

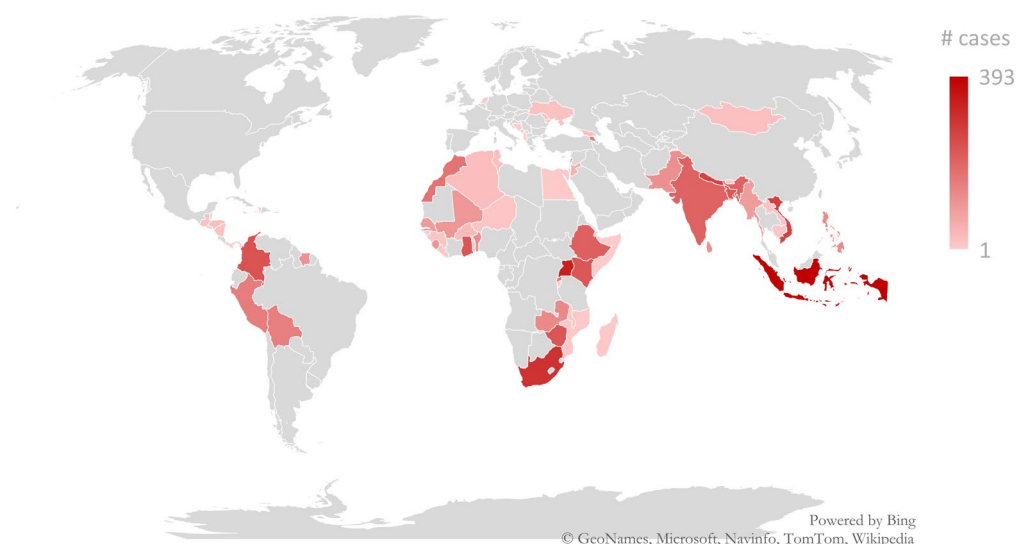
Evaluation PUM: Portfolio analysis 2017-2020
Annex D to Final Report



PUM Portfolio 2017-2020¹

Between January 2017 and September 2020, PUM conducted 5,782 cases and assisted 4,400 clients, mostly in Africa and Asia. As shown in Figure 1 and Figure 2, most PUM cases took place in Sub-Saharan Africa (44 percent) and in Asia (35 percent). The remaining 21 percent of cases took place in Latin America (12 percent), Middle East and North Africa (8 percent), and Europe (1 percent). The cases were mostly located in lower middle-income countries (39 percent) and in least developed countries (39 percent), followed by upper middle-income countries (21 percent). In total, 11 percent of cases operated in ‘fragile’ countries.²

Figure 1 PUM is mostly active in Africa and Asia

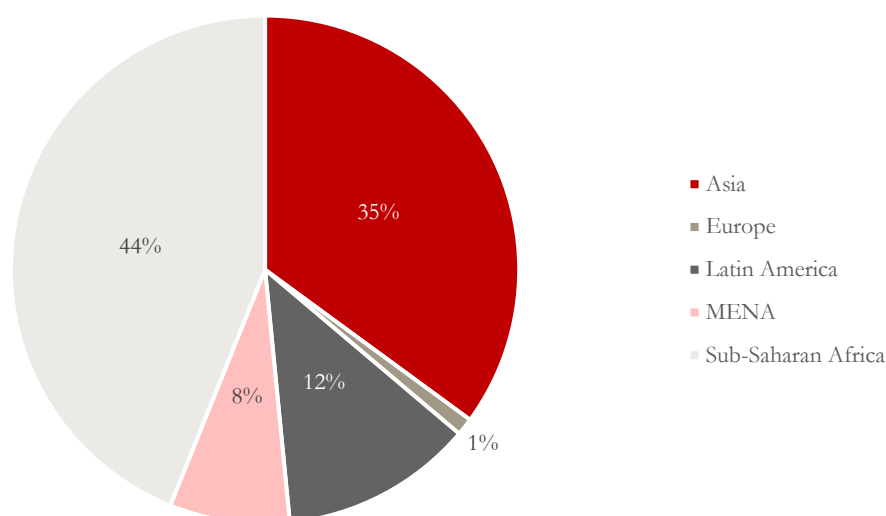


Source: PUM portfolio of cases between January 2017 and September 2020, n=5782

¹ This whole section is based on the database of all PUM cases between January 2017 and September 2020. The portfolio includes both completed cases (95 percent) and cases ready for debriefing (5 percent).

