Water and Energy for Food (WE4F):
A Grand Challenge for Development

Federal Ministry for Economic Cooperation and Development (BMZ) Ministry of Foreign Affairs of the Netherlands (MFA-NL)
Swedish International Development Cooperation Agency (Sida)
United States Agency for International Development (USAID)

Project Activity Document
Final Version
October 2019

Syspons GmbH
Prinzenstraße 84
10969 Berlin
Lennart Raetzell
Manager
Telefon: 0151/26 460 483
E-Mail: lennart.raetzell@syspons.com
© Syspons 2019. All rights reserved.
CONTENTS

1 Introduction .............................................................. 4

2 Background ............................................................... 5
   2.1 Addressing Global Trends and Challenges ...................... 5
   2.2 Learning from the Past ............................................. 8

3 WE4F at a Glance ......................................................... 13
   3.1 Programme Rationale and Objectives ............................. 13
   3.2 Theory of Change .................................................. 15
   3.3 Target Recipients .................................................. 19
   3.4 Geographical Coverage ........................................... 19
   3.5 Scaling Strategy ................................................... 20
   3.6 Monitoring, Evaluation & Learning Framework ................. 22
   3.7 Cross-Cutting Issues .............................................. 25
   3.8 Possible Risks and Management Strategy ....................... 36

4 Organizational Set-Up .................................................. 43
   4.1 Steering Structure .................................................. 44
   4.2 Reporting and Management System ............................ 51
   4.3 Regional Innovation Hubs ...................................... 52
   4.4 Financial Brokering & Technical Assistance .................. 57
   4.5 Enabling Environment ......................................... 60

Annex
   I. Indicator List for Regional Innovation Hubs’ M&E Framework 65
   II. Acceleration Support Process (Customer Journey) ............ 78

Table of Figures
   Figure 1 – WE4F’s Contributions to the SDGs ...................... 8
   Figure 2 – Theory of Change of WE4F ............................ 18
   Figure 3 – The Multidimensional Poverty Analysis Approach .... 30
   Figure 4 – WE4F Risk Management Framework .................. 40
   Figure 5 – General Structure of WE4F ............................ 44
1 INTRODUCTION

The Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ), on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ) together with the Swedish International Development Cooperation Agency (Sida), the Netherlands Ministry of foreign Affairs and the United States Agency for International Development (USAID) commissioned Syspons GmbH to outline Phase 2 for the Water and Energy for Food (WE4F) challenge fund. The objective of this consultancy was to provide the donors with an in-depth understanding of the institutional design for a second phase given the donors’ different mandates. For this purpose, the following Project Activity Document was prepared providing the basis for the donors’ decision-making on how to proceed in setting up the institutional structure of the WE4F challenge fund.

The Project Activity Document is structured as follows:

- **Chapter 2** contains the relevant background including lessons learned from the predecessor programmes.
- **Chapter 3** gives an overview of the WE4F challenge fund in terms of its objectives, target groups and geographical coverage.
- **Chapter 4** describes the institutional set-up of the WE4F challenge fund.
- The **Annex** contains a list of operational requirements for the WE4F challenge fund as well as a list of interview partners that were interviewed to draw up this Project Activity Document.
2 BACKGROUND

2.1 Addressing Global Trends and Challenges

Water, energy and food are essential for human well-being, poverty reduction and sustainable development. Global projections indicate that the demand for freshwater, energy and food will increase significantly over the next decades under the pressure of population growth and mobility, economic development, international trade, urbanisation, diversifying diets, cultural and technological changes and climate change.¹

In this regard fast population growth, largely due to increasing numbers of people surviving to reproductive age increases urbanisation and accelerates migration. In the past 200 years the population has grown sevenfold reaching 7.6 billion today and is expected to reach 8.5 billion by 2030. Then well over 60% of the world population is estimated to live in an urban context, which will exert new pressures on food systems in terms of water supplies, sewage, the living environment and public health.²

Already today the rapid urbanisation with over 800 million people living in poverty in urban slums calls for new food system solutions in form of urban agriculture. Urban agriculture currently feeds over 800 million people worldwide, thereby addressing particular needs and making valuable contributions in the food production value chain. Despite the trends in urbanisation, poverty in rural areas remains widespread with 34% in 2010 and calls for continued concerted action to ensure sustainable rural livelihoods and food security.³

At the same time climate change is having severe effects on agricultural productivity, biodiversity and the availability of natural resources due to changing rainfall patterns, drought, flooding, and the redistribution of diseases geographically. Moreover, global warming is causing ocean acidification and a rise in sea levels due to thermal expansion and melting of freshwater glaciers and ice sheets particularly affecting Small Island Developing States (SIDS). This in turn also impacts agriculture, aquaculture and ocean related food production through declining water quality and soil salinization.

In this regard, demographic pressure, the rate of economic development and climate change among others are all putting pressure on water resources worldwide. In 2018 over 2 billion people lived in countries experiencing high water stress. Growing water stress thereby indicates substantial use of water resources, with greater impacts on resource sustainability, and a rising potential for conflicts among users. Moreover, water quality challenges persist in developed and developing countries alike and include the loss of pristine-quality water bodies, impacts associated with changes in hydromorphology, the rise in emerging pollutants and the spread of invasive species. Poor water quality directly impacts people who rely on these sources as their main supply by further limiting their access to water (i.e. water availability) and increasing water-related health risks (not to mention their overall quality of life).

In addition, agriculture accounts for 70% of total global freshwater withdrawals, making it the largest user of water. Water is used for agricultural production, forestry and fishery, along the entire agri-food supply chain, and it is used to produce or transport energy in different forms. At the same time, the food production and supply chain consumes about 30 percent of total energy consumed globally.

Energy is required to produce, transport and distribute food as well as to extract, pump, lift, collect, transport and treat water. Cities, industry and other users, too, claim increasingly more water, energy and land resources, and simultaneously, face problems of environmental degradation and in some cases, resource scarcity.

However, the agricultural sector faces challenges in accessing renewable energy in low-income countries as significant barriers – that hinder the integration of renewable energy technology in agricultural development – exist. Likewise, renewable energy enterprises seeking to serve these farmers face a number of barriers such as limited access to debt, a remote client base or a lack of demand due to missing awareness. These issues create an unproductive cycle, in which suppliers and buyers are not connected, and farmers and agribusinesses are unable to leverage more cost-effective renewable energy technologies.

The above described situation is expected to be exacerbated in the near future as 60% more food will need to be produced in order to feed the world population in 2050.

---

Global energy consumption is projected to grow by up to 50% by 2035. Total global water withdrawals for irrigation are projected to increase by 10% by 2050. As demand grows, there is increasing competition for resources between water, energy, agriculture, fisheries, livestock, forestry, mining, transport and other sectors with unpredictable impacts for livelihoods of smallholders, women and youth working in the agricultural sector and the environment as a whole.

Furthermore, these trends will also influence development in general. A largely unproductive agricultural sector with low prospects to increase living standards will increase unemployment rates and the number of working poor – particularly among the youth in these regions. Thus, the creation of jobs, or improvement of those that exist, both within the agricultural sector but also jobs related to non-agricultural activities, can make a crucial contribution towards poverty reduction, food security and sustainable rural and urban development. Targeting women in the agricultural sector both as producers and consumers in this regard is of particular importance since, they constitute nearly half of the agricultural workforce and up to 70% in many parts of the world. If women had the same access to resources as their male counterparts, they could increase yields by 20% to 30% and, in the process, feed up to 150 million more people.

The Sustainable Development Goals (SDGs) acknowledge these trends among others in its SDG 2 (Zero Hunger), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Change) and SDG 17 (Partnerships for the Goals) and call for new solutions to existing developmental challenges. In recent years, the focus thereby has increased on engaging the private sector to contribute to a more environmentally, economically and socially sustainable world, while at the same time enhancing economic growth and contribute to job creation. The underlying rationale hereby is that the private sector can use its core activities and brands to support development and be a catalyst of change in creating opportunities for poor people to lift themselves out of poverty. At the same time social entrepreneurs using science and technology innovation are striving to come up with breakthroughs, and impact investors are looking for ground-breaking solutions to support.

---

10 Ibid.
2.2 Learning from the Past

To address the above described trends and challenges even “traditional” development cooperation has to generate new modalities and solutions. As a result, two global Grand Challenge programmes were launched in 2012: Powering Agriculture: An Energy Grand Challenge for Development (PAEGC) and Securing Water for Food (SWFF). These were both managed by USAID and supported by the Swedish government through Sida, the German government through GIZ, the Dutch government and the South African government, Duke Energy Cooperation, and the Overseas Private Investment Cooperation (OPIC). They focused on world class science and technology innovations aiming to improve energy and water efficiency in the agricultural sector in an environmentally sustainable way, while at the same time enhancing food production and increasing employment and income opportunities for women and men living in poverty (see chapter 2.2.4). Simultaneously, Sida developed and financed guarantees...
to mobilise capital for developmental purposes as a complement to traditional aid modalities such as grants.

### 2.2.1 Grand Challenge: Powering Agriculture (PAEGC)

PAEGC is a partnership that was launched in 2012, when USAID, the Government of Sweden (Sida), the Government of Germany (BMZ), Duke Energy Corporation and the United States OPIC combined resources to create the PAEGC initiative. The overall goal of PAGEC is “to support new and sustainable approaches to accelerate the development and deployment of clean energy solutions for increasing agriculture productivity and/or value in developing countries”. Its objective is to engage and mobilize diverse, global solver communities to identify, select, incubate, test, and scale up science and technology innovations that have the potential to overcome critical barriers and accelerate the pace at which renewable energy is supplied to the agriculture sector in developing countries. As such, the initiative’s target group is composed of farmers and agribusinesses, and ultimately populations affected by poverty that shall benefit from the agricultural innovations. The initiative is set up to run through 2019.

The program has run two global calls for innovations that resulted in over 1000 applications and 24 selected innovators. The renewable energy solutions supported utilize a variety of clean and efficient fuel sources including solar photovoltaic, biomass and target agriculture applications ranging from irrigation to cold storage to post-harvest processing. The coordination and support to innovators through the PAEGC East Africa regional innovation hub, located in Nairobi, Kenya, proved to be a success and has provided the basis for the use of additional regional innovation hubs in the WE4F. Overall PAEGC could so far install 1,908 KW of renewable energy generation capacity and reach 44,043 beneficiaries such as farmers, households and agribusinesses. Furthermore, it could mobilise additional funding of 38,28 million US Dollar through its innovators in support of their renewable energy solutions. Moreover, it could reduce 2,652tCO2e as a result of its innovators’ field activities.

### 2.2.2 Grand Challenge: Securing Water for Food

Since 2013, USAID, Sweden through Sida, the Government of South Africa, and the Ministry of Foreign Affairs of the Kingdom of the Netherlands have provided

---

12 In the first call PAEGC received 473 concept note submissions from 76 countries while in the second call 871 concept notes from 99 countries were submitted. While 11 winners were selected from the first call, 13 were chosen from the second call.
acceleration support through SWFF. Its main objective is to promote science and technology solutions that enable the production of more food with less water and/or make more water available for food production, processing, and distribution. Furthermore, SWFF also promotes increasing the use of saline water and soils to grow and process food. SWFF thereby identifies and accelerates water related science and technology innovations and market-driven approaches to help agricultural producers. The initiative is also set up to run through 2019.

Since the program began SWFF’s 80 innovators\(^\text{13}\) have so far helped save or reallocate more than 17 billion litres of water to the food value chain and have produced more than 6 million tons of food, while mobilizing more than 58 million US Dollar in additional funding. The supported innovators developed a variety of technologies reaching from aquaponics system via SMS based drought warning systems to irrigation scheduling systems. To date the SWFF program has met, and in many cases, exceeded the expected outcomes envisioned when the program was created. One key success factor has been a careful innovator selection process, supported by tailored technical assistance to innovators by local consultants (local vendor system).

2.2.3 Financial Guarantee Instruments

The developed financial guarantee instruments enable the mobilisation of private capital for developmental purposes. As a result, private capital can be leveraged for b- and multilateral development projects to reach more people and locations. In the past these instruments have been used to fund programmes in the field of health, small business, sustainable infrastructure, and environment and climate. The overall purpose of the financial guarantee instruments is to reduce the risks, which banks take when they lend money to a project. The guarantee means that the holder of the guarantee pays the guaranteed creditor part of its credit loss – which is usually a bank – in the event of default. An important principle of guarantee instruments thereby is that the holder of the guarantee must always shares the risk with the actor who provides the loan.

2.2.4 Key Lessons Learned

Based upon these rich experiences from the past, USAID, Sida, GIZ, the Dutch government and the South African government have identified the following key

\(^{13}\) SWFF received more than 1,500 applications from more than 90 countries across the four SWFF calls for innovation.
lessons learned, which have been taken up in the design of WE4F (see chapter 3 and following).

- **Milestone-based funding**, paired with acceleration support services, delivers greater program and individual innovator impact than financial means for development alone.

- **Sequenced and incremental acceleration support** where innovators experience meaningful short-term results can build momentum for success and help innovators meet milestones at an accelerated pace.

- **Practical and actionable gender recommendations** can facilitate gender-inclusive programming that lays the foundation for strategies that promote the participation of more women.

- **Environmental reviews and mitigation strategies** can ensure that innovations are implemented sustainable and do not negatively affect natural resources, biodiversity or the climate.

- **Regionally implemented donor and investor mappings** have created a wealth of knowledge about challenges and needs in the respective regions with regard to innovators and the enabling environment which can be capitalised on in the WE4F programme.

- **A Base of the Pyramid Study** has shown how and what kind of business models are successful in this market segment. This experience can be used when selecting and supporting innovators within the WE4F programme.

- **Local context matters**; successful scaling-up requires all of the following: having a long-established local presence, understanding the local enabling environment, and receiving technical assistance that includes the understanding of the local context.

- **Key challenges** to reaching sustainable scale and ensuring longer-term systemic change and sustainable impact in accordance with the SDG, is to connect innovators to private and other capital and to promote an enabling environment for private sector entrepreneurship and innovation in the countries and regions of implementation.
• Innovator success requires multi-stakeholder collaboration, as well as the flexibility to pivot and recalibrate based on lessons learned from measurement and monitoring data.

• In order to sustainably scale, every innovator must be able to define their customer segments and relationships and validate their assumptions on the value they deliver to their customer, their distribution channels, their cost structure and revenue streams.

• Cost sharing basis (gradual) investment model, particular in combination with food production model, are very cost effective to secure value for money and sustainability in accordance with the SDG.

• Engaging equally governmental institutions and departments as well as the private sector enables the effective formations of common goals with regard to policies of nationalisation.

• ICT-based monitoring of project implementation and milestone verification greatly assist the fund management team(s) in addressing some of the challenges in managing global challenge funds, where projects are based in several countries.
3 WE4F AT A GLANCE

3.1 Programme Rationale and Objectives

The past investment of several international partners in different Grand Challenge Funds in energy, water and food related innovations through different tools such as grants, access to world class mentors and technical assistance, potential investors and clients enabled the creation of promising prototypes and pilots that could address challenges related to renewable energy as well as access to sources of water and water efficiency in food production. Moreover, these generated market opportunities could contribute to more sustainable food systems and increased food security in the developing world in accordance with the SDG.

Despite these success stories, several funded initiatives struggle to sustain themselves as the involved level of complexity when trying to sustainably scale innovation – including the lack of access to private financing opportunities and lack of an enabling environment – is considerable. In addition, working in the Bottom of the Pyramid market segment in rural communities is difficult. Despite an estimated worldwide market size of four billion people, it is difficult to capitalize on the potential of the base of the pyramid – especially regarding smallholder farmers, women and youth – due to a myriad of factors ranging from poor roads and ability to pay to lack of information about the customer’s needs, interests, and desires. Thus, there is currently a substantial risk that candidates with solutions that could potentially contribute to systemic change in the food sector will not be able to continue scaling after the end of SWFF and PAEGC in 2019. As a result, continued efforts to support the process of scaling up is needed.

Therefore, the WE4F programme is a suggested way forward to continue capitalizing on the vast resources and learnings from SWFF and PAEGC programmes to take some of the most promising innovations that had been identified and nurtured during the current programmes to the next level of scaling. By supporting these innovations to achieve sustainable scale, there is a potential to bring about transformational change and large-scale impact in the food sector, assisting millions of (young) people across the globe who are involved in the food chain. At the same time, the programme will be opened up for new innovations within the water-agriculture-food nexus through calls for proposals and other relevant channels, which would also receive tailored support and benefit from the networks and knowledge transfer from the previous programmes (see chapter 3.3).
To achieve this the partners will work together by capitalising on the synergies and their experience from the two previous programmes (see chapter 2.2.4). Moreover, they will seek out synergies with programmes that they are already financing in the respective regions and on global level to ensure the embeddedness of WE4F within their respective portfolios.

Against this background, the **WE4F programme’s mission** is to expand the sustainable scale of innovations that impact the sectors of food and water, food and energy, or all three sectors at the nexus (food, water, energy) to increase the sustainability of agricultural food value chains and address environmental and climate resilience in developing countries and emerging markets – with a particular focus on the poor and women. High importance is also attached to that innovators need to strive for having a positive impact on the environment, climate and biodiversity (and not only applying a do no harm approach), taking a holistic view on the management of natural resources and ecosystems, and the sustainable withdrawal and supply of water in particular. To achieve this goal, the effort must include partners from the private sector, NGOs, other research institutions, and other donors who share the common goal of increasing food production through sustainable water sources and renewable energy usage taking into account their pressure on natural resources. A key consideration of this effort is to ensure that feedback loops are created that integrate local conditions and new knowledge into both national and international policy and decision-making. Another important consideration is to integrate capacity development, knowledge management and financial and non-financial instruments in a smart way to create an enabling environment in the partner countries.

