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USAID MONITORING, EVALUATION, AND LEARNING ACTIVITY FINAL REPORT: BEYOND CAPITAL MIDTERM EVALUATION

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ABSTRACT

This report presents the findings, conclusions, and recommendations of a mid-term evaluation of Beyond Capital (BC), a non-profit Investment Management Company domiciled in Amman, Jordan. BC's mission is to close the pre-seed/seed capital financing gap faced by Jordanian start-ups that have graduated from an accelerator. Effectively, the Evaluation Team (ET) views BC as a start-up business, attempting to gain market traction for its three Pillars pilot activities.

This “learning-oriented” evaluation addressed the following issues: First, what is the quality and effectiveness of BC's Technical Assistance to increase the viability and scalability of qualified early-stage businesses? Secondly, what is BC's approach (methodology) to: a) increasing early-stage businesses access to investors and post-seed/pre-series A capital, b) investing in a Fund of Funds, and c) building the capacity of IFADA Fellows (aspiring Fund Managers, Angel Investors and Scouts). Thirdly, how successful has BC been in building the investment capacity of these new financial entrepreneurs?

The ET was tasked with answering eight specific questions with sub-components regarding whether program objectives were achieved, through adopting a mixed-method approach based on interviews with direct beneficiaries and key stakeholders and focus group discussions (FGDs) with various indirect beneficiaries. A mini-survey was also conducted with beneficiary entrepreneurs to elicit views and perceptions regarding BCs range and quality of support services within its brief.

The evaluation found that BC played a significant role in paving the way for the development of a more robust and sustainable entrepreneurial ecosystem in Jordan with clients benefiting from financial support and capacity measures.

EXECUTIVE SUMMARY

BACKGROUND

The U.S. Agency for International Development (USAID) and High Impact Investment Initiative Inc. (the “Grantee”) signed a Cooperative Agreement, effective 26 January 2016 with an estimated completion date of 25 January 2021 (subsequently modified to 25 December 2022). The purpose of the Agreement is to enable the Grantee to establish and capitalize an Investment Management (IM) company whose mission is to support the start-up investment ecosystem in Jordan.

Following this Agreement, USAID, Endeavour Jordan and Silicon Badia, collaborated to create Beyond Capital (BC), which was launched in November 2017. BC received \$10 million to design and launch its 3-Pillar¹ business model. BC’s mission is to close the Post seed/pre-Series A capital

financing gap faced by post-accelerator Jordanian start-ups. The primary beneficiaries of BC would be entrepreneurs, fund managers and angel investors.

Although major advances have occurred across the Jordanian entrepreneurial ecosystem, several significant challenges still hinder the implementation of an innovation-based national development strategy. Evidence of these challenges is the limited pool of investable start-up companies due to prevailing economic and political constraints. BC was created to meet this challenge and continues to work closely with beneficiaries and key stakeholders to carry out its original mandate.

EVALUATION PURPOSE

The overall purpose of this evaluation was to determine the effectiveness and approach of the Beyond Capital Activity by assessing its technical assistance (quality and effectiveness) to increase the viability and scalability of qualified early-stage businesses; approach to increase access to investors and risk capital to support the growth of businesses; approach to investing in fund of funds, and; approach and success in building the capacity of new financial entrepreneurs (including angels, scouts and IFADA Fellows² program) who invest in the ecosystem.

In addition to the above, the Evaluation Team (ET) considered the three specific learning questions (details are presented later in the report) that Beyond Capital has been addressing throughout its Monitoring, Evaluation and Learning (MEL) activities³: The findings, conclusions, and recommendations of the evaluation will serve to inform USAID/Jordan, Beyond Capital, and relevant stakeholders on steps that may need to be taken for the duration of the project in order to optimize the prospect of meeting its objectives.

EVALUATION METHODOLOGY

The evaluation was carried out by a four-member independent team of local and international evaluators between September and December 2020. USAID requested that the ET address eight main questions, including several sub-questions, all of which are addressed in the body of the report. The main questions were grouped into four performance “yardstick” criteria – Effectiveness, Efficiency, Relevance and Sustainability – and are summarized accordingly below in Findings, Conclusions and Recommendations. The evaluation employed a qualitatively dominant mixed-methods approach conducting (i) desk review of available primary and secondary documents; (ii) 69 key informant interviews, (iii) 3 focus group discussions, (iv) a mini-survey of selected 19 beneficiary entrepreneurs

¹ BC’s 3-Pillars are as follows: Pillars are as follows: Pillar 1 – Entrepreneur Support Program: To support existing and aspiring fund managers mainly through capacity building initiatives; Pillar 2 – Fund of Funds: BC’s start-up support program to provide early-stage businesses with capacity building and advisory services (technical assistance); Pillar 3: An angel investor support program where BC invests alongside angel investors through its Scout Program.

² IFADA Fellows – Beyond Capital’s inaugural innovation Finance Fellows Program designed to empower extraordinary individuals from diverse disciplines, to design, test and launch market-based innovation finance solutions.

³ As specified in Beyond Capital’s MEL Plan – 16 December 2019

contacted with 15 responses and (v) quantitative analysis of data reported by the program. COVID- 19 was the only serious limitation to this mid-term evaluation, which was addressed through remote data collection.

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Effectiveness⁴

Findings

- A. Jordan has a relatively stable **political** environment and supports the achievement of the UN's 2030 Sustainable Development Goals (SDGs) which in turn contributes toward the country being seen as a hospitable environment for investment funds. In **economic terms**, Jordan still has challenges to overcome related to legislation which is perceived as a major obstacle to attracting local and foreign investment. From a **social perspective**, there is strong support among the population for expanding entrepreneurship, as this is seen as having the potential to reduce unemployment.
- B. The responses gathered from the ET's mini-survey (15 out of 19 respondents) conducted with BC's direct beneficiaries suggested that the most significant findings were that start-ups appreciated both funding (the \$10k Award Funds) and BC's mentoring initiatives. The other services on offer featured 15 companies interested in taking up the \$25k COVID Recovery Loan, of whom 11 received the convertible loan.
- C. Female FGD participants said that most of their businesses tend to be "lifestyle" businesses which do not readily lend themselves to scalability. Consequently, they would not readily demonstrate that they would meet the criteria that BC requires for inclusion on its program.
- D. BC's support programs via technical assistance and award fund were perceived as being effective for the start-ups respective operations and thus exhibiting a collective high level of satisfaction.

Conclusions

- A. Jordan's support of the UN SDGs bodes well for encouraging the sustainability of BC activities. Jordan has, to date, underachieved in developing a regulatory environment to promote entrepreneurship, especially for youth and women.
- B. BC staff has a very enlightened attitude towards Jordanian start-ups wanting to relocate to the GCC region. That is, staff encourages relocation if this spurs the growth of the start-up. On the other hand, if BC staff think that the start-up is not prepared to scale, they will discourage relocation.
- C. The program has taken meaningful steps forward with regard, for example, to supporting fund managers, but less effective in reaching out to, for example, women-owned start-ups as identified by female respondents in both key informant indicators (KIIs) and focus group discussion (FGDs), all of whom owned their respective enterprises. However, it should be noted that BC's mandate is to support the nest companies in the ecosystem that meet its criteria and not necessarily aimed at women-owned enterprises which in real terms tend to be "lifestyle" businesses which wouldn't meet those criteria.
- D. The only major failing with regard to supporting women-owned businesses is connected with a lack of an effective promotional campaign that could reach all businesses in Jordan with an interest in investment opportunities in particular including young entrepreneurs. The feedback from the women's FGDs indicated that women entrepreneurs located outside of the Amman region tended to be unaware of BCs programs. Hence, BC needs to broadcast its program activities beyond Amman. That said, BC's current Pillar One Entrepreneur Support activities are gender agnostic. So, we recommend that BC work with USAID to determine where and how the Pillar One activities need to be revised to overcome the unique start-up challenges faced by women entrepreneurs in Jordan.

⁴ Defined as achieving intended outcomes.

- E. It is possible to conclude, in response to BC combining technical assistance services together with financial support, that those start-ups who received both were of the view that they had a positive effect on their respective businesses.

Recommendations

- A. Develop a financial model of the Fund of Fund (FoF) model that enables the Fund Manager to forecast the (interim) Internal Rate of Return (net of Fees) under different cash distribution scenarios. The model can be used to determine the appropriate size of the Fund.
- B. BC can help start-ups by ensuring start-ups possess a competitive edge in regional and international markets. The means to achieving this aim must be via determining, through diagnostic analysis, what start-ups lack in their respective operational capabilities and what measures are needed to improve performance in order to compete more effectively and profitably within their industry sector(s). Tailored technical assistance measures could then potentially be offered by BC.
- C. BC to assess the purpose of technical support measures, many of which in fact can already be sourced from a range of service providers in Jordan. Also, to determine whether the combination of advice on investment together with technical support measures is the correct “fit” going into the future.
- D. Perhaps the most relevant step that BC can take in the future to alleviate any misconceptions among women regarding BC’s services would be the introduction of a more robust and targeted media strategy aimed at reaching women-owned businesses via specific social media platforms or women-oriented internet groups.
- E. Provide Angel investors with additional investment opportunities by enabling them to co-invest alongside the individual Funds in BC’s FoF. The Scout program could benefit from minor modifications, for example, providing financial reward / incentive “upfront” when a scout-sourced or co-financed deal is closed.
- F. The ET recommends that the Scouts meet on a quarterly basis to share deal information and lessons learned. By meeting regularly, Scouts will be able to share their own successes and challenges more broadly and those lessons could then be applied.
- G. The ET recommend the recruitment of more female scouts. More female scouts are needed since they will be able to develop a broader network of emerging female entrepreneurs more easily. This extended network will, in turn, support the development of a pipeline of female entrepreneurs launching scalable businesses.
- H. For IFADA fellows, continue providing Training on Measurement of Environmental, Social and Governance (ESG) Impacts and UN Sustainable Development Goals. This would make BC-supported Funds more interesting to International Funds targeting double/triple bottom line investment opportunities. At the time of writing, the ET understood that BC was starting to implement these recommendations.
- I. BC could introduce a more robust scheme to determine whether technical assistance, financial support or both, can actually lead to increased profitability and growth. This would require participating businesses to undergo a thorough diagnostic analysis of their operations in order that targeted technical assistance offered matches the company’s growth needs.

Efficiency⁵

Findings

- A. One relatively unique challenge faced by BC is to prevent the poaching of “attractive” Jordanian start-ups by GCC countries offering very attractive locational incentives, e.g., free apartments and private health insurance for staff.
- B. Each cohort of start-ups and IFADA Fellows is a heterogeneous group, with regards to gaps in their knowledge, skill sets, and operational needs of their start-ups. Hence, a “one-size fits-all” training program for start-ups will have limited usefulness.

⁵ Defined as the relationship between resources used and changes generated.

- C. The BC 3-pillar model and two-sided market are functioning in a coordinated, effective fashion. Governance appears to be very effective since BC management appears to actively seek the opinion of the Governance Committee to resolve conflict-of-interest issues.
- D. The need to build a clearer path to regional and international markets should be an integral part of BC's longer-term strategy. Then, start-ups can achieve their scale potential (market share).
- E. The BC program is efficiently managed since the broad menu of activities in the three Pillars is managed by a team of four staff members. This managerial efficiency is possible since BC has assembled a team of very experienced finance and legal professionals who volunteer their time and effort to build a sustainable entrepreneurship ecosystem in Jordan.

Conclusions

- A. BC faces the risk that the Scout program may have a high drop-out rate due to the lengthy amount of time (5-7 years) that the Scouts have to wait to receive a financial pay out for their deal finding efforts.
- B. BC can provide a gateway to regional and international markets by drawing upon its network of Jordanian contacts spread throughout the GCC, especially UAE.

Recommendations

- A. To continually motivate the Scout search activities, the program may need to provide "upfront" financial incentives to the Scouts in the form of a finder's fee or a percentage share in the placement fee.
- B. BC needs to increase the flow of quality start-ups into the BC pipeline by working closely with universities in Jordan and their Innovation labs.
- C. BC should continue its ability to minimize operational costs by the extensive use of experienced finance and banking volunteers to select start-ups and make investment decisions as an indication of BC's strong management skills.

Relevance⁶

Findings

- A. BC does not have a "one-size fits all" start-up scalability methodology. BC permits the entrepreneur to drive the evolution/journey of the start-up and provides assistance when requested i.e., demand-driven.
- B. According to BC's latest reporting figures, an additional \$10 million has been raised by approximately 60.5% start-up companies, post-selection into the Support Program, \$7 million raised by year end 2019 (against a target of \$1 million) and the remainder to date.

Conclusions

- A. The primary indicator that BC can produce "mature" start-ups is the fact that BC has helped two of its start-ups to receive bank loans. In other words, BC can produce both investable and bankable start-ups.
- B. The evidence suggests that financial targets set under the three Pillar arrangement have been exceeded with nearly two thirds of the start-ups benefiting from investment capital. There is no evidence of an increase in early-stage businesses coming within BC's portfolio.
- C. Attraction of the outside capital is a solid indicator of the value-added that BC brings to start-ups and has certainly contributed to the development and growth of BC's start-up companies.

Recommendations

⁶ Defined as the value-added contribution to the entrepreneurship ecosystem.

- A. BC management would be well advised to maintain a close (or closer) contact with current and potential investors to inform its strategic options based on how the market is acting and reacting on an ongoing basis. All investors live by the 'return-on-investment' motivation and incentive to invest and this must be at the forefront of BC's thinking and mindset.

Sustainability⁷

Findings

- A. Under BC's current operating regime, existing clients (start-ups and suppliers of finance) benefit from BC's menu of support services mostly on a no-cost basis and these customers would need to remain within BC's client portfolio assuming they are in a position to do so given the constraints on growth due to the COVID-19 pandemic. BC's current *modus operandi* essentially and in principle focuses on targeting promising start-ups in Jordan that can benefit from BC's range of financial and technical assistance support services.
- B. BC will need to determine whether, post-December 2022, potential start-ups satisfying the current selection criteria would be prepared and be in a position to actually pay for services currently offered for free by BC.
- C. One of the main findings with respect to the start-ups was that the availability of funding via the \$10k Award Scheme and the \$25k COVID Recovery Loan Program was considered essential to a number of start-ups to help alleviate the negative impact on their respective businesses. These initiatives supported stability and survival in some cases in the short term.

Conclusions

- A. From the data and information gathered, the evidence in support of BC being sustainable in its current format, cannot readily be substantiated or proven one way or another.
- B. The conditions for sustainability rely on two important factors: first, will USAID continue to support BC with funding post-2022 and second, if such support were not forthcoming and BC was dependent on clients paying for services, would the company be able to survive in the future? In short, in the absence of answers on both questions, the evidence remains inconclusive given too many unknown factors.
- C. Based on the evidence gathered from the ET's investigations and analysis, BC should consider the following options/actions to improve the likelihood of longer-term sustainability:
- a. Retain existing clients with the potential for repeat business by developing a strategy and subsequent methodology to determine their precise development needs, if scaling up is the anticipated end result.
 - b. Initiate a follow-up procedure with existing clients to determine in particular if planned interventions actually lead to increased profitability over time.
 - c. BC should also conduct a review of its technical assistance services to determine if the nature and delivery of those services is realistically meeting customer demand and to be sustainable as an organization will be dependent on BC's ability to continue servicing and retaining existing clients, as well as finding new ones.
- D. The following actions are therefore recommended relative to each of the three Pillars. They are considered as some of the essential actions in order to improve sustainability.

Pillar One – Entrepreneur Support Program: i) broaden the scope of advertising and promotion to districts outside of Amman to include specific media campaigns aimed at reaching women and youth ii) expand geographic outreach during the remainder of the

⁷ Defined as the ability of Beyond Capital to continue operations over time.

project and iii) Insert Entrepreneur Support Eligibility Criteria on the landing page of the BC website.

Pillar Two – Investment Funds: IFADA Fellows - Provide Training on Measurement of Environmental, Social and Governance (ESG) Impacts and UN Sustainable Development Goals. This would make BC-supported Funds more interesting to International Funds targeting double/triple bottom line investment opportunities. *Fund of Funds* - hire additional staff and form a separate team to assume responsibility for managing the FoF and Search for an “anchor” investor in the FoF. Determine if the anchor investor is interested in sponsoring an Evergreen Fund of Funds, designed to attract patient capital.

Pillar Three – Accessing Private Capital via Angels and Scouts: *Angel Investors*- Prior to start-up Pitch Day, provide Angel investors with start-up pitch decks and provide Angel investors with additional investment opportunities by enabling them to co-invest alongside the individual Funds in BC’s FoF. *Scouts* - We recommend that the Scouts meet on a quarterly basis to share deal information and “lessons learned” and the recruitment of more women scouts. This would allow for greater access to a network of women entrepreneurs seeking to build scalable businesses.

- E. This evaluation has suggested that, until at least the end of the program, BC continues to offer its finance initiatives together with demand-driven and focused technical assistance support services to improve competitiveness and growth prospects.
- F. In addition, and given the prevailing conditions imposed in Jordan in response to COVID -19, a significant proportion of business activity will need to be conducted remotely / virtually. BC could contribute to facilitating this new development, first, by ensuring its in-house operations are geared up technically to handle matters through at least having sufficient trained staff to effectively communicate with clients and second, by conducting a brief assessment of clients’ current operating abilities and determining together with them what practical assistance is needed to enable such a transition from normal / usual working practices to the new order (at least until the pandemic has officially ended).



USAID
من الشعب الأمريكي



مشروع المتابعة والتقييم والتعلم

تقييم منتصف المدة لـ "بيوند كابيتال" Beyond Capital

الملخص التنفيذي

إخلاء المسؤولية: تم إعداد هذا التقرير بدعم من الشعب الأمريكي من خلال الوكالة الأمريكية للتنمية الدولية. محتويات هذا التقرير هي مسؤولية شركة كايزن وحدها ولا تعكس بالضرورة آراء الوكالة الأمريكية للتنمية الدولية أو حكومة الولايات المتحدة الأمريكية.

المقدمة

وقّعت الوكالة الأمريكية للتنمية الدولية (USAID) ومبادرة الاستثمار عالي التأثير (High Impact Investment Initiative Inc.) [المستفيد] اتفاقية تعاون اعتباراً من 26 كانون الثاني 2016 ولغاية 25 كانون الثاني 2021 (حيث تم فيما بعد تعديل تاريخ الانتهاء ليصبح 25 كانون الأول 2022). وتهدف هذه الاتفاقية إلى تمكين المستفيد من إنشاء شركة لإدارة الاستثمارات ودعم بيئة الأعمال للاستثمار في الشركات الناشئة في الأردن.

في أعقاب توقيع هذه الاتفاقية، تعاونت وكالة USAID وشركة إنديفور الأردن (Endeavour Jordan) وشركة سيليكون بادية (Silicon Badia) لتأسيس "بيوند كابيتال" (Beyond Capital)، والتي تم إطلاقها في تشرين الثاني 2017. وقد حصلت "بيوند كابيتال" على مبلغ 10 ملايين دولار لتصميم وإطلاق نموذج الأعمال القائم على ثلاث مجموعات¹. وتنطوي مهمة "بيوند كابيتال" على إغلاق الفجوة التمويلية لرأس المال في مرحلة ما بعد التأسيس/للمجموعة الأولى من فئة المستفيدين (post seed/pre-Series A) والتي تواجهها الشركات الأردنية الناشئة في مرحلة نظام التأسيس السريع للأعمال. ويعتبر المستفيدون الرئيسيون من "بيوند كابيتال" هم الرياديون ومدراء صناديق التمويل والمستثمرون المبادرون.

ورغم وجود تقدم كبير في بيئة الأعمال الريادية الأردنية، إلا أنه ما زالت هناك عدة تحديات هامة تعمل على إعاقة تنفيذ استراتيجية وطنية تنموية تركز على الابتكار. ويعتبر العدد المحدود من الشركات الناشئة التي يمكن الاستثمار بها هو أحد الدلائل على تلك التحديات، ويعود سبب ذلك إلى القيود الاقتصادية والسياسية السائدة. وقد تم إنشاء "بيوند كابيتال" لمواجهة هذا التحدي وما زال البرنامج يعمل عن كثب مع المستفيدين وأصحاب المصالح الرئيسيين لتنفيذ الأنشطة المنصوص عليها والمهام الواردة كما وردت في العقد/الاتفاقية الموقعة.

هدف التقييم

كان الهدف من التقييم هو تحديد فعالية ونهج أنشطة "بيوند كابيتال" من خلال تقييم المساعدات الفنية (الجودة والفعالية) من أجل زيادة جدوى الشركات المؤهلة وقابليتها للتوسع في مراحلها المبكرة، وتوجهه نحو زيادة سبل الوصول إلى المستثمرين ورأس المال المخاطر لدعم نمو الأعمال، ونهج الاستثمار في صندوق المنح، بالإضافة إلى نهج بناء قدرات رواد الأعمال الماليين الجدد (بمن فيهم المستثمرون المبادرون، والكشافون (scouts) والزلاء في برنامج "إفادة" (IFADA) 2) الذين قاموا بالاستثمار في بيئة الأعمال هذه.

وإضافة إلى ما تقدّم، قام فريق التقييم بدراسة ثلاثة أسئلة تعلّمية محددة (التفاصيل في التقرير) والتي تعامل معها "بيوند كابيتال" من خلال إجراء نشاطات المتابعة والتقييم والتعلّم³. وسوف تعمل نتائج واستنتاجات وتوصيات عملية التقييم على تزويد الوكالة الأمريكية للتنمية الدولية USAID-الأردن و"بيوند كابيتال" وأصحاب المصلحة المعنيين حول الآليات والخطوات الواجب اتخاذها خلال فترة المشروع بهدف تعظيم احتمالات تحقيق أهداف المشروع.

¹ نظام "بيوند كابيتال" ذو الثلاث ركائز، وهي: الركيزة الأولى: برنامج دعم الأعمال الريادية، وهي مرتبطة بدعم مدراء الصناديق القائمين والطموحين من خلال مبادرات بناء القدرات بشكل رئيسي. الركيزة الثانية: صندوق الصناديق، وهي برنامج "بيوند كابيتال" لدعم الشركات الناشئة لتوفير خدمات بناء القدرات والخدمات الاستشارية (الدعم التقني) للمراحل الأولى للأعمال. الركيزة الثالثة: برنامج الدعم من خلال المستثمر المبادر (angel investor) حيث يقوم "بيوند كابيتال" بالاستثمار إلى جانب مستثمرين مبادرين من خلال برنامج "الكشاف" (Scout Program) التابع له.

² زملاء "إفادة" - هو البرنامج الافتتاحي لزملاء التمويل للابتكار التابع لـ "بيوند كابيتال" وهو مصمم لتمكين الأفراد المميزين من مجالات متنوعة من تصميم واختبار وإطلاق حلول تمويل ابتكارية تركز على السوق.

³ كما هو محدد في خطة المتابعة والتقييم والتعلّم لـ "بيوند كابيتال" - 16 كانون الأول 2019.

المنهجية

أجرى التقييم فريق مستقل مكون من أربعة أعضاء من المقيمين المحليين والدوليين في الفترة الواقعة ما بين أيلول وكانون الأول 2020. وقد طلبت الوكالة الأمريكية للتنمية الدولية USAID من فريق التقييم البحث والإجابة عن ثمانية أسئلة رئيسية، بما فيها عدد من الأسئلة الفرعية، وتمت تغطية جميع الأسئلة في التقرير. وتم جمع الأسئلة الرئيسية في أربعة معايير لقياس الأداء هي: الفاعلية، والكفاءة، ومدى تحقيق الأهداف المرجوة، والإستدامة، وهي ملخصة فيما يلي في النتائج والاستنتاجات والتوصيات. وقد تم توظيف عدد من أساليب وأدوات البحث في هذا التقييم (1) مراجعة مكتبية للوثائق الأولية والثانوية المتوفرة، (2) 69 مقابلة مع المختصين وأصحاب المصلحة، (3) ثلاثة مجموعات نقاش مركزة، (4) دراسة استقصائية من خلال استطلاع قصير تم توزيعه على 19 مستفيد من الرياديين الذين تم الإتصال بهم وتم الحصول على 15 إستجابة، (5) تحليل كمي لبيانات المشروع. وقد كان وباء كوفيد-19 هو المحدد الوحيد والجدي لعملية التقييم هذه، وتم التعامل معه من خلال جمع البيانات عن بعد.

النتائج والاستنتاجات والتوصيات

الفاعلية⁴

النتائج

- أ. يتمتع الأردن ببيئة **سياسية** مستقرة نسبياً، ويدعم عملية تحقيق أهداف التنمية المستدامة 2030 التابعة للأمم المتحدة، الأمر الذي يساهم بدوره في النظر إلى الدولة كهيئة حاضنة للأموال الإستثمارية. ومن الناحية **الإقتصادية**، ما زال الأردن يواجه تحديات يتوجب التغلب عليها فيما يتعلق بالتشريعات، والتي ينظر إليها على أنها عقبة رئيسية أمام جذب الاستثمارات المحلية والأجنبية. ومن المنظور **الإجتماعي**، هناك تأييد قوي بين السكان لتوسيع مجال الأعمال الريادية التي يُنظر إليها على أنها تمتلك القدرة الكامنة على خفض معدل البطالة.
- ب. أشارت نتائج الاستطلاع القصير (15 من 19 مشارك) الذي أجراه فريق التقييم مع مستفيدين مباشرين من "بيوند كابيتال" إلى أن أهم الأنشطة التي استفادت منها الشركات الناشئة كانت (صندوق منحة الـ 10,000 دولار) ومبادرات "بيوند كابيتال" التوجيهية والإرشادية لتلك الشركات الناشئة ومن الخدمات الأخرى التي وفرتها بيوند كابيتال هي قرض التعافي من آثار كوفيد 19 و قيمته 25,000 دولار، حيث حصلت 11 شركة على هذا القرض من أصل 15 شركة تقدمت للحصول على هذا القرض القابل للتحويل.
- ج. ذكرت السيدات المشاركات في مجموعات النقاش المركز، أن معظم أعمالهن تميل لأن تكون ضمن ما يسمى بـ "نمط الحياة" ولا تصلح للتوسع بسهولة. ونتيجة لذلك، فانه من الصعب على هؤلاء السيدات استيفاء المعايير التي يطلبها "بيوند كابيتال" ليشملها في برامجه.
- د. تعتبر برامج الدعم التابعة لـ "بيوند كابيتال" والمتوفرة من خلال الدعم الفني او صندوق المنح على أنها فاعلة للبدء بأعمال الشركات الناشئة، وهي بالتالي تظهر مستوى عال من الرضى والقناعة لدى العملاء.

الاستنتاجات

- أ. إن دعم الأردن لأهداف الأمم المتحدة للتنمية المستدامة يبشر بالخير لتشجيع استدامة نشاطات "بيوند كابيتال". إلا انه لم يحقق الأردن حتى الآن إنجازات كبيرة في تهيئة بيئة تنظيمية لتعزيز ريادة الأعمال، وخاصة للشباب والنساء. يبدي موظفو "بيوند كابيتال" توجهاً منفتحاً تجاه الشركات الأردنية الناشئة التي ترغب بنقل موقع أعمالها إلى منطقة دول مجلس التعاون الخليجي. أي أن هؤلاء الموظفين يشجعون عملية الانتقال إذا كانت تحقّق نمو الشركة الناشئة. ومن ناحية أخرى، إذا رأى موظفو "بيوند كابيتال" أن الشركة الناشئة غير مستعدة للتوسع فإنهم يعملون على عدم تشجيع عملية الانتقال هذه.

⁴ يعرف على أنه تحقيق المخرجات المقصودة.

ب. اتخذ المشروع خطوات ملحوظة وفعالة فيما يتعلق، على سبيل المثال، بدعم مدراء الصناديق، إلا أنها كانت أقل فاعلية فيما يتعلق، على سبيل المثال، بالوصول إلى الشركات الناشئة التي تملكها نساء، وذلك حسب ما أفادت به المشاركات في المقابلات مع المختصين وأصحاب العلاقة وفي مجموعات النقاش المركز، وكُنَّ جميعهن يملكن مؤسساتهن وأعمالهن. وتجدر الإشارة إلى أن الوظيفة الرئيسية لـ "بيوند كابتال" هي دعم الشركات الناشئة ضمن نظام بيئة ريادة الأعمال التي تستوفي المعايير التي وضعتها وليس بالضرورة استهداف تلك المؤسسات التي تملكها نساء والتي تميل في واقع الحال لأن تكون أعمال تتعلق بـ "نمط الحياة" ولا تستوفي تلك المعايير.

ج. إن التحدي الرئيسي الوحيد فيما يتعلق بدعم الأعمال أو الشركات التي تملكها النساء يعود إلى عدم وجود حملة ترويجية فاعلة تستطيع الوصول إلى كافة الأعمال في الأردن والتي لها اهتمام بفرص الاستثمار بشكل خاص، بما في ذلك الرياديين الشباب. وقد أشارت التغذية الراجعة من مجموعات النقاش المركز إلى أن صاحبات المشاريع اللاتي يقعن خارج منطقة عمان ليست لديهن معرفة ببرامج "بيوند كابتال". لذا، يحتاج "بيوند كابتال" لترويج نشاطات برامجه وتكثيفها خارج عمان. رغم ذلك، فإن أنشطة دعم الرياديين (Pillar One Entrepreneur Support) الحالية في برنامج "بيوند كابتال" تعتبر محايدة من حيث النوع الاجتماعي. لذا نوصي بأن تعمل "بيوند كابتال" مع الوكالة الأمريكية للتنمية الدولية USAID بتحديد أين وكيف يتوجب مراجعة هذه النشاطات لتتغلب على تحديات الشركات الناشئة الفريدة التي تواجهها الرياديات النساء في الأردن.

د. يمكن الاستنتاج أن دمج الخدمات المقدمة من بيوند كابتال ما بين الدعم الفني والمالي كان له أثر إيجابي أكبر على دعم الشركات الناشئة

التوصيات

أ. تطوير نموذج مالي لنموذج صندوق المنح بحيث يمكن مدير الصندوق من التنبؤ بمعدل العائد الداخلي للاستثمار (المرحلي) بعد احتساب الرسوم بموجب سيناريوهات مختلفة لتوزيع التمويل. ويمكن استخدام النموذج لتحديد الحجم المناسب للصندوق.

ب. تستطيع "بيوند كابتال" مساعدة الشركات الناشئة من خلال ضمان حصول هذه الشركات على الأفضلية التنافسية في الأسواق الإقليمية والعالمية. ويجب أن ينطوي أسلوب تحقيق هذا الهدف على عملية تحديد القدرات التشغيلية التي تفتقر إليها هذه الشركات الناشئة - من خلال التحليل التشخيصي - وماهية الإجراءات الضرورية لتحسين أدائها لتتمكن من التنافس بشكل أكثر فاعلية وربحية ضمن قطاعات صناعتها. حيث يمكن بعد ذلك أن تقوم بيوند كابتال بتقديم إجراءات الدعم الفني وبما يتلائم مع إحتياجات تلك الشركات لتحسين أدائها.

ج. يُوصح "بيوند كابتال" بتقييم تدابير وأهداف أنشطة الدعم الفني والتي يمكن الحصول على العديد منها فعلياً من مجموعة كبيرة من مزودي الخدمات في الأردن. كذلك، يُنصح العمل على تحديد ما إذا كان المزج ما بين تقديم الإستشارات المتعلقة بالاستثمار والدعم الفني هو الأسلوب الأنسب للشركات الناشئة والتي تمكنها من التوسع والإتجاه نحو المستقبل.