² Fragile Countries as defined by the World Bank (<http://pubdocs.worldbank.org/en/888211594267968803/FCList-FY21.pdf>)

Figure 2 The majority (44 percent) of PUM cases took place in Sub-Saharan Africa

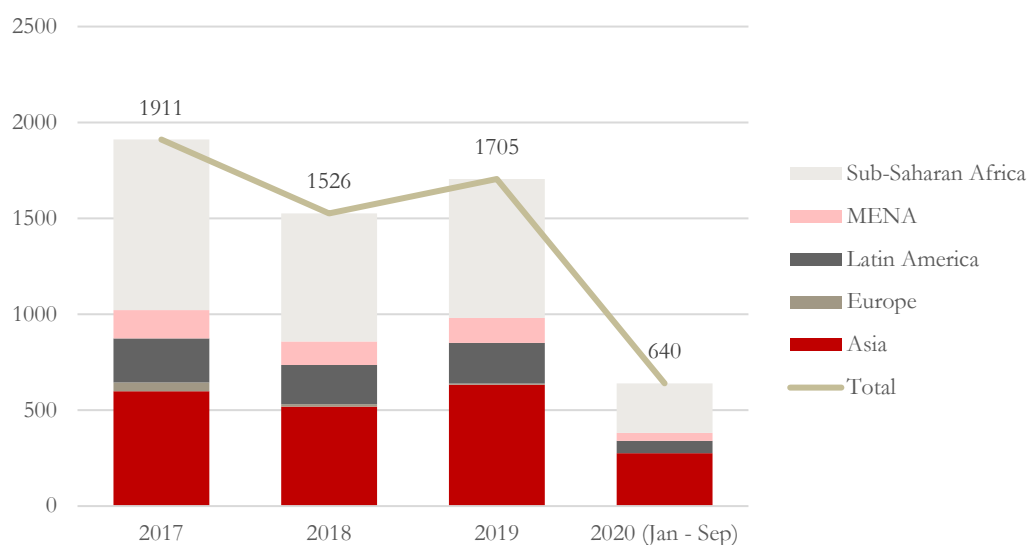


Source: PUM portfolio of cases between January 2017 and September 2020, n=5782

Most cases conducted between January 2017 and September 2020 started in 2017 (33 percent). As shown in Figure 3, after 2017 the portfolio saw the largest increase in cases in 2019 (29 percent of cases). Further, most of the new cases from 2017 till 2019, were recorded in Sub-Saharan Africa. In 2020, most of the new cases were recorded in Asia (5 percent from the 11 percent of new cases in the portfolio that year). When looking at the themes, in all four years, most new cases were recorded in the Food Security theme (40 percent of new cases per year on average) and the Services theme (23 percent of new cases per year on average). These figures are in support of PUM's strategic plan for 2017-2020, as a larger importance is placed on the Food Security theme.³

Since 2017, fewer new missions took place. As Figure 3 shows, the intake of new missions slowed down between 2017 (1,911 missions) and 2019 (1,705 missions). This reduction is likely related to the change in strategy adopted in 2017 after which PUM started focusing on fewer clients with the aim of achieving a larger and more sustainable impact per client. This implies that missions are often of a longer duration (when including the preparation of the mission) and are structured in the programmatic approach. Moreover, the more focused approach on a smaller number of sectors and countries which was adopted in 2017, could have decreased the number of cases PUM was able to provide. Further, it should be noted that the decline in missions in 2020, is most likely due to the COVID-19 pandemic, which has impacted PUM's ability to give advice.