For this purpose, the **WE4F programme** strives to achieve the following **impacts**:

- Increase in food production along the value chain through a more sustainable and efficient usage of water and/or energy
- Increase in income for women and men in both rural and urban areas
- The sustainable scaling of new solutions of the innovators to challenges in the WE4F nexus
- Customers in the market using the newly developed products or services of the innovators

To achieve these impacts the **WE4F programme’s objectives (outcomes)** are the following:

---

14 It still has to be decided if an outcome targeting the improvement of systems for end-user financing for smallholder farmers, the poor and women should be integrated as an objective of this challenge fund.
• Capacities of innovators are improved
• Mobilization of external funding for innovators is increased
• Enabling environment for innovators and relevant stakeholder in the targeted regions is improved

3.2 Theory of Change

Based upon the made experiences and lessons learned from the predecessor programmes PAEGC and SWFF (see chapter 2.2.4), the WE4F programme should possess a Theory of Change (ToC), which:

• Ensures that acceleration support services are paired with milestone-based funding,
• Facilitates gender-inclusive programming (see chapter 3.7.1),
• Guarantees that funded innovations do not negatively affect natural resources, biodiversity or the climate,
• Capitalises on the created knowledge of the predecessor programmes about challenges and needs in the respective regions with regard to innovators and the enabling environment,
• Makes it possible to understand the local context in order to promote successful and sustainable scaling.

Therefore, WE4F has developed a ToC that takes these lessons learned into account and makes transparent the necessary steps of the pathway towards the expected outcomes and impacts of the WE4F programme. This ToC captures the essence of the WE4F programme logic and forms the basis for the M&E framework described below in chapter 3.6. In the following, the ToC is described narratively. The ToC consists of boxes, which represent impacts, outcomes, outputs, activities and inputs, as well as arrows. The arrows represent causal impact hypotheses, e.g. an arrow between an output and an outcome means that it is hypothesized that the achievement of this output will lead to the outcome. In this way, the ToC is a linear order of causal relationships that link the programme’s direct outputs to the overall impacts it aspires to achieve. In the following, each level of the WE4F ToC is described separately.

Impacts (red-orange boxes) are positive and negative, intended or unintended long-term effects produced by a development intervention. The ultimate impacts that WE4F aims for are a contribution to increased food production along the food values chain through more sustainable and an increase in water-use efficiency and/or energy per

PROJECT ACTIVITY DOCUMENT 15
food unit produced (impact 3) as well as an increased income for poor men and women in both rural and urban areas (impact 4). More immediate impacts, expected to contribute to those mentioned before, are that innovators have sustainably scaled innovations in the WE4F nexus (impact 1) and that customers on the market are using the newly developed products or services of the innovators (impact 2).

Outcomes (yellow-orange boxes) are short-term and medium-term effects of an intervention’s outputs. The WE4F ToC entails three outcomes. The first one relates to the human resources of innovators. This outcome of improved capacities of innovators (outcome 1) is expected as a result of the involvement of new and existing innovators in the programme, their respective development of viable business models inclusive of end-user demand and their capacity strengthening in terms of, among others, region and context specific approaches, developmental impacts (such as poverty reduction) and business processes. Thereby, it is essential that these business models are sustainable and strive to positively affect the environment. The second outcome refers to financial resources of innovators and end users. Here, the rationale is that enhanced sustainable and gender-sensitive (see chapter 3.7.1) business models, knowledge on and contacts for investment opportunities and - indirectly - a more favourable enabling environment achieve an increased mobilization of external funding for innovators (outcome 2). Lastly, the third outcome expects that the enabling environment for innovators and relevant stakeholders in the targeted regions is improved (outcome 3) (see also chapter 4.5). This outcome is expected to be achieved on the one hand through the generation and facilitation of knowledge within the WE4F structure as well as on local, regional and global policy levels, and on the other hand through facilitated advocacy and capacity development activities of external stakeholders such as staff from finance institutions as well as cooperation with other funded programmes of the partners in the respective regions. In this regard, the WE4F programme will adopt a facilitatory role and work flexibly on the financial, business and policy environment in the respective regions depending on the identified needs in these regions (see also chapter 4.5).

Outputs (yellow boxes) are the direct effects of an intervention. With regards to the first strand of outputs, it is first expected that newly selected innovators have developed a viable business model on company level (output 1) and that both newly selected and existing innovators have strengthened their development impacts regarding aspects such as gender (see chapter 3.7.1), poverty and the environment and the impact and dependency on natural resources water, land, ecosystems (output 2). By enhancing business processes and structures for achieving development impact in terms of the described impact levels of the ToC (output 3), this strand is expected to achieve the first
outcome of improved capacities of innovators. The second outcome is expected to be a result, on the one hand, of innovators having gained knowledge on and contacts for attracting investments or finance (output 4) and, on the other hand, their gender-sensitive business models being able to sustainably scale solutions for the poor in the WE4F nexus without negatively affecting the environment (output 5). The rationale in this case is that the mobilisation of funding requires a suitable business model as much as the ability to talk to the right people in the right language at the right time. The remaining five outputs are all expected to contribute to outcome 3, i.e. a more favourable enabling environment, because of the crucial role that enabling factors play for the innovators being able to actually sustainably scale and achieve developmental impact. Therefore, the programme ensures that necessary knowledge is first generated and then shared – in its facilitatory role – with appropriate stakeholders (e.g. knowledge institutes, universities and existing programmes of the partners) and existing networks on the local, regional and global level (see chapter 4.5). More precisely, the programme seeks that selected knowledge gaps on markets and technologies have been addressed (output 6), regional innovation hubs and innovators have learned from field experiences of other regional innovation hubs and innovators (output 7), policy-makers & other stakeholders are sensitized for challenges & solutions (e.g. viable and gender-sensitive business models for the poor or effects of innovations on the environment) in WE4F nexus (output 8), and finance institutions are sensitised and trained in business opportunities in the WE4F nexus (output 9). Put together, it is then expected that learnings, knowledge and experiences are compiled and shared with stakeholders in the WE4F nexus on local, regional and global level (output 10) before resulting in an improved enabling environment for innovators and other stakeholders (see chapter 4.5).

Activities (green boxes) are defined as the actions undertaken by an intervention. WE4F firstly provides grants to existing and new innovators (activity 1) and selects new innovators with high and sustainable impact potential for the poor in the WE4F nexus (activity 2). Secondly, the programme provides technical assistance in terms of e.g. gender sensitisation (see chapter 3.7.1) or environmental impact assessments (activity 3), instances of technical assistance on investment readiness (activity 4) as well as matchmaking with potential investors and financing instruments (activity 5). Lastly, WE4F facilitates knowledge exchange within the structure (activity 6), conducts advocacy for an enabling environment for the funded innovators on all levels (activity 7) and conducts capacity development of innovators, multipliers, financing institutions and other stakeholders (activity 8).
Inputs (blue boxes) are defined as the resources used by an intervention. The key inputs provided by WE4F are international and regional expertise (input 1) such as WE4F staff and consultants, financial resources (input 2) such as grants and the financial guarantee instruments and material resources (input 3), for example office equipment.

The following figure depicts the ToC graphically.

**Figure 2 – Theory of Change of WE4F**

Source: Syspons 2019
3.3 Target Recipients

The programme will work with the following final and intermediate target groups. For the purpose of this programme the final target group is defined as smallholder farmers in the agricultural sector, poor men and women as well as youth.

To reach this target group WE4F works with an intermediate target group which is defined as:

- Innovators with large potential for sustainable scaling that have previously received support and proved successful in the introduction phase from either the Grand Challenge Fund Securing Water for Food or Powering Agriculture (for a detailed description of the selection criteria see Terms of Reference of the regional innovation hubs).
- For-profits and non-profits organisations as well as organisations in academia with a for-profit arm that are working in the nexus of water-energy-food (new innovators). These organisations can apply through advertised regional calls.
- Other actors that are identified by the regional innovation hub and fit the criteria of WE4F and are crucial for the scaling of impacts.

Priority will be given to innovators from the Global South, female and young innovators, innovators working in the food and water, food and energy or all three sectors of the nexus (food, water, energy) as well as innovations that specifically target women, youth and the poor as end-users and therefore attempt to improve the access of these groups to water and/or energy for the production of food, mitigation of environmental shocks such as droughts, etc.

3.4 Geographical Coverage

The programme will support innovations targeting both rural and urban food production in all countries and territories on the Organisation for Economic Co-operation and Development (OECD)/Development Assistance Committee list of Official Development Assistance recipients including fragile states, coastal areas and SIDS. In the beginning, WE4F will concentrate its activities on Africa, Asia and the MENA region. The expansion of the geographical coverage to more regions can, however, occur in the future, if this is deemed relevant by the supporting donors.
3.5 Scaling Strategy

Achieving sustainable scale has long been a focus of international cooperation. Scaling-up strategies are currently much discussed and in great demand. Literature thereby shows that scaling strategies are complex interventions that have a structure-building and system-building character. They are influenced by a number of external factors and consist of different activities and processes that frequently involve not only different governmental and administrative levels, but also actors from civil society and the private sector. In the academic discourse scaling is hereby described as a process within a programme, project or in this case challenge fund. The objective of this process is to successfully reach a large target group by disseminating successful concepts, technologies or approaches beyond the intervention group or test group. In this regard, scaling can take place in three forms:

- to a new level (vertically, upwards and/or downwards)
- to a new unit at the same level (horizontally), and/or
- to a new context, in another sector (functionally).

In the case of the WE4F challenge fund this may for example entail the facilitation of advocacy work at government level in order to achieve changes in legislation and to ensure that an innovation that was successfully tested below the national level (vertically) can then be rolled-out nationally. Another option is to convince innovators to transfer the successful approaches horizontally from one region to other regions of the country. Another example is the adoption of the innovation in another sector by extending the application of the innovation. Sustainable scale hereby means that funded innovations in the WE4F programme manage and make transparent possible trade-offs regarding potential negative externalities resulting from there innovations. Moreover, innovations should strive to have a positive impact on the environment by not causing any negative environmental externalities.

To successfully and sustainably scale in these three forms, the literature identifies the following success factors for scaling:

- Achieving sustainable scale crucially depends on the political frameworks in the partner countries – the enabling environment. National (sector) strategies or regulations of a partner country have proved to be important especially to sustainably scale innovations vertically and horizontally. They open up (or restrict) scope for action. Thus, the WE4F challenge fund facilitates advocacy work through its regional innovation hubs by highlighting important issues that
hinder innovations or the scaling of innovations of the supported innovators (e.g. missing regulations). For this purpose, they establish a report with the respective embassies or other advocacy groups.

• **Innovators depend on other actors in order to handle transfer processes and boost leverage.** It is therefore important to promote local ownership and to support innovators in their leadership role when it comes to disseminating concepts. Thus, the WE4F challenge fund assists the innovators with technical assistance and financial brokering via its regional innovation hubs to make them attractive to other actors which can finance scaling processes.

• **Scaling-up processes are enabled in particular by learning forums in which actors exchange their examples of good practice and experience on an equal footing.** However, an essential feature for the key factor ‘learning and innovation’ is to have an **established monitoring and evaluation system.** This makes it possible to record the changes and results an innovator has achieved as the key prerequisite for evidence-based substantiation of results and for identifying factors of success and failure. It is also a key prerequisite for learning, and for extending successful approaches. Hence, the WE4F challenge fund will establish a state-of-the-art monitoring and evaluation framework which will underscore the horizontal knowledge exchange between the regional innovation hubs as well as vertically between the global and regional level. On this basis lessons learned can be shared on all aspects (e.g. financial brokering, technical assistance or the facilitation of advocacy for an enabling environment) to provide tailor-made services to the innovators of the WE4F challenge fund.

By applying this scaling strategy, the WE4F challenge fund is aiming at improving the food production for various stakeholders and farmers (see chapter 3.6). At the same time, it acknowledges that the pathway for scaling most likely will be different for each innovator as innovations are unique by definition. As such these pathways will entail different elements to achieve the aforementioned objective and can entail measures for income generation, better access to food or other social aspects. This also means that the WE4F challenge fund has to provide the necessary personnel with the adequate qualifications on global and regional level to successfully facilitate the different pathways of scaling for its funded innovators.
3.6 Monitoring, Evaluation & Learning Framework

A suitable framework for monitoring, evaluation and learning (MEL) is crucial for the successful management and implementation of any intervention. In the following, WE4F’s understanding of MEL and its objective are briefly summarized before introducing the programmes specific MEL framework itself.

3.6.1 Objectives of the Monitoring, Evaluation & Learning Framework

According to the OECD, monitoring can be understood as follows:

*A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.*

Hence, monitoring is an ongoing process of collecting relevant information that can be conducted by internal or external stakeholders at pre-defined moments in order to help manage and navigate an intervention. It seeks to make transparent the pathway towards expected results and it can reveal potential areas in need of adjustment in case intermediary targets are not met. While its focus lies on data collection, monitoring also entails a first analysis of "how" and "why" questions. The analysis of monitoring data can be used to demonstrate results, to document the rationale behind management decisions, and to adapt aspects of the intervention if needed.

The conduct of evaluation is defined by OECD as follows:

*The systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors. Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. An assessment, as systematic and objective as possible, of a planned, on-going, or completed development intervention.*

In line with this understanding, WE4F sees evaluation as an overall assessment of an intervention that not only makes transparent the results achieved, but also provides
answers to questions of “how” and “why”. In addition, it values the intervention by assessing the relevance, effectiveness, efficiency, impact and sustainability of the evaluation subject. In order to increase validity, credibility and reliability, mid-term and final evaluations should always be conducted by an external expert who is independent from the intervention.

Therefore, the Monitoring, Evaluation & Learning Framework (MELF) should achieve the following objectives for the WE4F programme:

- **Management**: The MELF enhances the WE4F programme’s steering as it provides evidence on the goal and impact attainment which serves as a basis for strategic and operational decision-making. Thus, making continuous adaptive management of the programme possible.

- **Learning**: The evidence provided by the MELF contributes to learning by making transparent “how” and “why” the intervention works, which can help further planning and future programming. Learning is thereby understood as content-related and systematic learning. Hence, the MELF should not only feedback content and programme-related learning results (single loop learning), but also how lessons learned can be incorporated in the programming of the partners (double loop learning).

- **Accountability**: Furthermore, by providing evidence on the performance of the WE4F programme the MELF provides accountability towards funders, stakeholders and the public, because it makes transparent the results achieved by the WE4F programme.

### 3.6.2 WE4F Monitoring, Evaluation & Learning Framework

The WE4F MEL framework is based on the programme’s ToC (see chapter 3.2). At the same time, it distinguishes between the strategic programme level and the level of the regional innovation hubs. While for the former indicators and descriptors have been developed and agreed upon by the partners along the ToC, indicators and descriptors for the level of the regional innovations hubs have not been defined yet as these have to be developed in light of the specific circumstances of each regional innovation hub.

Therefore, it was decided that the WE4F programme will be managed on the strategic programme level along the following nine key performance indicators:
• Indicators related to the impact level of the ToC (see figure 2)
  o Share of supported innovators – disaggregated by gender – that successfully marketed their climate friendly, energy and/or water efficient innovations with profit
    ▪ Baseline Value: TBD
    ▪ Target Value: 8% of funded innovators of which at least 2 are led by women have successfully marketed their WE4F supported innovations with an 8% profit as compared to the baseline
  o Number of smallholder farmers and other end-users (e.g. companies) – disaggregated by gender and income – using energy or water-efficient WE4F innovations in their activities
    ▪ Baseline Value: TBD
    ▪ Target Value: 977,500 farmers and other end-users of which 30% are women and 100 are companies
  o Total mass of food produced or more efficiently used as a result of WE4F innovations
    ▪ Baseline Value: TBD
    ▪ Target Value: 6,000,000 tons
  o Total volume of water consumption reductions/ water efficiency gains in the food value chain as a result of the use of WE4F innovations
    ▪ Baseline Value: TBD
    ▪ Target Value: 19,000,000,000 litre
  o Total amount of energy saved in the food value chain as a result of the use of WE4F innovations
    ▪ Baseline Value: TBD
    ▪ Target Value: -12.5% of energy input per KG of food produced
  o Number of smallholder farmers and other end-users (e.g. employees of food processing companies) – disaggregated by gender and income – that experience an increase in income
    ▪ Baseline Value: TBD
    ▪ Target Value: 57,500 farmers of which 30% are women

• Indicators related to the outcome level of the ToC (see figure 2)
  o Share of innovators that use tools, methods or processes to monitor the protection of water and biodiversity
    ▪ Baseline Value: 0
    ▪ Target Value: 80% of supported innovators
  o Value of loan and investment in US Dollars that WE4F innovators have mobilised from external sources (disaggregated by private and public loans and investments)
• **Baseline Value**: 0
• **Target Value**: 25,000,000 US Dollar

- Indicators related to the output level (see figure 2)
  - Number of strategies, guidelines or projects of international, regional or local organisations that disseminate the climate friendly, energy and/or water efficient innovations promoted by WE4F
    - **Baseline Value**: 0
    - **Target Value**: 6 strategies, guidelines or projects

Next to these key performance indicators on the strategic programme level, various indicators among the ToC have been developed during the conceptualisation phase of this programme. These can be found in annexe I and should serve as a source of inspiration for the regional innovation hubs’ monitoring, evaluation and learning systems. Moreover, a mid-term and final evaluation on programme level will complement the monitoring system of the WE4F programme.

