



Technical Assistance in Turbulent Times

Insights from supporting
the private sector to
adapt and respond to
the pandemic

About this report

This report presents a collaborative review of the results and learning from CDC Group's experience programming COVID-19 emergency technical assistance through their technical assistance facility CDC Plus. The report was drafted by Triple Line, the Learning Partner for CDC Plus, who provided support throughout CDC's implementation of Covid technical assistance on monitoring, evaluation and learning. Our aim is to better understand the potential for impact of emergency technical assistance and the opportunities to use technical assistance and grants to facilitate inclusive and sustainable business practice change in an emergency context.

CDC Group

CDC Group is the UK's impact investor with over 70 years of experience of successfully supporting the sustainable, long-term growth of businesses in South Asia and Africa.

The company has investments in over 1,000 businesses in emerging economies and total assets of \$9.3 billion. In 2020, CDC committed over of \$1.5 billion to businesses in Africa and Asia, and aims to invest up to \$1.75 billion in 2021 – with a focus on driving inclusive growth, job creation and supporting economic recovery from COVID-19.

In 2018, CDC Group established CDC Plus as a technical assistance and support facility. CDC Plus aims to make a lasting difference to the lives of underserved groups by increasing economic opportunity, improving standards of living and creating a more sustainable environment. Using CDC's experience as an investor in emerging markets, CDC Plus identifies and creates opportunities that are beyond the scope of returnable capital.

Triple Line

Triple Line is a consultancy that works with governments, financial institutions, the private sector, foundations and civil society to deliver a portfolio of development assistance in countries across Africa and Asia through our offices in London, Kenya, Ethiopia and the Philippines.

Triple Line has specific expertise in monitoring and evaluating private sector development programming, and facilitating learning to generate strategic insights.

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Executive summary

The COVID-19 pandemic that unfolded in early 2020 resulted in an unprecedented shock to institutions across the globe, including the private sector. The restrictions that were placed on mobility and economic activity, and the continuing uncertainty, has hit CDC investee companies and their customers in developing countries very hard. CDC was one of the first movers among development finance institutions (DFIs) to respond quickly to the urgent needs of companies.

As the technical assistance (TA) facility within CDC, CDC Plus was well placed to deliver rapid assistance in CDC's markets by funding emergency support to portfolio companies. CDC Plus sought to mitigate the damage that the pandemic caused for underserved groups in our markets by funding 50-100 investee companies that would reach 1,000,000 underserved people.

In March 2020, CDC Plus therefore established two new funding facilities: the Emergency Technical Assistance (ETA) facility and the Business Response Facility (BRF). As of June 2021, the two facilities had completed three rounds of funding, funding 62 projects with a total budget of \$6.6 million¹ (with 84 per cent of the funds disbursed to projects as of June 2021). CDC Plus met its targets for the facilities – delivering support to 65 investee businesses and directly affecting at least 1.9 million customers through projects.

As the implementation period draws to a close, this review aims to capture the results of the COVID TA facilities and generate lessons to inform CDC Plus' and other DFIs' responses to future crises. The aggregate results so far of COVID-19 TA projects are provided below. As the portfolio contains a wide range of sectors and types of support, it remains challenging to meaningfully aggregate the impact metrics or share insights on the depth of impact through such indicators. As such, we have provided case studies from different sectors to illustrate the types of interventions implemented by our investees, and the impact they have created and continue to deliver on the ground in our markets. CDC Plus has also crystalised six key lessons for delivering technical assistance in an emergency context, which we are integrating in the longer term through updates to our funding policy and general ways of working going forward.

This work would not have been possible without the responsiveness and funding allocation from the Foreign, Commonwealth and Development Office (FCDO) with UK Aid from the British people, who enabled CDC Plus to respond swiftly to the crisis. Additionally, this report is the product of a collaborative process between CDC Plus and their Monitoring, Evaluation and Learning partner, Triple Line. Triple Line have supported CDC Plus in adapting their monitoring processes to better suit the needs of investees in this difficult time, whilst collecting rich data on project results which is shared herein.

¹Amount committed. This also includes project management costs.

Summary of CDC Plus' aggregate impact results for COVID-19 technical assistance (at June 2021)

Intended outputs and outcomes: improvements in healthcare delivery through PPE, medical supplies, advisory and training, in the context of COVID-19

\$584,608

spent on PPE



635,268

PPE items supplied



8,114

investee staff with improved working conditions



1.1 million

patients/customers with improved working conditions



Intended outcome: Reduced transmission and improved care for COVID-19 patients

290,840

people screened/ tested for COVID-19



Intended outcome: maintained capacity to address basic needs for employees and customers in CDC's markets

1.9 million

direct customers of the products and services funded through BRF projects



7.3 million

customers reached indirectly through BRF projects (e.g. including households)



423

employees trained



83,686

jobs engaged by ETA projects



423

employees impacted on by better processes and systems



222,138

customers directly reached through investees that received ETA



Intended outcome: strengthened economic recovery through supporting and creating livelihood opportunities

275

Jobs/work opportunities created as a result of implementing or scaling up BRF projects



7,796

Businesses directly affected by BRF projects (including investees, suppliers, distributors and SME customers of financial institutions directly supported through projects)



The following lessons have emerged relating to the provision of TA in an emergency context:

- i. Utilising existing technological solutions was an effective strategy for rapid business process adaptation.** Digitalisation presented some quick wins, especially when companies focused on using existing platforms to engage with employees and customers. This was particularly the case when the digitalisation focused on internal processes such as training, where businesses such as SafeCare4Covid and Arya were able to quickly move away from in-person training to a virtual classroom mode. Similarly, Advans, a microfinance provider, was able to leverage an existing online platform to capture customer insights and adapt its products accordingly. In cases where businesses looked to develop tailored solutions, projects tended to take much longer and require significantly more resources. For many companies, the pandemic prompted an earlier shift to digitalisation than might otherwise have been the case, that is likely to become fully integrated in their business model going forward.

- ii. Adopting a multi-pronged strategy has led to both breadth and depth of impact.** Analysis of the overall results of the BRF and ETA shows that relatively few projects accounted for the majority of reach. In particular, health focused projects were able to impact large numbers of people in a relatively short amount of time by working with clinics or rolling out mass screening tools. At the same time, other parts of the portfolio that focused on adapting product and process offerings, which may have a greater impact in the medium term, tended to reach fewer people in underserved groups within the implementation timeline. This emphasises the importance of supporting a diverse portfolio in generating both breadth and depth of impact.

- iii. Funders should maintain core funding principles, but adapt tactics.** A key strength of the CDC Plus COVID-19 TA response was that the response was rapid, but explicitly retained the principles of additionality and a focus on where impact could be sustained and scaled by businesses (while also meeting immediate needs for expenses such as PPE). At the same time, CDC Plus adapted the way in which funding was allocated to facilitate rapid approval of COVID-19 funding – in particular, shorter, simplified application forms and a dedicated, fast track COVID-19 TA approval committee.

- iv. Do not underestimate the resources required.** While the adoption of new, rapid processes did not reduce quality, in some cases limited internal resources hampered the ability of the CDC Plus team to carefully consider the true additionality, and interrogate assumptions underlying the proposed interventions during the approval process. This led to overambitious targets and timelines in a number of projects. The large number of applications and associated time pressures also required significant resources and internal coordination between different teams within the organisation to engage with investees, finalise documentation and disburse funds. This experience highlights the importance of working with specialist partners or intermediaries: working through existing funds with a narrower sectoral focus (such as the Medical Credit Fund, which works with a portfolio of healthcare providers in developing countries) proved an effective way of reaching businesses rapidly, and can quickly leverage detailed sectoral knowledge.

