Souk At-tanmia

Independent evaluation of the 2012-2013 pilot edition in Tunisia

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April, 2015

Project data sheet

Country	Tunisia
Project Title	Souk At-tanmia
Thematic area	Youth Employment, Entrepreneurship, Private sector development
Lead agency	African Development Bank
Implementing partners	Department for International Development (DFID), United States Embassy in Tunis, Danish Ministry of Foreign Affairs, United Nations Industrial Development Organization (UNIDO), United Nations Development Program (UNDP), International Labor Organization (ILO), Food and Agricultural Organization (FAO), International Office for Migration (IOM), British Council, Banque de Financement des Petites et Moyennes Entreprises (BFPME), Banque Tunisienne de Solidarité (BTS), Microsoft, Mediterranean School of Business (MSB), Confédération des Entreprises Citoyennes de Tunisie (CONECT), Talan, Centre des Jeunes Dirigeants (CJD), Total, Tunisiana/Ooredoo, Touensa
Project timeline (1st edition)	Start date: July, 2012 End date: December, 2013
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Project website	www.soukattanmia.org
Evaluation period	Mid-term: September – December, 2013 Final: August – December, 2014

The analysis and recommendations of this evaluation are those of the evaluators and do not necessarily reflect the views of the African Development Bank, its management and board of directors or those of the Souk At-tanmia's partners.

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Executive Summary

In the aftermath of the 2011 Tunisian revolution, the African Development Bank (AfDB) initiated *Souk At-tanmia* (a "market for development" in Arabic), a pilot program to support entrepreneurship in Tunisia and tackle unemployment. The first edition (pilot phase) was launched in July 2012 and ended in December 2013. A second edition was officially launched in April 2014.

The objectives of this independent evaluation carried out during the fall of 2014, are to:

1. Assess the overall performance of the first edition, in particular with regard to achieved outcomes for beneficiaries;
2. Assess the institutional set-up of Souk At-tanmia; and
3. Based on the findings related to the design, implementation, and results of Souk At-tanmia, draw lessons learned and make recommendations for adjustments of future editions of the initiative or similar interventions.

Relevance

Souk At-tanmia was a timely initiative that responded directly to the immediate needs of the Tunisian people. Opinion polls in recent years consistently highlighted unemployment and the weak economy as the most important problems facing the country, making employment promotion programs, such as Souk At-tanmia, a highly relevant policy response. In addition, the project was also fully in line with the priorities of the Tunisian government and the AfDB. Moreover, rather than just providing traditional training or employment services as many public employment programs do, Souk At-tanmia set out to stimulate the private sector and vitalize the demand-side of the labor market by making it easier for Tunisians to start and grow their businesses. Given the prevalent barriers to firm entry and growth in the country, supporting entrepreneurship was an appropriate strategy.

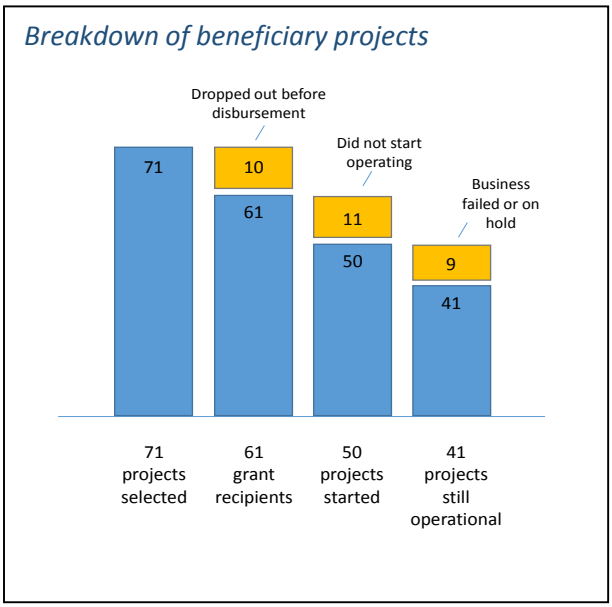
While the project could have benefited from drawing on more existing evidence and lessons learned of other business plan competitions during the design stage, the integrated approach of providing access to finance as well as non-financial services was well in line with international best practices and beneficiary needs. Souk At-tanmia was one of the first programs in Tunisia to offer an integrated approach to foster entrepreneurship. Specifically, the program covered the entire value-chain of business creation, including pre- and post-creation support. The majority of beneficiaries stated that this combination of services was Souk At-tanmia's key value proposition. Moreover, the project rightly identified access to finance and particularly self-financing as a key challenge for aspiring and existing entrepreneurs in Tunisia, which justified the use of grants to bridge the lack of entrepreneurs' personal contributions. This has also helped them access bank loans.

« The novelty and strength of Souk was that it combined all these different activities under one single program »

Partner organization

Effectiveness

Overall, the Souk At-tanmia initiative had a mixed record in meeting its targets. In terms of beneficiaries, the project benefited fewer direct beneficiaries than anticipated (61 grantees compared to 100 planned) and the share of projects securing additional financing from the Tunisian banking sector remained behind expectations (only 13%). On the other hand, the project was able to offer coaching services as planned (100% of grantees benefitting from a coach), reaching a solid satisfaction rate of 69% (target was 80%). In terms of project visibility, targets were widely exceeded with over 80,000 web-site visits (target of 18,000) and over 150 media appearances (target of 40).



In terms of the project's key outcomes, the following results were achieved:

- **Replicability: 2 similar initiatives launched** (Target: 4). There have been 2 concrete examples of replication. The first is the launch of a second edition of Souk At-tanmia in April 2014 which built on the experience of the pilot edition. The second is the development of a project by the AfDB in Ivory Coast strongly inspired by Souk At-tanmia in Tunisia. In addition to the Ivory Coast, several other AfDB field offices have expressed interest in learning more about the Souk project, though it is too early to tell whether any concrete activities informed by Souk At-tanmia will actually materialize in these countries.
- **Economic development: 276 full and part time jobs created** (Target: 347). The total number of full and part time jobs created, both direct and indirect, is estimated at 276, or 80% of the target. If all types of short-term labor and temporary positions were included, the total estimate would amount to approximately 532 employment opportunities. On the one hand, these numbers suggest that the original job creation estimates (1,000) were overly optimistic. On the other hand, missing the official target of 347 can be largely attributed to the lower number of beneficiary projects and the early development stage of their businesses.[1] Note that, in relative terms, Souk At-tanmia created approximately 4 jobs per grantee - more than the anticipated 3.5 jobs.
- **Sustainability: 67% of grantees continue to be operational** (Target: 69%). At the time of this evaluation, 41 projects were in business, representing 67% of the 61 grant recipients. If the 50 projects that actually were initiated are considered, then 80% are still in business. Survival rates were slightly higher among growth projects (88%) than among start-ups (79%). This is in line with what one would expect given the higher risk of start-up projects.
- **Reduced disparities: 39 enterprise initiatives supported in marginalized regions** (Target: 70). In percentage terms, this translates into 64% of Souk At-tanmia projects being from the most disadvantaged regions, which is close to the target of 70%. As intended through the selection criteria, projects from disadvantaged regions were given preference during the selection process (51% of submissions came from those regions compared to the 64% of final beneficiaries).

While not all outcome targets were met, it should be recognized that several targets were fairly ambitious and that results were generally encouraging given the pilot character and small size of the initiative. Therefore, the overall achievement of the project development objective is still judged moderately satisfactory.

Efficiency

While the model of a multi-stakeholder partnership was an adequate vehicle for the delivery of the integrated entrepreneurship support approach, it came at the cost of a relatively burdensome governance and implementation structure. In particular, even though the AfDB's credibility and convening power can explain why it hosted the Secretariat during the pilot phase, this arrangement is unlikely to constitute a long-term solution due to the inadequacy of AfDB internal procedures for a project like Souk At-tanmia (e.g. due to restrictions on contract duration for consultants, burdensome

[1] By the time of the evaluation, the average beneficiary had been operating for about 1 year.

procurement rules, etc.). Moreover, given the 20-member size of the steering committee and the consensual decision-making approach, decision-making was unavoidably time-intensive, especially because the committee not only dealt with strategic decisions, but also with many operational aspects of the program.

The implementation of activities was largely on track throughout the project; however, beneficiaries experienced problems with the disbursement of their grants and loans. Approximately 50% of beneficiaries expressed having faced delays with the disbursement of their grant. The biggest obstacles were experienced by respondents who also applied for loans from the partnering Banks, due to the additional administrative burdens and delays. To illustrate, at the time of this evaluation, several beneficiaries still had not received their loan disbursements more than 18 months after their initial request. The delays in obtaining grants and loans appear to have been a major contributor for the economic difficulties experienced by several projects, due to running costs, cost increases for equipment, etc.

In terms of cost-effectiveness, the total cost of the initiative per job created is estimated at US$7,400. To be "competitive", Souk At-tanmia will need to reach unit-costs that are considered acceptable by key stakeholders and comparable to (or better than) other employment promotion programs. Against that background, the unit-costs of pilot edition still appear high in comparative perspective, though inconsistent cost-measurement and the lack of reliable outcome data across projects make a direct comparisons difficult. At the same time, an assessment of value for money should also include the potential institutional impacts of the initiative (see further below), which are difficult to quantify.

Impact

At the individual level, Souk At-tanmia reached high satisfaction rates among beneficiaries and generally encouraging, albeit not transformative, results. All in all, expansion projects appear to have been more successful than start-ups.

- **Business characteristics and income:** Supported businesses are 90% formal. About 50% of operational businesses appear to be profitable 9 months after the end of the coaching, though average monthly profits still tend to be modest.
- **Economic well-being:** Approximately 60% of respondents (87% of growth projects, 47% of start-ups) stated that their economic situation has improved since participating in Souk At-tanmia. However, approximately 30% of start-ups believe their situation has worsened, a response particularly common among those projects not yet operational. The latter reflects the inherent risks associated with business creation and underlines the need for financial and non-financial support to be delivered efficiently in order to successfully support emerging businesses.
- **Job creation:** With an estimated 276 long-term jobs (incl. the entrepreneurs), each grantee created approximately 4 jobs on average, which is a very positive outcome given that the vast majority of jobs created in Tunisia typically stems from single person firms.
- **Quality of direct jobs:** 75% of the full and part-time positions created have employment contracts. However, only about 20% of all employment opportunities benefit from social security or insurance benefits and only close to 50% earn at least the minimum wage. This suggests that a high share of the jobs created are of relatively informal and low-productivity nature.

In line with its objective of promoting an entrepreneurial culture and influencing other stakeholders, Souk At-tanmia appears to have had some, albeit still limited, impact on the Tunisian entrepreneurship ecosystem. While there are no strong signs of influencing partner institutions and the entrepreneurial ecosystem so far, the replication of the initiative in Tunisia and the Ivory Coast as well as provision of advice on selected government initiatives are encouraging efforts. Moreover, thanks to the strong visibility of Souk At-tanmia, it seems plausible that the project contributed to a more favorable entrepreneurial culture in the country.

Sustainability

At the beneficiary level, rates of business survival have been relatively satisfying so far, though it is still too early to conclude whether these rates will be sustained. 69% of all grantees, and 80% of businesses that have started to operate, were still operational at the time of the evaluation. While these rates are encouraging, they do not seem to stand out compared to average survival rates in Tunisia or in OECD countries (which also average 75-80% after 1-2 years).

Since the partnership was designed as a short-term solution in response to the Arab Spring, the sustainability of the partnership structure is uncertain. First, hosting and directly managing an initiative like Souk At-tanmia is extremely untypical for an international financial institution like the AfDB, making it unlikely that the current structure can be maintained in the medium to long-term. Moreover, the membership and funding structure is somewhat uncertain and volatile due to the fact that most partner contributions are through third-party funded projects and short-term Corporate Social Responsibility related resources. Finally, the potential for future resource mobilization is also uncertain, as donor priorities have started to shift away from supporting the post-revolution transition and from promoting entrepreneurship in the country.

Coverage and visibility

For a relatively small initiative, Souk At-tanmia clearly "punched above its weight" and achieved high levels of visibility despite limited resources. Thanks to a wide-spread use of communication tools, the project was showcased on TV, radio, newspapers, and web articles. Moreover, the project successfully tapped into web and social media tools, as illustrated by the large number of website visits (i.e. 86,000) and over several thousand "likes" on Facebook. As a result of the strong communication efforts and results, partner organizations were very satisfied with the visibility of the initiative.

Outreach efforts were successful in attracting candidates from across the country and young people in particular, but less so in reaching women, disadvantaged groups, and quality candidates. Considering that Souk At-tanmia was particularly intended to benefit young people, women, and disadvantaged groups, as well as candidates from disadvantaged regions, the initiative's outreach had a mixed record. Seventy percent of applicants were below the age of 35 and 61% of proposals came from disadvantaged regions, suggesting that the project's outreach to these target groups was successful. However, the initiative attracted female applicants to a much lesser extent (26%), and only about 10% of applicants came from low-income households.

Partnership model

While hosting the Secretariat at the AfDB was an institutional challenge, the role of the Secretariat in driving the initiative was absolutely crucial. The AfDB and its dedicated Secretariat team played a primary role in bringing the project to life and coordinating its implementation over the course of the first edition of the initiative. It is therefore important to recognize the AfDB team's ability to respond to the unique historical context of the Arab Spring with new ideas and its willingness to do things differently, as well as the team's persistence in developing a project that did not fit in the traditional structure of the institution. The important role of the Secretariat is also reflected in the overall satisfaction of partner organizations, with 94% of them stressing that they were "satisfied" or "very satisfied" with the work of the Secretariat.

While the inclusive partnership model may have been appropriate during the early stage of the initiative, it may also have limited its ability to be more strategic in terms of partner selection. Partner selection appears to have been largely driven by pragmatism and trial-and-error in the search of financial and in-kind contributions. As a result, the number of partners became substantial with a highly heterogeneous level of contributions; it was an "alliance of the willing" rather than a strategic partnership. For the future, the membership structure should be revisited in order to ensure that the partnership is built around the right core group of partners that can offer a clear value added to the initiative.

The institutional setup and participatory decision making structure met the needs of the partnership, but leaves room for increasing efficiency. The

majority of partner organizations stressed that the institutional setup allowed an effective management of the initiative. Moreover, the creation of taskforces in the areas of Communication and Evaluation was useful in leveraging the combined expertise of different partner organizations and supporting the Secretariat at the operational level. The main challenges in terms of governance were related to the perceived inefficiencies in holding the steering committee meetings (excessively long), the lack of a systematic information flow between partners and the Secretariat, and overburdening the steering committee with operational issues that could have been better discussed and resolved at a lower level of decision-making.

Conclusions and recommendations

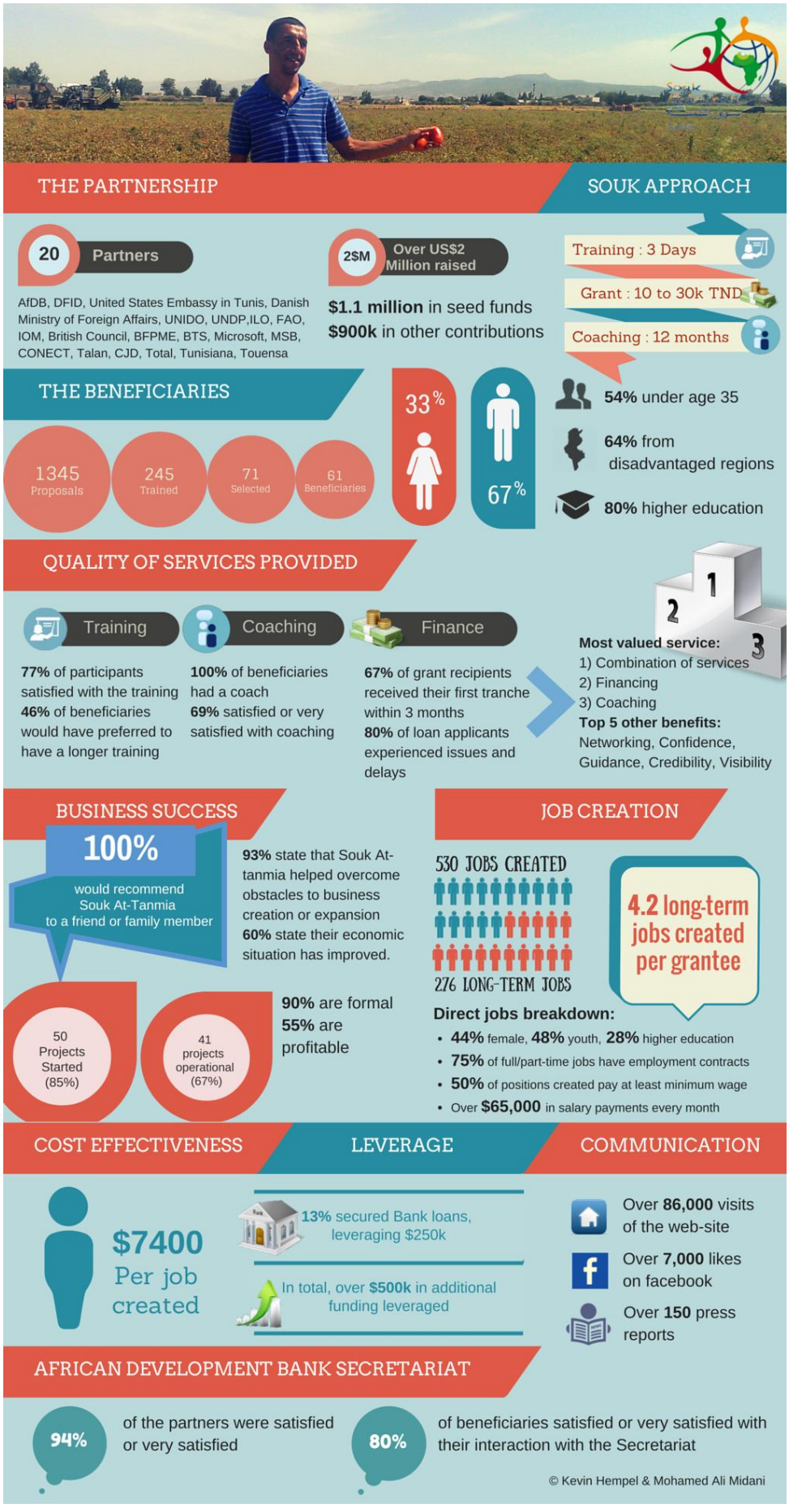
In summary, while not all objectives were met, the initiative achieved relatively high levels of satisfaction among beneficiaries and is well positioned to grow and strengthen its footprint in the country. Even though the overall impact has been limited so far due to the small number of direct beneficiaries and the early development stage of supported projects, early findings suggest that the results for average employment creation and business sustainability are encouraging. Moreover, during the short time of its existence, the initiative has already managed to create a strong brand that is well known among the public and other stakeholders in the country's entrepreneurship ecosystem. Yet, some important changes in terms of project design and implementation are needed to enhance the effectiveness and efficiency of the initiative.

The AfDB should be commended for going beyond a "business as usual" approach, forging an unprecedented coalition of partners to work together in creating employment opportunities. Thanks to the dynamism of the Souk-At tanmia's Secretariat, the AfDB was able to leverage its convening power and create a novel initiative implemented through an innovative public-private-civil society partnership. By bringing together different stakeholders, it was possible to offer a holistic approach built around the combination of financial and non-financial services that met the multiple needs of aspiring entrepreneurs and growing businesses in Tunisia.

One of the major strengths of Souk At-tanmia has been its ability to learn and already improve upon its original design. Any project, especially a pilot project, requires continuous adaptation and improvement to maximize its impact. The Souk At-tanmia Secretariat has already shown its foresight in acknowledging what did not work during the first edition and used the lessons learned to develop a more advanced second edition of the initiative. Critical improvements introduced in the second edition include a more robust selection process with personal interviews, a longer training, a more standardized coaching approach, aligning grant funding with the size of supported projects, and more strategic communication through media partners.

Moving forward, the key challenge will be to ensure institutional sustainability while clearly positioning Souk At-tanmia among the increasing number of entrepreneurship initiatives in the country. The current institutional setup of Souk At-tanmia is not sustainable, particularly its hosting arrangement at the AfDB. Thus, a new structure that combines the flexibility of a new host institution while still leveraging the credibility, expertise, and convening power of the AfDB should be sought. Moreover, given the growing number of entrepreneurship programs in the country, the partnership will have to continue to assess how it can maximize synergies with other initiatives and provide value added in the entrepreneurial ecosystem. Other recommendations include:

- Enhance sector expertise of the selection panel;
- Improve targeting of and outreach to disadvantaged groups;
- Decrease average grant size to avoid overconcentration on capital-intensive projects;
- Improve matching of coaches to projects and strengthen quality assurance;
- Expand activities related to research, knowledge sharing and influencing public policy;
- Make communication an explicit project component and put in place a more robust communication strategy;
- Ensure adequate administrative budget for the Secretariat;
- Strengthen the Monitoring and Evaluation system;
- Strengthen safeguard and fiduciary arrangements.


THE PARTNERSHIP
SOUK APPROACH
20 Partners
AfDB, DFID, United States Embassy in Tunis, Danish Ministry of Foreign Affairs, UNIDO, UNDP,ILO, FAO, IOM, British Council, BFPME, BTS, Microsoft, MSB, CONECT, Talan, CJD, Total, Tunisiana, Touensa
2$M Over US$2 Million raised
$1.1 million in seed funds
$900k in other contributions
Training : 3 Days
Grant : 10 to 30k TND
Coaching : 12 months
THE BENEFICIARIES
1345 Proposals
245 Trained
71 Selected
61 Beneficiaries
33%
67%
54% under age 35
64% from disadvantaged regions
80% higher education
QUALITY OF SERVICES PROVIDED
Training
Coaching
Finance
77% of participants satisfied with the training
46% of beneficiaries would have preferred to have a longer training
100% of beneficiaries had a coach
69% satisfied or very satisfied with coaching
67% of grant recipients received their first tranche within 3 months
80% of loan applicants experienced issues and delays
Most valued service:
1) Combination of services
2) Financing
3) Coaching
Top 5 other benefits:
Networking, Confidence, Guidance, Credibility, Visibility
BUSINESS SUCCESS
100%
would recommend Souk At-Tanmia to a friend or family member
93% state that Souk At-tanmia helped overcome obstacles to business creation or expansion
60% state their economic situation has improved.
50 Projects Started (85%)
41 projects operational (67%)
90% are formal
55% are profitable
JOB CREATION
530 JOBS CREATED
276 LONG-TERM JOBS
4.2 long-term jobs created per grantee
Direct jobs breakdown:
44% female, 48% youth, 28% higher education
75% of full/part-time jobs have employment contracts
50% of positions created pay at least minimum wage
Over $65,000 in salary payments every month
COST EFFECTIVENESS
LEVERAGE
COMMUNICATION
$7400 Per job created
13% secured Bank loans, leveraging $250k
In total, over $500k in additional funding leveraged
Over 86,000 visits of the web-site
Over 7,000 likes on facebook
Over 150 press reports
AFRICAN DEVELOPMENT BANK SECRETARIAT
94% of the partners were satisfied or very satisfied
80% of beneficiaries satisfied or very satisfied with their interaction with the Secretariat
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Acknowledgements

First and foremost, the authors would like to thank the Souk At-tanmia Secretariat from the African Development Bank for their time, guidance, and assistance in carrying out this evaluation. We especially appreciated the transparency, candor, and critical self-reflection by the team which helped foster a genuine process of discussion and learning.

We would also like to extend our sincere appreciation to the focal points of the Souk At-tanmia partner organizations who were generous with their time to share information about their experience in the initiative.

A special thank you also goes to the many project participants who allowed us to visit their business and answered our countless questions. It was very insightful to learn about their work and challenges as entrepreneurs. Without the deep insights gained from talking to them this evaluation would have been impossible.

Finally, the authors would like to thank Mr. Khalil Tarhouni for his valuable research assistance and the Department for International Development (DFID) and the British Council for funding this evaluation.

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Abbreviations & Acronyms

AfDB	African Development Bank
ANETI	Agence Nationale de l'Emploi et du Travail Indépendent
BFPME	Banque de Financement des Petites et Moyennes Entreprises
BTS	Banque Tunisienne de Solidarité
CJD	Centre des Jeunes Dirigeants
CONECT	Confédération des Entreprises Citoyennes de Tunisie
DFID	Department of International Development
FAO	Food and Agricultural Organization
GEM	Global Entrepreneurship Monitor
GRM	Grievance redress mechanism
ILO	International Labor Organization
IOM	International Office for Migration
M&E	Monitoring and Evaluation
MSB	Mediterranean School of Business
MSME	Micro-, small- and medium-sized enterprise
OECD	Organization for Economic Cooperation and Development
TPM	Tunisia Place du Marché
UNDP	United Nations Development Program
UNIDO	United Nations Industrial Development Organization

Summary of performance ratings

Evaluation criteria	Performance rating
Evaluation results	
Relevance	Highly satisfactory
Effectiveness	Moderately satisfactory
Efficiency	Moderately unsatisfactory
Impact	Moderately satisfactory
Sustainability	Moderately unsatisfactory
Coverage and Visibility	Satisfactory
Partnership model	Satisfactory
Factors affecting implementation and results	
Project preparation and design (quality at entry)	Moderately satisfactory
Quality of implementation	Satisfactory
Monitoring and Evaluation	Moderately unsatisfactory
Safeguard and fiduciary compliance	Moderately satisfactory

For a detailed overview of the rating scale and performance ratings, see Annex 1.

1 Introduction

Background

In the aftermath of the 2011 Tunisian revolution, the African Development Bank (AfDB) initiated *Souk At-tanmia* (a "market for development" in Arabic), a pilot program supporting entrepreneurship in Tunisia intended to tackle the country's structural unemployment problem. The first edition (pilot phase) was launched in July 2012 and ended in December 2013. A second edition was officially launched in April 2014.

The Souk At-tanmia initiative was built around a public-private-civil society partnership, mobilizing 20 national and international organizations committed to addressing employment challenges in Tunisia. The pilot edition mobilized EUR 1 million that was expected to fund seed grants to entrepreneurs, along with entrepreneurship training and coaching that were provided as in-kind contributions by partners. Beneficiaries were further expected to leverage additional loans from local Banks. The combined approach of providing both access to finance as well as non-financial services was considered a distinguishing factor in creating Souk At-tanmia compared to other entrepreneurship schemes in Tunisia.

Purpose of the independent evaluation

The African Development Bank hosted the Secretariat of Souk At-tanmia, with the financial support of one of its key partners, the Department of International Development (DFID). The Secretariat mandated an independent final evaluation of Souk At-tanmia for the following reasons:

- It was a novel experience of an entrepreneurship intervention both in Tunisia and for the AfDB that brought together multiple partners of the entrepreneurship ecosystem and entailed a direct approach that AfDB did not use in the past;
- The combination of coaching and seed grants is a relatively recent development in Tunisia;
- Although the project was fairly small, it has gained significant public attention; and
- AfDB intends to roll out the model on a larger scale in other African countries.

Against this background, the objective of the present evaluation is threefold:[2]

1. Assess the overall performance of the pilot edition of Souk At-tanmia, in particular with regard to achieved outcomes for beneficiaries;
2. Assess the institutional set-up of Souk At-tanmia, in particular the partnership arrangements;
3. Based on the findings related to the design, implementation, and results of Souk At-tanmia's pilot edition, draw lessons learned and make recommendations for adjustments of future editions of the Souk At-tanmia partnership or similar interventions.

[2] See Annex 2 for Terms of Reference of the Evaluation.

2 Methodology

General evaluation approach

The present evaluation was conducted over the period August - December 2014, with primary data collection taking place between August and October, 2014. While originally planned to be conducted within six months of the end of the project (June 2014), it was ultimately decided that a later timing would be beneficial to measure more medium-term effects of the initiative.

The evaluation is intended as a systematic and objective assessment of the design, implementation and results of the Souk At-tanmia initiative. The analysis was structured according to international evaluation criteria (relevance, effectiveness, efficiency, impact, sustainability) as defined by the Organization for Economic Cooperation and Development (OECD) while also emphasizing dimensions of analysis requested in the terms of reference of the evaluation. The evaluation followed a mixed methods approach; that is, a combination of quantitative and qualitative tools (see data collection below).

Data collection

The evaluation is based on the following sources of information:

- Desk review: The evaluation reviewed available project administrative documents related to the strategy, implementation and monitoring of the initiative. For instance, these included the project's concept note, operations manual, partnership agreement, forms and templates used for the selection of beneficiaries, monitoring and reporting documentation, meeting minutes, and financial records. In addition, the evaluation team consulted existing evaluation reports on the initiative, conducted a stakeholder mapping of other entrepreneurship initiatives in the country, and referred to other secondary sources as needed.

- Survey of partner organizations (August 2014): A web-based questionnaire developed by the Souk At-tanmia Secretariat and the AfDB Legal department, and slightly revised by the evaluation team, was administered among all implementing partners (excluding AfDB) to assess the functioning of the Souk At-tanmia partnership approach.[3] The response rate was 95% (18 out of 19 organizations).

- Survey of beneficiaries and comparison group (September-October 2014): A survey consisting of closed- and open-ended questions was carried out to collect information on project implementation and results produced by beneficiaries of the first edition, approximately 9 months after the official end of the pilot phase.[4] The response rate of the survey was 90% among grant recipients (55 of 61) and 83% among originally selected beneficiaries (59 of 71).[5] In addition, the survey was administered to a comparison group comprising the 30 highest rated projects among those who were pre-selected to participate in the entrepreneurship training but that were ultimately not selected as final beneficiaries.[6] The response rate of the comparison group was 33% (10 out of 30). The beneficiary and comparison group surveys were administered through face-to-face interviews (visiting beneficiary projects) and over the phone. Interview responses were recorded using tablet devices.[7]

[3] The questionnaire of the legal partner survey is included in Annex 3. Summary results are included in Annex 4.
[4] The beneficiary questionnaire is included in Annex 5.
[5] Annex 6 provides an overview of project beneficiaries who participated in the survey.
[6] The idea behind this approach is that those individuals and projects that were closely rejected are expected to be relatively similar to those that were accepted by a close margin and can therefore be compared with each other.
[7] The data collection software used was Open Data Kit (ODK).

- Key stakeholder interviews (September 2014): Key stakeholder interviews were conducted with all team members of the Souk At-tanmia Secretariat, representatives of all other 19 partner organizations, 8 coaches (from 5 different organizations), and several external stakeholders.[8]

Limitations

- Response rate: While the overall participation rate in the tracking survey was high among beneficiaries (90%), the fact that we were not able to reach all participants might introduce some bias into our findings, given the small size of the survey population. In addition, the response rate of the comparison group was relatively low (33%), thus limiting the likely representativeness of the comparison group and making the comparative analysis of outcomes between beneficiary and comparison group less meaningful.

- Counterfactual: Due to the limited financial resources available for the final evaluation, the small size of the sample, and the nature of the selection process consisting of a qualitative assessment of business proposals, an impact evaluation was not possible. As a result, outcomes observed cannot necessarily be attributed to the Souk At-tanmia program, as they could also be driven by selection bias and external factors to the program. While the evaluation team attempted to construct a comparison group with similar characteristics to the beneficiaries by taking advantage of the continuous scoring mechanism that was put in place to rank beneficiaries, this approach was undermined by the fact that the scores only partially reflected the quality of the proposals (not taking into account the qualitative assessment by the selection committee).

- Timing of effects: The findings of this evaluation related to the outcomes of beneficiary projects merely represent a snapshot 9 months after the end of the pilot phase. For some beneficiaries, the findings may be an underestimation of the true effects if their business did not yet have sufficient time to develop and grow. For others, the findings may be an overestimation of the true effects since many young beneficiary businesses could die within the first few years, and these effects may not yet be captured by this evaluation.

Finally, the present evaluation report incorporates comments provided by the Secretariat to the evaluation team following the submission of the first draft of the report. Any remaining differences in interpreting available information and findings are reflected in the management response included in Section 7.

[8] A list of interview partners is included in Annex 7.

3 Project context, development objective, and design

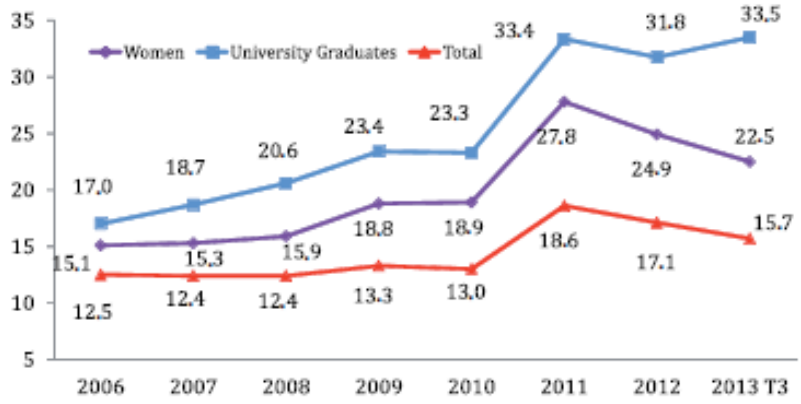
3.1 Context

Souk At-tanmia was designed against the background of the political, social and economic developments following the "Jasmine revolution"[9] in 2011. Starting in December 2010, Tunisia entered a phase of unprecedented civil uprising that ended the 23-year autocratic rule of President Zine El Abidine Ben Ali. Protests were fueled by widespread frustration over lack of economic, spatial and political inclusion, corruption, mounting unemployment and the rising cost of living.[10] The country-wide protests ultimately led to the fall of President Ben Ali on January 14, 2011, inspiring similar uprisings in the Region commonly referred to as "The Arab Spring."

A defining factor of Tunisia's pre-revolution development path was growing regional imbalances and inequalities. Economic growth during the Ben Ali years had primarily been concentrated in the coastal areas and benefited the country's elite while many rural and urban poor, notably in the regions of the interior, were left out. While coastal cities had come to generate the bulk of the country's GDP, the interior regions remained less developed with significantly higher levels of poverty. The results were widening socio-economic inequalities across regions increasingly fueling social tensions.[11]

In the onset of the revolution, the Tunisian economy experienced a notable contraction, further spurring already high levels of unemployment. After years of steady economic growth of approximately 5% per year, Tunisia's economy was hit hard in 2011, experiencing a negative growth rate of 1.8%. Even though economic growth started to rebound in 2012,[12] employment remained a major preoccupation of Tunisian policy-makers. Total unemployment increased sharply in 2011, jumping from 13% (2010) to 18.6% in 2011 (see Figure 1). Reaching over 33%, unemployment rates of university graduates became of particular concern. While exacerbated by the economic downturn, the growing rate of unemployment among graduates reflected mostly a structural mismatch between an increasingly educated labor force that did not have the necessary skills required by the private sector as well as the limited number of qualified jobs that the private sector was creating.[13]

Figure 1 : Trends in unemployment rate, 2006-2013, in percent



Source: AfDB (2014)

[9] Also known as "Dignity revolution" within Tunisia.
[10] World Bank (2012).
[11] Ibid.
[12] See http://www.africaneconomicoutlook.org/en/countries/north-africa/tunisia/.
[13] World Bank (2014b).