### 3.7 Cross-Cutting Issues

WE4F is committed to mainstream cross-cutting themes into its programming and implementation with the goal of making the intervention as socially, environmentally and economically sustainable and effective as possible. In this context, specific approaches towards mainstreaming gender, poverty, local ownership, environment/climate/biodiversity and anti-corruption are pursued.

To ensure the successful mainstreaming of cross-cutting themes, it is crucial for the challenge fund to continuously refer to these issues in both the selection, implementation and follow-up phases. The former can be done by including questions in both the concept note and project proposal stages on how the proposed project will impact, include, and/or address barriers preventing people from moving out of poverty. In terms of ensuring these themes are present throughout the implementation phase of all projects, they should be included as specific activities, outputs, outcomes, and impacts in each project-specific ToC, and thus form part of the contractual agreement between the innovator and the challenge fund/its donors. Given that the ToC and milestones will be discussed and agreed upon between the innovator and the respective regional innovation hub/secretariat, the cross-cutting issues will be adapted to the specific project, sector and context at hand. The knowledge of the fund management team and regional innovation hub staff on mainstreaming gender, poverty reduction, local ownership, environment/climate/biodiversity and anti-corruption will be crucial to ensure that these issues are not excluded at the expense of
ensuring that the business models are profitable and sustainable in the long-term. Baseline and end-line surveys will also play an important role in capturing how successful each project has been in having a tangible, positive impact on these cross-cutting themes.\textsuperscript{15}

### 3.7.1 Gender Mainstreaming

Mainstreaming gender entails bringing the experience, knowledge, and interests of women/girls and men/boys to bear on the development agenda. Based on the 1997 definition of the United Nations Economic and Social Council, gender mainstreming and women economic empowerment can be seen as a process of assessing the implications for women and men of any planned action, including legislation, policies or programmes, in any area and at all levels.\textsuperscript{16} Rather than an outcome itself, it is a strategy to achieve the ultimate goal of gender equality.

People’s overall access to food relies to a great extent on the work on rural women. Women comprise, in average 43 percent of the agricultural labour force in developing countries. Hence securing women’s human rights and economic empowerment is a key strategy in assuring food security for all. Women often have unique perspectives on the importance for the development of adapted and improved varieties as well as an understanding of local biodiversity.\textsuperscript{17} Still, women face numerous obstacles to access productive inputs, access to land and services required for rural livelihoods. These include access to fertilizers, livestock, mechanical equipment, improved seed varieties, extension services, agricultural education and credit. Women also have less access to markets than men. If women farmers had the same access to resources as men, the agricultural yield could increase by 20 to 30 percent.\textsuperscript{18} In many countries women and girls also bear a disproportional burden of deteriorating water quality and availability in rural and urban areas, as well as the main responsibility for providing energy to the household.\textsuperscript{19}

In order to approach gender mainstreaming and women economic empowerment accordingly, WE4F pursues the following strategy: Firstly, aspects of gender mainstreaming and women economic empowerment are considered when designing

\textsuperscript{16} United Nations Economic and Social Council (1997). Report to the Secretary General E/1997/100 on Mainstreaming the gender perspective into all policies and programmes in the United Nations system.
\textsuperscript{17} BMZ (2016). Entwicklungspolitischer Aktionsplan zur Gleichberechtigung der Geschlechter 2016 – 2020. Available at: https://www.bmz.de/de/mediathek/publikationen/reihen/strategiepapiere/Strategiepapier361_02_2016.pdf
\textsuperscript{19} USAID (2012). Gender Equality and Empowerment Policy. USAID: Washington D.C.
the programme and specific activities since it is crucial to include gender equality at an early stage to reach impact. For example, when designing regional calls for proposals, the fund structure will make sure to meet the needs and interests of men and women equally. This is particularly important, because women are typically underrepresented in certain technology-oriented sectors that are relevant for the WE4F nexus. Therefore, outreach activities will put effort into addressing fora of potential applicants that include a large number of women as well. Moreover, in those fields in which women are typically underrepresented, WE4F will give preference to female applicants in case of equal qualification and equal potential of the business idea over a male applicant or may even favour female applicants if sufficient business potential is seen.

Furthermore, a gender analysis is an obligatory part of the application and regional selection process; to show how the project/innovation affects gender perspectives and relations and to show how it promotes gender equality and women economic empowerment. Here, WE4F can build upon the lessons learned and experience of its predecessor programmes PAEGC and SWFF. In addition, the application process will be designed with the gender perspective in mind, for example by taking into account how women get informed and are encouraged to apply and what support they need throughout the application and implementation process. The regional call for proposals will also include gender specific questions in the eligibility/selection criteria and in the application form.

Secondly, specific capacity development activities will be conducted for innovators and potentially other stakeholders including staff of the fund structure. These target group specific and tailor-made technical assistance activities will, on the one hand, sensitize relevant actors for aspects of gender mainstreaming and women economic empowerment. On the other hand, it will enhance capacities to monitor and address gender inequality in development programming, business management or impact evaluation. These activities will be based on the need of each individual innovator and take their regional and cultural context into consideration.

Thirdly, on the level of end users, gender aspects and women economic empowerment will be considered in order to ensure that the design of innovations will firstly not discriminate against women, for example by being less accessible to female users, and secondly contribute to removing existing barriers for women where appropriate, for

---

example by facilitating market access to female users. Another example of a barrier for women is that they face more difficulties when it comes to demonstrating land or house ownership which affects their access to energy.\footnote{Sida (2017). Operational Guidelines for Mainstreaming Gender Across Sida’s Energy Portfolio}

Lastly, in order to make sure that these aspects of gender mainstreaming and women economic empowerment are appropriately considered in implementing the challenge fund, the M&E framework (see chapter 3.6) has specified indicators to measure aspects of gender mainstreaming and women economic empowerment on each level of the intervention. For example, on the impact level, WE4F’s contribution to increased income in both rural and urban areas is measured for men and women separately; on the outcome level, it will be assessed to what extent innovators use new tools, methods or processes to address or monitor impact dimensions such as gender mainstreaming and women economic empowerment; on the output level, an increased awareness of aspects of gender equality among innovators will be scrutinized; and on the activity level, the number of instances of tailor-made technical assistance on gender aspects and women economic empowerment as well as the number of female applicants or innovators will be measured. In this regard, also the baseline includes sex-disaggregated data and applies a gender analysis to understand differences between men and women in terms of for example energy and water access. In addition, regular field visits will be conducted, using both qualitative and quantitative methods to be able to identify grantees’ existing activities that contribute to gender equality and women economic empowerment without necessarily intending to, and to identify possible challenges and progress.

### 3.7.2 Poverty Mainstreaming

In order to include poverty reducing considerations through the implementation of a challenge fund, it is important to understand who is poor, how they are poor, and why they are poor. Concepts of poverty have historically focused on monetary considerations and measurements, notably through individual country-level and the World Bank’s poverty lines. However, it is becoming increasingly common to view poverty as not only the lack of resources, but as being multidimensional and affecting women, men, girls and boys in different ways.\footnote{BMZ (2012). Armut wirksamer bekämpfen – weltweit. Available at: https://www.bmz.de/de/mediathek/publikationen/archiv/reihen/strategiepapiere/Strategiepapier320_6_2012.pdf and USAID (2018). Acting on the Call. USAID: Washington D.C.} A multidimensional poverty analysis\footnote{Sida (2017). Dimensions of Poverty: Sida’s Conceptual Framework. Available at: https://www.sida.se/English/partners/resources-for-all-partners/methodological-materials/poverty-toolbox/} (MDPA) is illustrated in Figure 9, which places “who” at the centre to emphasise that the
starting point of a poverty analysis is to establish the situation, needs, preconditions, and priorities of poor women, men, girls and boys. In the inner circle, four dimensions of poverty are included:

1. Resources;
2. Opportunities and choice;
3. Power and voice;
4. Human security.

Being poor in one dimension, for instance lack of resources in terms of low income levels, land and/or livestock ownership, often leads to – or aggravates – poverty in another dimension, such as opportunities and choice, through access to opportunities for productive employment, or power and voice through discrimination on the basis of gender, ethnicity, or religion. Conversely, improvements in one dimension has the potential to reduce poverty in another dimension. For instance, if women are targeted as end-users of technologies that have been developed or scaled up sustainably through support from WE4F, this could not only increase income levels through increased production and sales of food, but also increase women’s power within the household. The inner circle is, in turn, surrounded by an outer circle which looks at the development context. Four areas provide the context to understand why different groups are poor, their opportunities and constraints to move out of poverty, and their resilience to risks, namely:

1. The economic and social context;
2. The political and institutional context;
3. The conflict/peaceful context;
4. The environmental context.
The economic and social context determines whether the economy is socially inclusive, with considerations such as the macroeconomy, functioning of the labour market, and education and health systems, all of which directly affect women, men, girls and boys living in poverty through, for instance, employment opportunities, and access to electricity and clean water. The aim of the WE4F challenge fund to promote innovations in the agricultural sector that increases the production of food through more efficient water and/or energy usage thus, in part, attempts to address the economic and social context of why people are poor.

The political and institutional context looks at the formal and informal political institutions, norms, rule of law, and human rights. This covers issues such as corruption and unequal power relations, which often form part of the causes of poverty as they influence the allocation of resources and can determine who has control over land and other natural resources. A key function of the regional innovation hubs and the secretariat will be to facilitate advocacy, through various channels, for an enabling environment in specific sectors, countries and at the regional level.

The peace and conflict context refer to both social cohesion, justice, arms control, violence, and conflict interests. People living in poverty are generally more vulnerable to conflicts and insecurities, which can reduce access to education, health, and markets. The WE4F challenge fund takes this perspective into account by encouraging innovations targeting fragile states.
The environmental context covers a range of issues, including the need to understand the environmental situation, trends, causes, and consequences for each region, such as water losses, pollution, as well as understanding the use of – and dependence on – natural resources for economic growth and livelihoods. It also covers the need to identify environmental risks which people living in poverty are particularly vulnerable to, including droughts, floods, land degradation and overgrazing. The WE4F challenge fund has the potential to address these types of issues as well, through supporting innovations that attempt to, for instance, develop/scale up sustainably the production of solar-powered irrigation pumps that allow end-users to transport water further and faster than before, and reduces the reliance of farmers on rainy seasons.

While success stories of incorporating the poor as end-users exist, innovators and fund managers have faced several challenges in mainstreaming poverty reduction during the past five years of implementing both the SWFF and PAEGC challenge funds. In terms of M&E, a key issue has been how to measure who is poor. This has differed from project to project and has therefore made it difficult to establish the level of social impact. The implications of this for the WE4F challenge fund is to ensure the uniform adoption of the same M&E strategy across regional innovation hubs and the secretariat. Another challenge experienced in PAEGC is that many baseline surveys were not undertaken. This was, in part, due to the limited experience of many innovators in undertaking M&E exercises for donor agencies and therefore underestimating the amount of time and resources involved in this type of exercise. Finally, many innovators exaggerated their social impact numbers to provide more positive data. This points to the need for external evaluators to randomly sample and visit a selected group of beneficiaries when conducting field visits and end-line surveys. Tying milestone-reimbursements to specific social impact deliverables would also create a stronger incentive among innovators to include the poor in their business models.

At the same time, it has to be acknowledged that the creation of financially sustainable enterprises which target the needs of extreme-poor and low-income households is challenging. Reasons for this are that farmers, who fall into the lowest-income category, rarely earn any income from farming and find it difficult to afford most innovations. To tackle this issue WE4F will try to find innovative solution in form of end-user financing for smallholder farmers, the poor, women and youth as well as milestone for innovators (e.g. x% of the target group have to belong to the poor) to reach this target group, albeit recognising that there is a trade-off between viable business models and reaching the poorest of the poor. In this regard, a Bottom of the Pyramid
study has already been commissioned by the partners to identify viable business models for this market segment.

**3.7.3 Mainstreaming of Local Ownership**

Local ownership is decisive for sustainability of any development intervention, since in most cases results will not sustain over time if they are not supported by key local stakeholders. Local ownership is also of vital importance for empowering and strengthening the capacity of local actors. In SWFF, it has, for example, been shown that innovators from the South and technical assistance provided by local consultants through a local vendor system have provided more value for money and have in most cases also contributed to more long-term sustainable results in accordance with the SDGs. In PAEGC the establishment of a regional innovation hub in Nairobi covering the East African region has both strengthened the linkages to local networks and innovation-ecosystems, while facilitating interaction, learning, knowledge exchange with and between the innovators in the region.

Drawing on experiences from SWFF and PAEGC and recommendations from evaluations of the previous programmes, the following key priorities will be taken forward in WE4F to secure that local ownership is thoroughly addressed in all areas of the intervention in order to ensure development effectiveness and sustainability in accordance with the SDGs:

A WE4F will continuously strive for including additional partners from the South in the programme.

B Building on the experience from the East African regional innovation hub, additional regional innovation hubs will be established to increase proximity to innovators and other local actors.

C In communication of the regional calls, it will be highlighted that the majority of the innovators and innovations will be selected from the South or at least have a partner in the South who receives the majority of the dispersed funding.

D WE4F will ensure that the selection panels have a strong representation of experts from the South.

E Technical assistance in WE4F will to the largest extent possible be provided by local consultants.

F South-South exchange and cooperation between the regional innovation hubs will form an integral part of the programme to facilitate effective knowledge management, dissemination and learning.
Regional and national/local actors and networks will be key stakeholders in WE4F and form part of the innovation ecosystem in the countries and regions of intervention.

3.7.4 Mainstreaming of Environment, Climate Change and Biodiversity

‘Environment’ is a broad development issue encompassing challenges such as climate risks, securing ecosystem services and biodiversity, as well as mitigating natural disasters and chemical load. Environmental challenges need to be addressed through a deliberate and focused approach on integrating environmental concerns into the application, selection, implementation, and conclusion of WE4F-supported projects. As indicated in earlier sections, the levels of poverty and inequality are related to – and therefore incredibly relevant for – environmental and climate change concerns. On the one hand, degraded natural resources and poor access to ecosystem services can enhance poverty and vulnerability to external shocks. On the other hand, poverty can be a driver of overexploitation of natural resources due to lack of alternatives, through for instance, local deforestation for fuel and cooking fires. The latter primarily threatens the health of women and children24, indicating the need to take into account how men, women, girls, and boys, are affected by activities in different ways. Promoting the use of alternatives for poor households and farmers, such as replacing fuel wood with gas for cooking and supporting projects where renewable sources of electricity production, such photovoltaic and hydropower-powered technologies, are used for food production, could improve both public health and the environment.

Securing biodiversity and ecosystem services is crucial for adapting to – and mitigating the effects of – climate change. Biodiversity is the source of ecosystem goods and services, ranging from food, building materials, and medicines, to climate and water regulation and clean water supplies. Poor people often depend directly on such goods and services for subsistence or income and are therefore directly affected by environmental and climate changes. For example, a diverse agricultural base, as opposed to monocultures, reduces the risk of crop failures caused by pests or diseases that may affect some, but not all, crops. Promoting biodiversity and the production of a diverse range of agricultural commodities can therefore help mitigate such risks and provide households with a critical ‘safety net’ to adapt to – and mitigate the effects of – climate change. With this in mind, WE4F shall aim to promote innovations that ensure the conservation and restoration of natural (land, water, forest, and marine) resources and enhance resilience and biodiversity.

In terms of water usage and supplies, it is important to note that, in the process of innovators attempting to sustainably increase the scale of food production with low and efficient water usage, the amount of water coming to waste could increase. Likewise, there may be a risk of interpreting ‘efficient water usage’ as solely a reduction in the amount of water used to irrigate a specific plot of land, and thereby disregarding the need for an integrated water resource management process, where sufficient amounts of water are left in rivers and streams for additional purposes. It will be important for regional innovation hubs and fund managers to raise these risks in the application phase, the regional calls in general as well as for the regional advisory board to assess all projects based on this risk. The earlier these risks are identified, the more time there will be to develop project-specific action plans to reduce and manage this risk. A useful avenue to pursue this will be through USAID’s and GIZ’s environmental impact assessment of all short-listed candidates, which is undertaken alongside a due diligence prior to the awarding of a contract with the innovator.

Similarly, as projects attempt to sustainably scale up, there will be an increased need to mitigate the usage of hazardous materials in e.g. batteries or refrigerators as well as chemical load, specifically the use of pesticides. Pesticides have the potential to assist farmers in managing harmful insects, fungi, and weeds to increase their levels of productivity and income. However, hazardous pesticides and pesticides applied incorrectly pose a significant risk to human health and the environment, particularly in developing countries where these are often labelled incorrectly, there is limited use of personal protective equipment, and insufficient systems for their disposal. The long-term negative environmental effects of pesticide-use and incorrect recycling of hazardous materials in developed technologies by the innovators include water contamination with lethal effects for aquatic life, shrinking bee populations resulting in reduced crop and plant pollination, and soil damage. Finally, pesticides that have been banned or are heavily restricted in Europe may still be used by smallholder farmers in developing countries due to lack of awareness among farmers and the poor enforcement of legal frameworks in developing countries.

Should instances occur where WE4F-supported innovators introduce the use of pesticides and/or hazardous material in their innovations, the conditions under which this is done must be established in order to reduce the risks of harming both humans, the environment, and biodiversity. Furthermore, end-users and farmers have to receive information on the dangers of pesticides and hazardous material used in the supported innovations. The innovator and fund managers must provide the Donor Steering Committee with information that the following conditions are fulfilled:
A The application of national legislation of the country or countries where the project is implemented;
B The adherence to the Food and Agricultural Organisation’s International Code of Conduct on Pesticide Management;
C Where relevant, the adherence to Integrated Pest Management methods.