- v. The evolving nature of a crisis means that as a funder it is important to be as flexible and adaptive as possible and hold funding in reserve.** The COVID-19 pandemic evolved rapidly, with waves of infections impacting different geographies at different times in a way that could not be predicted. While this resulted in originally planned activities being delayed, more importantly it meant that the needs of businesses changed over time. While the initial rapid response of CDC Plus was exceptionally valuable, it also meant that almost all funding was allocated by the time the second wave hit much of the developing world – limiting the ability to respond further. This was also partly driven by the FCDO requirement to disburse funds in a relatively short period, which put pressure both on CDC Plus to rapidly allocate funds, and on projects to spend quickly: in some cases this may have contributed to disappointing outcomes.

- vi. Simple, standardised monitoring and measuring tools are critical.** One challenge of the rapidly evolving context of the pandemic has been that traditional project verification activities were difficult to carry out. In addition to adopting revised processes for approving TA grants, CDC Plus also implemented a results management system which required each business to have a set of simple indicators against which they reported in monthly update calls and a project completion report, rather than a longer semi-annual written report. This provided regular information on project progress, and facilitated an adaptive approach to portfolio management.

1. Introduction

The COVID-19 pandemic that unfolded in early 2020 resulted in an unprecedented shock to institutions across the globe, including the private sector.

The restrictions that were placed on mobility and economic activity, and the continuing uncertainty, hit CDC investee companies and their customers in developing countries very hard. CDC was one of the first movers among development finance institutions (DFIs) to respond quickly to the urgent needs of companies.

This was formalised in a COVID-19 response strategy shaped around three pillars:



1. **Preserve:** CDC's first priority was to support its existing portfolio to safeguard impact and help investees weather the crisis.



2. **Strengthen:** CDC aimed to scale up the response to the economic crisis and health challenges generated by the crisis.



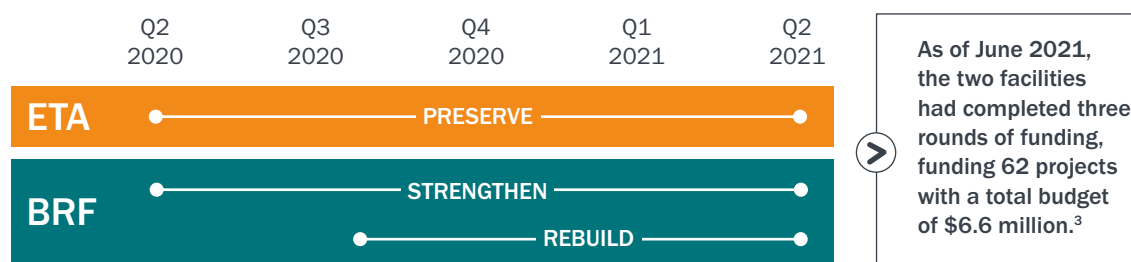
3. **Rebuild:** Finally, CDC aimed to prepare a robust pipeline, and be one of the first investors to re-enter the market to support long-term recovery and initiatives that help key sectors beyond the pandemic to recovery and prosperity.

As the technical assistance (TA) facility within CDC, CDC Plus was best placed to deliver rapid assistance in CDC's markets by funding emergency support to portfolio companies. CDC Plus sought to mitigate the damage that the pandemic caused for underserved groups in our markets by funding 50-100 investee companies that would reach 1,000,000 underserved people. In March 2020, CDC Plus therefore established two new funding facilities designed to contribute to this goal and the three pillars of CDC's COVID response:

1. The **Emergency Technical Assistance Facility (ETA)**, under the "Preserve" pillar, focused on mitigating the immediate negative impacts of the crisis on companies and employees. It provided Catalyst investees² with advisory services to help them navigate the crisis, assisting them with job protection, occupational health and safety, supply chain and cash-flow management, and emergency planning. The projects were primarily internal process oriented.

2. The **Business Response Facility (BRF)** initially targeted the "Strengthen" pillar for which only CDC investees were eligible to apply. It provided grants and advisory support to help businesses adapt or scale up innovative solutions to respond to the pandemic and address the basic needs of vulnerable and underserved people (with a focus on healthcare, basic goods, financial services, education). In July 2020, the scope of the facility was extended to companies outside of CDC's existing portfolio, with a broader sector focus, in order to also address the objectives under the "Rebuild" pillar (Figure 1).

Figure 1: Implementation of ETA and BRF to address COVID-19 response strategy objectives



As the implementation period draws to a close, this review aims to capture the results of the COVID-19 TA facilities and generate lessons to inform CDC Plus' and other DFIs' responses to future crises. This report is the product of a collaborative process between CDC Plus and their Monitoring, Evaluation and Learning partner, Triple Line, and draws on data from CDC Plus' Impact Measurement and Management (IMM) system, self-reported monitoring data submitted by projects, a lessons learnt workshop with the CDC Plus team and key informant interviews conducted with project champions, fund managers and recipient businesses.

²"Catalyst investees" are companies that received investments in line with CDC's Catalyst Strategies

³Amount committed. This also includes project management costs.



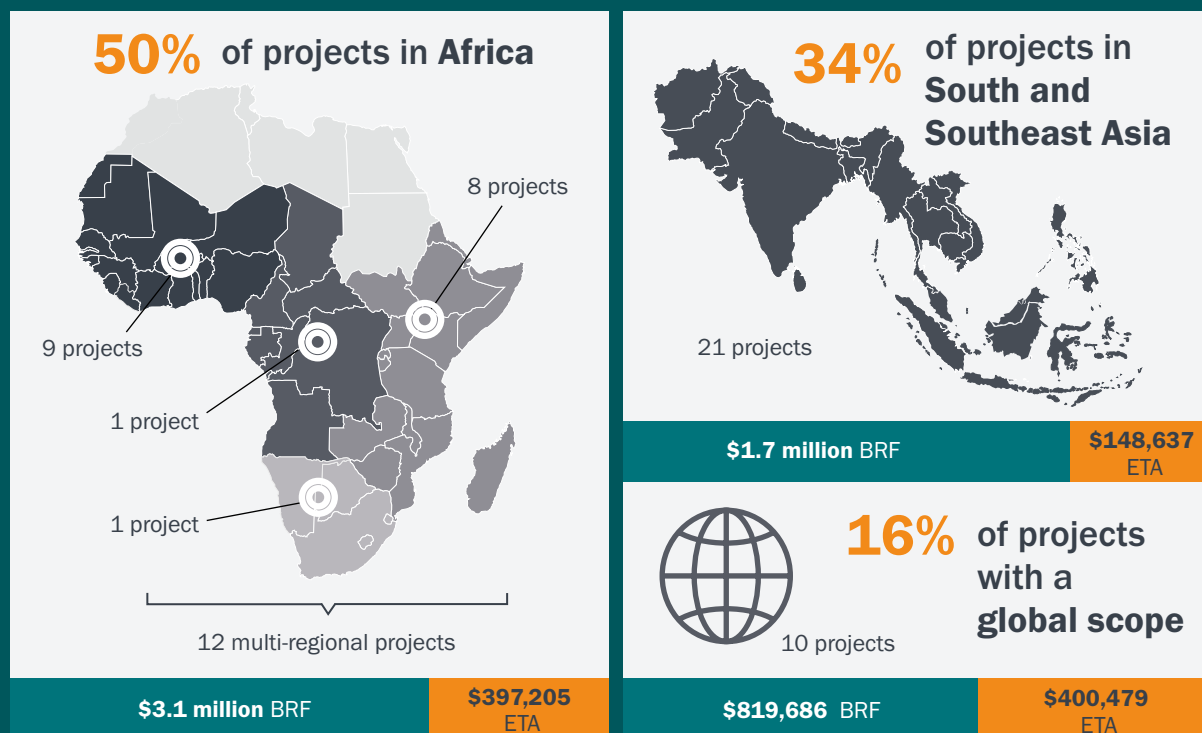
2. Overview of projects supported by the Business Response Facility and Emergency Technical Assistance

Geographic split

Half of the 62 funded projects have been implemented in Africa.