د. لعل الخطة الأكثر ارتباطاً والتي يمكن لـ "بيوند كابتال" اتخاذها في المستقبل لإزالة أي سوء فهم في أوساط النساء صاحبات الأعمال فيما يتعلق بخدمات "بيوند كابتال" هو استخدام استراتيجية إعلامية أكثر نشاطاً وتوجيهاً تهدف إلى الوصول إلى الأعمال أو الشركات التي تملكها النساء من خلال منصات خاصة للتواصل الاجتماعي أو مجموعات على الإنترنت موجهة نحو النساء.

هـ. توفير المستثمرين المبادرين بفرص استثمار إضافية من خلال تمكينهم من الإستثمار بالتشارك إلى جانب الصناديق الفردية في صندوق المنح التابع لـ "بيوند كابتال". ويمكن لبرنامج "الكشاف" (Scout) الإستفادة من تعديلات طفيفة، مثل توفير المنح/الحوافز المالية "مقدماً" عند إغلاق صفقة أو تمويل مشترك.

و. يوصي فريق التقييم أن يلتقي الكشافون كل ثلاثة أشهر للتشارك بمعلومات حول التمويل والدروس المستفادة. فمن خلال الاجتماعات الدورية، يمكن للكشافين مشاركة قصص نجاحهم والتحديات التي واجهوها بشكل أوسع ويمكن حينها تطبيق هذه الدروس المستفادة.

ز. يوصي فريق التقييم بتوظيف المزيد من الكشافة النساء حيث توجد حاجة لهن بسبب قدرتهن على تطوير شبكة أوسع من الرياديات الناشئات بسهولة أكبر. وسوف تدعم هذه الشبكة الممتدة بدورها تطوير سلسلة من الرياديات اللواتي يعملن على إنشاء الأعمال القادرة على النمو والتوسع.

ح. فيما يتعلق ببرنامج "إفادة"، يُنصح بالاستمرار في توفير التدريب حول قياس الآثار البيئية والاجتماعية والحوكمة وحول أهداف التنمية المستدامة التابعة للأمم المتحدة. والذي من شأنه أن يجعل ذلك من الصناديق التي

تدعمها "بيوند كابيتال" أكثر جاذبية للصناديق العالمية التي تستهدف فرص الاستثمار المزدوجة/الثلاثية (double/triple bottom line investment). ومن الجدير بالذكر أنه لحظة كتابة هذا التقرير، كان فريق التقييم على علم بأن مشروع "بيوند كابيتال" قد بدأ بتطبيق هذه التوصية.

ط. تستطيع "بيوند كابيتال" تقديم خطط أقوى لتحديد ما إذا كان الدعم الفني أو المالي أو كلاهما معاً تستطيع فعلياً تحقيق ربحية أكبر ونمو أوسع للشركات الناشئة، وذلك يتطلب إجراء عملية تشخيص دقيقة للأنشطة والعمليات للشركات المشاركة للنظر فيما إذا كان الدعم الفني المقدم للفئات المستهدفة يتطابق مع احتياجات نمو الشركة.

الكفاءة⁵

النتائج

- أ. إن أحد التحديات الفريدة نسبياً التي يواجهها مشروع "بيوند كابيتال" هو منع تسرب الشركات الناشئة الأردنية واستقطابها من قبل دول مجلس التعاون الخليجي التي تقدم حوافز مغرية جداً مثل الشقق المجانية والتأمين الصحي الخاص للموظفين.
- ب. تعتبر الشركات الناشئة وبرنامج "إفادة" مجموعات غير متجانسة، حيث تختلف فيما بينها في معارفها ومهاراتها واحتياجاتها التشغيلية، لذا، يعتبر البرنامج التدريبي الموحد للجميع محدود الفائدة.
- ج. يعمل نموذج "بيوند كابيتال" بمحاورة الثلاث والسوق ذو الجانبين - المزدوج - بأسلوب متناسق وفاعل. وتبدو الحوكمة ذات فاعلية كبيرة حيث أن إدارة "بيوند كابيتال" تسعى على ما يبدو وبشكل كبير للحصول على رأي لجنة الحوكمة لحل القضايا المتعلقة بتضارب المصالح.
- د. يجب أن تشكّل الحاجة لبناء مسار أكثر وضوحاً نحو الأسواق الإقليمية والعالمية جزءاً لا يتجزأ من استراتيجية "بيوند كابيتال" على المدى الأبعد. ويمكن للشركات الناشئة بعد ذلك تحقيق إمكاناتها على نطاق واسع (حصتها السوقية).
- هـ. تتم إدارة برنامج "بيوند كابيتال" بكفاءة حيث تتم إدارة قائمة الأنشطة الواسعة ضمن محاوره الثلاث من قبل فريق مكون من أربعة موظفين. حيث قام مشروع "بيوند كابيتال" بجمع فريق من المهنيين ذوي الكفاءة العالية في المجالات القانونية والمالية والذين يتبرعون بوقتهم وجهودهم لبناء بيئة أعمال مستدامة للشركات الريادية في الأردن.

الاستنتاجات

- أ. يواجه برنامج "بيوند كابيتال" خطر ارتفاع معدل خسارة برنامج "الكشاف" (Scout) لمواهبه وكشافته ومغادرتهم نظراً للفترة الزمنية الطويلة (5 - 7 سنوات) التي يتوجب على الكشافين انتظارها قبل الحصول على دفعة مالية مقابل الجهود التي بذلوها للحصول على التمويل.
- ب. يستطيع برنامج "بيوند كابيتال" توفير بوابة إلى الأسواق الإقليمية والعالمية من خلال الاستفادة من شبكة التواصل للمستثمرين الاردنيين والمنتشرة في جميع أرجاء دول مجلس التعاون الخليجي وخاصة دولة الإمارات العربية المتحدة.

التوصيات

- أ. قد يكون برنامج "بيوند كابيتال" بحاجة إلى توفير حوافز مالية مقدماً للكشافين على شكل مكافآت أو نسبة مئوية من رسوم الانتساب، وذلك لتشجيع ومواصلة نشاطات الكشافين في البحث عن الأعمال والتمويل.
- ب. يحتاج برنامج "بيوند كابيتال" لزيادة استقطاب الشركات الناشئة المؤهلة للاستفادة من مشروع "بيوند كابيتال" عن طريق العمل عن كثب مع الجامعات الاردنية ومختبراتها الابتكارية.

⁵ يعرف على أنه العلاقة بين المصادر المستخدمة والتغيرات المتحققة.

ج. يتوجب على "بيوند كابيتال" مواصلة قدرته على خفض التكاليف التشغيلية إلى أقل حدّ عن طريق الاستخدام المكثّف للمتطوعين ذوي الخبرة في الشؤون المالية والمصرفية في عملية اختيار الشركات الناشئة واتخاذ قرارات الاستثمار، وذلك كدليل على مهارات "بيوند كابيتال" الإدارية العالية.

الارتباط⁶

النتائج

أ. ليس لدى برنامج "بيوند كابيتال" منهجية واحدة لتوسيع ونمو الشركات الناشئة. فالمشروع يتيح للرياديين قيادة رحلة أو تطوّر الشركة الناشئة بنفسها ويعمل على توفير المساعدة عند الطلب، أي أن المشروع مدفوع بالطلب. ب. وفقا لآخر أرقام التقارير الصادرة عن مشروع "بيوند كابيتال"، تم جمع 10 ملايين دولار إضافية من قبل حوالي 60.5% من الشركات الناشئة بعد اختيارها للمشاركة في برنامج الدعم، وتم جمع 7 ملايين دولار مع نهاية عام 2019 (مقابل الـ 1 مليون دولار المستهدف) والباقي حتى تاريخه.

الاستنتاجات

أ. إحدى المؤشرات الرئيسية لقدرة مشروع "بيوند كابيتال" على دعم وإنشاء شركات ناشئة "ناضجة" هو حقيقة أن "بيوند كابيتال" قد ساعد اثنتين من الشركات الناشئة الحصول على قروض بنكية. بمعنى آخر، يستطيع "بيوند كابيتال" تأسيس شركات ناشئة استثمارية وقادرة على التعامل مع البنوك. ب. تشير الدلائل إلى أن الأهداف المالية التي وُضعت لكل من محاور التمويل الثلاث قد تم تجاوزها حيث استفاد ما يقرب من ثلثي الشركات الناشئة من رأس المال الاستثماري. ولا يوجد دليل على زيادة في عدد الشركات في المراحل المبكرة القادمة ضمن محفظة أعمال بيوند كابيتال. إن اجتذاب رأس المال الخارجي هو مؤشر قوي على القيمة المضافة التي يوفرها "بيوند كابيتال" للشركات الناشئة، وقد ساهم ذلك بالتأكيد في تطوّر ونمو شركات "بيوند كابيتال" الناشئة.

التوصيات

أ. تُنصح إدارة "بيوند كابيتال" بالحفاظ على علاقة وثيقة (أو أوثق) مع المستثمرين المحليين والمحتملين لاستكشاف خياراته الاستراتيجية بناء على أسلوب عمل السوق وتفاعله بشكل مستمر. فجميع المستثمرين يركزون على حافز "العائد على الاستثمار" من أجل الاستثمار، ويجب أن يكون ذلك في مقدمة اهتمامات "بيوند كابيتال" وأسلوب إدارته.

الاستدامة⁷

النتائج

أ. يستفيد العملاء الحاليون (الشركات الناشئة ومزودي التمويل) بموجب نظام عمل "بيوند كابيتال" الحالي من قائمة "بيوند كابيتال" لدعم الخدمات، على أساس عدم وجود كلفة في معظم الحالات. ويحتاج هؤلاء العملاء للبقاء ضمن محفظة عملاء "بيوند كابيتال" على افتراض أنهم في موقع يمكنهم من فعل ذلك إذا أخذنا بالاعتبار المعوقات التي تواجه النمو بسبب جائحة كوفيد-19. فأسلوب عمل "بيوند كابيتال" الحالي يركّز بشكل أساسي ومبدئي على استهداف الشركات الناشئة الواعدة في الأردن والتي تستطيع الاستفادة من مجال خدمات "بيوند كابيتال" ودعمه المالي والفني.

⁶ يعرف على أنه مساهمة القيمة المضافة في بيئة الأعمال الريادية.

⁷ يعرف على أنه قدرة "بيوند كابيتال" على الاستمرار في العمليات عبر الزمن.

ب. تحتاج "بيوند كابيتال" لتحديد ما إذا كانت الشركات الناشئة المحتملة التي تحقق شروط الاختيار الحالية، وذلك بعد شهر كانون الأول 2022، مستقرة ومتواجدة في موقع يؤهلها أن تدفع فعلياً لقاء الخدمات التي يقدمها برنامج "بيوند كابيتال" حالياً والتي يقدمها بشكل مجاني.

ج. كان أحد النتائج الرئيسية المتعلقة بالشركات الناشئة هو اعتبار توفر التمويل من خلال خطة منحة الـ 10,000 دولار وبرنامج قروض التعافي من كوفيد بقيمة 25,000 دولار أمراً أساسياً لعدد من الشركات الناشئة للمساعدة في الحد من الأثر السلبي على أعمالها. فقد دعمت هذه المبادرات استقرار وبقاء الشركات في بعض الحالات على المدى القصير.

الاستنتاجات

- أ. بناء على البيانات والمعلومات التي تم جمعها. لا يمكن تأكيد أو إثبات، بطريقة أو بأخرى، الدلائل التي تدعم كون برنامج "بيوند كابيتال" قابلاً للاستدامة بشكله الحالي.
- ب. تعتمد شروط الاستدامة على عاملين هامين. أولاً، هل ستستمر الوكالة الأمريكية للتنمية الدولية USAID بدعم "بيوند كابيتال" بالتمويل بعد عام 2022، وثانياً، إذا لم يتحقق هذا الدعم وأصبح البرنامج يعتمد على دفع العملاء كلف الخدمات المقدمة، فهل تستطيع الشركة البقاء في المستقبل؟ باختصار، وفي غياب الإجابات على السؤالين، ما تزال الدلائل غير حاسمة إذا أخذنا بالاعتبار وجود عدد كبير من العوامل غير المعروفة.
- ج. بناء على الدلائل التي تم جمعها من أعمال الاستقصاء والتحليل التي أجراها فريق التقييم، يتوجب على "بيوند كابيتال" أن يأخذ بالاعتبار الخيارات/النشاطات التالية لتحسين احتمالات الاستدامة على المدى الأبعد:
 - الحفاظ على العملاء الحاليين مع احتمال عودة هذه الأعمال أو الشركات لـ "بيوند كابيتال" عن طريق تطوير استراتيجية ومنهجية لاحقة لتحديد احتياجاتهم التطويرية الخاصة بهم إذا كان التوسع هو النتيجة النهائية المتوقعة.
 - المبادرة بإجراء متابعة مع العملاء الحاليين لتحديد ما إذا كانت الأنشطة المخطط لها بشكل محدد تؤدي فعلياً إلى زيادة الربحية مع مرور الوقت.
 - يتوجب على "بيوند كابيتال" كذلك إجراء مراجعة لخدمات الدعم الفني الخاصة بها لتحديد ما إذا كانت طبيعة هذه الخدمات وتقديمها يحقق بشكل معقول طلب العميل وليكون مستداماً كمؤسسة، الأمر الذي سيعتمد على قدرة "بيوند كابيتال" على الاستمرار في خدمة العملاء الحاليين والحفاظ عليهم إضافة إلى إيجاد عملاء جدد.
- د. لذا يوصى باتخاذ الإجراءات التالية بالنسبة لكل واحدة من المحاور الثلاث، وهي تعتبر إجراءات أساسية لتحسين الاستدامة:

المحور الأول: برنامج دعم الأعمال الريادية: (1) توسيع مجال الإعلان والترويج إلى مناطق خارج عمان بحيث تشمل حملات إعلامية محددة تهدف إلى الوصول إلى النساء والشباب، (2) توسيع الوصول الجغرافي في الوقت المتبقي من البرنامج، (3) إدخال معايير الأهلية لدعم الرياديين على صفحة موقع "بيوند كابيتال" الرئيسية.

المحور الثاني: صناديق الاستثمار: زملاء "إفادة": توفير التدريب حول قياس الآثار البيئية والاجتماعية والحوكمة وأهداف التنمية المستدامة التابعة للأمم المتحدة. سوف يجعل ذلك من الصناديق التي يدعمها "بيوند كابيتال" أكثر جاذبية للصناديق العالمية التي تستهدف فرص الاستثمار ذات الخطوط الاحتياطية المزدوجة/الثلاثية (double/triple bottom line investment). صندوق المنح: توظيف موظفين إضافيين وتشكيل فريق منفصل لتولي مسؤولية إدارة صندوق المنح والبحث عن مستثمر رئيسي في هذا الصندوق. إضافة إلى ذلك، تحديد ما إذا كان المستثمر الرئيسي مهتم برعاية صندوق المنح الدائم والمصمم لجذب رأس المال الصبور والطويل الأمد.

المحور الثالث: الوصول إلى رأس المال الخاص من خلال المستثمرين المبادرين والكشافين. المستثمرون المبادرون (angel investors): قبل موعد تقديم وعرض الشركة الناشئة، يتم توفير اسس pitch decks وفرص استثمار إضافية للمستثمرين المبادرين من خلال تمكينهم من الاستثمار إلى جانب الصناديق الفردية في صندوق المنح التابعة لـ "بيوند كابيتال". الكشافون: نوصي بأن يقوم الكشافون بمشاركة المعلومات والدروس المستفادة كل ثلاثة شهور ونوصي بتوظيف المزيد من الكشافات النساء، مما يتيح ذلك مجال أوسع لامكانية الوصول إلى شبكة أكبر من الرياديات النساء الساعيات لإنشاء الأعمال القادرة والقابلة للنمو والتوسع.

- هـ. يقترح هذا التقييم أن يستمر مشروع "بيوند كابيتال" على الأقل حتى انتهاءه، في تقديم مبادراته التمويلية مع خدمات الدعم الفني المركزة والمبنية على أساس الطلب لتحسين مستوى التنافسية ومجالات النمو.
- و. إضافة إلى ذلك، ومع الأخذ بالاعتبار الأحوال السائدة في الأردن فيما يتعلق بجائحة كوفيد-19، سوف تكون هناك حاجة لإجراء نسبة كبيرة من نشاطات الأعمال عن بعد أو افتراضياً. ويستطيع برنامج "بيوند كابيتال" المساهمة في تيسير هذا التطور الجديد، أولاً من خلال ضمان رفع المستوى التقني لعملياته الداخلية بحيث يمكنها من التعامل مع هذه الأمور عن طريق وجود عدد كاف من الموظفين المدربين للتواصل بشكل فاعل مع العملاء عن بعد، وثانياً، من خلال إجراء تقييم موجز لقدرات العملاء التشغيلية الحالية، والقيام بالتعاون معهم بتحديد الدعم من النواحي العملية التي يحتاجونها لتمكين عملية انتقال هذه الشركات من ممارسات العمل التقليدي والاعتيادي إلى النظام الجديد الافتراضي (على الأقل إلى حين انتهاء الجائحة رسمياً).

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LIST OF ACRONYMS

AMELP	Activity Monitoring, Evaluation and Learning Plan
AOR	Agreement Officer's Representative
AUM	Assets Under Management
BC	Beyond Capital
COP	Chief of Party
COR	Contract Officer Representative
EQ	Evaluation Question
ET	Evaluation Team
FDI	Foreign Direct Investment
FGD	Focus Group Discussion
GCC	Gulf Cooperation Council
FoF	Fund of Funds
GoJ	Government of Jordan
HI3	High-Impact Investment Initiative
ILO	International Labor Organization
IM	Investment Management
IMF	International Monetary Fund
IP	Implementing Partner
IR	Inception Report
IRR	Internal Rate of Return
KII	Key Informant Interview
LOE	Level of Effort
MEL	Monitoring, Evaluation and Learning
MELA	Monitoring, Evaluation and Learning Activity
MENA	Middle East and North Africa
PMP	Performance Management Plan
OECD	Organization for Economic Co-operation and Development
RAND	Random Number Generator Algorithm
RF	Results Framework
SDG	Sustainable Development Goals
SOW	Scope of Work
TA	Technical Assistance
USAID	United States Agency for International Development
WB	World Bank

1. EVALUATION BACKGROUND, PURPOSE AND QUESTIONS

1.1 EVALUATION BACKGROUND

The decision of the United States Agency for International Development Jordan (USAID/Jordan) to support and fund the Beyond Capital Activity, implemented by High Impact Investment Initiative Inc., was based on a number of important factors at the time: i) Jordan's progressive move, post the 2008 financial crisis, towards entrepreneurship becoming a major movement in the country's business sector exemplified by the creation of incubators and accelerators, such as I-Park and Oasis500. At the same time, a number of supportive investment funds were established including Badia Impact Fund, MENA Ventures, DASH Ventures and Wamda; ii) the limited pool of investable enterprises despite these developments and iii) Jordan's lack of a robust business enabling environment for early-stage ventures, investors and local funds and fund managers.

The primary aim of Beyond Capital was to address these issues through mobilizing investment management companies to operate through incubators, angel funds and venture capital funds to support existing and aspiring finance entrepreneurs (Pillar 2), provide early-stage businesses with capacity building and advisory services (Pillar 1) and invest in existing businesses alongside angel investors through its Scout Program (Pillar 3).

This midterm evaluation of Beyond Capital was conducted during the period September – December 2020, by an Evaluation Team (ET) assembled by The Kaizen Company, located in Washington DC. The team included a Team Lead/Financial Investment Specialist, Private Sector/SME Expert and two Local Data Collectors.

1.2 EVALUATION PURPOSE

The overall purpose of this midterm evaluation as specified in the assignment Scope of Work (SOW) was to determine the effectiveness and approach of the Beyond Capital Activity by assessing the following:

- Beyond Capital's technical assistance (quality and effectiveness) to increase the viability and scalability of qualified early-stage businesses.
- Beyond Capital's approach to increase access to investors and risk capital to support the growth of businesses.
- Beyond Capital's approach to investing in fund of funds.
- Beyond Capital's approach and success in building the capacity of new financial entrepreneurs (including angels, scouts and IFADA Fellows program) who invest in the ecosystem.

In addition to the above Beyond Capital approaches for consideration, the ET incorporated the three specific learning questions that Beyond Capital has been addressing throughout its Monitoring, Evaluation and Learning (MEL) activities⁸:

- Are Beyond Capital's networks beneficial to start-ups, angel investors and finance entrepreneurs?
- Are the interventions implemented enhancing the viability of early-stage businesses, equipping finance entrepreneurs to mobilize capital, expanding angel investors?

⁸ As specified in Beyond Capital's MEL Plan – 16 December 2019

- Is the capacity of early-stage businesses, finance entrepreneurs and angel investors enhanced due to the educational training workshops conducted by the project?

The resultant findings, conclusions and recommendations of the evaluation serve to inform USAID/Jordan, Beyond Capital and relevant stakeholders, on steps that may need to be taken for the duration of the project in order to optimize the prospect of pre-planned objectives being met. In short, the ET sought to determine what works and what does not, with an explanation why this was the case, by identifying key factors that have influenced and are still influencing success and/or failure. It would of course take into consideration the current COVID-19 worldwide pandemic and any impact this has had or may continue to have on project implementation through to completion in December 2021.

1.3 EVALUATION QUESTIONS

The SOW provided a set of Evaluation Questions (EQs) to be answered by the ET, which were subsequently elaborated upon in the ET's Inception Report (Annex 2) containing its Evaluation Design and Work Plan. They are as follows:

- Q.1 To what extent and in what ways has political, economic and social factors in Jordan mitigated or enhanced the development of a positive investment climate and fostered entrepreneurship?
 - Q.1.a Has Beyond Capital's approach in investing in fund of funds been delayed in being implemented? If so, what has caused or is causing any constraints? What enabling factor and/or constraints could help support this intervention?
 - Q.1.b What challenges did companies face but were not addressed by Beyond Capital interventions? How did it affect the project implementation?
- Q.2 To what extent were Beyond Capital interventions under Pillars 1 and 2 effective? Specifically, whether or not the Activity achieved its intended outcomes so far?
 - Q.2.a To what extent has the project integrated gender sensitive approaches to reach men, women and youth SMEs?
- Q.3 How effective was Beyond Capital's approach in building the capacity of new financial entrepreneurs including angels, scouts, and IFADA Fellows program to invest in the ecosystem?
 - Q.3.a Has the number of first time Angel investors grown and what has been the impact of these investments on those nascent firms?
- Q.4 How effective was the approach Beyond Capital used providing technical assistance for companies to become more viable and scale up?
 - Q.4.a How effective was combining technical assistance support with access to finance through investors and capital to grow their businesses?
- Q.5 What were the main challenges and lessons learned under the different pillars that you would like to highlight? Review/assess whether the current project design (components, scope, activities, schedule) continues to be an adequate mechanism to achieve the project's intended outcomes.
 - Q.5.a What measures can be taken to improve implementation efficiency and results and what services are needed by the ecosystem to achieve the project's expected outcomes?
- Q.6 What have been Beyond Capital effects on the institutional maturity of start-ups and what has been their success in attracting outside capital?

- Q.6.a What share of participating firms has been successful in advancing one (or more) maturity tiers and what share of participating firms has been successful in attracting outside capital investment?
- Q.6.b Have Beyond Capital's efforts resulted in an overall expansion of early-stage investment-ready businesses and investment capital?
- Q.7 What is the likelihood that interventions under Beyond Capital can be expected to sustain over time and why will those be sustainable and list those interventions?
- Q.8 What is the impact to date on project beneficiaries, angel investors and mentors as a result of the COVID-19 pandemic?

2. PROJECT BACKGROUND

The U.S. Agency for International Development (USAID) and High Impact Investment Initiative Inc. (the "Grantee") signed a Cooperative Agreement, effective 26 January 2016 with an estimated completion date of 25 January 2021 - subsequently modified to 25 December 2022 under the Beyond Capital Award No. AID-OAA-A-16-00008. The purpose of the Agreement was to enable the Grantee to establish and capitalize an Investment Management (IM) company whose mission was to support the start-up investment ecosystem in Jordan. The IM would use the proceeds from the Grantee to provide matching investment capital and technical assistance (TA) support to start-up businesses that have difficulty accessing equity investment (particularly pre-seed and seed capital) from other investors in Jordan. Following this Agreement, USAID, Endeavour Jordan and Silicon Badia, collaborated to create Beyond Capital (BC), which was launched in November 2017. BC received \$10 million to design and launch its 3-Pillar business model. BC's mission is to close the post-seed/pre series A capital financing gap faced by post-accelerator Jordanian start-ups. The primary beneficiaries of BC would be entrepreneurs, fund managers, and angel investors.

Although major advances have occurred across the Jordanian entrepreneurial ecosystem since project inception, several significant challenges still exist hindering the implementation of an innovation-based national development strategy. Evidence of these challenges is the limited pool of investable start-up companies due to prevailing economic and political constraints. Jordan clearly needs to develop a sustainable, supportive entrepreneurship ecosystem for early-stage ventures and investors as well as locally sponsored investment funds and fund managers. BC was created to meet this challenge and continues to work closely with beneficiaries and key stakeholders to carry out its original mandate.

Within this context, Beyond Capital believes that strengthening the managerial skills of entrepreneurs and their business models will increase the viability and scalability of qualified early-stage businesses. If the technical expertise of finance entrepreneurs is strengthened and the financial resources for fund managers are increased, then finance entrepreneurs will be equipped to mobilize capital and invest in scalable start-ups.

Beyond Capital's business model will provide entrepreneurs, Angel Investors, and Fund Managers with training, mentorship and financing. The fundamental hypothesis of the BC Activity is that this menu of services will enable start-ups, Fund Managers, as well as Angel Investors and Scouts to increase their ability to: build scalable high-growth ventures, accelerate job creation, strengthen the investment eco-system and encourage increased equity investment in Jordanian start-ups.

Beyond Capital's approach to creating such a change is by networking businesses, organizations, and people with start-ups to grow the ecosystem. Many players in the ecosystem have difficulty in identifying and meeting the right people to grow their business.

Thus, Beyond Capital actively leverages its network of contacts and resources to spur the growth and sustainability of the Jordanian entrepreneurship ecosystem.

2.1 BEYOND CAPITAL: FORMATION, GOVERNANCE AND OPERATIONS

2.1.1 FORMATION

Beyond Capital was formed in response to the USAID's MENA II program, a five-year Middle East and North Africa regional investment initiative. The purpose of MENA II is to mobilize investment management companies to collaborate with incubators, angel investor networks, and venture capital funds in order to supply capital, technical and mentoring support to qualified early-stage businesses. Eventually, MENA II aims to create a long-term multiplier effect by enabling the entrepreneurship ecosystem to grow, based on new competencies developed, both in investment management and in start-up scale-up development and growth.

Within the context of this USAID initiative, Endeavor Jordan and the Accelerator Management Company, submitted a proposal to USAID in November 2015. The proposal was written to describe "what the Jordanian post-seed/pre series A capital market needed." Subsequently, Endeavour Jordan and Accelerator Management Company were awarded a grant of US\$ 10 million to implement the unique three pillar business model known as Beyond Capital. The grant funding would be channeled through High-Impact Investment Initiative (HI3), who serves as the grantee.

In turn, Beyond Capital serves as the investment management company, tasked with channeling USAID funding to the post-accelerator start-ups and private investment Fund Managers. Ultimately, the MENA II program leverages capital, expertise, and access to networks. The aim is to foster a vibrant, dynamic, open, and transparent ecosystem, where fund managers, entrepreneurs and angel investors can work collectively to build a new generation of Jordanian businesses.

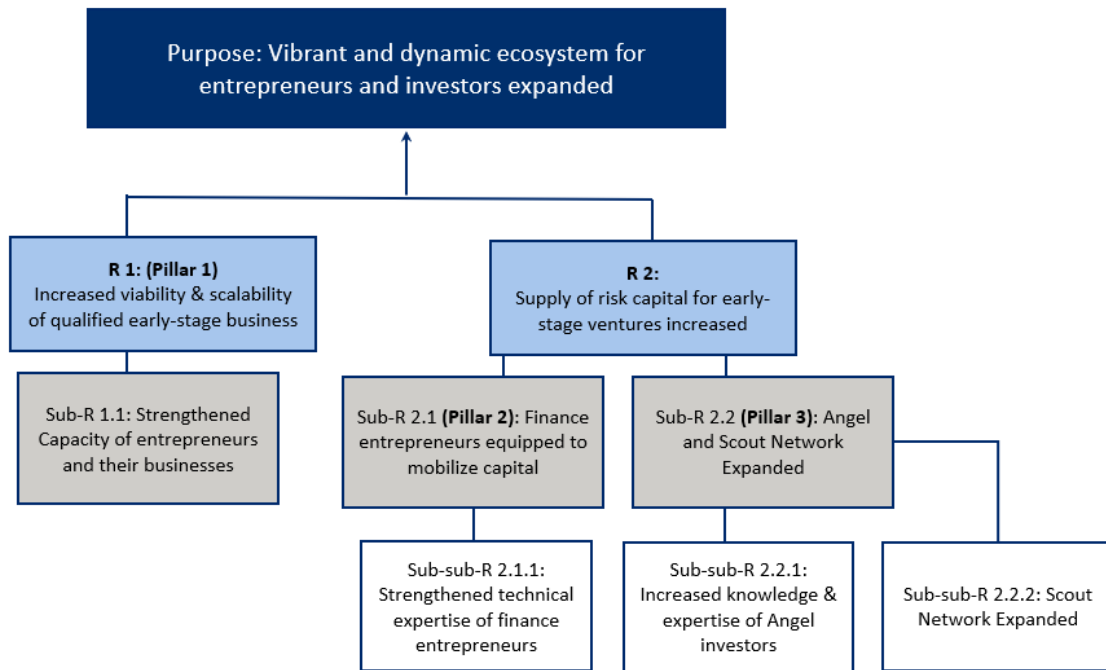
2.1.2 GOVERNANCE AND OPERATIONS

The innovative three-Pillar design of the Beyond Capital organization is illustrated in Figure 1 below. A unique feature of the BC organization is that a two-sided seed capital financial market is embedded within its Governance and Operational structure. The purpose of the two-sided market is to link the Pillar 1 (demand) and Pillars 2 and 3 (supply) sides of the seed capital market and thereby close the seed capital financing gap faced by Jordanian start-ups.

Moreover, this uniqueness is completed by an innovative design of the two-sided capital market. BC did not simply adopt the failed strategy of platforms launched in the Dotcom One era in the late 1990s: "build it and they will come." Instead, as illustrated in Figure 2, BC attached a portfolio of services and subsidies (\$10k grants + in-kind access to AWS's computing services) enabling start-ups to credibly demand seed capital.

