	<b>Lao</b>	<b>E. Indo</b>	<b>S. Phils</b>	<b>TOTAL</b>
Large Firm Distribution	2,000	1,600	2,000	800	<b>1,219</b>
Small Firm Infrastructure	300	400	300	300	<b>303</b>
Large Firm Supply Chain	267	267	160	133	<b>152</b>
<b>Mean</b>	<b>423</b>	<b>580</b>	<b>339</b>	<b>251</b>	<b>306</b>

# CF M&E

Independent assessment of:

- Direct impacts
- Indirect impacts
  - By project, across portfolio
  - Against 'BEE baselines'
  - Market research
  - Tracking studies
- Cost benefit analyses

# Issues still outstanding

- Specific 'theory of change' difficult to articulate ex ante
- Attribution – indirect impacts
- Additionality (the counterfactual)
  - Catalysis
  - Acceleration
- Which numeraire?