The majority were concentrated in West and East Africa, with only a handful in Central and Southern Africa. Over one third of the projects were located in South and Southeast Asia, while 10 projects did not have a limited geographic focus (for example, disseminating environmental, social and governance guidance relevant for companies across CDC's markets) (Figure 2).

Figure 2: Geographic distribution of projects and funding

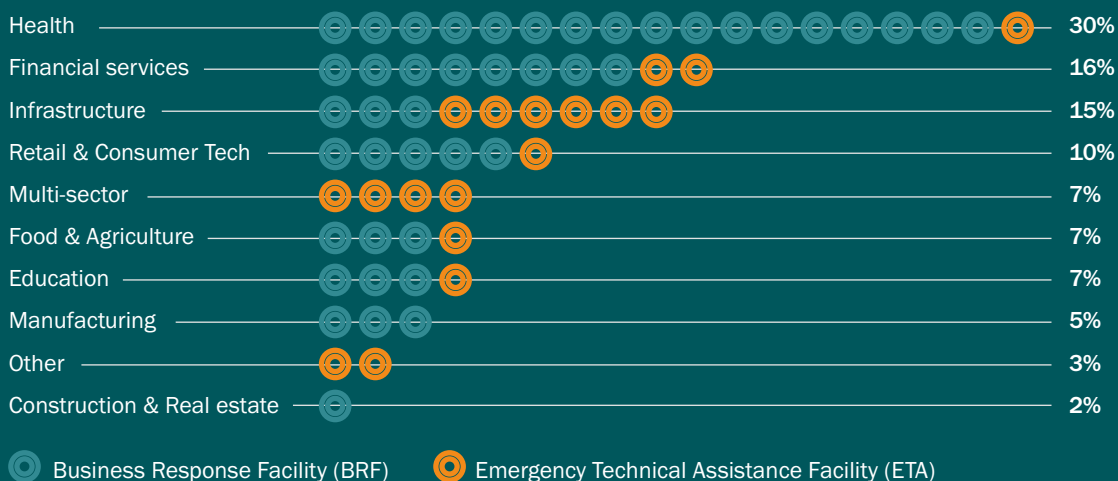


Sectoral split

By sector, health projects made up the largest proportion of the BRF portfolio (29 per cent), followed by financial services (16 per cent) and infrastructure (15 per cent).

The ETA facility had a more limited focus, primarily on infrastructure and multi-sectoral interventions (Figure 3).

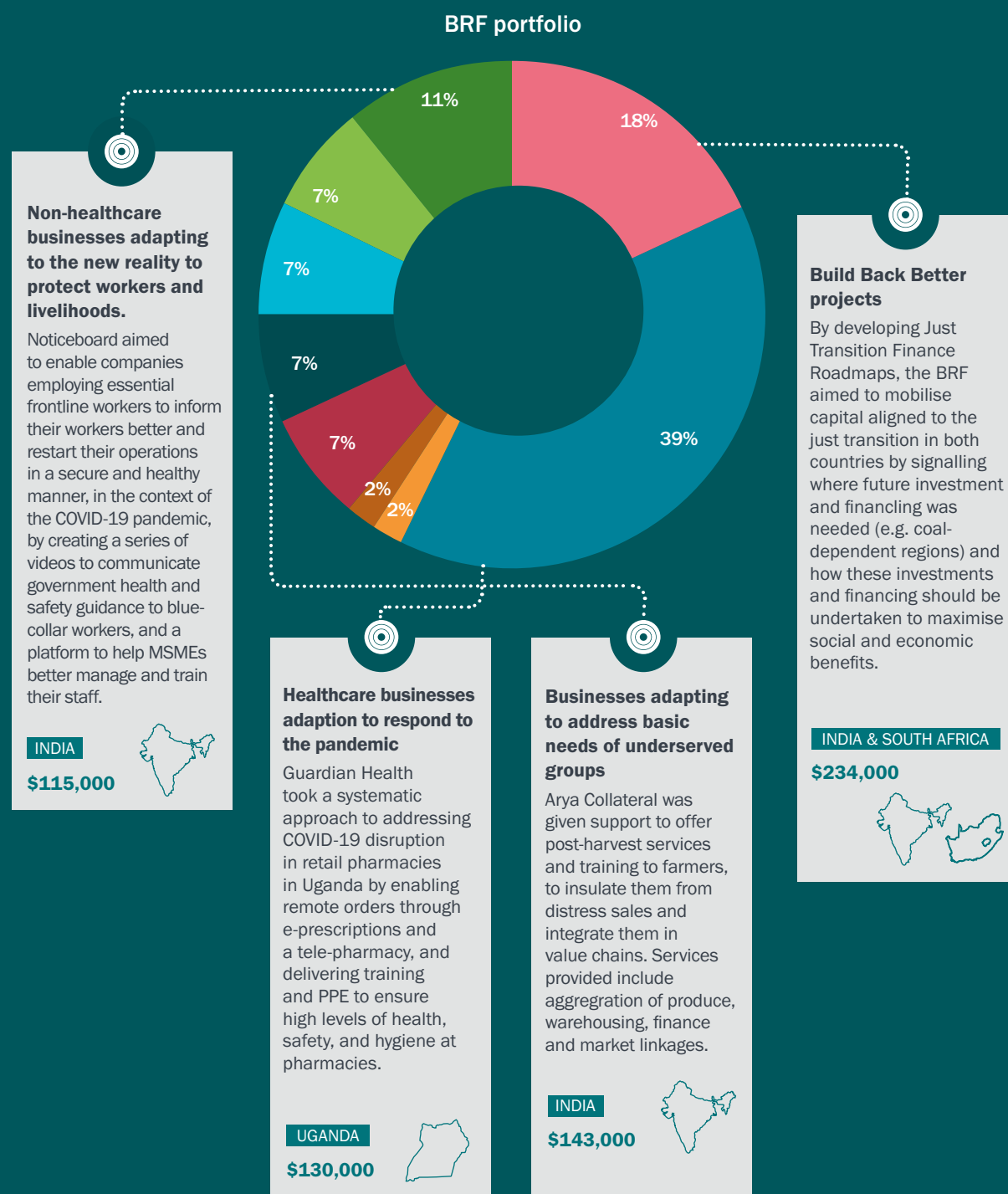
Figure 3: Number of projects by sector



The Business Response Facility portfolio

The BRF awarded 44 grants to businesses distributed across eight sectors. Projects aimed to develop and adapt products, services and processes; explore new geographies, markets and customer segments; and enable the protection of customers and workers to reduce COVID-19 transmission. Figure 4 illustrates the distribution of grants across sectors, with examples of projects financed.