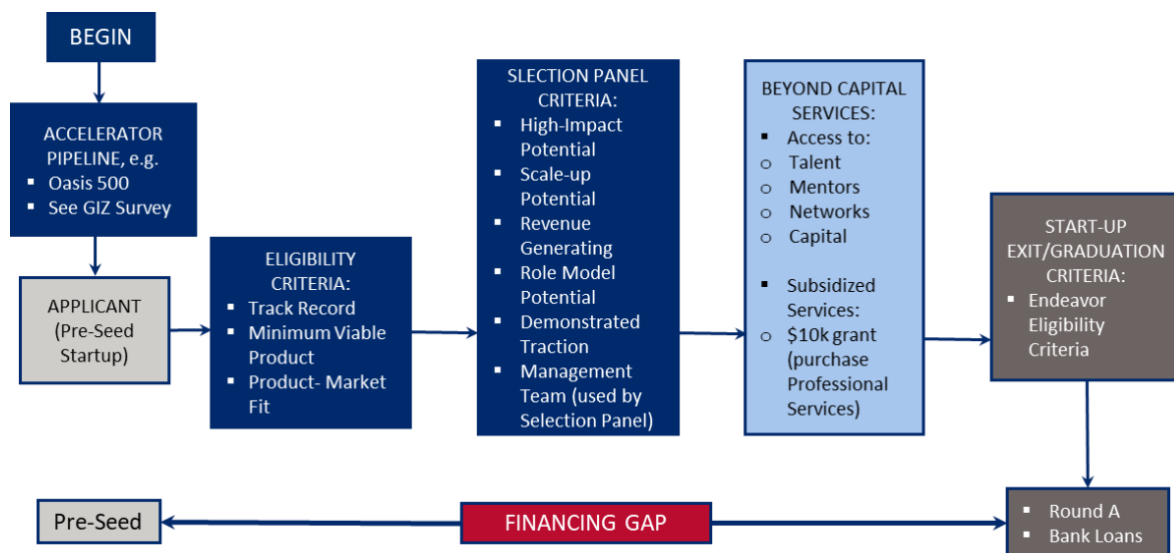
Then, to meet that credible demand, BC also attached to the supply side of the seed capital market two activities designed to supply capital from the private sector. The supply consisted of capital from Investment Funds (Pillar 2) and an Angel Investor Network linked to the region's first Scout program tasked with finding scalable start-ups (Pillar 3).

Figure 1: Beyond Capital – Three Pillar Structure



Pillar I – This pillar is a start-up support program, wherein Beyond Capital provides early-stage businesses with a variety of capacity building & advisory services. The program activities focus on financial readiness, operational processes and market expansion. The program aims to select potential high impact ventures to help them make the transition from start-ups to scale-ups, increasing the pool of investable companies in Jordan. The objective of Pillar I is to make start-ups eligible to participate in the Endeavor Jordan program, thus facilitating access to regional and international markets.

Figure 2: Beyond Capital – Pillar 1 Entrepreneurship Support Program



Pillar II – This pillar has a twofold mission: (1) facilitate the growth of “home grown” budding Fund managers as well as invest in existing seed capital Funds targeting Jordanian start-ups. The mission is achieved by providing capacity-building programs, fund establishment support, exposure to potential investors (limited partners), and direct investments in selected funds.

Pillar III – This pillar consists of an angel investor support program. Beyond Capital invests alongside angel investors through its Scout Program to match new private sector investments in early-stage businesses. The aim is to reduce private sector exposure to risk and close the funding gap early-stage businesses face. The program also aims to build the capacity of future finance entrepreneurs and angel investors.

3. EVALUATION METHODS AND LIMITATIONS

3.1 EVALUATION METHODOLOGY

To conduct the BC evaluation, the ET employed a mixed-methods approach, which allowed for the triangulation of findings where possible. Data and information needed to respond meaningfully to the EQs was gathered from several qualitative and quantitative sources. Qualitative analysis, which was the main focus of the ET's research activities, included review of activity documents and fieldwork consisting of 69 key informant interviews (KIIs) and 3 focus group discussions (FGDs) with project beneficiaries and stakeholders which were mainly conducted remotely given the prevailing social restrictions in Jordan at the time of the evaluation due to the COVID-19 pandemic.

Quantitative analysis included review of BC monitoring and evaluation (M&E) reports and analysis of official publications, including data and statistics relevant to the ET's investigations from government ministries and departments, World Bank, Organization for Economic Co-operation and Development (OECD), International Labor Organization (ILO) and the International Monetary Fund (IMF) among others. In addition, a short mini-survey of 19 beneficiary entrepreneurs was conducted to complement feedback from the KIIs.

3.2 EVALUATION APPROACH AND DESIGN

Due to the COVID-19 worldwide pandemic, this evaluation was conducted remotely by one international expert, Team Lead/Financial Investment Specialist, an international Private Sector/SME Expert who mobilized to Amman, and two Local Data Collectors based in Amman. Given the relatively small pool of BC beneficiaries -- 32 Entrepreneurs, 8 Scouts, 14 Angel Investors and 13 IFADA Fellows -- it was determined that this evaluation would primarily be a qualitative assessment, rather than quantitative. That said, recognition was also given to the indicators and targets that the Beyond Capital program was tasked with achieving.

The primary focus of the ET was organizing and conducting virtual meetings with pre-identified KIIs⁹ (see Annex 4.2 - List of Interviews). The ET also organized and conducted three focus group discussions (FGDs) with IFADA Fellows Mentors, Fellows and a group of women entrepreneurs. All data and information gathered from both sources was cross-referenced to confirm and/or verify findings so that meaningful conclusions could be drawn by the ET.

In preparing the evaluation design, the ET took into consideration the various Beyond Capital-related documents shared by USAID/Jordan and the program itself. Following an in-depth review of this material and considering the nature of the SOW evaluation questions, the ET prepared an evaluation design matrix (see Annex 3 - Evaluation Design Matrix). The matrix depicts each main evaluation question and related sub-questions and highlights the methodology used to answer these questions. This methodology was developed based on documents reviewed, initial meeting with Beyond Capital, and ET deliberation. Detailed analysis of each of these questions is presented in Section 4: Findings and Conclusions).

⁹ In the event, due to ongoing restrictions on movement and the preferences / availability of potential interviewees a significant number of KIIs were conducted virtually.

3.3 DATA COLLECTION

The methodology for the Beyond Capital midterm evaluation consisted of collection and analysis of both qualitative and quantitative data. However, as mentioned above, emphasis was largely on gathering qualitative data and information, due to the relatively small number of direct and indirect program beneficiaries.

The qualitative component of the performance evaluation drew on three data collection methods:

- Structured desk review of Beyond Capital's available quarterly and annual reports and other implementation documentation as well as relevant secondary information gathered from various published sources.
- Sixty-nine KIs conducted with Beyond Capital staff, direct project beneficiaries and other project stakeholders, women organizations, international donor community, among others.
- Three FGDs conducted with direct and indirect project participants.

3.3.1 STRUCTURED DESK REVIEW

Data collection began with a thorough review of all the documents provided by USAID/Jordan and Beyond Capital (e.g., Cooperative Agreement, Annual Reports, Activity MEL Plan), in addition to strategic documents by the Government of Jordan (GoJ) and international donor community. The document review enabled the ET to understand and document Beyond Capital's activity planning and desired outcomes. Also identified were BC's governance and decision-making committees, secondary project performance data and the socio-political context within which the Jordan entrepreneurship ecosystem functions. The documents review also enabled the ET to identify key stakeholders and BC operational and performance data. The list of documents reviewed is contained in Annex 4: Information Sources.

3.3.2 QUALITATIVE ANALYSIS - INTERVIEW PROTOCOL

The ET employed a Random Sample methodology in its interview selection process in order to reduce the prospect of bias in one direction or another. Accordingly, the sample of entrepreneurs and stakeholders was constructed via a four-step Excel-based random sampling methodology described below.

Identify Population of Start-ups and Stakeholders

- BC provided the ET with an Excel spreadsheet that listed the names and contact details for 32 Start-ups and 70 Stakeholders (e.g., angel investors, angel trainers, scouts, Scouts trainers, Investment and Governance Committee, Mentors, IFADA Fellows, Investment Funds, etc.). For each start-up, BC also provided: the number of employees, revenue, and industrial sector.

Creation of Random Sample of Start-ups

The Random Sample of start-ups was constructed following the standard Excel procedure:

- The Excel Random number generator algorithm (RAND) was used to assign a random number to each start-up in the Population.
- The start-ups were then sorted into three groups: annual revenues, number of employees, and gender. Again, within each group, the start-ups were ranked from lowest to highest according to their assigned random number.

- The top five start-ups in each group were then selected, forming a sample of 15 start-ups.
- The remaining four start-ups were selected to ensure representation of both genders in the sample (3 start-ups). We also included one start-up who voluntarily exited the Pillar One program, due to his business being discontinued as a result of COVID-19.

Creation of Sample of Stakeholders

Since the number of non-start-up stakeholders was relatively small, we manually selected the sample making sure to include both genders. The initial population size and related sample distribution is as follows:

Table 1: Sample of Stakeholders¹⁰

Stakeholder Category	Total Population Size	Sample Number Selected
Scouts	10	4
Angel Investors	14	4
Investment Committee	5	2
Governance Committee	3	2
Fund managers	4	4
Scout Trainers	8	2
Angel Trainers	3	3
IFADA Fellows Mentors	12	5
IFADA Fellows	11	5

Creation of Start-ups Not Participating in BC activities: Women Focus Group

The final sample segment is composed of Women Entrepreneurs not participating in the BC programs. Eleven Women Entrepreneurs were randomly selected (manually) from the Facebook page “Women in Business - Arabia” as well as from a list of women entrepreneurs provided by Bank AL Etihad.

3.3.3 KEY INFORMANT INTERVIEWS (KIIs)

The ET employed semi-structured, open-ended questionnaires (Annex 5), tailored to the category of identified project stakeholders, to conduct virtual interviews with 69 key interviewees. (See Annex 4.2). In addition, the ET conducted a mini-survey (see Section 3.3.6) of 19 entrepreneurs to elicit their responses to the type and quality of support services. We are pleased to report that we had an approximately 80% response rate, i.e., 15 respondents out of a pool of 19 questionnaire recipients.

3.3.4 FOCUS GROUP DISCUSSIONS (FGDs)

Within the pool of 69 interviewees there were three FGDs (Annex 4 and 5), one of which was for women entrepreneurs: the remaining two for IFADA Fellows and Mentors. These were virtual discussions which were informative and extremely productive exchanges, with participants more than willing to participate and offer their views, observations and perceptions on their collaboration or connection with BC either directly or indirectly.

3.3.5 QUALITATIVE DATA COLLECTION SUMMARY

For references purposes, Table 2 below provides a breakdown of the 69 completed interviews conducted by the ET during the evaluation:

¹⁰ Source: Evaluation Team

Table 2: Data Collection Summary

INTERVIEW STATUS BY GROUPS	INTERVIEWS COMPLETED
START-UPS	19
FUND MANAGERS	4
ANGEL INVESTORS	3
ANGEL TRAINERS	1
SCOUTS (Pillar Three)	4
SCOUT TRAINERS	2
ENTREPRENEUR SELECTION PANEL (Pillar One)	2
WOMEN ENTREPRENEURS-Group One	5
WOMEN ENTREPRENEURS-Group Two	3
BCAP INVESTMENT COMMITTEE	2
BCAP GOVERNANCE COMMITTEE	2
IFADA FELLOWS (Pillar Two)	3
IFADA FELLOWS MENTORS	4
INTERNATIONAL NGOS	3
JORDAN ENTERPRISE DEVELOPMENT CORPORATION	1
INTAJ	1
HIGH IMPACT INVESTMENT INITIATIVE- Grantee	-
INNOVATIVE START-UPS & SME FUND (ISSF)	1
SHAMAL START	1
SILICON BADIA	1
ENDEAVOR	1
USAID/JORDAN – Key personnel	2
BEYOND CAPITAL-Team	4
GRAND TOTAL	69

3.3.6 QUANTITATIVE ANALYSIS

ENTREPRENEUR MINI-SURVEY

A short, yet detailed mini-survey, administered on Google Forms, of BC client beneficiary entrepreneurs, was conducted to complement the feedback responses from the KIIs and for cross-reference purposes to confirm data and information gathered. As indicated above, 19 entrepreneurs were targeted with 15 completing the survey questionnaire. Reference is also made to participant responses in the various questions below to which they have relevance and serve to inform the debate in answering those questions.

3.4 DATA ANALYSIS

The data analysis task was guided by three primary objectives:

1. To determine the extent to which Beyond Capital is achieving objectives against its MEL Plan from a quantitative point of view. Based on the analysis of both qualitative and quantitative data, recommend corrective structural and operational changes that will enable BC to close the seed capital gap faced by Jordanian start-ups.
2. To provide a qualitative overview of the feedback from KIIs and FGDs. By doing so, to establish whether there is common view on any specific issues and/or the extent of any inconsistencies in the program as ascertained by the interviewees that may need to be addressed for the remainder of the program.
3. To enable the ET to draw meaningful conclusions from its findings with a view to subsequently suggesting practical recommendations that BC may consider implementing for the duration of the program.

To summarize the performance of BC's interview activities, profiling its beneficiaries, as well as tabulating the entrepreneur survey responses, the ET created numerous Tables and Charts (Annex 4.3).

3.5 EVALUATION LIMITATIONS

The ET fortunately encountered no serious limitations to its investigations other than the prevailing government-imposed restrictions on movement in and to Jordan due to the COVID-19 pandemic. Implementation modalities would have to refocus on virtual meetings and interviews for both KIIs and FGDs, none of which resulted in any adverse ability to gather the data and information required for the evaluation. Logistically this required a different approach than would otherwise have been the case but did not impact the team's research capabilities.

4. FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

4.1 EVALUATION QUESTION 1

To what extent, and in what ways have political, economic and social factors in Jordan mitigated or enhanced the development of a positive investment climate and fostered entrepreneurship?

4.1.1 FINDINGS

This all-encompassing question could essentially only be answered via reference to existing published material emanating from informed sources such as the Government of Jordan and external bodies such as the World Bank, UN, IMF and OECD, all of whom comment regularly on events in Jordan that relate in particular to private sector development and business enabling environment conducive to attracting both inward and foreign investment. A summary review of some of those sources indicated (at the time of writing) the following perceptions of how Jordan is performing in line with domestic and international expectations. Prevailing evidence suggests that Jordan, in 2020, can be viewed in the following light, though these observations can only be general within the context of this evaluation.

The political situation in Jordan remains stable though according to Crisis24¹¹ in its Jordan Country Report, January 2021, peaceful protests pose the main threat to political stability, but the ongoing state of emergency due to the coronavirus disease 2019 (COVID-19) pandemic appears to be limiting the likelihood of mass discontent. From an economic perspective, Jordan supports the achievement of the UN's 2030 Sustainable Development Goals (SDGs). This support provides a hospitable environment for impact investment funds.

Against this relative calm in Jordan, on 29 June 2020, the GoJ concluded negotiations for USD 1.6 billion in foreign aid soft loans. This financial assistance will in part support planned development projects in the general budget. Jordan's economic growth stimulus package with the World Bank for 2018–22 includes labor, transport, energy, and water sector reforms. Jordan and the IMF reached a four-year USD1.3-billion agreement in January 2020, aimed at improving the investment climate in Jordan, increasing employment, economic growth, and transparency, and reducing tax evasion and production costs.

In addition, with the support of USAID, Jordan's 2018 Venture Capital Law introduced new regulations allowing the establishment of VC funds in Jordan bringing them in line with international best practice in governance and taxation. According to Jordan's Ministry of Industry, Trade and Supply, this law will be a significant contributor to economic growth, business development, job creation and influx of foreign direct investment (FDI).

¹¹ An international security risk and crisis management consultancy with offices worldwide

On the downside, Jordan has some macro-level issues that need to be addressed if a level playing field is to become the norm and act as a contributing factor in motivating entrepreneurship and development investment in particular. For example, Jordan's Venture Capital law does not recognize convertible notes as legally valid security which is widely used to structure the financing of start-ups, so this appears to be an issue that needs to be addressed to support the above economic aspirations.

The tax system hinders entrepreneurship since Jordan taxes Investment Funds twice, once at the Fund level, and secondly at the Limited Partner level. Also, the Jordan tax regulations are very unstable regarding the tax treatment of cash distributions from a start-up's exit event. In particular, the tax authorities may unexpectedly replace a current tax provision with a prior provision that is several years old. Hence, start-up Founders do not know the potential tax liability they face if they build a successful business.

According to the World Bank, Jordan – Doing Business 2020, Jordan ranks 75th out of 190 countries regarding Ease of Doing Business and a rank of 120th in terms of Ease of Starting a Business. The ET concluded that such scores don't particularly bode well regarding Jordan's internal or external image as a country sufficiently attractive for investors.

There is strong social support for expanding entrepreneurship, given its ability to reduce youth unemployment. The problem is that there are an insufficient number of job openings, not a skills gap. Entrepreneurship is generally and increasingly is seen as a path that can help reduce youth unemployment as mitigation against the lack of available job openings and opportunities. However, according to feedback from the KIs and FGDs (in particular the FGD with women entrepreneurs), "Jordan suffers from a cultural background of a lack of support for women in society having a home life as well as a working one," as was stated by one of the FGD participants. A general view among the FGD participants was that this is an ongoing constraint that hinders women owned start-ups and/or motivation to open a business due to the perceived restrictions will likely be imposed on them making any progress.

4.1.2 CONCLUSIONS

Jordan is still in the process of developing a strong political and social support infrastructure for the expansion of a positive investment climate for start-ups and entrepreneurship, in general. The country's support of the UN SDGs bodes well for encouraging the sustainability of BC activities. To date, Jordan has underachieved in developing a regulatory environment to promote entrepreneurship especially for youth and women.

The lack of comprehensive social support systems enabling businesswomen to strike a healthy balance between their roles as parents and business owners is clearly contributing to preventing more women-owned start-ups and thus the likelihood of BC having more women in their client portfolio.

4.1.3 RECOMMENDATIONS

Some of the above-mentioned macro-level constraints are essentially beyond the reach or scope of BC to influence directly and whilst action may be envisaged to improve weaknesses in the business enabling environment and investment infrastructure, there are no specific recommendations that the ET can offer or suggest for BC to undertake during the lifetime of the program. Reference to women-owned businesses is further elaborated in Q.2a below where the issue is discussed further together with recommendations.

4.1A EVALUATION QUESTION 1.A

Has Beyond Capital's approach in investing in Fund of Funds been delayed in being implemented? If so, what has caused or is causing any constraints? What enabling factors/and or constraints could help support this intervention?

4.1.1A FINDINGS

The ET was able to acquire the following information and feedback from its discussions with BC's Fund of Fund (FoF) beneficiaries as follows:

- One Fund commitment was delayed due to confusion regarding the level of commitment made by the BC Board and its Investment Committee.
- Another Fund had a key Saudi institutional investor withdraw a commitment, apparently due in part to a more conservative risk attitude being adopted due to COVID-19. BC responded to the withdrawal of the Saudi investor commitment by providing the necessary commitment to fill the gap. This kept the Fund in BC's current portfolio of individual funds (totaling four funds).

In general, Investment Funds that might want to domicile in Jordan are discouraged by the previously mentioned unstable tax policies and unfriendly securities regulations.

4.1.2A CONCLUSIONS

Issues affecting FoFs identified above have been acknowledged by BC and where it needed to act, did so, where possible, to rectify constraints. Regarding macro-level fiscal and legislative matters, these are clearly beyond the remit of BC and not relevant to this evaluation for further comment.

4.1.3A RECOMMENDATIONS

The ET suggests the following actions be taken by BC to address and alleviate some of the perceived concerns, weaknesses and constraints hindering a more satisfactory development of BC's relationship with FoFs:

- i. Hire additional staff and form a separate team to assume responsibility for managing the FoF.
- ii. Search for an "anchor" investor in the FoFs. Determine if the anchor investor is interested in sponsoring an Evergreen FoFs, designed to attract patient capital.
- iii. Require Funds supported by BC to offer summer and academic year internships to Jordan University students interested in entering the Asset Management industry. The effect of this requirement is that the Interns are future IFADA Fellows.
- iv. Develop a financial model of the FoF that enables the Fund Manager to forecast the (interim) Internal Rate of Return (net of Fees) under different cash distribution scenarios. The model can be used to determine the appropriate size of the Fund.

4.1B EVALUATION QUESTION 1.B

What challenges did companies face but were not addressed by Beyond Capital interventions? And how did it affect the project implementation?

4.1.1B FINDINGS

According to comments from interviews conducted with BC's direct beneficiaries under its three Pillars and with key stakeholders, in response to questions raised, the ET gathered the following impressions and comments for consideration. Scaling to attract more customers is a serious challenge, given the small domestic market in Jordan which presents limited

opportunities for expansion. Some Jordanian start-ups are inclined to relocate to the Gulf Cooperation Council (GCC) countries in order to take advantage of the locational incentives offered by, for example, UAE and other GCC countries.

4.1.2 CONCLUSIONS

From the comments and observations received by the ET from the various organizations and interviewees it is possible to conclude the following. BC staff has a very enlightened attitude towards Jordanian start-ups wanting to relocate to the GCC region. That is, staff encourages relocation if this spurs the growth of the start-up. On the other hand, if staff think that the start-up is not prepared to scale, they will discourage relocation.

4.1.3 RECOMMENDATIONS

BC can help start-ups face this challenge by ensuring start-ups possess a competitive edge in regional and international markets. The means to achieving this aim must be via determining, through diagnostic analysis, what start-ups lack in their respective operational capabilities and what measures are needed to improve performance in order to compete more effectively and profitably within their industry sector(s). Tailored technical assistance measures could then potentially be offered by BC. BC should make its portfolio of start-ups “Endeavor Ready”, in one year or less.

4.2 EVALUATION QUESTION 2

To what extent were Beyond Capital interventions under Pillars 1 and 2 effective? Specifically, did the Activity achieve its intended outcomes so far?

4.2.1 FINDINGS

This question is related to Q.1 above with regard to Pillar 1 which essentially had the intended outcome of supporting existing and aspiring finance entrepreneurs (Fund of Funds) via capacity building measures and direct investments in those funds deemed relevant. The outcome anticipated for Pillar 2 focused on providing early-stage businesses with both capacity building activities as well as a range of advisory services. In both cases, the end result would be a significant improvement in those enterprises accessing equity investment through the employment of one-to-one matching finance contributions.

In response to the ET's questions asked during KIs and FGDs, the following information was recorded by the team for analysis. Of particular note, however, were the responses gathered from the ET's mini-survey¹² conducted with BC's direct beneficiaries and some observations are addressed below regarding BC's services and how effective they were for those respondents. Figure 3 below depicts which of BC's services were used. Figure 4 depicts the respondents' attitudes to how effective those services were.

¹² The survey targeted 19 start-ups with 15 responding with completed questionnaires.

The main response apparent from the above table indicates the following:

- i. The most significant findings were that start-ups appreciated both funding and BC's mentoring initiatives (53% and 58% respectively).
- ii. The other services on offer were not used as frequently as others, including legal services, strategic services, strategic advice and human resources support.

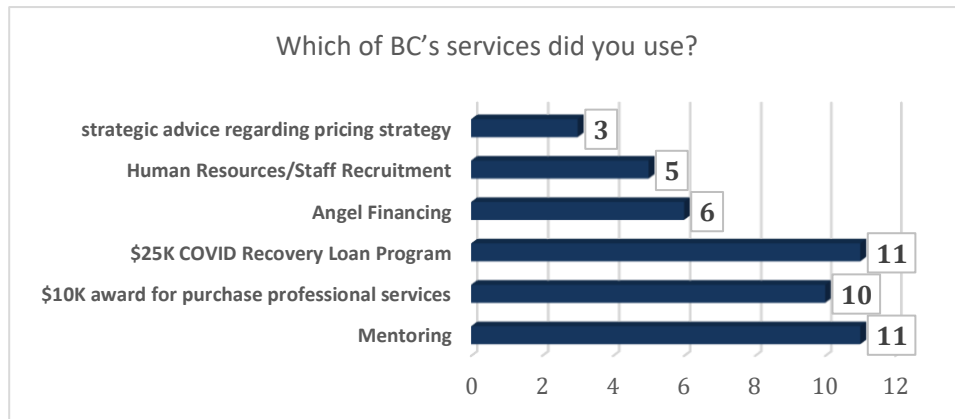


Figure 3: BC Services used by Client Beneficiary Start-Up Entrepreneurs

Analysis of the responses in Figure 4 indicates the following:

- i. The \$10k award money rated among the highest in terms of which of the BC services on offer were most effective in enhancing the well-being and performance of the respective enterprises.
- ii. Not unsurprisingly BC's mentoring initiative also featured highly amongst the respondents, accounting for 42% of the respondents.
- iii. Those companies that took up the Recovery Loan Program indicated their collective satisfaction regarding its effectiveness in positively contributing to their respective business operations.

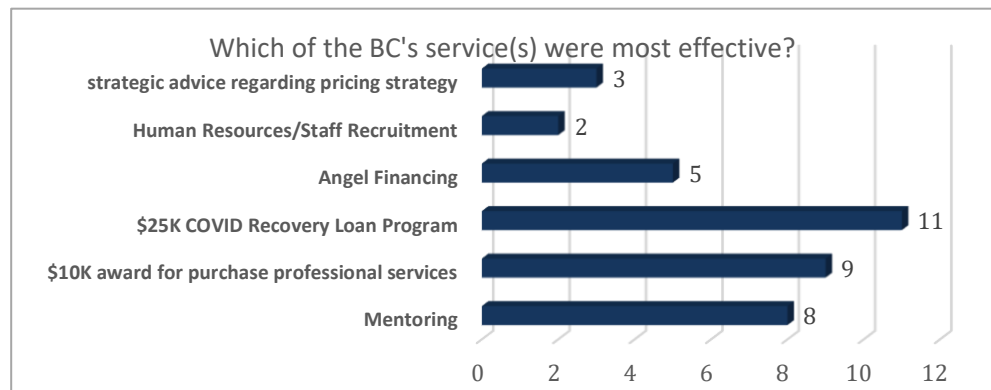


Figure 4: BC Services Most Effective

With regard to Pillar Two (IFADA Fellows program), fourteen Fellows have participated in the program since its launch in August 2019. The Fellows have developed 12 new financial products. Also, the program facilitated the development of two new Funds, one focusing on Agri-tech and the second has a women-entrepreneurs focus. A second cohort is currently being formed targeting 12-14 participants.

In addition, the ET found that in discussion with women entrepreneurs, individually and in FGDs, support services for start-up companies already existed in Jordan to meet their business development challenges. However, few actually ever receive either technical support for finance due to a lack of networking capability - one of BC's major tenets

attributed to all three Pillars and potentially the biggest constraint for any start-up to overcome.

In interviews with start-ups, questions were asked about the effectiveness of technical support services received (access to talent, training, mentorship, access to financing provided by BC's Scouts and access to the Angel Investor Network) specifically related to such support generating more revenue or increasing profitability. Approximately one third of respondents claimed an increase in revenue from the intervention received. Forty percent of the 19 enterprises indicated improved profitability. Thirty-five percent of respondents advised that they were able to hire more staff. To be able to draw a conclusion – regarding if the start-ups were effective in generating profits and hiring new staff – the first step is to develop quantitative measures (benchmarks) of effectiveness with profitability and hiring more staff. Then, compare the BC start-ups' performance relative to those benchmarks.

As there is no direct correlation between increasing revenue and staff, and becoming more profitable, it remains questionable whether BC's interventions were in fact productive? Feedback also encountered a tenuous understanding of “scalability” which was an initial criterion for selection to become a BC client. Feedback further suggests that the provision of funds, whilst dealing with one-off operational requirements may be insufficient to lead to scalability of even increased profits – the primary reason most entrepreneurs become businessmen and women.

4.2.2 CONCLUSIONS

Based on these largely positive responses and IFADA Fellows' accomplishments, it is possible to conclude that BC is delivering an effective menu of services to Jordanian start-ups and IFADA Fellows (budding Fund Managers). This conclusion is further substantiated by the frequent, positive, interviewee responses noted earlier including the following quotations:

- i. “BC team responds promptly when contacted for advice and/or support, with pointed recommendations/introductions to a range of technical, mentoring and legal resources that are needed” – (KII)
- ii. “Our experience with BC was excellent. Moral support was always available for us as well as follow up when requested” - (KII)

However, these positive responses need to be tempered by the feedback from several interviews with selected women entrepreneurs and an FGD with non-beneficiary women-owned enterprises, where it is also necessary to conclude that BC was not particularly successful in offering any of its support initiatives to those potential clients. Comments offered by the participants were unanimous in their observations and views on BC, some of which are highlighted below - at the time of the evaluation BC had 6 female start-ups out of a total of 19, thus accounting for approximately one third of those within BC's client portfolio:

- i. “I heard about BC but did not apply as the selection criteria required financial records I didn't have, and to be very scalable” – (KII)
- ii. “I tried to apply and they held a long meeting with me then advised they won't support as they are already supporting our competitor” – (FGD participant)¹³
- iii. In summary, given BC's various component parts under the three Pillars (FoFs, Scouts, start-ups), the overriding conclusion that can be drawn based on feedback from interviewees drawn from all categories, is that the program has taken meaningful steps forward with regard to, for example, fund managers but

¹³ The information was cross-verified with the BC team, noting that the participant was not meeting the selection criteria and therefore not supported.

less effective in reaching out to, for example, women-owned start-ups as identified by female respondents in both KIs and an FGDs. This is addressed further in Q.2.a below.

4.2.3 RECOMMENDATIONS

There appear to be three main issues for discussion in terms of recommendations. First, BC interventions that supported existing clients with either the \$10k award funds or the \$25k COVID Recovery Loan Program – both considered to be effective in the sense that recipients had a specific purpose for those funds. There is therefore nothing further that can be recommended in this evaluation related to those funds. Second, the issue of providing technical services to existing companies as ascertained by the ET, only suggests a recommendation for BC to assess the purpose of technical support measures, many of which in fact can already be sourced from a range of service providers in Jordan.

A further recommendation would be to determine whether the combination of advice on investment together with technical support measures is the correct “fit” going into the future. In other words, reach a considered judgment as to whether BC’s current business model relative to its original remit is likely to be the conduit that attracts the ‘missing’ investment finance that was identified when the program was initially designed. All of this of course will be dependent on whether the impact of COVID-19 now and/or in the future forces a realignment anyway of BC’s operating strategies.

4.2A EVALUATION QUESTION 2.A

To what extent has the project integrated gender sensitive approaches to reach men, women and youth SMEs?

4.2.1A FINDINGS

This question leads directly from the preceding analysis with some of the gender-related issues already discussed, though not specifically regarding youth in particular, which did not feature highly in the ET’s investigations, largely due to the lack of potential interviewees to target for comment. With regard to female related issues, feedback from women-owned businesses from KIs and FGDs indicated a number of constraints preventing them from either scaling up or improving their capacity to attract investment or access to finance.

The prevailing view among all participants in the interview sessions was that few opportunities exist in Jordan to actively support women-owned businesses in general largely due to cultural attitudes. While this perception may have merit in contributing to the widely held view among female entrepreneurs that not enough is being done to improve their development prospects, most of their businesses tend to be “lifestyle” businesses which do not readily lend themselves to scalability.

Consequently, they would not readily demonstrate, at the moment, that they would meet the criteria that BC requires for inclusion on its program. A standard criticism is that BC’s selection criteria tend to narrowly focus on enterprises submitting standard financial data rather than considering and including gender sensitive criteria that could be an additional influencing factor in allowing them to participate in BC’s various initiatives.

A further commonly held view among women interviewed was that, irrespective of their respective specific needs, most had never heard of BC or its services. The lack of awareness on the part of female entrepreneurs residing outside of the Amman region was a finding through the FGDs. Those women residing in Amman, or with Amman region network connections, tend to have a greater awareness of BC’s activities. The ET was unable to determine precisely why this was the case, but a comment was made that maybe BC did not actively promote its existence in Jordan via media that could be reached by the business

community at large. This perceived lack of awareness may have contributed to the above views held by women entrepreneurs, though as mentioned above the lack of networking by their businesses may have been an influencing factor in not being aware of BC or what it had to offer.

Although challenges faced by women entrepreneurs include limited access to finance, the need for legal advice and guidance on incorporating a business, financial management advice, access to markets and other business development skills, such needs would currently be available from existing business service providers in Jordan, to whom any business could turn for support. Satisfying the requirements of BC under its existing investment strategies is another matter which may not be relevant or appropriate for women-owned businesses that do not meet the criteria for inclusion in BC's program as it currently stands.

