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Multilateral Investment Fund

**REGIONAL**

Acceleration Track for Social Businesses Working in Basic Services

**(RG-M1265)**

**Donors Memorandum**

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According to the Information Disclosure Policy this document is subject to public disclosure.

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Project Summary

Acceleration Track for Social Businesses Working in Basic Services

*This project is presented for approval under the regional facility RG-M1217 “Accelerate Businesses Providing Services to Poor and Low Income Populations”[[1]](#footnote-1), a collaboration with Opportunities for the Majority (OMJ) that supports innovative companies, at a pre-commercial stage, that serve poor and low-income populations, transitioning them to receive debt financing from OMJ or equity from one of the MIF’s impact investment funds.*

In 2011 Agora Partnerships launched the **Agora Accelerator**, a business acceleration program which focuses on bringing knowledge, networks, and capital to high-potential, early- and growth-stage companies solving social and environmental challenges in Latin American and the Caribbean. Agora’s strategy is aimed at combining in-depth consulting support with access to mentors, investors, and a global community of peers.

Given Agora’s efforts to not only strengthen the day-to-day operations of these social businesses but to also connect them with an emerging capital impact market, the companies that undergo the Agora Accelerator transition from investment readiness to scale. In 4 years Agora has provided more than 6,400 hours of personalized consulting to 67 entrepreneurs working in 15 countries across Latin America[[2]](#footnote-2), providing them with the knowledge and networks needed to strengthen the business and prepare for growth. As a result, 98% of these companies are still in operation and more than $13.7MM has been channeled into their businesses[[3]](#footnote-3).

With this Technical Cooperation the MIF and OMJ will support Agora Partnerships in designing a specific “track” within the Agora Accelerator focused on promoting a network, or cohort, of social businesses that are working to bring basic services to the base of the pyramid. Within the scope of this project Agora will be able to support 15 that have created sustainable market-driven business models to increase access to basic services. The companies selected will be beyond the proof-of-concept stage and by the end of the Agora Accelerator many will have leveraged investment capital to scale their operations.

In supporting Agora, a non-profit organization, in the design and implementation of a basic services track within its accelerator program, the MIF and OMJ Accelerator Facility will be able to test the effectiveness of a model of business acceleration different to the one piloted so far in the previous 4 accelerator projects[[4]](#footnote-4). This new model based on a standard methodology of business acceleration (community building, consulting services and investor match-making) has the potential to become a more cost-effective method of impacting the growth process of social businesses.

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Information Available in the Technical Documents Section of MIF Project Information System

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Acronyms and Abbreviations

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| --- | --- |
| **AOP**  **BOP** | Annual Operating Plan  Base of the Pyramid |
| **DNA** | Diagnostic of Executing Agency Needs |
| **IADB** | Inter-American Development Bank |
| **MIF** | Multilateral Investment Fund |
| **OR** | Operating Regulations |
| **PCU** | Project Coordination Unit |
| **QED** | Quality for Effectiveness in Development |
| **TOR** | Terms of Reference |

Project Information

Acceleration Track for Social Businesses Working in Basic Services

**(RG-M1265)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Country and Geographic Location:** | Latin American and Caribbean region | | |
| **Executing Agency:** | Agora Partnerships (Agora) [[5]](#footnote-5) | | |
| **Access Area:** | Access to Basic Services and Green Growth | | |
| **Agenda:** | Access to Basic Services for the Poor | | |
| **Coordination with**  **Other Donors/Bank Operations:** | In collaboration with **Opportunities for the Majority**. The operation is coordinated with the projects already approved under the Accelerator Facility (RG-M1217): “*Ver de Verdad Mobile Diagnostic Centers: Bringing Affordable Quality Eye-Care*” (ME-M1087); “*Quetsol Pay-as-you-go solar power for the BOP in Guatemala*” (GU-M1053); “*Learning and Innovation Centers: Reducing the Digital Divide for the Mexican BOP*” (ME-M1093); “*Biobolsa: A Biogas Solution for Small Farms in Mexico, Honduras and Nicaragua*” (RG-M1260) | | |
| **Direct Beneficiaries:** | **Agora Partnerships** will be a direct beneficiary of this Technical Cooperation by developing an Accelerator Track focused on strengthening the investment readiness of social entrepreneurs working in basic services. 15 **social entrepreneurs** spread throughout the region will also benefit from the acceleration services provided by Agora, as will **investors** seeking to invest in social enterprises working in basic services. | | |
| **Indirect Beneficiaries:** | The indirect beneficiaries of this TC are the **base of the pyramid populations** in Latin America and Caribbean who are granted access to a wide range of basic services such as housing, water, electricity, education and health, through the growth of 15 social business that target at least 40% of clients from the BoP. | | |
| **Financing:** | Technical Cooperation: | US$ 251,249 | 55% |
| Investment: | US$ 000,000 | 0% |
| Loan: | US$ 000,000 | 0% |
| **TOTAL MIF FUNDING:** | US$ 251,249 | 55% |
| Counterpart: | US$ 208,376 | 45% |
| Co-financing (if available): | US$ 000,000 | 0% |
| **TOTAL PROJECT BUDGET:** | US$ 459,625 | 100% |
| **Execution and Disbursement Period:** | 18 months of execution and 24 months of disbursement. | | |
| **Special Contractual Conditions:** | None | | |
| **Environmental and Social Impact Review:** | This operation was screened and classified as required by the IDB’s safeguard policy (OP-703). Given the limited impacts and risks, the proposed category for the project is C. | | |
| **Unit with Disbursement Responsibility:** | MIF/HQ | | |

1. Background and Justification

**A. Diagnosis of the Problem to be addressed by the Project**

**Problem Diagnosis:**

1. Ever-increasing amounts of financial capital have been committed to the growing impact investing sector with the intention of supporting businesses that create both profit and impact. However, less than 5% of impact investments go to early-stage ventures[[6]](#footnote-6). Furthermore, those that do get investment are typically seeking $3 million or more in investment. There is a dynamic sector of early-stage businesses looking for between $100,000 and $2MM in growth capital. The lack of financial support for these companies makes it prohibitive for these new, innovative business models to rise to the surface, scale, and service the wider population with their social and environmental solutions.
   1. The causes behind why financial capital is not flowing into these businesses are the following:

1. **Deal Flow:** Despite tremendous potential, there is a serious shortage of investment-ready deals. The vast majority of early-stage entrepreneurs in Latin America do not have access to the knowledge, networks and capital that they need to grow their businesses, which keeps them stalled below $500,000 in annual revenue.

2. **Limited Exit Opportunities:** The vast majority of small and growing businesses operating in Latin America are not aiming for eventual public offering or private sale, and there have been few examples to date of successful exits for equity investors.

3. **High Transaction Costs:** Early stage impact companies tend to require smaller investment amounts. They often work in relatively difficult to access locations, with poorly defined markets, limited legal support structures, and asymmetrical information. To address these risks, investors must invest substantial resources in due diligence and legal preparation.

4. **Few Co-Investment Opportunities:** There are few investors able to take on these risks. As a result, there are relatively few potential investors and they often have incompatible investment parameters. It can be a challenge to coordinate capital and share risk.