A key constraint to job creation in Tunisia has been the lack of a dynamic private sector, which is facing high barriers to firm entry and growth. The Tunisian private sector has been dominated by small and relatively unproductive firms, reflecting the numerous barriers and distorted incentives facing firms. A growth diagnostic performed by AfDB shows that labor regulation, poor rule of law and contract enforcement are among the most binding constraints to growth.[14] Job creation is hampered not only by limited entry but also by a lack of upward mobility as very few firms manage to successfully grow their activities. [15] Facilitating entrepreneurship to start- and grow businesses was therefore a key objective of the Souk At-tanmia initiative.

3.2 Project Development Objective

The original project development objective as stated in the concept note was to "*spark and support ideas from a broad spectrum of participants (for instance young entrepreneurs or civil society organizations) for the creation of MSMEs, with a view to providing them with the necessary financing and support*." The project's main objective was further specified in the partnership agreement as "*to source, identify, finance and support nearly 100 business creation projects emanating from young entrepreneurs and civil society organization, based on their capacity to generate jobs, their impact on reducing regional and social disparities, and their sustainability.*" Moreover, in seeking to stimulate entrepreneurship and innovation in Tunisia, the project sought to promote an entrepreneurial culture in the country and influence other stakeholders in Tunisia and Africa to launch similar initiatives.[16]

By supporting the creation of micro-, small- and medium-sized enterprises (MSMEs) across the country, the project's broader objective was to contribute to building the momentum for growth and generating productive employment, while helping to reduce social and regional disparities.[17]

3.3 Main beneficiaries

The project was not targeted at any specific group, with eligibility being open to individuals, existing companies and cooperatives, as well as civil society organizations. That said, preference was given to initiatives that would benefit young people below the age of 35, women, and disadvantaged groups, as reflected in the bonus selection criteria. Geographically, the project targeted the entire country, with an emphasis on disadvantaged regions.

3.4 Project components

The first edition of the Souk At-tanmia initiative consisted of three major components:

1) **Entrepreneurship training:** 300 pre-selected candidates were offered a three-day training course across eight locations in Tunisia, of which 241 attended the full training and submitted final proposals. The focus of the training was on elements of a business plan and basic business management, including guidance for the completion of the Souk At-tanmia's application form. Two days were workshop-based working through the materials and one day was allocated for consolidation and one-on-one support as needed (see training agenda in Annex 8).[18] The training of candidates was preceded by a Training of Trainers course for 14

[14] AfDB et al (2013).
[15] World Bank (2014).
[16] This objective was a specific objective of funding partner DFID and was therefore reflected in the project's logical framework and selected outreach documents. However, the objective was not included in the concept note or operational manual.
[17] AfDB (2012a).
[18] British Council (n.d.).

individuals to identify and strengthen suitable trainers for entrepreneurship. Both trainings were structured and designed by the UK-based Gwent College (contracted by the British Council).

2) **Access to finance:** 71 candidates were selected and offered between TND 10,000-30,000 in grants as seed funds to start or expand their businesses.[19] The grant funding was mainly aimed at helping the (aspiring) entrepreneurs overcome the barrier of self-financing required by Banks when seeking loan financing for their projects. For projects that required resources beyond TND 30,000, Souk At-tanmia would therefore also connect the final beneficiaries with two partnering Banks (BTS and BFPME) to help them leverage additional loan financing.

3) **Coaching & Mentoring:** Each successful applicant was provided with a professional or volunteer coach whose responsibility was to accompany the entrepreneur for a period of 12 months after the award ceremony. Coaches were expected to work with successful candidates to finalize and validate their business plans, guide them in preparing all the necessary documents to access the grants, monitor the project and verify the information provided by beneficiaries, as well as provide support in the interaction with Banks, administrative procedures, seeking out other support services, and any other matters of starting and/or running the business. The overall objective of the coaching was to guarantee the good use of funds and enhance the likelihood of business survival and growth.

4 Evaluation Results

This section summarizes the key evaluation findings from the first edition of the Souk At-tanmia initiative in line with international evaluation criteria and the Terms of References of the evaluation.

4.1 Relevance

Key findings:

- The project's relevance is rated highly satisfactory
- The project's objectives were closely aligned with the priorities of beneficiaries, government, and the AfDB
- The project's integrated approach was consistent with international evidence, and key design and implementation modalities were appropriate in the post-revolution context
- While the general project approach remains relevant today, many new actors have entered the field of entrepreneurship support in Tunisia, and the project will need to ensure that it remains relevant by leveraging synergies with other initiatives and positioning itself in a way that continues to fill gaps in the entrepreneurial ecosystem.

4.1.1 Relevance of objectives

Souk At-tanmia's objective to improve employment outcomes responded to the primary concern of the Tunisian population. Opinion polls in recent years consistently highlighted that unemployment and the weak economy were considered the most important problems facing the country,[20] suggesting that employment

[19] 10 projects dropped out for different reasons, resulting in 61 projects receiving financing.

[20] See for example IRI (2012), IRI (2013), Arab Barometer (2012). For instance, 81% of respondents stated that employment should be the government's first priority and 70% considered the economic situation of the country to be bad or very bad.

promotion programs such as Souk At-tanmia meet a core demand in the country. The relevance of Souk At-tanmia's objectives is further illustrated by the country's dire employment statistics, with unemployment reaching over 18 percent for the general population after the revolution (2011) and remaining over 30% for university-graduates until today, a situation that is even worse for women and in the interior and southern regions of the country.[21] Moreover, most of the jobs created by the economy in recent years have been in low-value added activities and mostly in the informal sector, which do not meet the aspirations of the increasingly large number of university graduates.[22]

The project's objectives are also consistent with the policy objectives of the Tunisian government. Boosting economic growth and job creation has been a key priority for the transitional governments since the 2011 revolution. The economic recovery program developed in 2012 stressed the need to create short-term employment opportunities for the rising number of unemployed as well as fostering regional development and inclusion.[23] Moreover, the planned consolidation of active labor market programs funded by the National Employment Fund continues to foresee a program to support entrepreneurs, suggesting that the promotion of self-employment will remain a government priority.[24] As the first edition of Souk At-tanmia has ended and the initiative is entering into its second edition, its objectives remain equally relevant, with the country's current economic vision aiming to "boost growth, create jobs for all, reduce regional disparities and strengthen national solidarity and social inclusion", [25] albeit with a much stronger focus on macroeconomic and governance issues, rather than active labor market programs. That said, promoting entrepreneurship remains fully aligned with the government goal to replace the long-standing state-led development model with a more private-sector-led economic reform agenda.

The project's objectives are well aligned with the strategic priorities of the AfDB in Tunisia and beyond. At the time of designing the initiative, the project's objectives were consistent with the Bank's interim strategy 2012-2013 in Tunisia, which focused on two main pillars: (a) growth and economic transition; and (b) inclusion and reduction of regional disparities. This included elements of facilitating access to finance, simplifying business procedures, and promoting innovation which are also reflected in the Souk-At tanmia initiative. This alignment remains intact under the current interim strategy 2014-2015, where promoting inclusive private sector growth, job creation, and the economic attractiveness of disadvantaged regions remain guiding principles. Finally, the Souk At-tanmia engagement is well aligned with the Bank's Private Sector Development Strategy (2013-2017) which emphasizes support to micro-, small- and medium-sized enterprises (MSMEs) in terms of access to financial and non-financial services as well as with the Bank's Long-Term Strategy (2013-2022), which prioritizes inclusive growth including the promotion of entrepreneurship and broadening economic opportunities for women and youth.

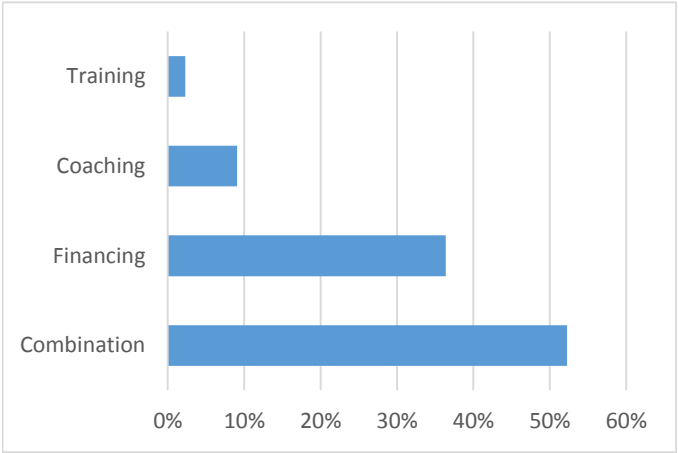
4.1.2 Relevance of design

An integrated entrepreneurship program that provides access to finance and non-financial services is in line with international best practice and beneficiary needs. Global evaluation evidence suggests that comprehensive entrepreneurship support programs that combine training with financing and continuous post-creation support (e.g. mentoring, coaching, and access to markets) are most successful, since they address the

[21] INS (2014). According to World Bank (2014a), in rural areas 33.4% of young men and 50.4% of young women are estimated to be neither in employment, education, or training (NEET); in urban areas 20.3% of young men and 32.4 of young women are NEET.
[22] World Bank (2014b).
[23] World Bank (2012).
[24] Government of Tunisia (2012).
[25] Government of Tunisia (2014).

multiple barriers that (young) entrepreneurs face in starting or expanding a business.[26] Against this background, it is notable that Souk At-tanmia was one of the first programs in Tunisia to offer an integrated approach covering the entire value-chain of business creation, including pre- and post-creation support, while many other initiatives concentrate on just one element such as training or coaching (see Annex 9 for an overview of entrepreneurship programs in Tunisia). This combination of services was also Souk At-tanmia's key value to beneficiaries (see Figure 2). However, given the increasing number of entrepreneurship programs in the country, Souk At-tanmia will need to ensure that it remains relevant by leveraging synergies with other initiatives and positioning itself in a way that continues to fill gaps in the entrepreneurial ecosystem.

Figure 2 : Beneficiary perception regarding most useful service of Souk At-tanmia, in percent (n=44)



Source: Beneficiary survey

« The novelty and strength of Souk was the fact that it combined all these different activities in one single program »

Partner organization

« Souk At-anamia does not compare to other initiatives because it's the only one that accompanies entrepreneurs from the beginning to the end »

Beneficiary from Tozeur

The program's approach to provide self-financing and facilitate access to financial institutions is well grounded in the Tunisian context and in line with the major obstacles faced by aspiring and existing entrepreneurs. A survey conducted by the African Development Bank in collaboration with GeoPoll in May 2012, covering 24 governorates, revealed that the two main obstacles to entrepreneurship development in Tunisia are the inability to make a personal contribution to fund projects (41%) and the difficulty to access bank loans (25%).[27] Similarly, the Global Entrepreneurship Monitor (GEM) report for Tunisia found that the lack of sufficient financial support is considered the key constraining factor to entrepreneurship, with self-financing and informal financing remaining the main sources of funding for young businesses.[28] These statistics are further confirmed by the project's beneficiaries, with 86% of respondents citing the lack of access to finance as a key barrier to starting the project and 93% stating that Souk At-tanmia helped overcome obstacles to business creation or expansion. Yet, it is also important to acknowledge that other financing mechanisms exist to provide self-financing for

[26] See for example Cho, Y. and Honorati, M. (2012), United Nations Foundation (2013).
[27] Cited in AfDB (2012a).
[28] Belkacem and Mansouri (2012). Souk At-tanmia is also aligned with several of the GEM report recommendations, including to create a public-private partnership to better meet financial needs of entrepreneurs through alternative instruments that do not require guarantees, ensure better coordination between support structures, and strengthen coaching.

potential entrepreneurs, including government programs (e.g. FOPRODI, FOSDA, FONAPRAM, RICTIC) and specialized Funds set up in recent years with the support of partner countries (e.g. Fonds Suisse, Qatar Friendship Fund). The financing support provided by these Funds typically consists of non- or low-interest bearing loans that contribute to the equity share of a project financing plan, but do not cover the personal contribution of the entrepreneur (see Annex 10 for overview). Against this background, the evaluation team believes that it was justified to experiment with a new financing instrument – grants – given the reluctance of many prospective entrepreneurs to take out large loans (even at preferential terms).

> *« I would not have started without the money from Souk At-tanmia »*
>
> Beneficiary from Sbeitla

The project's broad targeting approach may have been warranted in the post-revolution context that put a high premium on inclusiveness, but is not adequate for the future. The project is characterized by very open eligibility criteria on an individual level (youth and adults), geographic level (the entire country), sectoral level (all sectors and industries), and business lifecycle (start-up and expansion). While this open targeting created challenges to adequately respond to the heterogeneous needs of beneficiaries, it can to some extent be explained by the unique post-revolution context that called for inclusive programs that could benefit all Tunisians. However, future editions of the project will need to be more targeted to reach priority target groups and be most effective.

The post-revolutionary country context also justified the relatively weak government involvement in the implementation of the partnership. The Souk At-tanmia project prides itself with being led by a broad coalition of 20 international and national institutions representing the public, private, and civil-society sector. Yet, it is notable that the Tunisian public sector is merely represented by the two partnering Banks, *Banque de Financement des Petites et Moyennes Entreprises* (BFPME) and *Banque Tunisienne de Solidarité* (BTS), raising the question on whether stronger government leadership and ownership would have been warranted. Overall, it appears that the limited government involvement was justified by two main reasons. First, at the time of designing the project, the overall perception of the Tunisian government was unfavorable. As reinforced by several of the Souk At-tanmia partner organizations, government as a whole suffered from a bad reputation among the Tunisian public and non-state actors, resulting in limited trust of government-led efforts. Second, political uncertainty against the backdrop of several transitional governments affected the government's decision-making and implementing capacity. As a result, a public-private-civil society partnership that was primarily led by non-state actors seems to have been the right approach.

However, shortcomings of Souk At-tanmia's results framework rendered the theory of change between project activities and objectives somewhat unclear.[29] Project objectives were not clearly and consistently articulated across project documents[30] and were phrased as activities rather than results to be achieved. In addition, project components and activities related to the different project objectives were not stated clearly, limiting a more strategic alignment between activities and intended objectives. In particular, at the design stage, the project did not foresee concrete activities contributing to its broader objectives of (i) promoting an entrepreneurial culture, and (ii) influencing key stakeholders on a policy and programmatic level.[31] That said, several related activities were eventually carried out during implementation based in part on an updated communication strategy.

[29] For a detailed discussion of the M&E framework, see section 5.3.

[30] The objectives were phrased differently in the concept note, partnership agreement, and operational manual.

[31] While the concept note and operations manual included a section on communication, it was framed mainly as a means for beneficiary outreach and selection rather than a set of self-standing activities to promote an entrepreneurial culture in Tunisia.

4.2 Effectiveness

Key findings:

- The project's achievement of targets is rated moderately satisfactory
- Overall, some of the targets set for the project were overly ambitious
- The project benefited fewer beneficiaries than originally intended
- While business sustainability targets were met, those for job creation were not mainly because of the lower number of beneficiaries. Job targets were however exceeded when considering employment generation in relative terms.
- Only 13% of grantees leveraged additional loan financing
- Satisfaction with the coaching was generally high (around 70%), albeit slightly below the target
- Targets related to communication and project visibility were exceeded, indicating that communication was one of the project's strengths

This section evaluates project activities and results against the logical framework developed at the beginning of the initiative. Overall, the achievement of the project's development objective is judged moderately satisfactory. Even though targets for several outcome and output indicators were not fully met, it should be recognized that several targets were fairly ambitious and that results were generally encouraging given the pilot character of the initiative.

Table 1 below provides an overview of the project's logical framework including targets and results. It should be noted that some of the findings from this independent evaluation do not match the conclusions of the DFID project completion review carried out in March 2014.[32] These differences can largely be attributed to (i) the larger sample on which the findings of the independent evaluation are based (representing 90% of final beneficiaries), and (ii) changes in the status of beneficiary projects between March 2014 and September/October 2014.

Table 1 : Project indicators as presented in the project's logical framework, targets and achievements

Indicators[33]	**Target 2014**	**Estimated result (DFID, March 2014)**	**Actual result (Ind. evaluation, October 2014)**	**Achieve-ment status**
Outcomes : Innovation and entrepreneurship stimulated				
1. Number of similar new initiatives by AfDB or partners launched in Tunisia or elsewhere in Africa modelled around the social entrepreneurship project (Replicability).	4	5	2	~
2. Percentage of grantees who continue to be operational and working towards their original vision (Sustainability).	69%	86%	67%	✓

[32] DFID (2014).

[33] While the logical framework also included two so called "impact indicators" (i.e. percent of GDP growth and unemployment rate), these are not included here as no credible link between the project and these macro-level indicators can be established, thus rendering them inappropriate to judge project effectiveness.

3. Number of additional long-term jobs created (Economic development).	347	437	276	✖
4. Number of new enterprise initiatives supported by AfDB in marginalized regions (Reduced disparities).	70	40	39	~
Output 1: Seed funding provided to high potential social entrepreneurs				
1.1 Number of grants awarded	100	61	61	✖
1.2 Percentage of $1m seed grant target funding secured from other donors	100% ($1m)	88%	87%	~
1.3 Number of projects securing additional financing from the Tunisian banking sector	30	48	9	✖
Output 2: High quality mentoring provided to high potential social entrepreneurs				
2.1 Percentage of grantees benefitting from coaching or working sessions with Bank/ partner mentor	100%	100%	100%	✓
2.2 Percentage of grantees reporting at least satisfaction with quality of support provided	80%	78%	69%	~
2.3 Number of visits to project internet portal	18,000	86,000	86,000	✓✓
2.4 Number of press reports on the pilot	40	100	150	✓✓

Legend: ✓✓ target exceeded; ✓ target achieved; ~ target partially achieved; ✖ target not achieved

4.2.1 Assessment of outcome indicators

1) Number of similar new initiatives launched by AfDB or other partners in Tunisia or elsewhere in Africa modelled around the social entrepreneurship project (Target: 4).[34] This target was partially achieved since there have been only 2 concrete examples of replication. These are (i) the launch of a second phase of Souk At-tanmia in May 2014 building on the experience of the pilot phase, and (ii) the development of a project by the AfDB in Ivory Coast strongly inspired by Souk At-tanmia in Tunisia. In addition to Ivory Coast, several other AfDB field offices have expressed interest in learning more about the project, including Mauritius, Morocco, Democratic Republic of Congo, Senegal, Djibouti, Ethiopia, Togo and Zambia. Members from the Secretariat visited several countries to explore opportunities for replication while also receiving government delegations in Tunis (e.g. from Congo). While it is too early to tell whether any concrete activities informed by Souk At-tanmia will actually materialize in these countries, there is clearly strong interest in the initiative. There have also been a number of new initiatives launched by Souk partner organizations including by UNIDO, UNDP, Conect, Tunisiana and TPM[35]. However, interviews with representatives of these institutions suggest that their respective initiatives were mainly influenced by other factors than the organizations' participation in Souk At-tanmia.

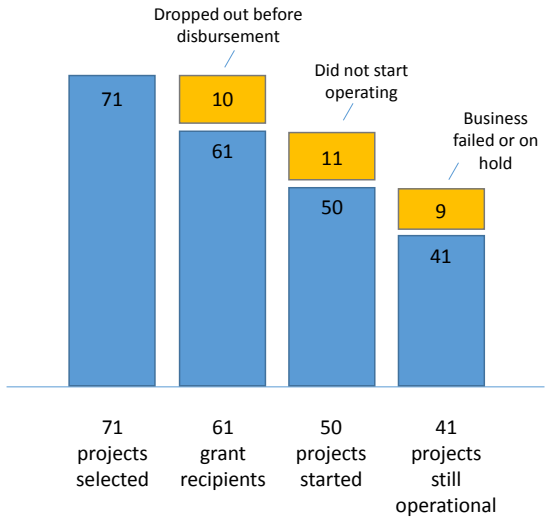
[34] This indicator is somewhat misleading as Souk At-tanmia is not an initiative supporting social entrepreneurship. We therefore interpret this indicator as the number of new initiatives launched by the AfDB or its partners that are strongly influenced by the Souk At-tanmia concept.

[35] TPM is a partner organization in the second edition of Souk At-tanmia.

While the target of influencing 4 other programs was not met, it should be noted that this target was overly ambitious from the start since it is extremely uncommon to achieve immediate replicability after a pilot phase. The replication in two countries as well as the dialogue initiated with multiple other stakeholders can therefore be considered as reasonable success.

2) Percentage of grantees who continue to be operational and working towards their original vision (Target: 69%). This target was achieved. As of November 2014, 41 projects were still in business, representing 67% of the 61 grant recipients (see Figure 3). It should be noted that of the 71 projects originally selected, 10 dropped out or were excluded before receiving the grant, while another 11 projects are still waiting to become operational due to delays in starting up the business (typically due to difficulties related in obtaining the co-financing from the Bank or other administrative hurdles). Thus, among the 50 projects actually initiated, 80% are still in business (though some of them are under distress), which would be even above the target. So while about 15% of beneficiaries dropped out and another 15% were unable to start their business within 2 years of being selected, among those projects that actually started to be operational the survival rate is satisfactory.[36] Survival rates were slightly higher among growth projects (88%) than among start-ups (79%), which is in line with what one would expect given the higher risk of start-up projects.

Figure 3 : Breakdown of beneficiary projects



Source: Project documents and beneficiary survey

3) Number of additional long-term jobs created (Target: 347). While Souk At-tanmia met the target in terms of employment opportunities more broadly, the specific target of creating long-term jobs was not achieved. The total estimated number of full- and part time jobs created, both direct and indirect, is estimated at 276, or 80% of the target.[37] If all types of short-term labor and temporary positions were included, our total estimate would amount to approximately 532 employment opportunities (380 direct and 152 indirect).

- *Direct jobs:* According to the beneficiary survey carried out, a total of 248 direct full- and part-time jobs were created (including the entrepreneurs themselves), as well as an additional 88 positions through casual labor and apprentices/interns (the latter are not counted because of their short-term nature), totaling 336 direct employment opportunities (see Table 2). In addition, we estimate that approximately 44 direct temporary jobs were created (jobs within the supported businesses for a period of at least 3 months that no longer exist).[38]

[36] That said, several projects had only recently started operating, so the fact that they are still in business cannot really be interpreted as business survival.

[37] Job creation estimates are based on the beneficiary survey conducted for this evaluation and may therefore defer from estimates by the Secretariat. Our findings are more conservative than those by the DFID completion review which estimated 437 direct and indirect jobs created according to which the project would have exceeded its target. We explain this difference by the different timing of measurement and a stricter definition of long-term jobs than in the completion review which was based on beneficiary estimates provided in December 2013, in particular by i) measuring job creation in September 2014 as opposed to December 2013, and ii) differentiating between the type of jobs created (i.e. full-time, casual labor, etc.). See Annex 11 for additional details about the methodology used for estimating job creation.

[38] Temporary jobs are not counted towards the target since they have not been sustained, typically because the business has stopped operations or experienced difficulties.

- *Indirect jobs:* We estimate that approximately 28 full-time indirect jobs (counting towards the target) and approximately 124 casual labor jobs were created.

All in all, while the targets in terms of numerical job creation appear to have been missed, this can be largely attributed to the lower number of beneficiary projects approved (see discussion of indicator 1.1 below). In fact, the targets were actually exceeded when considering employment generation in relative terms, as the average number of jobs created was approximately 4 per supported business (276 jobs across 61 projects), compared to the planned 3.5 (based on the target of 347 jobs across 100 projects).[39] Moreover, 70% of respondents stated they are planning to hire more people within the following 12 months, suggesting that the number of jobs Souk At-tanmia helped create could rise further.

It is important to emphasize that the real number of jobs created could be higher or lower than the above estimates due to the methodological difficulties of measuring (long-term) job creation. The main reasons include: (i) attributing all jobs created by extension projects to Souk At-tanmia is likely an overestimate because part of the employment growth was thanks to other resources than those provided by Souk-At tanmia, (ii) the estimate of indirect jobs is very imprecise because it relies solely on estimates by the beneficiaries who have limited information about job creation at their suppliers or distributors, (iii) even at this stage it remains impossible to assess how 'long-term' these jobs are as business dynamics remain highly volatile,[40] and (iv) our estimates are based merely on outcome monitoring data which do not allow to infer causality between the intervention and job creation (e.g. some beneficiaries might have started or expanded their business even without the support of Souk At-tanmia).

Table 2 : Estimate of direct jobs created

	Start-up	Growth	Total
Jobs created (incl. entrepreneur)	**200**	**136**	**336**
Jobs created (w/o entrepreneur)	**177**	**136**	**313**
By type of job			
Partner/Associate	2%	0%	1%
Full time employee	42%	76%	57%
Part time employee	10%	20%	14%
Casual labor	34%	5%	21%
Apprentice/Intern	12%	0%	7%
By employee characteristics			
Female	56%	28%	44%
Youth (18-29)	47%	48%	48%
Higher education graduate (> BAC+2)	18%	42%	28%
Family members	7%	2%	5%

Source: Beneficiary Survey

4) Number of new enterprise initiatives supported by AfDB in marginalized regions (Target: 70). This target was not achieved in numerical terms, but almost met in percentage terms. Thirty-nine (39) projects among the 61 beneficiaries were based in disadvantaged regions as defined by their human development index (zones 4 and

[39] If considering only projects that are (still) operational, the average job creation increases to approximately 6.7 jobs per operational business.
[40] The project's log-frame contains no definition of "long-term".

5).[41] While this is well below the numerical target of 70, it should be seen in the context of the lower number of total projects supported (61 compared to 100 planned). Thus, in percentage terms, 64% of Souk At-tanmia projects were from the most disadvantaged regions, which is only slightly below the target of 70%. Moreover, acknowledging that the majority of population and economic activity is in the more developed Tunis metropolitan area and coastal region, 64% can be considered a relatively strong outcome. As intended through the selection criteria, projects from disadvantaged regions were given preference during the selection process (51% of submissions came from those regions compared to the 64% of final beneficiaries).

In terms of other target groups, 54% among final beneficiaries were under the age of 35 (30% under the age of 30) and 33% were women. Overall, beneficiaries were highly educated (an estimated 80% having a BAC+2, 64% a university degree) and economically relatively well off, with 50% coming from households with monthly incomes above 1,500 TND (only 10% come from households that have incomes below TND 750), and median personal incomes prior to their participation in Souk At-tanmia at approximately 800 TND (average revenue of 1,200 TND). Slightly over 50% of beneficiaries had previous experience in starting a business (or at least attempted), and approximately 40% had more than 10 years of prior work experience.[42]

4.2.2 Assessment of output indicators

1.1. Number of grants awarded (Target: 100). This target was not achieved. While over 1,300 project proposals were submitted during the first phase of application, the number of projects selected to receive a grant was only 61. This was primarily due to (i) the fact that the vast majority of candidates requested the maximum amount of funding (an average of 29,290 TND among the 71 selected projects) which in turn did not allow supporting the planned number of projects within the available budget (see Table 3); and (ii) because 10 of the 71 originally selected beneficiaries withdrew or were excluded before disbursement. According to the mid-term evaluation and interviews with the AfDB and several partner organizations the lack of good quality applications was also a constraint. That said, given the available funding, even a larger number of quality proposals would not have allowed for a higher number of grantees.

Table 3 : Breakdown of selected projects by size of grant awarded

Grant size (TND)	# projects	% of all projects
10,000-19,999	1	1%
20,000-24,999	0	0%
25,000-28,999	6	8%
29,000-30,000	64	90%
Total	**71**	**100%**

Source: Project documents

1.2. Percentage of $1m seed grant target funding secured from other donors (Target: 100%). This target was partially achieved. Compared to the goal of leveraging $1 million in addition to the DFID funding, Souk At-tanmia was able to raise $866,608 in total (see Table 4 below), or 87% of the target. An additional $25,678 contribution was made by UN agencies to pay for the outreach campaign, which, if included, raises the financial contributions raised to about 90% of the target. Moreover, Souk was successful in raising significant in-kind contributions from different partners, including mainly (i) entrepreneurship training (British Council), (ii) professional and volunteer

[41] See Annex 12 for classification of regions.
[42] For a more detailed overview of beneficiary characteristics, see Annex 13.

coaches (several organizations), (iii) coaching coordination (CONECT/UNIDO), (iv) grant management (BFPME), (v) development and management of the web-platform (Talan), and (vi) project management and staff cost to provide the Secretariat function (AfDB). All in all, the evaluation team estimates the in-kind contributions by the partnership members (including the AfDB) to approximately $515,000.[43] Thus, if grant and in-kind contributions are taken into consideration, the target for leverage funding would be significantly exceeded.

Table 4 : Breakdown of funding contributions for grants

Organization	Contribution for grant funds
DFID	**GBP 300,000**
Total leverage	**US$ 866,608**
U.S. Government	$400,000
Government of Denmark	$271,890
UNIDO	$50,000
ILO	$30,000
IOM	$10,000
FAO	$10,000
UNDP	$10,000
Tunisiana	$58,651
Total	$26,067

Source: Project documents

1.3. Number of projects securing additional financing from the Tunisian banking sector (Target: 30). This target was not achieved. Only 9 of the supported projects secured Bank loans as a direct result of their Souk At-tanmia participation, representing approximately 13% out of the 61 grant recipients (which is below the target even in relative terms).[44] These projects leveraged approximately $250,000 (TND 383,500) in loans from the partnering Banks BFPME and BTS and approximately $180,000 (TND 284,000) from other Banks and support programs (QFF, FOPRODI, APIA, etc.), which if taken together represent approximately 38% of the total disbursed grant volume (i.e. a leverage factor of 0.38). Other beneficiaries secured an additional estimated $92,000 (TND 142,000) in resources from sources outside Souk At-tanmia, but not through the Banking sector.

There are several reasons why the number of projects securing additional financing remained below expectations: (i) despite the fact that a key rationale of Souk At-tanmia was to provide grants as a bridge to Bank loans, there was no requirement for co-financing and personal contribution from the entrepreneur. As a result almost all beneficiaries requested the maximum amount of the grant which in many cases covered their financing needs.[45] Only about 25% of grantees (16 out of 61) sought out a supplementary loan;[46] (ii) the entrepreneurship training and selection process of Souk At-tanmia were insufficiently integrated with the

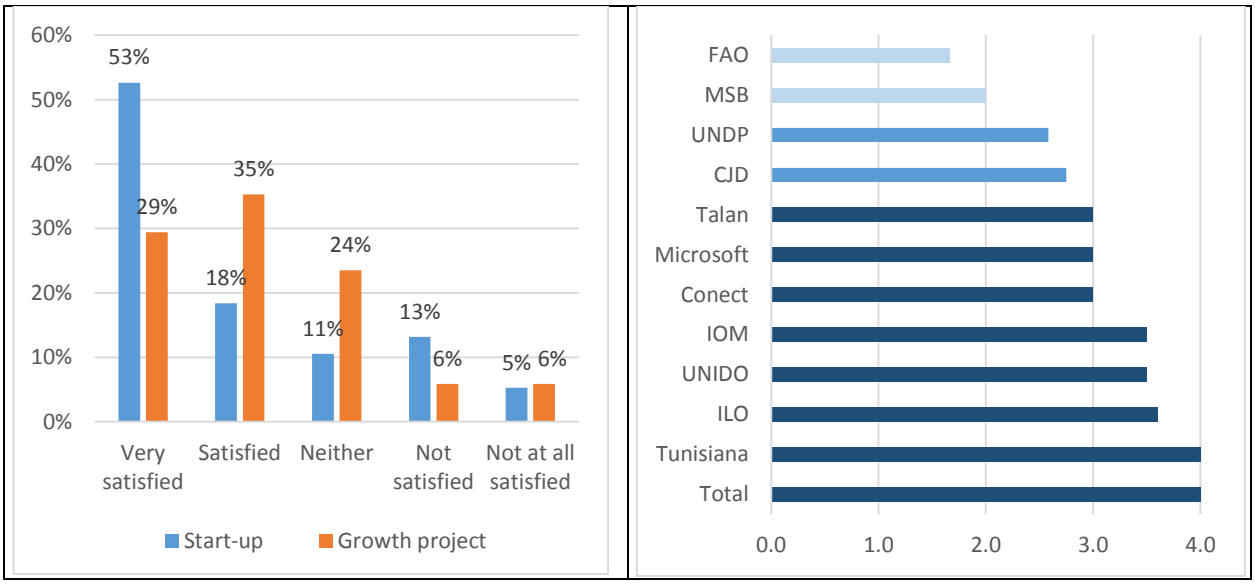
[43] This amount reflects approximately $215,000 of financial expenses by the AfDB for project management and communication and an additional $300,000 of in-kind contributions by the AfDB (staff time of team leader) and partners.
[44] Two additional projects were pre-approved but were missing either sufficient co-financing or guarantees to receive the loan. These loans may still receive approval in the future.
[45] This finding suggests that a majority of candidates likely adjusted their financing plan (inflating or deflating their budgets) to fit the maximum grant size offered.
[46] Similarly, only a minority (46%) of all 241 candidates that participated in the entrepreneurship training expected to seek any sort of loan.

requirements of the partnering Banks;[47] as a result, 45% of projects' loan requests (7 of 16) were unsuccessful despite the fact that they were among the final beneficiaries.

2.1. Percentage of grantees benefitting from coaching or working sessions with Bank/ partner mentor (Target: 100%). This target was achieved. Each beneficiary was matched with a coach from one of the partner organizations. Coaches were provided by UN agencies (UNIDO, UNDP, ILO, IOM, FAO), CJD (an association of young business leaders), CONECT (an employer association), Mediterranean School of Business, Microsoft, TOTAL, Tunisiana and Talan (IT-company). A breakdown of the number of coaches and projects coached by organization is available in Annex 14.

2.2. Satisfaction with quality of support provided (Target: 80%). This target was only partially achieved. Based on the 90% of beneficiaries interviewed as part of this independent evaluation, 69% of beneficiaries were satisfied or very satisfied with the coaching, slightly missing the target value. Satisfaction rates tended to be somewhat higher for start-up projects (71%) than for growth projects (65%), which we explain by the more specialized business needs for growth projects (e.g. sectoral expertise, marketing, etc.) which were not always met due to the more generalized nature of the coaching support which was largely linked to finalizing the business plan and facilitating the grant disbursement. In terms of regional breakdown, satisfaction rates were actually higher in disadvantaged regions (76% compared to 57% elsewhere), though disadvantaged regions also had a higher share of clearly dissatisfied beneficiaries (20%) than in other regions (10%). We interpret this polarization by the satisfaction of beneficiaries in these regions to have a coach in the first place (give the relative scarcity of support services in these regions) and the discontent related to the lack of coach availability that was more likely an issue in those areas. Beneficiaries with a professional coach had on average slightly higher satisfaction rates than beneficiaries with a volunteer coach (73% vs 64%). In terms of coaching organizations, 8 of 12 organizations had average satisfaction rates of at least "satisfied".

Figure 4 : Beneficiary satisfaction with coaching, by business cycle of supported project and by coaching organization



Source: Beneficiary survey

[47] For instance, no information was provided about Bank procedures, the business plan templates originally used did not correspond to those of the Banks, and the Banks were not asked to assess the loan requests before the project beneficiaries were announced.