4.2.2A CONCLUSIONS

Given BC's current mandate regarding its financial investment commitments, it is arguable that accusing the program of not specifically targeting women entrepreneurs, may be untenable or at best possibly lacking a more inclusive strategy where the scalability criteria exists but those enterprises are not aware of BC or its services. In short, from the evidence gathered, the ET can conclude that the only major failing with regard to supporting women-owned businesses, would be connected with a lack of an effective promotional campaign that could reach all businesses in Jordan with an interest in investment opportunities in particular including young entrepreneurs (which as mentioned above was not able to feature highly in this evaluation).

4.2.3A RECOMMENDATIONS

Perhaps the most relevant step that BC can take in the future to alleviate any misconceptions among women regarding what BC's services would be the introduction of a more robust and targeted media strategy aimed at reaching women-owned businesses via specific social media platforms or women-oriented internet groups. This would serve to increase the interest among female entrepreneurs in applying to BC's Entrepreneur Support Program (Pillar1).

At the time of writing this evaluation, BC was considering such a strategy as well as entering discussions on a partnership arrangement with the Dutch Ministry of Foreign Affairs to launch a program targeting youth entrepreneurs and this approach is to be encouraged.

4.3 EVALUATION QUESTIONS 3 AND 3A

How effective was Beyond Capital's approach in building the capacity of new financial entrepreneurs (including angels, scouts and IFADA Fellows program) to invest in the ecosystem? Has the number of first time Angel investors grown and what has been the impact of these investments on these nascent firms?

4.3.1. FINDINGS

In discussion with representatives from KII virtual meetings regarding the above-mentioned category of financial entrepreneurs, the ET acquired the following information from comments and observations offered by interviewees. The initial cohort of angels contained 12 members. Currently, there are 20 members with another signing shortly (see questions 3(a) for more details). Angels have invested \$200k in 12 deals even though it is the first Angel network in Jordan. According to BC management, since the angel network is very new, it is premature to expect significant impacts. Angels are requesting that BC increase the level of due diligence on deals, then share the results prior to Pitch Day. One of the Angels interviewed had (to date) not made any investments in any of BC's start-up

companies and did not believe any of them were ready to meet her requirements. According to Beyond Capital Monitoring, Evaluation and Learning Plan, 16 December 2019, BC had a 2019 target of 10 companies that scouts would invest in with \$250k. The actual for 2019 was \$125k invested in six companies. There is no additional information available for 2020 at the time of writing this report, though given the impact of the COVID-19 pandemic, it is foreseen that no further investments are anticipated during 2020 from the scout network.

The ET found that the scouts had an uneven knowledge of the basics of investment decision-making with no immediate financial reward for them after a deal is closed. The IFADA Fellows program can be deemed an effective initiative by the participating Fellows in upgrading their skills and knowledge of the types of finance products and investment styles available in the industry. Specifically, they acquired a more in-depth understanding of fundraising, operating and administering funds, reporting and compliance procedures and financial modelling, among others. It should also be noted here that an experienced Fund Manager requires several months to design a new fund concept/ investment thesis, structure a tax-efficient legal framework, conduct a back test of the investment strategy as well as arrange and conduct investor roadshows.

4.3.2. CONCLUSIONS

Angel financing has increased the ability of the start-ups to increase their managerial and operational efficiency as well as gain customers. The Scout program could benefit from minor modifications, for example, providing financial reward / incentive “upfront” when a scout-sourced or co-financed deal is closed.

4.3.3. RECOMMENDATIONS

The following recommendations are suggested to improve the performance of the three categories under review.

Pillar Two (Investment Funds)

IFADA Fellows

Provide Training on Measurement of Environmental, Social and Governance (ESG) Impacts and UN Sustainable Development Goals. This would make BC-supported Funds more interesting to International Funds targeting double/triple bottom line investment opportunities. Likewise, for High-Net Worth individuals, Family Offices and Foundations seeking impact investments in emerging markets. It is the ETs understanding that BC will in fact implement these suggestions in the new cohort.

Pillar Three (Accessing Private Capital via Angels and Scouts)

ANGEL INVESTORS

- i. Prior to start-up Pitch Day, continue to provide Angel investors with start-up pitch decks
- ii. Continue to provide Angel investors with additional investment opportunities by enabling them to co-invest alongside the individual Funds in BC’s FoF.

SCOUTS

- i. It is recommended that the Scouts meet on a quarterly basis to share deal information and “lessons learned.”
- ii. It is recommended to pursue the recruitment of more women scouts. This would allow for greater access to a network of women entrepreneurs seeking to build scalable businesses and thus serve to alleviate some of the concerns identified above regarding women entrepreneurs. It would also be in line with

- USAID's Sub-R 2.2. (Pillar 3) indicator for BC that requires that the Scout Network be expanded within the lifetime of the program.
- iii. Furthermore, as nearly all BC's clients are based in Amman, any anticipated expansion of the Scout Network including women, should cover all of Jordan not just Amman. As BC is a national program not simply limited to targeting businesses in the capital, the potential for reaching and attracting the caliber of entrepreneurial businesses in other locations, would contribute towards meeting this indicator.
 - iv. Conduct a training needs assessment for newly recruited Scouts. Design a training course for those Scouts who require a review of investment fundamentals, i.e., performance measures such as the Internal Rate of Return (IRR) and Net Present Value (NPV). By doing so, a common language and deal valuation methodology can be understood by all scouts.
 - v. Increase the deal-sourcing efforts of the Scouts by providing "upfront" financial incentives.
 - vi. Improve the scouts training program by providing a case study of a hypothetical start-up. Scouts would then have to perform legal due diligence using the diligence form developed by Silicon Badia. For example, Scouts could receive a modest "finder's fee" as well as a percentage of the Placement Fee (assuming BC begins to charge one). This is standard practice in the Investment Banking and Asset Management industry.

4.4 EVALUATION QUESTION 4 AND 4A

How effective was the approach Beyond Capital used in providing technical assistance for companies to become more viable and scale up?

How effective was combining technical assistance support with access to finance through investors and capital to grow their businesses?

4.4.1. FINDINGS

This question has largely been answered in Q.2 above where reference has been made to the responses from the ET's mini-survey of BC's 19 start-up client companies, conducted during the evaluation and which provided the most detail on the views and observations of the start-ups within BC's client portfolio. Both questions are interrelated and thus answered together in this report.

The ET found that the most effective forms of assistance according to respondents were mentoring and the provision of the US \$10k to purchase professional and consulting services and that for the most part respondents indicated that their businesses valued advice at the start-up stage rather than financial-related issues.

In reviewing the responses from the various interviews, KIs and FGDs, a number of issues came to light in terms of the provision of technical services offered by BC and access to finance through investors, though the most informative data and information resulted from the start-up mini-survey.

This provided a wealth of highly relevant and constructive comments and observations in response to a range of important questions designed by the ET to elicit responses that would help the ET draw meaningful conclusions and in turn contribute to the development of actionable recommendations both of which are referred to in the following two sections.

For ease of understanding, the ET prepared a brief table of responses (Table 3 below) to highlight the main findings of the survey relative to this question.

Table 3 – Summary of Mini-Survey Responses – Technical Assistance and Investor Access to Finance¹⁴

Start-up Business	Category of Questions Asked in terms of Effectiveness.					
	Which of these BC services did you use?		Which of those services were most effective for your business?		Which of those services were least effective for your business?	
	Technical Assistance (i)	Investor Access to Finance (ii)	Technical Assistance	Investor Access to Finance	Technical Assistance	Investor Access to Finance
1	Mentoring	\$10k award	✓	✓	n/a	n/a
2	Mentoring	\$10k award	✓	✓	n/a	n/a
3	-	Angel financing	-	✓	-	n/a
4	-	\$10k award	✓	✓	n/a	n/a
5	-	Angel financing	-	✓	-	n/a
6	Mentoring	\$10k award	✓	✓	n/a	n/a
7	Mentoring	Angel Financing	✓	✓	n/a	n/a
8	Mentoring	\$10k award	✓	✓	Legal Advice	n/a
9	-	\$10k award	-	✓	-	n/a
10	Mentoring	\$10k award	✓	✓	n/a	Angel Financing
11	Mentoring	\$10k award	✓	✓	Legal Advice	Angel Financing
12	Mentoring	\$10k award	✓	✓	Strategic Advice	n/a
13	Mentoring	-	✓	-	n/a	-
14	Mentoring	-	-	-	Received nothing	-
15	Mentoring	\$10k award	✓	✓	n/a	Angel Financing
			11	13		

Analysis of the data and information in Table 4 reveals the following with regard to respondent's attitudes to BC's technical assistance program and financial support via the \$10k award facility.

- i. 10 of the 15 respondents received both technical assistance (predominantly mentoring) and the \$10k award to pay for needed professional services).
- ii. All of those respondents that received both mentoring and funds indicated that they had a positive effect on their respective businesses.
- iii. Two start-ups received mentoring only, while three received angel financing (one together with mentoring).

¹⁴ Source: Mini-Survey on BC's Client Start-Ups Conducted by the ET

i) Includes capacity building, advisory services, marketing expansion strategies, mentoring (ad-hoc advice on variety of issues on demand though mainly on HR and finance training), among others.
 ii) Includes angel financing and \$10k award for professional services.

- iv. In response to which services received were the least effective for their respective enterprises, two suggested the legal advice provided by BC, with one mentioning the strategic advice offered.
- v. Regarding finance, three businesses indicated their dissatisfaction with angel financing though those three start-ups did not receive such finance which was the reason cited for their response.

In summary, it is apparent that as far as the 15 (from the pool of 19 targeted) respondents are concerned, BC's support programs via technical assistance and award fund, were perceived as being effective for their respective operations and thus exhibiting a collective high level of satisfaction.

In terms of viability (longer term profitability) and scalability prospects of BC's start-up clients, Table 5 below highlights respondents' attitudes to those issues.

Table 4 – Summary of Mini-Survey Responses – Viability and Scalability¹⁵

Start-up Businesses	Category of Questions Asked in terms of Effectiveness		
	Technical Assistance Service Used under BC's Entrepreneur Support Program PILLAR 2	Has BC's Technical Assistance made your business more profitable?	How scalable ¹⁶ would your business be over the next three years if you had not participated in BC's Entrepreneur Support Program?
1	Mentoring	Not at all	No growth
2	Mentoring	5% - 10% annual growth in profit	10% + annual growth
3	-	n/a	Less than 5% annual growth
4	-	n/a	No growth
5	-	n/a	5% - 10% growth
6	Mentoring	10% + in annual growth in profit	10% + annual growth
7	Mentoring	Not at all	No growth
8	Mentoring	10% + in annual growth in profit	10% + annual growth
9	-	n/a	Less than 5% annual growth
10	Mentoring	Less than 5% annual profit	10% + annual growth
11	Mentoring	10% + in annual growth in profit	5% - 10% growth
12	Mentoring	Not at all	Less than 5% annual growth
13	Mentoring	Not at all	5% - 10% growth
14	Mentoring	Not at all	No growth
15	Mentoring	5% - 10% annual growth in profit	5% - 10% growth

The following observations can be deduced from the information in Table 4:

Profitability

- i. Five of the start-ups that received BC technical assistance support claimed it did not lead to an improvement in profits

¹⁵ Source: Mini-Survey on BC's Client Start-Ups Conducted by the ET

Note: Start-Ups 3 5 and 7 received angel finance so the scalability issue is still relevant. Start-Up 4 received award only but still qualifies for scalability comment]

¹⁶ Scalability is defined as expected annual sales over the next three years

- ii. Two companies indicated 5% - 10% annual profit growth achieved
- iii. Three companies indicated they achieved 10% + in annual profit growth
- iv. One start-up indicated a less than 5% increase in profits

Scalability

- i. Four start-ups advised that there would be no growth without BC support
- ii. Four companies indicated that their businesses would still be scalable year-on-year by more than 10%
- iii. Four companies indicated they would be scalable with between 5% - 10% annual growth
- iv. Three start-ups advised that they would experience less than 5% growth without BC support

In summary, one third of the start-ups who responded in the survey suggested that BC technical assistance support did not lead to improved profitability. The remainder businesses advised they would achieve varying levels of growth in profitability from less than 5% annually to more than 10% annually. In terms of scalability, if respondents had not received BC support, four expected no scalability without such support. However, it is important to note here that many other factors exist that could influence profitability and that in any event BC supports companies that are performing in a manner that meets BC's requirements for support.

All other start-up respondents indicated they would expect scalability annual growth (over the next three years) from less than 5% to more than 10%. It should be noted of course that these projections cannot be verified by the ET in the absence of financial data being made available to the team for scrutiny. However, the responses highlighted in the table do provide a snapshot of start-up perceptions and expectations regarding their collaboration with BC.

4.4.2 CONCLUSIONS

From the above analysis, it is possible to conclude, in response to BC combining technical assistance services together with financial support, that those start-ups who received both (nine in total), were of the view that they had a positive effect on their respective businesses. This represents 60% of the respondents who benefited from the combined services, though the term 'effectiveness' would need to be defined for a more informed impression to be made.

To a degree, this is apparent from the data in Table 3, which raises the issue of profitability in particular. Here, as one third of the respondents (five start-ups) experienced no increase in profits from mentoring under the technical assistance program, and three of those had both services, it is not possible at this stage to come to a balanced conclusion regarding BC's approach to offering both technical assistance and financial support.

In terms of scalability, responses are varied and not verifiable, though 11 of the respondents claimed they would be scalable without BC support. As such feedback is essentially largely subjective, it is problematic to correlate BC's effectiveness in its approach through its technical assistance program, if profitability levels are suspect or not achieved via the same program.

4.4.3 RECOMMENDATIONS

To be certain that start-ups can become more profitable and potentially scalable, BC could introduce a more robust scheme to determine whether technical assistance, financial support or both, can actually lead to increased profitability and growth. This would require participating businesses to undergo a thorough diagnostic analysis of their operations in order that targeted technical assistance offered matches the company's growth needs. In

practical terms, once BC has identified potential clients that meet its requirements for support, it could suggest an initial meeting and subsequent agreement with that client, that an in-depth diagnostic analysis be conducted to review all aspects of the business, in order to identify areas of weakness that could benefit from tailored technical assistance to improve bottom-line performance. Suggestions could come from the client or from BC following the diagnostic analysis. This need not be a complicated exercise, nor time consuming, the end result of which would be a clear roadmap for the client and BC regarding what measures or steps need to be taken to realistically lead to better results over time (to be agreed between the client and BC).

This would then identify whether funds were required, for what purpose and at what stage. BC can still combine and retain both technical assistance options as well as financial support options within its portfolio of services, to be made available based on the results of the aforementioned diagnostic analysis.

4.5 EVALUATION QUESTION 5

What were the main challenges and lessons learned under the different pillars that you would like to highlight? Review/assess whether the current project design (components, scope, activities, schedule) continues to be an adequate mechanism to achieve the project's intended outcomes.

4.5.1 FINDINGS

Main Challenges

By way of perspective, it is important to note that the universal challenge for any investment organization is to create a sustainable flow of investment opportunities ("the deal pipeline"). One relatively unique challenge faced by BC is to prevent the poaching of "attractive" Jordanian start-ups by GCC countries offering very attractive locational incentives, e.g., free apartments and private health insurance for staff.

As noted earlier, BC supports the relocation of Jordan start-ups if staff believe that relocation is necessary for the start-up's growth. However, if the move does NOT make sense, BC will advise the start-up to remain in Jordan.

Lessons Learned

Each cohort of start-ups and IFADA Fellows is a heterogeneous group, with regard to gaps in their knowledge, skill sets, and operational needs of their start-ups. Hence, a "one-size fits-all" training program for start-ups will have limited usefulness. After segmenting the cohorts by conducting a training needs assessment, some personalized one-to-one training has to be offered. This means additional training resources are required. On the other hand, a common training program for IFADA Fellows is very successful. The reason is that the Fellows are aiming to launch a common product. i.e., an Investment Fund.

Project Design Assessment

The BC 3-pillar model and 2-sided market are functioning in a coordinated, effective fashion. Governance appears to be very effective since BC management appears to actively seek the opinion of the Governance Committee to resolve conflict-of-interest issues. The Entrepreneur Selection Panel and the Investment Committee are composed of very experienced Jordanians. These two decision-making bodies provide intense interview questioning, but in a friendly, supportive manner. Scouts must patiently wait for the start-up to generate sufficient cash flow to deliver a financial payoff to the Scout.

4.5.2 CONCLUSIONS

BC management has demonstrated its ability to effectively “pivot,” when a particular activity is not working properly. BC faces the risk that the Scout program may face a high drop-out rate due to the lengthy amount of time (5-7 years) that the Scouts have to wait to receive a financial pay out for their deal finding efforts. To continually motivate the Scout search activities, the program may need to provide “upfront” financial incentives to the Scouts in the form of a finder’s fee or a percentage share in the placement fee.

4.5.3 RECOMMENDATIONS

BC continues with its current operational modalities having in mind the above-mentioned lessons learned.

To continually motivate the Scout search activities, especially female scouts, the program may need to provide “upfront” financial incentives to the Scouts in the form of a finder’s fee or a percentage share in the placement fee.

4.5A EVALUATION QUESTION 5A

What measures can be taken to improve implementation efficiency and results and what services are needed by the ecosystem to achieve the project’s expected outcomes?

4.5.1A FINDINGS

The ET encountered a number of important and relevant issues pertaining to efficiency based on the feedback from key interviews and stakeholders and which, if improved, would lead to the more efficient deployment of program resources to meet pre-planned objectives. For clarity and ease of understanding these are presented below in list form:

- i. The existence of a lack of regular communication between the BC Investment Committee and the BC Board.
- ii. Scouts not meeting as regularly as would be expected in order to facilitate their respective mandates.
- iii. Lack of feedback given to the Entrepreneur Support Evaluation Panel on the performance of the start-ups they selected.
- iv. The absence of a BC strategy aimed at increasing the flow of start-ups into the BC pipeline.
- v. The lack of a more robust and focused marketing / media promotion strategy designed to improve impacts in the form of Youth Employment and Women entrepreneurship

4.5.2A CONCLUSIONS

- i. Whilst BC has been an important and major player in developing the business investment ecosystem in Jordan (as per some of the more significant findings in this report), a number of further steps could be taken by BC to improve the potential to achieve expected outcomes – though of course this must be tempered by the ongoing and perhaps continuing constraints and restrictions currently experienced by all in Jordan due to the COVID-19 pandemic.
- ii. The above notwithstanding, BC can provide a gateway to regional and international markets by drawing upon its network of Jordanian contacts spread throughout the GCC, especially Dubai in the United Arab Emirates (UAE). Furthermore, if the NASDAQ DUBAI Growth market is successful, Jordanian start-ups will have a much-needed exit option.

4.5.3A RECOMMENDATIONS

- i. Increase communication between the BC Investment Committee and the BC Board
- ii. Scouts should meet regularly on a quarterly basis.
- iii. Regular feedback to be given to the Entrepreneur Support Evaluation Panel on the performance of the start-ups they selected.
- iv. Need to increase the flow of quality of Jordanian start-ups into the BC pipeline by working closely with Jordanian Universities and their Innovation labs. The Flat6Labs 4-month accelerator program should enhance the quantity and quality of the start-up pipeline.
- v. BC needs to effectively integrate the Pillar One Entrepreneur Support program and the highly regarded Flat6Labs accelerator program.
- vi. BC should Increase the advertising to districts outside of Amman and use social media, e.g., Facebook & Linked-In, to identify women entrepreneur groups with Jordan members.
- vii. Given the 4-person staff, Beyond Capital's ability to implement and coordinate the complex programs is a demonstration of the BC's team to efficiently manage its time and financial resources. This approach and attitude should continue through to the end of the program in December 2022 and beyond.
- viii. BC's ability to minimize operational costs by the extensive use of experienced finance and banking volunteers to select start-ups and make investment decisions is another indication of BC's strong management skills. This approach should also continue in order to maintain the program's potential sustainability in the longer term.

4.6 EVALUATION QUESTION 6

What has been Beyond Capital effects on the institutional maturity of start-ups and what has been their success in attracting outside capital?

4.6.1 FINDINGS

BC does not have a “one-size fits all” start-up scalability methodology, such as MIT's Disciplined Entrepreneurship 24-step roadmap or the Start-Up Manual customer development checklist developed at Stanford University. BC permits the entrepreneur drive the evolution / journey of the start-up and provides assistance when requested i.e., demand driven.

BC provides a bundle of services e.g., access to financing and mentoring, all of which are designed to increase the capability of start-ups to acquire the necessary tools, skills and expertise to improve operating performance and thus their level of attraction for business investment either locally or from external foreign investment.

4.6.2 CONCLUSIONS

The advantage of BC's hands-off approach is that the ability—or inability--of the founder to lead and manage the business is quickly identified. The target maturity endpoint for the start-ups is to become eligible for the Endeavor Jordan Program.

One indicator that BC can produce “mature” start-ups is the fact that BC has helped two of its start-ups to receive bank loans. In other words, BC can produce both investable and bankable start-ups.

4.6a EVALUATION QUESTION 6a

What share of participating firms has been successful in advancing one (or more) maturity tiers and what share of participating firms has been successful in attracting outside capital investment?

4.6.1a FINDINGS

BC defines start-up maturity by age, as opposed to such yardsticks: annual revenue, attraction of outside financing, number of employees.

Amount raised is aggregated over the first three cohorts in the Entrepreneur Support Program.

4.6.2a CONCLUSIONS

In the absence of a structured growth model in Pillar One, it is difficult to measure maturity and growth using economic or financial metrics going from one tier to the next tier.

4.6b EVALUATION QUESTION 6B

Have Beyond Capital's efforts resulted in an overall expansion of early-stage investment-ready businesses and investment capital?

4.6.1b FINDINGS

According to BC's latest reporting figures, an additional \$10 million has been raised by approximately 60.5% (23/39) start-up companies, post-selection into the Support Program, \$7 million raised by year end 2019 (against a target of \$1 million) and the remainder to date.

Pillar One: BC provided US\$ financing totaling \$300,000 to 12 start-ups. In turn, this enabled an additional \$770,000 raised by Angels, Scouts, and Private Investors. BC also provided \$220,000 in grants, of which \$123,000 has been spent. Finally, BC has arranged two bank loans for start-ups.

Pillar Two: Commitments made to four funds, whose combined target first close equals \$39.5 million and target Fund Size equals \$85 million.

Pillar Three: Scouts have participated in 12 deals contributing \$50,000. Angels also contributed \$200,000. There is the potential for additional financing by Angels as they become more familiar with investing in the pre-seed start-up asset class. Under the present pandemic scenario future investments will be subject to closer scrutiny from investors with risk analysis becoming more of a feature in the investment decision-making process.

The above data represents a brief snapshot of BC's financial performance from a quantitative perspective with further detail elaborated in USAID's Annual Report 2019.

4.6.2b CONCLUSIONS

The evidence suggests that financial targets set under the three Pillar arrangement have been exceeded with nearly two thirds of the start-ups benefiting from investment capital.

4.6.2c RECOMMENDATIONS

BC management would be well advised to maintain a close (or closer) contact with current and potential investors to inform its strategic options based on how the market is acting and reacting on an ongoing basis. This will also consider and take account of the issues raised above regarding Jordan's political, economic and social situation. All investors live by the 'return-on-investment' motivation and incentive to invest and this must be at the forefront of BC's thinking and mindset.

4.7 EVALUATION QUESTION 7

What is the likelihood that interventions under Beyond Capital can be expected to sustain over time? Why will those be sustainable and list those interventions?

4.7.1 FINDINGS

4.7.1.1 Definition of Sustainability

In order to answer this question meaningfully, the ET determined that a definition of the meaning of “sustainability” would be appropriate to set the tone of the discussion. In short, and in relation to BC, we suggest that a sustainable organization is one *that is in a position to continue operating as an ‘ongoing business’ – in this case, over the remaining lifetime of BC’s mandate through to December 2022 and beyond*. This of course infers a sufficient level of profitability is maintained post-December 2022 to support continuity in the event there is no guarantee that funding from USAID will be forthcoming.

Under BC’s current operating regime, existing clients (start-ups and suppliers of finance) benefit from BC’s menu of support services mostly on a no-cost basis and these customers would need to remain within BC’s client portfolio assuming they are in a position to do so given the constraints on growth due to the COVID-19 pandemic. This then raises the issue of how to transform the definition of sustainability into a measurable set of sustainability.

BC’s current *modus operandi* essentially and in principle, focuses on targeting promising start-ups in Jordan that can benefit from BC’s range of financial and technical assistance support services. BC’s mission is to close the seed capital funding gap for Jordanian start-ups that are: i) post-acceleration stage; ii) have a track record; iii) have a minimum viable product and iv) have a strong product-market fit.

From this perspective and with reference to the five criteria that BC employs to select start-ups for inclusion in its Entrepreneur Support Program (Pillar One), it is useful to consider the criteria used by the US Cleantech Open¹⁷ venture selection program and to include such criteria in our sustainability deliberations. The following section highlights the combination of BC and Cleantech’s criteria for sustainability in as much as participating clients for BC survive and prosper in the longer term.

4.7.1.2 Criteria to Determine Sustainability

Businesses that would be suitable for inclusion in BC’s portfolio that could support and contribute towards BC’s sustainability objectives could include:

- High-Impact Potential (Value Proposition solves a pressing problem)
- Scale-up Potential (target market is large and growing; minimal competition and high barriers to entry via defensible Intellectual Property and industry characteristics (e.g., capital intensive)
- Revenue Generating
- Role Model Potential (example of how to be disruptive via innovative, clever solution to pressing problem faced by Jordanians)
- Demonstrated Traction (defined as repeat customers)
- Quality Management Team & Staff

¹⁷ Cleantech Open is the world’s largest cleantech accelerator providing entrepreneurs with the resources they need to launch and grow successful cleantech businesses. Client start-ups companies benefit from extensive training, start-up corporate matching, investors meetings and showcasing at regional and national levels.

- Transparent Governance with no conflict of interest
- Funding Requirements
- The need for an Exit Strategy from USAID Grant Program

However, for the longer term, while these criteria for selection to participate in BC's current operating scenario suffice and may be relevant for the future, BC will need to determine whether post-December 2022, potential start-ups satisfying those criteria would be prepared and be in a position to actually pay for services currently offered for free by BC (see Recommendations below). Feedback from KIIs and FGDs suggests the following views and perceptions with regard to the issue of BC's likelihood of sustainability.

- i) High Impact Potential: BC has network resources and a coherent set of program activities that solve a challenging problem faced by Jordanian start-ups. Excellent management team with appropriate skill sets and "helping" attitude.
- ii) Revenue Generating: Minimal. The US\$ 500 entry fee for Angel network appears to just cover costs of holding frequent meetings and training events. Any possible cash distributions from investing in Funds and (possibly) direct investment in start-ups is highly speculative (risky) and won't occur for at least three years into the future. A pro forma financial model would be an excellent aid in more precisely identifying when/how much working capital needed by BC.
- iii) Role Model Potential: BC is a splendid example of how to support innovative, clever solutions to pressing problems faced by Jordanians. Excellent organization to serve as a role model. Has built trust via prompt delivery of services.
- iv) Demonstrated Traction (defined as repeat customers): start-ups do not hesitate to pick up the phone and call BC representatives for advice on any topic.
- v) Quality Management Team & Staff: Has clearly been demonstrated though BC may lack bandwidth to continue to serve current cohorts of start-ups as they mature and require more pointed advice.
- vi) Transparent Governance with no conflict of interest: A commonly held point of view by all interviewees during the evaluation.
- vii) Funding Requirements: Difficult to see how BC will continue to operate at its current level via its current Business Model that relies entirely on grants of fixed duration.

In addition to those findings, the ET noted the EU recently awarded a US\$6.6 million. SURGE grant to BC and Endeavor, based on their joint proposal with most of the grant money allocated directly to 45 beneficiaries. The grant also has a cost sharing condition of 10%, which Endeavor covers on behalf of BC. In addition, BC receives a budget allocation of around 40k Euros a year (US\$48k), if needed to cover additional resources if required. With regard to Pillar Three, the ET noted that Angel investors tended to be High-Net Worth individuals who have the capacity to invest in the absence of BC's activities. The question then would be should such investors as well as Scouts, be supported via BC and not operate on their own accounts. If so, would this Impact BC's sustainability prospects?

4.7.2 CONCLUSIONS

From the above commentary, the concept of sustainability in as much as it pertains to BC is complicated and challenging, that does not easily lend itself to a readymade 'roadmap' for the future. BC has many constituent parts encompassing activities and partners with their respective functions and roles. As advised above, could BC be sustainable in the longer term in the absence of USAID funding? From the data and information gathered, the

evidence in support of BC being sustainable in its current format, cannot be substantiated or proven one way or another.

The conditions for sustainability rely on two important factors: first, will USAID continue to support BC with funding post-2022 and second, if such support were not forthcoming and BC was dependent on clients paying for services, would the company be able to survive in the future. In short, in the absence of answers to both questions, the evidence remains inconclusive given too many unknown factors. Furthermore, does / will the impact of COVID-19 and its ramifications affect BC's business model for the future and potential for sustainability? – (See Question 8 below for additional comment).

From the findings elaborated in Table 4 above in response to EQ.4 the available evidence suggests, regarding BC's activities within Pillar 2, that 5 of the 11 start-up companies that responded to the mini-survey indicated that BC's technical assistance (largely mentoring) did not lead to increased profits. This being the case, even if USAID funding continued, it is not possible to argue that Pillar 2 services could remain in their current structure or potentially worse, as services if BC was to function on its own without donor support. In other words, this appears to confirm the ET's view that sustainability for BC and its activities, cannot, it seems, rely on its present structure or services.

4.7.3 RECOMMENDATIONS

Realistically, based on the evidence gathered from the ET's investigations and analysis, BC should consider the following options / actions to at least improve the likelihood of longer-term sustainability. Some recommendations may have already been suggested in the above questions but reiterated here as supporting evidence for BC sustainability purposes:

Existing Clients:

- i) To retain existing clients with the potential for repeat business, develop a strategy and subsequent methodology to determine their precise development needs, if scaling up is the anticipated end result. This can be achieved with minimum time and effort via a brief business diagnostic analysis and lead to the need for interventions that will achieve predetermined objectives for BC and client.
- ii) If technical assistance services (as per BC's current range under Pillar two) are to continue then, first, BC would be advised to conduct its own mini-survey of clients to determine the nature and extent of support they actually need based on a diagnostic analysis, then agree an approach that will address the most pressing needs identified in this analysis. Second, BC needs to ascertain whether existing clients would be prepared to pay for any identified services on a competitive basis, relative to what is offered by other service providers in the marketplace.
- iii) Initiate a follow-up procedure with existing clients to determine in particular if planned interventions actually lead to increased profitability over time. This will need to involve a methodology that would permit the verification of a client's financial data without which the purpose and rationale for a particular intervention may be redundant.
- iv) BC should conduct a review of its technical assistance services to determine if the nature and delivery of those services is realistically meeting customer demand. This can be done internally or if existing personnel do not have the necessary experience for such a review, BC could contract an independent consultant to do this for them.
- v) As the portfolio of start-ups increases, BC will have to increase the number of staff devoted to implementing Pillar One.