**Market Failure:**

* 1. The bottleneck that prevents entrepreneurial talent from connecting with investment capital is caused by a number of market barriers. According to Monitor’s *From Blueprint to Scale* report[[7]](#footnote-7), when attempting to provide access to basic services, “*many of these businesses cannot simply follow business models that have been established to serve more developed, non-BoP populations. Instead, they are required to innovate on multiple dimensions simultaneously, often pioneering new business models that are tailored to the particular needs and constraints of the BoP marketplace.*” This is particularly difficult within the context of an emerging economy for a variety of reasons:
* Very low and volatile margins because customers are often located in hard to reach areas and have a severely low ability to pay
* Lack of supportive government policies regarding business, poor infrastructure, and inefficient regulation
* The products and services are often ‘push’ solutions and require a significant investment in educating customers about the benefits
* To limit costs, entrepreneurs are often forced to work with unreliable suppliers with limited capabilities
* The distribution channels needed are often fragmented and sometimes non-existent
* Lack of collateral and high level of risk makes it very difficult to access financing which in turn makes it difficult to attract and retain quality human capital
* People are much more reluctant to purchase an unknown brand

When combined, these challenges make it costly and time-consuming to build attractive businesses for impact investors.

**Justification:**

* 1. In partnering with Agora Partnerships the MIF is interested in testing a new business accelerator model by supporting a non-profit organization that is already implementing its own Accelerator Program and has the potential of proving to be a cost efficient and effective solution for supporting the acceleration of social businesses in basic services throughout Latin America and the Caribbean.
  2. Since 2011, Agora Partnerships has provided more than 6,400 hours of personalized consulting to 67 entrepreneurs working in 15 countries across Latin America, providing them with the knowledge and networks needed to strengthen the business and prepare for growth. As a result, 98% of these companies are still in operation and more than $13.7MM has been channeled into their businesses.[[8]](#footnote-8)
  3. Agora’s entrepreneurs have built for-profit businesses that solve social and environmental problems in Latin America. Their businesses have an average revenue growth of 80% after participating in the Agora Accelerator and have created thousands of new jobs. Agora has accelerated 11 companies that have created sustainable market-driven business models to increase access to basic services for BoP populations[[9]](#footnote-9). These businesses range from employing local micro-entrepreneurs to sell solar lighting products in rural Peru, to hygiene education in public schools in Guatemala, and to an innovative process to install pipeline in off-the-grid regions of Chile in order to provide water access.
  4. The Agora Accelerator distinguishes itself from its competitors[[10]](#footnote-10) in the region due to its unique, hands-on approach to consulting. Agora’s intensive program aims to both accelerate companies toward investment while also ensuring that participating companies have the proper foundation for growth[[11]](#footnote-11). Agora’s program funnels many of the traditional elements of an *Accelerator Program* in an organized curriculum of mentors, consulting modules, thematic groups, trainings, speakers, events, and even homework to create both an in-depth and tailored experience. Other differentiating features of the Accelerator include:
* The LAC focus of the Agora Accelerator facilitates knowledge transfers across international borders.
* Agora engages in direct long-term relationships with the entrepreneurs, which allows for a high level of trust to be developed between the entrepreneur and their designated consultant.
* Agora is able to provide high-touch, high-quality consulting services at an affordable rate because it draws its talent pool from recent MBA graduates.
* Agora has supported entrepreneurs for nearly a decade[[12]](#footnote-12), learning from both successes and failures, and applying best practices to its process.

**B. Project Beneficiaries:**

**Agora Partnerships**

* 1. Executing a cohort of entrepreneurs focused on access to basic services will accelerate entrepreneurial solutions to social and environmental problems across Latin America. This project will eliminate the cost barrier for entrepreneurs participating in the Agora Accelerator and allow the organization to apply its methodology to 15 high-potential entrepreneurs poised for sustainable growth. Their impact stories and metrics generated from the initiative serve to attract similar high-potential entrepreneurs in the future.
  2. More strategically, this funding will help Agora launch its first dedicated “track” in its Accelerator Program. Since its inception in 2011, the Agora Accelerator has remained sector-agnostic, accelerating companies selected based off of their individual business models and not their association with a broader impact theme or industry. For the class of 2015, Agora will organize its accelerator around industries and themes (called “cohorts”) to better and more efficiently funnel resources to participating entrepreneurs. *Access to Basic Service* will be the first cohort, and thus, a central catalyst for launching Agora’s improved model.
  3. The funding allows for 15 entrepreneurs to participate in the accelerator. The curriculum development that will be part of the TC will significantly strengthen the Agora program, building a more specialized element to the overall Accelerator experience.
  4. The success of this basic services cohort will set the stage for scaling Agora’s activities in the access to basic services space over the next 3-5 years. More specifically, pending a successful cohort of companies providing access to basic services in 2015, Agora plans to build an entire Accelerator in 2016 and 2017 comprised of 30 companies per year providing access to basic services. Including the 11 companies providing access to basic services that have participated in the Agora Accelerator 2011-2014, Agora will have served 86 companies providing access to basic services by the end of 2017.
  5. To support this expansion, Agora will partner with additional funders interested in increasing the provision of basic services to poor and vulnerable populations. Furthermore, Agora will build up partnerships with entrepreneurial networks and other organizations, individuals, and competitions that can source potential access to basic services companies for the Agora Accelerator. Agora would also look forward to the opportunity of partnering with other organizations, such as OMJ, to create investment products for access to basic services companies that have graduated from the Agora Accelerator.