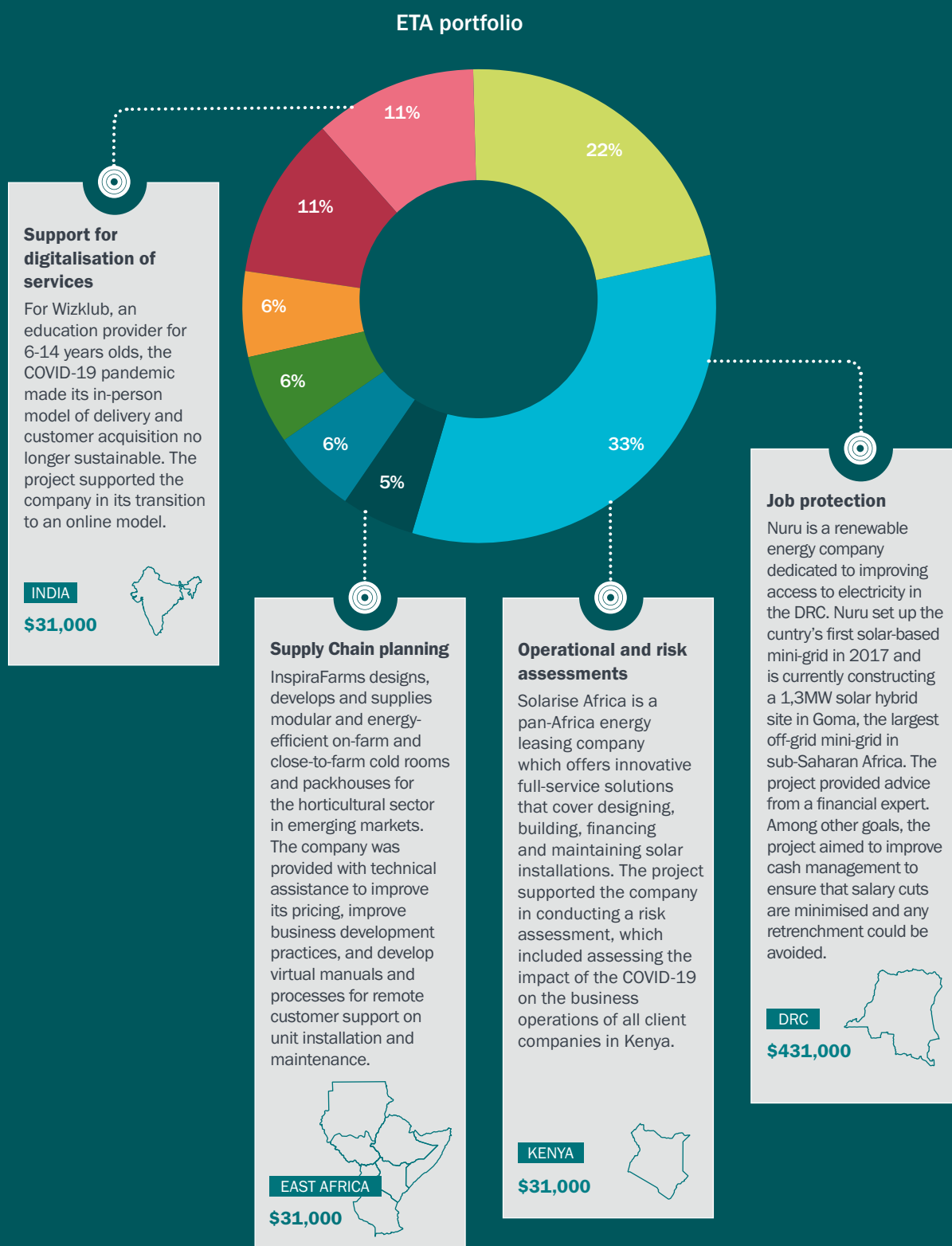
Figure 4: Distribution of BRF grants by sector



The Emergency Technical Assistance portfolio

The ETA facility awarded 18 grants enabling businesses to access vital environmental, social and governance (ESG) and business support services during the pandemic. These projects were aimed at ensuring business continuity, the safety of workers and customers, job protection, and providing training for staff. The facility supported the development of corporate guidelines for COVID-19 response, as well as providing customised advisory services. Figure 5 illustrates the distribution of grants across sectors, with examples of projects financed.

Figure 5: Distribution of ETA grants by sector



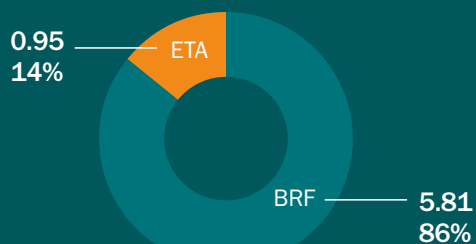
Commitments and disbursements

Overall, CDC Plus committed \$6.6 million to help companies address the COVID-19 crisis.

The majority – \$5.7 million (86 per cent) – was allocated through the BRF, where the average grant size was \$125,656, versus \$946,000 (14 per cent) for the ETA facility, with an average size of \$52,573 (Figure 6).

As of June 2021, the BRF has disbursed 94 per cent of its total commitment.

Figure 6: Share of funding by facility (\$m)



3. Outcomes: What have the BRF and ETA achieved to date?



Approximately 50 per cent of projects are still in implementation. At June 2021, BRF and ETA interventions have demonstrated discernible effects on businesses, staff and customers.

The results, some of which are expected to increase further over time, fall into three impact pathway categories, as captured in the theory of change⁴ for the programme:

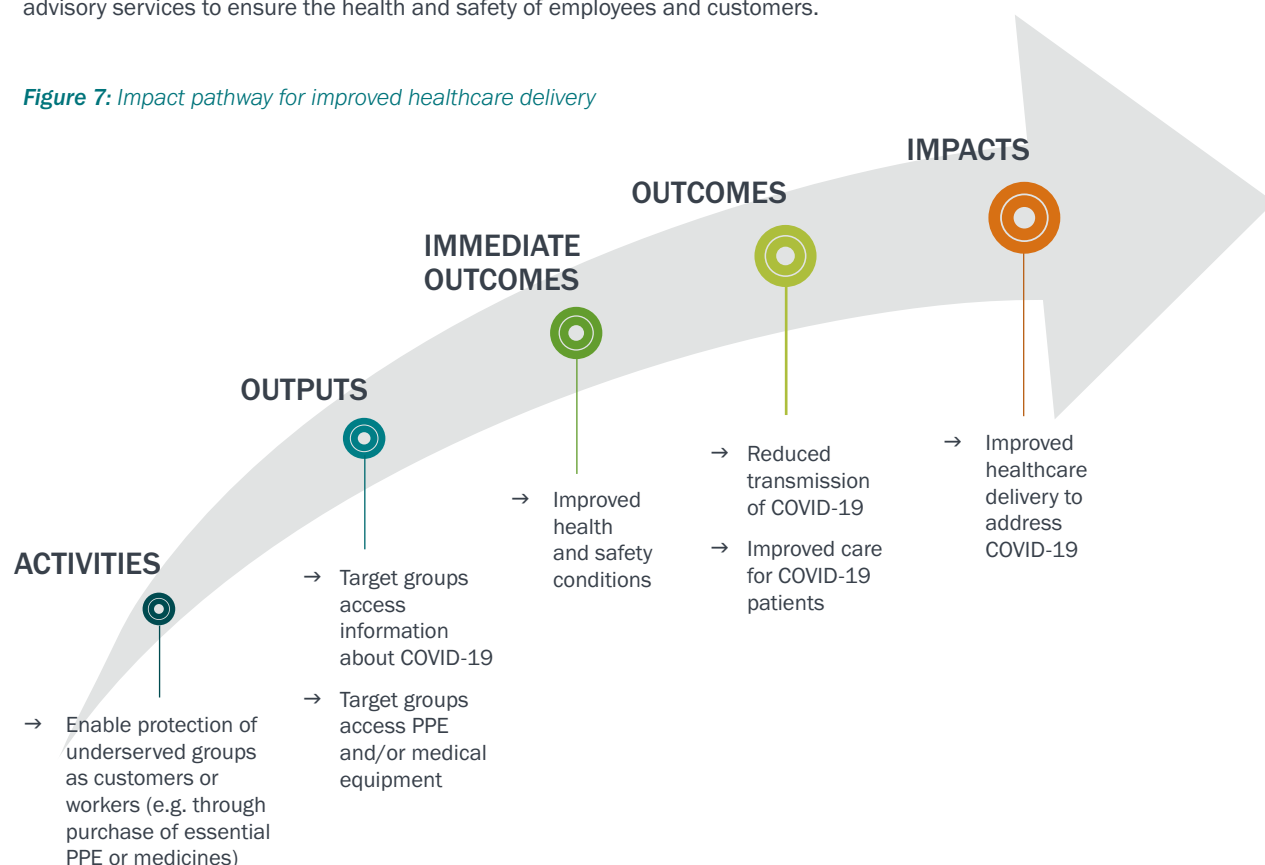
1. Improved healthcare delivery to address COVID-19
2. Maintained capacity to serve the basic needs of customers, employees and underserved groups
3. Strengthened economic recovery to create and support livelihood opportunities for underserved groups