Potential Clients:

To be sustainable as an organization will be dependent on BC's ability to continue servicing and retaining existing clients, as well as finding new ones. The following actions are therefore recommended relative to each of the three Pillars: They are considered as essential actions in order to improve sustainability:

Pillar One – Entrepreneur Support Program

- i) Broaden scope of advertising and promotion to districts outside of Amman to include specific media campaigns aimed at reaching women and youth.
- ii) Expand geographic outreach during the remainder of the project.
- iii) Insert Entrepreneur Support Eligibility Criteria on the landing page of the BC website.
- iv) Add a staff person delegated to increasing the quality and quantity of start-up applicants by leverage off the Ecosystem resources, e.g., collaborate with INTAJ (IT Trade Assoc.) to recruit more IT-based start-ups.
- v) Similarly, for Pillar Two additional staff will be needed to manage the Fund of Funds platform.
- vi) Hire additional staff to continue building the pipeline of start-ups as well as provide the menu of services to cohorts, as the size of BC's portfolio of cohorts continues to grow.
- vii) If combined services are to be offered (see Table 3 above and the ET's analysis that follows), BC must ensure a direct correlation between offering both and a client's likely prospects to increase profitability as per the above suggestion regarding conducting a pre-support company diagnostic analysis. Post-2022 program end, BC will need to develop a strategy (Plan 'B') in the event ongoing USAID is not an option. This will be based on an income-generating strategy related to market demand and the share of the market taken by competitors.
- viii) Provide Entrepreneur Support Selection Panelists with updates on selected start-ups 3- to 6-months after the Selection Panel event. This feedback loop should lead to increasing the ability of the Panelists to identify potential Round A investable start-ups.
- ix) BC should monitor the impending launch of the Nasdaq Dubai Growth stock market (DIFC). This market could offer a potential exit option for those Jordanian start-ups with significant return potential (i.e., delivering 10x returns).
- x) BC should conduct semi-annual assessments of the start-ups, measuring their progress toward meeting the Endeavor eligibility criteria.

Pillar Two – Investment Funds

IFADA FELLOWS

Provide Training on Measurement of Environmental, Social and Governance (ESG) Impacts and UN Sustainable Development Goals. This would make BC-supported Funds more interesting to International Funds targeting double/triple bottom line investment opportunities. Likewise, for High-Net Worth individuals, Family Offices and Foundations seeking impact investments in emerging markets.

Fund of Funds

- i. Hire additional staff and form a separate team to assume responsibility for managing the FoF.
- ii. Search for an "anchor" investor in the Fund of Funds. Determine if the anchor investor is interested in sponsoring an Evergreen Fund of Funds, designed to attract patient capital.

- iii. Require Funds supported by BC to offer summer and academic year internships to Jordan University students interested in entering the Asset Management industry. The effect of this requirement is that the Interns are future IFADA Fellows.
- iv. Develop a financial model of the FoF that enables the Fund Manager to forecast the (interim) Internal Rate of Return (net of Fees) under different cash distribution scenarios. The model can be used to determine the appropriate size of the Fund.

Pillar Three – Accessing Private Capital via Angels and Scouts

Angel Investors

- i. Prior to start-up Pitch Day, BC to continue providing Angel investors with start-up pitch decks.
- ii. Provide Angel investors with additional investment opportunities by enabling them to co-invest alongside the individual Funds in BC's FoF.

Scouts

- i. We recommend that the Scouts meet on a quarterly basis to share deal information and "lessons learned" – in line with a similar recommendation in Q.5.a.
- ii. We recommend the recruitment of more women scouts. This would allow for greater access to a network of women entrepreneurs seeking to build scalable businesses.
- iii. Conduct a training needs assessment for newly recruited Scouts. Design a training course for those Scouts who require a review of investment fundamentals, i.e., performance measures such as the Internal Rate of Return (IRR) and Net Present Value (NPV). By doing so, a common language and deal valuation methodology can be understood by all scouts.
- iv. Increase the deal-sourcing efforts of the Scouts by providing "upfront" financial incentives.
- v. Improve the scouts training program by providing a case study of a hypothetical start-up. Scouts would then have to perform legal due diligence using the diligence form developed by Silicon Badia.
- vi. Scouts could receive a modest "finder's fee" as well as a percentage of the Placement Fee (assuming BC begins to charge one). This is standard practice in the Investment Banking and Asset Management industry.

4.8 EVALUATION QUESTION 8

What is the impact to date on project beneficiaries, angel investors and mentors as a result of the COVID-19 pandemic?

4.8.1 FINDINGS

The ET drew its main findings regarding the impact on BC's project beneficiaries from the mini-survey conducted during the evaluation. Table 5 below highlights the responses to several of the questions posed in the survey aimed at eliciting meaningful and unbiased comments and perceptions on the impact on their respective enterprises and the steps taken by BC (if any) in helping address and/or alleviate some of their concerns.

From this information, the ET was able to draw certain conclusions and a number of useful recommendations that could practically be implemented by BC during the remaining mandate of the program through to December 2022. Additional comment is then offered regarding the views of angel investors and mentors though this analysis reveals less than the mini-survey results.

Table 5 – Impact of COVID-19 Pandemic on Project Beneficiaries¹⁸

Start-up Business	Category of Questions Asked							
	What is the impact of COVID-19 on your business?		To what degree did BC's activities help reduce the size of the negative impact?			Which activities helped reduce the size of the negative impact?		
	Minor Negative	Severe Negative	Major	Minor	Not at all	\$10k Award	\$25k COVID-19 Loan	Mentoring
1		✓	✓			✓	✓	
2	✓			✓		✓	✓	
3		✓	✓			n/a	n/a	n/a
4	✓				✓	✓		
5	✓				✓		✓	
6	✓			✓		✓		✓
7	✓			✓				✓
8	✓			✓		✓		✓
9	✓			✓		✓		✓
10		✓			✓	✓		✓
11★	✓		✓			✓		✓
12		✓	✓			✓		
13	✓				✓			✓
14		✓			✓			✓
15★	✓				✓	✓		✓
	10	5	4	5	6	10	3	9
Total	15		15			15 ¹⁹		

Analysis of the above responses reveals a number of significant and important items of information regarding the attitudes of those who responded to the survey from the 19 start-ups contacted. Following is a brief summary of the most salient points for discussion, highlighting the extent to which the COVID-19 pandemic impacted those businesses:

- i) Two thirds of respondents suggested that the pandemic had only a minor effect on their respective businesses (two in a positive manner as referenced above).
- ii) Three of the five businesses that claimed they were severely affected indicated that BC's support played a major part in helping alleviate their concerns. Of those three businesses, one benefitted via BC's finance initiatives (\$10k and \$25k respectively, one benefitted from angel investment and one benefitted from the \$10k Award only). Interestingly, none of the three asked for or received advice from mentors.
- iii) Two thirds of the respondents indicated that did help reduce the extent of the negative impact they experienced with the remaining one third suggesting BC's activities had no impact on alleviating their concerns.
- iv) Six enterprises indicated the negative impact was alleviated due to receiving the \$10k Award together with mentoring support (details of which not specified in the survey responses).

¹⁸ Source: Mini-Survey on BC's Client Start-Ups Conducted by the ET

★Two start-ups recorded minor positive impact

☆Received angel finance only

¹⁹ This was a multiple response question; therefore, the total cannot be the sum of the above.

- v) Nine of the 15 respondents received mentoring in one form or another.
- vi) Again, interestingly, one of the start-ups that claimed BC's activities did nothing to support them in reducing the impact of the pandemic was able to benefit from the \$10k Award as well as mentoring.
- vii) Only three businesses benefited from the \$25k COVID-10 Recovery Loan Program. The survey had no facility to request information as to why companies did not take up this option – we therefore offer no comment here in this report on this issue.
- viii) 13 of the 15 start-ups (87% of all respondents) benefitted from the finance initiatives (two only from angel investment finance). Nine of those benefitted from mentoring (including the two that received angel finance).

With respect to the attitudes of angel investors and mentors, there was very little response to the issue of COVID-19 either from direct interviews or from the FGDs conducted. One angel investor suggested that the pandemic had a positive effect for him providing an opportunity to diversify his business towards the health sector. There were no comments from the participants in the IFADA Fellows focus group interview on the effects of the pandemic, in the absence of which, the ET has no further comment to make.

However, one of the female angel investors advised that the pandemic had now refocused her activities on innovation and technology enterprises which she believed created new opportunities and also served to reduce the level of risk associated with investing. Her main complaint concerned the increased level of government bureaucracy connected with paperwork approval for documents which was constraining the efficiency of her investments.

4.8.2 CONCLUSIONS

From the above observations it is possible to conclude the following:

- i) While respondents note COVID-19 has impacted their businesses, there is no specific notable trend among the 15-attitude mini-survey respondents in terms of how they reacted and/or were impacted by the COVID-19 pandemic in Jordan. Respondents reacted according to their perceived needs relative to what BC was offering as remedial activities for any negativity encountered during the pandemic.
- ii) The evidence suggests that access to finance was a significant contributor for respondents towards addressing negative impacts on their respective businesses, though as noted, this on occasion came together with mentoring advice.
- iii) Evidence further suggests that given the above responses, it would be possible to conclude that in the absence of BC and its range of services, perhaps some of the start-ups within its portfolio would have found themselves in deeper trouble than would otherwise be the case. In that sense, it is arguable that in being part of BC's client base, it has without doubt potentially saved some of those clients from more serious consequences of the COVID-19 pandemic. It is further arguable that as a result, BC has demonstrated, as has been alluded to in comments from both KIs and FGDs, that it has a moral responsibility towards its clients/beneficiaries and this is commendable.

4.8.2 RECOMMENDATIONS

The above conclusions do not immediately lend themselves to specific recommendations attributable to BC since no-one can anticipate what may happen in the future regarding the pandemic although recent developments in that respect appear promising.

The most pressing issues for any start-up in Jordan or any business for that matter concerns the need to maintain and/or increase revenue through sales and thus profitability.

In that regard, this evaluation has suggested that, until at least the end of the program, BC continues to offer its finance initiatives together with demand-driven and focused technical assistance support services to improve competitiveness and growth prospects.

ANNEXES

ANNEX 1: EVALUATION SCOPE OF WORK

JORDAN MONITORING, EVALUATION, AND LEARNING ACTIVITY (MELA)

USAID/Jordan Beyond Capital Midterm Evaluation

1. REQUESTING DO OFFICE

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> DO 1: EDE | <input type="checkbox"/> DO4.1: Health | <input type="checkbox"/> DO5: Women & Youth |
| <input type="checkbox"/> DO 2: Water | <input type="checkbox"/> DO4.2: Education | <input type="checkbox"/> Other (specify): |
| <input type="checkbox"/> DO 3: DRG | <input type="checkbox"/> DO4.1: Vulnerable Pops | |

2. PERFORMANCE PERIOD

Expected Start Date (on or about): September 2020

Anticipated End Date (on or about): December 2020

3. BACKGROUND

3.1 DETAILS

Activity Name	Beyond Capital Activity
Activity Start / End Date	January 2016 / January 2021 (No Cost Extension till December 2022)
Name of Prime Implementing Partner	High Impact Investment Initiative Inc.
Contract Number	AID-OAA-A-16-00008
Project/Activity Funding	\$10,000,000
Activity AOR	Jumana Halasa

Jordan, a country that has always exhibited a strong tendency towards entrepreneurship, has taken advantage of the global shift towards a knowledge-based economy. The country's entrepreneurial base continues to expand as the local business environment is dominated by small enterprises that make up 98% of the country's total businesses. These businesses generate 70% of jobs, contribute 45% of GDP, and 40% of exports. With a burgeoning youth population and unemployment as high as 18% (33% for women), accelerating job creation is one of the Kingdom's most pressing needs to propel growth, making the development of its entrepreneurial potential all the more relevant. Jordan's transformation is truly inspiring. It is driven by both a top-down and bottom-up approach, with all stakeholders trying to propel Small and Medium Enterprise (SME) development at a time of regional instability and financial limitations. Following the 2008 financial crisis and the dire state of the employment market, entrepreneurship was increasingly seen as the solution to instability. By 2011, entrepreneurship became a major movement in the Jordanian business sector with the

establishment of incubators and accelerators, such as I-Park and Oasis500, and the establishment of several funds, including Badia Impact Fund, MENA Ventures, DASH Ventures and Wamda.

However, while major advances have occurred across the Jordanian entrepreneurial ecosystem, several significant challenges exist in order to fundamentally turn the corner on delivering an innovation-based economy. Evident by the limited pool of investable companies due to the challenging factors on an economic and political level that might slow down the process of validating a product/service and scaling it to different market; in addition to Angel Investors' lack of exposure, Jordan is yet to develop an enabling environment for early-stage ventures, investors and local funds and fund managers.

3.2 ACTIVITY OVERVIEW

MENA II, a five-year regional investment initiative, mobilizes investment management companies to work through incubators, angel funds, and venture capital funds to provide the following support:

- **Pillar 1** – This pillar is an existing and aspiring finance entrepreneur support program, wherein Beyond Capital supports existing and aspiring fund managers through capacity-building programs, fund establishment support, exposure to potential investors (limited partners), and direct investments in selected funds. The program aims to develop and support existing funds, encourage new fund establishment, as well as attract foreign investments into the country.
- **Pillar 2** – This pillar is a start-up support program, wherein Beyond Capital provides early-stage businesses with a variety of capacity building & advisory services and programs focused on financial readiness, operational processes and market expansion. The program aims to select potential high impact ventures to help them make the leap from start-ups to scale-ups and increase the pool of investable companies in Jordan.
- **Pillar 3** – This pillar consists of an angel investor support program. Beyond Capital invests alongside angel investors through its Scout Program to match new private sector investments in early-stage businesses. The aim is to reduce private sector exposure to risk and close the funding gap early-stage businesses face. The program also aims to build the capacity of future finance entrepreneurs and angel investors

MENA II improves investor and business access to equity capital, develops the investment eco-system, advances financial system development, and encourages increased equity investment in early-stage businesses. Two partners, Endeavour Jordan and the Accelerator Management Company, have converged to implement MENA II with the “High-Impact Investment Initiative” (HI³).

3.3 OUTCOMES

Jordan's MENA II will receive \$10 million in USAID funding and leverages resources from the private sector with a required one-to-one matching for all investments at a minimum. MENA II is structured to target early-stage businesses and address the financing gap (access to equity investment) for SMEs not adequately addressed by other investment funds in Jordan. In addition to matching capital, MENA II provides technical assistance. Administered through USAID's partner, two Jordanian firms won the award (CA), Endeavor and Accelerator Management Company with their joint proposal. Endeavor (technical assistance) and Accelerator Management Company (investments) launched Beyond Capital, the Jordanian brand and investment management unit which channels USAID funding to the private sector. Ultimately, MENA II leverages patient capital, expertise,

and access to networks to foster a vibrant, dynamic, open, and transparent ecosystem, where fund managers, entrepreneurs and angel investors can work collectively to build a new generation of Jordanian businesses. Ultimately, MENA II will create a long-term multiplier effect by enabling the market to grow based on new competencies developed, both in investment management and in scale-up development and growth.

3.4 THEORY OF CHANGE

Beyond Capital believes that if the capacity of entrepreneurs and their businesses are strengthened, then the viability and scalability of qualified early-stage businesses will increase. If the technical expertise of finance entrepreneurs is strengthened and the financial resources for fund managers are increased, then finance entrepreneurs will be equipped to mobilize capital. Through Beyond Capital's assistance in providing entrepreneurs with training and mentorship, and Angel Investors with training and network development, and fund managers with training and financing, then it will help build high growth ventures, accelerate job creation, advance and develop the investment eco-system and encourage increased equity investment in early and growth stage businesses in Jordan. Beyond Capital's approach to creating such a change is by networking businesses, organizations, and people with start-ups to grow the ecosystem. Many players in the ecosystem are having trouble meeting the right people to grow their business, thus, Beyond Capital is trying to leverage its network to grow the Jordanian entrepreneurship ecosystem.

4. EVALUATION PURPOSE

The purpose of the Beyond Capital Midterm Evaluation is to determine the effectiveness and approach of the Activity by assessing the following:

- Beyond Capital's technical assistance (quality and effectiveness) to increase the viability and scalability of qualified early-stage businesses.
- Beyond Capital's approach to increase access to investors and risk capital to support the growth of businesses.
- Beyond Capital's approach to investing in funds of funds.
- Beyond Capital's approach and success in building the capacity of new financial entrepreneurs (including angels, scouts and Ifada program) who invest in the ecosystem

5. EVALUATION/ASSESSMENT QUESTIONS & MATRIX:

	Evaluation/Assessment Question	Method & Data Source
1.	<p>To what extent, and in what ways have political, economic and social factors in Jordan mitigated or enhanced the development of a positive investment climate and fostered entrepreneurship?</p> <p>a. Has Beyond Capital's approach in investing in funds of funds been delayed in being implemented? If so, what has caused or is causing any constraints? What enabling factors/and or constraints could help support this intervention?</p> <p>b. What challenges did companies face but were not addressed by Beyond</p>	<p>Tertiary sources, such as Go J business registrations, market data and Go J economic reporting. The initial Desk Survey will encompass a review of the political situation and economic growth and productivity. KIs and focus groups may be conducted among primary stakeholders to answer these questions.</p>

	Capital interventions? And how did it affect the project implementation?	
2.	<p>To what extent were Beyond Capital interventions under Pillars 1 and 2 effective, specifically, whether or not the Activity achieved its intended outcomes so far?</p> <p>a. To what extent has the project integrated gender sensitive approaches to reach men, women and youth SMEs.</p> <p>a.</p>	Interviews, focus groups and possibly surveys of key stakeholders.
3.	<p>How effective was Beyond Capital's approach in building the capacity of new financial entrepreneurs (including angels, scouts and Ifada program) to invest in the ecosystem?</p> <p>a. Has the number of first time Angel investors grown and what has been the impact of these investments on these nascent firms?</p>	Project MEL data; interviews or focus groups with firms; financial data provided by the firm.
4.	<p>How effective was the approach Beyond Capital used in providing technical assistance for companies to become more viable and scale up?</p> <p>a. How effective was combining technical assistance support with access to finance through investors and capital to grow their businesses?</p>	KII with entrepreneurs and investors; Focus groups with entrepreneurs; bank records; financial statements from firms.
5.	<p>What has been Beyond Capital effects on the institutional maturity of start-ups and to what extent has this contributed towards their success in attracting outside capital?</p> <p>a. What share of participating firms has been successful in advancing one (or more) maturity tiers and what share of participating firms has been successful in attracting outside capital investment?</p> <p>b. Have Beyond Capital's efforts resulted in an overall expansion of early-stage investment-ready businesses and investment capital?</p> <p>a.</p>	Organizational assessment tools, interviews with firm and investor personnel, and firms' bank statements, audits and financial records.
6.	What is the likelihood that interventions under Beyond Capital can be expected to sustain over time and why will those be sustainable and list those interventions?	Ministry of Economy reports, Bank reports, Investment firm records.

7.	What is the impact to date on project beneficiaries, angel investors and mentors as a result of the COVID-19 pandemic?	Organizational assessment tools, interviews with firm and investor personnel, and firms' bank statements, audits and financial records.
8.	<p>What were the main challenges and lessons learned under the different pillars that you would like to highlight? Review/assess whether the current project design (components, scope, activities, schedule) continues to be an adequate mechanism to achieve the project's expected outcomes.</p> <p>If not, what measures can be taken to improve implementation efficiency and results? and what services are needed by the ecosystem but are not provided by Beyond Capital?</p>	Interviews, focus groups and possibly surveys of key stakeholders.

6. METHODOLOGY

In collaboration with USAID, the Evaluation Team will prepare the final methodology to answer the evaluation questions and meet the objectives of the evaluation. Data collection methods used will be rigorous and appropriate, and likely incorporate a mixed-methods approach. Qualitative data collection methods will include Key Informant Interviews (KIs), potentially including focus groups and group discussions, as well as a document review. Quantitative methodology may include surveys of the Beyond Capital clients or systems analysis of the venture capital ecosystem. The Team shall develop evaluation tools that are consistent with USAID's [Evaluation Policy](#), ADS201, and [Gender Policy](#), and rigorous social science methodology standards, in addition to considering the Activity's outcome/output indicators. Evaluation tools discussed with USAID may be validated and improved, as needed, based on the pilot application of these tools.

The evaluation will start with an Introductory Team Meeting held at USAID/Jordan on the first day, in order for the evaluation team to be briefed by the Mission on the evaluation and its objectives, as well as a subsequent meeting with USAID and the implementing partner.

6.1 DESK REVIEW

The evaluation team will carry out a desk review of relevant documents and reports compiled by USAID/Jordan and the Beyond Capital Activity. This review will help team members understand the project and other matters relevant to the evaluation task and will assist them as they document Mission efforts and the results and lessons learned from Beyond Capital implementation. This desk review will be used to provide background information on the project/program and will also provide data for analysis for this evaluation. The work plan also includes the itinerary and interview schedule, final evaluation methodology, and gender-sensitive data collection methods and instruments (disaggregation of data by gender, review of interview guides for key informant interviews, and gender appropriate focus group methods).

The Team can request from the Mission's Office of Economic Development and Energy (EDE) additional reports and data on Beyond Capital and other Mission EDE projects, as well as relevant government data. Additional reports and data on the Jordanian investment climate and venture capital industry may be required for context. Documents and data to be reviewed include:

- Beyond Capital Contract Activity Contracts/Grants
- Beyond Capital MEL Plan
- Quarterly data from performance reports
- Implementing Partner Annual Reports/Quarterly Reports
- Ministry of Economy Labor and Employment/Unemployment reports.
- Go J Economic Reports
- Go J Economic Plan 2018-2025
- Bank Investment Data

During the desk review period, the Team will also hold a Team Planning Meeting (TPM) to develop the work plan/inception report, clarify any issues on the background materials, reiterate/finalize team members' roles and responsibilities, review and make last revisions to the desk review, justify and describe the data collection methods and instruments, and review and finalize the country itinerary and schedules. After the initial Team Planning Meeting, the team will have 7 days to submit to USAID a work plan that will identify the: (a) final evaluation questions as these relate to outcome/output indicators; (b) quantitative and qualitative data collection instrument/s, and (c) initial list of stakeholders to meet and accompanying criteria for their selection.

6.2 RESEARCH FIELDWORK

The evaluation team is expected to interview key stakeholders (USAID/ Jordan, Beyond Capital), the implementing partner, beneficiaries (the scale ups, other funds, and angel investors), investment committee members, governance committee members, project partners, J-CORE committee members, other key stakeholders from the public and private sector, and other service providers. Activities in-country may include key informant interviews (KIs), group discussions, focus group discussions (FGDs) and surveys. Survey research will be used to determine the scope and scale of investments, beneficiary firms' financial status, impact of angel investors, etc. The Team will provide an evaluation update to the AOR and PRO biweekly during the evaluation and maintain an open channel of communication with the Mission throughout the evaluation process.

An illustrative list of resource persons/organizations will be developed by USAID/EDE for the evaluation team prior to the submission of the Inception Report. The evaluation team will use this list with other suggestions/referrals and build a final list for interviews/focus groups/surveys.

7. HUMAN SUBJECT PROTECTION

The Beyond Capital Evaluation does not intend to interview minors or other vulnerable groups and believe that an IRB is not required for this evaluation.

8. DELIVERABLES AND PRODUCTS

Deliverable / Product	Timelines & Deadlines (estimated)
Launch briefing with Mission	Sept.8, 2020
In-brief with USAID /IP/stakeholders	Sept.10, 2020
Team Meeting Stakeholders	Sept.16,2020
Inception Report submitted to USAID (must include questions, methods, timeline, data analysis plan, and instruments)	Sept. 28,2020
Inception Report and methodology review briefing	Oct. 1,2020
Field Work	Oct. 5. 2020
Routine briefings	Bi-weekly
Debrief with USAID	Nov.12,2020

IP & stakeholders findings review workshop	Nov.15, 2020
Draft report	<i>Submit to MELA:</i> Dec. 2 ,2020 <i>MELA submits to USAID:</i> December 9 2020 <i>USAID provides feedback:</i> December 16, 2020
Final report	<i>Submit to MELA:</i> Dec. 23, 2020 <i>MELA submits to USAID:</i> Jan. 5, 2021 <i>USAID approves technical content:</i> Jan.14.2021
Report Posted to the DEC and KaMP	Jan. 2021
Other (specify):	

9. TEAM COMPOSITION, SKILLS AND LEVEL OF EFFORT (LOE)

9.1 TEAM LEAD/FINANCIAL INVESTMENT SPECIALIST

Roles & Responsibilities

The team leader will be responsible for (1) providing team leadership; (2) managing the team's activities, (3) ensuring that all deliverables are met in a timely manner, (4) serving as a liaison between the USAID and the evaluation/assessment team, and (5) leading briefings and presentations. S/He will be responsible for designing the research methodology, development of data collection instruments, protocols for data collection, data management and analysis.

Qualifications

The team lead should have significant experience conducting project evaluations and/or assessments, as well as private sector (business management, financial and/or investment analyst, banking, venture capital) expertise. Specific qualifications should include;

- Minimum of 10 years of experience in private sector business which includes experience in financial management and business investment activities in developing countries
- An MBA or related graduate degree
- Demonstrated experience leading private sector project/program evaluation/assessments, utilizing both quantitative and qualitative methods
- Excellent interpersonal skills, including experience successfully interacting with host government officials, civil society partners, private businesses, venture capital firms, banks, investment firms, etc.
- Strong knowledge, skills, and experience in qualitative and quantitative analytic tools
- Experience implementing and coordinating others to implement surveys, key informant interviews, focus groups, observations and other evaluation and assessment methods that assure reliability and validity of the data.
- Experience in data management
- Able to analyze quantitative data, which will be primarily descriptive statistics and cross-tabulations
- Able to analyze qualitative data
- Experience using analytic software
- Demonstrated experience using qualitative evaluation methodologies, and triangulating with quantitative data

- Experience conducting secondary analysis of existing quantitative datasets
- Able to review, interpret and reanalyze as needed existing data pertinent to the evaluation
- Experience working in Jordan is mandatory
- Familiarity with USAID
- Familiarity with USAID policies and practices

9.2 PRIVATE SECTOR / SME EXPERT

Roles & Responsibilities

Serve as principal technical expert for the evaluation team and provide expertise in venture capital investing, start-up businesses, private capital markets, private entrepreneurship etc. S/He will participate in planning and briefing meetings. S/He will be the lead analyst for assuring all qualitative and quantitative data analysis are done with quality to answer the questions posed by the evaluation and to provide recommendations to the Mission on project implementation.

Roles & Responsibilities

- At least 7 years' experience in small and medium enterprise financing, private entrepreneurship and venture capital financial management projects with USAID project experience preferred
- Experience with private sector investment in Jordan
- Excellent interpersonal and writing skills
- Proficiency in written and spoken English and Arabic
- Able to analyze both qualitative and quantitative data
- Strong presentation skills
- An MBA or related graduate degree

9.3 OTHER STAFF WITH ROLES & RESPONSIBILITIES

Local Data Collectors (2) to assist the Evaluation/Assessment Team with data collection, analysis and data interpretation. They will have basic familiarity with small and medium enterprises and private capital markets, as well as experience conducting surveys, interviews and focus group discussion, both facilitating and note taking. Furthermore, they will assist in preparation of data collection tools and transcripts, as needed. The Local Data Collectors will have a good command of English and Arabic. They will also assist the Team and the MELA Administrative Officer, as needed. They will report to the Team Lead.

9.4 STAFFING LEVEL OF EFFORT (LOE) MATRIX

Activity / Deliverable		Evaluation/Assessment Team		
		Team Lead / Key Staff 1	Key Staff 2	Local Data Collectors (2) (LOE for both evaluators)
Number of persons →		1	1	2
1	Launch Briefing	0.5	0.5	1
2	Briefing of IP/stakeholders	1	1	2
3	Desk review	3	3	6
5	Summary of documents	1	1	2

6	Write-up Desk Review	0.5	0.5	0.5
7	Team Planning Meeting	3	3	6
8	Eval planning deliverables Inception Report with timeline, eval matrix, protocol (methods, sampling & analytic plan); 2) data collection tools 3) interview and FGD protocols and questionnaires	2	2	2
9	Inception Report with USAID	0.5	0.5	1
10	In-brief with project/List of interviewees	0.5	0.5	.5
11	Data Collection DQA Workshop (protocol orientation/training for all data collectors)	2	2	4
12	Interviews	7	7	7
13	Data collection / Possible survey/site visits to firms	18	18	40
14	Data analysis	3	3	3
15	Team Meeting- Data Review	1	1	1
16	Draft report	5	5	2
18	Preliminary report out to the Mission (DO, PRO and Senior Mission staff) with PowerPoint	0.5	0.5	.5
19	MELA Report QC Review & Formatting			
20	Submission of draft report(s) to Mission			
21	USAID Report Review			
22	Revise report(s) per USAID comments	3	2	2
23	Finalize and submit report to USAID (HO)			
24	USAID approves report			
25	Final copy editing and formatting			
26	508 Compliance editing			
27	Eval Report(s) to the DEC and KaMP			
	Total LOE per person	51.5	50.5	80.5
	Total LOE	51.5	50.5	161

A 6-day workweek permitted, as needed

☒ Yes

☐ No

10. EVALUATION/ASSESSMENT REPORT

The Evaluation/Assessment Final Report must follow USAID's Criteria to Ensure the Quality of the Evaluation Report (found in Appendix I of the [USAID Evaluation Policy](#)).

- The report should not exceed 35 pages (excluding executive summary, table of contents, acronym list and annexes).
- The structure of the report should follow the Evaluation Report template, including branding.
- Draft reports must be provided electronically, in English, to MELA who will then submit it to USAID.
- The final Evaluation Report will be presented in a Powerpoint Presentation to the Mission and Implementing partners.

An illustrative format is as follows:

- Abstract: briefly describing what was evaluated, evaluation questions, methods, and key findings or conclusions (not more than 250 words)
- Executive Summary: summarizes key points, including the purpose, background, evaluation questions, methods, limitations, findings, conclusions, and most salient recommendations (2-5 pages)
- Table of Contents (1 page)
- Acronyms
- Evaluation/Analytic Purpose and Evaluation/Analytic Questions: state purpose of, audience for, and anticipated use(s) of the evaluation/assessment (1-2 pages)
- Project [or Program] Background: describe the project/program and the background, including country and sector context, and how the project/program addresses a problem or opportunity (1-3 pages)
- Evaluation/Analytic Methods and Limitations: data collection, sampling, data analysis and limitations (1-3 pages)
- Findings (organized by Evaluation/Analytic Questions): substantiate findings with evidence/data
- Conclusions
- Recommendations
- Annexes (Illustrative)
 - Annex I: Evaluation/Analytic Statement of Work
 - Annex II: Evaluation/Analytic Methods and Limitations ((if not described in full in the main body of the evaluation report)
 - Annex III: Data Collection Instruments
 - Annex IV: Data Collection Summary
 - Annex V: Statement of Differences (if applicable)
 - Annex VI: Disclosure of Any Conflicts of Interest
 - Annex VII: Summary information about evaluation team members, including qualifications, experience, and role on the team.

USAID will have a 10-day period to review the final report and present it to the implementing partner, with the Evaluation Team. Once the Mission has returned the final draft, MELA will have 14 working days to review the comments and produce a final draft.