**Entrepreneurs & Investors**

* 1. The cohort will be comprised of 15 companies from Latin America and the Caribbean that are providing access to basic services with a particular focus on the areas of housing, water, electricity, education and health[[13]](#footnote-13). The companies will be early-stage, understood as beyond proof-of-concept, and have US$100k-2MM in annual revenues[[14]](#footnote-14). Furthermore, these companies will be poised for financial investment (whether philanthropic or growth-stage) within 6 to 18 months upon entrance into the Agora Accelerator.
  2. All companies will have clearly defined impact. One example of this impact could be significantly increasing income and other benefits for employees. Another example could be increasing savings for consumers by offering high quality but affordable products. Most companies will directly impact 500-2,000 individuals, with the potential to increase and scale by a rate of 5-10 times over the period of the investment.
  3. Due to their shared interest in providing access to basic services, Agora will be able to build trust and leverage the assets of each actor effectively, resulting in lowered transaction costs and risk, increased efficiency, and maximized growth potential for the most important stakeholder: the entrepreneur.
  4. Furthermore, companies in this cohort will not have participated in an accelerator program, and thus, will gain enormous benefit from all aspects of the accelerator services as well as from their peers in the cohort. The Entrepreneur Retreat will provide in-person space and time for peer-to-peer discussion, knowledge-sharing, and other interactions. The Entrepreneur Retreat will also allow entrepreneurs to interact with other entrepreneurs within the access to basic services cohort as well as entrepreneurs in other cohorts. During the consulting period of the Accelerator, there will be special programming tailored specifically to entrepreneurs in the access to basic services cohort such as webinars and other facilitated interaction time. Within the access to basic services cohort, there may be sub-groupings (depending on the make-up of the cohort) around topics such as water or electricity. These sub-groups could have access to special events organized around the topic or mentors with expertise on the topic.
  5. Finally, the cohort structure allows for a focused channeling of resources to a specific group of entrepreneurs who are solving similar problems and who have the ability to use these resources to create real impact. The consultants working with the access to basic services cohort will collaborate with strategic partners, government entities, and financial institutions to find synergies that will ultimately drive capital to companies in the cohort.
  6. In terms of investments[[15]](#footnote-15), the project will significantly reduce the bottleneck that limits capital from flowing to entrepreneurs by eliminating the following barriers:
* Deal Flow: Through the recruitment and selection process, Agora creates a pipeline of potential deals for a variety of investors. The capacity building components of the program ensure that these companies have sound business models and strong financials, and are able to effectively communicate with potential investors.
* Limited Exit Opportunities: The consulting and capital advisory services help entrepreneurs to structure terms that will allow them to retain control while ensuring investors a path to recover capital. Agora is increasingly supporting deals that utilize convertible debt, demand dividend[[16]](#footnote-16), or other non-traditional mechanisms to provide flexibility to entrepreneurs and exits to investors.
* High Transaction Costs: Cost-efficient consulting and capital advisory services prep entrepreneurs for due diligence. At the Agora Entrepreneur Retreat and Impact Investing in Action (IIA) conference, investors have the opportunity to meet with multiple companies. The investor matchmaking services connect the right investors with the right companies.
* Few Co-Investment Opportunities: Agora facilitates co-investment in several ways. Agora’s Impact Investing in Action (IIA) conference provides a key venue for investors to meet and identify shared interests. Investor matchmaking services encourage capital coordination, and innovative partnerships such as the Agora-Eleos Latin American Women’s Fund[[17]](#footnote-17) that enables investors to efficiently share due diligence and legal costs.

**Indirect Beneficiaries**

* 1. The final beneficiaries are BoP populations in Latin America who are granted access to basic services such as housing, water, electricity, education and health they previously were unable to access. Access to these basic services is a critical step in reducing poverty and spurring development. These companies will be serving clients that are fully within the BoP (incomes levels considered to be “BoP” vary based on country[[18]](#footnote-18)) with at least 40% of the clients in the BoP.[[19]](#footnote-19)

**C. Contribution to MIF Mandate, Access Framework and IDB Strategy**

* 1. The project contributes to MIF’s mandate on both private sector development and poverty reduction. The project is also contributing to the Agenda of Access to Basic Services for the Poor in terms of results and knowledge. More specifically, it will pilot an innovative model for the Acceleration of social enterprises that have the capacity for job creation and basic service delivery.

1. Project Description
2. **Objectives:** 
   1. Agora’s goal is to accelerate a 15 early- and growth-stage for-profit business models providing access to basic services to BoP populations in LAC in 2015. Agora will create a specialized curriculum for access to basic services companies within the Accelerator and will recruit investors to join the Agora Network with a special interest in investing in access to basic services companies.
   2. As a long-term result of the accelerator process, Agora aims for the access to basic services companies to raise US$ 3 million in capital within 1 year of participating in the Agora Accelerator and for 85% of the companies to have annual sales growths of at least 10% within 2 years of participating in the program. Agora aims to have 80% of these companies in operation for at least 3 years post-accelerator.
   3. To achieve these long-term objectives, Agora aims to meet a number of shorter-term milestones including successful recruiting and selection of the 15 accesses to basic services companies, 90% satisfaction of the Entrepreneur Retreat and of the high quality consulting designed to meet the needs to the access to basic services companies. In addition, Agora aims to have all 15 access to basic services host a Deal Room with at least 110 investors and key participants present in total, and for 40% to receive investment within 1-year post participation in the 2015 Accelerator. Finally, Agora will complete a multimedia project and at least one case study to disseminate information about the access to basic services companies to the industry.
   4. Agora views this cohort as a pilot for the establishment of a dedicated Accelerator focused on providing key basic services to populations in the region. This “basic services” accelerator will comprise of 30 companies providing access to basic services and will be sub-divided into cohorts focused on specific geographies or sectors.

**B. Description of Model/Solution/Intervention:**

* 1. With the entrepreneur at the center of the model, Agora has built a multi-stakeholder global community of investors, funders, universities, and other actors who are dedicated to supporting entrepreneurial solutions in Latin America and the Caribbean. Agora provides value to the entrepreneur through its Accelerator Program that provides high-quality business consulting, leadership development and capital advisory services to social entrepreneurs at a low cost to help them grow their businesses and scale their positive impact. A key innovation of the program is structured investment readiness consulting, delivered by highly trained MBA graduates sourced through Agora’s 9-12 month consulting fellowship. The goal of these interventions is to facilitate investment for selected companies in the form of both philanthropic bridge and growth-stage financial capital.
  2. The Agora Accelerator distinguishes itself from its competitors with its regional focus on the LAC region and high-touch strategy and investment consulting program. Top consultants are recruited to implement the consulting methodology[[20]](#footnote-20), a flexible modular program that allows the consultants to focus on the specific needs of each individual company. The consulting consists of the Entrepreneur Retreat, personalized business consulting, opportunities for entrepreneurs to pitch to investors, and alumni support services (including capital advisory services). The consulting results in tangible deliverables, mentor and investor connections, and the opportunity to pitch to investors at the largest industry conferences.[[21]](#footnote-21)
  3. From its previous experience Agora has found that the best way to provide holistic support to the entrepreneur is to build cohorts within the accelerator of 5–15 mission-aligned, early- and growth-stage entrepreneurs solving critical social problems through for-profit business models. These groups are convened around an impact theme or industry and can extend across the entire region. These cohorts are part of larger classes of 30 entrepreneurs accepted into the Agora Accelerator program each year. All cohorts include 1-2 Accelerator consultants, dedicated Agora staff, an expert partner, a sponsor, and access to Agora's investor and mentor networks. By selecting and accelerating companies in a cohort with clear synergies, the program can create a more efficient, coordinated market that can drive resources more effectively to entrepreneurs.
  4. Creating a cohort of 15 entrepreneurs building sustainable business models to provide access to basic services will enable Agora to identify and engage funders, investors, recruiting partners and media in a coordinated effort to successfully accelerate the cohort. Due to their shared interest in providing access to basic services, Agora will be able to build trust and leverage the assets of each actor effectively, resulting in lowered transaction costs and risk, increased efficiency, and maximized growth potential for the most important stakeholder: the entrepreneur.
  5. Furthermore, the cohort structure aims to foster a community of problem solvers who can share knowledge, experiences, and best practices, building a bridge across which entrepreneurs can collaborate, regardless of their geography, to develop truly sustainable methods for which to provide basic services to the BoP in Latin America. Agora supports the sharing of this information by equipping consultants with pertinent knowledge to pass on to the entrepreneurs they are consulting, by facilitating in-person interactions at the Entrepreneur Retreat, through online platforms including Agora entrepreneurs groups on Facebook and a new partnership with Startgrid[[22]](#footnote-22), and through general social media.