3.1 Achievements in improved healthcare delivery

One of the main impact pathways targeted by the BRF was the improvement of healthcare delivery.

Through the BRF, CDC Plus provided emergency support to businesses to improve health and safety conditions for their staff and customers, which is expected to have led to reduced transmission and better care for COVID-19 patients. More specifically, CDC investees received grants to strengthen their responses to COVID-19 through i) purchase of personal protective equipment (PPE), testing kits and medical equipment; ii) provision of staff training; and iii) provision of advisory services to ensure the health and safety of employees and customers.

Figure 7: Impact pathway for improved healthcare delivery



Improved health and safety conditions

At the beginning of the crisis, CDC Plus received many requests for large quantities of PPE equipment and other consumables from healthcare facilities to help keep staff safe and reduce transmissions while treating patients. They cited expectations about upcoming shortages and rising costs of PPE and other medical supplies. However, funding this type of cost is not fully aligned with the core funding approach of CDC Plus which focuses on seeding initiatives with a business case that should lead to it being sustained. In addition, dedicated health sector donors are usually better placed to support the equitable distribution of PPE. For example, the COVID-19 Action Fund for Africa (CAFA) a collaborative initiative of over 30 organisations, aimed to raise up to \$100 million to supply PPE to health workers in Africa by matching the supply of PPE to demand in terms of government-identified gaps. The volume of PPE requests generated a debate for the CDC Plus team, who sought advice from health sector experts within CDC and CDC's network. In the end, it was decided to provide limited PPE support, primarily early on in the crisis or as a component of projects for which PPE was essential to wider project success. Ultimately, CDC Plus ended up scaling down the amount of funding allocated to PPE and focusing on other types of support for healthcare companies, such as training, business model pivots and advisory support.

\$584,608
spent on PPE



By the end of May 2021, over \$584,000 had been spent on PPE across 10 BRF projects.

This constitutes just over 10 per cent of the total COVID-19 TA funding disbursed. The largest PPE recipient was Novamed, a chain of clinics in Cote d'Ivoire. They reported purchasing 555,000 PPE items for use in COVID-19 wards in their facilities, which directly protected 500 Novamed staff and benefited 485 patients. Clinics said they highly valued the funding received for PPE, as it provided immediate help in improving healthcare provision and staff safety, while some of the PPE stock was used for training and demonstrations for healthcare staff (see CDC investee feedback on PPE support). There were instances when CDC investees could not purchase PPE in a timely manner due to national supply shortages, which meant that spending was delayed (see Box 1 below). Given the external market factors at play with regards to the demand-supply balance for PPE, CDC Plus's cautious approach to PPE projects was well justified.

CDC investee feedback on PPE support

"Without the CDC Plus support, we wouldn't have been able to protect our staff with enough PPEs. They would have felt unsafe, and customers would have felt exposed as well."

Express Pharmacy, Nigeria

"The PPE that was purchased was also helpful in **protecting Penda staff against COVID-19** ... at the medical clinics. In addition, Penda Health was able to get exemptions from the government during the lockdown phase of the pandemic as **it had met all the [infection control] public requirements required to remain open**. Additionally, Penda Health provided extra training to medical staff on COVID-19 protocols thereby enhancing their ability to respond appropriately to COVID-19 cases."

Penda Health, Kenya

Box 1. PPE supply shortages affecting Snapper Hill

The Snapper Hill Clinic in Liberia received CDC Plus funding to spend on PPE. They experienced supply shortages when Liberia was severely affected by global PPE supply chain issues. Snapper Hill ultimately secured PPE, after partnering with the Healthcare Federation of Liberia to provide project management support in getting the needed PPE to their facilities.

8,114investee staff
with improved
working
conditions

17 BRF projects targeted the improvement of working conditions for staff of CDC investees, with over 8,000 staff trained by the end of May 2021.

For example, Guardian Health in Uganda was supported in introducing e-prescriptions and tele-pharmacy services that minimised in-person interaction, while delivering training to 967 staff to ensure high levels of health, safety, and hygiene at its pharmacies. Over 70 per cent of projects aiming to improve the working conditions of BRF's investees' staff were in the health sector.

1.1 millionpatients/
customers
with improved
working
conditions

1.1 million customers (including patients) across 10 BRF projects benefited from safer working conditions.

Over 70% were patients of healthcare facilities that received funding to help improve COVID-19 preparedness and protection mechanisms. These results were largely driven by two projects, Snapper Hill and SafeCare4Covid (SC4C), which benefited an estimated half a million patients each by improving Infection Prevention and Control (IPC) quality standards in healthcare facilities, primarily in Eastern and West Africa. Snapper Hill provided training to 245 clinicians from 90 healthcare facilities and monitored IPC compliance. 100 clinics filled out the SC4C self-assessment tool (which was launched by PharmAccess through its Medical Credit Fund portfolio⁵) to diagnose their COVID-19 preparedness, with many also receiving training and technical support to improve their assessment scores.

Box 2. Using the SafeCare4Covid self-assessment tool at Embu Children's Hospital

The Embu Children's Hospital is a group of hospitals located in Embu County in Kenya. It is an investee of the Medical Credit Fund, which itself is an investee of CDC. The hospital received funding from CDC Plus to improve its COVID-19 preparedness through community awareness initiatives, training on case management, and provision of PPE and equipment. At the outset, the facilities filled out the SC4C self-assessment. The baseline scores were assessed and changes introduced to strengthen compliance with IPC standards, while training was carried out for 700 people (380 healthcare professionals and 320 community health workers and church leaders). At the end of the project, facilities completed the SC4C questionnaire once again, which resulted in an average increase of 45 per cent in IPC compliance compared to the baseline scores.

290,840people
screened/tested
for COVID-19

Reduced transmission and improved care for COVID-19 patients

Five BRF projects targeted screening or testing of people for COVID-19. To date, more than 290,000 people have used these services, almost all located in South Asia. These people were reached primarily through MFine, a CDC investee which developed a COVID-19 symptom self-assessment tool. This free app has been downloaded by over 4 million users, and was used for screening by 250,000 people, with 8 per cent of users receiving positive COVID-19 assessment results and hence being able to take appropriate action.