Additional measures to mitigate the aforementioned risks and use of pesticides include the requirements of fund managers to manage and monitor pesticide use and related risks, and provisions for capacity development of innovators to support the management of health and environmental risks. Crucially, pesticides that have been banned for use in the European Union due to risks cannot be used in activities supported by Sida. With this in mind, WE4F shall attempt to promote the use of alternative methods such as diversified agroecological practices including integrated pest management, and agrobiodiversity.

3.7.5 Anti-Corruption Mainstreaming

According to the U4 Anti-Corruption Resource Centre and Transparency International, efforts of international development partners to mainstream anti-corruption into their programmes usually includes three dimensions:

- Putting in place mechanisms to ensure transparency, accountability and integrity of their operations and staff
- Protecting their projects and loans from corruption, respectively ensuring that aid is used for its intended purpose
- Supporting aid recipient countries to effectively address corruption and the underlying causes of corruption

The first-dimension deals with preventing corruption in the operations of donor agencies themselves. In this regard, GIZ, Sida, the Netherlands and USAID each follow an approach of making their work transparent pursuing specific rules or strategies to combat corruption in their operations. In this context, GIZ and Sida have introduced an anti-corruption clause in all of their cooperation agreements as a way to integrate

---

corruption into the political dialogue with development partners. To the extent that particular internal corruption risks are identified, these are represented in the risk management framework in chapter 3.8.

The second dimension, dealing with efforts to ensure that grants and other types of support are used for their intended purpose, is the key focus of WE4F anti-corruption efforts. On this dimension, the largest potential risks with regards to corruption can be identified. Therefore, chapter 3.8 on possible risks and risk management strategies makes all corruption-related risks transparent and offers approaches to avoid or mitigate them.

The third dimension refers to specific programmes or projects that support partner countries in addressing corruption. While all donors involved in this challenge fund are committed to mainstreaming anti-corruption also beyond immediate activities, as was exemplified in the efforts described before, directly supporting partner countries in addressing corruption and underlying causes is not the objective of this particular intervention.

3.8 Possible Risks and Management Strategy

3.8.1 Understanding of Risk Management

Risks can be defined as uncertain events or factors that will – in case of occurrence – have a negative effect on the realisation of activities or the achievement of an intervention result. In order to deal with them effectively, a four-step approach of identifying, analysing, responding to and following-up on risks can be followed. Each of these steps is briefly described below. A complete list of potential risks can be found in chapter 3.8.2.

- **Identification:** Depending on the context, risks can be divided into various groups. In the context of WE4F, the most relevant groups are the following:
  - *Financial risks* that relate to the use of funds
  - *Operational risks* that deal with management aspects
  - *Developmental risks* that relate to the underlying assumptions of the ToC

- **Analysis:** Here, it can be distinguished between *internal risks* that an intervention can actively prevent and *external risks* that remain outside the sphere of influence of an intervention. Moreover, the probability of a risk actually occurring and the potential negative *impact* on the intervention should be assessed.
• **Response:** The response can entail one or several of the following approaches:
  - *Avoid:* This is typically the first option, because it can prevent the risk from actually occurring. However, in many instances it may not be feasible or possible to avoid risks entirely, as costs might be too high, or the risk may lay outside the sphere of influence.
  - *Mitigate:* This option seeks to limit the potential negative impact of a risk if avoidance is not possible or feasible.
  - *Transfer:* In certain cases, it is possible to transfer a risk to a third party in order to externalize the impact of a risk.
  - *Accept:* Sometimes it is not possible to avoid, mitigate or transfer a risk at a reasonable cost. In such a case, it may be sensible to accept the risk. If probability and potential negative impact are high, however, it is important to nevertheless discuss and document such a risk in order to avoid conflict or misunderstanding once the risk occurs.

• **Follow-up:** Lastly, it is important to monitor the occurrence of risks and the effects of the chosen responses in order to assess progress and the potential need for strategic or operational adjustments. Therefore, on a periodic basis any activity, which will be funded, will be monitored according to the identified risks (see chapter 3.8.2)

### 3.8.2 WE4F Risk Management Strategy

In line with the risk management approach described above, WE4F has identified a total of 16 risks that can be divided into financial risks (1 risk), operational risks (6 risks) and developmental risks (9 risks). These risks were identified based on a literature review of existing challenge funds. At the launch of programme, a more thorough and up to date risk analysis will be conducted based on this risk management framework. In the following section, the identified groups of risks are discussed separately including their respective sphere of influence, probability, impact and appropriate response strategy.

**Financial risks** relate to the potential inability to fulfil (timely) financial commitments to either the fund itself or to innovators or operational activities directly. At this point, only one relevant internal risk can be identified for the programme once it is operating. This risk, delayed funding for innovators or operational activities, can be mitigated through appropriate accounting mechanisms and by flexibly addressing the needs of innovators and regional innovation hubs.
Operational risks are mostly internal. These internal risks relate to corruption risks in terms of selecting innovators or service providers (operational risks 1 and 2), insufficient knowledge sharing (operational risk 3) or outreach activities (operational risk 5) and to potential leakages of technological or organisational secrets (operational risk 6). The only external risk in this respect deals with the security of staff or service providers (operational risk 5). Apart from risk 6 regarding leakage of secrets each of these risks is assessed to be either moderate or high in probability or impact, making each of them a high priority to address. At the same time, each of them can be avoided or at least its likelihood reduced to a minimum through appropriate mechanisms.

Finally, developmental risks mostly lay outside the sphere of influence of the programme itself. Developmental risk 1 and 2 deal with the inevitable challenges of innovators that some ideas will fail and that some businesses may be too risky for potential investors respectively. Both of these risks are likely to occur and have a large potential impact. Given this high-risk context, the best way to address risk 1 is to accept it and for the involved donors to agree on their common risk appetite. Risk 2 can be transferred through possible financial guarantee instruments. Developmental risk 4 relates to a potentially deteriorating, enabling environment, which also has a high potential negative impact. Similarly, this is a risk that needs to be accepted while at the same time considering exit options if a continuation of operations is not feasible.

Moreover, development risk 3 (crowding out of investors and service providers) should be addressed through appropriate investor landscaping studies to mitigate the risk of crowding out. Furthermore, developmental risk 4 (customers not being ready to buy innovators’ products/services under market conditions due to high price levels) and 6 (corrupt behaviour of innovators, which may put donors’ reputation and developmental impacts at risk) are considered moderate in their negative impact potential and can both be addressed by mitigation strategies. While developmental risk 4 can be addressed by subsidizing pilots and improving the enabling environment, developmental risk 6 can be addressed by considering transparency and integrity as selection criteria and by considering exit options for innovators that do not meet integrity standards.

Furthermore, a number of developmental risks can result out of the nature of the funded innovations which have been mostly considered as moderate by the risk assessment. In this regard, innovations can have negative environmental effects (D7-10), a negative net employment effect (D11) or do social harm (D12). To mitigate these risks appropriate technical assistance and capacity building to integrate
environmentally beneficial practices have to be provided to the innovators. Furthermore, potential negative impacts have to be addressed through sector studies on water, energy, agriculture, biodiversity and natural resources in each region within the call process through the appropriate selection criteria. Regarding the technical assistance, this mitigation strategy also has to be applied if the implementation of the cross-cutting issues (e.g. gender, poverty or local ownership) is met with resistance from the innovators (D13).

The following figure 4 provides a complete overview and analysis of all risks and the respective response strategy.
Figure 4 - WE4F Risk Management Framework

<table>
<thead>
<tr>
<th>#</th>
<th>Risk</th>
<th>Sphere of Influence</th>
<th>Probability</th>
<th>Impact</th>
<th>Response</th>
<th>Detailed Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1</td>
<td>Funding for innovators or operational activities in regional innovation hubs is released with delay</td>
<td>Internal</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Mitigate</td>
<td>Ensure appropriate accounting and management mechanisms to avoid delays due to operational reasons and flexibly address needs of innovators and regional innovation hubs to mitigate negative impact.</td>
</tr>
<tr>
<td>O1</td>
<td>Innovators are selected based on personal preference rather than potential impact, technology and business model</td>
<td>Internal</td>
<td>Moderate</td>
<td>High</td>
<td>Avoid</td>
<td>Ensure qualified persons in regional advisory boards, use transparent criteria for selection and review the assessments before final decision-making.</td>
</tr>
<tr>
<td>O2</td>
<td>Service providers are selected based on personal preference rather than quality and price</td>
<td>Internal</td>
<td>Moderate</td>
<td>High</td>
<td>Avoid</td>
<td>Use transparent selection criteria and competitive calls for service contracts.</td>
</tr>
<tr>
<td>O3</td>
<td>Learnings, including failures, in specific cases or regions are not shared</td>
<td>Internal</td>
<td>High</td>
<td>Moderate</td>
<td>Avoid</td>
<td>Establish a culture of trust and transparent communication and institutionalize knowledge sharing events and formats.</td>
</tr>
<tr>
<td>O4</td>
<td>WE4F staff or service providers are exposed to security risks in case of political or other disturbances</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Avoid</td>
<td>Regularly monitor the security situation and avoid conducting activities in high risk contexts.</td>
</tr>
<tr>
<td>O5</td>
<td>Outreach activities are insufficient to attract the most qualified &amp; high potential innovators</td>
<td>Internal</td>
<td>Moderate</td>
<td>High</td>
<td>Avoid</td>
<td>Identify all key fora of potential innovators and communicate calls broadly through a network of partner structures.</td>
</tr>
<tr>
<td>O6</td>
<td>Technological or organisational secrets of innovators of the involved donors are leaked from the WE4F system</td>
<td>Internal</td>
<td>Low</td>
<td>Moderate</td>
<td>Avoid</td>
<td>Ensure secure data storage and limited access to sensitive data.</td>
</tr>
<tr>
<td>D1</td>
<td>Some innovations fail</td>
<td>External</td>
<td>High</td>
<td>High</td>
<td>Accept</td>
<td>Given the high-risk context of applying technological innovations to low- and middle-income countries including fragile states, there is a risk of failure for at least some of the selected projects, which can potentially jeopardize expected impacts. Involved donors should agree on their risk appetite and decide to what extent they want to balance risk and impact potential.</td>
</tr>
<tr>
<td>D2</td>
<td>Some innovators' businesses are too risky for investors</td>
<td>Internal</td>
<td>High</td>
<td>High</td>
<td>Transfer</td>
<td>Ensure mechanisms to mitigate or transfer risks for potential investors, for example through the planned financial guarantee instruments.</td>
</tr>
<tr>
<td>D3</td>
<td>The WE4F programme – through its provision of funds and services – will crowded out other investors and service providers.</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Consider conducting investor landscape studies for each region in which regional innovation hubs should be established. These studies give an overview of investors and service providers to prevent crowding out and provide clarity on the WE4F programme added value.</td>
</tr>
<tr>
<td>D4</td>
<td>Customers are not ready to buy innovators' products/services under current market conditions</td>
<td>External</td>
<td>Moderate</td>
<td>Moderate</td>
<td>Mitigate</td>
<td>Consider subsidizing pilots or early products if market conditions require a lowering of the entry barrier. Engage in advocacy and policy-dialogues to facilitate a more favourable enabling environment.</td>
</tr>
<tr>
<td>D5</td>
<td>Deteriorating enabling environment due to political or economic developments</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Accept</td>
<td>Given the high-risk context of applying technological innovations to low- and middle-income countries including fragile states, unfavourable changes to the enabling environment may not be avoided. Regularly monitor the political situation, however, and consider exit options if a continuation of operations is not feasible.</td>
</tr>
<tr>
<td>D6</td>
<td>Innovators engage in corrupt or inappropriate practices, which puts donors' reputation as well as developmental impacts at risk</td>
<td>External</td>
<td>Low</td>
<td>Moderate</td>
<td>Mitigate</td>
<td>Consider transparency &amp; integrity as selection criteria; consider exit options for innovators that do not meet integrity standards.</td>
</tr>
<tr>
<td>D7</td>
<td>Negative impact on the protection of land based ecosystems and natural resources including biodiversity loss</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Identify those innovations with the biggest environmental harm and provide them with technical assistance and capacity building to integrate environmentally beneficial practices into their operations. Furthermore, address these negative impacts through sector studies on water, energy, agriculture, biodiversity and natural resources in each region within the call process through the appropriate selection criteria.</td>
</tr>
<tr>
<td>D8</td>
<td>Negative impact on the protection of water resources (including green water/soil moisture/retention)</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Identify those innovations with the biggest environmental harm and provide them with technical assistance and capacity building to integrate environmentally beneficial practices into their operations. Furthermore, address these negative impacts through sector studies on water, energy, agriculture, biodiversity and natural resources in each region within the call process through the appropriate selection criteria.</td>
</tr>
<tr>
<td>D9</td>
<td>Negative impact on the prevention of overutilization of natural resources (rebound effect) due to increased energy access</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Identify those innovations with the biggest environmental harm and provide them with technical assistance and capacity building to integrate environmentally beneficial practices into their operations. Furthermore, address these negative impacts through sector studies on water, energy, agriculture, biodiversity and natural resources in each region within the call process through the appropriate selection criteria.</td>
</tr>
<tr>
<td>D10</td>
<td>Negative impact on the reduction in pesticide usage and promotion of alternative methods</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Identify those innovations with the biggest environmental harm and provide them with technical assistance and capacity building to integrate environmentally beneficial practices into their operations. Furthermore, address these negative impacts through sector studies on water, energy, agriculture, biodiversity and natural resources in each region within the call process through the appropriate selection criteria.</td>
</tr>
<tr>
<td>D11</td>
<td>The funding and scaling of innovations can lead to the destruction of jobs in other sectors.</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Commission studies/audits before funding or scaling innovations in order to determine if the net employment effect of the innovations is positive. Afterwards, fund appropriate technical assistance to mitigate these effects.</td>
</tr>
<tr>
<td>D12</td>
<td>Funded innovations can lead to social harm and/or negative social consequences (e.g. regarding the role of women or debt traps through micro-finance schemes).</td>
<td>External</td>
<td>Moderate</td>
<td>High</td>
<td>Mitigate</td>
<td>Commission studies/audits before funding or scaling innovations in order to determine potential negative consequence and/or social harm. Afterwards, fund appropriate technical assistance to mitigate these effects.</td>
</tr>
<tr>
<td>D13</td>
<td>The implementation of cross-cutting issues is met with resistance on the side of the innovators.</td>
<td>External</td>
<td>Low</td>
<td>Moderate</td>
<td>Mitigate</td>
<td>Include the respective sensitisation and technical assistance measures within the regional calls and the foresseen technical assistance.</td>
</tr>
</tbody>
</table>
4 ORGANISATIONAL SET-UP

The overall structure for the WE4F Challenge Fund envisions a steering structure consisting out of a Donor Steering Committee and secretariat with two units managed by GIZ acting on behalf of BMZ and USAID. The secretariat will be responsible for scaling efforts as well as the management and coordination of the regional innovation hubs whose number can be increased over time. To ensure the best possible chances of success in efforts in reaching sustainable scale, the overall structure foresees that the regional innovation hubs provide both financial and non-financial support in form of a financial brokering and technical assistance unit and are equally weighted in terms of innovators and activities. In this regard, the regional innovation hubs and the steering structure will also have better access to capital in order to sustainably scale and to facilitate continued and sustained growth for viable ventures. For this purpose, the challenge fund will form regional and global partnerships for financing with different financial institutions. Furthermore, the regional innovation hubs will also identify potential new innovators and offer relevant support to them throughout and after the regional identification process.

At the same time, the regional innovation hubs will facilitate advocacy work by highlighting important issues that hinder innovations or the scaling of innovations of the supported innovators (e.g. missing regulations). For this purpose, they establish a report with the respective embassies or other advocacy groups (local policy level). In addition, they will link up with other bi- or multilateral donor programmes to integrate innovations – where possible – into these programmes. These efforts will be supplemented by the steering structure, which will engage with partners on the global level to enrich the global policy dialogue with lessons learned from the regional innovation hubs and to inform the regional innovation hubs about new developments on the global level (see figure 4).

A detailed description of the roles and responsibilities as well as the operational tasks of the different organisational units of the WE4F Challenge Fund can be found in the respective Terms of Reference.
4.1 Steering Structure

4.1.1 Objectives

The objective of the steering structure is to provide strategic guidance to and make strategic decisions for the management of the implementation structure of the challenge fund. In detail, this entails the following aspects:

Donor Steering Committee

- **Provision of guidance on the sectoral, developmental and geographical scope of the fund**
  Members of the Donor Steering Committee represent the interests of the donors and ensure that activities are in line with WE4F’s objectives in terms of (sub)sectors or types of innovations, development targets as well as the geographical areas to focus on. This is done based on the political priorities of the donors involved as well as insights from knowledge gathered from private sector,
science, policy and other networks by the Donor Steering Committee members and the secretariat.

Donor Steering Committee and Secretariat

- **Oversight of the regional innovation hubs**
  In order for the regional innovation hubs to operate effectively, the secretariat in conjunction with the Donor Steering Committee need to provide the strategic and operational framework for them including the definition of objectives and cross-cutting issues (e.g. gender, poverty), the monitoring of project progress and the disbursement of financial resources in conjunction with the respective funding partner from the Donor Steering Committee. Moreover, they will give guidance on the set-up of the respective regional innovation hubs, the type of financial instruments used with regard to the innovation cycle and the set objectives for the innovators as well as on the independent technical assessment of the selection of innovators. In line with the proposed management and reporting system, this oversight will follow a discursive approach of coordination rather than controlling (see chapter 4.2).

- **Guidance on the regional selection process of new innovators**
  The work with new innovators, as well as support to successful innovators from the SWFF and PAEGC to realise sustainable scale are the core activity of this programme. The Donor Steering Committee thereby creates the framework and takes the final selection decisions after approval with the respective donor partner in this respect, while the secretariat together with the regional innovation hubs create the selection criteria for new innovators and adapt them to the specific regional contexts.