**C. Components:**

**Component 1: Recruitment, Selection, and On-Boarding of Access to Basic Services Companies.**

**(MIF: US$26,010/Counterpart: US$14,190)**

* 1. The objective of this component is to assure that the access to basic services cohort is comprised of the best entrepreneurs – those whose growth and impact can be amplified as a result of participating in the Agora Accelerator. Agora will create explanatory materials to build and strengthen partnerships with the right recruiting partners in order to get high quality applications from which to select the access to basic services cohort. Agora fosters relationships with entrepreneurial networks, governments, and individual entrepreneurs that have potential to convert into Accelerator participants. Agora, in collaboration with the MIF and OMJ team will then carry out an efficient but intensive selection process to screen and select the best companies[[23]](#footnote-23). Finally, the Agora consultants who will manage the access to basic services cohort will begin the relationship with the entrepreneurs during the on-boarding process.

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| **Activities for Component I** |
| **1.1 Recruitment of Entrepreneurs** |
| 1.1.1 Synchronize accelerator services and access to basic services cohort |
| 1.1.2 Develop and distribute marketing and communications materials in English and Spanish |
| 1.1.3 Identify, reach out to, and meet with recruiting / pipeline partners |
| **1.2 Company Selection[[24]](#footnote-24)** |
| 1.2.1 Develop selection process; Review applications; Conduct interviews; Present top applicants to MIF and OMJ for final review and selection |
| **1.3 On-boarding** |
| 1.3.1 Create and communicate pricing policy and "Statements of Understanding"; Provide logistics details and travel arrangements for Retreat[[25]](#footnote-25); Begin diagnosis of challenges faced by the entrepreneurs |

**Component 2: Preparing and Executing the Agora Accelerator (Entrepreneur Retreat and business consulting)**

**(MIF: US$145,104/Counterpart: US$67,331)**

* 1. Preparing and executing the core components for the Agora Accelerator is essential to accelerating access to basic services companies to grow their businesses and their impact. The retreat serves as the official start of the Accelerator and aims to build a strong community of entrepreneurs with access to the knowledge and networks they need to accelerate their growth and impact. The retreat is crucial to the consulting process because it establishes the relationship between the consultant and the entrepreneur and provides in-person time for the consultants and entrepreneurs to work together to diagnose the challenges that will be addressed in the consulting process. The consulting process begins right when the Retreat ends and prepares the entrepreneurs for the capital raising process, matches them to the right mentors and investors, and ensures that have the necessary investment presentation materials.

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| **Activities for Component II** |
| **2.1 Retreat** |
| 2.1.1 Design access to basic services track for retreat content and logistics |
| 2.1.2 Develop and execute communications and marketing and create all the necessary materials (including agenda, bios, banners, etc.) |
| 2.1.3 Invite attendees and develop content with speakers |
| 2.1.4 Coordinate with B Lab to deliver GIIRS ratings[[26]](#footnote-26) |
| 2.1.5 Implement retreat |
| **2.2 Consulting** |
| 2.2.1 Recruitment, selection, and training of Consulting Fellows |
| 2.2.2 Consulting Services phase - Weekly 2 hour consulting call with each company around the 8 modules[[27]](#footnote-27); Prepare for weekly consulting sessions with the overall goal of business model refinement and investment project assessment; Create three deliverables (executive summary, complete financials, investment memo); Weekly internal meetings for consultants to discuss challenges and exchange knowledge and support; Connect entrepreneurs with mentors to meet specific needs |
| 2.2.3 Relocation & due diligence |
| 2.2.4 Alumni consulting services |

**Component 3: Investor Matchmaking and Impact Investing in Action (IIA) partnerships**

**(MIF: US$45,135/Counterpart: US$7,965)**

* 1. Agora’s network of investors plays an important role in the acceleration process. During the consulting process, Consultants work with the Manager of Capital Advisory Services/Investor Relations to match each company in the Agora Accelerator to investors with interests relating to the company. High priority investors in Agora’s network are sent executive summaries of companies that meet their interests and criteria. The goal is for the entrepreneurs and investors to begin building a relationship as soon as possible in the consulting period so that by the time the entrepreneur hosts a Deal Discussion, a number of the investors in the room are already familiar with the company. The Deal Discussion serves as an opportunity for entrepreneurs to develop more relationships with interested investors and to hopefully start the due diligence process shortly after. Agora’s Capital Advisory Services are available at an additional cost to provide support during the capital raise process.

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| **Activities for Component III** |
| **3.1 Investor Matchmaking** |
| 3.1.1 Investor outreach - Broad mapping of the entrepreneur’s capital requirements and all investors’ investment criteria; Targeted emails from Agora presenting entrepreneurs to the investors that are a good match |
| **3.2 IIA Partnerships** |
| 3.2.1 Select and initiate partnership with event organizers to showcase investment opportunities from the Accelerator, using the Deal Discussion methodology |
| 3.2.2 Communication - General marketing and communications strategy around the event; Outreach to investors to get them to the event; Post-event follow up (investors and entrepreneurs in attendance to survey satisfaction and partners to determine the success of the event) |
| 3.2.3 Plan and coordinate logistics |
| 3.2.4 Prepare presentation; execute the event (Deal Discussions); |

**Component 4: Multimedia Project and Case Study**

**(MIF: US$5,000/Counterpart: US$15,000)**

* 1. The acceleration of 15 access to basic services companies presents an excellent opportunity to collect and analyze data. Agora plans to use this data, analysis, and other information/knowledge of the cohort to create a multimedia project and 1-3 case studies. These pieces will be disseminated throughout the impact investing and international development industries with the goal of sharing important knowledge both to the general public and with others working to provide access to basic services both in Latin America and globally. Agora aims to build on these projects in future years, with companies in future accelerators adding to the sample size of the data and contributing additional knowledge and other information.

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| **Activities for Component IV** |
| * 1. **Multimedia Project** |
| 4.1.1 Define the narrative and determine what assets you have / want to use to tell the story; Partner with a university or find student group within university to execute project; Manage student group to execute project (storyboarding, shooting of footage, editing footage, producing); Conduct interviews & write blog posts throughout to capture the process; Plan and execute dissemination (working with media partners) |
| * 1. **Case Studies** |
| 4.2.1 Determine the topic and define the focus and scope of the case study; Research, interview subjects, collect other data; Write and edit case study; Plan and execute dissemination (working with media partners) |

D. Sustainability:

* 1. By focusing the cohort on “access to basic services”, Agora is able to target very specific external actors with aligned interests. All actors involved in the cohort must have a strong commitment to the success of the entrepreneurs and the impact they are creating. Once each actor becomes engaged in the Agora Accelerator, they remain a part of the Agora community indefinitely. The external cohort actors include:
* **Sponsor -** The cohort sponsor(s), such as the MIF in this TC, provides financial resources to enable entrepreneurs to participate in the Agora Accelerator. Agora will partner with sponsors willing to make long-term commitments pending the success of the initial cohort.