Some health facilities requested funding for the establishment of isolation areas and rooms for treating COVID-19 patients. The funding also enabled the adoption of procedures for disinfecting buildings and equipment. Embu Children's Hospital was the first private health facility in Kenya to create a COVID-19 Isolation Centre. Between December 2020 and June 2021, the centre admitted 350 COVID-19 patients and treated 954 outpatients. Novamed fitted 13 beds in its isolation wards and purchased medical equipment for treatment. The ongoing nature of the pandemic means that both these activities are expected to generate longer term benefits into 2021 and beyond as they continue to treat COVID-19 patients.

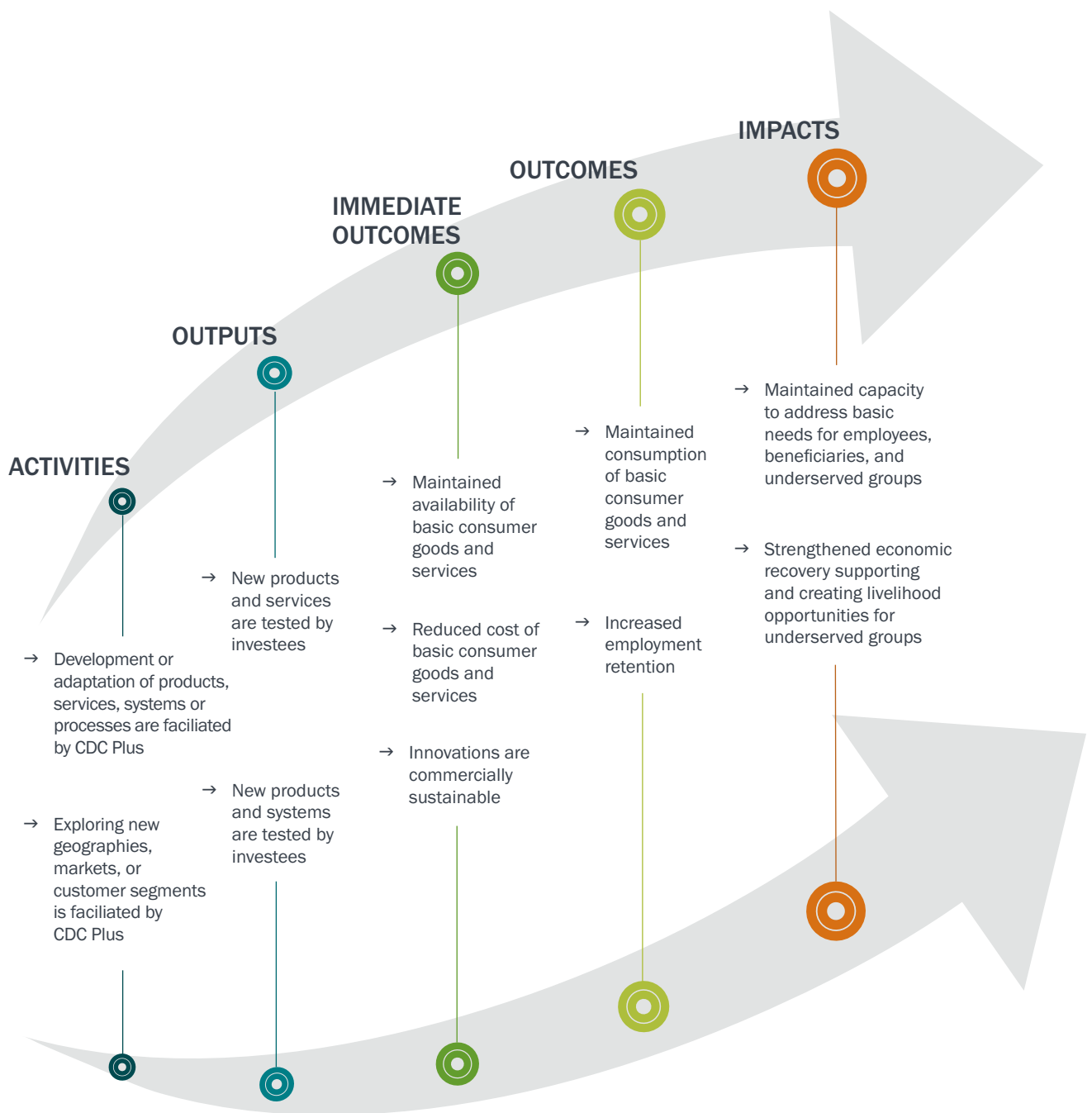
⁵<https://www.pharmaccess.org/update/safecare4covid-the-free-app-for-healthcare-providers-with-practical-support-in-the-midst-of-the-covid-19-crisis/>

3.2 Achievements in maintaining business capacity to address basic customer needs and strengthening economic recovery

CDC Plus interventions targeted two impact pathways, in order to:

- Maintain business capacity to address basic needs (typically in healthcare, financial services and retail sectors) during the crisis; and
- Strengthen economic recovery in the aftermath of the pandemic.

Figure 8: Impact pathway for addressing basic needs and strengthened economic recovery



Both ETA and BRF aimed to maintain capacities to enable companies to maintain (or scale up) their capacity to address basic needs by directly contributing to the Preserve and Strengthen pillars, respectively, of CDC's COVID-19 response.



Preserve: ETA projects focused on internal corporate processes, helping businesses mitigate the immediate negative effects of the crisis. The projects had positive impacts on employment retention and business efficiency, which in turn helped preserve businesses' ability to serve their customers during the pandemic.



Strengthen: BRF interventions focused on adapting and scaling up businesses through the development and roll-out of new products and services. Several BRF projects transitioned their work processes or service provision to digital platforms, and thus had a more direct impact on customers by enabling businesses to continue serving customers despite restrictions on staff mobility and in-person interaction.

From July 2020, the BRF started to look beyond the pandemic and address longer term economic recovery by 'building back better', in alignment with the third pillar of CDC's COVID-19 response.



Rebuild: BRF projects funded under the "Build Back Better" agenda aimed to contribute to long-term recovery by supporting initiatives that help rebuild key sectors.

Maintained capacity to address basic needs

Achievements from ETA projects

83,686

jobs engaged by
ETA projects



ETA projects engaged with over 83,000 workers, which enabled companies to continue to service customers in the face of COVID-related challenges. Most of these results are attributable to the ETA's Worker Engagement and Protection (WEP) Facility, run by CDC's Environmental, Social, Governance Impact team. The project delivered results for a total of 78,434 workers from 26 companies.

The facility supported:



Five companies that faced financial constraints by advising on job protection plans and retrenchment measures and helping them include considerations for vulnerable workers.



10 companies that continued operating as essential businesses or planned to return to the workplace with advice on understanding workers' needs, revising policies, transitioning to remote work, and implementing health and safety measures.



11 companies in India and Bangladesh that were interested in providing mental health support to their employees through live counselling, webinars and apps.

The projects benefited employees by reducing planned redundancies, enabling workers to benefit from job protection measures, ensuring good working conditions, and providing them with access to mental health support.

222,138

customers
directly reached
through
investees that
received ETA



By enabling companies to continue operating and serving their customers, ETA projects indirectly contributed to ensuring continued access to essential goods and services for over 222,000 people.