- **Outreach to external actors**
  Furthermore, it is the Donor Steering Committee’s and secretariat’s shared objective to build links to the global policy level, relevant industries, science, the donor landscape and other relevant stakeholders. These networks in consequence allow the fund to share experiences, incorporate latest knowledge and identify cooperation potentials as well as to compliment the outreach that will take place on regional innovation hub level.

4.1.2 Core Processes

In order to ensure the fulfilment of the fund’s objectives, the implementation of the following core processes on the level of the steering structure are necessary:
Donor Steering Committee

- **Meetings of the donors in the Donor Steering Committee**
  The meetings of the Donor Steering Committee represent the highest decision-making level of the challenge fund. Members of the Donor Steering Committee discuss and take decisions mainly on the following three aspects. Firstly, the progress in terms of impact targets and activities of the regional innovation hubs and respective innovators in the regions is monitored. Secondly, the overall strategy including its cross-cutting issues is reviewed based on the learnings from the regions on the one hand and on policy developments on the global or respective national levels of the donors on the other hand. Thirdly, the regional selection of new innovators is overseen by approving selection criteria or proposed candidates, depending on the point in time in terms of innovator selection. Moreover, any further points deemed necessary by its members can be brought onto the agenda of the Donor Steering Committee. The secretariat’s units alternate in preparing and coordinating the meetings of the Donor Steering Committee (see responsibilities below for details).

Secretariat

- **Coordination of the regional innovation hubs by the secretariat**
  The secretariat is in charge of ensuring that the regional innovation hubs operate effectively and efficiently. To fulfil this role, coordination at its core entails the following activities: Firstly, the secretariat facilitates information between the steering structure and the regional innovation hubs (e.g. communicating the strategic guidelines to the regions, channelling up lessons learned etc). Secondly, it oversees the budget by ensuring the timely dissemination of funds and monitoring their use in the aftermath. Thirdly, the secretariat coordinates monitoring activities across the fund and the units of the secretariat according to the needs and regulations of the respective donor and alternate in conducting the annual review of the challenge fund. Fourthly, the secretariat facilitates knowledge exchange between the different regional innovation hubs and the two units of the secretariat in order to ensure the transfer of lessons learned.

  In line with the proposed management and reporting system (see chapter 4.2), this coordination will fulfil more of a facilitating rather than a controlling function. Each unit of the secretariat will be the focal point for its respective regional innovation hubs to turn to for guidance and issues of project management.

- **Preparation and facilitation of the regional selection process by the secretariat**
  In order to identify the most promising new innovators for the fund, it is crucial to design a smart regional selection process. For this purpose, the Donor Steering Committee determines the minimum guidelines for all regional innovation hubs.
Each of the secretariat’s units defines regional innovation hub-specific criteria and designs the process based on the Donor Steering Committee’s guidance and consultation with the regional innovation hubs. During ongoing regional selection processes, it is not actively involved, but functions as a resource point to clarify the guidelines of the Donor Steering Committee, if necessary. Ultimately, it reviews the shortlists of candidates provided by the regional innovation hubs before referring them to the Donor Steering Committee for the final decisions after approval with the respective donor partner.

All final decisions regarding the selection of new innovators through regional calls or the regional innovation hubs’ flexible fund, which targets other actors fitting the criteria of WE4F and are crucial for the scaling of impacts, are taken by the Donor Steering Committee after consultation with the secretariat and the respective funding partner. The secretariat ensures that these are sufficiently prepared, and the necessary processes are in place.

4.1.3 Responsibilities

Responsibilities of the Donor Steering Committee

The Donor Steering Committee is in charge of defining the overall direction of the fund. While the secretariat and, where appropriate, the regional innovation hubs may support these activities, the Donor Steering Committee ultimately holds the following core responsibilities:

- **Define, review and continuously adjust strategy**
  The strategic framework for the fund is agreed upon by the Donor Steering Committee members with the launch of the fund and then reviewed by the Donor Steering Committee with every meeting. If changes to this framework become necessary due to private sector developments, policy changes or learnings in the regions, the Donor Steering Committee may adjust the strategy accordingly.

- **Definition of targets for regional innovation hubs**
  Based on the political priorities, the status quo in the industries and the regional situation, the Donor Steering Committee defines the development objectives of the fund. This includes the definition of overall targets that are applicable to all regional innovation hubs equally and specific regional targets that may differ among the regions and are defined in consultation with the regional innovation hubs based on the specific regional contexts.

- **Taking final decision on the provision of grants after approval with the respective donor partner**
  The regional selection and identification process is implemented by the regional innovation hubs based on guidance from the steering structure. After reviewing all proposals and preparing shortlists of candidates, the regional innovation hubs
communicate the shortlists to the Donor Steering Committee through their respective unit of the secretariat for ultimate approval. Other actors that are identified by the regional innovation hub and fit the criteria of WE4F as well as are crucial for the scaling of impacts and are funded by the flexible funds of the regional innovation hub will also be approved by the Donor Steering Committee after consultation with the secretariat and the respective funding partner.

• **Review performance of the challenge fund**
  Based on the results of the monitoring system and the inputs provided by the secretariat and an external mid-term and final program evaluations, the Donor Steering Committee is reviewing the overall performance of the challenge fund annually – including its adherence to cross-cutting issues detailed in chapter 3.7. While the secretariat will facilitate the review process, the Donor Steering Committee is responsible for tendering the mid-term and final program evaluations of the challenge fund and for determining progress against performance metrics and determining if/when programmatic or policy changes need to be made to meet those metrics.

• **External representation of the fund**
  The Donor Steering Committee externally represents the fund on the policy, private sector and technical level on the global level. This role is particularly relevant to attract additional partners or donors on the one hand, and to channel learnings into the policy dialogue as well as potentially other projects on the other hand. It can delegate this responsibility to the secretariat.

**Responsibilities of the secretariat**

The secretariat with its two units is the implementing arm of the Donor Steering Committee and hence hold the following key responsibilities:

• **Prepare meetings of the Donor Steering Committee**
  In order for the Donor Steering Committee to effectively fulfil its role of a decision-maker in the bi-annual meetings, the secretariat produces regular reports on progress of the fund in general and the regional innovation hubs in particular. The responsibility for the overall report thereby alternates between the two units of the secretariat. The same holds true for the preparation of meetings. All items on the agenda of meetings are conceptually prepared by the respective unit in close coordination with the Donor Steering Committee. Moreover, the respective unit coordinates the meetings in terms of invitations management and logistical arrangements.

• **Financial management of the challenge fund**
  The efficient disbursement of donor funds to the regional innovation hubs is crucial for the functioning of the challenge fund. Therefore, each unit of the secretariat must allocate funds in a timely manner and in line with the donors’
requirements. Moreover, the respective unit of the secretariat is charged with subsequently monitoring the disbursed funds as well as the adherence of the regional innovation hubs to the cross-cutting issue detailed in chapter 3.7.

- **Coordination of M&E activities**
The units of the secretariat coordinate the monitoring activities at the regional innovation hubs, for which they are responsible – according to the needs and regulations of the respective donor. To this end, the secretariat sets up a monitoring system and a baseline based on the guidelines provided by the Donor Steering Committee and the needs and regulations of the respective donor. Furthermore, it tracks progress against these guidelines with support of an external service provider to ensure objectivity and quality of the monitoring system. The preparation of the overall annual report, in which the monitoring data and the progress will be presented, will alternate between the two units of the secretariat on an annual basis.

- **Coordination for the implementation of the selection criteria for the selection of new innovators**
Each unit of the secretariat is responsible for the coordination of the implementation of the selection criteria and designing the regional selection process. This is done based on the Donor Steering Committee’s guidance and in consultation with the regional innovation hubs that may bring in specific requirements in view of the regional contexts.

- **Knowledge exchange and coordination of the regional innovation hubs**
As the operational arm of the steering structure, the secretariat links the global fund level to the regions as well as the regional levels to each other. Hence, they facilitate communication in both ways and coordinate all regional activities. It ensures that milestones are met, and that knowledge is exchanged both vertically and horizontally among the regional innovation hubs as well as between the unit of the secretariat themselves.

- **Knowledge management on global level**
In addition, the units of the secretariat are responsible – in close consultation with each other – for synthesising and systematising the generated knowledge from the challenge fund in order to feed it into global discussions that are either facilitated by the Donor Steering Committee or devolved to the secretariat to coordinate. At the same time, they can identify knowledge gaps (e.g. concerning factors constituting an enabling environment) on global level and coordinate activities among the regional innovation hubs to close these gaps.

- **Coordination of capacity development activities**
Moreover, the units of the secretariat coordinate the capacity development activities of their respective regional innovation hubs to ensure that these are in line with the overall strategy of the challenge fund.
• **Creation of global and regional partnerships for finance and guarantees**
  Furthermore, the secretariat’s task is to establish together with the Donor Steering Committee and their respective regional innovation hubs global and regional partnerships for finance and guarantees in order to enable the up scaling of innovators.

4.1.4 **Design of the Steering Structure**

In order to operationalize the steering structure as described above, it is recommended to apply the following institutional design features:

Based on the experiences made, it is proposed to put the two units of the secretariat in the hands of two of the core donors – GIZ acting on behalf of BMZ and USAID. This way, coordination is expected to run smoothly, since no further external actors are involved on the level of the steering structure. In consequence, the fund management can maintain close relations to the regions and can engage in an unfettered exchange on learnings and guidelines with the regional innovation hubs and innovators on the ground. Moreover, learnings can more easily be made use of in the future as they are maintained within the organisation(s).

To participate in the **Donor Steering Committee** as a full member a donor has to commit at least 2 million Dollar per year or 10 million Dollar over a five-year period (or the equivalent amount in Euro). In contrast hereto the participation of southern donors will be handled flexibly and decisions for the participation in the Donor Steering Committee will be made on a case by case basis. New donors can either establish new regional innovation hubs by adhering to the issued guidelines by the Donor Steering Committee or by receiving the consent of all donors on the Donor Steering Committee. Moreover, they can also decide to fund already existing regional innovation hubs.

The chair of the Donor Steering Committee will rotate on a yearly basis among the donors present in the Donor Steering Committee. Furthermore, a representative of the innovators from the regions can be invited as a guest to the Donor Steering Committee if it is deemed useful by the permanent members of the Donor Steering Committee.

4.1.5 **Critical Success Factors**

The following aspects are proposed to be considered to ensure the smooth functioning of the steering structure:

• **Clear metrics, but regional adaptation**
  For effective monitoring, it is key to have clear impact goals and objective indicators established. At the same time, regional differences need to be taken
into account in terms of the enabling environment and maturity of specific industries. Hence, it is recommended to define targets for each region individually upfront, but then define common milestones for the fund in all regions to meet equally.

• **Clear roles and expectations among donors**
  Each donor involved in the steering structure needs to be fully aware of both their own responsibilities as well as the commonly agreed expectations towards each other, since this lays the foundation for a harmonious and effective steering structure. To this end, each donor’s role and responsibility should be clearly defined at the outset. The secretariat facilitates the process by ensuring that all donors are informed about developments and decision-making needs.

• **Ability to release funding on time**
  To ensure a smooth functioning of the challenge fund and timely implementation of activities, it is crucial to provide funding to service providers and innovators within the time frames provided by the programme logic. To facilitate this, the secretariat needs to plan well in advance and at the same time maintain the possibility to respond flexibly to specific regional needs.

• **Flexible approach regarding the needs of the innovators**
  To take into account changing framework conditions and the disruptive development pathways of innovations, it is essential that the steering structure adopts an accommodating and flexible approach regarding requests from innovators on amending their implementation/milestone activities during their funding (see annex II for a visualization of the customer journey).

### 4.2 Reporting and Management System

The **secretariat** will be the central actor for reporting and the management of the fund. Firstly, they report – after approval of the respective donor – to the **Donor Steering Committee** on all aspects of fund management including disbursement of funds, regional selection of new innovators and progress of regional innovation hubs towards impact indicators. Secondly, they coordinate monitoring activities across the regions in order to be able to provide adequate reports on outputs, outcomes and impacts achieved. To ensure quality and independence of the monitoring system, it is recommended to commission an external service provider with the implementation of the monitoring system. Thirdly, the units of the secretariat will be in charge of managing their respective regional innovation hubs.

In terms of managing the regional innovation hubs in the different regions, it is recommended to follow a **discursive approach for coordinating a decentralized network of regional innovation hubs**. This approach offers flexibility in dealing with
regional differences and provides autonomy to the regional innovation hubs in defining their strategies to reach the agreed upon targets. It is characterised by horizontal coordination of a decentralized regional innovation hub network rather than top-down management. Here, the focus of resources from each unit of the secretariat is on facilitation of activities and learning rather than controlling and monitoring. In consequence, this approach allows for interregional cooperation and learning, because it leaves room for the regional innovation hubs to organize themselves. In order to ensure the effectiveness of this approach, it will be important to define regional objectives and milestones in close cooperation with the respective unit of the secretariat to ensure the fit with the overall strategy.

4.3 Regional Innovation Hubs

4.3.1 Objectives

The objective of the regional innovation hubs is to represent WE4F in the regions of operation and to provide a network function for the partners and other potential donors as well as government agencies in the region. In detail, this entails the following aspects:

- **Ensure suitability of the WE4F’s approach to regional needs and priorities**
  While the donors may provide strategic guidance based on their political priorities and sectoral strategies, the WE4F can only achieve impact if the innovations are suited to the specific requirements of the regions (e.g. in terms of gender and natural resources). As political, sectoral and cultural environments may greatly differ between and even within regions, the regional innovation hubs make sure to adapt and manage the strategic guidelines within the specific contexts in the regional target countries based primarily on the views from actors in that region.

- **Represent needs and interests of innovators to the steering structure**
  As the regional representation of the fund in the regions, the regional innovation hubs develop a close relationship to the innovators and their specific needs and interests (see annex II for a visualization of the customer journey). Furthermore, they identify challenges and gaps in the enabling environment for innovators. In consequence, they can communicate needs, success stories, challenges and lessons learned from the innovators up to the steering structure.

4.3.2 Core Processes

- **Management of the regional selection processes for new innovators**
  The selection criteria for the regional calls are defined in an agile process. Based on the strategic guidelines of the steering structure, the regional innovation hubs consult the respective regional advisory body and possibly additional sectoral
networks to further develop the selection criteria in order to meet the strategic requirements and at the same time adapt them to the specific conditions in each of the countries (e.g. in terms of gender and natural resources) that the fund plans to operate in. Here, it is on the one hand important to consider at least two dimensions of the water–energy–food nexus, food always being one of the two. On the other hand, it is also important to narrow the scope sufficiently down for innovators to be able to facilitate synergies among them. Afterwards, the selection criteria are iterated one or several times with the secretariat to ensure suitability with the strategic guidelines.

The regional selection process takes place in several phases. After the first phase of designing the process and selection criteria, the regional innovation hub needs to engage intensely with the target groups to make the fund known to all potential applicants. This engagement includes presentations in sectoral network meetings and conferences, online and possibly other forms of physical advertising as well as the mobilization of a previously established partner network. Once the regional call is public, interested candidates will approach the regional innovation hubs and seek additional information as well as feedback on their ideas, which the country coordinators as well as the technical advisory and financial brokering teams can give. Afterwards the country coordinators guide their applicants through each of the stages.

After closure of the regional call the respective regional innovation hub prepares a shortlist of candidates that is then passed on to the steering structure. The latter and in particular the secretariat is thereby responsible for streamlining the process in all regional innovation hubs. The final decision on the selection of the innovators is taken by the regional hub and the respective secretariat with the approval of the respective donor.

- **Coordination of technical advisory assistance**
  This process is described in detail in chapter 4.4.

- **Facilitation of investments into innovators through financial brokering**
  This process is described in detail in chapter 4.4.

- **Advocacy for an enabling environment**
  This process is described in detail in chapter 4.5. Within this process, one task of the regional innovation hubs is to link up with other local, regional or global programmes in the regions in order to generate synergies and to avoid duplication as well as to maximise impact. For this purpose, donor mapping activities for each region will be undertaken to identify synergies with each donor’s portfolio.
• **Dissemination and advocacy of the WE4F challenge fund**
  Another task of the regional innovation hubs is that they actively disseminate information about the WE4F challenge fund and make it known to important stakeholders in their respective region.

• **Capacity development**
  Moreover, the regional innovation hubs develop products (e.g. instances of technical assistance, webinars, video recordings, or manuals for newly developed technologies) on the basis of the gained insights from their work with the innovators, which can be used for capacity development of other stakeholders such as local universities or governments in the regions. The products’ objective thereby is to help mainstreaming the use of innovations (for example newly developed instances of technical assistance manuals for new technologies) or to enable finance institutions to provide appropriate end-user finance instruments for smallholder farmers, the poor and women. In addition, the regional innovation hubs provide tailor-made capacity development towards the innovators by providing needs-based technical assistance as a standard operating procedure (see also chapter 4.4).

4.3.3 Responsibilities

• **Identification of new innovators**
  Regional innovation hubs are responsible for the identification of new innovators. This is done by organising and implementing regional competitive calls, providing flexible funds and engaging in relevant networks, which may identify additional candidates.

• **Support to existing and new innovators**
  Regional innovation hubs support innovators by challenging them and functioning as the key contact point for all innovators in the programme. They are in close communication and offer feedback or challenge the innovators’ ideas after they have established the needed level of trust between themselves and the respective innovators. Moreover, they help identify suitable technical advisory services, facilitate access to additional finance and keep innovators informed about developments in the project.