11. USAID CONTACTS

	Primary Contact	Alternate Contact	Technical Contact 1(AOR)	Technical Contact 2
Name:	Anna Karmandarian	Rand Milhem	Jumana Halasa	N/A
Title:	Development Program Specialist - Monitoring and Evaluation	Development Program Specialist - Monitoring and Evaluation	Development Program Specialist	

Mission Office	Office of Program Management	Office of Program Management	Office of Economic Development and Energy	
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ANNEX 2: EVALUATION INCEPTION REPORT

ACTIVITY INTRODUCTION

1.1 DETAILS

Activity Name	Beyond Capital
Activity Start / End Date	January 26, 2016 – December 25, 2022
Name of Implementing Partner	High Impact Investment Initiative Inc.
Agreement Number	AID-OAA-I-16-00008
Project/Activity Funding	\$10,000,000.00
Activity AOR	Jumana Halasa

1.2 BACKGROUND

The U.S. Agency for International Development (USAID) and High Impact Investment Initiative Inc. (the “Grantee”) signed a Cooperative Agreement, effective 26 January 2016 with an estimated completion date of 25 January 2021²⁰, the purpose of which was for the Grantee to establish and capitalize an Investment Management (IM) company to support the start-up investment ecosystem in Jordan. This newly created IM was to be a wholly owned subsidiary of the Grantee. The IM would subsequently use the proceeds from the Grantee to provide matching investment capital and technical assistance (TA) support to early-stage businesses that had difficulty in accessing equity investment from other investments in Jordan.

Following this arrangement, USAID, Endeavour Jordan and Silicon Badia, collaborated to create Beyond Capital, which was launched in November 2017 and will be the recipient in increments of \$10 million over the lifetime of the program. Beyond Capital’s approach is to help bridge the current gap between the entrepreneurial ecosystem and the investor community. The primary beneficiaries of Beyond Capital will be entrepreneurs, fund managers, and angel investors.

1.3 PURPOSE OF THE EVALUATION

The overall purpose of this evaluation as specified in the Scope of Work (SOW) is to determine the effectiveness and approach of the Beyond Capital Activity by assessing the following:

- Beyond Capital’s technical assistance (quality and effectiveness) to increase the viability and scalability of qualified early-stage businesses
- Beyond Capital’s approach to increase access to investors and risk capital to support the growth of businesses
- Beyond Capital’s approach to investing fund of funds
- Beyond Capital’s approach and success in building the capacity of new financial entrepreneurs (including angels, scouts and Ifada program) who invest in the ecosystem

In addition to the above Beyond Capital approaches for the Evaluation Team (ET) to consider, it will take into account the three specific learning questions that Beyond Capital

²⁰ This has since been amended under Modification 6 of the Cooperative Agreement to 25 December 2022

has been asking throughout its Monitoring, Evaluation and Learning (MEL) activities (as specified in Beyond Capital's MEL Plan – 16 December 2019):

- Are Beyond Capital's networks beneficial to start-ups, angel investors and finance entrepreneurs?
- Are the interventions implemented enhancing the viability of early-stage businesses, equipping finance entrepreneurs to mobilize capital, expanding angel investors?
- Is the capacity of early-stage businesses, finance entrepreneurs and angel investors enhanced due to the educational training workshops conducted by the project?

The resultant findings, conclusions and recommendations of the evaluation will serve to inform USAID/Jordan, Beyond Capital and relevant stakeholders, on steps that may need to be taken for the duration of the project in order to optimize the prospect of pre-planned objectives being met. In short, the ET will seek to determine what works and what does not, with an explanation why this is the case, by identifying key factors that have influenced and are still influencing success and/or failure. It will of course take into consideration the current COVID-19 worldwide pandemic and any impact this has or may have had on project implementation.

1.4 PURPOSE OF THE INCEPTION REPORT

This Inception Report (IR) has been prepared by the Evaluation Team (ET) contracted by The Kaizen Company to conduct the Jordan Monitoring, Evaluation and Learning Activity (MELA) USAID/Jordan Beyond Capital Midterm Evaluation. The IR forms an integral part of the evaluation process and is the ET's primary deliverable to USAID/Jordan prior to the start of in-country field work activities. The main purpose of the IR is to provide the methodology, timeline and outline of the evaluation. ET will conduct an in-depth desk review of available project-related literature regarding Beyond Capital's activities and performance to date, from which an initial assessment can be made to determine whether any gaps exist in the evidence gathered by the ET and how this should subsequently be addressed by the ET as it pursues its evaluation research and analysis (see Section 4: Evaluation Design and Work Plan for the team's proposed and detailed evaluation methodology).

1. OVERVIEW OF THE PROGRAM AND THE INTERVENTIONS ASSESSED

2.1 GENERAL OVERVIEW

Beyond Capital is a program funded by USAID, established to provide matching investment capital, investment insurance and technical assistance support where needed to pre-qualified early-stage businesses in Jordan with a view to improving competitiveness and revenue growth potential. This support is either provided directly to selected pre-qualified early-stage businesses or indirectly via pre-qualified early-stage investors such as venture capital funds and angel investors as well as incubators and accelerators. The overarching aim of this initiative is to help drive private sector economic development and to encourage entrepreneurship in Jordan.

The Theory of Change for Beyond Capital's *modus operandi* lies in its belief that if the capacity of entrepreneurs and their businesses are strengthened, this will lead to an increase in the viability and scalability of early-stage businesses. Furthermore, if the technical expertise of finance entrepreneurs is strengthened and the financial resources of fund managers are expanded, then finance entrepreneurs will be in a

better position to mobilize capital. The delivery mechanism adopted by Beyond Capital in this endeavor focuses on providing entrepreneurs with training and mentorship, angel investors with training and networking support and fund managers with training and financing. The result of this approach would ultimately lead to the development and expansion of the ecosystem in Jordan through leveraging its networking activities.

2. EVIDENCE REVIEW

3.1 SUMMARY OF THE EXISTING EVIDENCE

Beyond Capital has been very responsive and cooperative in providing documents requested by the ET. In particular, a large zip file was emailed to the ET that contained such documents as Corporate Agreements. Also, Beyond Capital shared with the ET a number of reports that were submitted to USAID during the period 2017-2020. These reports included details of the activities implemented as well as reporting on the project's performance indicators via a summary of indicators table. The data source and the data collection method for each indicator are available in the Beyond Capital Monitoring, Evaluation and Learning (MEL) Plan (approved December 16, 2019). In addition to the list of documents supplied by Beyond Capital to the ET, Beyond Capital also supplied a very extensive list of names and contact information of all firms, scouts and angel investors, mentors, Investment Committee members, among others.

3.2 GAPS IN EVIDENCE

Whilst the above-mentioned provision of documentation by Beyond Capital to the ET significantly contributed to the team's understanding of the program and its activities, a number of anomalies became apparent during the team's preliminary investigations, which effectively represent some gaps in the overall evidence noted so far. Below is a brief summary of what the ET believes is still necessary to further enhance its evaluation activities:

- I. Beyond Capital does not appear to have a comprehensive performance database system. The performance data is scattered throughout several documents, e.g., Beyond Capital Annual Report-2019 and the MEL Plan. The ET proposes to confirm this lack of a comprehensive database during its Field Work activities via its key informant interviews (KIIs). It appears that Beyond Capital may not have independently verifiable documentation of such indicators as "amount of capital raised by finance entrepreneurs." Again, the ET will confirm that this is the case during the Fieldwork KIIs.
- II. A number of relevant documents requested by the team have yet to be received from Beyond Capital and these include:
 - Criteria used by Beyond Capital to evaluate program applicants, including start-ups, financial entrepreneurs, scouts and angel investors. Some of the criteria may be embedded in Beyond Capital's Terms and Conditions document for Scouts and Angels
 - The method Beyond Capital uses to confirm that an investor is "qualified," assuming Jordan Securities Law & Regulations has a definition
 - The Term Sheet for Beyond Capital's Safe and Convertible Note financial instruments
 - The Terms & Conditions for Loans disbursed via Beyond Capital's Rapid Response Recovery Fund

- Beyond Capital's conceptual model (roadmap or blueprint) of growth stages (possibly labeled as "maturity tiers") that a start-up is expected to move through during the Pillar I intervention (one-year program)
- III. It appears that Beyond Capital does not have Pro-Forma Financial Models that it can use to evaluate the economic viability of Beyond Capital itself, as well as a possible Fund-of-Funds for which Beyond Capital may be the lead sponsor. These models can be used to: i) gauge the financial viability of Beyond Capital acting as an accelerator, and ii) determine the optimal dollar size (Assets Under Management – AUM) of a Fund-of-Funds (given number of Fund Portfolio Managers) and forecasted performance (interim Internal Rate of Return – IRR) under various investment scenarios (cashflows from distributions generated by random exits).
 - IV. Finally, the ET requires a Beyond Capital organizational chart identifying the staff person(s) responsible for key activities in the three Pillars as well as the management of Partnership and Ecosystem Involvement relationships.

4. EVALUATION DESIGN & WORK PLAN

4.1 OVERALL APPROACH

Due to the current and ongoing situation with respect to the COVID-19 worldwide pandemic, this evaluation will be conducted remotely by the two international experts (Team Leader and Private Sector/SME Expert) and by the two Local Data Collectors based in Amman (see Section 6 for their respective roles and responsibilities). Given the relatively small pool of client beneficiaries, 32 Entrepreneurs, 8 Scouts, 14 Angel Investors and 13 Ifada Fellows, supported by Beyond Capital, it has been determined that this will essentially be a qualitative assessment rather than quantitative.

Clearly, restrictions imposed by the Government of Jordan (GoJ) due to COVID-19 will have an impact on the ability of the local experts to conduct their activities. The ET will therefore adopt a flexible approach to data gathering according to prevailing circumstances. The ET will discuss with USAID/Jordan at the relevant time should an alternative approach be required.

Against this background, the primary focus of the ET will be on organizing and conducting face-to-face meetings with pre-identified KIIs (see Annex 3: Provisional List of Interviewees in Amman). The ET will also organize and conduct a number of focus group discussions (FGDs) with direct beneficiaries as well as key stakeholders (see Annex 2 – Evaluation Design Matrix for a detailed breakdown of proposed FGDs in support of the questions to be answered). All data and information gathered from both sources will be cross-referenced to confirm and/or verify findings so that meaningful conclusions can be drawn by the ET. Table 1 below indicates what the ET will research and analyze.

Table 1: Research Categories and Sources

Category	What Needs to Be Researched / Data Sources
USAID/Jordan	USAID's country strategies for Jordan and background to Beyond Capital with comments/observations/suggestions that could contribute further to the ET's understanding of the project's performance from inception to date.
Country strategic documents and assessment papers	Strategic, policy and legislative papers and reports produced by the Government of Jordan (GoJ) and international donor community to address the relevance of the project to the needs and priorities of the country. Specific review and analysis of current observations on the impact of the COVID-19 pandemic on economic activity in Jordan.
Beyond Capital	Project-related monitoring reports including work plans, annual & quarterly reports, MEL Plan, Cooperative Agreement and Award

documentation	Modifications. To include discussions with key members of the Beyond Capital team.
Beyond Capital beneficiaries/clients	The attitudes of project participants as well as indirect beneficiaries that have received or benefitted from project support to date or anticipated to be supported in the remainder of the project.
Key stakeholders	The observations and perceptions of individuals and/or organizations with a direct or indirect interest in the project's activities, including the public sector (government ministries, departments), private sector (industry associations) and non-governmental organizations (NGOs) among others.

4.2 EVALUATION TASKS AND SUB-TASKS

4.2.1 INCEPTION PHASE

This phase requires the ET to prepare an Inception Report highlighting the team's preliminary findings and observations from its desk review and initial meetings with the Beyond Capital team.

Task 1: Evaluation Team Introduction (USAID and Beyond Capital)

Sub-task: Conference call with USAID/Jordan, MELA, and the Evaluation Team.

Scope: Discussion with USAID/Jordan, including issues related to deliverables, Work

Plan, field work dates and scheduling initial meetings and interviews. Introduction of Team Members to each other as well as roles and responsibilities. Discussion with Beyond Capital to introduce the ET and to raise any outstanding issues that require the attention of either party.

Output: ET is introduced to the Mission and Beyond Capital. Roles and responsibilities are confirmed together with slight re-adjustment of the questions in the SOW, Inception Report deadlines and proposed work schedule.

Dates: Sub-task ends 16 September 2020.

Task 2: Initial Preparation

Sub-task: Preliminary review of documents provided to the ET by USAID and Beyond Capital for reference and background material prior to in-country field activities.

Scope: The ET will perform a critical review of all documents related to the SOW requirements, Beyond Capital and other relevant materials sourced by the ET at this preliminary stage.

Output: Draft Inception Report (IR) including Work Plan and Methodology.

Dates: Sub-task ends with submission of the IR to USAID/Jordan on 5 October 2020 and review briefing with USAID/Jordan o/a 8 October 2020.

4.2.2 DATA COLLECTION PHASE

Task 1: Field Activities

- Sub-task:** Confirmation and implementation by the ET of its proposed data gathering activities in Jordan following USAID/Jordan approval of the IR and the work schedule.
- Scope:** The ET will continue communication with USAID/Jordan to review the assignment objectives and discuss in detail the proposed plan of action. The plan will include the anticipated schedule, finalizing sample locations to visit, resources needed and logistical arrangements, list of persons and organizations to be contacted in Jordan and the deliverables upon completion of each task. Adjust Evaluation Design and Work Plan as necessary and in consultation with USAID/Jordan should the need arise in the event the COVID-19 pandemic initiates local or national government-related restrictions on movement.
- Collect quantitative and qualitative data from pre-identified parties as highlighted in the Evaluation Design Matrix and specified in Annex 3 – Provisional List of Interviewees in Amman in the IR. Conduct semi-structured KIs and FGDs with beneficiaries and other stakeholders, Beyond Capital, Implementing Partners (IPs), GoJ, private sector partners, financial institutions, relevant NGOs and the international donor community, among others.
- Output:** Raw data and information gathered by the team for submission to the TL for assimilation and analysis.
- Dates:** Field activities end 13 November 2020.

4.2.3 DATA ANALYSIS AND REPORTING PHASE

Task 1: Data Analysis and Report Preparation

- Sub-task:** Continue data cleaning and analysis, preparation of draft evaluation report, debrief with USAID/Jordan, IP and stakeholders' findings and review workshop (to be discussed further in light of the prevailing restrictions on meetings).
- Scope:** Continue data analysis and triangulation. Prepare the Draft Evaluation Report and submit to MELA. The report will include the evaluation methodology, key questions that have been answered, analysis, findings, conclusions, and recommendations, in addition to project purpose and background. It will be evidence-based and will objectively draw conclusions based on verifiable data and information gathered during the evaluation investigation. The ET will subsequently receive MELA's comments on the Draft Report for consideration in the preparation of the Final Evaluation Report for the Mission.
- Output:** Draft and Final Evaluation Reports submitted to USAID/Jordan.
- Dates:**
1. Debrief with USAID/Jordan: 12 November 2020
 2. IP and stakeholders' workshop: 15 November 2020
 3. Draft report to MELA: 5 December 2020
 4. MELA submits draft report to USAID: 10 December 2020
 - IP and stakeholders' workshop:
 5. Comments from USAID: 24 December 2020
 6. Final Report to MELA: 5 January 2020
 7. Submission of the final report to USAID/Jordan: 11 January 2021

8. USAID/Jordan approves the report: 16 January 2021
9. Report posted on DEC and KaMP: January 2021 (date to be confirmed)

4.3 METHODOLOGY

The methodology for the Beyond Capital midterm evaluation consists of collection and analysis of both qualitative and quantitative data, although emphasis will largely be on gathering qualitative data and information given the relatively small number of direct and indirect program beneficiaries. Data collection methods are described in more detail below. In preparing the evaluation design, the ET took into consideration the various Beyond Capital-related documents forwarded by USAID/Jordan and the program itself. Following an in-depth review of this material and considering the nature of the SOW evaluation questions, the ET prepared an evaluation design matrix depicting each evaluation question and sub-questions. Detailed analysis of each of these questions will be presented in the main body of the Final Report (see Annex 2 - Evaluation Design Matrix). The matrix highlights the methodology the ET will employ to satisfactorily answer each of the eight questions requested by USAID/Jordan and was developed based on documents reviewed, initial meeting with Beyond Capital and ET deliberations.

4.4 Data Collection

4.4.1 DESK RESEARCH

Data collection will start with a thorough review of all the documents provided by USAID/Jordan and Beyond Capital following project award as per the list provided in the SOW and highlighted in Annex 6 – Desk Review Documents Consulted in the IR. The document review will help the ET understand and document Beyond Capital project planning and desired outcomes, existing monitoring systems, secondary project performance data and the socio-political context within relevant project sectors. The document review will also help identify key stakeholders and inform final data collection locations and tools. The desk review will also incorporate an appraisal of strategic documents by the GoJ and international donor community.

4.4.2 KEY INFORMANT INTERVIEWS (KIIs) AND FOCUS GROUP DISCUSSIONS (FGDs)

The ET will start to collect data from pre-identified sources (representatives from relevant stakeholder groups) via face-to-face or virtual interviews in Amman, depending on the COVID-19. The team will prepare a list of key informants with input from Beyond Capital to ensure the necessary coverage of important potential contributors. Team members will employ semi-structured questionnaires to gather data and information from 34 KIIs, as appropriate. Annex 3 – Provisional List of Interviewees in Amman - in the IR, provides an illustrative list of key informants for the ET to meet with and interview.

The ET also plans to conduct a number of FGDs as an integral part of its data collection activities, though this aspect of the evaluation will depend largely on the ability to gather several participants in one location under the present restrictive circumstances in Jordan. An indication of with whom, the proposed number of FGDs and the number of attendees proposed by the ET is elaborated in Annex 2 -Design Evaluation Matrix in direct relation to the questions to be answered that would benefit from the data gathered from FGDs. FGDs will include fellows, mentors, women, and youth entrepreneurs. The manner in which the holding of the FGDs takes place will therefore depend on the COVID-19 situation. Should any difficulties or issues subsequently arise, the ET will seek the advice of MELA on options to be considered regarding FGDs.

Table 2: Type of Beneficiaries and FGD Number of FGD Participants

Cluster of Beneficiaries		FGD Location	FGD	No. of FGD Participants	FGD Rationale
Q.2	Fellows from IFADA Program	Amman (location to be determined)	1	7 ²¹	The views of direct and indirect beneficiaries on Beyond Capital's impact on client performance and whether initial consideration given to gender in the selection process.
	Mentors of IFADA program		1	7	
	Women & youth entrepreneurs		2	10 ²²	
Q.3	Investment Committee Members	Amman (location to be determined)	1	2	Feedback on their specific activities and roles and contribution towards Beyond Capital objectives.
	Governance Committee Members		1	2	
Q.6	Mentors of IFADA program	Amman (location to be determined)	1	7	The views of direct and indirect beneficiaries on Beyond Capital's impact on client performance & views on likelihood of the sustainability of Beyond Capital intervention over time.
	Investment Committee Members		1	2	
	Governance Committee Members		1	2	

It is important to note that where the same targeted FGD participants are identified as a source of relevant information in other data gathering efforts, we will attempt to avoid duplication of effort. The goal is to form a relatively homogeneous group of people who are able to openly discuss their issues and concerns. The ET will encourage participants to freely share their experiences and opinions in the full knowledge that the highest level of confidentiality will be employed by the ET. At this stage, the number of FGDs and potential participants is indicative and could be revised at the IR review briefing with USAID/Jordan.

²¹ The ET will need to determine the feasibility of gathering this number in one location due to present COVID-19 related meeting restrictions or if 2 FGDs are required if targeted individuals agree to participate.

²² The ET will need to determine the feasibility of gathering this number in one location due to present COVID-19 related meeting restrictions or if 2 or more FGDs are required if targeted individuals agree to participate.

4.4.3 DATA ANALYSIS

Analysis of data gathered has three main purposes:

1. To determine the extent to which Beyond Capital is achieving objectives against its MEL Plan from a quantitative point of view and suggest corrective measures if needed for the remainder of the program;
2. To provide an overview of the feedback from KIs and FGDs from a qualitative perspective, to establish whether there is common ground on any specific issues and/or the extent of any inconsistencies in the program as ascertained by different individuals and/or organizations with a direct or indirect interest in Beyond Capital's activities;
3. To allow the ET to draw meaningful conclusions and recommendations from its findings with a view informing the preparation of the Draft Final Report.

Where appropriate, the ET will prepare relevant charts summarizing the outcome(s) of collective responses to questionnaires, aimed at shedding light on whether action in the field reflects the quantifiable data reported by the project and represents real progress or not in terms of Beyond Capital achieving its intended results, mainly on a year-on-year basis since inception. This exercise will function in tandem with the team's qualitative approach. For qualitative data resulting from stakeholder interviews, where much of the evidence may be anecdotal or inferred, the team will use triangulation to identify any inconsistencies and ensure reliability. Triangulation will assist the ET to reduce the "response bias" in which respondents tend to tell the evaluators what they want to hear.

5. LIMITATIONS AND CHALLENGES

There are several limitations inherent to the design of this evaluation. The most serious anticipated limitations are the following, although others may become apparent at the start of the evaluation mission field work following discussions among team members:

COVID-19 Impact

Without doubt this represents the most likely detrimental and/or negative effect on the ET's ability to conduct this evaluation given the ongoing and potential restrictions on movement and possibility of finding potential meeting places in particular for FGDs. The ET will closely monitor this situation on a regular basis in collaboration with MELA to determine alternative approaches, if needed to data gathering.

Selection Bias

As some key informants may decline to be interviewed, there is a possibility of *selection* bias, *i.e.*, those respondents who choose to be interviewed might differ from those who do not in terms of their attitudes and perceptions, affiliation with government/non-government structures, and socio-demographic characteristics and experience.

Recall Bias

Since a number of questions raised during the interviews will deal with issues that took place in the past, *recall* bias cannot be excluded. Since the launch of the program and Beyond Capital in particular, some respondents may find it difficult to accurately reflect upon or compare situations or events then and now. Furthermore, given the highly sensitive nature of openly discussing finance-related matters, it is not uncommon for respondents to answer questions inaccurately, if at all. It is even more unlikely they will discuss financial performance or issues in front of peers, and this should be taken into consideration.

Halo Bias

There is a known tendency among respondents to under-report socially undesirable answers and alter their responses to approximate what they perceive as the social norm (*halo* bias).

The extent to which respondents will be prepared to reveal their true opinions may also vary for some questions that call upon the respondents to assess the performance of their colleagues or people on whom they depend upon for the provision of services. To mitigate this limitation, the ET will provide the respondents with confidentiality and anonymity guarantees, where possible; conduct the interviews in settings where respondents feel comfortable and establish rapport between the interviewer and the respondent.

6. EVALUATION TEAM ROLES AND RESPONSIBILITIES

6.1 Team Lead / Financial Investment Specialist

The Team Lead serves as the chief point of contact with USAID/Jordan and will provide direct technical oversight for all components of the evaluation. He is responsible for the following:

1. Providing team leadership
2. Managing the team's activities
3. Ensuring that all deliverables are met in a timely manner
4. Serving as a liaison between USAID/Jordan and the evaluation team
5. Leading briefs and presentations

6.2 Private Sector / SME Expert

The Private Sector/SME Expert is responsible for the following:

1. Serving as principal technical expert for the evaluation team
2. Providing expertise in venture capital investing, start-up businesses, private capital markets, private entrepreneurship, among others
3. Participating in planning and briefing meetings
4. Serving as the lead analyst for assuring the quality of quantitative and qualitative data analysis in answering the questions posed by USAID/Jordan
5. Providing recommendations to the Mission on project implementation

6.3 Local Data Collectors

Two local data collectors are mainly responsible for the following:

1. Assisting the evaluation team with data collection, analysis and interpretation
2. Assisting in the preparation of data collection tools and transcripts, as needed
3. Conducting interviews and focus group discussions both facilitating and note taking

ANNEX 3: EVALUATION DESIGN MATRIX

No.	Evaluation Questions and Sub-Questions	Data Source	Data Collection Method & Sample Size	Data Analysis
1.	<p>To what extent, and in what ways have political, economic and social factors in Jordan mitigated or enhanced the development of a positive investment climate and fostered entrepreneurship?</p> <p>a. Has Beyond Capital's approach in investing in fund of funds been delayed in being implemented? If so, what has caused or is causing any constraints? What enabling factors/and or constraints could help support this intervention?</p> <p>b. What challenges did companies face but were not addressed by Beyond Capital interventions? And how did it affect the project implementation?</p>	<p>I. Documents supplied by Beyond Capital as well as those to be requested:</p> <ul style="list-style-type: none"> Term Sheet for Beyond Capital's SAFE and Convertible Note financial instruments and for Fund investments made by Beyond Capital Limited Partner Agreement used by Beyond Capital when investing in Funds Beyond Capital's Investment Policy Statement used to guide Investment Committee decisions Beyond Capital's Investment Operations Manual used to guide implementation of investment decisions Beyond Capital's Due Diligence procedures Beyond Capital's Training materials for training courses delivered to Scouts, Angels, and Accelerator members Beyond Capital criteria used to evaluate program applicants, both start-ups and investors Beyond Capital methods to confirm that investor is qualified per Jordan Securities Law & Regulations Loan Terms & Conditions for Loans disbursed via Beyond Capital's Rapid Response Recovery Fund Beyond Capital 2019 Annual Report Notes from Zoom Meeting with Beyond Capital Management and USAID-Jordan staff on Sept. 15, 2020 <p>II. Various Jordan Country Reports</p> <ul style="list-style-type: none"> Entrepreneurship Environment Assessment in Jordan – May 2015. Silatech Research and Policy Report. A. Schiff, N. Schmidt, and J. Troncoso. Global Entrepreneurship Monitor – Jordan National Report, 2016/2017. Prepared by Jordan Enterprise Development Corp (JEDCO) & Centre for Strategic Studies-U. of Jordan GIZ – Accessing Finance in Jordan: A Guide for Entrepreneurs. Jan., 2020 <p>III. Jordan Financial Institutions</p> <ul style="list-style-type: none"> Amman Stock Exchange. Annual Report - 2018. Jordan Securities Law pertaining to Collective Investment 	<ul style="list-style-type: none"> Desk Review of documents listed in the prior column as well as documents supplied by Beyond Capital and USAID/Jordan. Interviews with: <ul style="list-style-type: none"> Beyond Capital staff responsible for IFADA FELLOWS, Angel Network, and Scout programs and Rapid Response Recovery Fund. Beyond Capital staff and others responsible for design and delivery of training programs Representative sample of Beyond Capital program trainees to gauge effectiveness of training as well as identify additional training needs Beyond Capital Investment Committee members and Head of Due Diligence team. Endeavor and Accelerator Management Co. (Silicon Badia) staff Representative sample of Mentors, e.g., Eversheds Law Firm, Sequence Labs Representative Sample of IFADA FELLOWS Innovation Finance Fellows Members of Entrepreneur Selection Panel 	<ol style="list-style-type: none"> Identify Inputs into Beyond Capital's Activities that generate expected outcomes. <ul style="list-style-type: none"> Outcomes/Program Benefits which generate Impacts that hasten the growth of an entrepreneurial ecosystem in Jordan. Data analysis will be qualitative, given small sample size of various beneficiaries, e.g., start-ups, scouts, angels, investment funds, IFADA FELLOWS fellows. Indicators for Beyond Capital Activities will be drawn from Beyond Capital 2019 Annual Report as well as USAID Jordan MEL Plan (Dec 16, 2019) Success of Entrepreneurship Training Program to be evaluated using following outcome indicators: <ul style="list-style-type: none"> Improved business knowledge and skills, e.g., marketing Improved strategic and operational business decisions, e.g., better inventory management Higher formalization of business, e.g., separation

		<p>Funds as well as Capital Raising (i.e., what securities licenses are required for soliciting investment funds from qualified investors?)</p> <p>IV. Various USAID Evaluation Documents</p> <ul style="list-style-type: none"> How to Note: Preparing Evaluation Reports. Nov. 2012 Technical Note: Impact Evaluations. Sept. 2013 <p>V. World Bank</p> <ul style="list-style-type: none"> Restructuring Paper on a Proposed Project Restructuring of Innovative Start-ups Fund Project (ISSF) - World Bank, 2020. Souktel, Digitalization Opportunities for Jordanian Businesses. Prepared for World Bank-Jordan. July, 2019 World Bank, Jordan's Economic Update – April, 2019 	<ul style="list-style-type: none"> Selected Participants in JCore organization 	<p>of household and business accounts</p> <ul style="list-style-type: none"> Increased market access Growth for enterprises reflected through increases in revenue, profits and number of employees Enhanced role for women through greater management control and/or earnings
2.	<p>To what extent were Beyond Capital interventions under Pillars 1 and 2 effective²³? Specifically, whether or not the Activity achieved its intended outcomes so far?</p> <p>a. To what extent has the project integrated gender sensitive approaches to reach men, women and youth SMEs.</p>	<p>Desk Review:</p> <p>Documents supplied by Beyond Capital:</p> <ul style="list-style-type: none"> Final AMELP Beyond Capital Beyond Capital Annual Report 2017-2018 Beyond Capital Annual report 2019 Beyond Capital Semi-annual report Jan-June 2020 List of names and contact information of all firms, scouts and angel investors Beyond Capital Bi-annual survey Selection Criteria Pillar 1-Start Up support Program Documentation Pillar 2-Finance Entrepreneurs Documentation Pillar 2-Angel Investor Support Program Documentation Companies brief <p>Interviews:</p> <ul style="list-style-type: none"> Start-up Entrepreneurs IFADA FELLOWS Fund raisers IFADA FELLOWS Fellows IFADA FELLOWS Mentors Angel Investors Scouts Selection Panel 	<p>The following samples were selected based on a simple random sampling approach, taking into consideration a percentage that is scientifically representative. As for start-ups, a stratified simple random sampling was done to make sure including all strata such as gender, industry, size of business and revenues of the firms.</p> <p>One-to-One Interviews:</p> <ul style="list-style-type: none"> 14 start-ups (38%) 4 fundraisers (100%) 4 Angel Investors (29%) 2 Angel Trainers (67%) 2 Scout Trainers (25%) 4 scouts (50%) 2 Members from the Ministry of Digital Economy and 	<ol style="list-style-type: none"> Data analysis will be guided by reviewing the RF Impacts that hasten the growth of an entrepreneurial ecosystem in Jordan. Data analysis will be qualitative, given small sample size of various beneficiaries, e.g., start-ups, scouts, angels, investment funds, IFADA FELLOWS fellows. Input and Output Indicators for Beyond Capital Activities will be drawn from Beyond Capital Annual Report 2019 as well as USAID Jordan MEL Plan (Dec 16, 2019) The extent to which Beyond Capital interventions under Pillars 1 and 2 were effective will be measured

²³ Effectiveness as defined by the Evaluation Team is as follows: How successful project interventions have been in achieving or progressing towards planned objectives. Consideration will also be given to whether those objectives can still be achieved on time or with what delay.