³ PUM Preparation report PUM evaluation September 2020, page 10

Figure 3 The number of new cases per year decreased since 2017 (except in 2019)

Source: PUM portfolio of cases between January 2017 and September 2020, n=5782

The average case lasted for 19 days and was limited to one mission only. There are large variations per region: cases in Sub-Saharan Africa typically lasted for 21 days whilst cases in Europe typically lasted for 8 days. The vast majority (83 percent) of clients received only one PUM mission and 11 percent of clients received 2 missions.⁴ Apart from a few outliers (e.g., one client receiving 34 missions⁵), both the average and the median for clients was one mission.

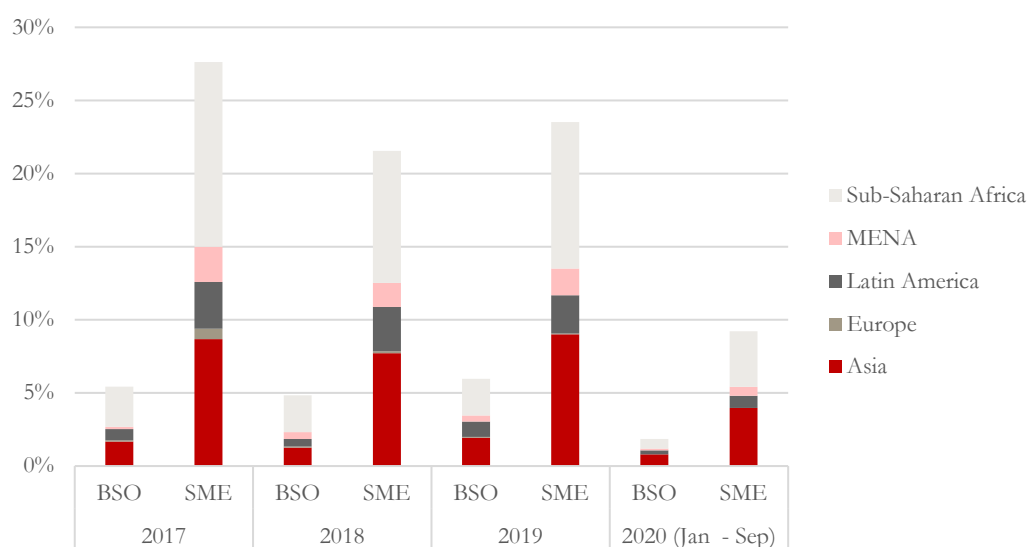
PUM clients

PUM mostly provided support to SMEs (81 percent of cases), with the share of BSOs remaining relatively small (19 percent of cases). BSOs are Business Support Organisations that contribute to SME performance by providing key services and enabling local business connections. They include chambers of commerce, cooperatives, sector organisations, employers' associations, vocational institutes, incubators and universities. Figure 4 shows the distribution of PUM activities between SMEs and BSOs per region over the past 4 years. Most cases were with SMEs in either Asia or Sub-Saharan Africa, for example 34 percent of cases in 2019 were in Sub-Saharan Africa with SMEs, this accounted for 10 percent of all cases in the portfolio. Further, when looking at the divide between the gender of the entrepreneur and the ownership of a SME or BSO, in both cases about 73 percent of SMEs and BSO are owned by men and the remaining 27 percent are owned by women.

⁴ The remaining 6 percent of the clients received 3 or more missions.

⁵ This client received 34 cases in the past four years through either attending seminars (5 cases), having a business link (2 cases) or Advice on-site cases (27 cases). The client's cases were sometimes part of a programme (e.g. ZW_DDE F2_ICSR Apparel or ZW_DDE F2_ICSR Agriculture Cold Chain Management) or stand-alone cases.