Note: Average scores correspond to 4 (very satisfied), 3 (satisfied), 2 (neither nor), 1 (unsatisfied), 0 (very unsatisfied)

The main sources of discontent with the coaching were:

- The lack of availability of the coaches. This was typically due to one of the following reasons: (i) some of the professional coaches were responsible for too many projects (overbooked); (ii) time constraints of volunteer coaches who, on average, had less frequent interactions with grantees than professional coaches (53% of volunteers had at least bi-weekly interactions with beneficiaries vs. 70% of professional coaches); and (iii) the geographic distance, since the majority of coaches were not based in the same region as the beneficiaries, thus limiting the possibilities for in-person communication and interaction. In several cases coaches even had to be replaced because of their lack of availability, thus depriving the beneficiaries from valuable coaching time until the new coach took over. The geographic disconnect also led some beneficiaries to feel that their coach was not sufficiently familiar with the local realities.
- The lack of relevant sectoral expertise by the coach. Many beneficiaries regretted that their coach had no experience in their sector of activity, suggesting that more attention should be placed on the matching of coaches and beneficiaries.
- Insufficient duration of the coaching. Because the official coaching was limited to 12 months starting from the announcement ceremony of beneficiaries (from January to December 2013), and because the majority of projects only became operational in the second half of the year or later, there was limited time to provide coaching beyond the immediate start-up phase of the projects. Moreover, the actual coaching duration was often shorter than the official 12 months (approximately 30% of projects were coached for 9 months or less), as the relationship between coach and beneficiary often ended as soon as the grant funds were fully disbursed.

While the overall satisfaction target was missed, it should be acknowledged that satisfaction rates were still high, especially when considering that this was a pilot edition. Another good sign is that 40% of the beneficiaries were occasionally still in contact with their coach 9 months after the coaching period had officially ended. Moreover, due to undisbursed funds as a result of the smaller number of grants being awarded than anticipated, the Souk At-tanmia team has engaged in an effort to identify remaining training and mentoring needs of beneficiaries and started offering additional support and follow-up beyond the original coaching period.

2.3. Number of visits to project internet portal (Target: 18,000). This target was exceeded. Since the launch of the initiative, there have been over 86,000 visits to the Souk At-tanmia web-site, reflecting the strong visibility of the project. The Souk Facebook page has also been very active, and has received 3,500 likes by the end of the first edition in March 2014 (and 7,000 'likes' by November 2014).

2.4. Number of press reports on the pilot (Target: 40). This target was exceeded. With approximately 150 appearances, the media coverage of the initiative vastly exceeded expectations. Most press coverage was generated around the outreach campaign and key events, notably the launch event in July 2012, the announcement of winners in January 2013, and the awards ceremony in February 2014, which generated exposure across national and regional television and radio, newspapers, and web-articles. Overall, the strong communication efforts by the Secretariat yielded high levels of visibility and made the project well known across the country (for more details on the assessment of the visibility, see section 4.6).

4.3 Efficiency

Key findings:

- Overall, project efficiency is rated moderately unsatisfactory
- While the AfDB's credibility and convening power can explain why it hosted the Secretariat during the pilot phase, this arrangement is very difficult to sustain over the long term due to AfDB's inadequate internal procedures for running a project like Souk At-tanmia
- The main inefficiencies during implementation appear to have been related to the approval and disbursement process of Bank loans, reflecting the systemic burden in accessing finance in Tunisia
- The share of administrative costs among total expenditures was within commonly acceptable standards
- The unit-cost per job created is estimated at US$ 7,400, which is higher than for many other employment promotion programs
- An assessment of overall value for money should also account for the initiative's institutional-level impacts, which are difficult to quantify

4.3.1 Partnership modalities

While the model of a multi-stakeholder partnership was an adequate vehicle for the delivery of the integrated entrepreneurship support approach in the historic context of the Arab Spring (see detailed discussion on partnership model in section 4.7), it came at the cost of a relatively burdensome governance and implementation structure. Key difficulties included:

- AfDB procedures: The AfDB's leadership in designing the initiative, mobilizing partners, and implementing the first phase of the initiative was extremely important. Indeed, AfDB's credibility, convening power, and its ability to provide in-kind contributions in terms of staffing can explain the original hosting of the Secretariat at the AfDB, thus ensuring the necessary ownership for the initiative. However, the initiative suffered from being subject to the operational and procurement rules and procedures of the AfDB which are not designed for running a project like Souk At-tanmia (e.g. restrictions on contract duration for team members of the Secretariat, burdensome procurement rules, etc.). According to feedback from the Secretariat and partner organizations, these heavy internal procedures rendered daily operations less flexible and efficient. Inefficiencies related to the hosting arrangement are also reflected in the internal difficulties leading up to the AfDB endorsement for the project. Indeed, in the absence of an existing framework to engage with the private sector, the project faced strong scrutiny by the AfDB legal department, which caused the initiative to start approximately 6 months later than originally intended.

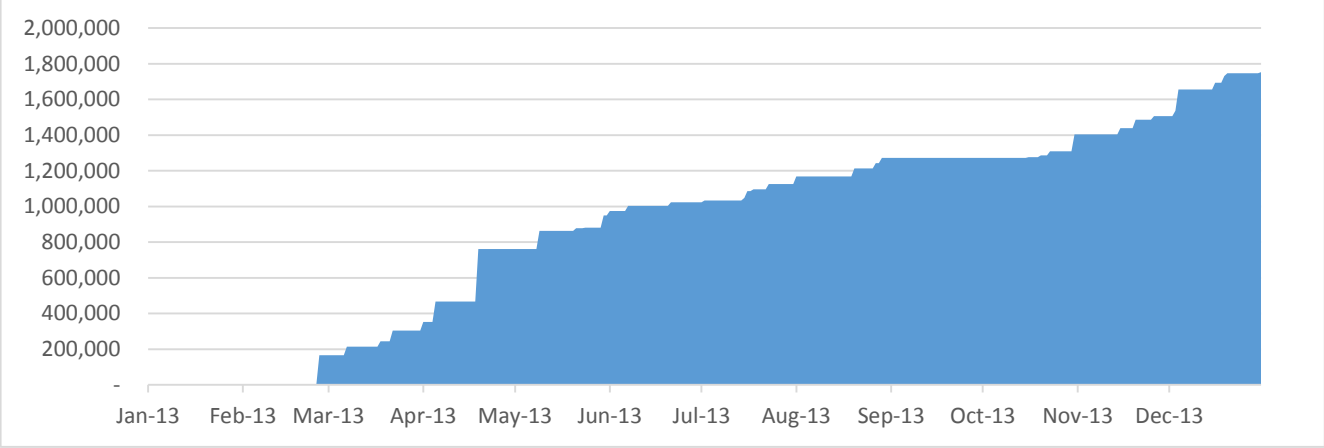
- Decision-making structure: While the large number of partners represented a unique collaboration effort and provided a strong enabling environment for the project, it made decision-making naturally more cumbersome. The steering committee put in place appears to have been an adequate platform for decision making among partners, however, given the 20-member size of the committee and the consensual decision-making approach, decision-making within the steering committee was unavoidably time-intensive, especially since the committee not only dealt with strategic decisions, but also with many operational aspects of the program (e.g. event coordination, coaching, etc.). As a result, the most common complaints of partners about the decision-making process were related to the excessively long steering committee meetings.

Thad said, the thematic working groups established during the pilot edition (so called "taskforces" for communication and M&E) appear to have provided a well-functioning modality to leverage partner strengths and coordinate operational tasks within the partnership.

4.3.2 Implementation of activities

Even though the disbursement process of grants started out relatively quickly, half of the beneficiaries reported some type of difficulties in receiving their funds.[48] Approximately 50% of beneficiaries expressed that they experienced delays with the disbursement of their grant (especially the second tranche). While 67% received their first tranche relatively quickly within 3 months of the award ceremony in January 2013, only 39% of beneficiaries had received their entire funding within 6 months. In fact, approximately 35% of beneficiaries had to wait 9-12 months to receive their full grant. Common difficulties cited by the beneficiaries included delays by the payment agency (BFPME), insufficient availability of the coach (who had to give prior approval) and inadequate funding tranches.

Figure 5 : Disbursement progress of grants, January – December 2013, in TND



Source: Project documents

Projects that sought loan financing in addition to the Souk At-tanmia grant experienced major obstacles due to the additional administrative burdens and delays. Among the beneficiaries soliciting a loan, approximately 80% complained about issues in the loan approval and/or disbursement process.[49] Based on the beneficiary survey carried out as part of this evaluation, we estimate that the average length to respond to the beneficiaries' loan applications was around 5 months - significantly longer than the time requirements communicated to participants by the Souk initiative. Moreover, despite Souk financing, several projects were rejected by the partnering Banks or had to find additional financing sources because the Bank would only cover part of their loan request (thus incurring further delays), suggesting that the linkages between the Souk selection committee and Bank financing decisions were insufficient. In addition to the delays in the approval process, several beneficiaries faced considerable challenges and delays in the disbursement of their loans; in fact, some beneficiaries still had not received disbursements at the time of this evaluation, more than 18 months after their loan request.

[48] We acknowledge that the delays in the disbursement of grants (and/or loans) may in some cases also have been due to the beneficiaries themselves (E.g. quality of their business plan, missing documentation, etc.), however, given the similar feedback across beneficiaries, the difficulties and delays experienced by project participants appear to have been somewhat systemic.

[49] For a detailed list of problems faced by beneficiaries, see Annex 15.

It is important to understand that unreliable timing regarding the availability of either grant or loan funds does not just delay the setup of the businesses, it actually presents a danger for business viability and the economic well-being of the beneficiary. Delays in obtaining loan financing appear to have been a major contributor to the economic difficulties experienced by several projects, due to for example running costs for rent before being able to launch the project, cost increases for equipment due to exchange rate fluctuations, conflicts with suppliers and prospective clients etc. Moreover, beneficiaries find themselves depleting personal savings or even going into debt with friends and family while waiting for the procedures to be completed and the business to start, leading to perceptions among some beneficiaries that they are economically worse off than before Souk At-tanmia (see section 4.4. on Impact for more details). That said, the issues experienced by beneficiaries in the loan approval and disbursement process are not specific to this initiative; rather, they are a reflection of the systemic administrative burden in Tunisia to accessing loan financing. In fact, despite all the difficulties, several beneficiaries stressed that they felt some level of beneficial treatment as a result of being a Souk At-tanmia beneficiary.

4.3.3 Cost-effectiveness

The total cost of the pilot phase is estimated at approximately US$ 2 million (see Table 5). This estimate includes about $300,000 (15%) in in-kind contributions by the AfDB and its partners, such as the cost for the entrepreneurship training, professional coaching, web design, outreach campaign, and project management staff. The real cost of the initiative is likely to be even higher, as several in-kind contributions have not been included in the estimates due to the difficulty of quantifying them, such as the value of BFPME's role as payment agency, volunteer coaches, AfDB overhead, and staff time by partner organizations.

Table 5 : Summary of expenses

	Financial	*In-kind*	*Total*	*Share of total*
Grants*	$ 1,349,246		$ 1,349,246	*66%*
Training & Coaching		$ 137,333	$ 137,333	*7%*
Communication	$ 126,634	$ 87,932	$ 214,565	*11%*
Project management	$ 219,381	$ 76,249	$ 295,629	*14%*
M&E	$ 44,156		$ 44,156	*2%*
Total	$ 1,739,417	$ 301,513	$ 2,040,930	*100%*

* Numbers represent budget allocation. The totality of grant funds was not disbursed and reallocated to other activities.
Source: Project documents and own analysis

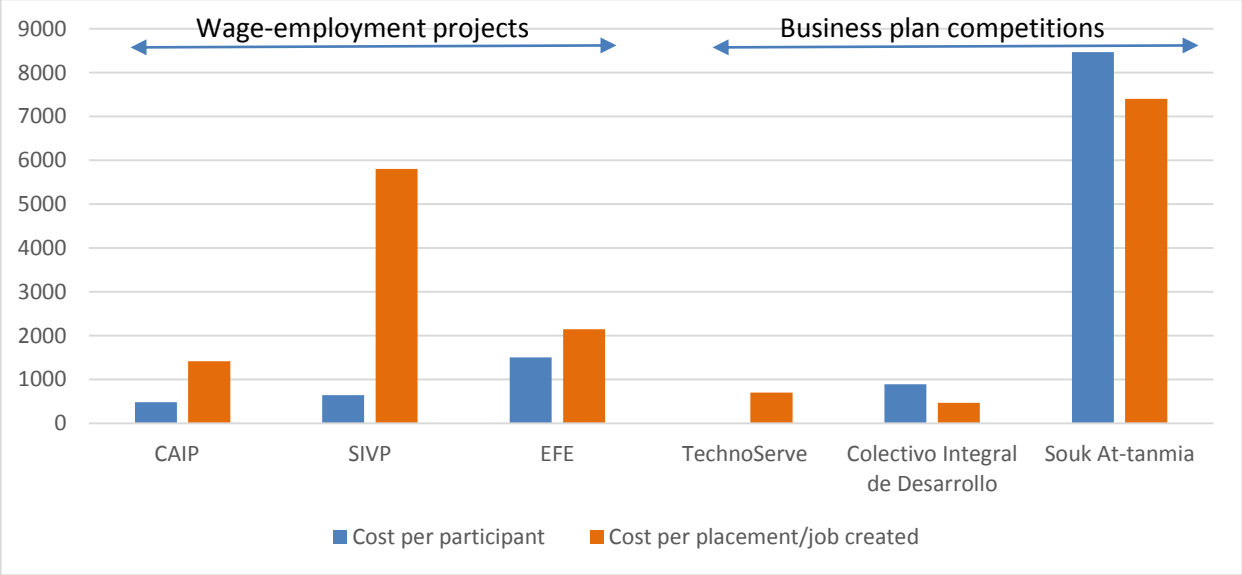
With an estimated 85% of total expenses used for programmatic[50] purposes, Souk At-tanmia's cost-structure appears well-balanced and in line with common standards for development projects. Expenses for grants, training and coaching which are directly benefiting the project's end beneficiaries represent almost 75% of the budget. In addition, while communication costs appear high, they are related to program outreach and aimed at promoting an entrepreneurial culture (which is a project objective), thus raising the share of programmatic expenses to approximately 85%. While there is no commonly acceptable standard for the share of administrative

[50] "Programmatic costs" are those expenditures related to project activities targeted at beneficiaries and contributing towards project objectives. "Administrative costs" include project management, overhead, and other auxiliary expenses not directly related to core activities.

expenditures of total project costs, 10-15% is commonly considered reasonable,[51] placing Souk At-tanmia's 14% of expenses related to project management within an acceptable range.[52]

The cost per job created is estimated at $7,400, which is higher than rates reported for comparable initiatives. Given the sizable grants offered through the program, the unit-cost per final beneficiary of Souk At-tanmia (61) is extremely high at $33,500. If accounting for the larger number of participants (241) who benefited from the training program, the cost per participant goes down to $8,500. Further, when looking at the outcome level, that is, at the total cost of the initiative per job created, the cost reaches approximately US$ 7,400, thanks to the fact that Souk-supported businesses created on average several employment opportunities per grantee. However, this number still remains high in comparative perspective (see Figure 6), though it is important to keep in mind that this comparison is indicative only because of inconsistent cost-measurement across projects and the lack of reliable outcome data due to the lack of more robust impact evaluation methodologies. While the costs of different types of interventions are not strictly comparable (e.g. job placement programs vs. business plan competition), policymakers and development partners often consider the relative cost-effectiveness of different approaches to achieve similar outcomes (i.e. create jobs). Thus, to remain "competitive", Souk At-tanmia should reach unit-costs that are considered acceptable by key stakeholders. Another possible benchmark to consider are the employment effects of economy-wide general investments in Tunisia, which are estimated at 247 jobs (direct and indirect) per 1 million USD invested, or approximately $4,000 per job created.[53]

Figure 6 : Indicative unit-cost estimates (in USD) for selected youth employment programs



Sources: Abaab (2012), Technoserve (2009), Jaramillo and Parodi (2003), personal exchange with EFE representative.
*CAIP (Contrat d'Adaptation et d'Insertion professionnelles), SIVP (Stage d'Insertion à la vie professionnelle), EFE (Education for Employment Foundation)
** Data from TechnoServe and Colectivo Integral de Desarollo comes from Latin America as no relevant data could be identified from business plan competitions in Tunisia

[51] For instance, the Japan Social Development Fund at the World Bank allows project management expenses up to 10% for funded projects. Analysis of the U.S. Urban Institute (2006) finds that International Development NGOs spend between 5 and 15% of their budgets on administrative expenses (http://www.urban.org/uploadedPDF/411276_nonprofit_subsector.pdf , p.24).
[52] However, it should be noted that overhead costs such as office space, computers, etc. were not costed by the AfDB and not included in the program budget. If taking these overhead costs into account, the share of administrative expenses would have likely exceeded 15% of the total budget.
[53] IFC (2012). While general investments in the economy cannot be strictly compared to programs like Souk At-tanmia due to their different cost structure, a cost-comparison per job created is still useful to indicate value for money.

*** Unit-cost estimates are not strictly comparable because of different measurement methodologies and because, with the exception of Technoserve and Colective Integral de Desarrollo, placement and job creation estimates are based on monitoring information only, and not robust impact evaluation, thus reducing the reliability of the job placement/creation estimates.

Whether the initiative provided sufficient value for money also depends on the potential institutional level impacts that are still difficult to assess (see section 4.4). Since the objective of Souk At-tanmia was not only to provide jobs to direct beneficiaries, but also to influence the entrepreneurial culture and other institutions in the ecosystem, these institutional level effects need to be considered as well. However, it is impossible to quantify (monetarily) these additional effects in any meaningful way.

4.4 Impact

Key findings:

- The overall impact of the initiative is considered moderately satisfactory
- Souk At-tanmia likely increased the likelihood and speed of starting-up a business compared to traditional avenues
- 45% of supported projects appear to be profitable 9 months after the official end of the project, though average profits are generally still low, with the exception of few highly successful businesses
- Perceptions of economic well-being are highly tied to the development of the business. While 50% of beneficiaries stated that their situation had improved since participating in Souk At-tanmia, almost 1 in 5 beneficiaries stated that their economic situation had worsened since being selected into the program, suggesting that there may also have been some unintended negative effects
- Souk created on average approximately 4 jobs per supported business, above the Tunisian average. About 50% of all employment opportunities created (and 75% of the full- and part-time positions) had employment contracts
- So far, the initiative only had limited effects beyond its direct beneficiaries. Aside from the replication of Souk At-tanmia in Tunisia and Ivory Coast, the initiative has not yet had much influence on other stakeholders in the entrepreneurial ecosystem. That said, given its strong visibility across a variety of media, it is plausible that the initiative may be contributing to an improvement of the entrepreneurial culture in the country

4.4.1 Individual-level effects

There is no doubt that Souk At-tanmia beneficiaries perceived a strong value added from their participation in the project. Among the respondents, over 90% stated that Souk At-tanmia helped them overcome obstacles to launch or expand their business, in particular in terms of access to finance. The usefulness of Souk At-tanmia is also reflected in the fact that virtually 100% of respondents state that they would recommend Souk At-tanmia to a friend. The business-level outcomes described below should also be seen in a context of the somewhat fragile economic situation in Tunisia in 2012 and 2013, which may have presented a difficult environment to start and grow a business.

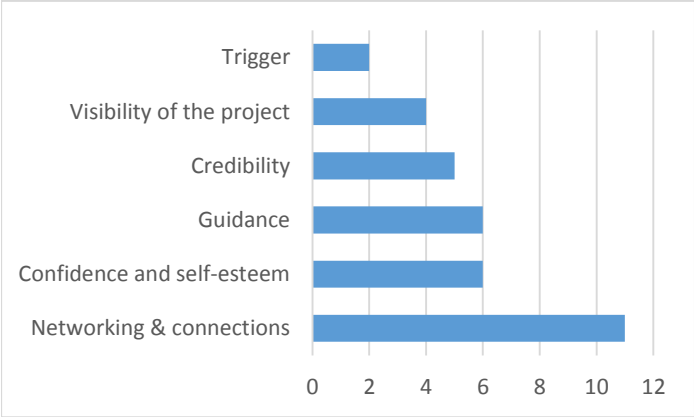
At the level of the beneficiaries

- **Business characteristics:** The supported businesses are almost exclusively operating in the formal sector, with over 90% of respondents being formally registered (through the “registre de commerce” or “patente”), and the remaining 10% being agricultural projects that are not required to have the same type of official registration as non-agricultural projects. The formal nature of the businesses is also underlined by the widespread use (75%) of formal bookkeeping techniques, using computers or an internal or external accountant (the other 25% relying on mostly paper-based bookkeeping, with only few not keeping any written business records). In terms of clientele, a slight majority of projects are

focused on their local market, while approximately 45% generate the majority of their revenues from clients outside their own governorate.

- **Beneficiary income:** The average personal income of beneficiaries before the intervention was approximately 1,000 TND per month, with no significant difference between start-up and growth entrepreneurs. While we do not have detailed information on income at the time of the follow-up survey, the beneficiaries' estimated profits can provide an indication of how their income potential has evolved.[54] Overall, 55% of operational beneficiary projects (45% of all supported projects) appear to be profitable 9 months after the end of the coaching period (45% of startups, 75% of growth projects). Reported monthly profits average around 2,000 TND, however, this figure is largely driven by a handful of very successful projects. Those few outliers aside, average profits are still relatively modest at an estimated 600 TND per month (400 for start-ups vs. 890 for growth projects), a number that would be lower if accounting for the losses of several projects that have yet to break even. In fact, so far only about 40% of operational start-up projects have been able to generate profits that meet or exceed their prior earnings. This is somehow not surprising given the early stage of development of these businesses. In Tunisia, it is common for small businesses to require up to 2 years before breaking even.[55]
- **Business sustainability:** The share of beneficiaries who are (still) in business 9 months after the official end of the first phase of the initiative is estimated at 67% (see section on effectiveness). Among the 50 projects actually initiated, the share reached 80%. This percentage is roughly in line with business survival rates in OECD countries (which also average 80% after one year in operation) and in Tunisia (average of 78% survival rate after two years).[56]
- **Economic well-being:** Approximately 60% of respondents stated that their economic situation had improved since participating in Souk At-tanmia, though it is important to remember that these changes cannot be necessarily fully attributed to Souk At-tanmia. This finding is also mirrored in beneficiaries' confidence about the future, with 65% of respondents stating that they are more confident than they were before their participation in the project. It is worth noting that perceived improvements in economic wellbeing are much more likely to have occurred among growth projects (87%) while the rate was significantly lower among start-ups (47%). Moreover, it should be a warning sign that 30% of start-up projects (10 of 34 respondents) state that their economic situation has actually worsened since their Souk At-tanmia participation. While this may also be due to external factors, beneficiary feedback suggests that it can be largely attributed to the unsatisfactory development of their businesses (e.g. delays in setting it up, failure of the business) and the fact that they invested personal resources and/or gave up other sources of income. In fact, the rate of perceived economic worsening is

Figure 7 : Perceived value of Souk At-tanmia beyond core activities, number of mentions by beneficiaries



Source: Beneficiary survey

[54] However, the estimates of profits should be interpreted with caution since we deem the information provided by the beneficiaries to not be very accurate.

[55] Email exchange with Secretariat and BFPME.

[56] See OECD (2012), Shane (2012), and World Bank (2007). While the evaluation was carried out approximately 20 months after the selection of beneficiaries, the average supported business only became operational in the second half of 2013, thus leading to an average reference period of approximately 12 months between start-up and evaluation.

particularly alarming among start-up projects that are still waiting to become operational, with 4 out of the 7 projects in that situation stating that they are worse of then before.

- **Other:** The value of Souk At-tanmia went beyond the direct services of training, coaching, and financing offered. Beneficiary feedback suggests that Souk At-tanmia also helped them to feel more connected (community effect) and gain confidence and credibility (see Figure 7).

At the level of the employees

- **Number of direct jobs created**: 65% of supported projects (still) had employees at the time of the evaluation, totaling over 250 direct full- and part-time employment opportunities. This corresponds to approximately 4 jobs per grantee, which is a very positive outcome given the fact that the vast majority of jobs created in Tunisia typically stems from single person firms.[57] While it is too early to say whether these jobs will be sustained, if they do, Souk At-tanmia could be credited for supporting the establishment of small businesses beyond just individual micro-enterprises. It is important to recognize that the jobs created also reached the priority target groups of the project – namely young people and women. As a matter of fact, approximately 50% of direct employment opportunities created were filled by these groups respectively.
- **Quality of jobs created:** The quality of jobs created compares favorably to the national average. About 75% of the full- and part-time positions have employment contracts, which is relatively high when considering that only 30% of all private sector jobs in Tunisia are formal.[58] However, we recognize that many of these jobs may have fixed-term contracts, thus offering only limited job security. In fact, only about 20% of all employment opportunities benefit from social security or insurance benefits and only close to 50% earn at least the minimum wage, suggesting that a high share of the jobs created are of relatively informal and low-productivity nature. That said, 30% of the positions were filled by candidates with a higher education degree, indicating that a reasonable share of the jobs created were skilled jobs.
- **Employee income:** Among those projects that have employees, the average project pays approximately 3,000 TND in salaries (approximately 1,200 TND for start-ups and 7,000 TND for growth projects). In total, Souk At-tanmia supported projects are generating an estimated USD 65,000 (120,000 TND) in salaries every month.

4.4.2 Outcomes of beneficiaries compared to a comparison group

As indicated in section 2 (methodology), the evaluation team sought to identify a comparison group of entrepreneurs who had participated in the initial training, submitted a detailed proposal for which they received a high score during the assessment, but that were ultimately not selected into Souk At-tanmia. Unfortunately, the limited number of responses (10) makes an assessment of outcomes in the comparison group difficult. The following observations are therefore indicative only and cannot necessarily be considered representative.

- 40% of respondents were able to start their business without the support of Souk At-tanmia. The rate of being able to realize the project is understandably lower than among final beneficiaries (83%) and the start-up process appears to have taken them longer on average than for Souk projects.
- 60% of the comparison group pursued other financing sources after applying to Souk At-tanmia and 20% secured a Bank loan (from BTS).[59] The fact that a notable share of candidates was able to access financing even without the endorsement, coaching support, and financial contribution from Souk At-tanmia, raises the question to what extent Souk At-tanmia supported projects also could have accessed Bank financing without the Souk grant. This is particularly true for smaller projects that may have sought out

[57] See World Bank (2014).
[58] WB Unfinished revolution 2014, p.172.
[59] Additional loan applications are under review by BFPME.

the Souk grant instead of a loan as well as for economically better-off beneficiaries who could have used personal funds as co-financing to leverage a Bank loan.

- At approximately 4 jobs per operational business (not counting casual labor), the level of employment generation appears to be similar to those of Souk projects. Moreover, 80% of these jobs are reported to be formal with employment contracts, which is very similar to the 75% of Souk projects. However, since businesses in the comparison group tend to have been established more recently, it is unclear to what extent these jobs will be sustained.
- 30% of respondents stated that their economic situation improved since participating in Souk At-tanmia (compared to 50% among Souk beneficiaries), indicating that individuals who did not receive Souk support were somewhat less likely to be able to improve their economic situation. In the same vein, confidence about the future among the comparison group is also slightly lower than among final beneficiaries (50% compared to 65%).

All in all, the findings suggest that being a Souk At-tanmia grantee likely increased the likelihood and speed of starting a business compared to others who only participated in the training. Unfortunately, we do not have sufficient information to assess whether the training in and by itself may have contributed to refining the ideas of prospective entrepreneurs and encouraged them to pursue their business with alternative means of funding even when the application with Souk At-tanmia failed. While it is impossible to compare business sustainability due to the recent nature of project initiation in the comparison group, grantees do not seem to stand out in terms of average job creation per business and job quality compared to non-beneficiary projects.

4.4.3 Indirect and institutional level effects

In addition to the impact on the level of the direct and indirect beneficiaries, Souk At-tanmia appears to have had some, albeit still limited, impact on the institutional level in line with its objective of promoting an entrepreneurial culture in the country and influencing other stakeholders in Tunisia and Africa at large. Since institutional-level changes take time to materialize, it would be unrealistic to expect major impact during the 18-month time frame of the pilot edition, and future analysis will be needed to provide a more accurate picture of what was achieved. Against that background, the early achievements appear encouraging and provide a good foundation for leveraging Souk At-tanmia in broadening its institutional level impact as the initiative matures.

- Influence on partner institutions: As indicated in section 4.2 (effectiveness), Souk At-tanmia had some success in creating interest in its approach from multiple AfDB country offices and partner countries. At the time of this evaluation, a second phase of the initiative is ongoing in Tunisia and a similar project inspired by Souk At-tanmia being launched in Côte d'Ivoire. Souk At-tanmia also appears to have been able to provide some lessons learned for selected partner initiatives, including those of Tunisiana (in terms of selection process) and UNDP (in terms of financing instruments and post-creation technical assistance). However, these and other partner organizations do not report that their participation in the initiative was a major driver behind their own organization's programs. Similarly, while some selected measures were taken to facilitate procedures for Souk beneficiaries at the partnering Banks (e.g. exemption to go through the central loan committee at BTS), Souk did not influence the Banks' general procedures to facilitate the access to finance for potential loan-recipients (i.e. no structural changes).
- Influence on entrepreneurial ecosystem:[60] Based on stakeholder interviews, it appears unlikely that Souk At-tanmia had major impacts on the entrepreneurial ecosystem so far. As one member of the partner organizations pointed out, "[Souk] lost sight of the broader objective to influence the entrepreneurial landscape." This lack of focus was also visible in the communication plan, which did not identify concrete

[60] For the purpose of this evaluation we define "impact on the entrepreneurial ecosystem" as structural changes in projects, programs or procedures that can be attributed to the influence of Souk At-tanmia. Structural changes are considered those whose benefits go beyond Souk At-tanmia's direct beneficiaries.

stakeholders in the entrepreneurial ecosystem as target audiences. As a result, most partner organizations doubted that Souk At-tanmia was able to significantly influence the entrepreneurial ecosystem at large. That said, the Souk At-tanmia Secretariat has sporadically been able to provide comments and advice to other emerging entrepreneurship programs in the country, including government programs. For instance, the team shared its recommendations about a planned project by the Ministry of Employment (*Projet de Promotion des Entreprises Solidaires*) with counterparts in that Ministry and the Ministry of Economy and Finance. Moreover, during the second edition of Souk At-tanmia, an agreement has been reached with the Ministry of Finance on a pilot initiative to simplify the procedures for accessing funding from the government Fund FOPRODI. These examples suggest that more institutional level impacts may be seen over time.

- Entrepreneurial culture: Given the strong visibility Souk At-tanmia has achieved in the national media, through events, and online (see section 4.6 for more details), likely reaching an audience of over three-hundred thousand people (plus 5 million one-time SMS recipients),[61] it is plausible that the initiative has contributed to presenting entrepreneurship in a positive light and making it a more acceptable and attractive career option. Indeed, stakeholder interviews carried out as part of this evaluation reiterate that the initiative is well known among the general public.

4.5 Sustainability

Key findings:

- Project sustainability is rated moderately unsatisfactory
- At the beneficiary level, rates of business survival have been relatively satisfying so far, though it is still too early to say whether these rates will be sustained over a longer time period
- At the institutional level, the current hosting arrangement at the AfDB and an unpredictable membership and funding structure put in danger the future of the initiative
- At the programmatic level, there is no evidence so far that the Souk At-tanmia model will likely be adopted by other stakeholders in the Tunisian ecosystem

4.5.1 Sustainability of supported businesses (beneficiary level)

The share of beneficiaries who are (still) in business 9 months after the official end of the first phase of the initiative is estimated at 67% (see section on effectiveness). Among the 50 projects actually initiated, 80% are still active on average 1 year after becoming operational – a rate that is comparable to business survival patterns in OECD countries and in Tunisia.[62] These figures suggest that, while the Partnership was relatively successful so far in supporting projects during the initial stages of business creation, it did not boost survival rates compared to applicable benchmarks. Moreover, since a large share of beneficiaries experienced delays in starting their projects, many projects have been operating for less than 12 months and are therefore still in the early stages of their business with uncertain outcome. On the other hand, an important factor likely to enhance the sustainability of supported projects is the fact that the Secretariat has continued to follow beneficiaries' progress while seeking to stay up to date about their specific needs even after the official coaching period, provide targeted follow-up trainings, linkages to other programs, etc.

4.5.2 Sustainability of the partnership (institutional level)

The establishment of the partnership as a response to the unique historical context of the Arab Spring placed a premium on meeting immediate needs, with a lesser focus on a sustainable partnership structure. As a result,

[61] Based on estimates provided by the Souk At-tanmia Secretariat.
[62] See OECD (2012), Shane (2012), and World Bank (2007).

several structural features of the partnership, while justified in the beginning, are unlikely to be adequate for managing Souk At-tanmia in the future and present risks to the sustainability of the initiative.

- Risk 1. Hosting of the Secretariat by the AfDB is no long-term solution. Given the context at the time of launching the initiative, the evaluation team recognizes that there may have been no alternative to hosting the project in the AfDB (due to the transitory nature of the government and the weak institutional landscape of NGOs). However, hosting and directly managing an initiative like Souk At-tanmia is very untypical for an international financial institution like the AfDB and was only possible due to the flexibility and enabling environment provided by the senior management of the AfDB. The fact that directly managing a project like Souk At-tanmia is not in line with the organization's usual operating procedures suggests that the AfDB may not support the initiative in its current structure over the medium- to long-term. This presents a significant risk to the initiative as no alternative host has been identified so far and no exit strategy had been developed by the end of the pilot edition.[63] While several of the partner organizations continue to see a lead-role for the AfDB, the need to find an alternative hosting arrangement is recognized among many partners and within the Secretariat. However, the vision regarding an alternative hosting arrangement remains vague and heterogeneous within the partnership, with ideas ranging from creating a new NGO, handing the project over to an existing Tunisian entity, and integrating the initiative within a government institution.

- Risk 2. Unpredictable membership and funding structure. Given the strong partnership philosophy around which Souk At-tanmia was built, the initiative fully depends on the financial and in-kind contributions of its members. Membership, however, appears to be highly fragile, putting into question the reliability of partner contributions in the future. First, the contributions by many partner organizations are typically offered through other ongoing projects. As a result, member organizations' contributions are at high risk to stop as soon as their third-party-funded project comes to an end. A good example are the UN agencies whose support to Souk At-tanmia was made through the already ongoing Youth Employment and Migration (YEM) project funded through the MDG-Fund. When the YEM-project ended in mid-2013, so did 2 out of 5 agencies' ability to support Souk, and the FAO and ILO discontinued their membership after the first edition. Similarly, contributions by corporate partners tend to depend on relatively short-term and frequently changing Corporate Social Responsibility priorities, as illustrated by the departure of Total and Tunisiana. As a result, the partnership can currently not rely on member and funding continuity beyond the second edition of the initiative which is already underway.

- Risk 3: An uncertain potential for future resource mobilization. While a significant amount of resources was made available by development partners following the Arab Spring to foster the creation of economic opportunities in Tunisia, funding priorities have started to shift. Given Souk's unreliable membership and funding structure, the initiative would benefit from seeking out additional partners that can provide a strong financial foundation in the years to come. However, interviews with key stakeholders in this area, such as the Swiss development cooperation, suggest that the focus on entrepreneurship is likely to decrease given the increased number of players in this field. It is therefore uncertain whether Souk At-tanmia will be able to attract strong new financing partners which it clearly will need to further mature the initiative.