		<ul style="list-style-type: none"> Ministry of Digital Economy and Entrepreneurship Jordanian Women Entrepreneurs from the Women in Business Arabia Platform Entrepreneurs from the women's list under the International Financing Company (IFC) in collaboration with Bank al Etihad Angel Trainers Scouts Trainers ISSF 	<p>Entrepreneurship</p> <ul style="list-style-type: none"> 3 members from the selection panel (30%) <p>FGDs:</p> <ul style="list-style-type: none"> 1 FGD with 5 Fellows from IFADA FELLOWS program (50%) 1 FGD with 5 Mentors (60%). 1 FGD for 5 Women entrepreneurs from the Women in Business Arabia Platform. 1 FGD for 7 women & youth entrepreneurs, 	<p>through the following indicators:</p> <ul style="list-style-type: none"> Increased access to market Increased sales\revenue Increased job creation opportunities amongst entrepreneurs Increased financial exposure
3.	<p>How effective was Beyond Capital's approach in building the capacity of new financial entrepreneurs (including angels, scouts and IFADA Fellows program) to invest in the ecosystem?</p> <p>a. Has the number of first time Angel investors grown and what has been the impact of these investments on these nascent firms?</p>	<ul style="list-style-type: none"> Beyond Capital documents: annual and semi-annual reports, and surveys Documents related to Beyond Capital's direct beneficiaries in building the capacity (financial statement). Peer-to-peer KI interviews with Fellows from IFADA Fellows program, Scouts, Angels investors. Governmental entities Interviews (Ministry of Digital Economy and Entrepreneurship, Central Bank, Jordan Enterprise Development Corporation) Investment committee interview Governance Committee interview Member of Scouts and IFADA Fellows program selection panels interviews (one member from each panels) Governmental entities (Ministry of Digital Economy and Entrepreneurship, and Central Bank) INGOs (GIZ, World Bank, ILO, other entities who works in such projects) 	<ul style="list-style-type: none"> Document search & review sourced from Beyond Capital Secondary data search & analysis from publications in the public domain – government, donors, private organizations, NGOs Interview 2 Governmental entities (2 interviews) Interview 2 INGOs Feedback from KIIs pre-identified as potential sources of relevant information (22 KII interviews): <ul style="list-style-type: none"> 5 KII interviews with 5 out of 13 fellows 4 KII interviews with 4 Angel investors (As per Beyond Capital, this group is sensitive target group, which they are super busy group that the team is targeting to interview 4 out of 14) 	<ul style="list-style-type: none"> Verification of Beyond Capital reporting Analysis of Beyond Capital & secondary data Content analysis of KII notes from team members and assimilation into the Draft Evaluation Report Synthesis and triangulation of data gathered to inform findings, conclusions and recommendations for the Draft Evaluation Report Analysis of findings form interviews

			<ul style="list-style-type: none"> • 3 KII interviews with 3 members of Scouts selection panel • 4 KII interviews with 4 out of 8 scouts • 3 KII interview with NGOs • Feedback from FGD pre-identified as potential sources of relevant information (2 FGD): • 1 x FGD with Investment Committee (2 participants in a rented meeting room) • 1 x FGD with Governance Committee (2 participants in a rented meeting room) 	
4.	<p>How effective was the approach Beyond Capital used in providing technical assistance for companies to become more viable and scale up?</p> <p>a. How effective was combining technical assistance support with access to finance through investors and capital to grow their businesses?</p>	<ul style="list-style-type: none"> • Beyond Capital documents: annual and semi-annual reports, and surveys • Documents related to Beyond Capital's direct beneficiaries in building the capacity (financial statement). • Peer-to-peer KII interviews. • Governmental entities Interviews (Ministry of Digital Economy and Entrepreneurship, Central Bank, Jordan Enterprise Development Corporation) • Investment committee interview • Governance Committee interview • Member of entrepreneur selection panels interviews (one member from each panel) 	<ul style="list-style-type: none"> • Document search & review sourced from Beyond Capital • Secondary data search & analysis from publications in the public domain – government, donors, private organizations, NGOs • Feedback from KIIs pre-identified as potential sources of relevant information (21 KII interviews): <ul style="list-style-type: none"> • 19 KI interviews with 19 out of 28 start-ups (2 start-ups from each sector-8 sectors) • KI interviews with 3 scouts • KI interviews with INGOs • Interview 1 Governmental entity (1 interview) 	<ul style="list-style-type: none"> • Verification of Beyond Capital reporting • Analysis of Beyond Capital & secondary data • Content analysis of KII notes from team members and assimilation into the Draft Evaluation Report • Synthesis and triangulation of data gathered to inform findings, conclusions and recommendations for the Draft Evaluation Report • Analysis of findings from interviews

5.	<p>What has been Beyond Capital effects on the institutional maturity of start-ups and to what extent has this contributed towards their success in attracting outside capital?</p> <p>a. What share of participating firms has been successful in advancing one (or more) maturity tiers and what share of participating firms has been successful in attracting outside capital investment?</p> <p>b. Have Beyond Capital's efforts resulted in an overall expansion of early-stage investment-ready businesses and investment capital?</p>	<ul style="list-style-type: none"> The Team's understanding of the term "institutional maturity" is that it is used to describe the roadmap (or blueprint) that a start-up has to follow as it proceeds through the Pillar I post-accelerator program. The roadmap (blueprint) identifies the growth path of start-ups as they evolve from a start-up team to a scalable Company that has repeat, paying customers. Hence, maturity tiers can be interpreted as "grade levels" or milestones in the context of a growth roadmap. Widely used new venture development roadmaps include: Steve Blank's, "The Start-up Owner's Manual", and Bill Aulet's, "Disciplined Entrepreneurship" book used to guide start-up formation and growth at MIT. These references will serve as a benchmark to evaluate the Beyond Capital Pillar I program roadmap (or blueprint for growth and maturity). Pillar I Program Description: Beyond Capital Annual Report-2019 and earlier performance reports submitted to USAID 	<ul style="list-style-type: none"> Interview with Beyond Capital CEO and staff responsible for the Pillar I program. Interviews with sample of current ventures participating in Beyond Capital programs as well as alumni of programs 	<ul style="list-style-type: none"> Verification of Beyond Capital performance data with regard to: <ul style="list-style-type: none"> amount of outside capital (equity and debt) raised by ventures, scouts, angels, and Funds number of bankable ventures participating in Beyond Capital programs number of investable ventures participating in Beyond Capital Pillar I program number of graduates of Beyond Capital Pillar I program number of dropouts of Pillar I and reasons for dropping out Content analysis of Key Informational Interview (KIIs) Notes
6.	<p>What is the likelihood that interventions under Beyond Capital can be expected to sustain over time and why will those be sustainable and list those interventions?</p>	<p>Desk Review:</p> <p>Documents supplied by Beyond Capital:</p> <ul style="list-style-type: none"> Final AMELP Beyond Capital Beyond Capital Annual Report 2017-2018 Beyond Capital Annual Report 2019 Beyond Capital Semi-annual Report Jan-June 2020 Beyond Capital Biannual survey Pillar 1-Start Up support Program Documentation Pillar 2-Finance Entrepreneurs Documentation Pillar 2-Angel Investor Support Program Documentation Companies brief <p>Interviews:</p> <ul style="list-style-type: none"> IFADA FELLOWS Mentors Angel Investors Scouts Ministry of Digital Economy and Entrepreneurship Angel Trainers Scouts Trainers ISSF 	<p>The following samples were selected based on a simple random sampling approach, taking into consideration a percentage that is scientifically representative.</p> <p>One-to-One Interviews:</p> <ul style="list-style-type: none"> 7 Angel Investors (50%) 3 Angel Trainers (100%) 4 Scout Trainers (50%) 5 scouts (50%) 2 Members from the Ministry of Digital Economy and Entrepreneurship <p>FGDs:</p> <ul style="list-style-type: none"> 1 FGD for 7 Mentors from IFADA FELLOWS program 	<ol style="list-style-type: none"> Analysis of Beyond Capital & secondary data Data analysis will be qualitative, given small sample size of various beneficiaries, e.g., start-ups, scouts, angels, investment funds, IFADA FELLOWS fellows Synthesis and triangulation of data gathered to inform findings, conclusions and recommendations for the Draft Evaluation Report.

			(60%), • 1 FGD for 2 Members of the Investment Committee (100%) • 1 FGD for 2 Members of the Governance Committee (80%)	
7.	What is the impact to date on project beneficiaries, angel investors and mentors as a result of the COVID-19 pandemic?	<ul style="list-style-type: none"> • Beyond Capital reporting and monitoring documentation on client beneficiaries under all three project-related Pillars • Documents related to Beyond Capital's direct beneficiaries tracking performance over time (financial statements – cash flow, income statements and balance sheets) • Publications in 2020 from external and officially recognized authorities (World Bank, EU, ILO, UN, WHO among others) • GoJ ministries and departments e.g. Economy, Finance, Health 	<ul style="list-style-type: none"> • Review of available publications from the Data Source list that are in the public domain for review and extraction of relevant data and information on effects of the pandemic • Review of the findings and observations of the project team members resulting from interviews with selected Beyond Capital beneficiaries 	<ul style="list-style-type: none"> • Verification of Beyond Capital client performance statistics from financial reporting (if available to the ET) • Cross-referencing data and information from published sources to establish extent of impact (current and anticipated) of Beyond Capital client beneficiaries • Summary analysis of the findings from KIs and FGDs with Beyond Capital direct client beneficiaries
8.	What were the main challenges and lessons learned under the different pillars that you would like to highlight? Review/assess whether the current project design (components, scope, activities, schedule) continues to be an adequate mechanism to achieve the project's expected outcomes. If not, what measures can be taken to improve implementation	<ul style="list-style-type: none"> • Beyond Capital reporting and monitoring documentation on client beneficiaries under all three project-related Pillars • Documents related to Beyond Capital's direct beneficiaries tracking performance over time (financial statements – cash flow, income statements and balance sheets) • Publications in 2020 from external and officially recognized international authorities (World Bank, EU, ILO, UN, WHO among others) • GoJ ministries and departments e.g. Economy, Finance, Health • Ongoing donor-funded projects – available documents in the public domain regarding their activities related to financial support initiatives aimed at the private sector 	<ul style="list-style-type: none"> • Review of available publications from the Data Source list that are in the public domain for review and extraction of relevant data and information pertaining to unresolved issues or measures still needed not currently addressed in support of the ecosystem • (N.B. Review of above must be seen and assessed in light of ongoing or anticipated government-imposed restrictions related to the COVID-19 pandemic as addressed in Q.7) 	<ul style="list-style-type: none"> • Verification of Beyond Capital client performance statistics from financial reporting (if available to the ET) • Cross-referencing data and information from published sources to establish extent of impact (current and anticipated) of Beyond Capital client beneficiaries and from which meaningful conclusions can be drawn leading to potential ET recommendations • Summary analysis of the findings from KIs and FGDs with Beyond Capital direct client beneficiaries

	efficiency ²⁴ and results? and what services are needed by the ecosystem but are not provided by Beyond Capital?			
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²⁴ The Evaluation Team will consider 'efficiency' in this context as: 'the relationship between the resources used by an intervention and the changes generated by that intervention (which may be positive or negative). Evaluation findings will endeavor to pinpoint areas where there is potential to reduce inefficiencies and to potentially simplify the intervention.

ANNEX 4: INFORMATION SOURCES

4.1 INFORMATION SOURCES: LIST OF DOCUMENTS CONSULTED

	PUBLICATION	PUBLISHER / AUTHOR	DATE
1	Final AMELP Beyond Capital	Endeavour Jordan	23.12.2019
2	MENA II Fact Sheet	USAID/Jordan	May 2018
3	USAID Annual Report 2019	High Impact Investment Initiative Inc	No Date
4	Beyond Capital – Organization Chart	Beyond Capital	No Date
5	Federal Financial Report	High Impact Investment Initiative Inc	No Date
6	Cooperative Agreement – USAID & High Impact Investment Initiative inc.	USAID	27.01.2016
7	Amendment of Cooperative Agreement Mod 6	USAID/Jordan	26.01.2016
8	Modification of Assistance Award - Mod 5	USAID	02.02.2016
9	Modification of Assistance - Mod 4	USAID	02.02.2016
10	Modification Assistance Award – Mod 5	USAID	26.01.2016
11	Modification No. 6 – Attachment 2	USAID/Jordan	19.07.2020
12	USAID/Middle East (ME) Request for Applications (RFA) for the Middle East North Africa Investment Initiative – MENA II (Funding Opportunity No. RFA-OAA-14-000025)	USAID	10.02.2014
13	Response to Request for Application	High Impact Investment Initiative Inc	26.11.2015
14	Assessing Finance in Jordan – A Guide for Entrepreneurs	Al Jidara	January 2020
15	Stocktaking Report: Jordan	OECD	November 2018
16	Start-Up Support	Beyond Capital	No Date
17	Seeking a Concept Commitment from Beyond Capital	Arzan Venture Capital II Ltd	December 2018
18	Finance Entrepreneur Support	Propellor	No Date
19	Accelerating Innovation Finance	IFADA Fellows	No Date
20	Assessing Potential Finance Entrepreneurs	Beyond Capital	July 2018
21	From Beyond Capital to Finance Entrepreneurs	Beyond Capital	June 2018
22	IFADA Fellows 2.0 General Outline	IFADA Fellows	June 2020
23	Angel Investor Support	Beyond Capital	No Date
24	Beyond Capital's Angel Network	Beyond Capital	No Date
25	Beyond Capital Angel Network – Membership Agreement	Beyond Capital	No Date
26	Fundamentals of Angel Investing	Lana Alamat	June 2020
27	Technical Methodological Concept	efino	June 2020
28	Scout Program Induction Day	Beyond Capital	25.04.2018
29	Scout Program Orientation Day	Beyond Capital	No Date
30	Doing Business Jordan – Economic profile	World Bank	No Date
31	Impact of the COVID-19 Pandemic on enterprises in Jordan	ILO	25.06.2020
32	Inside Jordan's Fight to Tackle COVID-19	IMF Country Focus	20.07.2020
33	Jordan National Report 2016-17	Global Entrepreneurship Monitor	No Date
34	Jordan Economic Growth Plan 2018-2022	The Economic Policy Council - GoJ	No Date
35	EBRD Jordan MSME Framework	Frankfurt School of Finance and Management	10.03.2016
36	A guide for Entrepreneurs	GIZ/Jadara	January, 2020
37	BYC Annual Report 2017-2018	USAID/Jordan	No Date
38	BYC Semi-annual report Jan-June 2020	USAID/Jordan	No Date
39	BYC contact Information list	BYC	No Date
40	Client Companies Briefs	BYC	No Date
41	Pillar 1-Start Up Support Program Documentation	BYC	No Date
42	Pillar 2-Finance Entrepreneurs Documentation	BYC	No Date

43	Pillar 3-Angel Investor Support Program Documentation	BYC	No Date
44	Restructuring Paper on a Proposed Project Restructuring of Innovative Start-ups Fund Project (ISSF).	World Bank	World Bank, 2020
45	Digitalization Opportunities for Jordanian Businesses. Prepared for World Bank-Jordan.	Souktel	July, 2019
46	Jordan's Economic Update	World Bank	April, 2019
47	Beyond Capital Annual Report	Beyond Capital	2019
48	Entrepreneurship Environment Assessment in Jordan	Silatech Research and Policy Report. A. Schiff, N. Schmidt, and J. Troncoso.	May 2015
49	Technical Note: Impact Evaluations.	USAID	Sept. 2013
50	Annual Report	Amman Stock Exchange	2018
51	The Second SMEs' Conference - A Policy Paper	Economic and Social Council Jordan	No Date
52	State of the Country Report - 2019	Economic and Social Council Jordan	No Date
53	The official website of The Ministry of Digital Economy and Entrepreneurship	The Ministry of Digital Economy and Entrepreneurship	No Date
54	The Impact of the Covid-19 Outbreak on the Entrepreneurship Ecosystem 2020	Wamda	No date

4.2 INFORMATION SOURCES: LIST OF INTERVIEWS

List of KIIs and FGDs by Evaluation Team					
Category #	Category	#	Organization	Location	Date
1	Start-ups	1	360 Moms	Amman	October 25, 2020
		2	Solfeh	Amman	October 28, 2020
		3	Silkroad Audio	Amman	October 25, 2020
		4	Nafsika Skourti	Amman	October 26, 2020
		5	Farha	Amman	October 26, 2020
		6	Bio Energy Tech	Amman	October 27, 2020
		7	Whyise	Amman	October 27, 2020
		8	ControlCast	Amman	October 28, 2020
		9	HiddenFlight	Amman	October 28, 2020
		10	Yousef Afandi	Amman	October 28, 2020
		11	Qahwa BLK	Amman	October 31, 2020
		12	BravoBravo	Amman	November 1, 2020
		13	Amina Skin Care	Amman	November 2, 2020
		14	Eila	Amman	November 2, 2020
		15	Sager	Amman	November 12, 2020
		16	Cerebian	Amman	November 4, 2020
		17	Addenda	Amman	November 3, 2020
		18	Tchaba Tea	Amman	November 4, 2020
		19	Twelve Degrees	Amman	November 4, 2020

2	Fund Managers	1	Arzan VC	Amman	November 9, 2020
		2	Propeller	Amman	November 7, 2020
		3	Amam VC	Amman	November 10, 2020
		4	Flat6Labs	Amman	November 12, 2020
3	Angel Investors	1	Individual	Amman	November 8, 2020
		2	imseeh jewelry	Amman	October 14, 2020
		3	Gaiah Partner	Amman	October 20, 2020
4	Angel Trainers	1	Lawyer	Amman	November 2, 2020
5	Scouts	1	Arabot	Amman	November 4, 2020
		2	Nuqul group	Amman	November 2, 2020
		3	Mercy Corps	Amman	November 2, 2020
		4	Oasis500	Amman	November 4, 2020
6	Scout Trainers	1	Silicon Badia	Amman	November 11, 2020
		2	Dash Ventures	Amman	November 5, 2020
7	Entrepreneur Selection Panel	1	Amam Ventures	Amman	November 10, 2020
		2	Capital Investments	Amman	November 11, 2020
8	Women Entrepreneur Group 1	1	Brush	Amman	October 26, 2020
		2	Little Leaders	Amman	October 26, 2020
		3	SIRA	Amman	October 26, 2020
		5	Shourouq Fashion	Amman	October 26, 2020
		6	Insight	Amman	October 26, 2020
9	Women Entrepreneur Group 2	1	Safe Hands for Training and rehabilitation	Amman	October 19, 2020
		2	Seven pennies	Amman	October 24, 2020
		3	Steenah	Amman	October 24, 2020
10	Beyond Capital Investment Committee	1	Individual	Amman	November 8, 2020
		2	Individual	Amman	November 8, 2020
11	Beyond Capital Governance Committee	1	Individual	Amman	November 10, 2020
		2	Individual	Amman	November 15, 2020
12	IFADA FELLOWS Mentors	1	Amam Ventures	Amman	November 10, 2020
		2	Seven Circles	Amman	November 10, 2020
		3	iPARK, Royal Scientific Society	Amman	November 10, 2020
13	IFADA FELLOWS Mentors	1	Twelve Degrees	Amman	November 9, 2020

		2	Sequence	Amman	November 9, 2020
		3	500 Start-ups	Amman	November 9, 2020
		4	Xische	Amman	November 9, 2020
14	INJAZ	1	INJAZ	Amman	November 12, 2020
15	Silicon Badia	1	Silicon Badia	Amman	December 3, 2020
16	GIZ	2	GIZ	Amman	November 11, 2020
17	Shamal Start	1	Shamal Start	Amman	November 8, 2020
18	Jordan Enterprise Development Corporation	1	JEDCO	Amman	November 5, 2020
19	INTAJ	1	INTAJ	Amman	November 8, 2020
20	ISSF	1	ISSF	Amman	November 2, 2020
21	Mercy Corps	3	Mercy Corps	Amman	November 4, 2020
22	Endeavor	1	Endeavour	Amman	November 3, 2020
23	USAID Jordan	1	USAID	Amman	October 27, 2020
		2	USAID	Amman	October 27, 2020
24	Beyond Capital Team	1	Beyond Capital	Amman	November 16, 2020
		2	Beyond Capital	Amman	November 15, 2020
		3	Beyond Capital	Amman	November 15, 2020
		4	Beyond Capital	Amman	November 15, 2020

4.3 INFORMATION SOURCES: STATISTICAL DATA

4.3.1 TABLE 1: START-UPS CLASSIFIED BY GENDER OF FOUNDER

#	Company	Commerce	Education	Enterprise Software & Services	Food & Beverage	FinTech	Health Care	Media/Film	Retail & Consumer Tech
1	360 Moms	F							
2	BravoBravo			M					
3	Cerebian			M					
4	ControlCast			M					
5	Eila			M					
6	Sager			M					
7	Twelve Degrees			F					
8	Whyise			F					
9	Tchaba Tea				M				
10	HiddenFlight					M			
11	Solfah					M			
12	BioEnergyTech						M		
13	Amina Skin Care								F
14	Nafsika Skourti								F
15	Qahwa BLK								M
16	Yousef Afandi								M
17	Addenda			M					
18	Farha							F	
19	Silkroad Audio	F							

Source: Beyond Capital Database

4.3.2 TABLE 2: START-UPS SURVEY QUESTIONNAIRE SCORE CARD

<u>SURVEY STATUS REPORT: By Pillar</u>	COMPLETED THE SURVEY	Questioner irrelevant	SURVEY SENT & PENDING	NOT YET CONTACTED	<u>TOTAL</u>
START-UPS Pillar One	12	1	3	0	16
START-UPS Pillar Three	3	0	0	0	3
GRAND TOTAL	15	1	3	0	19

Source : Evaluation team analysis of the mini questionnaire respondents (Google survey)

4.3.3 TABLE 3: NUMBER OF START-UPS BY INDUSTRY (POPULATION VS. SAMPLE)

	# START-UPS	
<u>SECTOR</u>	POPULATION	SAMPLE
Commercial	8	1

Education	1	0
Enterprise Software	12	7
Food & Beverage	4	1
FinTech	3	2
Health Care	1	1
Retail & Consumer Tech	4	4
TOTAL: All Sectors	33	16

Source: BC Database

4.3.4 TABLE 4: NUMBER OF START-UPS BY GENDER AND BY SECTOR (POPULATION VS. SAMPLE)

SECTOR	# START-UPS		Gender					
	POPULATION	SAMPLE	POPULATION		SAMPLE		Sample as % of Pop.	
			M	F	M	F	M	F
Commercial	8	1	7	1	-	1	-	100%
Education	1	0	1	0	0	0	0%	0%
Enterprise Software	12	7	10	2	5	2	50%	100%
Food & Beverage	4	1	3	1	1	0	33%	0%
FinTech	3	2	3	0	2	0	67%	0%
Health Care	1	1	1	0	1	0	100%	0%
Retail & Consumer Tech	4	4	2	2	2	2	100%	100%
TOTAL: All Sectors	33	16	27	6	11	5	41%	83%

Source: BC Database

4.3.5 TABLE 5: TOTAL AND AVERAGE REVENUE OF START-UPS (POPULATION VS. SAMPLE)

SECTOR	REVENUE			AVG REVENUE		
	POP.	SAMPLE	Sample as % of Pop.	POP.	SAMPLE	Sample as % of Pop.
Commercial	\$ 4,923,871	\$ 76,230	1.55%	\$ 615,483.88	\$ 76,230	12.39%
Education	\$ 300,000	\$ -	0.00%	\$ 300,000.00	\$ -	0.00%
Enterprise Software	\$ 1,272,789	\$ 208,989	16.42%	\$ 106,065.75	\$ 29,856	28.15%
Food & Beverage	\$ 3,568,714	\$ 3,300,000	92.47%	\$ 892,178.50	\$ 3,300,000	369.88%
FinTech	\$ 652,877	\$ 642,877	98.47%	\$ 217,625.67	\$ 321,439	147.70%
Health Care	\$ 1,400,000	\$ 1,400,000	100.00%	\$ 1,400,000.00	\$ 1,400,000	100.00%
Retail & Consumer Tech	\$ 1,113,450	\$ 1,113,450	100.00%	\$ 278,362.50	\$ 278,363	100.00%
TOTAL: All Sectors	\$13,231,701	6,741,546	50.95%			

Source: Evaluation team analysis of the mini questionnaire responses, BC Annual Report 2019

4.3.6 TABLE 6: SIZE DISTRIBUTION: REVENUE AND NUMBER OF EMPLOYEES (POPULATION VS. SAMPLE)

REVENUE	EMPLOYEES
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SECTOR	POPULATION	SAMPLE	POPULATION	SAMPLE
Commercial	\$ 4,923,871	\$ 76,230	146	8
Education	\$ 300,000	-	26	-
Enterprise Software	\$ 1,272,789	\$ 208,989	118	35
Food & Beverage	\$ 3,568,714	\$ 3,300,000	40	15
FinTech	\$ 652,877	\$ 642,877	48	46
Health Care	\$ 1,400,000	\$ 1,400,000	25	25
Retail & Consumer Tech	\$ 1,113,450	\$ 1,113,450	52	52

Source: BC Database

4.3.7 TABLE 7: TOTAL AND AVERAGE EMPLOYEES BY INDUSTRY (POPULATION VS. SAMPLE)

SECTOR	# START-UPS		EMPLOYEES			AVG EMPLOYEES		
	POPULATION	SAMPLE	POPULATION	SAMPLE	Sample as % of Pop.	POPULATION	SAMPLE	Sample as % of Pop.
Commercial	8	1	146	8	5.48%	18.3	8.0	43.8%
Education	1	0	26	0	0.00%	26.0	-	-
Enterprise Software	12	7	118	35	29.66%	9.8	5.0	50.8%
Food & Beverage	4	1	40	15	37.50%	10.0	15.0	150.0%
FinTech	3	2	48	46	95.83%	16.0	23.0	143.8%
Health Care	1	1	25	25	100.00%	25.0	25.0	100.0%
Retail & Consumer Tech	4	4	52	52	100.00%	13.0	13.0	100.0%
TOTAL: All Sectors	33	16	455	181	39.78%			

Source: BC Database

ANNEX 5: DATA COLLECTION TOOLS

5.1 INTERVIEW QUESTIONNAIRE FOR BEYOND CAPITAL DIRECT BENEFICIARIES

INTERVIEW QUESTIONNAIRE		Direct Beneficiaries
PRELIMINARY FILLED INFORMATION		
0	NAME OF INTERVIEWER(S)	
1	NAME OF INTERVIEWEE(S)	
2	GENDER	Male \ Female

INFORMATION FILLED AT INTERVIEW		
1	ORGANIZATION	
2	POSITION	
3	AGE RANGE	(18-29) (30-49) (50 AND ABOVE)
4	LOCATION	
5	SINCE WHEN OPERATING	
6	DATE OF INTERVIEW	
QUESTIONS		
Q.1	When did you first learn about the BC Start-up Support project? How did you learn about the project? When did you make first contact with BC? At what year were you selected to participate in the Start-up Support program? On what basis you were selected? Was your business scalable when you were selected?	
A.1		
Q.2	What specific interventions you received from BC?	
A.2		
Q.3	How would you evaluate the technical assistance services you received from BC activities and staff (Access to Talent, Mentors, Training, potential Partnerships, Professional/Consulting Services); the access to financing provided by BC's Scouts and Angel Investor Network?	
A.3		
Q.4	How would you evaluate BC's entrepreneur selection process, including the: selection criteria, initial review, and internal review? How would you evaluate BC's support to prepare you for the Entrepreneur Selection Panel pitch day?	
A.4		
Q.5	What are the main challenges to scaling your business? Did BC's services that you received (e.g., mentorship assistance to find the correct business strategy, securing talented employees, subsidized consulting services, etc, accessing financing, network connections in Jordan) help you to overcome these challenges?	
A.5		
Q.6	What training and mentorship have BC provided to your business? Has this training and mentorship increased the profitability and scalability of your business? How can the training and mentoring programs be improved?	

A.6	
Q.7	What challenges that you faced were NOT addressed by BC services and activities? How has this lack of services and activities affected the competitiveness, profitability and scalability of your business?
A.7	
Q.8	This is a mid-term evaluation. What are the outstanding issues/challenges faced by Jordanian entrepreneurs that BC should be addressing for the remainder of the project in order to ensure: 1) the long-term growth and sustainability of the entrepreneurship ecosystem, 2) increased supply of risk capital and debt financing for start-ups, and 3) job creation, especially for women and youth?
A.8	
Q.9	What political, economic and social factors in Jordan encouraged the development of a positive investment climate for Jordanian start-ups; helped to foster entrepreneurship?
A.9	
Q.10	How competitive and scalable would your business be, if you did NOT participate in the BC Start-Up Support program?
A.10	
Q.11	Due to your participation in the BC Start-up Support program, has your business received investment financing from BC's scout and angel investor network; working capital financing from Jordanian banks? If so, how much financing was received? If equity financing was received, how was it structured: a KISS or SAFE financing agreement; preference shares; or, convertible Note?
A.11	
Q.12	Finally, what has been the impact of COVID-19 on your start-up, e.g., did you pivot to a new product and/or business model? Has COVID-19 impacted the availability of investment and working capital financing? If so, how?

A.1 2	
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5.2 FOCUS GROUP DISCUSSION QUESTIONNAIRE FOR IFADA FELLOWS

FOCUS GROUP QUESTIONNAIRE		IFADA FELLOWS Fellows
PRELIMINARY FILLED INFORMATION		
0	NAME OF MODERATOR	
1	NAME OF PARTICIPANT(S)	
2	GENDER	Male \ Female
INFORMATION FILLED AT INTERVIEW		
1	ORGANIZATION	
2	POSITION	
3	AGE RANGE	(18-29) (30-49) (50 AND ABOVE)
4	LOCATION	
5	DATE OF FOCUS GROUP	
QUESTIONS		
Q.1	INTRODUCTION: <ul style="list-style-type: none"> – Please state in which cohort you were a member (1 or 2)? – Did you have a Fund concept in mind prior to applying to the IFADA FELLOWS program? 	
A.1		
Q.2	PROGRAM AWARENESS: <ul style="list-style-type: none"> – How/when did you first become aware of the IFADA FELLOWS Fellows program? 	
A.2		
Q.3	RECRUITMENT PROCESS: <ul style="list-style-type: none"> – How were you recruited to participate in the program? – For example, were you contacted by Tamer or Emile Cubeisy? – Or, did you attend a BC Event; or, were you informed by Friend/social media? 	
A.3		
Q.4	APPLICATION PROCESS: <ul style="list-style-type: none"> – Is the application process easy to follow and complete? – Do you have to fill out questionnaires? 	

	– How much time does it take to complete the application process?
A.4	
Q.5	SELECTION PROCESS: <ul style="list-style-type: none"> – Are the selection criteria easy to understand? – Is there an interview Panel? – Do the Panel Members ask thoughtful questions? – Did the Panel questioning, sharpen your understanding of your Fund Concept and training needs? – Is the process transparent and fair?
A.5	
Q.6	MONTH PROGRAM: <ul style="list-style-type: none"> – Are the modules well-designed; informative - sufficient depth? – Are the modules arranged in the proper sequence? – Are there any modules that should be revised; should be eliminated? – Can you recommend any new modules? – How is the program evaluated?
A.6	
Q.7	FELLOWS MENTOR PROGRAM: <ul style="list-style-type: none"> – How are you introduced to Mentors? – How are you paired with a Mentor, self-initiative or does BC assign a Mentor? – What are the 2 or 3 areas in which you required the most assistance? – Strengths of the Mentor Program? – Weaknesses of the Mentor Program? – Suggested improvements?
A.7	
Q.8	IMPACT OF MENTOR PROGRAM: <ul style="list-style-type: none"> – Do you feel more competent in launching a seed-capital VC Fund? – Have you launched your own Fund? – Was it easier for you to raise money towards your first-close target? – If you did NOT attend the BC Fellows program, would you still be able to launch a fund and raise capital?