The McNulty Foundation and 3rd Creek Foundation acted as sponsors to the 2014 Agora Accelerator. The McNulty Foundation sponsored a cohort of three businesses founded by women entrepreneurs and 3rd Creek Foundation sponsored an earlier-stage Nicaraguan company to participate only in the Entrepreneur Retreat. Right after selecting the entrepreneurs to participate in the 2014 Accelerator, Agora presented each funder with all of the candidates that met their interests and criteria. Each Foundation then selected the companies they wished to fund to participate in the Accelerator. The McNulty Foundation wished to provide additional support to the entrepreneurs in the women’s cohort and provided additional funding to Agora to develop women-focused curriculum and to provide extra visibility of the entrepreneurs (in the form of a media campaign titled “Accelerate Women Now”).

One of the current sponsors for the class of 2015 is the UN Foundation who will be sponsoring a cohort focused on clean cookstoves (both physical stoves and biofuels) in the Andean region. The UN Foundation will be recruiting the companies and presenting Agora with 10 options from which Agora will select 4. Agora will also be working with the UN Foundation to develop special curriculum for the members of this cohort.

Agora provides financial accountability and documented results to all funders. The financial support from funders enables Agora to carry out its work, but it really sees these funders more as partners. Agora recognizes that each funder brings a certain expertise to the table and it aims to utilize that as much as possible in order to enhance its own expertise.

* **Expert Partners -** Whether it be an association, a university, or a group of individuals, each cohort has expert partners that provide advice, connections, and technical knowledge when needed. Agora works to understand the context of a given challenge within its larger system. It partners with expert institutions that have identified the levers and channels within these systems that present the best opportunities for change. By working with people who truly understand the problem, Agora ensures that the best solutions are selected and supported.
* **Agora Investor Network** - Agora’s investor network is comprised of 140 organizations and individuals interested in investing in companies creating measurable impact. Once Agora determines a cohort theme, it references its investor network to make sure it is compatible and holds sufficient investment potential. If not, Agora builds relationships with new investors in parallel to recruiting entrepreneurs in order to make sure all parties are receiving optimal value. The MIF support will allow Agora to recruit new investors into its network with a specific focus on access to basic services.
* **Cohort Mentor Network** - A select group of mentors, local and global, will work to help the cohort succeed as a whole. These mentors are specifically chosen after the selection of the companies in order to provide the best service possible to the entrepreneurs. This network is comprised of business leaders, industry professionals, and government officials who hold the practical connections and knowledge necessary to advance the cause of both the individual entrepreneurs and the cohort at large. Agora is currently a Gerson Lehrman Group (GLG) fellow, allowing the organization unlimited access to hundreds of thousands of the top experts around the world[[28]](#footnote-28). In addition, Agora partnered with the Mentor Capital Network to provide companies in the 2014 Agora Accelerator with access to chosen mentors within the Mentor Capital Network.[[29]](#footnote-29)
  1. To ensure that the entrepreneurs have access to the necessary support after the Accelerator cycle ends, Agora offers a number of Alumni Services focused on community building, on giving continuity to the lessons learned in the Accelerator, and on addressing internal organizational needs.
  2. Furthermore, the MIF will contribute to the financial sustainability of Agora. The pre-committed funding for the cohort will allow Agora to spend the resources needed to recruit the best entrepreneurs, without creating a large financial burden[[30]](#footnote-30) for the entrepreneur. Furthermore, once the remaining two thirds of the Accelerator is funded, Agora plans to leverage this financially stable position to approach foundations for growth funding so that Agora can scale its operations. Financial stability combined with growth funding will put Agora in an excellent position to replicate the Accelerator and significantly grow successful cohorts.

E. Experience and Lessons Learned from MIF or other Institutions

* 1. In collaboration with Opportunities for the Majority the MIF has already designed and disbursed 4 projects under the Accelerator Facility (RG-M1217). These projects include: “*Ver de Verdad Mobile Diagnostic Centers: Bringing Affordable Quality Eye-Care*” (ME-M1087); “*Quetsol Pay-as-you-go solar power for the BOP in Guatemala*” (GU-M1053); “*Learning and Innovation Centers: Reducing the Digital Divide for the Mexican BOP*” (ME-M1093); “Biobolsa: A Biogas Solution for Small Farms in Mexico, Honduras and Nicaragua” (RG-M1260)
  2. Taking the lessons learned from the design processes of these projects, the MIF-OMJ design team has opted to design a project that will test a new model of business Acceleration in order to find out if it proves to be a more cost-effective way to help businesses achieve investment readiness. The way this is done is through the Agora Accelerator which will serve to compare the effectiveness of supporting social businesses through an intermediary organization with a standardized methodology for business acceleration versus supporting social businesses directly on a case by case basis.

F. MIF Additionality

* 1. Non-Financial Additionality: The MIF Basic Services Agenda brings a focus on developing sustainable models for basic service provision, on results and impact measurement, and on knowledge sharing for systemic impact. OMJ brings credibility and technical expertise in lending to bankable projects for organizations working for the BOP. Together, there is synergy for achieving results and bringing innovative basic service projects to scale.
  2. **Financial Additionality**.

Total project cost is US$ 459,625. The MIF contribution of US$ 251,249 is additional because without successfully executing a basic services track within the Agora Accelerator the organization is unable to leverage new funding from financing institutions with a strong focus on basic services. After the execution of the TC, and with the ability to showcase results, Agora expects to be raise interest from new contributors specifically interested in its basic services track.

**G. Project Results:**

* 1. As a result of this technical cooperation the MIF will have strengthened Agora’s business acceleration model by developing a specific Basic Services track tailored for high potential early and growth-stage companies providing basic services to the BOP. 15 companies will undergo the Agora Accelerator in 2015 and the organization is committed to increasing that number to 30 companies for the following two years. Through the consolidation of the Basic Services track Agora also aims to establish new partnerships with institutions interested in the field of basic services.

**H. Project Impact**

* 1. All companies will be carefully selected based on their high-growth potential and business models that create value for all stakeholders including customers, employees, investors, and the environment.

**Economic Impact:**

* 1. Through this project, Agora intends to drive an estimated $5MM in investment into the cohort. Beyond investment, Agora assesses its direct impact based on short-term output indicators, including number of entrepreneurs served and amount of capital raised, and on long-term indicators including revenue growth and job creation. The long-term indicators are calculated based on the MIF corporate framework indicators and five IRIS metrics (revenue; net income; full-time employees; full-time employees: female; part-time employees) that are collected from each Accelerator company.

**Health and Quality of Life Impact:**

* 1. Each company is to track IRIS metrics and MIF indicators specific to their business model such as (but not limited to): Water Savings from Products Sold, School Enrollment: Total, Recycled Materials, Healthcare Facilities, Disease/Condition Addressed. This will allow Agora to track and report on the impact created by each company.

**Environmental Impact:**

* 1. This project will not have a negative impact on the environment given that the companies selected to participate in the Basic Services cohort will have to comply with the MIF and OMJ’s selection criteria which include having a model that is not only financially sustainable, but also environmentally. Furthermore, the Agora Accelerator Program will maximize the use of virtual tools and resources in their training and coordination activities in order to minimize the environmental impact of coordinating a regional business accelerator platform.

**I. Systemic Impact:**

* 1. The systemic impact that is expected from the execution of this project is the establishment of a viable solution to shorten the gap between social businesses working in basic services and social investors who are currently struggling to find solid and profitable investment opportunities. With expansion of social businesses working in bringing basic services to the base of the pyramid the private sector will increase its role and impact in poverty reduction across the region.