This is mostly driven by Alliance for Microfinance in Myanmar, which offers a wide range of financial services and education to unbanked entrepreneurs and farmers. By helping Alliance with analysis and strategic planning related to their crisis response, CDC Plus helped it to determine the best way to adapt eligibility criteria, lending operations and staff allocation to best meet the needs of its 210,000 customers. As a result, 22 per cent of clients had their loan restructured, which resulted in the size of the portfolio-at-risk (PAR) dropping from 20 per cent in June to just 2.2 per cent in December 2020. Similarly, Wizklub, an Indian education service provider targeting children from grade 1 to 8, traditionally depended on offline operations to support its students, numbering around 1,000 in February 2020. By taking its sales, marketing and delivery online Wizklub acquired some 500-600 students a month between March-May 2021, and has now reached 5,000 customers.

Achievements from BRF projects

1.9 million

direct customers
of the products
and services
funded through
BRF projects



By helping businesses overcome disruptions in the provision of goods and services caused by COVID-19, the BRF has affected 1.9 million customers being directly served by BRF projects.

The use of digital channels played a key role in maintaining service levels and in many cases expanding customer bases compared to pre-COVID-19 levels. The most customers were reached in the health sector, which accounted for 80% of all customers. The wide reach of these businesses was largely due to the introduction of telemedicine and/or e-pharmacy services with CDC Plus funding, generally as additional service offerings on top of traditional (walk-in) services. Through these 'tele-platforms', businesses aimed to increase their customer base while reducing COVID-19 transmissions. Two projects in particular accounted for the majority of customer reach: Indian tech start-up MFine, which connects patients with health professionals for e-consultations, accounted for close to half (950,000) of direct customers reached while SC4C reached 100 health facilities in Kenya through its COVID-19 preparedness self-assessment tool. As a result of measures taken by these clinics to improve their COVID-19 preparedness in response to their SC4C scores, it is estimated that improved health services were made available for 480,000 patients in Kenya during a six-month period.

7.3 million
customers reached
indirectly through
BRF projects
(e.g. including
households)



CDC investees reported that goods and services provided often reached people beyond their direct customers, bringing the total number with improved access to goods and services to an estimated 7.3 million.

Some products and services provided benefits beyond the direct customers to others in their households, which has an important multiplier effect on access to goods and services. For example, MFin customers did not only use the telemedicine platform app for their own benefit: it is estimated that, on average, telemedicine appointments were attended by three family members per registered patient on the platform. Overall, health sector projects accounted for 56 per cent of customers reached indirectly, and retail and consumer technologies projects 35 per cent. For instance, CDC Plus supported African Queen, a Ugandan fast-moving consumer goods (FMCG) distributor, to develop and roll out an online sales portal for wholesalers and retailers, enabling them to maintain a consistent supply of essential goods. To date, African Queen has reached over 3,200 businesses, serving an estimated 885,300 customers (12 per cent of the total provided with improved access to goods and services through BRF).

Box 3. Cost per customer reached

On average, BRF projects reached two people for every dollar of funding provided. However, as could be expected from a facility aiming to test innovative business models and solutions, the number of people reached vis-a-vis the funding provided varied significantly from project to project: 70 per cent of reporting BRF projects reached less than one person per dollar of funding. The more cost-effective projects in terms of reach were solutions that used digital channels. For instance, MFin reached an estimated 37 people per dollar of funding, and Noticeboard reached 13. In contrast, projects which were providing PPE tended to be among the more costly: for example the Rainbow hospital project cost \$851 per person reached. This illustrates the difficulty in quantifying impact, as it is difficult to compare the depth of impact in projects that aimed to provide in-person services to patients (or protect staff members over longer periods) with digital solutions where, in some cases, customers are being provided with information on a one-off basis (as in the case of Noticeboard, for example).

Although there is no available data on the profiles of the indirect customers reached, many projects supported by the BRF and ETA focused specifically on underserved groups. For example, Alliance in Myanmar has been specifically targeting unbanked entrepreneurs, MFin in India offers its COVID-19 screening tool free of charge to allow wider reach; and Wizklub, a primary level education provider in India, operates part of its services through the public school system for nominal rates.





Strengthened economic recovery

While the majority of BRF projects focused on short- to medium-term results in terms of improved healthcare delivery and maintained access to goods and services, medium- to longer-term results in terms of economic recovery are still expected and yet to be seen. Unsurprisingly, only a small portion of the BRF portfolio reported job creation at this early stage, since this was not their key objective. As of June 2021, three projects reported the creation of 275 jobs, most of which (95 per cent) were reported by Human Diagnostics, a leading distributor of medical equipment that received funding for scaling its distribution of hand sanitizers. Many BRF projects provided B2B services to close to 8,000 businesses and are expected to have further positive replication effects on business growth and job creation in their respective sectors.

CDC Plus considered funding projects that aimed to strengthen economic recovery as early as Q3 2020. However, it was a challenge to identify suitable opportunities since the long-term objectives of the projects did not align with the limited implementation period of the BRF. In addition, as the pandemic continued to impact investees, the BRF's focus remained on Strengthen projects and less so on Rebuild projects.

A number of results in terms of economic recovery are anticipated beyond the facilities' lifespan. "Build Back Better" projects were designed to have longer term, indirect impact. For example, a project with Ayana aimed to train a group of low-income youth in Rajasthan to improve their employability in the solar industry, but longer-term results are also expected in terms of increased rates of youth training and employment in the next few years as the training facility and curriculum continues to be utilised. The Last-Mile distribution Peer Learning and Advisory project was designed to help 23 businesses from the portfolio in the last-mile distribution sector adapt to challenges posed by the pandemic by sharing lessons on smart use of working capital, digitising customer relations, remote field team management and partnerships. While it is too early to measure the results of these projects, they are likely, in the long run, to contribute to economic growth and job creation as these businesses are able to continue adapting and expanding their operations.

Summary of CDC Plus' aggregate impact results for COVID-19 technical assistance (at June 2021)

Intended outputs and outcomes: improvements in healthcare delivery through PPE, medical supplies, advisory and training, in the context of COVID-19

\$584,608

spent on PPE



635,268

PPE items supplied



8,114

investee staff with improved working conditions



1.1 million

patients/customers with improved working conditions



Intended outcome: Reduced transmission and improved care for COVID-19 patients

290,840

people screened/ tested for COVID-19



Intended outcome: maintained capacity to address basic needs for employees and customers in CDC's markets

1.9 million

direct customers of the products and services funded through BRF projects



7.3 million

customers reached indirectly through BRF projects (e.g. including households)



423

employees trained



83,686

jobs engaged by ETA projects



423

employees impacted on by better processes and systems



222,138

customers directly reached through investees that received ETA



Intended outcome: strengthened economic recovery through supporting and creating livelihood opportunities

275

Jobs/work opportunities created as a result of implementing or scaling up BRF projects



7,796

Businesses directly affected by BRF projects (including investees, suppliers, distributors and SME customers of financial institutions directly supported through projects)



4. Looking ahead: Sustainability of impact

Whilst CDC Plus was providing emergency support to mitigate the negative impacts of the pandemic on underserved groups, the facility focused on supporting a mix of interventions – some of which responded to urgent short-term needs while others were expected to lead to more sustained impact in CDC’s markets.

While the pandemic continues, it is too early to measure the sustainability of impact for each project. However, as of July 2021, 68 per cent of projects are expected to lead to medium- to longer-term impact in our markets, beyond the pandemic, based on their project design and preliminary results. As illustrated in the examples below, CDC Plus funded new products and services, in many cases helping businesses adopt new delivery models or diversify their service offerings and expand their customer base to reach previously underserved markets. 24 per cent of projects are expected to deliver only short-term results, such as through PPE support, pandemic-specific ESG and business continuity support. 5 per cent of projects will not contribute to the intended impact, as they were funding feasibility studies and business pivots that proved unviable.