All in all, the limited sustainability of the institutional setup was likely clear from the start and the "price paid" to be able to move to action. While this can be justified, the main concern is that the steering committee has

[63] As of September 2014, the AfDB Secretariat had initiated work to move Souk At-tanmia from a program-based initiative into a sustainable entity that will be well anchored in the Tunisian ecosystem. The concept note for this new structure has been drafted.

failed to address this issue by the end of the pilot edition and to explore the advantages and disadvantages of alternative scenarios for the future.

4.5.3 Sustainability and replicability of approach (programmatic level)

There is no evidence so far that the Souk At-tanmia initiative significantly influenced the thinking or programming on entrepreneurship of partner organizations or other stakeholders in the Tunisian ecosystem. For instance, in the case of the partnering Banks BTS and BFPME, Souk is only one among several other partnership initiatives and the number of Souk-projects funded is negligible within the Banks' portfolio. Thus, while some selected measures were taken to facilitate procedures for Souk beneficiaries (e.g. exemption to go through the central loan committee), Souk did not influence standard Bank procedures that may have an impact on potential loan-recipients in general. That said, while there may have been some hopes among project partners that the initiative could trigger broader changes, it was realistically beyond the scope of the project to reform the operating procedures of partnering banks.

The adoption of the Souk approach by government stakeholders is currently unlikely. Discussions with the partnering Banks and government stakeholders (e.g. Ministry of Planning and Ministry of Labor and Professional Training) indicate that a key barrier to the adoption of the Souk model is the different approach towards the financing instrument. Government stakeholders have a strong preference for loan-based instruments, including soft loans that can serve as equity contribution, as opposed to grant-based financing as piloted by Souk At-tanmia. While this does not mean that it is impossible to make the case for the Souk approach, it underscores the need to (i) put a major emphasis on monitoring and evaluation to test the effectiveness of the Souk design, and (ii) to engage in intensive knowledge sharing and stakeholder engagement to foster a dialogue about different financing instruments and their appropriateness in the Tunisian context. Without the necessary evidence and stakeholder dialogue the evaluation team deems unlikely that new approaches piloted through Souk At-tanmia will challenge existing perceptions and practice in the public sector.

The high cost of the intervention per direct beneficiary represents a large barrier to scaling-up. The grant-based financing model presents a natural barrier to sustainability as it requires constant replenishments. Moreover, given the relatively high unit-cost per beneficiary and per job created, it is currently unlikely to reach a large population through the initiative.

Finally, any assessment of the replicability of Souk At-tanmia is still premature. The underlying design of Souk At-tanmia is still evolving as evidenced by multiple changes made during the second edition (see Annex 16). Thus, there is no proper "model" at this point in time beyond the general strategy of combining financial and non-financial services (which is not unique). The effectiveness of the key differentiating element of Souk which consists of providing sizable grants as co-financing to leverage Bank loans remains to be proven. Even after further testing the model in the second edition, it is fair to assume that the design cannot be replicated in other AfDB partner countries without significant adaptation as the local context and specific barriers to entrepreneurship are likely to differ from Tunisia. As the "Souk At-tanmia" brand matures, however, it could be used to position new entrepreneurship support programs in other countries that follow a similar integrated approach while adapting the intervention to the local context.

4.6 Coverage & Visibility

Key findings:

- The project's coverage and visibility are judged satisfactory
- The organizational setup for communication was largely adequate, though the communication strategy could have benefited from stronger alignment with project objectives
- The project's outreach successfully reached youth and candidates from disadvantaged regions

- The project was less successful in attracting women, low-income groups, and quality candidates, suggesting partly insufficient targeting of the outreach efforts
- The project achieved high levels of visibility among the general public
- Partner satisfaction with the project's communication efforts and visibility was very high
- All in all, the project was able to generate high levels of visibility with limited resources

The Souk At-tanmia initiative placed strong emphasis on communication, but communication activities could have benefited from stronger strategic alignment with project objectives. The strong focus on communication by Souk At-tanmia is illustrated by the recruitment of a full-time communication specialist within the Secretariat who led the communication efforts for the initiative. Moreover, the communication taskforce appears to have been an effective working arrangement, allowing the initiative to combine the strengths of several partner organizations to take advantage of a much broader range of communication efforts than otherwise possible (SMS campaign, emailings, regional focal points, etc.). However, while general communication activities and a communication "charter"[64] were developed as part of the project design by the AfDB Communications Unit, a real communication strategy that would articulate a clear primary audience and detailed communication activities in line with the project objectives was missing at the start. This was in part due to the rushed implementation of activities (the full-time communication specialist only came on board at the time of the project launch in July 2012), as well as by the lack of a clear project objective that was inconsistent about the extent to which influencing the entrepreneurial culture and other stakeholders were core priorities. As a result, the original communication approach focused primarily on potential candidates (to apply to the program) and the general public (to promote an entrepreneurial culture), while somewhat neglecting key institutional stakeholders in the entrepreneurial ecosystem (to influence their work). By the end of the pilot phase, however, a more robust communication plan had been put in place.[65] Additional lessons learned during the pilot phase that warrant attention include:

i. The communication specialist can fulfil her primary role only on a part-time basis, as she is regularly required to support other project logistics (e.g. selection process). This leads to reduced time available to concentrate on the strategic aspects of the communication efforts.
ii. A limited and not clearly defined communication budget, limiting the scope of potential activities.
iii. Cumbersome AfDB procedures reducing flexibility and provoking delays.

The outreach efforts put in place were successful in attracting candidates from across the country and young people in particular, but less so in reaching women, disadvantaged groups, and quality candidates. Considering that Souk At-tanmia was particularly intended to benefit young people, women, and disadvantaged groups, as well as candidates from disadvantaged regions, the initiative's outreach had a mixed record. Among the 1,345 submitted project proposals, 70% of applicants were below the age of 35 and 61% of proposals came from disadvantaged regions as defined by their development index, suggesting that the project's outreach to these target groups was successful. However, the initiative attracted female applicants to a much lesser extent (26%), at about the average rate of female entrepreneurship in the country (30%).[66] Moreover, over 80% of final beneficiaries had a higher education degree and only about 10% came from households that have incomes below TND 750 (approximately $400 and about twice the minimum wage), suggesting that lower-income groups were

[64] The objective of the "communications charter" was to define the framework in which the logo representing the Souk At-tanmia Partnership and the logo of each partner could be used by partners, and the outlets in which the Partnership logo and those of the partners may be published.
[65] AfDB (2013).
[66] See Belkacem and Mansouri (2012). The low rate of female applicants must be seen in the context of the entrepreneurial gender gap in Tunisia, where men are 2.4 times more likely to start a business than women.

underrepresented among the applicants.[67] Similarly, even though project administrative data suggests that 44% of total applicants were unemployed (based on self-reported data by beneficiaries), the evaluation team found that this is likely an overestimate due to beneficiaries' misinterpretations and/or misrepresentation of employment status.[68] Finally, it appears that the early-stage communication was not successful in attracting a critical mass of quality applicants. Interviews with the Secretariat and members from the selection committee suggest that the perceived quality of proposals was weak, making it difficult to identify potentially viable projects. The main factors that weakened the project's outreach include:

i. Overly strong reliance on untargeted mass communication tools (e.g. SMS), while neglecting targeted outreach through intermediaries in the entrepreneurial ecosystem, such as NGOs working on entrepreneurship, employment offices (which reach many people through their idea generation and entrepreneurship training programs), education institutions, chambers of commerce, etc. which could have allowed attracting stronger candidates;
ii. Launching the project in the summer months during Ramadan;
iii. A lack of dedicated focal points in each governorate resulting in heterogeneous presence and insufficient support structures in some locations;
iv. An online application form that was challenging for many candidates, especially for candidates with limited knowledge of French, and
v. An overemphasis on the aspect of "innovation", which appears to have discouraged some otherwise suitable applicants while inciting others to propose overly ambitious projects.

Thanks to a wide-spread use of communication tools[69], the Souk At-tanmia achieved high levels of visibility among the general public. In particular, during the outreach campaign, launch event, announcement of beneficiaries, as well as the awards ceremony the project reached a wide audience thanks to coverage on TV, radio, newspapers, and web articles. Moreover, the project successfully tapped into web and social media tools, as illustrated by over 85,000 website visits and over 7,000 "likes" on facebook. The project also leveraged synergies with the "Wajjahni" project of its partner CJD, which allowed creating and disseminating video profiles of selected Souk beneficiaries. In doing so, the team created a strong brand and successfully positioned Souk-At tanmia as a high-profile initiative in Tunisia. By encouraging entrepreneurship and highlighting individual entrepreneurial experiences to a wide audience, the initiative can also be seen as a contributing factor to a more supportive entrepreneurial environment in Tunisia – an important element in a country where unfavorable cultural and social norms are considered to be among the top 3 constraining factors to entrepreneurship.[70]

> *"Everybody has heard about Souk At-tanmia"*
>
> Partner organization

As a result of the strong communication efforts and results, partner organizations were very satisfied with the visibility of the initiative. The initiative is widely considered a media success among the partner organizations and the Secretariat's communication work is held in high regards. Partners appreciated that the communication was beneficiary-focused while indirectly also providing visibility for the partner organizations.[71] Everyone agrees that it is a very well-known project and frequently referred to. The high-profile communication is also mirrored

[67] Information about education levels and income was not collected at registration and is therefore not available for applicants in general.
[68] Interviews with project beneficiaries indicate that many informally employed people and own-account workers tended to consider themselves unemployed when their current type of work did not match their aspirations.
[69] For a detailed list of communication activities, see Annex 17.
[70] Belkacem and Mansouri (2012).
[71] The only concern revealed during the evaluation was the fact that the communication benefits each partner in equal ways despite potentially highly different levels of contribution to the partnership.

in the type of stakeholders that the initiative was able to attract for its events, which included for example the president of the AfDB, the UN's Resident Coordinator in Tunisia, ministers, ambassadors, and partner organizations' CEOs.

4.7 Partnership model

Key findings:

- The partnership model is rated satisfactory
- A multi-stakeholder partnership was an adequate vehicle for the delivery of the integrated entrepreneurship support model
- While the broad-based partnership helped jump-start the initiative, membership could be more strategic to maximize the value added of member organizations
- Despite some inefficiencies, the adopted governance structure was generally perceived positively by participating institutions
- The Secretariat hosted at the AfDB played a paramount role in driving the initiative since the inception phase, with high levels of satisfaction from partners
- All in all, the initiative could not have existed if it had not been for the leadership of Secretariat coupled with the significant in-kind contribution of the AfDB

The Souk At-tanmia initiative was implemented through a partnership of 20 organizations, bringing together multilateral and bilateral development institutions, the private sector, civil society, and the Tunisian public sector. The rationale for the partnership was to be able to provide a range of services towards beneficiaries in line with the integrated approach pursued by the initiative. To this end, partner organizations provided training, grant funds, co-financing through Bank loans, coaching, outreach, as well as backend support such as management of the website (for an overview of contributions by partner organization, see Annex 14). The partnership was formalized through a Partnership agreement signed by all partner organizations. The following core bodies were put in place to manage the initiative:

- Steering committee: Comprised of one representative by partner, the steering committee was the higher decision-making structure and responsible for the overall strategy of the initiative.
- Secretariat: The Secretariat of partnership was responsible to coordinate the implementation of partnership activities and carried out by the African Development Bank.
- Payment agency: The payment agency was the intermediary financial institution responsible for managing the disbursement of funds to grant recipients. This role was held by the BFPME.
- Selection Committee: Comprised of selected representatives of partner institutions, the selection committee was charged with the pre- and final assessment and selection of beneficiary projects.

In the eyes of the evaluation team, adopting a strong partnership approach was absolutely critical to bringing to life the initiative. In the case of Souk At-tanmia, the partnership approach was fully aligned with the project's philosophy of providing an integrated set of services to prospective beneficiaries. Indeed, at the time of designing the project, no single institution in Tunisia was offering the range of financial and non-financial services proposed by Souk, thus requiring an institutional setup that combines the capabilities of various stakeholders. The ability to mobilize a large group of partners is all the more noticeable because employment and entrepreneurship support services are far too often offered in isolation by single stakeholders disconnected from each other.

MEMBERSHIP. While the inclusive partnership model may have been appropriate during the early stage of the initiative, it may also have limited the ability to be more strategic in terms of partner selection. The partner selection appears to have been largely driven by pragmatism and trial-and-error in the search of financial and

in-kind contributions for the initiative. There were no minimum criteria to become a partner and any contribution was welcome. As a result, the number of partners became substantial with a highly heterogeneous level of contribution from each partner; it was an "alliance of the willing" rather than a strategic partnership. While this should be seen in the historic context that favored a broad-based coalition and the high time pressure to finalize the design and begin implementation, the limitations of the member composition included: (i) heterogeneity in level and quality of contributions; (ii) inefficiencies due to increased coordination needs; (iii) some partner contributions not fully leveraging their comparative advantage; and (iv) potentially valuable organizations were not part of the partnership. While the benefits of the broad alliance likely outweighed the costs during the first edition of Souk At-tanmia, the membership structure should be revisited in the future in order to ensure that the partnership is built around the right core group of members that can offer a clear value added to the initiative.

GOVERNANCE. The institutional setup and participatory decision making structure met the needs of the partnership, but leaves room for increasing efficiency. According to the online partner survey conducted as part of this evaluation,[72] the large majority of partner organizations stressed that the institutional setup met their needs and allowed for an effective management of the initiative. Approximately 80% of the partners felt that the equal weight of all partners regardless of their level of contribution combined with unanimous decision-making were appropriate, reflecting the strong partnership spirit and the organic and participatory process that led to the adopted governance structure. The fact that the steering committee meetings were attended by high-level representatives of the respective partner organizations further highlights the commitment of participating institutions to partake in a process that valued the different contributions. Moreover, the creation of taskforces in the areas of Communication and Evaluation was useful in leveraging the combined expertise of different partner organizations and supporting the Secretariat on an operational level. While the governance structure provided a functional framework for decision-making, lessons from the pilot phase also point to some challenges. These include: (i) inefficiencies in holding the steering committee meetings (expressed in the widespread criticism among partners that meetings were excessively long), pointing to the lack of internal rules and proceedings; (ii) the lack of systematic information sharing by member organizations, leading to information gaps within the partnership about the activities and challenges by other partners; and (iii) overburdening the steering committee with operational issues that could have been better discussed and resolved at a lower level of decision-making. Despite these limitations, it appears that the momentum created in the early stages of the initiative facilitated a consensual decision-making structure that worked despite the number of partners involved.

94% of partner organizations felt sufficiently involved in the decisions and activities of the partnership.

SECRETARIAT. While housing the Secretariat at the AfDB has been an institutional challenge, the role of the Secretariat team in driving the initiative was absolutely crucial. The AfDB and its staff played a primary role in bringing the project to life and coordinating its implementation over the course of the first edition of the initiative. A project like Souk At-tanmia is by no means typical for a multilateral development Bank as the AfDB which is set up to finance government-led initiatives or large private sector operations. It is therefore important to recognize the AfDB team's ability to respond to the unique historical context of the Arab Spring with new ideas and the willingness to do things differently, as well as the team's persistence

"It is thanks to the Secretariat that we were able to succeed"
"The Secretariat played a driving force"
"AfDB did an extraordinary job"
"Very responsive"
Partner organizations

[72] Detailed results of the legal partner survey conducted to inform this evaluation are available in Annex 4.

in developing a project that did not fit in the traditional structure of the institution. In that, the team was successful in leveraging the AfDB's convening power to build a multi-stakeholder partnership. The Secretariat's leadership also remained crucial throughout implementation of the first edition of the project. Interviews with partner organizations suggest that the driving role of the dedicated team, paired with its participatory approach, consensus-building, and high levels of transparency were highly valued among partners. The important role of the Secretariat is also reflected in the overall satisfaction of the partner organizations with the Secretariat, with 17 out of 18 partner organizations that responded to the online survey (i.e. 94%) stressing that they were "satisfied" or "very satisfied" with the work of the Secretariat. High satisfaction with the work of the Secretariat is also mirrored by the beneficiaries themselves, with 80% being satisfied or very satisfied with their interaction with the Secretariat.

Despite the very positive feedback regarding the work of the Secretariat, there have also been some challenges likely limiting the effectiveness of the Secretariat's role. These include:

- The hosting of the Secretariat by the AfDB represented an institutional challenge. In particular, the procedures of the AfDB such as those related to procurement were not amenable for managing a project like Souk At-tanmia, limiting the Secretariat's flexibility and provoking delays. While this raises the question whether another partner institution would have been better placed to host the initiative from the start, the evaluation team believes that the AfDB's credibility within the partnership, existing structures to bundle donor resources (e.g. through Trust Fund), convening power, and ability to provide substantial in-kind contributions in terms of staffing justified the original hosting of the Secretariat at AfDB. That said, hosting the Secretariat at the AfDB cannot be a long-term solution.
- The Secretariat's staffing arrangements were insufficiently planned and not fully aligned with the needs of the project. The project's operational manual reveals that the positions within the Secretariat were only vaguely defined without including any Terms of Reference to clarify responsibilities and the required profile for each team member. Even though a dynamic team was put in place, it is striking that neither team member, including the project coordinator, had prior experience in working on a similar type of entrepreneurship support project. This lack of experience limited the team's ability to draw from existing experience to inform the Souk initiative and fostered "reinventing the wheel" with regard to design questions (e.g. training content for beneficiaries) and operational issues (e.g. selection process, monitoring documents, etc.). An additional challenge for the team was the turnover in the project management position, with three project coordinators over the course of two years.[73]
- Limited administrative budget. DFID was the only partner organization explicitly providing funds to cover administrative costs, including for Secretariat staff; all other financial contributions by partner organizations were earmarked solely for beneficiary grants. This put a high burden on AfDB to cover staffing costs and other expenses (e.g. related to communication) out of its own budget, thereby creating an uncertain funding environment to cover consultant salaries which in turn resulted in unstable consultant contracts and contract interruptions.

[73] According to interviews with partner organizations, the staffing changes did not have a major negative effect on project implementation.

5 Factors affecting implementation and results

5.1 Project preparation and design

Key findings:

- Overall quality at entry is deemed moderately satisfactory based on the integrated approach pursued by the initiative, and recognizing the time pressures under which the project was developed
- The background analysis should have drawn more lessons from other programs similar to the Souk At-tanmia business plan competition
- The general project design was adequate for a pilot initiative, though many lessons emerge on potential future improvements
- The initiative would have benefited from a stronger risk assessment and from putting in place a more structured complaint management system.

5.1.1 Soundness of background analysis

The project has been informed by selected, albeit limited, research on barriers to entrepreneurship in the country. Specifically, the concept note referred to a 2012 survey conducted in 24 governorates which found that the two main obstacles to developing entrepreneurship were the inability to provide the personal contribution required and difficult access to bank loans.[74] Other available information, such as findings from the Global Entrepreneurship Monitor on Tunisia or other local studies on entrepreneurship appear to not have been used to inform the design of the program.

The project was also informed by several similar initiatives. The project was originally inspired by the World Bank's *Development Marketplace* initiative and UNIDO's Mano River project in West Africa. Moreover, the project was designed through an informal, participatory process of stakeholder discussions in Tunisia, drawing on the often undocumented experiences of various partners. According to the project's concept note, key lessons adopted from other programs included (i) targeting innovative projects, (ii) providing access to financial and non-financial services, and not just one of them in isolation, and (iii) seeking to leverage project financing with Bank loans. That said, the project management team appears to not have been very familiar with entrepreneurship promotion programs or other business plan competitions, and no specific project evaluations of similar initiatives were referenced in the concept note to inform the design of Souk At-tanmia.

5.1.2 Assessment of project design

The project design was the result of a participatory process between the AfDB and its partners. Many of the partner organizations were involved since the idea stage and contributed to developing the design and implementation arrangements of the project (such as project approach, selection process, etc.). While the initiative was intentionally led by non-governmental stakeholders, government commitment was adequately ensured by inviting the Ministry of International Cooperation and Development to participate in meetings as an observer.

The general project approach to provide a combination of access to finance and non-financial support services, including post-creation support, was in line with international best practice and local needs. Since aspiring and existing entrepreneurs typically face several obstacles to starting and growing a business, integrated programs offering a mix of training, funding, coaching (and ideally access to markets) are commonly considered to be the most effective. Souk At-tanmia was fully in line with this approach by bringing together a range of partners that

[74] Cited in AfDB (2012a).

would allow to offer a one-stop-shop for the different services and to provide assistance pre- and post- business creation/expansion.

The project's broad targeting, while partly explained by the desire to be inclusive in the post-revolution context, resulted in a "one size fits all" approach that likely diminished project effectiveness. First, there appear to have been inconsistencies in terms of who the primary target group was meant to be. On the one hand, as reflected in its selection criteria to give preference to vulnerable groups, Souk At-tanmia pursued a social objective to benefit disadvantaged segments of the population. On the other hand, the project sought out innovative ideas and offered large amounts of financing which required significant skills and experience to be managed well. This strategic mismatch suggests that the target segment in terms of population and funding needs was inadequately defined.[75]

Second, the project was open to start-ups, expanding businesses, as well as NGOs, which all have highly varying needs. Thus, the vague targeting in terms of personal characteristics and business cycle arguably made it difficult to adjust the services offered to the specific needs of the projects beneficiaries. In particular, the inclusion of NGOs was inadequate in light of the very different operational model compared to private enterprises, as demonstrated by the fact that only one participating NGO (of five) was able to sustain the activities funded by Souk and create jobs.[76]

Finally, even though Souk aimed at influencing other stakeholders in the entrepreneurial ecosystem in Tunisia and beyond (as expressed in its project development objective), these institutional audiences were not specified during the preparation of the project. As a result, there were only very limited efforts during the first edition of Souk At-tanmia specifically geared at influencing key players of the entrepreneurial ecosystem.

The selection process of final beneficiaries suffered from flaws in design and implementation, likely not permitting the selection of the highest quality proposals. The scores given to rank project proposals during the assessment process were only a very weak predictor of business success (see Annex 18). Similarly, the evaluation found that the overall quality of the project portfolio was mixed, which can be partly attributed to (i) the fact that many members of the selection committee were not able to credibly assess whether a project was viable or not; and (ii) pressures to maintain balanced regional distribution of beneficiaries at the expense of quality considerations. In retrospect, it is very questionable whether several of the approved projects should have been accepted, due to for example absent feasibility studies, missing market demand, uncertain financing schemes, or overly complex licensing requirements with unpredictable outcome. Key weaknesses in the selection process included:

- Evaluation criteria were not always clear to the selection committees, and some committee members voiced discontent over not being able to provide prior comments on said criteria.
- The lack of personal interviews with applicants led to a lack of information on the projects to be assessed, and did not allow for making an assessment of the candidate's motivation and skills.
- The composition of the selection committee lacked a sufficient number of adequately skilled members to judge project proposals, in particular more representatives of financial institutions as well as sectoral experts.[77]

[75] The discrepancy also led to perceptions of injustice on both ends of the spectrum of candidates, where less experienced and low-income groups complained about having to compete with experienced entrepreneurs, while more experienced candidates complained that Souk supposedly gave priority to social characteristics of candidates over the quality of the projects.

[76] Some of the NGO projects were essentially training programs, rather than setting up a business-like structure. In the second edition of Souk At-tanmia NGOs were no longer eligible.

[77] In addition to personal interviews with committee members, this observation is also reflected in the fact that 28% of the Souk At-tanmia partners found the composition of the selection committee to be inadequate (see Annex 4).

- There appears to have been a tension in weighing the criteria of project viability and the desire for positive discrimination. In this regard, the Operational Manual which clearly states that viability trumps beneficiary characteristics (fundamental vs. supplementary criteria), was not fully followed. In fact, some members of the selection committee complained about pressure to accept lower quality project proposals from disadvantaged regions at the expense of higher quality projects from Tunis or the coastal region in order to meet project indicators related to the regional distribution of supported projects.
- Project budgets were not challenged, leading to the maximum allocation to almost all projects.
- The selection process was not sufficiently coordinated with the loan approval mechanism of the partnering Banks, which led to the Banks rejecting some of the projects' loan requests after they had already been declared winners of the Souk At-tanmia competition.

Moreover, the evaluation found that the fact that rejected projects did not receive any explanation for why they were not selected was often criticized by the applicants. While the evaluation team recognizes the Secretariat's concern with the higher administrative burden of sending individualized responses, it is also important to factor in the potential reputational damage that could occur as a result of leaving participants disenchanted.

« Asking people to apply, to prepare a proposal, to travel, and then you just send them a simple email saying « sorry » - that's a huge lack of respect »

Rejected participant

The conceptualization of the entrepreneurship training for prospective beneficiaries was left largely open during the project design stage. The project failed to make any specific provisions with regard to what type of training (in terms of duration and content) was deemed appropriate for the target audience, specifying only that the training would be coordinated by the British Council. The British Council subsequently issued a tender in the United Kingdom to identify an appropriate training provider. Eventually, the training offered to 300 candidates consisted of a three-day workshop focusing on business plan development and basic business management, including guidance for the completion of the Souk At-tanmia's application for funding. Overall, the training appears to have met adequate quality standards, with 77% of participants being satisfied with the training. Those participants who had previously received another entrepreneurship training (usually the "CEFE" training offered by the employment agency ANETI) generally considered the Souk training to be more "professional". That said, several weaknesses in the design and implementation emerged:

Selected beneficiary feedback regarding training

Strengths: *« Great trainer » ; « Enriching » ; « Allowed to articulate the idea » ; « Encouraging » ; « Learned a lot »*

Weaknesses: *« Superficial » ; « Too generic » ; « Knew it already » ; « Theoretical training » ; « Difficulties with the French »*

- By assigning the responsibility for the training to the British Council which in turn sought out a British training provider, the project effectively excluded already available training providers in Tunisia from getting involved, including other Souk At-tanmia partners such as academic partner MSB which could have played a role in the design of the training.
- The three-day training was effectively too short to fully meet the needs of the participants. 46% of final beneficiaries would have preferred to have a longer training. The training appears to have been especially insufficient for less experienced candidates, thus contributing to the perceived weakness of proposals.

- The training was designed and carried out somewhat in isolation of the financing and coaching components. For instance, the training was not sufficiently informed by the formal business plan requirements and general procedures conditions of the partnering Banks, thus leading to significant delays when winning candidates sought additional financing. The training also missed information about the expected coaching arrangements following the training, leading to wrong expectations by some beneficiaries related to the role of the coach and the support received.
- The training was more geared to start-ups, and slightly less relevant to existing businesses.

The coaching was a crucial element among the services provided, but its effectiveness was undermined by heterogeneous implementation. It is well established that post-creation support to entrepreneurs through coaching and mentoring is crucial in increasing the viability of the supported enterprise. Souk At-tanmia, through its various partner organizations, provided winning candidates with volunteer and professional coaches for a period of up to 12 months following their acceptance into the project. The coaching was primarily coordinated by a member of CONECT, an experienced business woman and certified coach that already played this role under the *Youth Employment and Migration* project implemented by the UN agencies.[78] A majority of respondents was satisfied with their coach (69%). That said, the effectiveness of the coaching was limited by several factors, including:

- A lack of understanding of the role of the coaching by the beneficiaries, many of whom considered their coaches to be a facilitator to receive the grants rather than a resource person to help guide business decisions.
- The quality of the coaching was highly heterogeneous, which can be partly explained by (i) the fact that both volunteer and professional coaches were used, (ii) the Terms of Reference for the Coaches were somewhat broad and underestimated the time requirements for the coaching, and (iii) measures intended to standardize the coaching such as the use of monitoring templates were inconsistently applied.
- The selection of coaches was too supply-driven, not always meeting beneficiary needs. Several beneficiaries criticized their coach's lack of sector-specific knowledge as a limitation, pointing to the need for better matching between projects and coaches. Several respondents also stressed their preference for having a coach from their region, as most coaches identified by Souk were based in Tunis.
- The average coaching duration appears to have been lower than the 12 months planned. For several projects, coaching ended after the last grant disbursement, indicating again that the primary role of the coach was often interpreted primarily as a facilitator to receive the grant.
- The coaching duration limited to 12 months was often insufficient, especially given the delays of many projects to start operating, which deprived projects from assistance beyond the start-up phase.

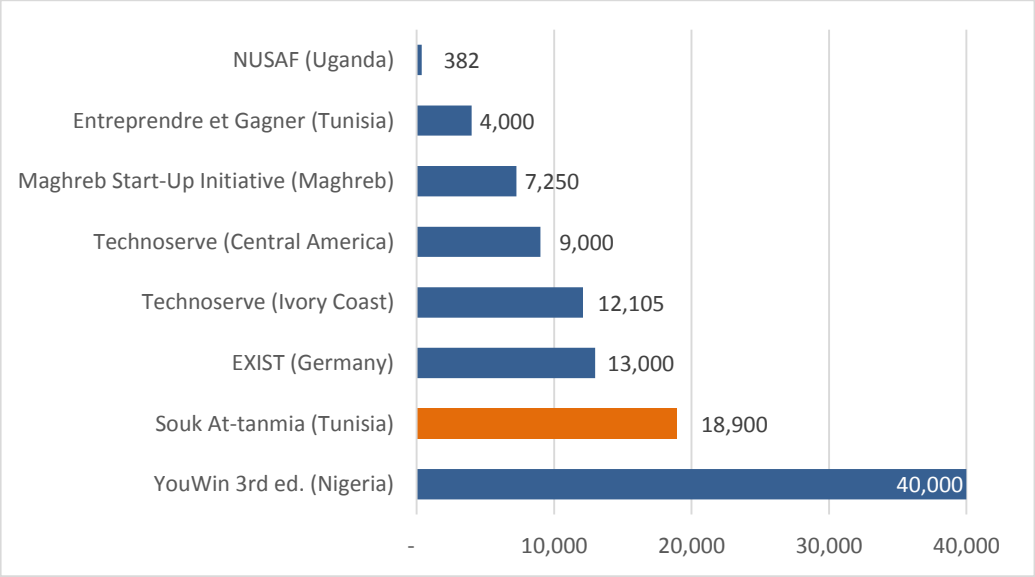
Given the challenges of access to finance in Tunisia, it was justified to experiment with new grant-based financing instrument. The Souk At-tanmia project provided grants in the range of 10,000-30,000 TND (the equivalent of up to USD 19,500 at the time of announcing the winners in January 2013) targeting financing needs above microfinance (which was up to 5000 TND) and below traditional commercial banking. The basic intervention logic consisted in using grants as a substitute for missing personal resources that could represent the equity contribution of the project to be financed and, in turn, leverage Bank loans that would otherwise not be available. The size of the grant was relatively large compared to other business plan competitions and start-up support programs (see Figure 8). While the concept of offering grants is sometimes rejected as a suitable financing tool, the evaluation considers that the choice of grants can be justified to encourage business creation/expansion of people reluctant of going into debt (for religious or other reasons) or to avoid an excessively-high debt ratio of the supported business. Given the lack of robust evidence on the impact of

[78] The role of the coordinator appears to have been extremely important in managing this component. The coordinator developed joint working documents for the coaches, provided guidance and assistance, was responsible for quality control, and substituted other coaches in the direct assistance of beneficiaries when needed.

different financing instruments in supporting entrepreneurship in Tunisia (and beyond), it is difficult to assess with certainty to what extent the chosen design was appropriate. That said, the following limitations of the financing instrument were identified:

- Given the relatively large grant size, the number of direct beneficiaries was more limited than otherwise possible. Moreover, the large grants appear to have encouraged overly ambitious (and expensive) projects rather than encouraging beneficiaries to start small and grow.
- No minimum personal contribution was required from the beneficiaries, questioning whether the personal incentives of the recipients to set up a successful project were maximized. In fact, the grants could constitute 100% of the financing needs, circumventing any risk-sharing between Souk At-tanmia and beneficiaries.
- The amount of the grant funding was not conditional on the total funding requirement of the project, effectively benefiting beneficiaries with smaller projects that did not need to leverage additional funds.
- The process to obtain co-financing through Bank loans was insufficiently set up between the project and its partnering Banks, subsequently leading to delays in getting loan approvals.
- The project effectively encouraged beneficiaries to take out loans, which in combination with a target group of often inexperienced entrepreneurs (at start-up stage) and the above mentioned delays in loan processing could have set them up for failure. In fact, of the 10 projects that did not manage to become operational since the start of the initiative, 6 can be explained by issues related to Bank financing.
- Grants may have been more appropriate for start-ups than for existing businesses. The mid-term evaluation found that several beneficiaries would also have accepted equity contributions to cover their financing needs.

Figure 8 : Average grant size of selected Business Plan Competitions or start-up programs (in USD)



Source: Multiple sources

The project's implementation arrangements were adequate given the circumstances, though staffing of the Secretariat and the budget were insufficiently defined at the start. As discussed in section 4.7 (partnership model), the broad-based coalition of 20 partners was crucial in bringing the initiative to life. The ability to forge and formalize such a big partnership, as well as to find flexible arrangements to accommodate the organizations' varying institutional needs (such as for the U.S. Embassy) should be commended. Also, the AfDB was able to establish strong linkages with the business community, a key success factor for implementing a project of this

type. However, the large amount of partners came at a cost of less strategic partner selection and higher complexity in terms of partnership governance. The project would also have benefited from a stronger set-up for the project management unit. While it was absolutely crucial to put in place a dedicated team of full-time consultants to manage the initiative, clear staffing arrangements were missing from the project's concept note and operational manual, indicating that not enough thought may have been given to the positions required for running the project and the skills needed for these positions. Further, the staffing constraint was exacerbated by the lack of budgetary planning. In fact, given that DFID and the Danish Ministry of Foreign Affairs were the only partner organization providing resources for project management, the initiative suffered from an uncertain budget environment that ultimately limited the team's ability to make more strategic budget allocations.

5.1.3 Risk assessment and mitigation

The Project Concept Note included a basic risk assessment but did not capture all relevant risks. Potential risks identified related to the AfDB's reputation, politicizing the partnership, creating expectations, the failure of supported projects as well as potential negative environmental impacts of supported activities. Planned mitigation measures were documented. However, several relevant risks were not adequately reflected in the risk assessment, namely (i) the limited experience of the implementing agency (AfDB) in managing directly this type of project; (ii) potential social and environmental risks of supported projects; (iii) financial management and potential misuse of funds; and (iv) risks related to insufficient monitoring. Including these dimensions in the risk assessment would have allowed to put in place stronger mitigating measures.

While potential environmental risks stemming from the supported projects were mentioned in the concept note, stronger provisions to mitigate such risks should have been made. Social and environmental risks refer to potential damage caused by supported businesses to other people's livelihoods or the environment, for instance through the use of not-privately owned land or potentially harmful (to people or the environment) production processes. Even though environmental risks and potential mitigation measures were alluded to in the concept note, no social or environmental risk assessment was carried out by a qualified AfDB staff member during the design stage and no detailed measures were foreseen in the operations manual to prevent or mitigate any potential risks in this area.[79] While entrepreneurship promotion projects typically have a low- to medium social and environmental risk profile, a more detailed ex-ante analysis would have been warranted given the large grant size whose related investments (e.g. related to construction) could have unintended repercussions.