1. Monitoring and Evaluation Strategy
   1. Baseline: Baseline indicators for each participating start-up company will be collected prior to their participation in the Accelerator. All data will be sex-disaggregated and will be collected during the implementation of MIF project, and three years thereafter. Impact indicators are calculated based on IRIS metrics, such as revenue, net income, full-time employees (male and female), and part-time employees.
   2. Monitoring: Baseline data for each company (including revenue, net income, full-time employees, part-time employees) is collected from their application to the Accelerator. Upon accepting the invitation to participate in the Agora Accelerator, each company will sign an agreement to provide metrics to agora for three years post-participation in the Accelerator. During the Entrepreneur Retreat, all companies undergo the formal GIIRS rating process where they will determine 3-5 individual IRIS metrics that they will measure moving forward. All data is stored in SalesForce Pulse projects[[31]](#footnote-31) that are created for each company, is aggregated using salesforce reports, and is displayed on the Agora website[[32]](#footnote-32).

Satisfaction is measured using surveys created on SurveyGizmo[[33]](#footnote-33). This data is aggregated and stored in internal reports that outline the success of different elements of the Accelerator. Other types of data (such as the number of attendees for events, the number of views of knowledge materials) are measured through sign-in sheets, registration logs, and icontact for SalesForce[[34]](#footnote-34) view tracking.

* 1. Evaluation: Given the short implementation period, the project will have a final evaluation, which will be carried out at the end of the execution period and will be focused on the results achieved, the financial sustainability of the model, and the level of satisfaction of the participating start-up companies. Some of the evaluation questions to be answered are: To what extent did Agora’s model strengthened the day-to-day operations of the targeted companies? What are the prospects for the targeted companies to transition from investment readiness to scale? What were the obstacles encountered and how were they resolved?
  2. This project has not been selected for an impact evaluation given the small number of observations (targeted companies) and because of the difficulty of finding a comparison group with heterogeneous characteristics.
  3. All companies are monitored for 3 years after participating in the Agora Accelerator. This is done through an annual survey that is administered to all Accelerator alumni. Upon accepting the invitation to participate in the Agora Accelerator, each company will sign an agreement to provide metrics to agora for three years post-participation in the Accelerator. Data collected includes: total revenue, net income, permanent employees, permanent employees (female), temporary/seasonal employees, permanent employee wages (annual), local procurement (%), individual IRIS metrics, number of deals closed since participation the Accelerator, size of each deal closed since participation in the Accelerator. Companies are also monitored informally through contact at events, interviews for the Agora blog, and through their participation in Agora Alumni Services.

1. Cost and Financing
   1. The project has a total cost of $459,625, of which $251,249 (55%) will be provided by the MIF, and $208,376 (45%) by the counterpart. The execution period will be of 18 months and the disbursement period will be of 24 months.

|  |  |  |  |
| --- | --- | --- | --- |
| **Components** | **MIF** | **Counterpart** | **Total** |
| Component 1: Recruitment, selection and on-boarding of access to basic services companies in the 2015 Agora Accelerator | $26,010 | $14,190 | $40,200 |
| Component 2: Preparation and execution of the 2015 Agora Accelerator (Entrepreneur Retreat and business consulting) | $145,104 | $82,331 | $227,435 |
| Component 3: Investor matchmaking and impact investing in action (IIA) partnerships | $45,135 | $22,965 | $68,100 |
| Component 4: Development of multimedia project and case study | $5,000 | $15,000 | $20,000 |
| Sub-total Components | $221,249 | $134,486 | $355,735 |
| Administration | $0 | $73,890 | $73,890 |
| Evaluation | $20,000 | $0 | $20,000 |
| Ex post reviews/Audits | $5,000 | $0 | $5,000 |
| Contingencies | $5,000 | $0 | $5,000 |
| **Sub Total – Project Funds** | $251,249 | $205,376 | $459,625 |
| % de Financiamiento | 55% | 45% | 100% |
| Institutional Strengthening | $0 | $0 | $0 |
| Impact Evaluation Account | $0 | $0 | $0 |
| Agenda Account | $0 | $0 | $0 |
| **Grand Total** | $251,249 | $208,376 | $459,625 |

1. Executing Agency
2. **Executing Agency:** 
   1. All components of the project will be overseen by Jesse Grainger, Director of Strategy and Partnerships. The executing parties for the activities involved in the project include:

* CEO: responsible for overseeing the evaluation and selection of entrepreneurs participating in the Accelerator.
* Accelerator Manager: responsible for Selection and Training of Consulting Fellows, On-Boarding, Investor Matchmaking; support on Consulting, Capital Advisory Services
* Program Manager: responsible for Retreat; support on Recruitment, Selection, On-boarding, IIA Partnerships
* Recruitment Manager: responsible for Recruitment of Accelerator entrepreneurs
* Manager of Capital Advisory Services/Investor Relations: responsible for Capital Advisory Services; support on Investor Matchmaking
* Consulting Fellows: responsible for Consulting; support on Selection and On-boarding
* Manager of Operations: responsible for recruitment and selection of Consulting Fellows
* Manager of Communications and Strategy: responsible for multimedia project and case studies; marketing and communications support on all components

**History of Agora**

* 1. Agora Partnerships was founded in 2005 by students at Columbia Business School, and entrepreneurs in Nicaragua. The organization has played a founding role in the impact investing and entrepreneurship industry. Highlights include helping to co-found ANDE, launching the first Latin American ANDE conference, prototyping the first GIIRS methodology, and launching the first early stage impact investing fund in Latin America. Since its founding, Agora has always focused on answering the question, “what do entrepreneurs need in order to unleash their potential to contribute to society?” and the corollary question, “what is the most efficient program design to deliver this assistance in a way that can scale?”
  2. **Agora 1.0:** From 2005 to 2010, Agora attempted to answer these questions by matching MBA consultants with early-stage companies in Central America and launching an experimental early stage venture capital fund - The Agora Venture Fund (AVF), a for-profit impact investing fund designed and managed by Agora Partnerships in order to apply investment principle to companies “too big for microfinance, and too small for traditional banks” in Nicaragua. The AFV closed its first and only round of $525,000 from 12 investors in 2007. By 2011, the fund had made over $600,000 in investments, including re-investments into 12 companies. The seven-year fund will wind up in 2015. In that period of time Agora and its two founders, Ben Powell and Ricardo Teran Teran won many awards, including: I-Qube Award by Dalberg, Top Innovator by German Marshall Fund & Milkin Institution, Draper Richards Foundation Fellowship, BMW Foundation Young Leader, Ashoka Fellowship, McNulty Prize Finalist, Social Venture Network Innovation Award, and Top 40 under 40 Development Leaders.
  3. **Agora 2.0:** Based on lessons learned from its fund experience and new developments in the industry, Agora concluded that lack of capital was no longer the major barrier to entrepreneurial growth. The barrier was getting the capital to the right entrepreneurs. To address this challenge Agora designed an accelerator program focused specifically on delivering the right mix of knowledge, networks, and capital to entrepreneurs. In 2011, Agora launched its first Accelerator class and hosted its first Impact Investing in Action conference.
  4. **Agora 3.0:** Looking towards the future, the MIF will help grow the partner and investor network, to better integrate funders and investors earlier and more holistically into the model, and to focus more on the system wide impact of the model. It will continue to do so while also investing in building strong, long-term corporate and foundation partnerships, launching new offering for investors like delegations and Deal Rooms, and focusing more on working with entrepreneurial cohorts to create more synergies and efficiencies in Agora’s model.
  5. Agora Partnerships’ major funders ($100,000+) since 2005 include: Argidius Foundation; Ashoka; DOEN Foundation; McNulty Foundation; South Korea Fund, Inter-American Development Bank; The Draper Richards Kaplan Foundation; The Rockefeller Foundation; Thriive Inc.; United States Agency for International Development.