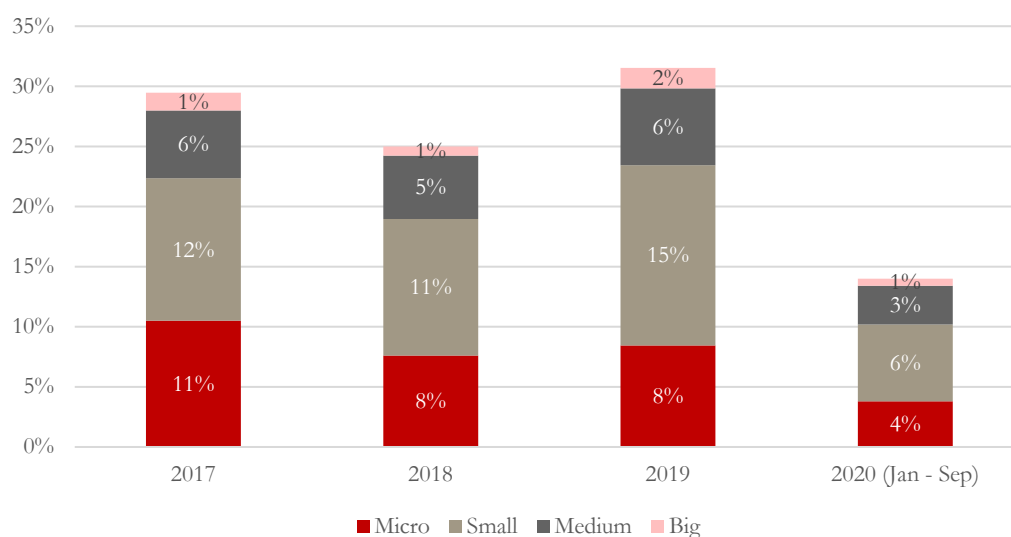
Figure 4 Around 80% of PUM clients are SMEs, the share of which has not changed much since 2017



Source: PUM portfolio of cases between January 2017 and September 2020, n=5782

PUM mostly supported small sized firms (employees between 10 to 50 people). As shown in Figure 5, over the past four years, 45 percent of clients on average were small sized firms. Following this, micro firms (employees between 1-10 people) were the largest group supported (30 percent on average) while PUM supported medium-sized firms (employees between 50 – 250) 21 percent of times on average. Large-sized firms (with employees over 250) were supported least often: they constituted only 4 percent of PUM clients over the past 4 years.

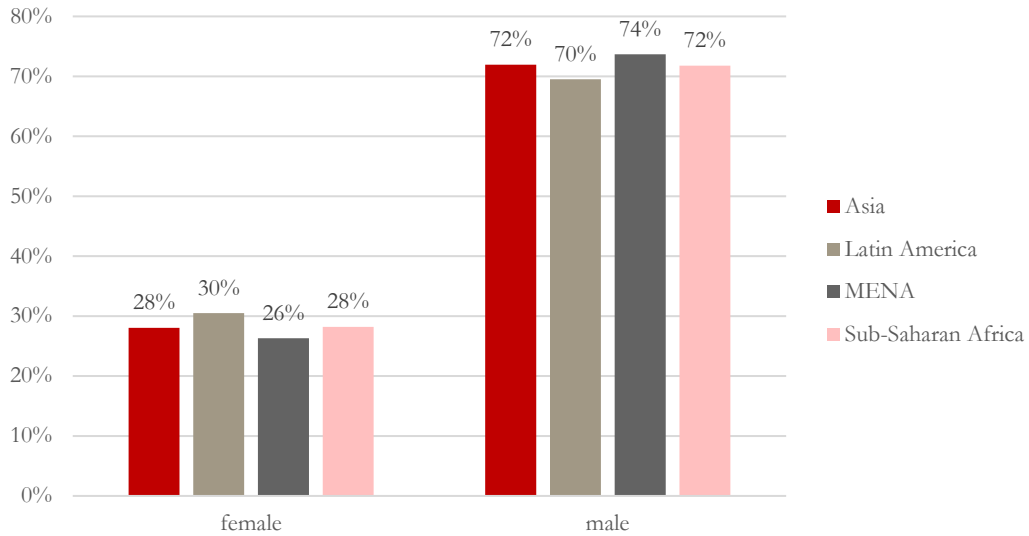
Figure 5 PUM mostly supports small sized firms (45% on average over the past 4 years)