The project did not put in place a structured grievance redress mechanism (GRM). A grievance redress system allows for the systematic capture of complaints and suggestions through various channels and puts in place a structured process to respond to the feedback received. In the absence of any specific provisions in project documents, the project put in place a web-based contact form on its website which could be used by project beneficiaries or non-beneficiaries to contact the Secretariat. However, there was no standardized process on who should be contacted for different types of grievances and how they would be addressed, including related to the different kinds of issues beneficiaries might experience (e.g. related to their project, their coach, etc.). In practice, this led to delays in detecting problems during implementation (e.g. when coaches were not sufficiently available) and an ad-hoc approach in dealing with upcoming issues which were handled either by the coaches, the coaching coordinator, or the Secretariat.

> *"I did not know how to contact the Souk Secretariat when I had a problem."*
>
> Beneficiary from Beja

[79] While the evaluation team understands that this was not a requirement, we believe that it would have been warrented.

5.2 Implementation

Key findings:

- The quality of implementation is considered satisfactory
- Challenges to implementation were related largely to the management of the coaching, the loan approval and disbursement process, and institutional barriers for the Secretariat
- The mid-term evaluation brought forward important lessons to improve project design and implementation, which were taken on board in the design of the second edition

Overall project implementation is considered satisfactory, reflecting the fact that project activities were completed as planned. The project became effective on July 11, 2012, and was officially launched on July 12. A detailed timeline of implementation is included in Annex 19.

5.2.1 Implementation challenges

The main challenges that affected implementation were related to: (i) the heterogeneous quality of coaching; (ii) beneficiaries' difficulties in accessing Bank financing and dealing with administrative procedures; and (iii) institutional constraints related to project management.

Coaching implementation. While overall satisfaction rates with the coaching were high, the heterogeneous experience by beneficiaries suggests that the setup of the coaching was not sufficiently standardized. Indeed, 12 partner organizations contributed to Souk At-tanmia by providing coaches to beneficiaries, either in the form of professional or volunteer coaches. In retrospect, (i) the recruitment of coaches was not sufficiently strategic and too supply-driven, putting insufficient emphasis on finding resource people in the regions and with the sectoral background of the beneficiaries' projects; (ii) the training for the coaches appears to have been insufficient to ensure that all coaches are able to respond to the needs of the beneficiaries; and (iii) the matching was carried too inconsistently, where some coaches selected the counterpart beneficiaries themselves while other coaches were assigned projects by the Secretariat. That said, the fact that a coaching coordinator was assigned clearly fostered Souk At-tanmia's ability to respond to emerging issues. To illustrate, the coaching coordinator facilitated the matching of new coaches after previous coaches had dropped out and started coaching several projects herself to minimize the negative repercussions for beneficiaries.

Loan approval and disbursement process. The fact that the majority of loan applicants experienced difficulties when applying for a loan in connection to Souk At-tanmia suggests that the loan application and approval process did not meet the needs of the beneficiaries. Common difficulties included: (i) long delays in receiving a response from the Banks about whether their loan was approved; (ii) rejections of loan requests despite the fact that beneficiaries had been selected by Souk At-tanmia; and (iii) cumbersome administrative procedures at the Bank and other agencies prior to disbursement incurring long delays. The root of these difficulties appears to have been partly internal to the project, as the linkages between the Souk selection committee and Bank financing decisions were insufficient and the partnering Banks only made limited arrangements, if any, to facilitate the processing of Souk loans. More importantly, however, they are a reflection of the common difficulties by entrepreneurs in accessing Bank loans in Tunisia.

Project management constraints. As described in section 4.7, the Secretariat team was constrained by burdensome AfDB procedures (e.g. related to contracting and procurement) not adapted to managing a project like Souk At-tanmia which in turn presented a heavy burden during implementation. Moreover, while the young and dynamic team put in place was consistently commended for their hard work and commitment by the partner organizations, it appears that the lack of dedicated technical expertise on entrepreneurship and M&E within the team likely undermined even higher effectiveness of the Secretariat, since many processes (e.g. beneficiary selection, monitoring, etc.) had to be developed "from scratch". In addition, since the project did not have a full-

time coordinator, and because three changes in project leadership occurred over the course of the first edition of Souk At-tanmia, the consistency of project management appears to have been affected (even though these staff do not appear to have created major disruptions).

5.2.2 Mid-term review

A mid-term self-evaluation was conducted by the Secretariat between September and December 2013, based on a 12-day field mission from September 23rd to October 4th 2013 as well as previously collected information from beneficiaries. The key recommendations of the evaluation included:

i. Increase communication and sourcing efforts, including better targeting of these efforts, to increase the number of quality applications;
ii. Sharpen selection criteria and process, primarily through more narrow targeting to start-ups, by incorporating interviews into the selection process, and fostering the involvement of Banks in the selection process;
iii. Strengthen training, coaching and mentoring, by incorporating pre-creation coaching, offering longer entrepreneurship training, standardizing coaching activities, offering coaching beyond the start-up phase and facilitating access to market;
iv. Adapt financial support, in particular by requiring a minimum of personal contribution and making the grant sizes proportional to the project sizes;
v. Improve monitoring and evaluation to allow for more consistent data collection.

The above recommendations are closely aligned with many of the findings of the present evaluation. However, because of the short implementation period of the initiative (essentially 12 months), the above findings were not able to influence project implementation. Instead, they became the basis for designing the second edition of Souk At-tanmia (also see M&E utilization further below).

5.3 Monitoring and Evaluation

Key findings:

- The quality of Monitoring and Evaluation is deemed moderately unsatisfactory
- For a pilot project with the ambition to influence the entrepreneurial ecosystem, Souk At-tanmia's learning arrangements should have been much more robust
- The M&E framework was weak and insufficiently reflected in project documents
- Baseline data was not collected and other data was collected in an ad-hoc and inconsistent manner
- Human and financial resources dedicated to M&E were insufficient
- The project team successfully utilized the Mid-Term evaluation and its findings to inform the design of the second phase of Souk At-tanmia

5.3.1 M&E design

The provisions for monitoring and evaluation of the Souk At-tanmia project were insufficient for the purpose of the project. Even though a logical framework matrix had been developed in early 2012 in partnership with DFID, M&E provisions were missing from key project documents such as the concept note and the operational manual, suggesting that it was developed in isolation, with the main purpose of donor accountability. Strikingly, the operational manual lacked any monitoring and evaluation provisions beyond the financial reporting arrangements with the payment agency and the general plan to carry out a mid-term evaluation.

The project's M&E framework (logframe) suffered from several weaknesses including (i) a weak project development objective, (ii) not capturing all project components (e.g. the training), (iii) weak and missing indicators, (iv) unrealistic targets, and (v) insufficient provisions for data collection, undermining its usefulness as a tool for project management and accountability.

Closely related to the weak M&E framework was the fact that the project did not foresee collecting adequate baseline data. While some information was collected on prospective beneficiaries during the application process, this was primarily for the purpose of using the information for the selection process, not as a basis for comparing outcomes of interest before and after the project. As a result, there was no baseline information for most outcomes of interest (e.g. beneficiary income, number of employees in existing businesses, etc.), rendering it difficult to compare progress over time, and making it necessary to reconstruct this data at the time of the final evaluation (which can never be as reliable as collecting it at the time of project initiation).

Overall, the resources allocated to M&E were inadequate. In terms of financial resources, provisions were only made for the final evaluation, omitting budget requirements for the mid-term evaluation and continuous monitoring. In terms of human resources, there was no dedicated M&E focal point until after one year of project implementation when a junior team member was assigned this responsibility. That said, to strengthen the M&E function, the Secretariat in collaboration with selected senior professionals from Souk At-tanmia partner organizations established an M&E taskforce to support the development of TORs and data collection tools.

5.3.2 M&E implementation

The lack of a robust M&E framework negatively affected data collection during project implementation. Rather than collecting data at planned periodic milestones, information on indicators was collected mostly in an ad-hoc manner when reporting deadlines arose. This was exacerbated by the several reporting requirements required by the donors (e.g. DFID, AfDB Trust Fund, U.S. Embassy), at different points in time, and with different reporting formats. This resulted in time-consuming reporting activities for the Secretariat, which was obliged to collect ad-hoc data in order to account for the specific contributions and requirements of each donor.

The weak M&E design and implementation was further exacerbated by the lack of an integrated beneficiary database, raising questions about the project's ability to track participants' status in a systematic manner. Indeed, the different data obtained from various sources, including registration form, monitoring survey, mid-term evaluation, beneficiary status tracking, coach tracking forms etc. were not consolidated, complicating triangulation, analysis and use of the information.

Against the background of an inadequate results framework and data collection strategy from the start, it should be acknowledged that the project management team developed additional monitoring tools over the course of project implementation in order to track beneficiaries.[80] These included:

- An online monitoring survey (April 2013): Co-developed with DFID, the web-based survey sought to collect a variety of information on beneficiaries experience with the program as well as business outcomes, including related to coaching, business finances, job creation prospects, etc. In the end, 49 responses were received. However, given the difficulties in collecting this information, it might have been more efficient to (i) collect beneficiary and business related information through the coaches rather than online, and (ii) collect the coaching related information through a mini phone-survey given heterogeneous use of the internet by project beneficiaries.
- A project update sheet (December 2013): In preparation of the award ceremony for beneficiaries in February 2014, the Secretariat asked beneficiaries to submit an update of their project ("fiche

[80] Based on these, more systematic data collection tools and procedures were also put in place for the second edition.

technique"), providing information about the financing received, job creation estimates, and turnover estimates.

- Beneficiary status tracking (August 2014): Following the regular interaction with beneficiaries over the course of the project, the team developed detailed project sheets that describe the current status of their business, including legal status, taxes, market information, etc.. Unfortunately, this type of more structured follow-up and monitoring was only developed late in the process, effectively after the completion of the first phase. Yet, the project team's plans to continue to monitor beneficiaries from the first phase is commendable and strongly encouraged by the evaluation team.

The mid-term evaluation (self-evaluation) provided an opportunity for a more systematic review of implementation progress and results. The MTE was based on a field visit of 23 projects across the country that had already received financing through as well as project information of an additional 32 projects collected prior to the MTE. However, since relatively more advanced projects were selected for the mid-term evaluation interviews, and because the site visits were combined with communication activities (i.e. take pictures), the sample of beneficiaries was likely not fully representative of all beneficiaries. Moreover, given a delay of two months in carrying out the mid-term evaluation (originally projected to take place in the summer of 2013), it was effectively completed only at the time of project completion in January 2014, thus denying its original purpose of being able to make mid-way adjustments. That said, the self-evaluation process appears to have been very useful from a project management perspective and provided an opportunity for critical reflection and learning that successfully informed the second edition (see M&E utilization).

5.3.3 M&E utilization

Notwithstanding the weak M&E system, the project management team was able to identify issues and make relevant adjustments during project implementation, such as the replacement of underperforming coaches. However, this was likely only possible because of the low number of beneficiaries which made it relatively easier to track implementation progress and challenges even without a well-functioning M&E system. This would no longer be the case if the initiative grows in the future.

The project team successfully leveraged its findings to inform the second phase of the Souk At-tanmia project. Even though some of the Souk At-tanmia partner organizations would have preferred to see the independent final evaluation of the initiative to be carried out before starting the second phase, the evaluation team believes that it was the right decision to use the mid-term evaluation findings for this purpose, especially given the fact that it was finalized at the time of the completion of the first phase. As a result, findings from the evaluation directly influenced the design of the second phase, such as the need to have more focused targeting (e.g. only start-ups), strengthen the selection process, and enhance the coaching and mentoring (see Annex 16 for a comparison of phase 1 and 2). Waiting for an additional independent evaluation would likely have undermined the momentum for a second phase.

5.4 Safeguard and fiduciary compliance

Key findings:

- Safeguard and fiduciary compliance is rated moderately satisfactory
- The project lacked sufficient provisions to identify and mitigate potential social and environmental risks, representing a reputational risk for the Souk At-tanmia partnership
- Grant funds were largely used responsibly by the beneficiaries
- While the process to monitor the use of funds through the coaches appears to have been adequate, the process to recover funds in case of fraud was not sufficiently defined

Even though AfDB safeguard policies were not triggered,[81] the fact that safeguards provisions mentioned in the concept note appear to not have been implemented presents a reputational risk for the Souk At-tanmia partnership. The project concept note stated that the following measures were planned to prevent and mitigate negative environmental impacts from beneficiary projects: (i) projects likely to have negative impacts on the environment would be rejected during the selection process; (ii) the grant agreement between beneficiaries and the payment agency (BFPME) would include a clause related to respecting the environment; and (iii) monitoring forms should track potential environmental impacts. However, these mitigation measures appear to not have been put into practice, as the related processes and project documents did not reflect these provisions.[82] Moreover, a narrow focus on environmental risks falls short of identifying potential social risks, such as health hazards due to unsafe working conditions for employees. Thus, due to the lack of safeguard provisions, the project was likely not able to identify and mitigate potential risks, representing a reputational risk for the African Development Bank and its partners.

The use of funds by beneficiaries appears to have been largely in line with its intended purpose, but the process for the recovery of funds in cases of fraudulent behavior was insufficient. The very vast majority of beneficiaries appear to have used their grants responsibly to invest in starting or growing their business. This finding is in line with evidence from other countries that suggests that a majority of business grant recipients do not misuse funds for purposes other than their income-generating activities. That said, among the 61 grant recipients there have been at least two cases where beneficiaries received all or part of the grant and subsequently abandoned their project (even leaving the country in one case). However, the project had not put in place a clear process for the recovery of funds and/or assets in case beneficiaries would not comply with their grant agreement, thus not being able to recover the funds (including those frozen on the beneficiary account). Despite this shortcoming, the process put in place by Souk At-tanmia that required beneficiaries to provide supporting evidence for planned and completed expenditures, verified by their coach and the coaching coordinator, appears to have been appropriate to minimize the risks of fraud.

[81] AfDB policies were not triggered because there was no direct transfer from the AfDB to final beneficiaries (all the transfers were between the payment agency and the beneficiaries).

[82] In terms of selection process, official eligibility criteria did not include a provision related to harmful practices and members of the selection committee were not provided with a checklist to identify ineligible projects. In the absence of interviews, project proposals were the only source of information and those did not necessarily reflect the potential risks. In terms of grant agreement, no clauses relative to respecting the environment were included. In terms of monitoring, coaches were not asked to monitor potential risks and monitoring forms did not include any related provisions.

6 Conclusions and recommendations

6.1 Conclusions

Designed in the aftermath of the 2011 revolution, Souk At-tanmia was a timely initiative that responded to the priorities of the Tunisian people. Rather than just providing traditional training or employment services as many public employment programs do, Souk At-tanmia set out to stimulate the private sector and vitalize the demand-side of the labor market by seeking to make it easier for Tunisians to start and grow a small business. Given the prevalent barriers to firm entry and growth, supporting entrepreneurship was an appropriate strategy.

The AfDB should be commended for going beyond "business as usual", forging an unprecedented coalition of partners to work together in creating job opportunities. Thanks to the dynamism of its staff and the strong enabling environment provided by its regional management, the AfDB was able to leverage its convening power and create a novel initiative implemented through an innovative public-private-civil society partnership. By bringing together different stakeholders it was possible to offer a holistic approach built around the combination of financial and non-financial services that met the multiple needs of aspiring and established entrepreneurs.

While not all objectives were met, the initiative has achieved relatively high levels of satisfaction among beneficiaries and is well positioned to grow and strengthen its footprint in the country. While its overall impact has been limited so far due to the small number of direct beneficiaries, early findings suggest that the results for average employment creation and business sustainability are encouraging. Moreover, in the short time of its existence, the initiative has already managed to create a strong brand that is well known among the public and stakeholders in the entrepreneurship ecosystem. That said, some important changes in terms of project design and implementation will be needed to enhance the effectiveness and efficiency of the initiative.

One of the major strengths of Souk At-tanmia has been its ability to learn and already improve upon its original design. Any project, especially a pilot project, requires continuous adaptation and improvement to maximize its impact. In that, the Souk At-tanmia Secretariat has shown its foresight in acknowledging what did not work during the first edition and using the lessons learned to develop a more advanced second edition of the initiative. For example, critical improvements already introduced in the second edition include a more robust selection process with personal interviews, a longer training, a more standardized coaching approach, aligning grant funding with the size of supported projects, and more strategic communication through media partners.

Moving forward, the key challenge will be to ensure institutional sustainability while clearly positioning Souk At-tanmia among the increasing amount of entrepreneurship initiatives in the country. The current institutional setup of Souk At-tanmia is not sustainable, in particular the hosting arrangement at the AfDB. As a result, a new structure that combines the flexibility of a new host institution while still leveraging the credibility, expertise, and convening power of the AfDB should be sought. Moreover, given the rise of entrepreneurship programs in the country, the partnership will have to continue to assess how it can maximize synergies with other initiatives and provide value added in the entrepreneurial ecosystem.

6.2 Recommendations

As previously mentioned, a second phase of Souk At-tanmia has already been initiated in April 2014 which saw several changes in project design to address shortcomings identified during the mid-term evaluation. The following recommendations will not repeat the same recommendations from the mid-term evaluation if they have already been addressed but rather point out potential additional areas for improvement (see Table 6).

While the evaluation team endorses the majority of the changes implemented in the second edition, some of our recommendations might slightly diverge from previous findings.[83]

Table 6 : Summary of recommendations

Category	Strongly recommended	Desirable
Targeting & Selection	• Be more explicit about the segment of the population and financing spectrum Souk At-tanmia is trying to reach. • Enhance investment and sectoral expertise of the selection panel to ensure a better assessment of the applicant projects	• Seek stronger involvement of a partner organization in managing the logistics of the selection process • Consider providing short feedback to winners and losers in the final stages of the selection process.
General project design	• Review Souk At-tanmia's strategic positioning over the short to medium term.	• Increase the frequency of calls for proposals
Outreach	• Further strengthen strategic outreach and ensure that disadvantaged groups have the adequate support available to participate in the initiative.	
Training	• Carefully adjust the length of the training to the needs of the beneficiaries and sequence training content according to the lifecycle of the businesses	• Consider a "shadowing" arrangement to foster training of trainers.
Coaching	• Improve matching of coaches and projects and ensure stronger regional presence. • Strengthen quality assurance for coaches and assess beneficiary satisfaction early on.	• Facilitate networking among beneficiary projects and actively involve former beneficiaries in the mentoring process.
Finance	• Decrease, rather than increase, the average grant size.	• Carefully evaluate whether co-financing from Banks presents the right financing mix
Other activities	• Expand Souk At-tanmia's activities related to research, knowledge sharing and influencing public policy.	• Explore additional linkages to facilitate beneficiaries' access to markets.
Implementation arrangements	• Ensure adequate administrative budget for the Secretariat. • Develop an exit strategy to plan for the future of the initiative.	• Consolidate the number of partners. • Strengthen division of labor between steering committee and operational subcommittees.
Communication	• Explicitly define communication as a core project component and put in place a more robust communication strategy with a predictable budget.	
Monitoring and Evaluation	• Collect baseline data as part of the application process. • Define clear timing and responsibilities for continuous data collection and analysis.	• Align the selection process with the requirements for a more robust impact assessment.
Safeguard and fiduciary compliance	• Strengthen the processes for the prevention and mitigation of social, environmental, and fiduciary risks.	• Put in place a stronger grievance redress mechanism.

[83] See Annex 20 for an overview of findings from previous evaluations of the initiative.

Targeting & Selection

- **Be more explicit about the segment of the population and financing spectrum Souk At-tanmia is trying to reach.** Based on sound analysis about which parts of the population and financing spectrum are underserved in Tunisia, Souk At-tanmia partners should review and narrow down its primary target group.[84] In line with the broader objective of providing economic opportunities for all and reducing inequalities, we recommend putting stronger targeting emphasis on economically disadvantaged groups while deemphasizing "innovation" as a selection criteria. This will help counter-balance the "creaming effect" of the first edition of Souk At-tanmia with a large majority of beneficiaries having a university degree and being economically relatively well-off. By deemphasizing the need for innovation, Souk At-tanmia can support more solid, less risky, and easier to implement, projects for which there is a clear market demand.
- **Enhance investment and sectoral expertise of the selection panel to ensure a better assessment of the viability and budget adequacy of applicant projects.** The experience of Souk 1 has shown that the selection panel was often inadequately equipped to assess projects due to the limited sectoral and market knowledge of the members in the evaluation committee.[85] Further, the evaluation committee should put more emphasis on challenging candidates' budgets while discouraging overly ambitious projects not in line with candidates' experience. As the partnership modifies the selection process, it should monitor whether the changes introduced actually improve the predictive power of the assessment on business outcomes.
- **Seek stronger involvement of a partner organization in managing the logistics of the selection process.** The logistical weight of organizing the selection process, in particular when personal interviews are involved (as in Souk 2), risks to paralyze the Secretariat and hinders it in fulfilling its core functions. It would therefore be preferable to at least share, if not delegate, the burden of managing the selection process with another partner.
- **Consider providing short individualized feedback to winners and losers in the final stages of the selection process.** In terms of the winners, not sharing the feedback and comments of the selection committee is a lost opportunity to provide valuable guidance to their projects. In terms of those not selected, the lack of feedback can constitute a reputational risk and could damage the Souk At-tanmia brand.

General project design

- **Review Souk At-tanmia's strategic positioning over the short- to medium term**. As entrepreneurship initiatives are mushrooming in Tunisia, the partnership will have to engage in a strategic discussion on how to position the initiative in the future so it can remain relevant and continue to fill a gap within the country's entrepreneurship ecosystem.
- **Increase the frequency of calls for proposals.** Organizing a competition every 2 years cannot be considered a regular service offering and leads to "loosing" many potential projects for whom the time window for applying does not suit their needs. The Souk At-tanmia competition would therefore benefit from taking place in a more regular (and thus predictable) manner, at least once per year. This would also allow for shorter learning cycles as lessons learned can be fed back more quickly.

[84] Currently there is a mismatch between the focus on skilled entrepreneurs, innovation, and offering large amounts of capital on the one hand, and the intended focus on benefiting disadvantaged groups in disadvantaged regions on the other. In the same vein, the range of projects financed from 10,000-300,000 TND is likely too broad given the heterogeneity of projects involved.

[85] Another determinant for low quality assessments was the lack of interviews which limited the information available to the committee. This shortcoming has already been corrected.

Outreach

- **Further strengthen strategic outreach and ensure that disadvantaged groups have the adequate support available to participate in the initiative.** The project should continue to be more strategic in who it communicates to during the outreach campaign, a process already initiated under Souk 2. This could include clients of microfinance organizations (who may seek opportunities to graduate to larger levels of funding) and participants of idea competitions and entrepreneurship trainings. In order to provide better opportunities for participation to candidates from the interior regions and with no higher education, Souk At-tanmia should also ensure that appropriate support is available at the regional level to support prospective candidates to send their application. This is especially important against the background of wide-spread language constraints (application forms are in French versus the more common Arabic) and sometimes limited access to IT services (forms need to be submitted via the internet). Moreover, specific efforts should be made to increase the share of female applicants, for example by actively engaging women entrepreneurs in the outreach efforts (as role models).

Entrepreneurship training

- **Carefully adjust the length of the training to the needs of the beneficiaries and sequence training content according to the lifecycle of the businesses.** While the 3 day training was clearly too short for a large number of beneficiaries (especially start-ups), the 6 weeks implemented under Souk 2 may arguably be too long and not adequately sequenced. Instead, we propose to split up the training in at least two cycles, 1 prior to selection and 1 after project initiation.[86] A minimum of 1-2 weeks for start-ups appears necessary for the initial training, while extension projects tend to be better served with short, but frequent, trainings suited to their needs. A less lengthy initial training will also save costs, and these resources can be used for follow-up trainings (which then only benefits the actual beneficiaries). Finally, it is important to consider that many candidates have already received entrepreneurship training from other programs, which may justify that they only be required to participate in selected modules rather than the entire training.
- **Consider a "shadowing" arrangement to foster training of trainers.** Upon confirming a strong training methodology, Souk At-tanmia could explore inviting entrepreneurship trainers from public institutions (e.g. ANETI's CEFE courses) as facilitators or co-trainers to its own trainings In order to strengthen spillover effects and potential institutional impacts. Such arrangements may help influence the existing trainings provided at larger scale than Souk At-tanmia.

Coaching

- **Improve matching of coaches and projects and ensure stronger regional presence.** Coaches and mentors should be carefully selected to meet the needs of projects. As coaching and mentoring will be separated in the second edition of Souk At-tanmia, coaches should be found in closer physical proximity to the projects to facilitate the hand-son support in the start-up phase. For mentors, experience in the same profession or sector should be an important selection criteria.
- **Strengthen quality assurance for coaches and assess beneficiary satisfaction early on.** The project should define and enforce clear standards for coaching and mentoring to ensure stronger consistency in quality, while ensuring adequate preparation and training. With increasing numbers of beneficiaries, it will likely also be necessary to have several coaching coordinators (instead of just one as in the first edition). As Souk At-tanmia is moving to work only with professional coaches, attention needs to be paid that a single coach only works with a limited number of beneficiaries to ensure sufficient availability. Furthermore, beneficiary satisfaction with their coach should be measured early on (within 2-3 months) as part of the monitoring by the Secretariat, so adjustments can be made if needed.

[86] The first training would focus on elements to the initiation of the project (business plan development, administrative procedures, sources of financing, etc.) while subsequent trainings can go more in depth on marketing, human resource management, etc.

- **Facilitate networking among beneficiary projects and actively involve former beneficiaries in the mentoring process.** Networking, exchange of experiences and mutual support is highly valued by beneficiaries, and Souk should consider supporting this process more proactively, for instance by facilitating group meetings in the different regions and/or by similar sector of activity. In addition, beneficiaries from the first edition (as well as future ones) should be leveraged in offering support to new projects.

Finance

- **Decrease, rather than increase, the average grant size.** The large size of the grants provided by Souk At-tanmia, further increased in the second edition, is leading to an overconcentration of resources on a limited number of beneficiaries which, in turn, increases the risk profile of the portfolio while also presenting an obstacle to sustainability and replicability (due to the large unit-cost). In the eyes of the evaluation team, a grant competition is not the appropriate vehicle to fund large capital-intensive projects and the partnership does not have the capacity to adequately support complex projects across multiple sectors. Instead, Souk At-tanmia should consider concentrating on providing catalyst funding to a critical mass of smaller nascent and emerging businesses with a solid business model. Thus, we encourage reducing the cost ceiling for projects eligible for funding (with a ceiling between 50,000 and 100,000 TND).
- **Carefully evaluate whether co-financing from Banks presents the right financing mix for all types of beneficiaries.** As Souk At-tanmia has moved away from allowing projects to be entirely grant-funded under Souk 1 to only contributing a share of the total funding requirements under Souk 2, it is important to carefully evaluate the implications of such a change. Given complications with Bank- and administrative procedures, Bank-funded projects experienced a significantly higher level of difficulties under Souk 1, which may suggest that "pushing" beneficiaries towards loans might have unintended negative consequences (delays, extra costs, etc.), especially for start-ups, which are more fragile. Moreover, if co-financing from Banks becomes a quasi-requirement, then the appropriateness of a separate selection process than the one already existing at the Banks should be carefully revisited.

Other activities

- **Expand Souk At-tanmia's activities related to research, knowledge sharing and influencing public policy.** As Souk At-tanmia matures, it will be increasingly critical to leverage the access and convening power of the AfDB and its partners to influence the entrepreneurial ecosystem beyond providing services to prospective entrepreneurs. This should include leveraging the AfDB and academic partners to use Souk At-tanmia funded projects for research purposes while creating a platform for knowledge sharing and advocating for the needs of entrepreneurs in order to help address the systemic issues (bureaucracy, delays, etc.) that hold entrepreneurs back across the country – not just Souk At-tanmia beneficiaries.[87] Specifically, Souk At-tanmia partners could publish knowledge briefs about entrepreneurs' constraints and good practices in entrepreneurship programming (e.g. related to linking services, organizing coaching, etc.). In this spirit, the lessons from Souk At-tanmia should be linked to broader reform efforts of the AfDB and other development partners to facilitate the business environment in Tunisia.
- **Explore additional linkages to facilitate beneficiaries' access to markets**. The Souk Secretariat has already recognized the importance of this type of support, as highlighted by the follow-up provided to beneficiaries of Souk 1 and the inclusion of a new partner (TPM) under Souk 2 to strengthen this service

[87] This effort has already been initiated during the second edition of Souk At-tanmia, as the project has established collaborations with local media (a radio show called *employment visa* and a TV show called *my dream*) to promote entrepreneurial spirit, share lessons learnt from Souk and foster greater interest in business start-up among youth. Souk At-tanmia helps the shows develop content related to these themes and mobilizes its partners to attend the shows and share their expertise and experience with a wide audience.

through an e-commerce platform. Additional measures might include partnering with universities to have teams of graduate students in business and marketing provide targeted support to selected projects.

Implementation arrangements (incl. partnership model)

- **Ensure adequate administrative budget for the Secretariat.** In the future, a clear budget envelope should be earmarked at the start of the initiative to ensure that the expenditures for cross-cutting services, in particular for staff, M&E, and communication are adequately accounted for. It is not realistic to assume that all these expenditures can be internalized by the host institution, therefore making it necessary that donors earmark a sufficient share of their contributions to the administrative budget in addition to providing grant financing for the end-beneficiaries (as was done by DFID during the first edition).
- **Develop an exit strategy to plan for the future of the initiative.**[88] The Secretariat needs to prioritize the discussion of institutional sustainability of the Souk At-tanmia partnership within the steering committee as the current hosting arrangement at the AfDB will not be sustainable. Current views among partner organizations about the potential future partnership setup vary widely, underlining the need to forge a common vision that is shared by funders and implementing partners. Given the legacy of the initiative, there is a sense that Souk At-tanmia should continue to be led by a non-governmental institution, though stronger linkages with government bodies are encouraged (as already initiated with the new partner API in the second edition). In assessing future options such as creating a new organization or handing the partnership management over to an existing local entity, it will be important to consider the funding constraints of donor institutions towards the host institution (e.g. competitive selection, financial management assessments, etc.). In light of the above and to ensure institutional memory, it is therefore advised that any potential new host institution remains under the control of a steering committee that prominently features the African Development Bank as a member.
- **Consolidate the number of partners.** As Souk At-tanmia matures, the "alliance of the willing" from the first edition should make place for a more strategic coalition where partners are selected based on their strategic role and concrete value added to the initiative. To become an official partner and member of the steering committee, partner contributions should meet a critical mass (financial or in-kind) to prevent proliferation of partners and reduce their heterogeneity. Additional partnerships and service contracts can be established on the operational level without making everyone part of the steering committee. Partner contributions should also be more strongly aligned with their comparative advantage (e.g. training to be provided by established local training provider/NGO, university partner to support research, etc.).
- **Strengthen division of labor between steering committee and operational subcommittees.** To increase the efficiency of decision making within the partnership, more weight should be given to operational subcommittees (as the existing "taskforces" on Communication and M&E) while limiting involvement from the entire steering committee to deal with strategic decisions (e.g. project design questions, sustainability plan, etc.). This would reduce the need to involve every partner organization in every matter and make meetings less cumbersome.

Communication

- **Explicitly define communication as a core project component and put in place a more robust communication strategy with a predictable budget.** As Souk At-tanmia evolves to play a bigger role on knowledge sharing, influencing key stakeholders and promoting an entrepreneurial culture, the

[88] First steps have been undertaken by the Secretariat by hiring a consultant and inviting MBA students from Thunderbird University (USA) to develop a concept for the possible future setup.

communication strategy and related activities should be explicitly geared towards this objective and therefore framed as a programmatic project component. To further increase the success of the communication efforts, a more robust communication strategy is warranted. The strategy should clearly define key audiences, including institutional stakeholders in the entrepreneurship ecosystem, and lay out the communication activities that will help meet the broader project objectives related to influencing the ecosystem. Moreover, a predictable budget allocated from the beginning, will allow for a more strategic allocation of resources and better planning of communication activities. Finally, as communication efforts become more strategic, one might consider hiring junior team member (e.g. intern) to manage day-today tasks (e.g. web-management, etc.) to allow the communication specialist focus on the more strategic tasks.

Monitoring and Evaluation

In order to maintain its ability to continuously improve, demonstrate results, and really become a role model initiative that has the potential to influence the entrepreneurship ecosystem at large, Souk At-tanmia must put in place a much more robust learning system.

- **Collect baseline data as part of the application process.** Baseline data is crucial to better understand the socio-demographic profile of candidates and track the situation of beneficiaries over time. At a minimum, baseline data should capture indicators related to: (i) beneficiary profile (employment status, number of hours worked, socioeconomic status, completed level of education, previous access to entrepreneurship support), and (ii) outcome indicators of interest (e.g. access to bank account, personal income). For growth projects, additional indicators are needed to assess the situation of the business before the Souk At-tanmia support (e.g. formality of the business, number of employees, turnover, and profits).
- **Define clear timing and responsibilities for continuous data collection and analysis.** A clear data collection plan should be developed that responds to the information needs of the initiative (incl. Secretariat and funders), allowing for a consistent flow of information about supported projects, without creating a burden for beneficiaries or other stakeholders. In defining the data collection plan, stronger attention must be paid to the consistency of data collection instruments (to track developments over time) complemented by a functional database that aggregates the key information from different sources of information. Moreover, responsibilities for data collection, management, and analysis within the Secretariat must be defined. With a more functional monitoring system in place, and given the short duration of the project cycle, the partnership may also reconsider the usefulness of an actual mid-term evaluation, and instead officially align the timing of the self-evaluation with the end of each project phase in time to make adjustments for subsequent editions (as done during the first edition).
- **Align the selection process with the requirements for a more robust impact assessment.** Even when outcome monitoring suggests that the situation of beneficiaries has improved, it provides no proof of impact for the program since there is no “counterfactual” to indicate what would have happened in the absence of the program (e.g. their situation might have improved regardless of participation). Several options exist to estimate the real impact of the initiative. For instance, if there are more eligible projects than available spots, one might randomly allocate eligible projects to beneficiary and comparison group. Alternatively, one can carry out a comparison of projects that were included and excluded by close margin. Regardless of which methodology might be the most feasible in the specific context, the key will be put in place a very transparent selection process that allows recording the quality of the different proposals (e.g. pass/fail, continuous score, etc.). While the relatively low number of project beneficiaries might limit the ability to obtain statistically significant results, the exercise would at least provide suggestive evidence of Souk At-tanmia’s real impact.