• **Management of technical assistance and financial brokering**
  Technical advisory services and the facilitation of additional investments for innovators are key activities provided under the regional innovation hubs, which can be supported by the respective unit of the secretariat if needed. The regional innovation hubs are responsible for managing these by first analysing the innovators’ needs – using a regular annual diagnostic – and then facilitating suitable support that may be provided in-house or by external service providers (see chapter 4.4). This also includes the access to global, regional and local
partnerships of finance and guarantees established by the challenge fund as well as capacity development needs with regard to the cross-cutting issued detailed in chapter 3.7.

• **Management of other financial instruments**
  In order to conduct capacity development, develop products and seize windows of opportunities (e.g. for scaling-up or the support of new technologies in the region), the regional innovation hubs may be responsible for other financial instruments as e.g. PPPs with which they can finance the needed activities for the aforementioned areas. These may also be run through the units of the secretariat, if e.g. a PPP affects multiple regions.

• **Mainstreaming of innovations**
  To make innovations accessible to broad target groups, the regional innovation hubs are responsible for mainstreaming different uses of the financed innovations (e.g. along the lines of the previously developed solar power irrigation toolbox or by trying to incorporate innovations in corporate value chains). For this purpose, they can use their other financial instruments to finance e.g. capacity development activities or develop products (e.g. teaching manuals for new technologies or dissemination activities). Moreover, they can link innovations to bilateral or regional programmes for future up-scaling.

• **Knowledge management and capacity development**
  Furthermore, the regional innovation hubs are responsible for capacity development measures which contribute to an enabling environment in the respective partner countries or facilitate the scaling up of innovations. In addition, they are in charge of knowledge management activities which should either facilitate the exchange of knowledge between the different regional innovation hubs or between the respective unit of the secretariat and regional innovation hub.

• **Advocacy for an enabling environment in the regions**
  As the fund’s representation in the regions, regional innovation hubs work closely together with local, national and regional institutions and programmes to strengthen synergies and networks. Furthermore, they act as brokers between the innovators and other actors including other donors and their programmes, the financial and private sector, academia, NGOs, and policy makers to create an enabling environment in the region. Moreover, they exchange horizontally among each other to facilitate knowledge exchange between the regions. In addition, the regional innovation hubs facilitate advocacy work vis-à-vis policy makers in the region on the improvement of the business environment in specific countries (see chapter 4.5).
• Gather monitoring data and report to the respective unit of the secretariat on project progress
While the fund’s overall monitoring strategy is coordinated by the secretariat, it is the regional innovation hubs’ responsibility to collect necessary information on the level of the innovators or from its own financial management system. The precise information needs will thereby be defined in the monitoring framework and the strategy of the fund in terms of management, learning and accountability. Subsequently, they report to the steering structure on developments in terms of the innovators’ progress and changes in the enabling environment.

• Facilitate the development of end-user finance instruments for smallholder farmers, the poor and women
This responsibility is described in detail in chapter 4.4.3.

4.3.4 Design of the Regional Innovation Hubs

To ensure the appropriate adaptation of the strategy to local and regional needs (e.g. in terms of gender and natural resources), regional innovation hubs play a crucial role in the institutional set-up. In terms of the management of the regional innovation hubs, it is recommended that regional innovation hubs can be managed either by one of the donors or any other suitable organization supported by (one of the) donors. This provides flexibility to the fund as it can build upon the existing network in East Africa, for example, and at the same time recruit – if needed – suitable (external) partners for another region. In the case that other suitable organisations supported by (one of the) donors implement a regional innovation hub, they will be managed through a milestone-based performance management system, which focuses on scale (see chapter 3.5). In total, the number of different organisations managing the regional innovation hubs however should not exceed three to ensure a streamlined implementation of the programme’s overall strategy.

Moreover, the regional innovation hubs should be set up as centralized regional innovation hubs that cover a region from one location but complement the regional innovation hubs with targeted consultancies (e.g. through the established vendor system) or staff in key countries of the region on a needs basis (see annexe II for a visualisation of the customer journey). This set-up will ensure that the regional innovation hubs’ management is structured, and coordination efforts are kept to a minimum. At the same time, it is possible for each individual regional innovation hub to appropriately address the needs of different countries within a region by complementing the centralized structure with targeted consultancies or staff in key countries and hereby avoiding excessive administrative and financial costs.

It is recommended that each regional innovation hub has a non-standing regional advisory body in order to increase legitimacy and suitability of the regional call process as well as to engage with the private sector in the respective countries or region.
Composed of 5 entrepreneurs and/or private sector experts, the panel can provide – in close cooperation with the regional innovation hub – recommendations on the design of the regional call.

4.3.5 Critical Success Factors

The following aspects are proposed to be considered to ensure the smooth functioning of the regional innovation hubs:

- **Follow the subsidiarity principle to the best possible extent**
  Given the different institutional layers of the fund, it is crucial to allow decisions to be taken as close as possible to the area of intervention. This means that regional innovation hubs should get sufficient autonomy from the steering structure to implement the fund in the regions. Moreover, this means that regional innovation hubs should give sufficient autonomy and responsibility to country coordinators to ensure that the specific contexts are considered.

- **Adapt locally**
  In line with the previous point, regional innovation hubs have to be embedded thoroughly in the local context to make sure that they understand, represent and adapt to the local context in the entire region they cover. This includes communicating in the right languages, acting culturally sensitive and being connected to the relevant political and sectoral networks of the different countries covered by the regional innovation hub.

4.4 Financial Brokering & Technical Assistance

Key functions performed under the regional innovation hubs are the provision of technical advisory services and the facilitation of additional funding from external actors through financial brokering.

4.4.1 Objective

The objective of the financial brokering and the technical assistance is to provide innovators with the needed financial and non-financial support. In detail, this means the following:

- **Support innovators in achieving sustainable developmental impact at scale in accordance with the SDGs**
  The purpose of both the financial brokering and technical assistance is to help innovators in developing their solutions further in order to ultimately achieve sustainable developmental impact at scale in their respective spheres in accordance with the SDGs (see annex II for a visualization of the customer
journey). For this purpose, WE4F adopts a facilitator role in order to be a catalyst for systemic change.

4.4.2 Core Processes

- **Identification of technical needs of innovators and subsequent support**
  The technical advisory team under the regional innovation hub initially assesses each innovator’s needs in terms of business development, impact targets or technological aspects. Based on this need assessment, it develops a tailor-made plan to support the innovator effectively. Then, it needs to assess, who can provide the necessary support (for example, in-house staff or external service providers via the envisioned vendor system, see chapter 4.4.4). Finally, the implementation of technical assistance involves regular feedback loops to ensure that the technical advice provided is meeting the needs of the innovator and that it is achieving the intended results (see annex II for a visualization of the customer journey).

- **Identification of financial needs of innovators and facilitation of investments**
  The financial brokering’s key function is to support innovators in accessing capital for scaling-up during or at the end of going through the programme of the challenge fund. Its activities are crucial from the beginning of the selection phase, when it can play an advisory role in identifying financial needs and challenges of applicants. Moreover, by connecting innovators with potential investors from the start, it can point at key areas to work on in terms of developing the business model for example. For this purpose, they will have access to global, regional and local partnerships for finance and guarantees which will be established by the challenge fund.

  In addition, the financial brokering will be able to identify sources of capital that suit each innovator, including lenders backed by development guarantees when the innovators are ready to scale (see annex II for a visualization of the customer journey). For this purpose, WE4F will conduct investor landscape studies in all regions in which regional innovation hubs will be established.

- **Facilitate the development of suitable end-user finance instruments for smallholder farmers, the poor and women**
  In order to address potential market failures with regards to the demand of innovations and resulting products/services, the regional innovation hubs facilitate the development of suitable end-user finance instruments for smallholder farmers, the poor and women. This may include capacity development activities for staff of finance institutions or the sensitization of finance institutions through events or other advocacy activities.
4.4.3 Responsibilities

- **Provision of technical assistance to innovators**
  The technical assistance is responsible of providing any sort of non-financial assistance to the innovators to enable them to reach their full potential; either by employed staff or through the vendor system. Innovator technical assistance service categories thereby include but are not limited to: Business Development; Business Mentorship; Business Modelling; Holistic Environmental Compliance Assessment; Gender; Graphic Design; Branding, and Website Development; Human Resources Management; Legal Services; Market Research and Market Analysis; Missing Markets; Materials Science; Media Training and Presentation Coaching; Organizational Capacity Building; Partner Identification and Partnerships; Policy and Advocacy; Product Development, Refinement, and Diversification; Public Relations and Communication; Smallholder Farmer Marketing and Sales; Supply Chain Development; Technical Writing and Scope of Work Development; Travel Services (Conferences/Investor Workshops/Meetings).

- **Provision of financial brokering services to innovators**
  The financial brokering is responsible for providing seed funding to the innovators and is responsible for connecting them to other global, regional and local finance sources. These can entail but are not restricted to the challenge fund’s global, regional or local partnerships for finance and guarantees as well as impact investors (e.g. Alpha Mundi or Factor E).

4.4.4 Design of the Financial Brokering and Technical Assistance

To ensure the best possible support and achieve sustainable developmental impact at scale at systemic level in accordance with the SDGs, financial brokering and technical advisory need to work closely together. Therefore, it is recommended to work with a **transdisciplinary team of financial brokers and technical advisors** closely integrated in order to support innovators more holistically and to facilitate quick feedback loops and mutual learning processes. Hence, the financial brokers and technical advisors work in a closely integrated transdisciplinary team, which shares information on innovators needs and progress on a regular basis. This creates opportunities for quick feedback loops and agile management. This approach is likely to require less institutionalized coordination and management from the regional innovation hub management, because the teams are in constant contact. They should form their own common planning and knowledge exchange meetings in which current activities and lessons learned are shared.

The above described transdisciplinary teams of financial brokers and technical advisors perform mostly a coordinating function. While they may provide technical advice to innovators themselves, more specialized **instances of technical assistance or advisory**
work is sourced from service providers through a vendor system on the local markets (for a list of technical assistance services please see above). This way, the regional innovation hub can draw on a pool of service providers with a large range of expertise. On the one hand, this offers more flexibility in designing advisory activities. On the other hand, it provides the opportunity for performance-based management of service providers by setting clear targets, monitoring results and adapting strategies (e.g. adapting services or changing service provider). Moreover, this approach requires less internal resources from the donors, and it might enhance efficiency because of a clearer division of roles and mandate.

4.4.5 Critical Success Factors

The following aspects are proposed to be considered to ensure the smooth functioning of financial brokering and technical assistance:

• **Adapt locally**
  The financial brokering and technical assistance should ensure to understand the specific context of each operating country, to speak the relevant language and to adapt modalities of cooperation with innovators or service providers, where necessary. As a consequence, the precise scope of services offered in the regions will be decided by the regional innovation hubs and signed off by the Donor Steering Committee.

• **Pay for results**
  To incentivize the most effective and efficient provision of services for the financial brokering and technical assistance, it is recommended to apply a success-based payment system based upon milestones. This means that service providers would receive a bonus in addition to a previously defined base sum if certain milestones such as the acquisition of outside investments or the achievement of other milestones are met.

4.5 Enabling Environment

A key function of the regional innovation hubs and the secretariat is to facilitate advocacy work by highlighting important issues that hinder innovations or the scaling of innovations of the supported innovators both within the region and on the global policy level (systemic change).

4.5.1 Objectives

With regard to advocating an enabling environment, different objectives can be described for the regional innovation hubs and the secretariat.
Secretariat

- **Provide and receive impulses from the global policy level**
  It is expected that the challenge fund will generate new lessons learned that could influence global policy debates. In this regard, it is the objective of the secretariat to feed the lessons learned from the regional innovation hubs into the global policy debate as well as to facilitate supra-regional exchange among the identified topics of interest. Moreover, the secretariat’s objective is to provide the regional innovation hubs and the Donor Steering Committee with information about new developments and foci from the global policy debate. These can then be taken into consideration for implementation in the regional innovation hubs.

Regional innovation hubs

- **Facilitate advocacy for an enabling environment for innovators in the regions**
  Knowledge exchange within the region is expected to facilitate learnings for the innovators themselves, but more importantly also for the policy and social environment that innovators are operating in. In this regard, the regional innovation hub shall facilitate advocacy work by highlighting important issues that hinder innovations or the scaling of innovations of the supported innovators (e.g. missing regulations). For this purpose, they establish a report with the respective embassies or other advocacy groups.

- **Generate learnings for the global policy level**
  Additionally, local and regional lessons learned are collected and shared with the steering structure to facilitate learning on the global level. The secretariat can then channel these into policy networks on the global level.

### 4.5.2 Core Processes

Secretariat

- **Engagement in global policy networks and debates**
  To be involved in the ongoing policy debates in the water-energy-food nexus and the debate about challenge funds, the secretariat has to engage in relevant networks and to build up relations with key stakeholders in these fields. For this purpose, it can make use of contacts provided by the Donor Steering Committee or newly self-established contacts. The impulses received out of these networks should be provided to the Donor Steering Committee to inform the strategic discussions of the Donor Steering Committee and the regional strategies of the regional innovation hubs. Moreover, lessons learned from the WE4F challenge fund should also be distributed by the secretariat in a coordinated effort into these networks to inform global policy discussions.
Generating knowledge for global debates

Sometimes new knowledge needs for an enabling environment arise on the global level, which can only be met by a coordinated effort across regions (e.g. studies about the feasibility of a technology). In these cases, each of the units of the secretariat can – in a coordinated effort – initiate research or other activities on a global level by involving and tapping into the experience of the regional innovation hubs to satisfy these knowledge needs. Lessons learned from these activities can then be shared with the regional innovation hubs and relevant stakeholders on the global policy level.

Regional Innovation hubs

Engagement in regional and sectoral networks

In order to engage in relevant networks, the regional innovation hubs first need to identify the relevant policy and private sector networks within their region. Then relationships are built by participating in sectoral meetings and conferences. At the same time, the private sector and policy environment are analysed to identify bottlenecks for implementing and scaling innovations from the fund. In a next step, a strategy is developed to address the identified bottlenecks. This may include the commissioning of specialized research, the engagement in sectoral networks to advocate a more favourable enabling environment or the cooperation with other actors engaged in such fields, for example finance institutions.

In addition, another task of the regional innovation hubs is to link up with other local, regional or global programmes in the regions in order to generate synergies and to avoid duplication as well as to maximise impact. For this purpose, donor mapping activities for each region will be undertaken to identify synergies with each donor’s portfolio.

Collection, reflexion and interregional exchange of lessons learned

Besides, lessons learned are collected and reflected within and among regions. This process includes the monitoring of project progress and the regular exchange on both successes and challenges between country coordinators within a region and between regional innovation hub managers between the different regions. Essential lessons learned and success stories are then condensed and forwarded to the secretariat for consideration and spread on the global policy level.

4.5.3 Responsibilities

Secretariat

• Representation of the topic and innovators’ interests and needs in global policy fora
In a coordinated effort, the secretariat will represent the interest of the challenge fund in global policy fora.

- **Facilitate knowledge exchange with other internal and external actors on the global level**
  Each unit of the secretariat is responsible for providing their respective regional innovation hubs with information about the developments in the global policy debates as well as to share the lessons learned from the regional innovation hubs with actors on the global level. This also entails the generation of new knowledge via research or other activities.

**Regional innovation hubs**

- **Representation of the topic and innovators’ interests and needs in local and regional policy fora**
  Given the diverse tasks and challenge of the innovators, the regional innovation hubs can support these by representing their interests towards sectoral and policy networks within the region.

- **Facilitate knowledge exchange with other internal and external actors on the regional level**
  As the key focal point for both innovators and other stakeholders in the regions, the regional innovation hubs are in charge of coordinating the advocacy process for an enabling environment on the regional level. This entails knowledge management processes between innovators and other stakeholders within and between regions as well as between regional innovation hubs. Relevant lessons learned for the global policy level are gathered by the regional innovation hubs.

- **Dissemination and communication of the WE4F challenge fund’s regional calls**
  Furthermore, it is the task of the regional innovator accelerators to make the regional calls known to interested parties as well as to stimulate potential applicants to develop proposals. With regard to the latter the regional innovation hubs should also assist potential applicants in developing “strong” applications. Moreover, they should bring together parties, which usually do not work together in these sectors in order to facilitate innovative applications.

### 4.5.4 Design of the Advocacy Process for an Enabling Environment

In order to meet the objectives in a most effective and efficient way, the following approach is recommended for designing the facilitation of the advocacy process for an enabling environment.

Regional innovation hubs are the key focal point for creating an enabling environment in the regions. Since they are unlikely to have sufficient resources and leverage to shape the environment in each country by themselves, they can in the first place engage in
sectoral networks to both generate knowledge and facilitate advocacy work for changes in the sectoral fora to the extent possible. If further advocacy work in specific areas is necessary, however, this task goes beyond the capabilities of the regional innovation hubs. In these cases, specific areas and partners are, if possible, forwarded to other cooperation projects that engage in more targeted policy consulting and can include these aspects in their programming.

Moreover, each unit of the secretariat or the units together can initiative activities on the global level to meet knowledge demands on the global level for an enabling environment if the need arises. The focus hereby lies on the aspects for which a comparable perspective across regions is needed.

4.5.5 Critical Success Factors

The following aspects are proposed to be considered to ensure the smooth functioning of the advocacy process for an enabling environment:

- **Facilitate horizontal exchange between innovators, regional innovation hubs and the units of the secretariat**
  Peer-learning offers considerable potential for innovators as well as the teams of the regional innovation hubs and the units of the secretariat, since many challenges and success factors are transferable despite the many differences that exist. Therefore, regional innovation hubs and the units of the secretariat should facilitate intra- and inter-regional exchange by providing appropriate tools and formats with a low entry barrier. Such formats may be virtual such as Facebook groups or physical meetings of innovators from different regions to learn from each other.