1. Project Risks
   1. **Sector risks:**

|  |  |
| --- | --- |
| **RISK** | **MITIGATION** |
| Difficulty recruiting 15 companies that fit the criteria of the Basic Services cohort. | -Highly qualified recruitment manager with excellent support team to implement extensive recruitment plan with strong focus on building partnerships with local organizations, networks, and HUBS to recommend entrepreneurs  -Utilize the 11 Basic Services Accelerator alumni to recruit in their own networks  -Advertising to effectively communicate the value proposition of the Accelerator  -Full funded cohort allowing for minimal expense to the entrepreneur |
| Competition from larger companies, government, and/or NGO’s offering products and services at subsidized prices | -A major component of the recruiting and selection process of entrepreneurs is to gain an understanding of the marketing in which the entrepreneurs are working  -One of the selection criteria will be that the market in which the company works truly has a need for the product/service and a space for a private sector solution  -Consultants will help entrepreneurs to navigate partnerships with larger competitor |
| Strict local policy and/or policy changes in regulations that limit customer access to basic services | -Agora Consultants (who are on-the-ground) will develop relationships with local government officials and work to really understand how local policies can either hurt or help the entrepreneurs and will incorporate this knowledge into the strategy consulting  -Understanding potential markets before accepting the entrepreneurs to minimize unanticipated problems  -Agora is a GLG fellow, which provides them with access to the top mentors across the globe, with knowledge on virtually every subject |

* 1. **Financial risks:**

|  |  |
| --- | --- |
| **RISK** | **MITIGATION** |
| Consulting methodology and other Accelerator services do not meet the needs or expectations of the entrepreneurs | -Flexible modular design of the consulting allows the consultants to focus on the specific needs of each individual company  -Ensure that consultants understand the consequences of a business model that focuses on selling to the BoP (risk adversity, difficult access, lack of information, legislations, etc.)  -Recent implementation of its biannual review of existing knowledge on the accelerator market, references from its target entrepreneurs, the services it provides, etc. to ensure that the services Agora offers and the companies it recruits are in maximum alignment  -Recruit the best consultants with newly designed extensive recruiting plan, new section on website dedicated to marketing the fellowship program, and enhanced value proposition of the fellowship including formalized trainings in Washington DC and Nicaragua |
| Few investors interested in Basic Services companies | -Out of 63 funds which invest in Latin America that are registered from GIIN’s database (ImpactBase), 29 focus on Access to Basic Services  -$2.6MM has been invested in Basic Services companies that have participated in the Agora Accelerator in the past  -Leverage the IDB’s investment into the cohort to recruit new investors including OMJ and MIF supported funds into the Agora Investor Network with a particular interest in Basic Services  -Invite potential investors to Entrepreneur Retreat to meet the companies at the beginning of the Accelerator |

* 1. **Other risks:**

|  |  |
| --- | --- |
| **RISK** | **MITIGATION** |
| 1. Key Agora staff leaving during the process | -Significantly increased fundraising in 2014 have allowed for more competitive salaries and the potential for benefits packages in the near future  -Full SWOT analysis and internal GOSPA[[35]](#footnote-35) review in early 2014 resulted in the realization of internal weaknesses and have allowed Agora to address these to ensure a positive and enjoyable work process  -Depth of skills and flexibility of the current team allows for shifting roles when needed  -Agora’s extensive network allows them to quickly find high-quality talent |

1. Environmental and Social Effects

* 1. Based on the available documents, this operation is a Category C according to IDB Policy OP 703 Directive B.3, with little or no environmental and social impacts.

1. Compliance with Milestones and Special Fiduciary Arrangements
   1. **Disbursement by Results and Fiduciary Arrangements.** The Executing Agency will adhere to the standard MIF disbursement by results, procurement and financial management arrangements specified in Annex VII. Based on the DNA results of the project, in terms of Procurement and Financial Management Agora Partnerships has a medium risk, while it is considered low risk in terms of Technical and Knowledge capacity.
   2. This project will recognize counterpart costs retroactively only for those expenses made after September 1st 2014 and whose concept relates to communications activities and coordination with regards to identifying potential social entrepreneurs.
2. Information Disclosure and Intellectual Property
   1. **Information Disclosure.** This project is not deemed to have confidential information according to the Bank’s information policy.
   2. **Intellectual Property.** The Bank shall own the intellectual property to any work produced or results obtained under this grant; provided, however, that Agora Partnerships shall retain the sole intellectual property rights over products and materials related the implementation of their consulting services.

10. Recommendation

10.1 The Project Team Leader, David Bloomgarden, recommends the approval of this operation by the General Manager of the MIF, under the Delegation of Authority granted by the Donors Committee on October 9, 2012, and the use of MIF funds of up to a maximum of US$251,249 to finance this project.

11. MIF General Manager Approval

11.1 I hereby approve, in accordance with the Delegation of Authority provided by the Donors Committee on October 9, 2012, under MIF/AT-1205, the amount of up to US$251,249 to finance the project “*Acceleration Track for Social Businesses Working in Basic Services*” as part of the “*Program to Accelerate Businesses Providing Basic Services to Poor and Low Income Populations*” (RG-M1217).

11.2 Project resources will be used to finance the activities described and budgeted in this document, to be charged against MIF funds under the Program to Accelerate Businesses Providing Basic Services to Poor and Low Income Populations”, and are non-reimbursable.

11.3 The Bank will commit and disburse these funds in U.S. dollars. The same currency will be used to establish the compensation and payment of consultants, except in the case of local consultants working in their own borrowing country, in which case compensation will be defined and paid in local currency.

11.4 No program funds other than the amount certified above will be available for implementation of this technical cooperation operation.