Safeguard and fiduciary compliance

- **Strengthen the processes for the prevention and mitigation of social, environmental, and fiduciary risks.** To avoid potential social and environmental harm resulting from supported activities, Souk At-tanmia could: (i) Invite a safeguards specialist from the African Development Bank to carry out a basic social and environmental risk assessment of the types of businesses expected to be supported; (ii) Specify a "negative list" of business activities that is ineligible for financing due to the likely risks; (iii) Develop a social and environment risk checklist used during the selection process to help the evaluation committees identify and assess any potential risks related to the proposed activities; (iv) Develop general terms and conditions related to social and environmental risk management that will be included in the project agreements with beneficiaries (e.g. related to garbage disposal, water usage, workers safety, etc.); and (v) Monitor compliance with the social and environmental conditions as part of project monitoring (e.g. by the coaches and during site visits). Finally, clear guidelines should be developed on how the initiative could better respond to apparent misuse of funds, including possible legal provisions in the agreements between beneficiary and BFPME, which can act as a deterrent.
- **Put in place a stronger grievance redress mechanism.** As the initiative grows, a more systematized way to capture feedback and complaints from beneficiaries or other stakeholders will be needed to minimize the risk of negative repercussions on the project and the Souk At-tanmia brand. At a minimum this includes (i) identifying potential grievances ex-ante; (ii) providing easily accessible and well-communicated access points (uptake channels, e.g. coaches, Secretariat, website, etc.); (iii) the ability to store the reported grievances in a database for reference and tracking (grievance log); and (iv) a process for assessing, handling, and responding to the grievances (including responsibilities).[89]

Finally, the Souk At-tanmia partner organizations, and the Secretariat in particular, should not be shy to learn from experiences outside Tunisia. Since entrepreneurship support programs like Souk At-tanmia are still a relatively recent development in Tunisia, and because most partners have limited experience with this type of program, the Secretariat should reach out to organizations such as Technoserve[90] that have implemented similar business plan competitions over many years in other countries. While these experiences will likely have to be adapted to the Tunisian context, lessons learned can certainly be of upmost value in making Souk At-tanmia a recognized initiative for the years to come.

[89] For more details regarding features of a good GRM see for example Post and Agarwal (2010a, 2010b).
[90] http://www.technoserve.org/

7 Management response

General Comments

The Partnership welcomes this independent evaluation and thanks the evaluation team for their efforts. It provides a wealth of information and draws several useful recommendations. While the Partnership agrees with most findings and conclusions, there are few points of disagreement that will be addressed in this management response. The latter will be structured into two parts:

- First, recommendations the Partnership agrees with and which have already been implemented in the second edition or planned to be implemented in the proposed future business model of the Partnership. These are summarized in Table 1.
- Second, findings, conclusions and recommendations that the Partnership disagrees with. For each point, justifications are provided to explain the rationale and causes of disagreement.

I. Points of agreement & achievements to date

Several limitations highlighted in the evaluation report were already identified either (i) in the internal mid-term evaluation of the pilot edition produced by the Secretariat in October 2013, or (ii) during the course of the design and implementation of the second edition. Thus, recommendations were made and actions adopted. Table 1 summarizes these points and how they have been addressed so far.

Evaluation criteria		Specific comment	Progress to date
1	**Relevance**	The project will need to ensure that it remains relevant by … positioning itself in a way that continues to fill gaps in the entrepreneurial ecosystem	A **comprehensive mapping of the ecosystem** supporting business creation and SMEs in Tunisia was performed by the Secretariat during fall 2014 to determine the new business model and targets of the Partnership.
2	**Effectiveness**	The entrepreneurship training and selection process of Souk At-tanmia were insufficiently integrated with the requirements of the partnering Banks	For the second edition, the requested financing plan of beneficiary projects and **template for business plans were produced in collaboration with banks**. Face to face juries including at least one representative from the 2 partner banks were also added. Additionally, during the coaching period, the Secretariat **worked on a daily basis with coaches and partner banks** (BFPME and BTS) as well as other Tunisian banks **to ensure that banks' feedback and concerns are transmitted and addressed** by candidates and their coaches. The Secretariat has also worked with the **Ministry of Finance and state entities such as APII**[91] to accelerate the application of eligible applicants to **FOPRODI**[92]. The Secretariat is doing the same thing with **ANPE**[93] for projects that need an **environmental impact study**.
3	**Impact on the ecosystem**	The project should continue to be	The Secretariat has been reaching out to other initiatives to establish good relationships so that one could feed the other

[91] APII: Industry and Innovation Promotion Agency (Agence de Promotion de l'Industrie et de l'Innovation)
[92] FOPRODI : Industrial Decentralization and promotion Fund (Fonds de promotion et de Décentralisation Industrielle)
[93] ANPE: National Agency for Environment Protection (Agence Nationale pour la Protection de l'Environnement)

		more strategic in who it communicates to during the outreach campaign ... This could include clients of microfinance organizations and participants of idea competitions and entrepreneurship trainings.	(Réseau Entreprendre, Intiliaq, Taysir, etc.). This will help build a strong **chain of support to entrepreneurs** instead of a proliferation of programs that offer the same type of support. In addition to contributing to the promotion of the entrepreneurial culture in the media, Souk has also participated in several competitions including the ones organized by APII Mannouba incubator and Tunis Business School. Presentations were also done in APII incubators countrywide and forums focused on job creation and entrepreneurship.
4	**Sustainability**	Membership and funding structure remain unpredictable	The Secretariat has been working since September 2014 on the design of Souk At-tanmia's future sustainable business model. While the values of the Partnership will be maintained, the initiative will aim to become a sustainable player that is well anchored in the Tunisian ecosystem.
5	**Recommendations**	Expand Souk At-tanmia's activities related to research, knowledge sharing and influencing public policy	The Secretariat is currently working with MSB, one of Souk Partners to put in place **a series of conferences on several topics related to entrepreneurship and is exploring how to better leverage the data collected by Souk At-tanmia for research purposes.** Souk is constantly communicating with several players of the ecosystem to enhance the interest of young Tunisians in entrepreneurship and improve the visibility of the initiative, its partners and its beneficiaries in the media. Souk is collaborating with the Visa Emploi show broadcasted on Shams FM on 26 episodes and sought to foster dialogue between the public sector and entrepreneurs.
6	**Monitoring and evaluation implementation**	M&E provisions at design stage were highly inadequate	The Monitoring & Evaluation templates and methodology have been reviewed to improve effectiveness and quality. For instance, baseline data was collected, new templates with SMART[94] indicators have been developed to monitor project progress and 2 surveys to assess coaching quality were added.
7	**Safeguard and fiduciary compliance**	The project lacked sufficient provisions to identify and mitigate potential social and environmental risks and lacked a clear process to recover funds in case of fraud by beneficiaries	**Moving away from grants to a shareholder relationship in the new business model** will allow the Secretariat to better keep track of the invested funds and ensure that contractual engagements include relevant social and environmental safeguards.

[94] SMART : Specific Measurable Assignable Realistic Time-related

8	Assessment of project design	No minimum personal contribution was required from the beneficiaries, questioning whether the personal incentives of the recipients to set up a successful project were maximized	The disbursement policy was revised to a **conditioned disbursement where personal contribution availability is checked** before any disbursement.

II. Elements of discordance

Evaluation results

Cost per job created

The evaluation report argues that *"The cost per job created is estimated at $7,400, which is higher than rates reported for comparable initiatives."* The initiatives considered in comparison to Souk At-tanmia are CAIP (Contrat d'adaptation et insertion professionnelle), SIVP (Stage d'insertion à la vie professionnelle), and EFE (Education for Employment Foundation). These benchmarks are inappropriate for the following reasons:

- **CAIP, SIVP and EFE objectives and services are complementary but not comparable to the ones offered by Souk At-tanmia. Although these programs share a common goal: creating jobs; the solutions and services they offer are completely different. On one hand,** CAIP and SIVP are public schemes used by the government to encourage firms to hire employees rather than initiatives that promote job creation through business creation. Specifically, CAIP is a contract that allows unemployed high school graduates to acquire professional skills by interning at a private firm, offering the intern a monthly salary up to 700 TND. SIVP is also an internship contract that can last up to one year. It pays interns up 150 TND per month. Facilitating recruitment of unemployed should be easier than creating jobs and making sure that people are hired. **EFE mission** is to "create economic opportunity for unemployed youth in the Middle East and North Africa (MENA) by **providing world-class professional and technical training** that leads directly to jobs and entrepreneurship support". EFE does not provide funding, access to market services and does not have to face the administrative hurdles of business creation. **Souk At-tanmia on the other hand is seeking to develop the entrepreneurial culture and promote business creation in Tunisia.** As a matter of fact, EFE joined Souk At-tanmia during the second edition to offer training and coaching which constitute only a subset of the diverse services offered by the Partnership.

- While Technoserve constitutes a relevant benchmark, the figures used for comparison purposes are misleading. Indeed, the costs per job created by Technoserve[95] indicated in Figure 6 (i.e. $700) are based on **13 Central American competitions which took place over seven years (from 2002 to 2009)**. Conversely, the **cost per job created by Souk pilot edition is being measured over a period of less than 1 year after operations have been launched**. One can expect that with time, more jobs will be created by Souk beneficiaries which will bring the cost per job down.

- For the IFC benchmark, Souk At-tanmia's cost effectiveness is being compared to "*the employment effects of economy-wide general investments in Tunisia, which are estimated at 247 jobs (direct and*

[95] Source : 2009 Business Plan Competitions Study

indirect) per 1 million USD invested, or approximately $4,000 per job created". One can note that the methodology used in the report captures only the injected capital in projects and **not IFC advisory services**[96]. Using the same methodology with reference to Table 5 of the evaluation report leads to **a Souk cost per final beneficiary of $24,230**[97] **instead of $33,500 and gives a cost of $5,355 per job created instead of $7,400 as announced in the evaluation.**

Efficiency

According to the evaluation team*, "approximately 50% of beneficiaries expressed that they experienced delays with the disbursement of their grant (especially the second tranche). While 67% received their first tranche relatively quickly within 3 months of the award ceremony in January 2013, only 39% of beneficiaries had received their entire funding within 6 months. In fact, approximately 35% of beneficiaries had to wait 9-12 months to receive their full grant".*

It is important to clarify that **delays in fund disbursement were not due to negligence or extended processing period from the Partnership but because disbursements were conditioned by the disclosure of key documents that beneficiaries submitted late**. Once the appropriate documents were submitted, the money was transferred to each beneficiary in a timely manner. The 67% mentioned in the report represent the beneficiaries who did submit their documents on time, whereas the 35% corresponds to beneficiaries that were late in their documents or had to revise their business plans because they couldn't obtain bank loans.

Impact

- ✓ **Influence on partner institutions and the ecosystem**

The evaluation report argues that *"So far, the initiative only had limited effects beyond its direct beneficiaries. Aside from the replication of Souk At-tanmia in Tunisia and Ivory Coast, the initiative has not yet had much influence on other stakeholders in the entrepreneurial ecosystem. "*

As Souk At-tanmia's pilot edition was launched in July 2012, the timing of this evaluation is quite ambitious to realistically capture direct and indirect impact of the initiative on the ecosystem. Yet, despite the short time period, it is believed that Souk At-tanmia had strong effects on the ecosystem that the evaluation failed to capture:

- First, one of the most noticeable effects of the pilot edition was the fact that this was the first time 20 Partners in Tunisia have accepted to work together for a common goal and coordinate their work to leverage synergies . Souk At-tanmia is actually the largest known mobilization of partners in the country. This coordination allowed creation of synergies and better impact. This is in our view a significant impact on the ecosystem that the evaluation failed to capture.

- Second, **at least 2 souk partners have subsequently launched new initiatives:** "Projet de creation accélérée d'emploi et de l'entrepreneuriat à Tataouine et Médenine" by UNIDO and "Conect Innovation and Entrepreneurship Platform" by Conect. **As a matter of fact, after the writing of the evaluation report, representatives of PNUD have notified the Secretariat in writing of the impact they believe Souk At-tanmia had on the pragmatic and strategic approach they adopted in the above mentioned project**. They have also indicated that beyond short-term results, the integrated approach

[96] Cf. section 3.1 and 3.2 of the 2012 IFC report

[97] 24,230=[1.349 (total amount of grants awarded to the 61 projects) - 0.173 (0.347 million TND that were left in the budget) + 0.302(in-kind contributions for training, coaching and project management)]/61

created by the Partnership constitutes an impactful tool to encourage similar integrated initiatives by the Public Sector to promote entrepreneurship.

- **The evaluation report does not mention Souk At-tanmia's effect on the AfDB itself, which financially supported Yunus Social Business in 3 African countries after the accomplishments of Souk: Togo, Tunisia and Uganda with USD1.2m.** The Bank was not known for developing direct entrepreneurship programs and it is believed that the success and visibility the Bank got after Souk success in Tunisia has fostered the launching of other initiatives. Indeed, the program Souk At-tanmia launched in July 2012 was very well received by the media and the Tunisian ecosystem. The overwhelming number of applications received of 1,345 raised awareness on the need for such supporting programs in Tunisia. Successively, the Afdb committed to fund Yunus Social Business in December 2012.

✓ **Outcomes of beneficiaries compared to a comparison group**

*The evaluation report argues that "*60% of the comparison group pursued other financing sources after applying to Souk At-tanmia and 20% secured a Bank loan […] *a notable share of candidates was able to access financing even without the endorsement, coaching support, and financial contribution from Souk At-tanmia, raises the question to what extent Souk At-tanmia supported projects also could have accessed Bank financing without the Souk grant."*

During the pilot edition, 11 out of 61 beneficiary projects received loan approvals, which represent **an approval rate of about 18%.** Notably, most candidates of the first edition did not seek loans because the pilot edition did not link grant value to project cost and did not require a minimum contribution from beneficiaries. This strategy was in place to reach Tunisians who have no access to mainstream financial services. However, this led to a situation where candidates requested the maximum grant value to cover the full cost of their project instead of a smaller grant that could have made them eligible for bank loans. Hence, the approval rate is not representative of Souk beneficiaries' access to finance and cannot objectively be used to assess the Partnership outcomes.

Additionally, the Evaluation team sought to identify a comparison group of entrepreneurs who participated in the initial training, received a high score during the assessment for their project proposal but were not selected by Souk At-tanmia at the end. **Only 10 out of 170 people replied;** 20% of them obtained a loan by BTS at a later point. **10 responses cannot be representative** of the typical access to finance in Tunisia and used as a comparison to Souk beneficiaries' performance.

✓ **Coverage and visibility**

Reaching females and disadvantaged groups

According to the evaluation, "***the outreach efforts put in place were successful in attracting candidates from across the country and young people in particular, but less so in reaching women, disadvantaged groups, and quality candidates […].*** *Moreover, over 80% of final beneficiaries had a higher education degree and only about 10% came from households that have incomes below TND 750 (approximately $400 and about twice the minimum wage), suggesting that lower-income groups were underrepresented among the applicants ".*

The socio-economic characteristics of beneficiaries show a strong development impact of the program with 63% of beneficiary projects located in most economically disadvantaged regions of Tunisia; 51% undertaken by young entrepreneurs aged between 18 and 35 years, 33% by female entrepreneurs and 34% by unemployed. According to the gender profile for Tunisia published in 2014 by the European Commission, only 12.5% of Tunisian women have a liberal status whereas only 6.5% of Tunisian companies are managed by women. Hence, Souk outperforms national statistics when it comes to supporting female entrepreneurship.

On disadvantaged groups, as indicated in Section 2 of the pilot edition's concept note, Souk At-tanmia's objective is to "foster job creation while supporting sustainable projects designed to bridge social and regional disparities." By giving a bonus at the time of the selection to projects based in disadvantaged region, Souk's goal was to create jobs in these areas with the ultimate goal of reducing regional disparities. Hence, rather than focusing on the profile of the selected entrepreneurs, the Partnership believes the impact of Souk At-tanmia is better measured by the number and location of jobs created. According to the numbers collected by the evaluation team, **175 out of the 276 jobs created mentioned in the evaluation are located in disadvantaged regions.**[98] This accomplishment reflects the socio-economic changes the Partnership aims to foster.

- ✓ **Partnership model**

The evaluation concludes that the selection of Souk's partners was "*driven by pragmatism and trial-and-error in the search of financial and in-kind contributions. As a result, the number of partners became substantial with a highly heterogeneous level of contributions; it was an "alliance of the willing*" *rather than a strategic partnership."*

Souk strength comes from its very capacity to bring civil society, public and private sector actors (20 partners) from the ecosystem to work together. The evaluation remained silent about the arguments and explanations provided in the concept note of the pilot edition to justify partner selection. Indeed, Section 4 of the concept note discussed the type of Partners sought and why (cf. page 2). For example civil society actors were sought to act as "catalyst and in disseminating information and generating ideas and projects in the new Tunisia", hence TOUENSA (a network of CSOs) was chosen to join the Partnership. Same goes to Conect which represents the second employers' union in Tunisia. It constitutes a very important pool of mentors that one should seek for a program that supports entrepreneurship. Private enterprises were invited to join the Partnership to "enable beneficiaries to have direct marketplace contact with the business community". Hence, Souk At-tanmia sought partners in industries that could benefit directly or indirectly its beneficiaries such as Microsoft or Talan, the later has developed Souk website and ensured its maintenance since the launching of the program. Similarly, Souk counted the two public banks specialized in financing micro-, small- and medium-sized enterprises (MSME) in Tunisia as other banks are likely to shy away from such targets.

Factors affecting implementation and results

Monitoring & Evaluation

"M&E provisions were missing from key project documents such as the concept note and the operational manual, suggesting that it was developed in isolation, with the main purpose of donor accountability. Strikingly, the operational manual lacked any monitoring and evaluation provisions beyond the financial reporting arrangements with the payment agency and the general plan to carry out a mid-term evaluation. "

Monitoring and evaluation activities were planned since the inception of Souk At-tanmia. Section 6 of the concept note and section 4 of the operating manual detail the quarterly project reporting that should have taken place. The concept note also indicates that a Mid-term review will take place six months after the transfer of the first tranche to grantees. The mid-term evaluation was led by the Secretariat in the third quarter of 2013. It used a survey that was sent out to beneficiaries in April 2013 and on-the-ground visits in October 2013 to verify the veracity of the information provided. The results of the mid-term evaluation were sent to all Partners early 2014. However, it is true that the execution of the M&E strategy was far from optimal but the Secretariat is fully aware of it and has been pro-active in putting processes in place to improve it.

Recommendations: Souk positioning in the entrepreneurship space

[98] Based on the regional classification in Annex 12 defining disadvantaged regions as those with a ranking of 4 or 5.

"Decrease, rather than increase, the average grant size. *The large size of the grants provided […] is leading to an overconcentration of resources on a limited number of beneficiaries which, in turn, increases the risk profile of the portfolio while also presenting an obstacle to sustainability and replicability (due to the large unit-cost). In the eyes of the evaluation team, a grant competition is not the appropriate vehicle to fund large capital-intensive projects and the partnership does not have the capacity to adequately support complex projects across multiple sectors. Instead, Souk At-tanmia should consider concentrating on providing catalyst funding to a critical mass of smaller nascent and emerging businesses with a solid business model. Thus, we encourage reducing the cost ceiling for projects eligible for funding (with a ceiling between 50,000 and 100,000 TND)."*

The objective of Souk At-tanmia is to create opportunities for underserved entrepreneurs by helping them start or grow their own businesses. The grants offered during the first edition could go up to 30,000 TND, reducing it would bring Souk At-tanmia grants closer to 20,000 TND which corresponds to the maximum amount allowed to be offered by micro-credit institutions in Tunisia (structured as Sociétés Anonymes). Souk At-tanmia has never claimed to be in the business of micro-finance but aims to finance projects that will impact the social and economic future of Tunisia by creating jobs and improving the business situation of disadvantaged regions. Available statistics show that Tunisia counted over 658,526 private sector enterprises in 2012, of which 87% correspond to unipersonal projects (no employees) while over **99% correspond to SMEs with less than 50 employees.** This means that only **13% of existing businesses have more than one employee.** In addition, according to the 2012 National Registry of Enterprises, there were 52,995 newly created businesses in 2012, of which 50,478 corresponded to unipersonal ones. These statistics show that **Tunisian businesses are created small and do not manage to grow over time.** As a matter of fact, only a limited number of enterprises in Tunisia make it through the development stage and even a smaller number manage to successfully create a large number of jobs.[99] Therefore, **there is a need to improve the quality of newly created businesses to create a pool of enterprises that have a potential for growth** and to help existing ones grow faster by helping them address both financial and non-financial barriers.

In addition, Souk was created to fill in a gap in the entrepreneurial chain not to compete with already existing programs. As a matter of fact the microfinance sector counts 4 professionally run companies offering microfinance (Tayssir, microcred, Advans and CFE) in addition to over 150 associations that offer microcredit.

[99] According to the 2013 global entrepreneurship monitor, only 3 to 5% of new firms experience high growth.

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Annexes

Annex 1 : Rating scale and detailed performance ratings

Rating Scale[100]

Highly Satisfactory	There were **no** shortcomings
Satisfactory	There were **minor** shortcomings
Moderately Satisfactory	There were **moderate** shortcomings
Moderately Unsatisfactory	There were **significant** shortcomings
Unsatisfactory	There were **major** shortcomings
Highly Unsatisfactory	There were **severe** shortcomings

Source : Adapted from World Bank (2011). Implementation Completion and Results Report. Guidelines.

Evaluation Results

Evaluation criteria	Rating	Remarks
Evaluation Results		
Relevance	**Highly satisfactory**	
Relevance of objectives	Highly satisfactory	The project's objectives were very closely aligned with the priorities of beneficiaries, government, and the AfDB.
Relevance of design	Satisfactory	The project's integrated approach was consistent with international evidence, and key design and implementation modalities were appropriate in the post-revolution context. Minor shortcomings included the broad targeting and the theory of change.
Effectiveness	**Moderately satisfactory**	
Achievement of the project development objective (outcomes)	Moderately satisfactory	Even though targets for several outcome indicators were not fully met, it should be recognized that targets were fairly ambitious and that results were generally encouraging given the pilot character of the initiative.
Achievement of intermediate targets (outputs)	Moderately satisfactory	While the number of grants awarded and share of beneficiaries accessing loans fell short of its targets, targets related to coaching were met and targets related to communication were exceeded.
Efficiency	**Moderately unsatisfactory**	

[100] The evaluation team preferred to use the World Bank 6-point rating scale as it allows for more nuance than the 4-point rating scale used by the AfDB.

Partnership modalities	Moderately unsatisfactory	The initiative suffered from being subject to the operational and procurement rules and procedures of the AfDB which are not designed for running a project like Souk At-tanmia.
Implementation	Moderately satisfactory	While activities were generally well organized, the disbursement process of grants and especially of loans (through the partnering banks) experienced delays.
Share of administrative cost	Moderately satisfactory	The share of administrative costs among total expenditures was within commonly acceptable standards, however, the real costs would likely have been higher if accounting for all in-kind contributions which could not be quantified.
Cost-effectiveness	Unsatisfactory	The unit-cost per job created is estimated at US$ 7,400, which is higher than for many other employment promotion programs.
Impact	**Moderately satisfactory**	
Individual-level effects	Moderately satisfactory	Souk At-tanmia appears to have increased the likelihood and speed of starting-up a business compared to traditional avenues and several results are encouraging (high formality, average job creation per business, share of job contracts for employees, etc.). However, almost 1 in 5 beneficiaries stated that their economic situation had worsened since being selected into the program, suggesting that there may also have been some unintended negative effects.
Indirect and institutional level effects	Moderately satisfactory	While impacts at the institutional level (i.e. partners and entrepreneurial ecosystem) are generally limited, early achievements appear encouraging (e.g. interest from AfDB coutry offices, dialogue with Ministry of Employment and Ministry of Finance).
Sustainability	**Moderately unsatisfactory**	
Beneficiary level (business survival)	Moderately satisfactory	Rates of business survival have been relatively satisfying so far, but they are not higher than for applicable benchmarks in Tunisia or the OECD.
Institutional level (partnership and hosting)	Unsatisfactory	While efforts are underway to change the institutional setup, the current hosting arrangement at the AfDB appears unsustainable. Moreover, membership and funding structure remain unpredictable.
Programmatic level (approach)	Moderately unsatisfactory	There is no evidence so far that the Souk At-tanmia model will likely be adopted by other stakeholders in the Tunisian ecosystem.
Coverage & Visibility	**Satisfactory**	

Organizational setup	Satisfactory	Working arrangements for communication were largely adequate, though the communication strategy could have benefited from stronger alignment with project objectives.
Targeting efficiency (outreach)	Moderately satisfactory	The project's outreach successfully reached youth and candidates from disadvantaged regions, but was less successful in attracting women, low-income groups, and quality candidates.
Visibility	Highly satisfactory	The project achieved high levels of visibility among the general public and partner satisfaction with the project's communication efforts and visibility was very high. All in all, the project was able to generate high levels of visibility with limited resources.
Partnership model	**Satisfactory**	
Membership	Moderately satisfactory	While the broad-based partnership helped jump-start the initiative, membership could be more strategic to maximize the value added of member organizations.
Governance	Satisfactory	Despite some inefficiencies, the adopted governance structure was generally perceived positively by participating institutions.
Management (Secretariat)	Highly satisfactory	The Secretariat hosted at the AfDB played a paramount role in driving the initiative since the inception phase, with high levels of satisfaction from partners.
Factors affecting implementation and results		
Project preparation and design (quality at entry)	Moderately satisfactory	The background analysis could have benefited from incorporating more lessons from similar programs. While there were several weaknesses in the design of the project (e.g. in terms of targeting, selection process, etc.), the integrated approach pursued was appropriate.
Quality of implementation	Satisfactory	Despite some challenges in implementing the coaching and related to the loan approval and disbursement process, project activities were completed as planned and the mid-term evaluation identified important lessons for the future.
Monitoring and Evaluation	Moderately unsatisfactory	The M&E provisions at design stage were highly inadequate, but improvements were made over the course of implementation and the utilization of lessons learned was strong.
Safeguard and fiduciary compliance	Moderately satisfactory	While the fiduciary arrangements were generally appropriate, the project lacked sufficient provisions to identify and mitigate potential social and environmental risks and lacked a clear process to recover funds in case of fraud by beneficiaries.

Annex 2: Terms of Reference for consultancy services for the final evaluation of the pilot program Souk At-tanmia

1. Background

In the aftermath of Tunisian's revolution, the African Development Bank (AfDB) created Souk At-Tanmia (a market for development), a pilot programme to support entrepreneurship in Tunisia, in order to contribute tackling the hard pressing issue of unemployment in Tunisia by supporting the growth and sustainability of new enterprises. A unique feature of the project is the Souk At-Tanmia partnership which is the largest known mobilization of partners in Tunisia gathering 19 international and national partners, (including DFID - the main donor). The initiative aims at providing an immediate, tangible and effective response to employment challenges in Tunisia by bringing together all the key actors in the Tunisian ecosystem. In the region, it has been recognised that developing a sustainable economic base, creating inclusive growth and reducing unemployment will depend largely upon the establishment of a dynamic and productive private sector and the diversification of the economy, also through MSMEs development. The partners in this project were brought together according to their specific domain of expertise, commitment to social values and their leadership position in their field. Each partner has played a critical role within the project: some of them are providing solely a financial support or technical support; others are providing both financial and technical supports.

The Initiative programme provides € 1 million in seed grants to entrepreneurs through its banking partner "Banque de Financement des Petites et Moyennes Entreprises" (BFPME), along with tailored mentoring/coaching from private/public partners, in the form of in-kind contributions.
There were over 2,000 proposals submitted for the first round, of which 300 were pre-selected by the Partnership. The selected 300 received 3 days training from the British Council. There was then a second round of bids, which resulted in 71 proposals being selected for funding and mentorship. This was fewer than the 100 that AfDB initially estimated, due to the Partnership not deeming enough bids to be of sufficient quality. Successful beneficiaries receive both mentoring and seed money but they can leverage additional lending from local Banks. This differentiates Souk from other entrepreneurship schemes in Tunisia, which offer either mentoring or finance. This Partnership represents a new way of working for the AfDB and we would like to examine it as part of the evaluation.

The following activities and schema outline the programme intervention:

Project Start and End Date: July 2012-December 2013	
Activity/Milestones	**Timeframe**
Partnership arrangement and Board clearance	*September 2011 – July 2012*
Launching of call for proposals	*July the 12th, 2012*
Deadline for the reception of first round application forms	*September the 06th, 2012*
Preselecting the 300 projects	*September 06th -16th, 2012*
Capacity building seminar for the 300 shortlisted projects	*October 08th – 14th, 2012*

Submission of the second round application form	*September 24th – November 08th , 2012*
Selected of the projects to be funded and coached	*November 08th – 25th, 2012*
Announcement of the laureates	*January 10th , 2013*
Monitoring and mentoring/coaching of the selected projects	*January 2013- December 2013*
Midterm evaluation by the Partnership (internal)	*September-October 2013*
Final Evaluation	*End of February/March 2014-June 2014*

2. Purpose, Objectives and Scope

We propose an evaluation of Souk At-Tanmia for the following reasons:

- It is a first experience of social entrepreneurship both in Tunisia and the AfDB, including some of the partners.
- The combination of mentorship and seed grants is novel for Tunisia
- Although the project is very small it has gained significant public attention in Tunisia.

The principle objects for evaluation are: **The Partnership; The Relevance; The Effectiveness; The Efficiency; The Sustainability and the Replicability**; **The Coverage**

3. Methodology

The Souk pilot program will end in December 2013. Therefore, the evaluation needs to be delivered afterwards. We propose the bulk of the field work in December 2013 –March 2014, with the report being delivered in the first quarter of 2014 (around May 2014).

We are open to methodology suggestions, but there are some key mandatories detailed as following:

i. **Document review**:
   - Log frame
   - Business Case for intervention
   - Mid Term Evaluation Report (including Questionnaire replies from Beneficiaries)
   - Partnership records e.g. minutes from meetings, agreements between partners

ii. **Interviews** with key stakeholders and with the beneficiaries and the mentors from the Partnership. The interviews with beneficiaries should try to get qualitative information to complement the quantitative approach of the questionnaire.

iii. **Quantitative Analysis**
   - Questionnaire to beneficiaries to determine e.g. trends in income, average number of jobs supported average salary of employees etc.
   - Legal survey to be sent to partners

iv. **Triangulation** with outside data on economic trends in Tunisia (the Souk intervention does not exist in a vacuum) and if possible with other programs across the region.

v. **Comparator Groups**: There is a possibility of comparing the early performance of Souk beneficiaries with beneficiaries of other microfinance/small loan organisations (e.g. BTS Tunisie). We are uncertain as to whether we can get access to data from such organisations and, as explained, the indicators for only 71 beneficiaries make it impossible to get statistically significant results, being the sample too small. Nevertheless we can get a qualitative assessment.

The method of data analysis should seek to measure the contribution the program has made to the achievement of the desired objectives of job creation and wealth creation. The evaluation should follow DAC quality criteria guidelines.

The stakeholders to be consulted are the evaluation steering group (see ***Governance Arrangements*** below). Partners and beneficiaries will need to be interviewed as part of the evaluation but the release of the evaluation report to these stakeholders should only come after approval by the steering committee.

4. Governance Arrangements

The final evaluation steering committee will provide guidance and oversee the evaluation process. The steering committee will include:

- A representative from AfDB Souk team
- A representative of the research department of AfDB
- A representative of British Council

The evaluation steering committee will be responsible for:

- Facilitating and informing the evaluation process (e.g. helping to arrange interviews if necessary)
- Quality Assuring the evaluation report

The Steering Committee of Souk At-Tanmia will receive the draft report and will be in charge of its signing off.

Users of the evaluation will include:

- DFID, in order to assess whether to fund new "Souk-style" interventions and how to modify them
- The AfDB, for deciding whether to roll Souk out and how to plan such interventions better
- British Council as part of the Evaluation Steering Committee
- The donor community, to assess whether this is an area that they would like to contribute to
- Partners to promote and demonstrate the impact of their work.

5. Skills and qualifications

Qualifications:

- Master degree in a relevant field.

General Professional Experience:

- At least 5 years of professional working experience related to evaluation of development programs

Specific Skills:

- Knowledge and understanding of private sector development, especially start-ups and SMEs
- Extensive knowledge of DAC guidelines in development evaluation
- Expertise in economic development and economic inclusion, including on gender and youth

issues

- French and English language proficiency mandatory

6. Roles and responsibilities of the Evaluator

The international evaluator will manage the external evaluation of Souk At-tanmia, in coordination with a local expert and under the oversight of the evaluation steering committee. Specific tasks and responsibilities:

- To design and deliver max 5 days of training in Evaluation Methodologies (focused on DAC guidelines) in collaboration with British Council targeted to a group of local evaluators
- To design the curricula, exercises and materials for the trainings
- Overall coordination of the evaluation including organization of interviews with key stakeholders and beneficiaries
- To work in close collaboration with the local evaluator
- To deliver together with the local evaluator the outputs required (as specified in the TOR)

7. **Logistics, timing and procedures**

AfDB will be able to provide contact details for beneficiaries and will be able to grant access to partners for interviews.

The evaluators will be in charge of organizing their travel*. Members of the evaluation working group and AfDB/British Council may join the field mission*

The local will work under the overall guidance of the international expert.

- The intended commencement date and finishing of this contract is December 2103.
- The expert will be required to bring his/her own computers/lap tops.
- The expert will ensure that each of the trainees have his/her own training materials.
- The location of the assignment will be in Tunis with field missions in the country

8. **Outputs**

Inception report

Draft evaluation report

Final evaluation report

Annex 3: Questionnaire partner survey

PREAMBULE

Le présent document est un outil destiné au département juridique de la Banque Africaine de Développement ainsi qu'au comité de pilotage et au secrétariat du partenariat Souk At-tanmia afin d'évaluer le montage juridique qui a sous-tendu la première phase du partenariat (2012-2014) et d'apporter un appui à l'identification de la solution juridique adéquate pour les futurs projets de partenariat du même type en sériant l'ensemble des points et des questions suscités par ce montage. Les informations obtenues seront aussi utilisés dans le cadre de l'évaluation finale de la première édition de Souk At-tanmia.

Il est primordial que toutes les questions soient examinées par chaque partenaire et que les explications et précisions soient formulées dans les champs demandés.

Si le signataire est différent de la personne qui a été chargée de la mise en œuvre opérationnelle du partenariat pour votre institution, il serait souhaitable que la personne en charge du partenariat pour votre organisation puisse incorporer l'avis de votre département juridique dans les réponses données.

SOMMAIRE

FICHE 1. Cercle des partenaires

FICHE 2. Principes régissant le partenariat

FICHE 3. Gouvernance

FICHE 4. Propriété intellectuelle et communication

FICHE 5. Reporting & Evaluation

FICHE 6. Conclusions et orientations futures

FICHE 7. Interlocuteurs

FICHE 1. LE CERCLE DES PARTENAIRES

1.1 Votre institution, est-elle une :

☐ institution publique
☐ organisation internationale
☐ société privée
☐ organisation de la société civile
☐ Autre, préciser _____

1.2 Quelle a été votre participation dans le partenariat ?
☐ Contribution financière sous forme de don
☐ Co-financement des bénéficiaires
☐ Contribution sur le plan technique (coaching, formation, etc.)
☐ Contribution sur le plan communication
☐ Participation dans les instances (comité de sélection, comité de pilotage) ou aux groupes de travail (communication, évaluation)

1.3 Depuis quel stade du projet avez-vous été impliqués dans le projet ?
☐ Identification de l'idée du projet (avant Juillet 2011)
☐ Développement de la note conceptuelle (Aout 2011- Juillet 2012)
☐ Phase d'exécution du projet (Juillet 2012 - 2013)

1.4 Avez-vous déjà été impliqués dans un partenariat semblable dans le cadre de la gestion d'un autre projet en Tunisie?
☐ oui
☐ non

Si oui, lequel ?_____

1.5 Vous êtes-vous senti suffisamment impliqués dans le choix du montage juridique ?
☐ oui
☐ non

Précisez: _____

1.6 La diversité des partenaires a-t-elle représenté des défis pour votre organisation ou pour le projet?
☐ non
☐ oui, parce que : _____

FICHE 2 . Principes régissant le partenariat

Avant de définir le dispositif juridique du partenariat, nous avons tenu compte de ses environnements économique, politique et social (contexte de la Tunisie post révolutionnaire, des attentes de la jeunesse, de l'objet de l'Initiative). La participation d'entités du secteur privé et de la société civile fut également prise en compte.