- **Consider specific needs of each operating country**
  Similar to the management of regional innovation hubs and the financial brokering and technical assistance, aspects of advocacy and knowledge management should particularly make sure to understand the specific context of each operating country, to speak the relevant language and to know the relevant networks in each of the operating countries.
## ANNEX

### I. Indicator List for Regional Innovation Hubs’ M&E Framework

<table>
<thead>
<tr>
<th>Dimension in Theory of Change</th>
<th>#</th>
<th>Indicator</th>
<th>Baseline &amp; target values</th>
<th>Definitions</th>
<th>Level</th>
<th>Time &amp; regularity</th>
<th>Source of verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impacts Innovators have scaled sustainable new solutions to challenges in the WE4F nexus</td>
<td>IM1.1</td>
<td>Share of innovators that have increased production/delivery of their core product/service related to WE4F by X%</td>
<td>Baseline: X Target: X% of innovators</td>
<td><strong>Baseline:</strong> year of first grant reception from WE4F <strong>Production/service delivery:</strong> units produced/service unit delivered in the field of WE4F</td>
<td>Innovators</td>
<td>Yearly from year 2 after grant reception</td>
<td>Business documents of innovators</td>
</tr>
<tr>
<td></td>
<td>IM1.2</td>
<td>Share of innovators that have introduced their product/service to at least 1 new market</td>
<td>Baseline: X Target: X% of innovators</td>
<td><strong>Baseline:</strong> year of first grant reception from WE4F <strong>New market:</strong> country or region</td>
<td>Innovators</td>
<td>Yearly from year 2 after grant reception</td>
<td>Business documents of innovators</td>
</tr>
<tr>
<td></td>
<td>IM1.3</td>
<td>Share of innovators that have introduced their product/service to at least 1 new customer segment</td>
<td>Baseline: X Target: X% of innovators</td>
<td><strong>Baseline:</strong> year of first grant reception from WE4F <strong>New customer segment:</strong> e.g. different farm size, different type of business etc</td>
<td>Innovators</td>
<td>Yearly from year 2 after grant reception</td>
<td>Business documents of innovators</td>
</tr>
<tr>
<td>Customers in the market is using the newly developed products or services of the innovators</td>
<td>IM2.1</td>
<td>Share of innovators that have increased turnover related to WE4F by X%</td>
<td>Baseline: X Target: X% of innovators</td>
<td><strong>Baseline:</strong> year of first grant reception from WE4F <strong>Turnover from sales:</strong> earnings from production/service delivery in the field of WE4F, excluding grants</td>
<td>Innovators</td>
<td>Yearly from year 2 after grant reception</td>
<td>Accounting documents of innovators</td>
</tr>
<tr>
<td></td>
<td>IM2.2</td>
<td>Share of innovators that make at least X% of their turnover from sales in the field of WE4F</td>
<td>Baseline: X Target: X% of innovators</td>
<td><strong>Baseline:</strong> year of first grant reception from WE4F <strong>Turnover from sales:</strong> earnings from production/service delivery in the field of WE4F, excluding grants</td>
<td>Innovators</td>
<td>Yearly from year 2 after grant reception</td>
<td>Accounting documents of innovators</td>
</tr>
<tr>
<td></td>
<td>IM2.3</td>
<td>Number of end users benefitting from innovations</td>
<td>Baseline: X Target: X end users</td>
<td><strong>Baseline:</strong> year of first grant reception from WE4F <strong>End user:</strong> farmers or other market participants that use products/services of innovators</td>
<td>Innovators</td>
<td>Yearly from year 2 after grant reception</td>
<td>Survey with innovators</td>
</tr>
</tbody>
</table>
### IM3.1

**WE4F contributes to increased food production along the food value chain through a more sustainable and efficient usage of water and/or energy**

|   | a. Share of food producers using products/services of WE4F innovators that have increased food production by X% through a more sustainable and efficient usage of water  
|   | b. Share of food producers using products/services of WE4F innovators that have increased food production by X% through a more sustainable and efficient usage of energy | Baseline: X  
|   |   | Target: X % of food producers | Baseline: food units produced by the same producer before introduction of innovation/on units without involvement of innovation | Clients/users of innovators | 2 years after end of project | Survey with innovators and their clients/users |

### IM3.2

|   | a. Share of food producers that use products/services of WE4F innovators produce on average X% more food through a more sustainable and efficient usage of water  
|   | b. Share of food producers that use products/services of WE4F innovators produce X% more food through a more sustainable and efficient usage of energy | Baseline: X  
|   |   | Target: X % increase of food production | Baseline: Food produced before introduction of innovation/on units without involvement of innovation | Clients/users of innovators | 2 years after end of project | Survey with innovators and their clients/users |

### IM3.3

|   | a. Total amount of water saved in food production by food producers/food chain participants that use products/services of WE4F innovators  
|   | b. Total amount of energy saved in food production by food producers/food chain participants that use products/services of WE4F innovators | Baseline: X  
|   |   | Target: X litres/kWh per year | Baseline: water & energy used in food production before introduction of innovation/on units without involvement of innovation | Clients/users of innovators | 2 years after end of project | Lifecycle assessment of food producers/food chain participants |

### IM4.1

**WE4F contributes to increased income for women and men including the poor in both rural and urban areas**

|   | a. The average yearly income of male workers/farmers that use products/services of WE4F innovators has increased by X% in comparison to the sector standard  
|   | b. The average yearly income of female workers/farmers that use products/services of WE4F innovators has increased by X% in comparison to the sector standard | Baseline: X  
|   |   | Target: X% Salary increase | Baseline: income of workers before introduction of innovation  
|   |   | Workers: all staff excluding middle and upper management | Clients/users of innovators | 2 years after end of project | Survey with workers in companies using products/services of WE4F innovators |
**IM4.2**

<table>
<thead>
<tr>
<th><strong>a.</strong> The average yearly income of workers/farmers in rural areas that use products/services of WE4F innovators has increased by X% in comparison to the industry standard.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>b.</strong> The average yearly salary of workers/farmers in urban areas that use products/services of WE4F innovators have increased by X% in comparison to the industry standard.</td>
</tr>
</tbody>
</table>

| **Baseline:** | X |
| **Target:** | X% |

**Baseline:** income of workers before introduction of innovation

**Workers:** all staff excluding middle and upper management

**Rural/urban areas:** workplace is situated in a settlement of less/more than 50,000 inhabitants

**Clients/users of innovators:**

| 2 years after end of project | Survey with workers in companies using products/services of WE4F innovators |

---

**IM4.3**

| **a.** Number of jobs created in companies of innovators |
| **b.** Number of jobs created in companies using products/services of WE4F innovators |
| **c.** Number of jobs created being internationally recruited for management positions |
| **d.** Share of newly created jobs being occupied by women |
| **e.** Qualitative assessment of CEO to what extent job creation is a result of WE4F innovation |

| **Baseline:** | X |
| **Target:** | X% |

**Baseline:** number of staff in companies using products/services of WE4F innovators before introduction

**Workers:** all staff excluding middle and upper management

**Clients/users of innovators:**

| 2 years after end of project | Survey with management of companies using products/services of WE4F innovators |

---

**Outcomes**

**OC1.1**

| Share of innovators that have increased their physical production capacity by X% |

| **Baseline:** | X |
| **Target:** | X% of innovators |

**Baseline:** year of first grant reception from WE4F

**Physical production capacity:** maximum possible production units per year with current physical and human resources available

**Innovators:**

| Yearly from year 2 after grant reception | Survey with innovators |

---

**OC1.2**

<table>
<thead>
<tr>
<th>Share of innovators that have enhanced management capacities as a result of WE4F support in terms of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. roles and responsibilities of key decision-makers</td>
</tr>
<tr>
<td>b. financial management</td>
</tr>
<tr>
<td>c. human resource management</td>
</tr>
</tbody>
</table>

| **Baseline:** | X |
| **Target:** | X% of innovators |

**Baseline:** established through a survey at the point of grant reception from WE4F

**Management capacity:** qualitative assessment by CEO

**Innovators:**

| Yearly from year 2 after grant reception | Survey with innovators |

---

**OC1.3**

<table>
<thead>
<tr>
<th>Share of innovators that use new tools, methods or process:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. to enhance business processes</td>
</tr>
<tr>
<td>b. to address or monitor impact dimensions (e.g. gender, poverty reduction or environmental gains)</td>
</tr>
</tbody>
</table>

| **Baseline:** | 0 |
| **Target:** | X% of innovators |

**Baseline:** year of first grant reception from WE4F

**Tools, methods or processes:** any documented mechanism that enhances business processes/helps address or monitor impact dimensions

**Innovators:**

<p>| Yearly from year 2 after grant reception | Survey with innovators; documentation of the mechanism |</p>
<table>
<thead>
<tr>
<th>OC2.1</th>
<th>Mobilisation of External funding for innovators is increased</th>
<th>Volume of investments in USD that innovators have mobilized from external sources</th>
<th>Baseline: X Target: X USD</th>
<th>Baseline: year of first grant reception from WE4F Investment: risk-based financial inputs in exchange for company shares or profit shares</th>
<th>Innovators</th>
<th>Yearly from year 1 after grand reception</th>
<th>Accounting documents of innovators</th>
</tr>
</thead>
<tbody>
<tr>
<td>OC2.2</td>
<td>OC2.3</td>
<td>Volume of loans in USD that innovators have mobilised from external sources</td>
<td>Baseline: X Target: X USD</td>
<td>Baseline: year of first grant reception from WE4F Loans: repayable external funding from third parties against interest (excluding guarantees or grants provided by donor organisations)</td>
<td>Innovators</td>
<td>Yearly from year 1 after grand reception</td>
<td>Accounting documents of innovators</td>
</tr>
<tr>
<td>a. Share of innovators that have raised more than X USD in external funding</td>
<td>b. Share of newly selected innovators that have raised more than X USD in external funding</td>
<td>Target: X % of innovators</td>
<td>Baseline: year of first grant reception from WE4F External funding: any investment or loan from third parties (excluding guarantees or grants provided by donor organisations) Newly selected innovators: Innovators that were not previously supported by PAEGC or SWFF</td>
<td>Innovators</td>
<td>Yearly from year 1 after grand reception</td>
<td>Accounting documents of innovators</td>
<td></td>
</tr>
<tr>
<td>OC3.1</td>
<td>OC3.2</td>
<td>Share of innovators that report an improved enabling environment in a field of WE4F engagement in terms of:</td>
<td>Target: X % of innovators</td>
<td>Baseline: year of first grant reception from WE4F Measurement: qualitative assessment of CEO of criteria stated in indicator</td>
<td>Private sector level</td>
<td>Yearly from year 1 after grand reception</td>
<td>Survey with innovators</td>
</tr>
<tr>
<td>a. (potential) clients having increased access to the product/service</td>
<td>b. access to inputs having improved</td>
<td>c. bureaucratic hurdles having lowered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OC3.3</td>
<td>Share of innovators that report an increased number of competitors</td>
<td>Target: X % of innovators</td>
<td>Competitors: companies that offer a similar product/service in the same or a similar market</td>
<td>Private sector level</td>
<td>Yearly from year 1 after grand reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OP1.1</strong></td>
<td>Share of innovators that have developed a viable business model for their product/service</td>
<td>Baseline: X Target: X % of innovators</td>
<td>Baseline: year of first grant reception from WE4F Viable business model: in terms of a. having identified a specific market demand that the product/service addresses b. having outlined a path to break even within 5 years</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td><strong>OP1.2</strong></td>
<td>Share of innovators’ business models that are assessed as viable by the financial brokers</td>
<td>Baseline: X Target: X % of innovators’ business models</td>
<td>Baseline: year of first grant reception from WE4F Viable business model: see criteria in OP1.1 Financial brokers: either internal or external experts with knowledge of the innovators’ business models</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Interviews with experts from financial brokering</td>
<td></td>
</tr>
<tr>
<td><strong>OP1.3</strong></td>
<td>Share of innovators that have tested their product/service on the market</td>
<td>Baseline: X Target: X % of innovators</td>
<td>Baseline: year of first grant reception from WE4F Tested on the market: innovator has been able to pilot the product/service with real market participants</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td><strong>OP2.1</strong></td>
<td>Number of innovators that have increased awareness of aspects of: a. gender equality b. poverty reduction c. environmental gains</td>
<td>Baseline: 0 Target: X innovators</td>
<td>Baseline: year of first grant reception from WE4F Measurement: qualitative assessment by CEOs</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td><strong>OP2.2</strong></td>
<td>Number of innovators that have increased awareness of aspects of: a. gender equality b. poverty reduction c. environmental gains</td>
<td>Baseline: X Target: X innovators</td>
<td>Baseline: established through a survey at the point of grant reception from WE4F Measurement: qualitative assessment by CEOs</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td><strong>OP2.3</strong></td>
<td>Number of innovators that have increased knowledge of aspects of: a. gender equality b. poverty reduction c. environmental gains</td>
<td>Baseline: 0 Target: X innovators</td>
<td>Baseline: year of first grant reception from WE4F Measurement: qualitative assessment by CEOs</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td><strong>OP2.4</strong></td>
<td>Number of innovators that have increased knowledge of aspects of: a. gender equality b. poverty reduction c. environmental gains</td>
<td>Baseline: X Target: X innovators</td>
<td>Baseline: established through a survey at the point of grant reception from WE4F Measurement: qualitative assessment by CEOs</td>
<td>Innovators</td>
<td>Yearly from end of year 1 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td><strong>OP3.1</strong></td>
<td>Number of innovators that have developed new tools, methods or processes to monitor impact dimensions in terms of: a. gender b. poverty reduction c. environmental gains</td>
<td>Baseline: 0 Target: X innovators</td>
<td>Baseline: year of first grant reception from WE4F Tools, methods or processes: any documented mechanism that helps monitor impact dimensions</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators; documentation of the mechanism</td>
<td></td>
</tr>
<tr>
<td><strong>OP3.2</strong></td>
<td>Number of innovators that have developed new tools, methods or process to monitor impact dimensions in terms of: a. gender b. poverty reduction c. environmental gains</td>
<td>Baseline: X Target: X innovators</td>
<td>Baseline: established through a survey at the point of grant reception from WE4F Tools, methods or processes: any documented mechanism that helps monitor impact dimensions</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators; documentation of the mechanism</td>
<td></td>
</tr>
<tr>
<td>Objective</td>
<td>Description</td>
<td>Baseline</td>
<td>Target</td>
<td>Innovators</td>
<td>Data Collection</td>
<td>Example Details</td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>----------</td>
<td>--------</td>
<td>------------</td>
<td>----------------</td>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td>OP3.3</td>
<td>Number of innovators that have developed new tools, methods or processes to address impact dimensions in terms of: a. gender, b. poverty reduction, c. environmental gains</td>
<td>Baseline: X Innovators</td>
<td>Target: X Innovators</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators; documentation of the mechanism</td>
<td></td>
</tr>
<tr>
<td>OP3.4</td>
<td>Number of innovators that have developed new tools, methods or processes to address impact dimensions in terms of: a. gender, b. poverty reduction, c. environmental gains</td>
<td>Baseline: X Innovators</td>
<td>Target: X Innovators</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with innovators; documentation of the mechanism</td>
<td></td>
</tr>
<tr>
<td>OP4.1</td>
<td>Share of innovators that report increased knowledge of investment opportunities</td>
<td>Baseline: X % of Innovators</td>
<td>Target: X % of Innovators</td>
<td>Innovators</td>
<td>Yearly from end of year 1 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td>OP4.2</td>
<td>Share of innovators that had personal meetings with at least X potential investors</td>
<td>Baseline: 0 Innovators</td>
<td>Target: X % of Innovators</td>
<td>Innovators</td>
<td>Quarterly from end of year 1 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td>OP4.3</td>
<td>Share of innovators that had personal meetings with at least X loan providers</td>
<td>Baseline: 0 Innovators</td>
<td>Target: X % of Innovators</td>
<td>Innovators</td>
<td>Quarterly from end of year 1 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td>OP5.1</td>
<td>Share of innovators that are assessed as “investment ready” by potential investors or loan providers from the WE4F network</td>
<td>Baseline: X % of Innovators</td>
<td>Target: X % of Innovators</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Survey with Potential investors and loan providers from WE4F network</td>
<td></td>
</tr>
<tr>
<td>OP5.2</td>
<td>Share of innovators that are assessed as “able to scale” by the financial brokers</td>
<td>Baseline: X % of Innovators</td>
<td>Target: X % of Innovators</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Interviews with financial brokers</td>
<td></td>
</tr>
<tr>
<td>OP5.3</td>
<td>Share of innovators whose business model explicitly addresses the needs of marginalized groups in society</td>
<td>Baseline: X % of Innovators</td>
<td>Target: X % of Innovators</td>
<td>Innovators</td>
<td>Yearly from end of year 2 after grant reception</td>
<td>Innovators’ business plans</td>
<td></td>
</tr>
<tr>
<td>OP6.1</td>
<td>Share of innovators that have increased knowledge on specifics of their market due to learnings from or facilitated by WE4F</td>
<td>Baseline: year of first grant reception from WE4F</td>
<td>Innovators</td>
<td>Yearly from end of year 1</td>
<td>Survey with innovators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------</td>
<td>--</td>
<td>---------------------</td>
<td>----------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP6.2</td>
<td>Share of innovators that have increased knowledge on specifics of their market due to learnings from or facilitated by WE4F</td>
<td>Baseline: year of first grant reception from WE4F</td>
<td>Innovators</td>
<td>Yearly from end of year 1</td>
<td>Survey with innovators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP6.3</td>
<td>Share of service providers (for TA and financial brokering services) that report increased knowledge on specific markets due to learnings from or facilitated by WE4F</td>
<td>Baseline: year of WE4F launch</td>
<td>Service providers for TA and financial brokering services</td>
<td>Yearly from midterm</td>
<td>Survey with service providers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OP6.4</td>
<td>Share of service providers (for TA and financial brokering services) that report increased knowledge on specific markets due to learnings from or facilitated by WE4F</td>
<td>Baseline: established through a survey at the point of first involvement with WE4F</td>
<td>Service providers for TA and financial brokering services</td>
<td>Yearly from midterm</td>
<td>Survey with service providers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Regional innovation hubs and innovators have learned from field experiences of other regional innovation hubs and innovators