A.8	
Q.9	EXPECTATIONS: – Did the Mentor Program meet your expectations? – Did the Fellows Program meet your expectations?
A.9	
Q.10	Recommendations to improve the Fellows Program?
A.10	
Q.11	Have we missed anything?
A.11	

5.3 FOCUS GROUP DISCUSSION QUESTIONNAIRE FOR MENTORS OF IFADA FELLOWS

FOCUS GROUP QUESTIONNAIRE		IFADA FELLOWS MENTORS
PRELIMINARY FILLED INFORMATION		
0	NAME OF MODERATOR	
1	NAME OF PARTICIPANT(S)	
2	GENDER	Male \ Female
INFORMATION FILLED AT INTERVIEW		
1	ORGANIZATION	
2	POSITION	
3	AGE RANGE	(18-29) (30-49) (50 AND ABOVE)
4	LOCATION	
5	DATE OF FOCUS GROUP	
QUESTIONS		
Q.1	HOW DID YOU LEARN ABOUT BC?	
A.1		

Q.2	HOW WERE YOU SELECTED TO BECOME A MENTOR? – Recruited by Tamer – Selection Process (if so, pls describe, e.g., selection criteria, interview process)
A.2	
Q.3	WHAT IS YOUR UNDERSTANDING OF THE IFADA FELLOWS FELLOWS PROGRAM – Motivation for the Program – Selection criteria for Fellows – Performance expectations/targets for Fellows
A.3	
Q.4	PLEASE DESCRIBE THE MENTORING PROCESS – Are you paired with a specific Fellow to work with? Or, more than one Fellow? – What advice are you expected to provide (what is your expertise?) – Who initiates the request for mentoring advice, you or the Fellow or BCap Mngmt – Do you have a regularly scheduled meeting/call with your assigned Fellow? – Do all Mentors meet on a quarterly basis to share lessons learned on the Mentoring process? – What has been the impact of your Mentoring? Pls provide examples – How is the performance of your Mentoring activity measured
A.4	
Q.5	STRENGTHS AND WEAKNESSES OF THE MENTOR PROCESS? – Strengths – Weaknesses
A.5	
Q.6	RECOMMENDATIONS FOR IMPROVEMENT THAT SHOULD BE INCLUDED IN FINAL REPORT?
A.6	
Q.7	Have we missed anything?
A.7	

5.4 FOCUS GROUP DISCUSSION QUESTIONNAIRE FOR WOMEN AND YOUTH ENTREPRENEURS

INTERVIEW QUESTIONNAIRE		Women & Youth Entrepreneurs
PRELIMINARY FILLED INFORMATION		
1	NAME OF INTERVIEWEE(S)	
3	ORGANIZATION	
4	BUSINESS SECTOR	
INFORMATION FILLED AT INTERVIEW		
5	AGE RANGE	(18-29) (30-49) (50 AND ABOVE)
6	NATIONALITY	
6	POSITION	
8	LOCATION OF BUSINESS	
9	SIZE OF BUSINESS (# OF EMPLOYEES)	
10	DATE OF INTERVIEW	
QUESTIONS		
Q. 1	How long has your business been operating?	
A. 1		
Q. 2	Have you ever heard of Beyond Capital and the interventions they are implementing? If yes, have you been reached by BC and been refused or not selected? If yes, please elaborate why	
A. 2		
Q. 3	Can you address the challenges you face or faced at the start up phase of your business?	
A. 3		
Q. 4	What support you need in order to grow your business?	

A. 4	
Q. 5	Have you ever received support from private entities, grants, donors in order to grow your business? Please elaborate.
A. 5	
Q.	Has any investment been done in your business? If yes, provide examples.
A.	
Q. 7	What is the impact of COVID-19 on your business?
A. 7	

5.5 QUESTIONNAIRE FOR START-UP ENTREPRENEURS

Beyond Capital USAID Evaluation Questionnaire

INSTRUCTIONS: Please complete this questionnaire as accurately as your memory permits.

Note that ALL RESPONSES ARE CONFIDENTIAL INFORMATION.

SUBMISSION DEADLINE: November 21, 2020

- 1- How well Does Beyond Capital advertise its Entrepreneur Support Program?
 - Not at All
 - Needs Improvement
 - Good
 - Very Good
- 2- How helpful is Beyond Capital's support during the application process?
 - Not at All
 - Needs Improvement
 - Good
 - Very Good
- 3- How transparent is Beyond Capital's Entrepreneur Support selection process?
 - Not at All
 - Needs Improvement
 - Good
 - Very Good
- 4- How effective is Beyond Capital's assistance in preparing you for your Presentation to the Entrepreneur Selection Panel?
 - Not at All
 - Needs Improvement
 - Good
 - Very Good
- 5- How effective is Beyond Capital's assistance in linking you to a Scout?
 - Not at All
 - Needs Improvement
 - Good
 - Very Good
- 6- How effective is Beyond Capital's assistance in linking you to an Angel Investor?
 - Not at All
 - Needs Improvement
 - Good

- Very Good

7- Which of BC's services did you use? (Mark the box next to the service)

- Mentoring
- \$10k award for purchase professional services
- Angel Financing
- Legal Services
- Human Resources/Staff Recruitment
- \$25k COVID Recovery Loan Program
- Strategic advice regarding pricing strategy

7-a. Which service(s) were most effective? (Mark the box next to the service)

Briefly explain why in Other field.

- Mentoring
- \$10k award for purchase professional services
- Angel Financing
- Legal Services
- Human Resources/Staff Recruitment
- \$25k COVID Recovery Loan Program
- Strategic advice regarding pricing strategy
- Other _____

7-b. Which service(s) were least effective? (Mark the box next to the service)

Briefly explain why in Other field.

- Mentoring
- \$10k award for purchase professional services
- Angel Financing
- Legal Services
- Human Resources/Staff Recruitment
- \$25k COVID Recovery Loan Program
- Strategic advice regarding pricing strategy
- Other _____

8- Have Beyond Capital's Entrepreneur Support activities made your business more profitable?

- Not at All
- Annual Profit increased by less than 5%

- Achieved between 5% and 10% annual growth in Profit
 - Achieved greater than 10% annual growth in Profit
- 9- Over the next three years, how scalable would your business be, if you DID NOT participate in the Beyond Capital Entrepreneur Support program? (Annual Sales expected over the next three years)
- No growth
 - Less than 5% per year growth
 - Between 5 to 10% per year growth
 - More than 10% per year growth
- 10- Given Beyond Capital's current financial and staff resources, is the Entrepreneur Support Program (Pillar One) sustainable over the next three years if Pillar One services remain at their current level?
- Not at All
 - Less than 25% probability of survival
 - Between 25 and 49% probability of survival
 - Between 50% and 90% probability of survival
 - Greater than 90% probability of survival
- 11- What is the impact of COVID-19 on your business?
- Not at All
 - Minor Negative Impact
 - Severe Negative Impact
 - Minor Positive Impact
 - Major Positive Impact
- 11-a. If your business was negatively impacted by COVID-19, to what degree did Beyond Capital's activities help you reduce the size of the negative impact?
- Not at All
 - Minor Reduction in size of impact
 - Major Reduction in size of impact
- 11-b. Which activity(ies) were most helpful in reducing the size of the negative impact? (more than one choice is permitted)
- Mentoring
 - \$10k award for purchase of professional services
 - Angel Financing
 - Legal Services

- Human Resources/Staff Recruitment
- \$25k COVID-19 Recovery Loan Program
- Strategic advice regarding pricing strategy

11-c. If your business was positively impacted by COVID-19, to what degree did Beyond Capital's activities help you to create a positive impact?

- Not at All
- Minor Help
- Major Help

11-d. Which activity(ies) were most helpful in creating a positive impact? (More than one choice is permitted.)

- Mentoring,
- \$10k award for purchase of professional services,
- Angel Financing,
- Legal Services,
- Human Resources/Staff Recruitment,
- \$25k COVID Recovery Loan Program,
- Strategic advice regarding pricing strategy

ANNEX 6: PRESENTATION TO THE BEYOND CAPITAL BOARD

AGENDA

- I. BACKGROUND
 - A. Debrief Objectives
 - B. Context and Evaluation Purpose
 - C. Evaluation Methodology
- II. FINDINGS AND CONCLUSIONS
- III. TENTATIVE RECOMMENDATIONS
- IV. DISCUSSION
 - A. Q&A

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B. CONTEXT AND EVALUATION PURPOSE

- Context
- Guiding Questions
 - What is the quality and effectiveness of BC's Technical Assistance to increase the viability and scalability of qualified early-stage businesses?
 - What is BC's approach to:
 - Increasing the access to investors and risk (pre-seed/seed) capital to support the growth of businesses.
 - Investing in Fund of Funds
 - Building the capacity of new financial entrepreneurs
 - How successful has BC been in building the investment capacity of new financial entrepreneurs?

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C. EVALUATION METHODOLOGY

- Field research conducted Oct. 14 – Nov. 16
- Mixed Methods: Key Informant Interviews, Focus Group Discussions and survey
- Sample
 - 69 interviews conducted
 - 19 Startups (12 male, 7 female)
 - 33 Stakeholders
 - 9 representatives of Jordan Ecosystem
 - 2 Female Focus Group Discussions (8 participants each)
 - Entrepreneur Questionnaire Survey (15 responses)

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II. QUESTION ONE: FINDINGS AND CONCLUSIONS

Q1. To what extent, and in what ways have political, economic and social factors in Jordan mitigated or enhanced the development of a positive investment climate and fostered entrepreneurship?

Findings

- Political Factors
 - Relatively stable political environment
 - Jordan support to UN's 2030 SDGs
- Economic Factors (constraints)
 - Corporate law
 - Venture capital legislation
 - Small market size
 - Tax rules
- Social Factors
 - Strong social support
 - Entrepreneurship seen as path to reduce youth employment
 - Unemployment – lack of job openings

Conclusions

- Strong support for expansion of positive investment climate and entrepreneurship
- May support BC efforts for sustainability

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II. QUESTION ONE (A): FINDINGS AND CONCLUSIONS

(a) Has Beyond Capital's approach in investing in funds of funds been delayed in being implemented? If so, what has caused or is causing any constraints? What enabling factors and/or constraints could help support this intervention?

Findings

- Confusion around commitment to one Fund
- COVID-19: one commitment withdrawn
- Pre-seed/investment via Funds that want to domicile in Jordan
- Lack of stable tax policy on distributions from investees
- Unfriendly securities regulations

Conclusions

- The implementation of the Fund of Funds has been delayed slightly due to one institutional investor withdrawing a commitment from one Fund due to COVID-19.
- However, BC provided a necessary commitment to fill the gap and keep the Fund in BC's current portfolio of individual funds (totaling 4 funds).

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II. QUESTION ONE (B): FINDINGS AND CONCLUSIONS

(b) What challenges did companies face but were not addressed by Beyond Capital interventions? And how did it affect the project implementation?

Findings

- Scaling to attract more customers a challenge given small domestic market
- Jordanian startups are inclined to take locational incentives offered by Abu Dhabi and other GCC countries

Conclusions

- BC can help startups face this challenge by ensuring competitive edge in regional and international markets.
- BC should make portfolio of startups "Endeavor Ready", in one year or less.

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II. QUESTION TWO: FINDINGS AND CONCLUSIONS

Q2. To what extent were Beyond Capital interventions under Pillars 1 and 2 effective, specifically, whether or not the Activity achieved its intended outcomes so far?

Findings

- Over 80% of the 15 startups surveyed responded that BC is doing a Very Good or Good job of delivering a range of six services (survey results provided on next slide).
- Frequent responses from interviewees:
 - ❖ “BC has the best CV database in Jordan.”
 - ❖ “BC team responds promptly when contacted, providing interviewees with pointed recommendations/introductions to a range of technical, mentoring and legal resources.”

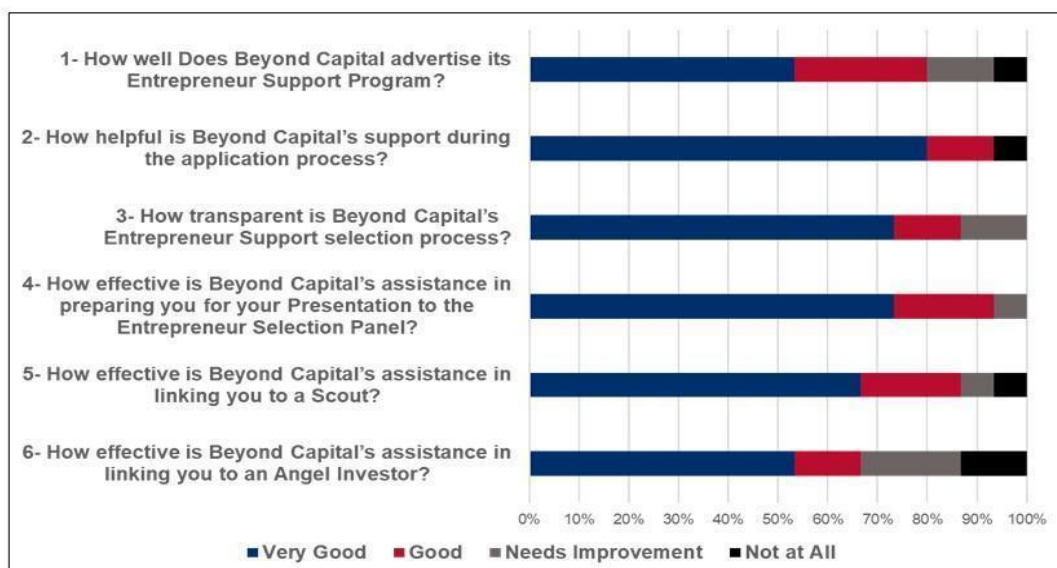
Conclusions

- Based on these strong, positive responses, we conclude that BC is delivering a very effective menu of services to Jordanian startups.
- This conclusion is further substantiated by the frequent, positive, interviewee responses noted earlier.

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Entrepreneur Survey: Likert Scale: Questions 1-6, Respondents = 15 out of sample size of 19



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II. QUESTION TWO (A): FINDINGS AND CONCLUSIONS

a) To what extent has the project integrated gender sensitive approaches to reach men, women and youth SMEs.

Findings

- Lack of gender sensitive selection criteria
- Challenge in supporting female entrepreneurs
 - Revenue generating potential is a common challenge for women-owned businesses
 - Typical women-owned businesses are “lifestyle” – difficult to scale

Conclusions

- BC approach is not sensitive to gender or youth
 - Attempting to remedy this gap
 - Dutch Ministry of Foreign Affairs partnership for youth entrepreneurs
 - \$50k loan to launch women-focused Investment Fund

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II. QUESTION THREE: FINDINGS AND CONCLUSIONS

Q3. How effective was Beyond Capital's approach in building the capacity of new financial entrepreneurs (including angels, scouts and IFADA program) to invest in the ecosystem?

Findings

- Angels
 - Increase due diligence of deals and sharing results prior to Pitch Day
- Scouts
 - Uneven knowledge of the basics of investment decision-making
 - No immediate financial reward after deal is closed
- IFADA Program
 - Effective training program
 - Takes several months for fund concept design, legal framework, and investor roadshows

Conclusions

- Scout program could benefit from minor modifications
 - Provide financial reward/incentive “upfront” when a scout-sourced or co-financed deal is closed.

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II. QUESTION THREE (A): FINDINGS AND CONCLUSIONS

a) Has the number of first time Angel investors grown and what has been the impact of these investments on these nascent firms?

Findings

- Angels have invested \$200k in 12 deals, even though it is the first Angel network in Jordan.
- According to BC management, since the angel network is very new, it is premature to expect significant impacts.

Conclusions

- Angel financing has increased the ability of the startups to increase their managerial and operational efficiency as well as gain customers.

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II. QUESTION FOUR: FINDINGS AND CONCLUSIONS

Q4. How effective was the approach Beyond Capital used in providing technical assistance for companies to become more viable and scale up?

Findings

- As the next chart illustrates, BC has been effective in providing technical assistance to startups.
- The most effective forms of assistance were mentoring and the provision of the US \$10K grant to purchase professional and consulting services.
- It should be noted that at the formation stage of a startup, advice had more value than money!

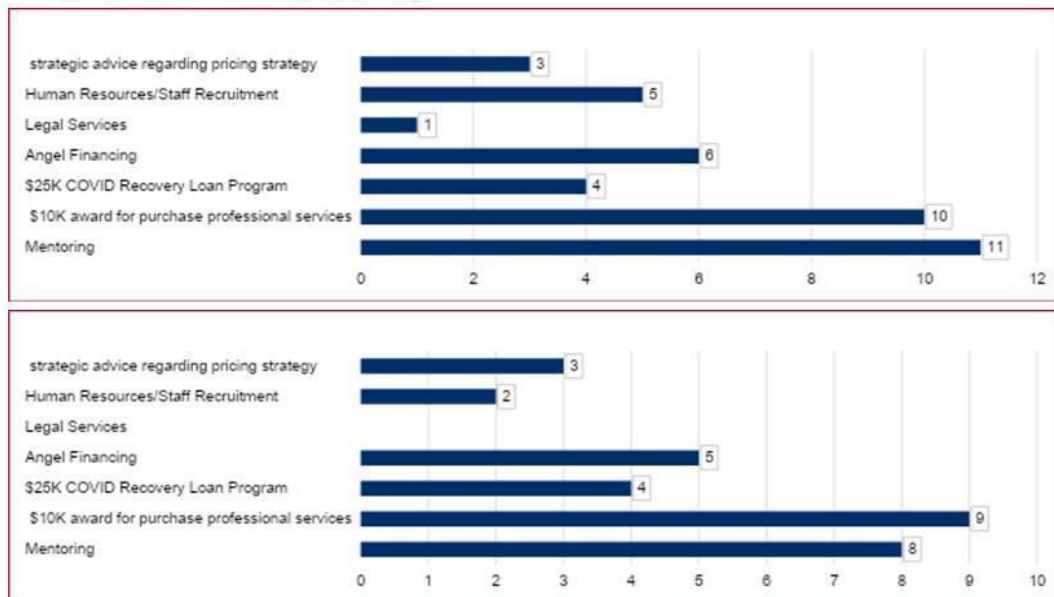
Conclusions

- BC has assembled an effective package of technical assistance services, combining financial and in-kind subsidies.
- BC also complements its technical assistance with a very effective I-to-I mentoring service.

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7- Which of BC's services did you use? Which service(s) were most effective? (Responses = 15 Entrepreneurs. More than one choice is permitted)



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II. QUESTION FOUR (A): FINDINGS AND CONCLUSIONS

a) How effective was combining technical assistance support with access to finance through investors and capital to grow their businesses?

Findings

- Based on KII interviews and responses to Entrepreneur Questionnaire, BC is very effective in combining Technical Assistance and introduction to finance.
- \$10k financial subsidy for consulting/legal services and in-kind AWS services are very helpful
- 80% of startups responded that BC has been very good in linking them to scouts and Angels (according to Entrepreneur Questionnaire)

Conclusions

- BC is very effective in combining Technical Assistance and Financing to startups, as illustrated in following chart

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II. QUESTION FIVE: FINDINGS AND CONCLUSIONS

Q5. What has been Beyond Capital's effects on the institutional maturity of start-ups and to what extent has this contributed towards their success in attracting outside capital?

Findings

- BC does NOT have a "one-size fits all" startup scalability methodology.
- BC lets the Entrepreneur drive the evolution/journey of the startup and provides assistance when requested.
- BC provides a bundle of services, e.g., access to financing and mentoring.
- Entrepreneur Support Cohort
 - Segments the startups cohorts by length of time

Conclusions

- The target maturity endpoint for the start-ups is to become eligible for the Endeavor Jordan Program
- One indicator that BC can produce "mature" startups is the fact that BC has helped two of its startups to receive bank loans. In other words, BC can produce both investable and bankable startups!
- The advantage of BC's hands-off approach is that the inability or ability of the founder to lead and manage the business is quickly identified.

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II. QUESTION FIVE (A): FINDINGS AND CONCLUSIONS

a-1) What share of participating firms has been successful in advancing one (or more) maturity tiers?

Findings

- BC defines startup maturity by age, as opposed to such yardsticks: annual revenue, attraction of outside financing, number of employees.

Conclusions

- In the absence of a structured growth model in Pillar One, it is difficult to measure maturity and growth using economic or financial metrics going from one tier to the next tier.

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II. QUESTION FIVE (A): FINDINGS AND CONCLUSIONS

a-2) What share of participating firms has been successful in attracting outside capital?

Findings

- Additional \$7.2 million raised by approximately 60.5% (23/39) companies, post-selection into the Support Program
- Amount raised is aggregated over first three cohorts in the Entrepreneur Support Program

Conclusions

- Attraction of the outside capital is a good indicator of the value-add BC brings to startups

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II. QUESTION SIX: FINDINGS AND CONCLUSIONS

Q6. What is the likelihood that interventions under Beyond Capital can be expected to sustain over time and why will those be sustainable and list those interventions?

Findings

- The EU recently awarded €5.5 Million SURGE grant to BC and Endeavor, based on its joint proposal.
- Most of the grant is going directly to 45 beneficiaries.
- The grant also has a cost sharing condition of 10%, which Endeavor is covering on behalf of BC.
- BC receives a budget allocation of around 40k euros a year (US\$48K), if needed to cover additional resources needed.
- The Scout and Angel Network programs (Pillar-Three) should be able to function in the absence of USAID funding.

Conclusions

- All interventions are sustainable as long as BC can combine grant money and customer revenues to finance its operations.
- To raise customer revenues, BC should aim to become a revenue-based business having repeat, paying customers!

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II. QUESTION SEVEN: FINDINGS AND CONCLUSIONS

Q7. What is the impact to date on project beneficiaries, angel investors and mentors as a result of the COVID-19 pandemic?

Findings

- Due to the Covid-19 lockdowns, most startups have severely reduced sales revenue. A few others have pivoted and benefited from developing products/services whose demand has increased due to Covid-19.
- An additional negative impact is that investors are more conservative, withdrawing capital commitments from startups and investment funds. As mentioned earlier, this withdrawal has hampered the launch of the Fund of Funds activity.

Conclusions

- The impact of Covid-19 has been mixed for startups.
- The Impact on investors has been negative.
- BC's \$25K Recovery Loan program has cushioned the economic decline for some startups.

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II. QUESTION EIGHT (A): FINDINGS AND CONCLUSIONS

a) What were the main challenges and lessons learned under the different pillars?

Main Challenges

- The universal challenge for any investment organization is to create a sustainable flow of investment opportunities ("the deal pipeline").
- One relatively unique challenge faced by BC is to prevent the poaching of "attractive" Jordanian startups by GCC countries offering very attractive locational incentives, e.g., free apartments and private health insurance for staff.
- BC supports the relocation of Jordan startups if staff believes that relocation is necessary for the startups growth. However, if the move does NOT make sense, BC will advise the startup to remain in Jordan.

Lessons Learned

- Each cohort of startups and IFADA Fellows is a heterogenous group, with regard to: gaps in their knowledge, skill sets, and operational needs of their startups.
- Hence, a "one-size fits-all" training programs will have limited usefulness.
- After segmenting the cohorts by conducting a training needs assessment, some personalized 1-to-1 training has to be offered. This means additional training resources are required.

Conclusion

BC management have demonstrated its ability to effectively "pivot," when a particular activity is not working properly.

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II. QUESTION EIGHT (B): FINDINGS AND CONCLUSIONS

b) Review/assess whether the current project design continues to be an adequate mechanism to achieve the project's expected outcomes.

Findings

- The BC 3-pillar model and 2-sided market are functioning in a coordinated, effective fashion.
- Governance appears to be very effective since BC management appears to actively seek the opinion of the Gov Committee.
- The Entrepreneur Selection Panel and the Investment Committee are composed of very experienced Jordanians. These two decision-making bodies provide intense interview questioning, but in a friendly, supportive manner!
- Scouts must patiently wait for the startup to generate sufficient cash flow to deliver a financial payoff to the Scout.

Conclusions

- BC faces the risk that the Scout program may face a high drop out rate due to the lengthy amount of time (2-3 years)that the Scouts have to wait to receive a financial pay out for their deal finding efforts.
- To continually motivate the Scout search activities, the program may need to provide "upfront" financial incentives to the Scouts in the form of a finder's fee or a % share in the placement fee.

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II. QUESTION EIGHT (C): FINDINGS AND CONCLUSIONS

c) If not, what measures can be taken to improve implementation efficiency and results?

Interviewee Suggestions

- Increase communication between the BC Investment Committee and the BC Board.
- Scouts should meet regularly on a quarterly basis.
- Feed back should be given back to the Entrepreneur Support Evaluation Panel on the performance of the startups they selected.

Evaluation Team Suggestions

- To improve impacts in the form of Youth Employment and Women entrepreneurship, BC should:
 - Increase the advertising to districts outside of Amman
 - Use social media, e.g., Facebook & Linked-In, to identify women entrepreneur groups with Jordan members. Advertise on these platforms.
- Need to increase the flow of quality JOR startups into the BC pipeline by working closely with JOR Universities and their Innovation labs.
- The Flat6Labs 4-month accelerator program should enhance the quantity and quality of the startup pipeline.

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II. QUESTION EIGHT (D): FINDINGS AND CONCLUSIONS

d) What is needed by the ecosystem but are not provided by Beyond Capital?

Findings

- Need to build a clearer path to regional & international markets. Then, startups can achieve its scale potential (market share).
- Need to build an effective Exit/IPO market.

Conclusions

- BC can provide a gateway to regional & international markets by drawing upon its network of Jordanian contacts spread throughout the GCC, especially Dubai.
- If the DUBAI Nasdaq market is successful, Jordanian startups will have a much needed exit option.

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II. FINDINGS AND CONCLUSIONS SUMMARY: EFFICIENCY & EFFECTIVENESS

- BC has been effective in closing the pre-seed/seed financing gap while increasing the maturity and scalability of the startups in its portfolio. Specifically,
 - Pillar One: BC provided US\$ financing totaling \$300,000 to 12 startups. In turn, this enabled an additional \$770,000 raised by Angels, Scouts, and Private Investors. BC also provided \$220,000 in grants, of which \$123,000 has been spent. Finally, BC has arranged two banks loans for startups.
 - Pillar Two: Commitments made to four funds, whose combined target first close equals \$39.5 million and target Fund Size equals \$85 million.
 - Pillar Three: Scouts have participated in 12 deals contributing \$50,000. Angels also contributed \$200,000. There is the potential for additional financing by Angels as they become more familiar with investing in the pre-seed startup asset class.
- Given the 4-person staff, Beyond Capital's ability to implement and coordinate the complex programs is a demonstration of the BC's team to efficiently manage its time and financial resources.
- BC's ability to minimize operational costs by the extensive use of experienced finance and banking volunteers to select startups and make investment decisions is another indication of strong management skills.

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II. FINDINGS AND CONCLUSIONS SUMMARY: RELEVANCE

- At the present time, BC is a unique Investment Management organization supporting post-acceleration startups founded by Jordanian entrepreneurs.
- Only organization in Jordan operating a 2-sided pre-seed/seed financial market in combination with the delivery of a bundle of services needed to increase the scalability and “maturity” of a startup.
- BC received constant praise for its proactive leadership in forming a network of startups during COVID-19.
- This leadership helped cement BC’s reputation as the “go-to” organization in the Jordanian ecosystem.

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II. FINDINGS AND CONCLUSIONS SUMMARY: SUSTAINABILITY

- As the portfolio of startups increases, BC will have to increase the number of staff devoted to implementing Pillar One.
- Similarly, for Pillar Two additional staff will be needed to manage the Fund of Funds platform.
- Additional financing is needed to increase the number of Funds in BC’s Fund of Funds portfolio. As noted, BC has approached a Jordanian financial institution requesting an investment in BC’s Fund of Funds company.
- The sustainability of BC over the long term (i.e., 5 years in the future) depends on its ability to augment grant money by developing a menu of revenue-generating services that will attract a steady stream of repeat, paying “customers.”
- In short, BC must transform itself into a revenue-based business having repeat, paying customers!

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II. FINDINGS AND CONCLUSIONS SUMMARY: FOUR YARDSTICK

- BC is an efficient, pro-active, and agile investment organization enabling it to close the pre-seed/seed capital finance gap in the Jordanian entrepreneurship ecosystem.
- To continue adding value to the Jordanian ecosystem, BC should add more staff and initiatives. Especially activities designed to increase the quantity of scalable startups, i.e., maintain a pipeline of potentially investable startups.

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III. TENTATIVE RECOMMENDATIONS: PILLAR ONE

R-I: Increase the flow of startups into the BC pipeline

- Broaden scope of advertising to districts outside of Amman
- Expanded geographic outreach should be implemented during the remainder of the project
- Insert Entrepreneur Support Eligibility Criteria on the landing page of the BC website
- Engage in advertising targeting youth, women and rural individuals
- Add a staff person delegated to increasing the quality and quantity of startup applicants by leverage off the Ecosystem resources, e.g., collaborate with INTAJ (IT Trade Assoc.) to recruit more IT-based startups.
- Hire additional staff to continue building the pipeline of startups as well as provide the menu of services to cohorts, as the size of BC's portfolio of cohorts continues to grow.

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VII. TENTATIVE RECOMMENDATIONS: PILLAR ONE

R-2: Improve the decision-making by the Entrepreneur Support Panel

- Provide Entrepreneur Support Selection Panelist with updates on selected startups 3- to 6-months after the Selection Panel event. This feedback loop will presumably increase the ability of the Panelists to identify potential Round A investable startups.

R-3: Identify more Exit Options

- BC should monitor the impending launch of the Nasdaq Dubai Growth stock market (DIFC). This market could offer a potential exit option for those Jordanian startups with significant return potential (i.e., delivering 10x returns).

R-4: Assessment of Maturity of Startups

- BC should conduct semi-annual assessments of the startups, measuring the startups progress toward meeting the Endeavor eligibility criteria.

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VII. TENTATIVE RECOMMENDATIONS: PILLAR TWO

A. IFADA Fellows

- Provide Training on Measurement of Environmental, Social and Governance (ESG) Impacts and UN Sustainable Development Goals.
- This would make BC-supported Funds more interesting to International Funds targeting double/triple bottom line investment opportunities. Likewise, for High-Net Worth individuals, Family Offices and Foundations seeking impact investments in emerging markets.

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VII. TENTATIVE RECOMMENDATIONS: PILLAR TWO

R-2 Fund of Funds (FoF)

- Hire additional staff to assume responsibility for managing the FoF.
- Search for an “anchor” investor in the Fund of Funds. Determine if the anchor investor is interested in sponsoring an Evergreen Fund of Funds, designed to attract patient capital.
- Require Funds supported by BC to offer summer and academic year internships to Jordan University students interested in entering the Asset Management industry.
- Develop a financial model of the FoF that enables the Fund Manager to forecast the (interim) Internal Rate of Return (net of Fees) under different cash distribution scenarios. The model can be used to determine the appropriate size of the Fund.

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VII. TENTATIVE RECOMMENDATIONS: PILLAR THREE

A. Angels

- Provide startup pitch decks prior to Pitch Day, allowing Angels more time to familiarize themselves with the startup.
- Enable Angels to co-invest alongside the Funds in BC’s Fund of Funds Portfolio as well as Funds launched by the IFADA Fellows.

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VII. TENTATIVE RECOMMENDATIONS: PILLAR THREE

B. Scouts

- We recommend that the Scouts meet on a quarterly basis to share deal information and “lessons learned.”
- We recommend the recruitment of more women scouts. This would allow for greater access to a network of women entrepreneurs seeking to build scalable businesses.
- Conduct a training needs assessment for newly recruited Scouts. Design a training course for those Scouts who require a review of investment fundamentals, i.e., performance measures such as the Internal Rate of Return (IRR) and Net Present Value (NPV).
- By doing so, a common language and deal valuation methodology can be understood by ALL scouts.
- Increase the deal-sourcing efforts of the Scouts by providing “upfront” financial incentives.
- For example, Scouts could receive a modest “finders fee” as well as a % of the Placement Fee (assuming BC begins to charge one). This is standard practice in the Investment Banking and Asset Management industry.

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GENERAL & CROSS-CUTTING RECOMMENDATIONS

GENERAL: Work with J-Core industry group to lobby for needed changes in the Venture Capital Law, Tax Code, and Corporate Securities Law.

CROSS-CUTTING: Incorporate Youth and Gender impacts in all activities undertaken by BC.

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— DISCUSSION AND Q&A