Principes généraux

2.1 Vous semblait-il important de poser les principes d'équité, de transparence, de consensus et de partage des risques dans le préambule de l'accord ?

☐ oui

☐ non

Précisez : _____

2.2 Ces principes ont-ils présenté des contraintes pour votre organisation ?

☐ oui

☐ non

Précisez : _____

2.3 Vous êtes-vous sentis en position d'égalité avec les autres partenaires ?

☐ oui

☐ non, parce que : _____

Conditions d'adhésion

2.4 Les conditions de participation ou d'adhésion des entités du secteur privé ou de la société civile à Souk At-tanmia (conformément aux Orientations de la Banque africaine pour le partenariat avec le secteur privé et la société civile dans le cadre de l'initiative Souk at-tanmia, annexe 1) ont-elles étés adéquates ?
☐ oui
☐ non

Précisez : _____

2.5 Les conditions d'adhésion d'un partenaire vous semblent-elles adaptées (article 3 de la convention de partenariat) ?
☐ oui
☐ non

Précisez : _____

2.6 Selon vous, est-ce que l'accord de partenariat devrait spécifier plus concrètement une contribution minimum pour être partenaire officiel de Souk At-tanmia ?

☐ oui
☐ non

2.7 Veuillez expliquer votre choix.

_____

2.8 L'accord est-il suffisamment flexible et permet-il d'accueillir de nouveaux partenaires après son démarrage ?

☐ oui
☐ non

Précisez : _____

2.9 Les conditions de retrait ou d'exclusion d'un partenaire vous semblent-elles adaptées ?

☐ oui
☐ non

Précisez : _____

2.10 La durée du partenariat est calée sur la durée de la phase pilote (article 9.2 de la convention de partenariat). Une telle durée vous semble-t-elle adaptée ?

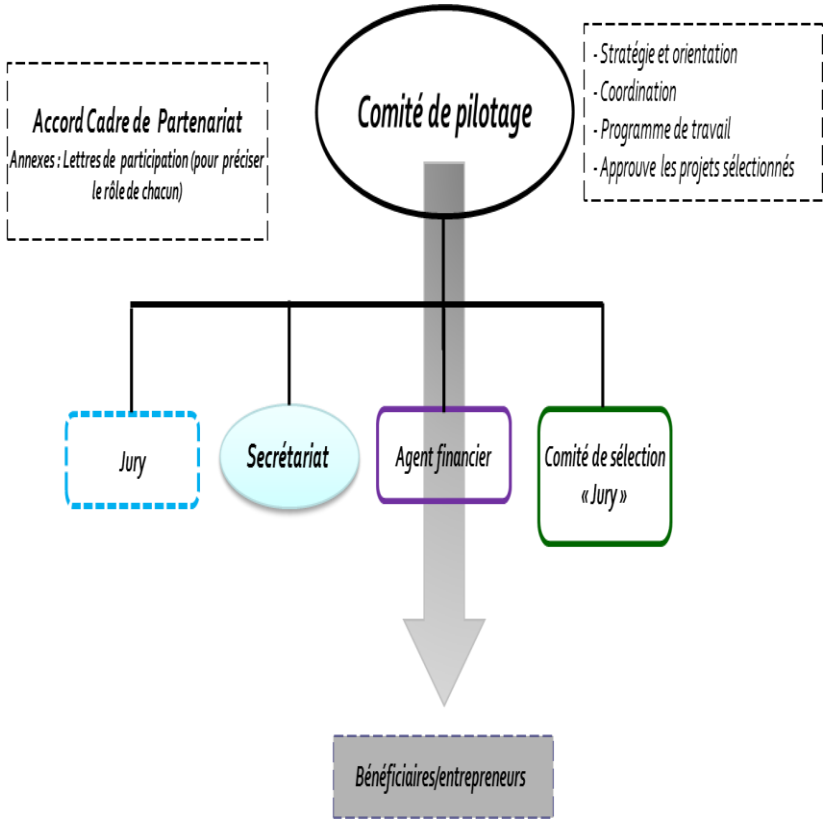
☐ oui
☐ non

Précisez : _____

FICHE 3. LA GOUVERNANCE

Un projet tel que cette Initiative se doit d'être conduit le plus efficacement possible, sans frein inutile dans la prise de décision, tout en tenant compte de l'implication respective des partenaires dans le projet et leur droit à participation à la décision. L'option retenue pour le partenariat Souk at-tanmia était celle du pouvoir décisionnel non-proportionnel à l'actionnariat et que chaque partenaire est détenteur à égalité du pouvoir décisionnel.

Schéma du cadre juridique du partenariat Souk at-tanmia :



3.1 Vous êtes-vous senti suffisamment impliqués dans le partenariat ?

☐ oui

☐ non

Précisez : _____

3.2 Le montage juridique retenu vous semble-t-il avoir permis un pilotage optimal du projet qui a respecté l'équilibre entre une gestion efficace et transparente et la consultation nécessaire des partenaires ?

☐ oui

☐ non, parce que : _____

3.3 Le fait que le partenariat n'ait pas la personnalité juridique a-t-il représenté une contrainte selon vous ?

☐ non

☐ oui, parce que : _____

Instance de décision : le comité de pilotage

3.4 Trouvez-vous adapté d'avoir un comité de pilotage qui réunisse l'ensemble des partenaires avec un poids égal indépendamment de leur niveau de contributions?

☐ oui

☐ non, parce que : _____

3.5 Auriez-vous plutôt opté pour un comité de pilotage restreint?

☐ oui

☐ non

Si oui, si oui, quels membres stratégiques devraient être inclus : _____

3.6 Etait-il important pour votre organisation de siéger au comité de pilotage ?

☐ oui

☐ non

Précisez : _____

3.7 Quelles sont vos recommandations concernant le rôle, les pouvoirs, et les modalités de prise de décision du comité de pilotage (modalité des réunions, quorum, décisions par consensus ou majorité, etc.)?

Précisez : _____

Instances d'exécution

3.8 Quel est votre niveau de satisfaction avec la gestion du partenariat par le Secrétariat basé à la Banque Africaine de Développement?

☐ Très satisfait

☐ Plutôt satisfait

☐ Partiellement satisfait

☐ Pas satisfait

Si vous n'êtes pas satisfaits ou seulement partiellement satisfaits, veuillez préciser pourquoi :

_____

3.9 Selon vous, quelles étaient les points forts et les points faibles du Secrétariat ?

Points forts : _____

Points faibles : _____

3.10 Selon vous, la composition du comité de sélection était-elle adaptée ?

☐ oui

☐ non

Précisez : _____

FICHE 4. Propriété intellectuelle – communication

4.1 Etes-vous d'accord avec le principe selon lequel les partenaires s'engagent à laisser libres de tous droits les documents (supports pédagogiques, méthodologiques etc.) qui pourraient être élaborés dans le cadre du partenariat ?

☐ oui

☐ non

Précisez : _____

4.2 Le logo dédié à l'initiative a été conçu et déposé par la Banque en son nom. Les conditions d'utilisation du logo dédié au Souk at-tanmia tel que décrites à l'article 10.1.2 de la convention de partenariat et dans son annexe relative à la Charte de communication vous ont-elles convenu ?

☐ oui

☐ non

Précisez : _____

FICHE 5. « REPORTING »- EVALUATION

5.1 Les mécanismes de contrôle et de *reporting* vous paraissent-ils suffisants et adaptés (article 12 de la convention de partenariat)?

☐ oui

☐ non, parce que : _____

5.2 *Pendant la phase pilote une évaluation de mi-parcours a été faite qui a donné des premières orientations sur la seconde phase. En ce moment (Juin-Novembre 2014), une évaluation finale de la phase pilote est en train d'être conduite*.

Art. « 12.2 Evaluation finale du Partenariat

Dans les six (6) mois qui suivent la clôture de la phase pilote telle que définie ci-avant, le Secrétariat fera effectuer une évaluation externe du Partenariat selon les règles et procédures du Partenaire qui héberge ledit Secrétariat. L'évaluation finale portera essentiellement sur les résultats obtenus, l'efficience et l'efficacité de la mise en œuvre, la qualité de l'administration financière et du suivi technique des projets du Partenariat. Les frais et coûts de cette évaluation seront imputés sur le compte du budget du Secrétariat. Sur la base de cette évaluation finale, les Partenaires se concerteront en vue de décider s'ils entendent poursuivre ledit Partenariat dans le cadre d'une nouvelle phase. Si les Partenaires décident de renouveller le Partenariat, ils devront déposer de nouvelles lettres de participation définissant leur contribution pour la nouvelle phase ».

Avez-vous des commentaires à faire à propos de cette disposition pour des évaluations futures?

☐ Oui

☐ Non

Précisez : _____

5.3 Les conditions pour passer à la seconde phase vous paraissent-elles suffisament satisfaites ?
☐ Oui

☐ Non

Précisez : _____

FICHE 6. CONCLUSIONS ET ORIENTATIONS FUTURES

6.1 Quelles sont, à votre avis, les principales forces et les lacunes que présente le dispositif juridique actuel?

Forces : _____

Lacunes : _____

6.2 De manière générale, vous êtes-vous senti suffisamment impliqués dans les décisions et activités du partenariat?

☐ Oui
☐ Non

Précisez: _____

6.3 Votre institution a-t-elle décidé de continuer comme membre du partenariat pendant la deuxième phase de Souk At-tanmia à partir de 2014 ?

☐ Oui
☐ Non

Précisez les raisons : _____

6.4 Selon vous, est-ce que la Banque Africaine de Développement est l'institution la mieux placée pour jouer le rôle de Secrétariat de Souk-At tanmia dans les années à venir ?

☐ Oui
☐ Non

6.5 Veuillez préciser les raisons pour ce choix: _____

6.6 Quel montage juridique proposez-vous pour gérer une telle initiative dans l'avenir (et pérenniser l'initiative)?

☐ Le montage juridique actuel
☐ Un Memorandum of Understanding non contraignant (non binding)
☐ Un programme dans une ONG existante
☐ Créer une nouvelle ONG indépendante
☐ Structure d'investissement type holding, société d'investissement en capital à risque (SICAR) ou fonds communs de placement à risque (FCPR)
☐ Autre (précisez) : _____

6.7 Veuillez préciser les raisons pour ce choix: _____

6.8 Si vous avez d'autres commentaires ou recommandations par rapport à la gestion et gouvernance du partenariat, merci de les préciser ci-après.

_____

FICHE 7. INTERLOCUTEURS

7.1 Quel est le nom de votre institution ?

7.2 Interlocuteurs du partenariat au sein de votre organisation

	Nom	Titre
D'un point de vue technique ?		
D'un pont de vue stratégique ?		
D'un point de vue financier et administratif ?		

7.3 Informations sur la personne qui a rempli le questionnaire :

Prénom et nom :

Titre :

Adresse email :

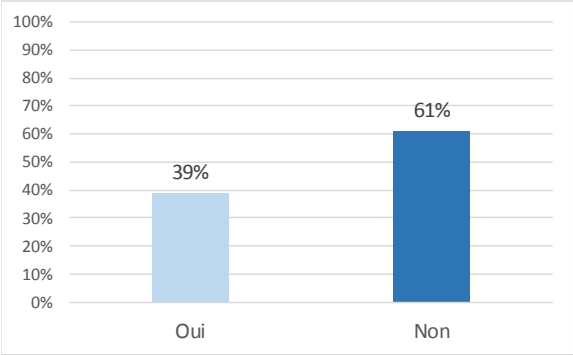
Téléphone :

Nous vous remercions d'avoir pris le temps de remplir ce questionnaire. Nous serons en contact avec vous prochainement pour accorder un entretien personnel afin d'approfondir la discussion par rapport à vos expériences et suggestions liés au fonctionnement du partenariat Souk At-tanmia. A très bientôt.

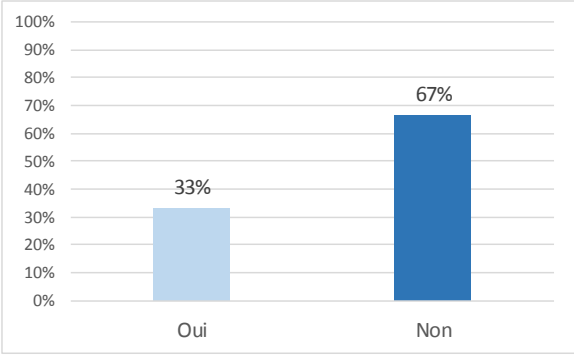
Annex 4 : Results of the legal partner survey

1) Cercle des partenaires

1.4 Avez-vous déjà été impliqués dans un partenariat semblable dans le cadre de la gestion d'un autre projet en Tunisie?

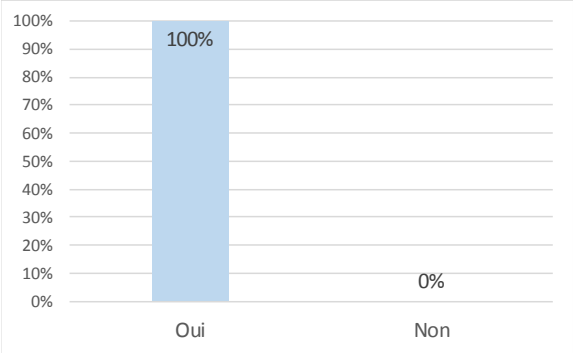


1.5 La diversité des partenaires a-t-elle représenté des défis pour votre organisation ou pour le projet?

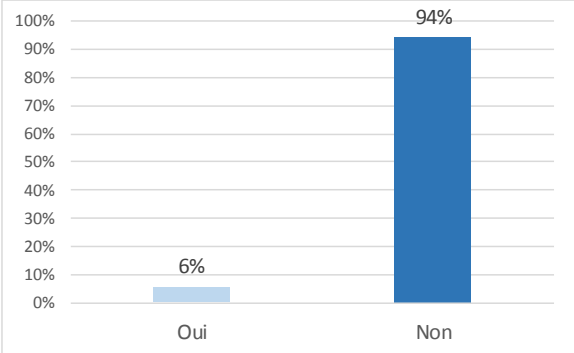


2) Principes régissant le partenariat

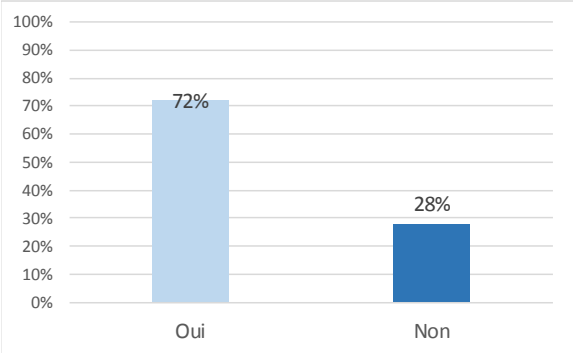
2.1 Vous semblait-il important de poser les principes d'équité, de transparence, de consensus et de partage des risques dans le préambule de l'accord ?



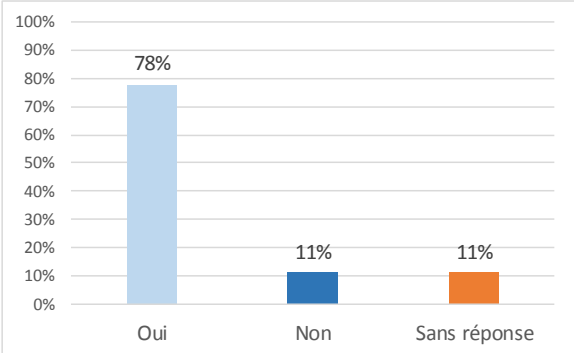
2.2 Ces principes ont-ils présenté des contraintes pour votre organisation ?



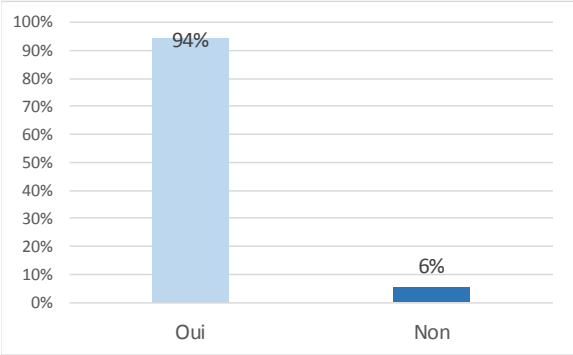
2.3 Vous êtes-vous sentis en position d'égalité avec les autres partenaires ?



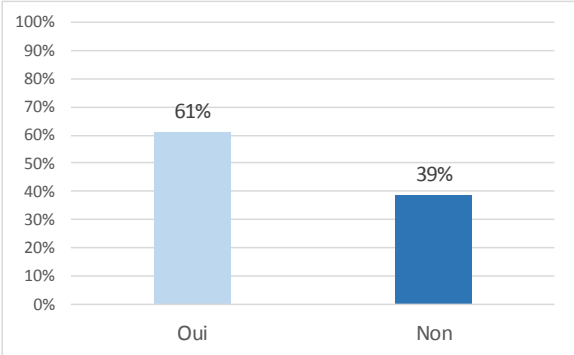
2.4 Les conditions de participation ou d'adhésion des entités du secteur privé ou de la société civile à Souk At-tanmia ont-elles étés adéquates ?



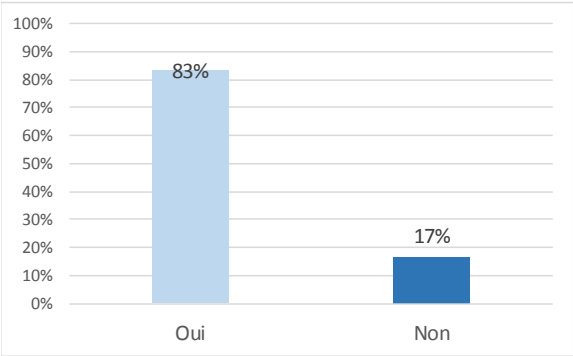
2.5 Les conditions d'adhésion d'un partenaire vous semblent-elles adaptées (article 3 de la convention de partenariat) ?



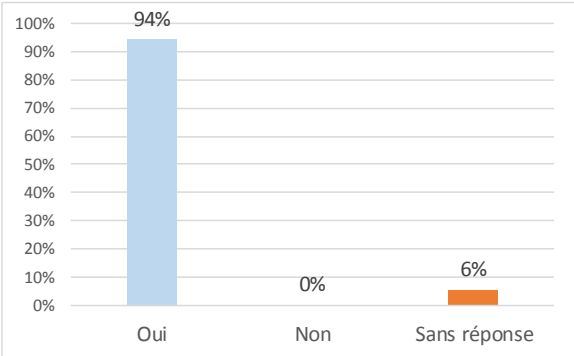
2.6 Selon vous, est-ce que l'accord de partenariat devrait spécifier plus concrètement une contribution minimum pour être partenaire officiel de Souk At-tanmia ?



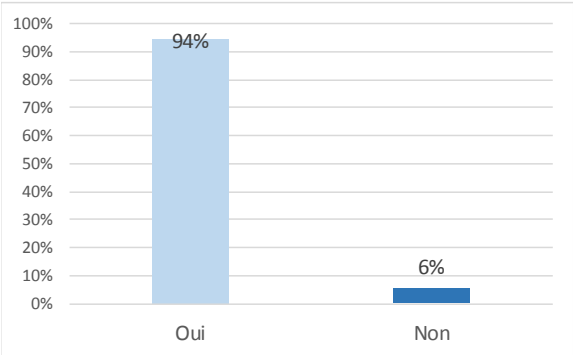
2.8 L'accord est-il suffisamment flexible et permet-il d'accueillir de nouveaux partenaires après son démarrage ?



2.9 Les conditions de retrait ou d'exclusion d'un partenaire vous semblent-elles adaptées ?

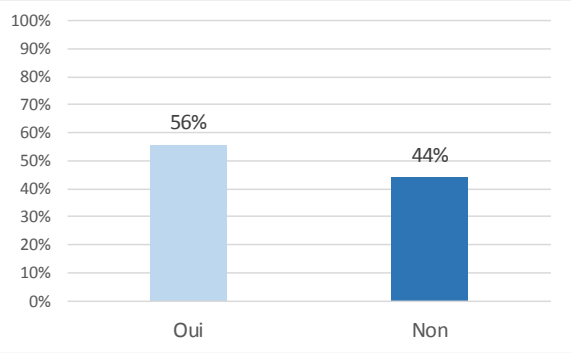


2.10 La durée du partenariat est calée sur la durée de la phase pilote (article 9.2 de la convention de partenariat). Une telle durée vous semble-t-elle adaptée ?

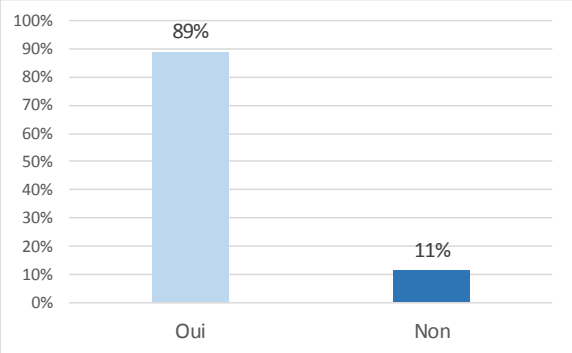


3) Gouvernance

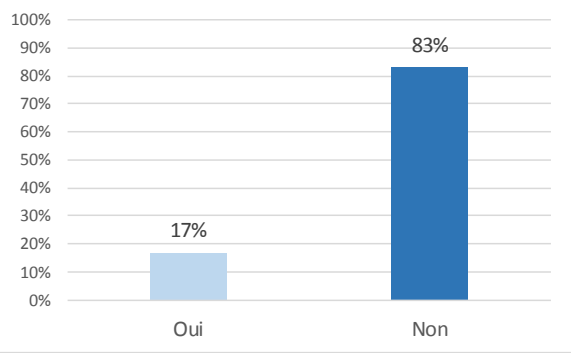
3.1 Vous êtes-vous senti suffisamment impliqués dans le choix du montage juridique?



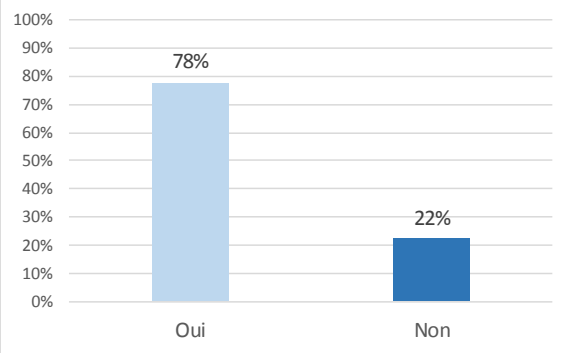
3.2 Le montage juridique retenu vous semble-t-il avoir permis un pilotage optimal du projet qui a respecté l'équilibre entre une gestion efficace et transparente et la consultation nécessaire des partenaires ?



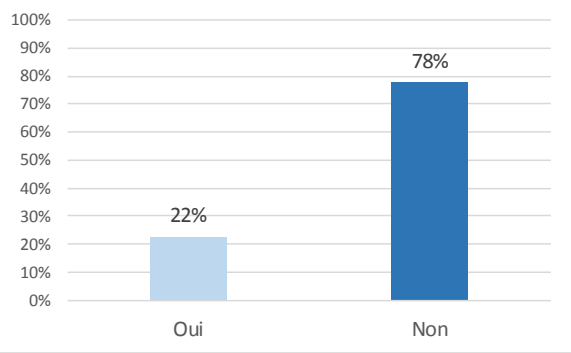
3.3 Le fait que le partenariat n'ait pas la personnalité juridique a-t-il représenté une contrainte selon vous ?



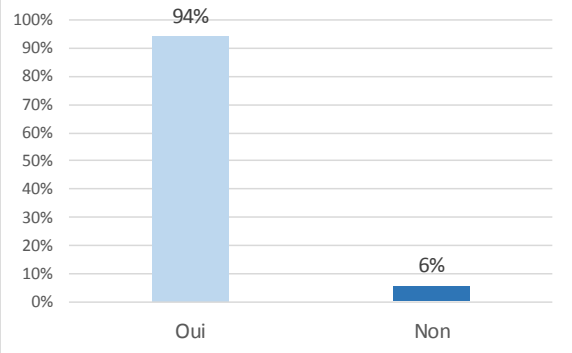
3.4 Trouvez-vous adapté d'avoir un comité de pilotage qui réunisse l'ensemble des partenaires avec un poids égal indépendamment de leur niveau de contributions?



3.5 Auriez-vous plutôt opté pour un comité de pilotage restreint ?



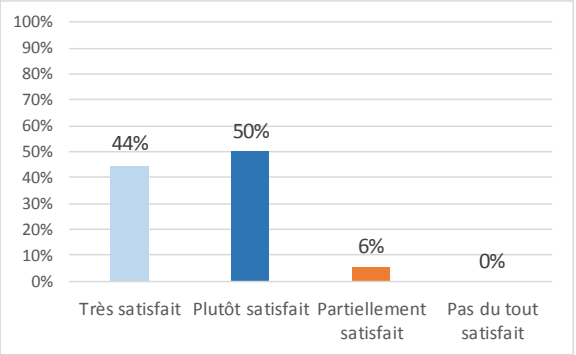
3.6 Etait-il important pour votre organisation de siéger au comité de pilotage ?



3.7 Quelles sont vos recommandations concernant le rôle, les pouvoirs, et les modalités de prise de décision du comité de pilotage ?

- Décisions par majorité (4)
- Décisions par consensus (2), cela prendra plus de temps mais garantira la satisfaction des partenaires.
- Tenir les réunions lors des décisions importantes au long du programme (2)
- Réunions mensuelles (2)
- Une réunion chaque trimestre
- Limiter le nombre des réunions et leur durée
- Prise de décisions stratégiques par le comité de pilotage; prise de décisions opérationnelles confiée à un comité élu plus restreint
- Pouvoir prendre des décisions stratégiques en sollicitant les avis d'autres partenaires qui ne figurent pas dans le comité.
- Comité de pilotage plus restreint
- Un e-mailing continue pour informer les partenaires quant à l'avancement des activités entre réunions stratégiques
- Un plus grand usage des moyens électroniques
- Garantir un minimum de présents pour la tenue des réunions
- Plus de transparence

3.8 Quel est votre niveau de satisfaction avec la gestion du partenariat par le Secrétariat basé à la Banque Africaine de Développement?

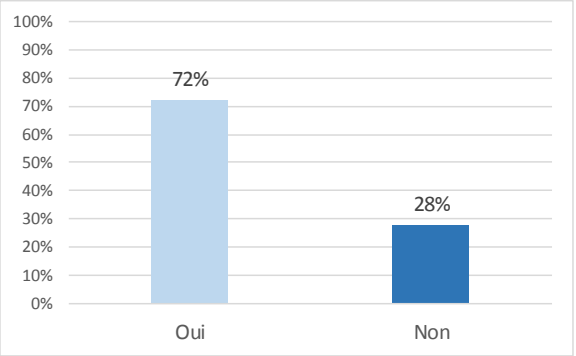


3.9 Selon vous, quelles étaient les points forts et les points faibles du Secrétariat ?

Points Forts
- Engagement et dévouement (6)
- Professionnalisme (6)
- Bonne gestion, organisation, leadership (6)
- Disponibilité et Réactivité (6)
- Communication (3)
- Suivi rapproché (3)
- Compétences (3)
- Transparence (2)
- Participatif et inclusif (2)
- Efficacité (2)
- Equipe dédiée, à plein temps (2)
- Crédibilité (2)
- Bon réseautage; Relationnel exceptionnel; Equipe soudée; Dynamisme; Efficience

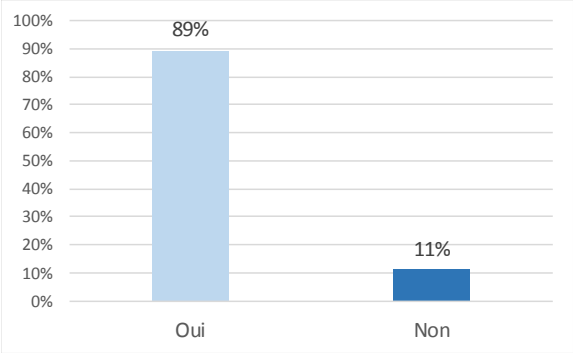
Points faibles
- Changements dans l'équipe (2)
- Lourdeur administrative de la BAD (2)
- Manque de communication entre comités de pilotages, updates limités (2)
- Gestion des réunions du comité
- Absence de moyens financiers (pour d'agir plus efficacement)
- Manque de vision sur la pérennité
- Calendrier long
- Logistique
- Organisation et fédération des partenaires
- Porosité aux interférences politiques
- Lourdeur dans la réaction des fois
- Communication sur réunions
- Suivi de l'accompagnement

3.10 Selon vous, la composition du comité de sélection était-elle adaptée ?

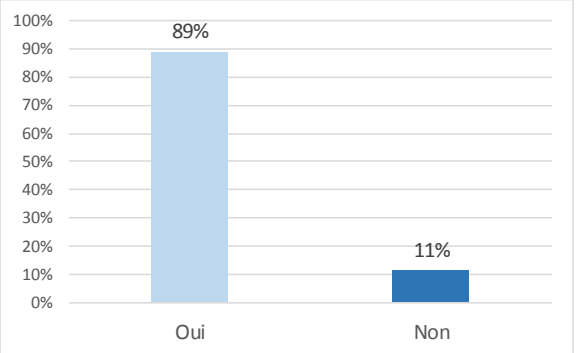


4) Propriété intellectuelle et communication

4.1 Etes-vous d'accord avec le principe selon lequel les partenaires s'engagent à laisser libres de tous droits les documents (supports pédagogiques, méthodologiques etc.) qui pourraient être élaborés dans le cadre du partenariat ?

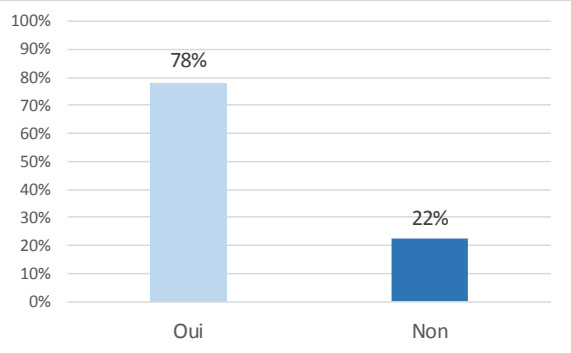


4.2 Les conditions d'utilisation du logo dédié au Souk at-tanmia tel que décrites à l'article 10.1.2 de la convention de partenariat et dans son annexe relative à la Charte de communication vous ont-elles convenu ?

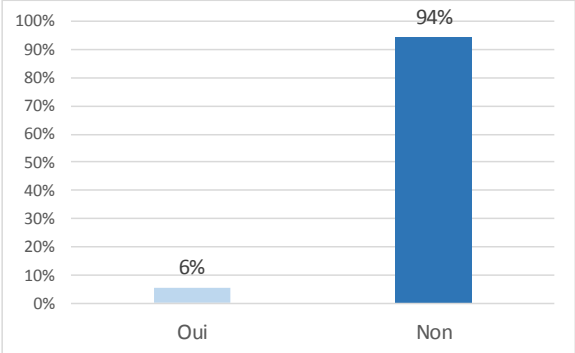


5) Reporting & Evaluation

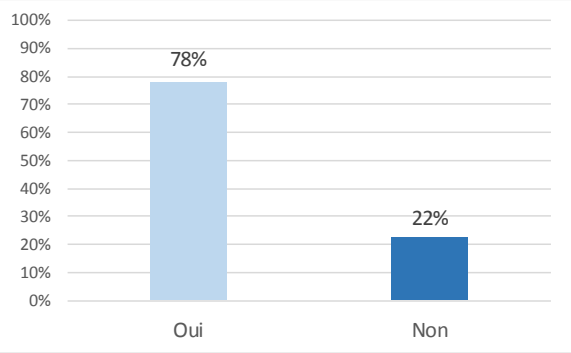
5.1 Les mécanismes de contrôle et de reporting vous paraissent-ils suffisants et adaptés (article 12 de la convention de partenariat)?



5.2 Avez-vous des commentaires à faire à propos de cette disposition pour des évaluations futures ?



5.3 Les conditions pour passer à la seconde phase vous paraissent-elles suffisament satisfaites ?



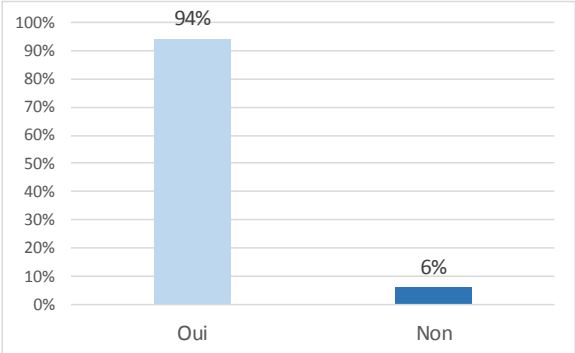
6) Conclusions et orientations futures

6.1 Quelles sont, à votre avis, les principales forces et les lacunes que présente le dispositif juridique actuel?

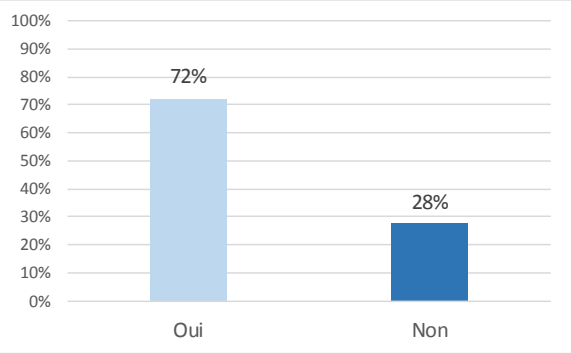
Forces
- Flexibilité (4)
- Rigueur, robustesse (2)
- Tout est régi par l'accord de partenariat (2)
- Souplesse des termes de l'accord de partenariat
- Simple, claire, format standard
- Avoir une seule institution financière qui gère les fonds
- Professionalisme des personnes en charge
- Concertation de tout les membres à chaque étape

Lacunes
- Pérennité (2)
- Absence de personnalité juridique pour le Partenariat (2)
- En cas de fraude de la part des candidats (pas suffisamment prevu)
- Le Partenariat (donataire) n'est pas signataire de l'accord de don
- Lourdeure administrative necessaire pour le deblocage des fonds
- Lenteur dans la prise de decisions
- Manque de détail pour certains procédés de décisions/ fonctionnement
- Le contrat parapluie des Nations Unies ne précise par la date de début et de fin (contrainte pour l'audit)

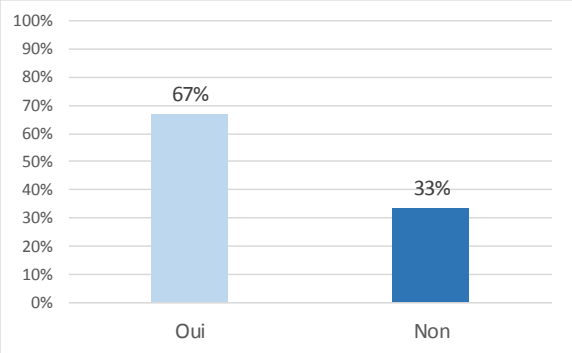
6.2 De manière générale, vous êtes-vous senti suffisamment impliqués dans les décisions et activités du partenariat?