| OP7.1 | Number of innovators that have gained new insights from exchange activities with other innovators  
|       | **A.** within the region  
|       | **B.** in other regions with regards to:  
|       |   - **a.** technological aspects  
|       |   - **b.** market specifics  
|       |   - **c.** their business model  
|       | **Baseline:** year of first grant reception from WE4F  
|       | **Exchange activity:** Event or communication platform that involved innovators from different sectors or regions  
| Innovators | Yearly from midterm | Survey with innovators |

| OP7.2 | Number of innovators that have gained new insights from exchange activities with other innovators  
|       | **A.** within the region  
|       | **B.** in other regions with regards to:  
|       |   - **a.** technological aspects  
|       |   - **b.** market specifics  
|       |   - **c.** their business model  
|       | **Baseline:** established through a survey at the point of grant reception from WE4F  
|       | **Exchange activity:** Event or communication platform that involved innovators from different sectors or regions  
| Innovators | Yearly from midterm | Survey with innovators |

| OP7.3 | Number of implemented exchange activities with other regional innovation hubs with regards to:  
|       |   - **a.** market specifics  
|       |   - **b.** the enabling environment  
|       |   - **c.** management aspects  
|       | **Baseline:** year of WE4F launch  
|       | **Exchange activity:** Event or communication platform that involved representatives from different regional innovation hubs  
| Regional innovation hubs | Yearly from midterm | Documentation of implemented activities |

| OP7.4 | Share of technical regional innovation hub staff that have gained new insights from exchange activities with other regional innovation hubs with regards to:  
|       |   - **a.** market specifics  
|       |   - **b.** the enabling environment  
|       |   - **c.** management aspects  
|       | **Baseline:** established through a survey at the point of grant reception from WE4F  
|       | **Exchange activity:** Event or communication platform that involved representatives from different regional innovation hubs  
| Regional innovation hubs | Yearly from midterm | Interviews with regional innovation hub staff |

### Policymakers & other stakeholders are sensitized for challenges & solutions in WE4F nexus

| OP8.1 | Number of local or regional policy dialogues organized without WE4F involvement that discuss solutions provided by innovators  
|       | **Target:** X policy dialogues  
| Regional innovation hubs | Quarterly from midterm | Documentation of policy dialogues |

| OP8.2 | Share of innovators that have been invited to policy or stakeholder dialogues to discuss their solution to challenges in the WE4F nexus  
|       | **Baseline:** year of WE4F launch  
<p>| Regional innovation hubs | Quarterly from midterm | Survey with innovators |</p>
<table>
<thead>
<tr>
<th>OP8.3</th>
<th>Number of media publications that reference solutions provided by innovators</th>
<th>Baseline: year of WE4F launch</th>
<th>Media publication: article or broadcast in newspaper/magazine/online publication such as blog, podcast or YouTube of &gt;1000 viewers/listeners/TV/radio/etc</th>
<th>Media</th>
<th>Quarterly from midterm</th>
<th>Media documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>OP9.1</td>
<td>Number of finance institutions that have participated in instances of technical assistance regarding business opportunities in WE4F nexus</td>
<td>Baseline: year of WE4F launch</td>
<td>Sensitized for business opportunities: finance institution is aware of a specific solution and related challenges for end-user finance</td>
<td>Finance institutions</td>
<td>Yearly from midterm</td>
<td>Participants list of the implemented instances of technical assistance</td>
</tr>
<tr>
<td>OP9.2</td>
<td>Number of finance institutions that are knowledgeable about specific solutions and related challenges for end-user finance in WE4F nexus</td>
<td>Baseline: year of WE4F launch</td>
<td>Sensitized for business opportunities: finance institution is aware of a specific solution and related challenges for end-user finance</td>
<td>Finance institutions</td>
<td>Yearly from midterm</td>
<td>Interviews with financial brokers</td>
</tr>
<tr>
<td>OP9.3</td>
<td>Number of finance institutions that have adapted their portfolio to meet needs of end-users in WE4F nexus</td>
<td>Baseline: year of WE4F launch</td>
<td>Adapted portfolio: reflection of portfolio with regards to challenges of WE4F end-users and, if necessary, adaptation</td>
<td>Finance institutions</td>
<td>Yearly from midterm</td>
<td>Survey with finance institutions</td>
</tr>
<tr>
<td>OP10.1</td>
<td>Number of events or presentations by WE4F staff at external events that specifically deal with the sharing of lessons learned within the WE4F nexus on the following levels: a. global level b. regional innovation hub level c. on the local level</td>
<td>Baseline: year of WE4F launch</td>
<td>Lessons learned: any learning, experience or knowledge generated from activities related to WE4F or the innovators</td>
<td>WE4F structure</td>
<td>Yearly from midterm</td>
<td>Documentation of events, presentations, publications</td>
</tr>
</tbody>
</table>
### OP10.2

<table>
<thead>
<tr>
<th>Number of publications that specifically deal with the sharing of lessons learned within the WE4F nexus with regards to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. knowledge gaps on markets and technologies</td>
</tr>
<tr>
<td>b. learnings within and between regional innovation hubs including innovators</td>
</tr>
<tr>
<td>c. interactions with policymakers</td>
</tr>
<tr>
<td>d. sensitizing finance institutions on business opportunities within the WE4F nexus</td>
</tr>
<tr>
<td>Target: X publications</td>
</tr>
</tbody>
</table>

**Publication:** Any written, audio or video material publicly shared

**Lessons learned:** Any learning, experience or knowledge generated from activities related WE4F or the innovators

**WE4F structure**

**Yearly from midterm**

**Documentation of events, presentations, publications**

### OP10.3

<table>
<thead>
<tr>
<th>Share of external stakeholders on the</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. global level</td>
</tr>
<tr>
<td>b. regional innovation hub level</td>
</tr>
<tr>
<td>c. on the local level that are aware of relevant lessons learned made by WE4F</td>
</tr>
<tr>
<td>Target: X% of external stakeholders</td>
</tr>
</tbody>
</table>

**Lessons learned:** Any learning, experience or knowledge generated from activities related WE4F or the innovators

**BE AWARE OF RELEVANT LESSONS LEARNED:** Interviewed stakeholders can name at least one lesson learned and assess it relevant to their own work field

**WE4F structure**

**Yearly from midterm**

**Interviews with stakeholders**

### Activities

#### Provision of grants to new innovators

<table>
<thead>
<tr>
<th>A1.1</th>
<th>Total grant volume (USD) provided to new innovators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target: X USD</td>
<td></td>
</tr>
</tbody>
</table>

**WE4F structure**

**Quarterly**

**WE4F accounting documents**

<table>
<thead>
<tr>
<th>A1.2</th>
<th>Grant volume provided per new innovator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target: X USD</td>
<td></td>
</tr>
</tbody>
</table>

**Innovators**

**Quarterly**

**WE4F accounting documents**

<table>
<thead>
<tr>
<th>A1.3</th>
<th>Share of co-funding provided by innovators themselves to match grant for developing/ advancing innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target: X% of co-funding</td>
<td></td>
</tr>
</tbody>
</table>

**% of co-funding:** % of the total sum needed (according to the business plan at the time of grant reception) provided by innovators themselves, including in-kind contribution

**Innovators**

**Yearly from end of year 1 after grant reception**

**Business documents of innovators**

<table>
<thead>
<tr>
<th>A2.1</th>
<th>Number of new innovators being selected in the following subsectors:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. XXX</td>
<td></td>
</tr>
<tr>
<td>b. XXX</td>
<td></td>
</tr>
<tr>
<td>c. XXX</td>
<td></td>
</tr>
<tr>
<td>Target: X innovators</td>
<td></td>
</tr>
</tbody>
</table>

**Innovators**

**Quarterly**

**WE4F documentation**

<table>
<thead>
<tr>
<th>A2.2</th>
<th>Ratio of applicants to selected innovators per call to ensure selection of innovators with highest impact potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target: X applicants per 1 selected innovator</td>
<td></td>
</tr>
</tbody>
</table>

**Ratio of applicants to selected innovators:** Number of applicants divided by number of selected innovators

**Calls**

**After every call**

**WE4F documentation**
<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Target</th>
<th>Processes</th>
<th>Calls</th>
<th>Frequency</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A2.3</td>
<td>Number of innovators that are selected outside the call structure</td>
<td>Target: Processes are in place for all of X innovators selected outside call structure</td>
<td>Processes: internal and external review of proposals outside the call structure with the degree of depths and with the same criteria as within the calls</td>
<td>Calls</td>
<td>Quarterly</td>
<td>WE4F documentation</td>
</tr>
<tr>
<td>A3.1</td>
<td>Number of instances of technical assistance provided</td>
<td>Target: X instances of technical assistance</td>
<td>Qualitative assessment: quality assessment, may also be quantified by a scale from 1 to 5</td>
<td>WE4F structure</td>
<td>Monthly</td>
<td>WE4F documentation</td>
</tr>
<tr>
<td>A3.2</td>
<td>1. Number of instances of technical assistance participants on aspects of: a. business development b. specific technologies c. gender aspects d. poverty reduction e. environmental aspects 2. Assessment of quality of instances of technical assistance by participants</td>
<td>Target: X instances of technical assistance participants</td>
<td>Individual capacity development plan: summarizes capacity development needs, objectives and planned capacity development activities</td>
<td>WE4F structure</td>
<td>Monthly</td>
<td>WE4F documentation &amp; survey with instances of technical assistance participants</td>
</tr>
<tr>
<td>A3.3</td>
<td>Share of innovators for which individual capacity development plans are in place</td>
<td>Target: all innovators</td>
<td>Quality assessment: on a scale from 1 (not useful at all) to 5 (very useful)</td>
<td>WE4F structure</td>
<td>3 months after first grant reception</td>
<td>WE4F documentation</td>
</tr>
<tr>
<td>A4.1</td>
<td>Number of instances of technical assistance on investment readiness provided</td>
<td>Target: X instances of technical assistance</td>
<td></td>
<td>WE4F structure</td>
<td>Monthly</td>
<td>WE4F documentation</td>
</tr>
<tr>
<td>A4.2</td>
<td>Number of instances of technical assistance participants on investment readiness</td>
<td>Target: X instances of technical assistance participants</td>
<td></td>
<td>WE4F structure</td>
<td>Monthly</td>
<td>WE4F documentation</td>
</tr>
<tr>
<td>A4.3</td>
<td>Share of instances of technical assistance participants on investment readiness that assess the instances of technical assistance as useful or very useful</td>
<td>Target: X % of instances of technical assistance participants</td>
<td>Quality assessment: on a scale from 1 (not useful at all) to 5 (very useful)</td>
<td>WE4F structure</td>
<td>Quarterly</td>
<td>Survey with instances of technical assistance participants</td>
</tr>
<tr>
<td>A5.1</td>
<td>Number of matchmaking events organised by WE4F</td>
<td>Target: X events</td>
<td>Match making event: any event organized by WE4F for innovators to personally meet potential investors</td>
<td>WE4F structure</td>
<td>Quarterly</td>
<td>WE4F documentation</td>
</tr>
<tr>
<td>A5.2</td>
<td>Number of contacts of potential investors provided to innovators by WE4F</td>
<td>Target: X contacts</td>
<td>Innovators</td>
<td>End of year 1 after grant reception</td>
<td>Survey with innovators</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>------------------------------------------------</td>
<td>-------------------</td>
<td>------------</td>
<td>-------------------------------------</td>
<td>-----------------------</td>
<td></td>
</tr>
<tr>
<td>A5.3</td>
<td>Share of innovators that made use of the financial guarantee instruments</td>
<td>Baseline: X % of innovators</td>
<td>Innovators</td>
<td>Midterm</td>
<td>WE4F documentation</td>
<td></td>
</tr>
<tr>
<td>A6.1</td>
<td>Number of events organized to facilitate knowledge exchange horizontally within the WE4F structure</td>
<td>Target: X events</td>
<td>WE4F structure</td>
<td>Quarterly</td>
<td>WE4F documentation</td>
<td></td>
</tr>
<tr>
<td>A6.2</td>
<td>Establishment of an online platform to facilitate horizontal knowledge exchange between regions and innovators</td>
<td>Target: 1 online platform</td>
<td>WE4F structure</td>
<td>6 months after launch</td>
<td>WE4F documentation</td>
<td></td>
</tr>
<tr>
<td>A6.3</td>
<td>Number of Donor Steering Committee meetings that cover lessons learned from the regions in their agenda</td>
<td>Target: X meetings</td>
<td>WE4F structure</td>
<td>Bi-annually</td>
<td>Documentation of WE4F Steering Committee</td>
<td></td>
</tr>
<tr>
<td>A7.1</td>
<td>Number of events organized by WE4F to advocate for a more favourable enabling environment a. on the global level b. on the regional level c. on the local level</td>
<td>Target: X events</td>
<td>WE4F structure</td>
<td>Monthly</td>
<td>WE4F documentation</td>
<td></td>
</tr>
<tr>
<td>A7.2</td>
<td>Number of publications published by WE4F to advocate for a more favourable enabling environment a. on the global level b. on the regional level c. on the local level</td>
<td>Target: X publications</td>
<td>WE4F structure</td>
<td>Monthly</td>
<td>WE4F documentation</td>
<td></td>
</tr>
<tr>
<td>A7.3</td>
<td>Existence of functional processes for implementing advocacy activities on the a. on the global level b. on the regional level c. on the local level</td>
<td>Target: processes are in place</td>
<td>WE4F structure</td>
<td>Quarterly</td>
<td>WE4F documentation</td>
<td></td>
</tr>
</tbody>
</table>
## Capacity development of innovators, multipliers, financing institutions and other stakeholders

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
| **A8.1** | Number of instances of technical assistance organised for  
|   | a. multipliers  
|   | b. financing institutions  
|   | c. other stakeholders  
|   |   |   |   |   |
|   | Target: X instances of technical assistance  
|   |   |   |   |   |
|   |   |   |   |   |
| **A8.2** | Existence of functional processes for implementing capacity development for  
|   | a. multipliers  
|   | b. financing institutions  
|   | c. other stakeholders  
|   |   |   |   |   |
|   | Target: processes are in place  
|   |   |   |   |   |
|   |   |   |   |   |
| **A8.3** | Share of multipliers, representatives of financing institutions and representatives of other stakeholders that assess:  
|   | a. instances of technical assistance as useful or very useful  
|   | b. capacity development materials as good or very good  
|   |   |   |   |   |
|   | Target: X % of multipliers, X % of finance institutions, X % of other stakeholders  
|   |   |   |   |   |
|   |   |   |   |   |

---

### A8.1 - Number of instances of technical assistance organised for multipliers, financing institutions and other stakeholders

- **Target:** X instances of technical assistance

### A8.2 - Existence of functional processes for implementing capacity development for multipliers, financing institutions and other stakeholders

- **Target:** Processes are in place

### A8.3 - Share of multipliers, representatives of financing institutions and representatives of other stakeholders that assess:

- **Quality assessment:** on a scale from 1 (not useful at all) to 5 (very useful)

---

**Processes:** This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)

---

**Processes:**

- This entails at least the identification of capacity development themes, the development of instances of technical assistance contents and the identification of expert trainers (if necessary)
II. Acceleration Support Process (Customer Journey)

ACCELERATION SUPPORT PROCESS

1. Release on rolling basis and/or annually a Blanket Purchase Order Agreement (BPO)
2. Review of milestone targets with Innovator
3. Preparation for Site Visit (6 weeks)
4. The Innovator completes the Innovator Needs Diagnostic
5. Conduct acceleration support planning call with the Innovator
6. Continue with steps 8 through 27
7. Acceleration Work Plan
8. Site Visit (3 days)
9. Execution of AWI
10. Innovation Hub drafts acceleration support scope of work (SOW)
11. With Innovator input, Acceleration Facilitator reviews the draft SOW
12. Official approval of SOW went to Innovator
13. Acceleration Facilitator and Innovation Hub Manager agrees on the SOW
14. Draft SOW went to Regional Innovation Hub Manager for review and approval
15. RHIHM reviews and approves the SOW for vendor selection
16. Two finalists are identified
17. Vendor Selection and Contracting (31 days)
18. Detailed selection memo drafted and sent to Regional Innovation Hub Manager for approval
19. Innovator interviews top two-vendor finalists
20. Call for contract generation and sent to selected vendor
21. Vendor drafts work plan and submits for Acceleration Facilitator and Innovation Hub Manager for review and approval
22. Acceleration Facilitator reviews the work plan with the Innovation Hub Manager and the Regional Innovation Hub Manager and approves or makes revisions
23. Project delivery
24. Support Delivery (3 months)
25. Approach and feedback (2 days)
26. One year later, Acceleration Facilitator checks with Innovator on long-term impact of support
27. Acceleration Facilitator sends a Customer Service Survey to the Innovator and documents responses and feedback

AWARD DECISION

PROJECT ACTIVITY DOCUMENT 78