As noted above, several projects are pilot innovations, where some initial impacts are emerging but commercial sustainability - and the full scale and depth of impact of the support - is yet to be seen. Examples of pilots which are now being applied more widely include:

MFine COVID-19 self-assessment tool



The MFine COVID-19 self-assessment tool was offered for free, making it broadly accessible, including to underserved groups. It has had immediate short-term impact, as the extensive reach of the tool is expected to have helped identify positive COVID-19 cases (8 per cent of users received positive results) and reduce transmissions. The wide access to the tool also contributed to approximately 10 per cent lower customer acquisition costs for the business. MFine’s COVID-specific services grew from zero to 8-10 per cent of total company revenue in the first six months the services were offered. Post-pandemic, MFine plans to roll out similar self-assessment tools to other medical service lines (e.g. mental health and diabetes).

Nalanda



Nalanda, a chain of over 80 bricks and mortar pre-school education facilities in India, received funding to pivot their teaching online. The project introduced a new digital platform to run online classes and funded digital content development. Nalanda reported that the business would not have survived or been able to manage a transition to the digital platform without CDC Plus support. The company was hit hard by the extensive lockdown in India, with revenues down by 50 per cent on the top line in 2020. As of April 2021, re-admissions have started and revenues started to pick up slowly. Going forward Nalanda plans to switch to a hybrid delivery model and will use the multimedia content created for the digital platform as a supplementary learning resource, to complement in-person service offerings. The company is also interested in experimenting with activities using augmented reality and 3D animation. As a result of the CDC Plus pilot, Nalanda received additional investment capital to begin their expansion plans.

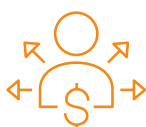
The pandemic forced CDC investees to adapt their corporate business processes and systems. The changes in some cases involved new production methods and service delivery, and in others changes to marketing and customer acquisition processes. In some cases, it took longer than expected to launch these new delivery models, product or service offerings, meaning slower than expected customer acquisition rates over the initial period of CDC Plus support. However, the newly adapted processes are likely to remain embedded in the businesses and will drive customer reach and commercial success in the longer term. Projects that are expected to be able to continue to build on investments supported by CDC Plus include:

Edubridge



Edubridge, a workforce development company in India, that trains and provides employment to low-income, unskilled youth. It operates through 65 training centres across 60 Indian cities. Through a CDC Plus funded digitalisation project, Edubridge moved all of its processes online, which meant that all the organisational standard operating procedures (SOPs) had to be revised or recreated. As a result, the company increased its online presence and expanded its geographic footprint. Post-COVID, Edubridge is likely to shift to a blended training model, and will keep investing in sales and digital technology that will build upon the results of the project.

Sanergy



Sanergy, which established a network of marketing agents and SME agricultural shops to distribute its affordable fertiliser to small and medium scale farmers throughout Kenya. The CDC Plus support enabled the company to test a business model which has now proved commercially successful, with Sanergy intending to continue utilising the network approach piloted with CDC Plus support to reach more underserved customers.

Access Bank



Access Bank, which received support to introduce eTumba, its first-ever digital savings product. The electronic wallet is expected to become the most important channel for the collection of savings, and to serve as a foundation for a wide range of digital savings solutions going forward. The project also rolled out a staff engagement tool which has become the company's central internal online platform and will continue to be used to conduct business operations in the future.

5. Emerging lessons

The rapid provision of TA support to over 60 businesses in an emergency context generated a significant amount of learning for CDC Plus. The CDC Plus team conducted learning sessions after each of the three funding application rounds, to integrate lessons learned in its approach to launching calls for proposals. The lessons were shared with CDC Plus stakeholders through the facility's semi-annual reporting and with members of the European Development Finance Institutions TA working group. Additionally, lessons are being shared through learning papers and project case studies which will be published later in 2021.

The following lessons have emerged relating to the provision of TA in an emergency context:

- i. Utilising existing technological solutions was an effective strategy for rapid business process adaptation.** Digitalisation presented some quick wins, especially when companies focused on using existing platforms to engage with employees and customers. This was particularly the case when the digitalisation focused on internal processes such as training, where businesses such as SafeCare4Covid and Arya were able to quickly move away from in-person training to a virtual classroom mode. Similarly, Advans, a microfinance provider, was able to leveraging an existing online platform to capture customer insights and adapt its products accordingly. In cases where businesses looked to develop tailored products and services, projects tended to take much longer and require significantly more resources. For many companies, the pandemic prompted an earlier shift to digitalisation than might otherwise have been the case, that is likely to become fully integrated in their business model going forward.

- ii. Adopting a multi-pronged strategy has led to both breadth and depth of impact.** Analysis of the overall results of the BRF and ETA shows that relatively few projects accounted for the majority of reach. In particular, health focused projects were able to impact large numbers of people in a relatively short amount of time by working with clinics or rolling out mass screening tools. At the same time, other parts of the portfolio that focused on adapting product and process offerings, which may have a greater impact in the medium term, tended to reach fewer people in underserved groups within the implementation timeline. This emphasises the importance of supporting a diverse portfolio in generating both breadth and depth of impact.

- iii. Funders should maintain core funding principles, but adapt tactics.** A key strength of the CDC Plus COVID-19 TA response was that the response was rapid, but explicitly retained the principles of additionality and a focus on where impact could be sustained and scaled by businesses (while also meeting immediate needs for expenses such as PPE). At the same time, CDC Plus adapted the way in which funding was allocated to facilitate rapid approval of COVID-19 funding – in particular, shorter, simplified application forms and a dedicated, fast track COVID-19 TA approval committee.

- iv. Do not underestimate the resources required.** While the adoption of new, rapid processes did not reduce quality, in some cases limited internal resources hampered the ability of the CDC Plus team to carefully consider the true additionality, and interrogate assumptions underlying the proposed interventions during the approval process. This led to overambitious targets and timelines in a number of projects. The large number of applications and associated time pressures also required significant resources and internal coordination between different teams within the organisation to engage with investees, finalise documentation and disburse funds. This experience highlights the importance of working with specialist partners or intermediaries: working through existing funds with a narrower sectoral focus (such as the Medical Credit Fund, which works with a portfolio of healthcare providers in developing countries) proved an effective way of reaching businesses rapidly, and can quickly leverage detailed sectoral knowledge.

- v. **The evolving nature of a crisis means that as a funder it is important to be as flexible and adaptive as possible and hold funding in reserve.** The COVID-19 pandemic evolved rapidly, with waves of infections impacting different geographies at different times in a way that could not be predicted. While this resulted in originally planned activities being delayed, more importantly it meant that the needs of businesses changed over time. While the initial rapid response of CDC Plus was exceptionally valuable, it also meant that almost all funding was allocated by the time the second wave hit much of the developing world – limiting the ability to respond further. This was also partly driven by the FCDO requirement to disburse funds in a relatively short period, which put pressure both on CDC Plus to rapidly allocate funds, and on projects to spend quickly: in some cases this may have contributed to disappointing outcomes.
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- vi. **Simple, standardised monitoring and measuring tools are critical.** One challenge of the rapidly evolving context of the pandemic has been that traditional project verification activities were difficult to carry out. In addition to adopting revised processes for approving TA grants, CDC Plus also implemented a results management system which required each business to have a set of simple indicators against which they reported in monthly update calls and a project completion report, rather than a longer semi-annual written report. This provided regular information on project progress, and facilitated an adaptive approach to portfolio management.





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