Approved

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Nancy Lee                                                                [Date]

MIF, General Manager

1. Facility code: BASICSERV [↑](#footnote-ref-1)
2. List of Agora Accelerator entrepreneurs: <http://agorapartnerships.org/accelerator/#ourentrepreneur> [↑](#footnote-ref-2)
3. Results obtained from Agora’s impact measurement: <http://agorapartnerships.org/measuring-impact/> [↑](#footnote-ref-3)
4. “*Ver de Verdad Mobile Diagnostic Centers: Bringing Affordable Quality Eye-Care*” (ME-M1087); “*Quetsol Pay-as-you-go solar power for the BOP in Guatemala*” (GU-M1053); “*Learning and Innovation Centers: Reducing the Digital Divide for the Mexican BOP*” (ME-M1093); “*Biobolsa: A Biogas Solution for Small Farms in Mexico, Honduras and Nicaragua*” (RG-M1260) [↑](#footnote-ref-4)
5. Agora is a 501(c)(3) Nonprofit Organization [↑](#footnote-ref-5)
6. Center for Entrepreneurship and Research Commercialization. Duke University. [↑](#footnote-ref-6)
7. <Http://www.mim.monitor.com/downloads/Blueprint_To_Scale/From%20Blueprint%20to%20Scale%20-%20Case%20for%20Philanthropy%20in%20Impact%20Investing_Full%20report.pdf> [↑](#footnote-ref-7)
8. For more details, please view Agora’s annual reports: <http://agorapartnerships.org/governance/>. [↑](#footnote-ref-8)
9. As a result of the Agora Accelerator, $2.6MM has been channeled into these basic services solutions. [↑](#footnote-ref-9)
10. In March 2014, Agora conducted a market study to identify where the Agora Accelerator program is currently positioned in the accelerator landscape and to guide the creation of a monetization strategy for Agora’s overall business mode. To see the results, please review the “[Accelerator Research Summary](https://agorapartnerships.box.com/s/3m80wg53n89o9l0dfpre)” as well as the [Accelerator Research Data](https://agorapartnerships.box.com/s/h1lqmros9cw3qm83phq4). [↑](#footnote-ref-10)
11. Agora currently has a 98% survival rate within its accelerator companies. [↑](#footnote-ref-11)
12. Agora Partnerships was founded in 2005 with the purpose of providing entrepreneurs with the resources needed to grow their businesses. From 2005-2010, Agora served entrepreneurs with the Agora Venture Fund (AVF), a for-profit impact investing fund designed to and managed by Agora Partnerships. More details can be found in “[History of Agora](http://agorapartnerships.org/about-history/)”. A more in-depth history of the Agora business model prior to the Accelerator can be found in [Agora’s 2006-2010 annual reports](http://agorapartnerships.org/governance/). [↑](#footnote-ref-12)
13. See short-listed candidates in project Annexes. [↑](#footnote-ref-13)
14. This amount can be at a loss, but targeting break-even within a few years. [↑](#footnote-ref-14)
15. See Annex XII for a list of the most relevant investors in past years. [↑](#footnote-ref-15)
16. The core of demand dividend is a cash-flow based repayment plan – payment obligations are determined based on free cash flow and recalculated in each payment period. Generally entrepreneurs are given a grace period of several years, which allows them to reinvest all available cash into growing the business. Payments continue until a pre-determined total return is reached, two to three times the original investment, ensuring a clear profit for investors without imposing a perpetual obligation on entrepreneurs. For more information see:<http://bioscibd.com/biofi/demand-dividend/> [↑](#footnote-ref-16)
17. More details on the [Agora-Eleos Latin American Women’s Fund](https://agorapartnerships.box.com/s/iy2ea83uvtehh3tlbr3b) [↑](#footnote-ref-17)
18. Definitions of the income levels that are considered “BoP” vary based on country. [This report](https://agorapartnerships.box.com/s/v49f5yepx3wi7e1q3sgb) will be used to determine the income levels for each country. [↑](#footnote-ref-18)
19. Companies may server higher income clients in order to make their businesses financially sustainable as long as at least 40% of their clients are in the BoP. [↑](#footnote-ref-19)
20. Explanation of the [Consulting Methodology](https://agorapartnerships.box.com/s/wecxdfa4tkntuwed5onu) [↑](#footnote-ref-20)
21. Full explanation of the [Agora Accelerator](http://agorapartnerships.org/accelerator/) and [details on each stage of the Accelerator process](http://agorapartnerships.org/accelerator/#howitworks). [↑](#footnote-ref-21)
22. https://www.startgrid.com/ [↑](#footnote-ref-22)
23. The selection process will be a joint effort between Agora-MIF-OMJ. It will be based on the eligibility criteria established for the MIF /OMJ Accelerator. The recruited companies must be beyond proof of concept and have positive revenues anywhere between 100k and 2 million. They will be at a stage where they have the potential for expansion serving the base of the pyramid and potential to access and manage credit from OMJ or other source of finance following the successful completion of the acceleration program. [↑](#footnote-ref-23)
24. During the entire process, Agora make sure to maintain a diverse class so that it brings in access to basic services entrepreneurs solving a range of problems. [↑](#footnote-ref-24)
25. The Entrepreneur Retreat takes place in Nicaragua for five days and serves to kick off the Accelerator each year. It is attended by the current class of entrepreneurs, Agora Staff, select Agora Alumni entrepreneurs as well as invited investors, funders, and speakers. [View more details on the Entrepreneur Retreat.](http://agorapartnerships.org/accelerator/#howitworks) [↑](#footnote-ref-25)
26. [GIIRS](http://giirs.org/) (which stands for the Global Impact Investing Ratings System) is a comprehensive and transparent system for assessing the social and environmental impact of companies and funds with a ratings and analytics approach analogous to Morningstar investment rankings and Capital IQ financial analytics. GIIRS is powered by [B Lab](https://www.bcorporation.net/what-are-b-corps/the-non-profit-behind-b-corps), a non-profit that serves entrepreneurs through three interrelated initiatives. [↑](#footnote-ref-26)
27. 8 Modules: Cost and revenue streams, team, market, pitching, value chain, growth strategy, management [↑](#footnote-ref-27)
28. GLG: <http://glg.it/> ; GLG Social Impact Fellowship: <http://www.glgsocialimpact.com/> [↑](#footnote-ref-28)
29. Mentor Capital Network: <http://www.williamjamesfoundation.org/index.cfm?nodeID=17> [↑](#footnote-ref-29)
30. Companies will be expected to pay for flights to two international events (Entrepreneur Retreat in Nicaragua, March 16-21; Investor Conference – location and date TBD). They will also be required to pay a $500 program fee. [↑](#footnote-ref-30)
31. PULSE is a numeric metric data collection and reporting tool.  [↑](#footnote-ref-31)
32. You can view aggregate metrics here: <http://agorapartnerships.org/impact/>. [↑](#footnote-ref-32)
33. SurveyGizmo is an exceptionally powerful survey tool designed to make even the most advanced survey projects fun, easy & affordable. [↑](#footnote-ref-33)
34. iContact for Salesforce is fully integrated into Salesforce and provides detailed open, click, bounce, unsubscribe, and complaint tracking at the Lead level (and Contact level). [↑](#footnote-ref-34)
35. [GOSPA](https://agorapartnerships.box.com/s/hcocykn1c28hm9qxlfyh) is a corporate performance management process that produces measurable and tangible results. GOSPA represents Goals, Objectives, Strategies, Plans and Actions. Using the GOSPA process improves communication, control, morale, measurement and performance through a set of simple, easy to implement steps. GOSPA gives management a structure for business planning, change, restructuring, measurement and consistent communication. [More Details](https://agorapartnerships.box.com/s/yuz9xhnci5v5abng28ua). [↑](#footnote-ref-35)