Source: PUM portfolio of cases between January 2017 and September 2020, n=2236

Of the clients who indicated their gender to PUM (31 percent), 28 percent were women. Of the 31 percent of clients who indicated their gender, there are no big differences between the male/female ratio of PUM clients across regions. As shown in Figure 6 below, there are slightly more female PUM clients in Latin America (30 percent) compared to the number of female PUM clients in Sub-Saharan Africa (28 percent), Asia (28 percent) and MENA (26 percent).⁶

Figure 6 PUM clients in Latin America have the largest share of female entrepreneurs (30 percent)



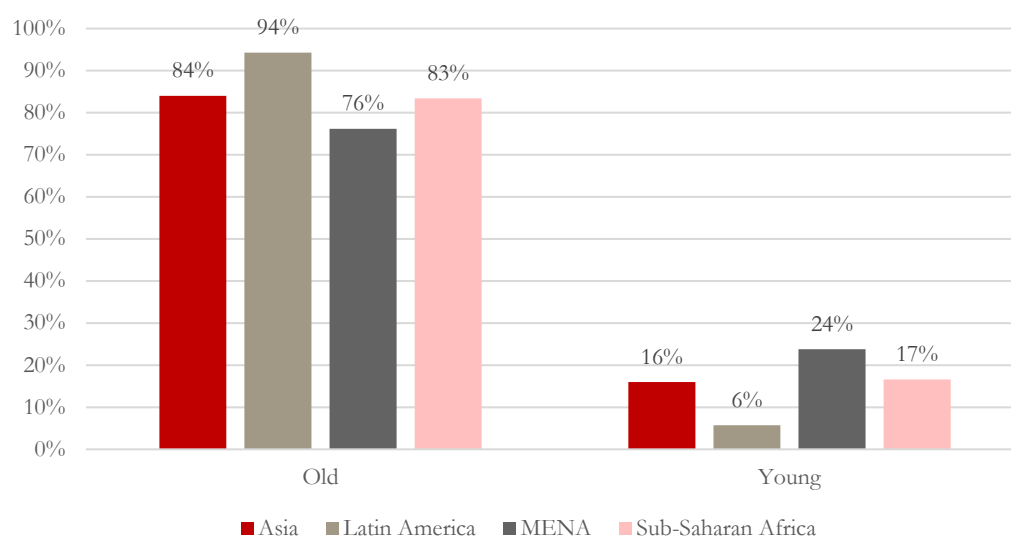
Source: PUM portfolio of cases between January 2017 and September 2020, n=1327

Out of the 29 percent of clients that indicated their age to PUM, 16 percent were below the age of 35 (young entrepreneurs). Across the different regions in the world where PUM is active, we find a higher concentration of young entrepreneurs in MENA (24 percent of entrepreneurs are young) and Sub-Saharan Africa (17 percent of entrepreneurs are young). Latin America has the lowest concentration of young entrepreneurs, as 6 percent of all entrepreneurs can be considered young. This finding corresponds with global trends in female entrepreneurship, where MENA scores considerably lower compared to other regions.⁷

⁶ Note that the differences between countries is significant.

⁷ World Bank Women’s Entrepreneurship (<http://documents1.worldbank.org/curated/en/629041543523635439/pdf/Operational-Guide-to-Womens-Entrepreneurship-Programs-An-Overview.pdf>)

Figure 7 MENA has the highest concentration of young entrepreneurs (24 percent)

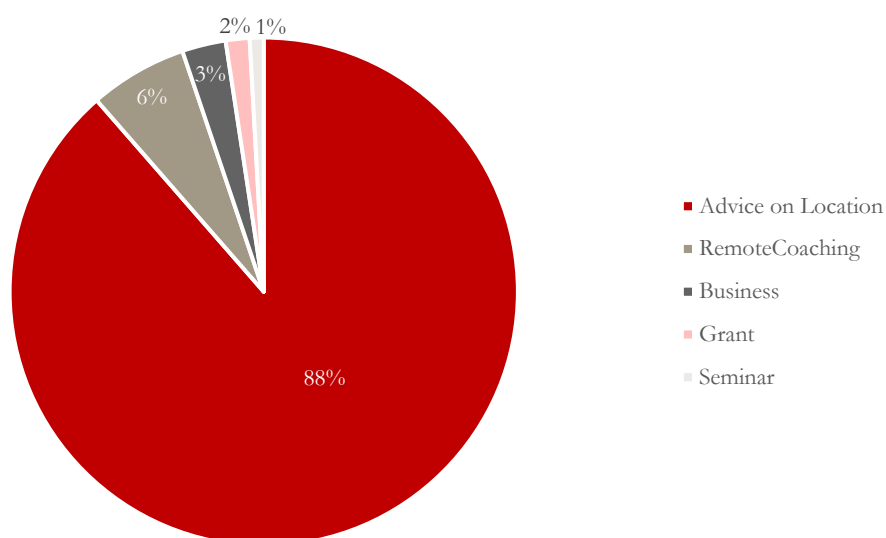


Source: PUM portfolio of cases between January 2017 and September 2020, n= 1257

Type of support, sectors and themes

As presented below in Figure 8, PUM supports its clients mostly in the form of advice on location (88 percent). The remaining 12 percent of case types were focused on Remote Coaching (6 percent), Business (3 percent), Grants (2 percent) or Seminars (1 percent). A Business case involves clients forming a business link with an expert and visiting the Netherlands to enhance trade opportunities. A Grant case implies that clients receive a grant from the Hans Blankert Fund, overseen by PUM, to stimulate growth and innovation in the business. The division of the type of cases provided is not show, as it does not differ significantly per region.

Figure 8 In the vast majority of cases (88%), PUM supports its clients with advice on location

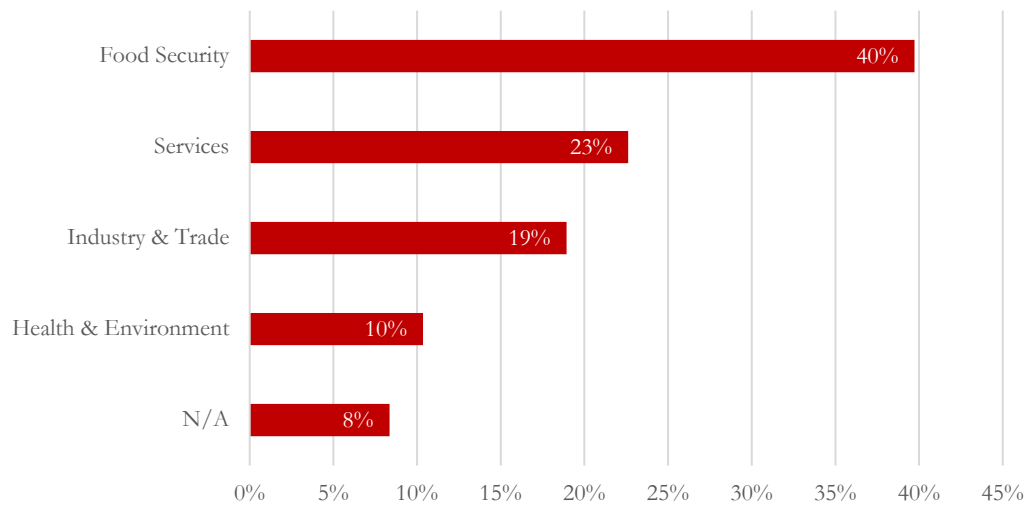


Source: PUM portfolio of cases between January 2017 and September 2020, n=5782

Since 2017 due to the advice of BCG, PUM divides sectors into four “themes,” of which Food Security is the largest. The themes are: Food Security (40 percent), Services (23 percent), Industry and Trade (19 percent) and Health and Environment (10 percent), shown in Figure 9. In Sub-Saharan Africa, Asia and Latin America most cases focus on the Food Security theme with 38 percent, 40 percent and 39 percent of cases respectively. PUM also categorises the cases in more detailed groups (by Client Sector Group or Client Sector) however, these groups show similar results (i.e. Food Security remains the largest group of cases).

The distribution of cases between themes was similar for both men and women. For both female and male entrepreneurs, the Food Security theme were the largest, with 38 and 39 percent of cases respectively. Additionally, there were no large differences in the distribution of cases per themes when differentiating on the entrepreneur’s age. There were slightly more young entrepreneurs in the Food Security theme (41 percent compared to 38 percent of old entrepreneurs) and in the Services theme (31 percent compared to 28 percent of old entrepreneurs).

Figure 9 40% of all PUM cases between 2017-2020 were in the Theme Food Security

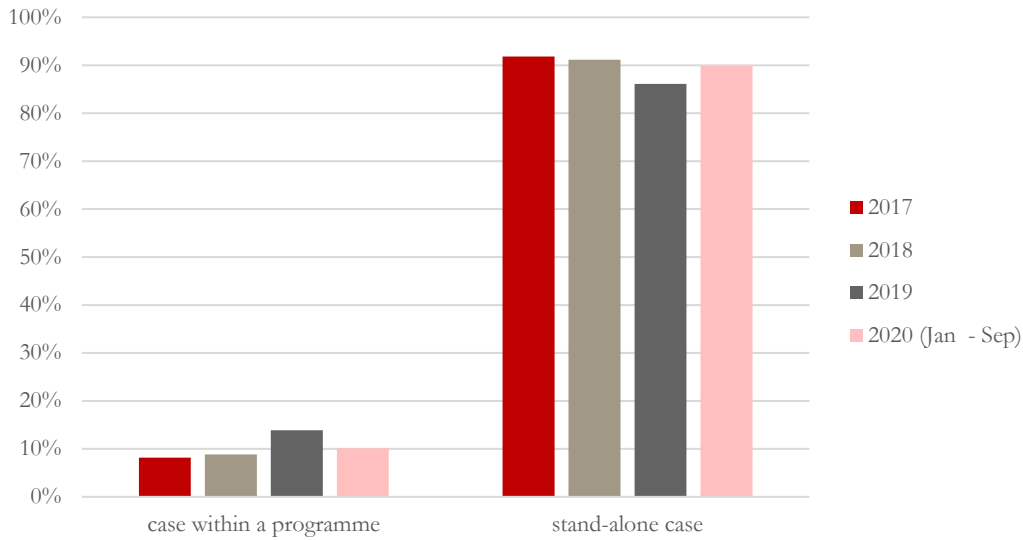


Source: PUM portfolio of cases between January 2017 and September 2020, n= 5782

Programmatic approach

PUM introduced the programmatic approach in 2017. Figure 10 shows that in 2017, 8 percent of cases started within a programme and 92 percent of the new cases were stand-alone cases. By 2019, these percentages had increased to 14 percent and 86 percent, respectively. However, due to COVID-19, the share of new cases that fell within a programme dropped slightly in 2020. There were no large differences between the share of female or male entrepreneurs who were active in within programme cases.

Figure 10 The share of PUM cases within a programme increased to 14% until 2019, but declined in 2020



Source: PUM portfolio of cases between January 2017 and September 2020, n=5782

As part of the programmatic approach, PUM strives to further develop economic clusters.

The dataset of finished cases between January 2017 and September 2020 included 298 cases (5 percent of total) that PUM classifies as falling under a “cluster”. The focus on clusters started in 2019 and the database showed an increase of cases in clusters since then. Different regions have developed different clusters. In Sub-Saharan Africa the largest economic clusters were Food Security (11 cases), Healthcare (10 cases) and Horticulture: vegetables and fruit (9 cases). In Asia the largest economic clusters were Hospitality (20 cases), Healthcare (19 cases) and Food Processing (13 cases). In Latin America the largest economic clusters were Tourism and Hospitality (3 cases), Cocoa Chain (1 case) and the Processing of dairy products cluster (1 case). In the Middle East and Northern Africa, the largest clusters were Beekeeping (5 cases), Dairy (4 cases) and Tourism (4 cases). As of 2020, no economic clusters have been developed in Europe.