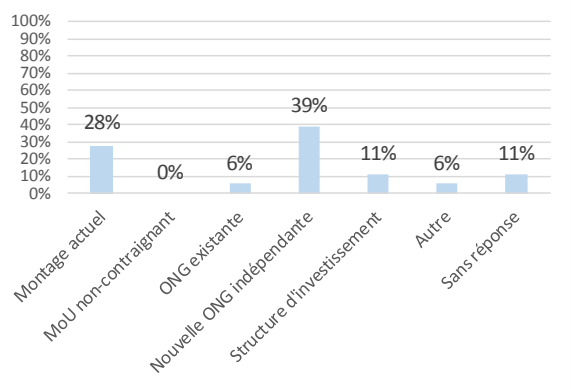
6.3 Votre institution a-t-elle décidé de continuer comme membre du partenariat pendant la deuxième phase de Souk At-tanmia à partir de 2014 ?



6.4 Selon vous, est-ce que la Banque Africaine de Développement est l'institution la mieux placée pour jouer le rôle de Secrétariat de Souk-At tanmia dans les années à venir ?



6.6 Quel montage juridique proposez-vous pour gérer une telle initiative dans l'avenir (et pérenniser l'initiative) ?



Annex 5: Questionnaire for beneficiaries and comparison group

Souk At-Tanmia
1ère édition
Questionnaire final
Candidats (Bénéficiaires et groupe de comparaison)

Date (jour, mois): |___|___| |___|___| 2014

Enquêteur : _____

Heure de début de l'entretien : _____

Informations personnelles

A remplir par l'enquêteur

#	Question	Réponse/Code
	Nom du projet :	
	Nom et prénom du promoteur (répondant)	
	Genre	Homme Femme
	Ville/Délégation du projet:	
	Le répondant, est-il un :	Lauréat gagnant – bénéficiaire Lauréat gagnant – abandonné ou exclu Lauréat non-gagnant (Groupe de comparaison)

Bonjour Mr/Mme _____. Merci beaucoup de nous recevoir. Comme mentionné au téléphone [par email], je m'appelle _____ et je suis un consultant indépendant mandaté par le Banque Africaine de Développement pour analyser la structure et résultats de la première initiative de souk at-tanmia. Cette analyse permettra de tirer des leçons pour améliorer les prochaines éditions de Souk At-tanmia. Notre objectif est de mieux comprendre l'expérience des candidats pendant et après leur participation l'initiative pour formuler les bons conseils et pouvoir améliorer l'impact de ce dernier. Bien évidemment toutes les informations recueillies seront traitées de manière confidentielle et seulement utilisées de manière agrégée avec toutes les autres réponses; donc merci de nous répondre en toute sincérité.

1 - Situation de base au moment de la candidature

Je voudrais commencer par vous poser quelques questions sur votre situation au moment de votre candidature en juillet 2012.

#	Question	Réponse/Code
	Au moment de postuler au Souk, est-ce que vous avez postulé pour créer une nouvelle entreprise ou développer une activité existante ?	Création d'entreprise Extension d'entreprise existante
	Est-ce que vous avez postulé en tant que :	*Lire les réponses* Individu Equipe Entreprise existante Association
	Quelle était votre situation professionnelle en Juillet 2012 lorsque vous avez postulé au Souk ?	Chef d'entreprise avec des employés (employeur) Travail pour propre compte Salarié En activité occasionnelle Travail pour la famille sans rémunération (aide familial) Etudiant Ni travail ni études, et à la recherche d'un emploi Ni travail ni études, pas à la recherche d'un emploi
	Au moment de postuler, combien d'années d'expérience professionnelle avez-vous eu?	
	Comment est née votre idée de projet?	Pendant les études Pendant une expérience en tant que salarié Pendant projet d'entreprise antérieur Idée d'un ami/membre de la famille Projet d'association Autre : _____
	Est-ce que vous aviez reçu une forme d'appui à l'entreprenariat avant de postuler au Souk (p.ex. une formation, un appui financier, etc.), que ce soit par une ONG, le gouvernement, ou autre?	Non Oui, Formation Oui, Appui financier (don ou crédit) Oui, Coaching/mentoring Oui, Autre : _____
	Veuillez préciser par quelle institution ou entité.	
	Au moment de postuler, est-ce que vous aviez bénéficié d'un crédit bancaire auparavant, que ce soit un crédit personnel ou d'entreprise ?	Non, aucun Crédit personnel Crédit entreprise Crédit personnel et entreprise

	Et est-ce que vous avez déjà eu un compte bancaire avant de postuler au Souk (Banque ou poste)?	Non, aucun compte Compte personnel Compte entreprise Compte personnel et entreprise
	Création Vous dites qu'il s'agissait d'un projet de création…	
	Quelle était votre motivation principale pour vouloir lancer votre propre projet? Est-ce que vous vouliez lancer votre projet surtout par manque d'autres options d'emploi ou pour poursuivre une opportunité d'entreprise?	Manque de trouver un emploi (salarié) Plus d'indépendance Flexibilité des horaires Potentialités d'augmenter ses revenues Suivre l'expérience des parents Motivé par le don Autre : _____
	Est-ce que c'était votre première tentative de monter un projet d'entreprise ?	Oui Non
	Si non, qu'est ce qui est arrivé à votre projet précédent ?	
	Extension Vous dites qu'il s'agissait d'un projet d'extension…	
	En quelle année l'entreprise a-t-elle été créée?	_____
	Au moment de postuler au Souk, à part vous, combien de personnes payées travaillaient dans l'entreprise?	_____ personnes
	Parmi eux, combien étaient :	a) Associé[101]/Propriétaire :____ b) Employé à temps plein : ____ c) Employé à temps partiel : ____ d) Journalier : ____ e) Apprenti/stagiaire : ____ f) Femmes : ____ g) Jeunes (18-29) : ____ h) Membres de la famille : ____ i) Diplômé BTS ou universitaire : ___
	Si vous permettez, quel était votre chiffre d'affaires mensuel (en moyenne) à l'époque de postuler au Souk (approximatif)?	TND _____
	Est-ce que l'entreprise était inscrite au Registre du Commerce?	Oui Non

2 - Situation professionnelle / de l'entreprise aujourd'hui

Maintenant je voudrais parler un peu de votre situation professionnelle aujourd'hui.

#	Question	Réponse/Code

[101] Quelqu'un qui détient une partie de l'entreprise et avec qui vous partagez les profits

	Quelle est votre situation professionnelle <u>principale</u> aujourd'hui ?	Chef d'entreprise avec des employés (employeur) Travail pour propre compte Salarié En activité occasionnelle Travail pour la famille sans rémunération (aide familial) Etudiant Ni travail ni études, et à la recherche d'un emploi Ni travail ni études, pas à la recherche d'un emploi
	[Si travail ou études] A part votre situation en tant que [_____], est-ce que vous exercez d'autres activités professionnelles ou commerciales ?	Oui Non
	[Si travail ou études] Si oui, lesquelles?	a) …….. b) …….. c) ……..
	[Si projet d'entreprise] Est-ce que vous gérez toujours le même projet initiée/agrandite avec l'aide de Souk At-Tanmia ?	Oui Non
	[Si a projet d'entreprise] Est-ce que votre projet (l'extension en cas d'entreprise existante) est déjà en opération, c'est-à-dire vous avez commencé la production ou la vente ?	Oui Non
	Projets en opération	
	Quand est-ce que vous avez commencé la production (mois/année)?	|__|__| / |__|__|
	Quelle est la date de réalisation de votre première commande par un client (mois/année)?	|__|__| / |__|__|
	Est-ce que l'entreprise est inscrite au Registre du Commerce?	Oui Non
	Est-ce que vous avez un numéro de patente ?	Oui Non
	En moyenne, combien d'heures par semaine travaillez-vous dans l'entreprise (p.ex. la semaine dernière)?	Moins de 10 heures 10-20 heures 20-30 heures 30-40 heures 40 heures ou plus
	Quel type de gestion financière est-ce que vous utilisez ?	Aucun Par mémoire Cahier et reçus Ordinateur Responsable comptabilité Agence spécialisée Autre : _____

	Au jour d'aujourd'hui, à part vous, combien de personnes payées travaillent dans l'entreprise?	_____ personnes
	Parmi eux, combien sont […]:	*Lire les réponses.* a) Associé/Propriétaire : ____ b) Employé à temps plein : ____ c) Employé à temps partiel : ____ d) Journalier : ____ e) Apprenti/stagiaire : ____ f) Femmes : ____ g) Jeunes (18-29) : ____ h) Membres de la famille : ____ i) Diplômé BTS ou universitaire : ___
	En dehors du salaire, parmi vos [___] employés, combien ont/reçoivent :	*Marquer toutes les réponses valables.* a) Contrat écrit : ____ b) Sécurité sociale : ____ c) Assurance maladie (CNAM ou autre) : ____
	Parmi vos employés à plein temps, en termes de salaire, combien reçoivent	a) Exactement le SMIG/SMAG b) Moins que le SMIG/SMAG c) Plus que le SMIG/SMAG
	Combien d'argent est-ce que vous avez dépensé en salaires le mois dernier (sans compter les charges comme la Sécurité Sociale etc.)?	TND _____
	[Si projet a diminué en personnel depuis son maximum] Quel était le nombre d'emplois temporaires (min. 6 mois) au-delà du personnel actuel ?	
	A votre avis, est-ce que votre projet a permis de créer des emplois chez vos fournisseurs ou clients ?	Oui Non Je ne sais pas
	Combien ? (et type)	_____
	En moyenne, quel est votre niveau de couts mensuels au total (personnel et loyer, électricité, achat de matières premières, etc.) ?	TND _____
	Si vous permettez, quel était votre niveau de chiffre d'affaires mensuel le mois dernier ?	TND _____
	Quel est votre niveau de chiffre d'affaires mensuel en moyenne les 6 derniers mois?	TND _____
	En moyenne, après toutes dépenses (loyer, électricité, achat de matières premières, personnel, etc.), quel est votre profit/perte mensuel(le) ?	TND _____
	Quand vous pensez à vos clients, quelle proportion d'entre eux vit au sein de votre gouvernorat ?	Plus que 90% 75-90% 50-74% 25-49%

		Moins de 25% n/a
	Comment jugez-vous les perspectives de votre entreprise dans les 2 années à venir ?	Mauvaise (contraction) Stable Plutôt bonne (expansion modeste) Très bonne (forte expansion) Ne sait pas
	Pourquoi ?	
	Dans les 12 mois qui viennent, est-ce que vous anticipez que votre effectif de personnel va diminuer, rester stable, ou augmenter ?	Diminuer Rester stable Augmenter
	A moyen et long terme, est-ce que vous avez des intentions d'expansion (p.ex. ouvrir un nouveau magasin, recruter plus de personnel, etc.) ou est-ce que vous êtes satisfait avec la taille de votre entreprise aujourd'hui ?	Expansion Pas d'expansion
	Projet/entreprise pas encore démarré	
	Quelles sont les raisons pour les délais de démarrage ?	Délais de banque Besoin de fonds supplémentaires Procédures administratives Problèmes personnelles/de famille Etudiant pas encore diplômé Autres responsabilités Manque de motivation Autre : _____
	Quand est-ce que vous anticipez le démarrage du projet/de l'entreprise, c'est-à-dire la première commande d'un client?	|__|__| / |__|__|
	En moyenne, combien d'heures par semaine consacrez-vous au montage du projet (p.ex. la semaine dernière)?	Moins de 10 heures 10-20 heures 20-30 heures 30-40 heures 40 heures ou plus
	Quel est votre revenu personnel par mois actuellement (toutes sources confondues)?	TND _____
	Clôture de l'entreprise	
	Quand est-ce que vous avez arrêté à gérer l'entreprise (mois, année)?	|__|__| / |__|__|
	Pour quelle raison avez-vous arrêté l'activité ?	Une opportunité pour vendre l'entreprise Manque de profitabilité Problèmes d'accéder à des financements

		Un autre emploi salarié Une autre opportunité d'entreprise Retraite Raisons personnelles Un incident Autre : _____
	Quel est votre revenu personnel par mois aujourd'hui ?	TND _____
	Groupe de comparaison (si pas porteur de projet)	
	En moyenne, combien d'heures travaillez-vous par semaine dans votre/vos poste(s) actuel(s) (p.ex. la semaine dernière)?	Moins de 10 heures 10-20 heures 20-30 heures 30-40 heures 40 heures ou plus
	Si vous permettez, quel est votre revenu personnel par mois aujourd'hui ?	TND _____

3 - Candidature et formation

Merci beaucoup de partager toutes ces informations avec nous. Maintenant je voudrais parler de vos expériences par rapport à la soumission de votre candidature au Souk.

#	Question	Réponse/Code
	Comment aviez-vous entendu parler de l'initiative Souk At-tanmia ?	Radio Journal/Presse Facebook Internet SMS Famille/Amis/Collègues Session d'informations Prospectus/Flyer Autre : _____
	Avez-vous participé à une session de présentation dans votre région ?	Oui Non
	La première étape était de soumettre votre candidature en ligne. Est-ce que cette étape était facile ou compliquée ?	Facile Compliqué
	Si compliqué, quelles étaient les obstacles principaux ?	Connexion internet Langue française Formulaire trop long Questions pas claires Délais trop court Autre : _____
	Ensuite vous avez été invité à une formation de trois jours. A quel point est-ce que vous étiez satisfait avec le contenu de cette formation par rapport à l'utilité pour développer votre projet ?	Très satisfait Satisfait Ni satisfait, ni insatisfait Pas satisfait Pas du tout satisfait
	Quel a été le sujet de la formation le plus important pour vous ?	

	La durée de la formation de trois jours était :	Insuffisante Suffisante/Approprié Trop longue
	Quels étaient les sujets qui n'ont pas été (suffisamment) abordés pendant la formation mais qui auraient pu vous être utiles?	

4 - Coaching *[s'applique seulement aux bénéficiaires non-exclus/abandonnés]*

Après que votre dossier final ait été accepté, l'initiative Souk At-tanmia a mis à disposition un coach pour accompagner votre projet. Je voudrais donc vous poser quelques questions par rapport à votre expérience avec le coach.

#	Question	Réponse/Code
	Rappelez-moi, qui était votre coach?	
	Quand est-ce que vous avez eu le premier contact avec votre coach ?	|__|__| / |__|__|
	Quand est-ce que l'accompagnement s'est terminé ?	|__|__| / |__|__|
	Est-ce que vous êtes toujours en contact avec votre coach occasionnellement ?	Oui Non
	En moyenne, à quelle fréquence avez-vous communiqué avec votre coach ?	Moins d'une fois par mois 1 fois par mois 1 fois toutes les deux semaines Au moins 1 fois par semaine
	La majorité de la communication était	En personne Par téléphone Par Email/chat Autre : _____
	Est-ce que vous avez rencontré votre coach en personne au moins une fois ?	Oui Non
	De manière générale, quel était votre niveau de satisfaction avec votre coach?	Très satisfait Satisfait Ni satisfait, ni insatisfait Pas satisfait Pas du tout satisfait
	En quoi est-ce que le coach vous a été le plus utile ?	Déblocage du don Préparation du plan d'affaires Appui administratif (banque, agences étatiques, etc.) Apport technique (lié au métier) Appui psychologique (ou rôle stimulateur) Contacts/Réseaux Stratégie de l'entreprise Gestion de l'entreprise Autre : _____
	Selon vous, quelles sont les caractéristiques les plus importantes d'un bon coach (max. 3)?	Proximité géographique Disponibilité régulière

		Forte expérience professionnelle Expérience entrepreneuriale Expertise dans le même secteur d'activité Du même sexe Autre : _____
	Quelles seraient vos recommandations pour rendre le coaching plus utile au porteur?	
	Au-delà de votre coach vous étiez aussi en contact avec l'équipe de Souk At-tanmia de la Banque Africaine de Développement (Mr. Bahri etc). Quel est votre niveau de satisfaction par rapport à la qualité de l'interaction avec l'équipe du Souk ?	Très satisfait Satisfait Ni satisfait, ni insatisfait Pas satisfait Pas du tout satisfait
	Veuillez préciser.	

5 - Financement

Merci de votre patience. Nous avons déjà fait la majorité du questionnaire. Les prochaines questions se réfèrent à votre expérience avec le financement que vous avez reçu.

Bénéficiaires

#	Question	Réponse/Code
	En ce qui concerne les transferts du don, est-ce que vous avez connu des difficultés ?	Oui Non
	Si oui, lesquelles ?	
	Est-ce que vous avez demandé un crédit pour complémenter le financement par Souk At-tanmia?	Oui Non
	Si non, pourquoi est-ce que vous n'avez pas sollicité un crédit ?	*Ne pas lire les réponses.* Le don a couvert les besoins de financement Disponibilité d'autres sources de financement (épargne, famille, etc.) Peur de ne pas pouvoir repayer Je suis persuadée de ne pas l'obtenir Procédures lourdes Niveau insuffisant de garanties Pas de finance islamique Autre : _____
	Porteurs demandeurs de crédit	
	Auprès de quelle Banque?	BFPME BTS Autre : _____
	Quand est-ce que vous avez fait la demande auprès de la Banque (mm/aa) ?	|__|__| / |__|__|
	Quand est-ce que vous avez reçu la réponse de la Banque (mm/aa) ?	|__|__| / |__|__|
	Est-ce que vous avez reçu le crédit ?	Oui Non

	Est-ce que le montant correspondait au montant demandé ?	Oui Non
	Quel était le montant du crédit accordé ?	TND _____
	Quand est-ce que vous avez reçu le premier décaissement du crédit (mm/aa)?	|__|__| / |__|__|
	Est-ce que vous avez connus des difficultés en traitant avec votre Banque concernant la demande ou l'administration du crédit ?	Oui Non
	Si oui, lesquelles ?	
	Est-ce que vous avez redimensionné votre projet suite à l'interaction avec la Banque ?	Oui Non
	Quel pourcentage du crédit avez-vous pu rembourser jusqu'à présent?	_____ %
	Etes-vous confiant de pouvoir rembourser le crédit?	Oui Non Je ne sais pas
	Tous porteurs	
	A quoi ont servi les fonds que vous avez-reçu ? Quelles sont les trois types de dépenses ou d'investissement les plus importants que vous avez effectués avec ces fonds (don et crédit ensemble)?	Consommation Repaient de dettes Recrutement de personnel Technologies/équipement/ machines Infrastructure (espace de travail, électricité, eau, etc.) Marketing Formation/éducation Développement de nouveaux produits/services Autre: _____
	Depuis votre participation au Souk, est-ce que vous avez reçu d'autres financements?	Oui Non
	Si oui, est-ce quelle était la source de ces financements ?	BFPME BTS Autre banque/IMF Famille/Amis Autre compétition Capital à risque Autre
	Quel était le montant accordé (en total) ?	TND _____

Groupe comparaison :

	Est-ce que vous avez contacté d'autres organismes ou initiatives pour appuyer le montage de votre projet ?	Oui Non
	Si oui, lesquelles ?	
	Porteurs:	

	Malgré que votre dossier n'ait pas été accepté par le Souk, vous avez quand-même réussi à initier le projet.	
	Quelles étaient les sources de financement de votre projet ?	Epargne personnel Famille/amis Crédit bancaire Crédit IMF Autre compétition de plan d'affaires Capital à risque Autre : _____
	Non-porteurs:	
	Est-ce que vous êtes toujours intéressé de démarrer un projet d'entreprise ?	Oui Non
	Quelle serait votre préférence en termes de source de financement pour monter votre projet ?	Epargne personnel Famille/amis Crédit bancaire Crédit IMF Autre compétition de plan d'affaires Capital à risque Autre : _____

6 – Obstacles

Merci. On aura terminé dans quelques minutes seulement.

#	Question	Réponse/Code
	Avant votre candidature au Souk, quels étaient les obstacles auxquels vous avez fait face pour la réalisation de votre projet ?	*Ne pas lire. Cochez les réponses mentionnées.* Pas d'intérêt Manque d'informations Découragement familial/amical Echec entrepreneurial vécu au passé Peur de perdre de l'argent Peur de se lancer seul Manque de compétences en montage de projet Manque d'expérience professionnelle dans le domaine Manque de financement Manque d'accompagnement Lourdeur administrative (temps, couts, etc.) Autre : _____
	Est-ce que votre candidature à Souk At-tanmia vous a aidé à surmonter certains obstacles ?	Oui Non
	Si oui, lesquelles ?	
	[Si porteur actuel] Quels sont les majeurs obstacles auxquels vous faites face aujourd'hui (maximum 5)?	*Ne pas lire. Cochez les réponses mentionnées.* Manque de savoir-faire financier Manque de savoir-faire commercial

		Manque de savoir-faire de gestion d'entreprise Manque de savoir-faire technique Manque d'accompagnement, conseils, etc. Manque de main d'œuvre (qualifiée) ou fluctuation du personnel Qualité des employés Niveau élevé des salaires Code du travail, protection des employés Accès à la finance ou cout de la finance Taxes /impôts Lourdeur administrative (temps, couts, etc.) Accès aux terrains (points de vente, etc.) Mauvaise infrastructure ou coûts élevé (Electricité, Transport, Télécommunications, etc.) Commercialisation/Accès aux marchés Concurrence forte Climat économique ou politique mauvais/instable Corruption Pratiques du secteur informel Normes culturelles et sociales Autres (préciser) : _____ Sans réponse
[s'applique seulement aux bénéficiaires]		
	Parmi les services dont vous avez bénéficiés, c'est-à-dire la formation, le financement, et le coaching, quel(s) élément(s) vous a aidé le plus pour développer votre projet ?	Formation Financement Coaching La combinaison Aucun
	Quelles sont les autres aspects du Souk qui ont constitués une valeur rajouté pour votre projet?	
	Quels sont vos principaux besoins de formation aujourd'hui?	Aucun Formation sur le plan financier Formation en management et gestion Formation en marketing Formation technique Autre : _____
	D'après vous, quelles autres formes d'appui seraient utiles d'offrir à des porteurs de projet potentiels ou existants dans des éditions futures ?	

7 – Bien-être subjectif et commentaires finaux

Merci de votre patience. Maintenant je voudrais vous poser quelques questions simples par rapport à votre satisfaction avec votre situation actuelle vue les changements qui ont eu lieu dans votre vie ces deux dernières années depuis votre candidature au Souk.

#	Question	Réponse/Code
	Est-ce que votre situation économique s'est améliorée, est restée plus ou moins la même, ou a empiré pendant cette même période?	Améliorée Plus ou moins la même Empirée Ne sais pas
	En général, en comparaison au moment où vous avez postulé au Souk, avez-vous aujourd'hui plus de confiance, moins de confiance, ou la même confiance dans l'avenir?	Plus de confiance Moins de confiance Même confiance Ne sais pas
	En général, est-ce que vous recommanderiez à un ami ou une personne de votre famille de postuler à Souk At-tanmia?	Oui Non
	Depuis votre candidature au Souk, est-ce que vous avez participé dans d'autres projets ou obtenu d'autres formes d'assistance (formations, accompagnement, apport financier, etc)?	Oui Non
	Si oui, lesquelles et par qui ?	
	Est-ce que vous avez d'autres commentaires ou recommandations par rapport à votre expérience dans Souk At-tanmia ?	

9 - Informations personnelles (suite)

Ca y'est presque. Pour finir, je voudrais juste confirmer quelques informations personnelles

#	Question	Réponse/Code
	Date de naissance (jj/mm/aa)	|__|__| / |__|__| / |__|__|
	Quel est le plus haut niveau de scolarité que vous avez terminé?	Aucun Ecole primaire Collège Lycée/Bac Formation professionnelle (Bac+2) Université (Bac+4 ou plus)
	Est-ce que l'un de vos parents travaillait pour son compte ou avait sa propre entreprise ?	Oui Non
	Combien de personnes vivent dans votre ménage (y compris vous-mêmes, les enfants, des parents, etc.)	____
	Au moment de postuler au Souk, quand vous étiez [situation professionnelle], approximativement, quel était votre revenu personnel par mois pendant cette époque?	DN _____
	Pour des fins statistiques nous voudrions aussi mieux comprendre la situation économique des ménages des lauréats au moment de postuler. Auriez-vous la gentillesse de partager avec nous le revenu mensuel de tous les membres de votre ménage, y compris le vôtre à cette époque? Bien-sûr, comme le reste des informations, cette	DN 0-349 DN 350-749 DN 750-1499 DN 1500 – 2999 DN 3000 ou plus Sans réponse

	information sera traitée de manière confidentielle. *[Ceci devrait inclure toutes sources de revenus de tous les membres du ménage, y compris des salaires, des payements de retraite, assistance du gouvernement, et d'autres sources.]*	

Nous sommes arrivés à la fin du questionnaire. Merci beaucoup pour nous accorder autant de temps et répondre à toutes nos questions.
Avant de partir, est-ce que nous pourrions prendre une photo de l'entreprise/du magasin ?

PRENDRE PHOTO

Fin de l'entretien
Heure à la fin de l'entretien : _____
Questionnaire administré en : o Français o Arabe
Commentaires sur la réalisation de l'entretien :
_____
_____
_____

Annex 6 : List of 71 projects selected by the pilot edition

Projects that received support (61)

Project name	Gender	Location	Status of participation in final evaluation survey[102]
Abalista	Male	Tunis	In-person interview
ABflex Unité de sertissage des flexibles et tournage	Male	Beja	In-person interview
Andi sanaa	Female	Kef	In-person interview
Artisanes de Kroumirie en Toute Liberté	Male	Jendouba	Phone interview
Biobugs	Female	Zaghouan	Not reachable
BIOCLEAN	Male	Tunis	Phone interview
BioOasis: Elevage poules pondeuses Bio en oasis	Male	Tozeur	In-person interview
Boulangerie Alim	Male	Gafsa	In-person interview
Bureau d'analyses agricoles	Female	Siliana	Phone interview
Camion Cuisine	Male	Beja	Phone interview
Centre de gériatrie	Female	Kef	Not reachable
Club des beaux arts	Female	Gabes	In-person interview
Conception Design	Female	Mednine	In-person interview
Conception et installation des chasses d'eau économique (SOGHYEN)	Male	Tunis	In-person interview
Construction des cuves en composite	Male	Boumhal	In-person & phone interview
Création artistique	Female	Beja	Phone interview
Développement des Cliniques à zéro papiers	Male	Gafsa	In-person interview
Devis.tn	Male	Tunis	In-person interview
Dorra	Male	Mennouba	Phone interview
Eco-collecte	Male	Kairouan	In-person interview
Eco-écolo plaques	Male	Kasserine	In-person interview
ESPIC Tourisme-sud-tunisie.com	Male	Tataouine	Phone interview
Exploitation de pierre de construction	Male	Gabes	Phone interview
fabrication baignoires en mosaïque	Male	Kasserine	In-person interview
Fabrication de suif de graisse	Male	Beja	In-person interview
FOLIBIO	Female	Bellarijia	Phone interview
Freshka.com	Female	Bizerte	Phone interview
Gel d'aloe vera	Male	Tataouine	In-person interview
Green-Tic	Male	Kairouan	In-person interview
Hayet Artisanat	Female	Gafsa	In-person interview

[102] Not reachable means that no response was obtained neither via phone nor email despite repeated attempts.

HMS	Male	Tataouine	In-person interview
Installation d'un poulailler bio à la FTH	Female	Sidi Thabet	Phone interview
Instrument folklorique	Male	Gabes	In-person interview
Kenza	Male	Tataouine	In-person & phone interview
La Coccinelle	Female	Sfax	Not reachable
Laverie Ecologique	Male	Tunis	In-person interview
Livraison de petits colis	Male	Tunis	In-person interview
Nature pure	Male	Ben Arous	Phone interview
NABHANA production de plantes maraichères	Male	Kairouan	In-person interview
Palais de Marbre	Male	Kasserine	Phone interview
Photo sculpture	Male	Kef	In-person interview
Pierres décoratives	Female	Gafsa	In-person interview
Plantation Arboricole intensive	Male	Siliana	Phone interview
Pompage solaire	Female	Ben Arous	Phone interview
Production de loofah	Male	Mehdia	Phone interview
Production de tranches de tomates séchées	Male	Jendouba	In-person interview
Production et valorisation des microalgues	Male	Sidi Bouzid	Phone interview
Projet LAPINA	Male	Monastir	Phone interview
projet SMCTP	Male	Bizerte	Phone interview
Pub Ascenseurs	Male	Tunis	Phone interview
Sel de bain & dérivés du sel	Male	Tozeur	Phone interview
Smart key	Male	Sidi Bouzid	Not reachable
Snail the runch	Female	Kef	In-person interview
Société APS	Male	Menzel Bouzelfa	Phone interview
Société CHAHD (Elevage cunicole)	Male	Beja	In-person interview
T.R.E.S Travaux public et services	Male	Gabes	Not reachable[103]
Tournage et construction	Female	Sfax	In-person interview
Transformation des produits artisanat en meuble	Male	Kasserine	In-person interview
Une vinaigrerie	Female	Kasserine	Not reachable
Unité de Production de poudre d'oignon séché	Female	Jendouba	In-person interview
UTIA Services Forestiers Collecte et Entretien	Female	Jendouba	Phone interview
Zazia Artisanat: transformation des produits artisanat en meuble	Male	Kasserine	Phone interview

Projects that dropped out or were excluded before disbursement (10)

[103] An original interview was conducted but the data was lost by the surveyor. Subsequently the person could not be reached for follow-up data collection.

Project name	Gender	Location	Status of participation in final evaluation survey
Cintres écologiques en carton	Male	Ariana	Not reachable
Dispositifs Médicaux Innovants	Male	Zaghouan	Phone interview
FRIGO-CONFORT & PULVERISATEURS	Male	Sidi Bouzid	Phone interview
Laboratoire prothese dentaire	Female	Sousse	Not reachable
L'écologie industrielle en travaux publics	Male	Kef	Not reachable
OXYGENE	Male	Gabes	Not reachable
Parc Aventure Zaghouan	Male	Zaghouan	Not reachable
Production des semi-conserves et tomates sechés	Male	Sidi Bouzid	Not reachable
Sac en papier	Male	Sousse	Phone interview
Valorisations des déchets des oasis	Male	Kebili	Phone interview

Annex 7: List of interview partners

Name	Organization
African Development Bank	
Thouraya Triki	AfDB
Sonia Barbaria	AfDB
Federica Ricaldi	AfDB
Mohamed Bahri	AfDB
Florian Theus	AfDB
Emanuele Santi	AfDB
Partner organizations' focal points	
Anis Chaari	BFPME
Khalifa Sboui	BTS
Mohamed Hachicha*	CJD
Mongia Amara*	Conect
Alia Mahmoud	Microsoft
Leila Triki	MSB
Noomen Lahimer	MSB
Maurizio Bonavia	UNIDO
Monica Carco	UNIDO
Paz Arancibia	ILO
Ahmed Bougacha	FAO
Lorena Lando	IOM
Ayako Mizuno	UNDP
Behjet Boussofara*	Talan
Malek Dhouib	TOTAL
Tarek Marzouk	Touensa
Hajer Almi*	Tunisiana
Anne Rasmussen	Danish Ministry of Foreign Affairs
Patrick Merienne	UK Embassy
Wajih Hammami	U.S. Embassy
Ines Zaibi	British Council
Amina Sayadi	British Council
Skander Haddar	TPM
Coaches	
Douja Gharbi	Conect
Sadok Thabet	Conect
Sofiene Karoui	UNIDO
Mohamed Lakhal	Talan
Other	
Faiza Kallel	Ministere de la Formation Professionalle et l'Emploi
Hildegard Vogelmann	GIZ
Nejla Ghachem	Swiss Embassy
Carron Beaumont	Mercy Corps

* Individual was also a coach

Annex 8 : Overview of entrepreneurship training course

Day 1

Module	Objective	Activity	Time
1	• Introductions • Establish understanding of aims and objectives of the programme • Establish trainer/trainee expectations	• Introduction to trainer • Summary of course • Course objectives • Participant expectations • 2-day overview • Q&A	30min
2	• Establish group dynamic • Getting to know each other • Establish which participants are expanding a business and who is first time entrepreneur	Ice breakers: • Location, location, … • Pitching your business idea	30min
3	• Understand the term entrepreneur and associated implications and expectations	What is entrepreneurship? • Are you an entrepreneur? • Characteristics of an entrepreneur	30min
4	• Establish contents of business plan	What makes a successful business • How to formulate a business plan • Analysis and breakdown of elements of business plan	60min
5	• Establish areas of work that need to be completed	Goal setting for the programme • How to write a successful business plan • How to complete the AfDB application	15min
6	• Develop business plan	• Idea/product/service/make or buy/lead times/business entity • Legal requirements	1h15min
7	• Develop business plan (continued)	Market analysis and marketing • Identify and specify market • Marketing strategies	1h45min
8	• Develop business plan (continued)	• Identify competitors • Resources	45min
9	• Establish if the plan is viable and what needs further planning	Consolidate business opportunity • Review completed sections • Viability review • Overview of the day • Q&A	15min

Day 2

Module	Objective	Activity	Time
1	• Establish how much of materials participants have completed	• Review of previous day • Outline agenda of the day • Viability review (recap)	30min
2	• Identify financial costs associated with starting or expanding a business • Ensure participants can identify sources of funding available to them • Establish understanding of financial potential of business	• Start-up costs • Expansion costs • Funding • Breakeven • Sales profile • Resources	1h20
3	• Introduce basic financial monitoring techniques	• Cash flows • Overheads • Cash flow forecasts	1h15
4	• Introduce basic financial monitoring techniques (continued)	• Budgets • Variances • Profit and loss	1h30
5	• Ensure all participants can complete the financial sections of the Business Plan • Ensure all figures are robust and accurate	Review financial information • Cross-reference all materials to the final business plan and application form • Insert information into applications	30min
6	• Carry out risk and opportunity analysis	• Identify risks and opportunities to include in the business plan	1h
7	• Ensure applications are complete in draft form • Identify what areas of the application are lacking information or need revision	Review business plan • Complete and review form • Reflect and benchmark • Q&A	45min
8	• Ensure applications are complete in draft form (continued)	Review Souk At-tanmia application • Complete and review form • Reflect and benchmark • Q&A	30min
9	• Ensure all participants are aware of support available on day 3	• Outline Day 3 session • 1:1 feedback times to be distributed • Hand out participant feedback form for completion	25min

Day 3

Individual feedback sessions

Source: Adapted from Gwent College (2012). Preparing to Write a Business Plan. Entrepreneurship Training Pack. Teachers Pack.

Annex 9 : Overview of entrepreneurship support programs in Tunisia

Name of the program	Organization	Parrtners	Components
Maghreb Start-up initiative (MSI)	PNB-NAPEO	Abraaj Capital,Intel, Gust, EFE Tunisie, Wiki Start-up, Diva SICAR, Evertek	Coaching +Mentoring (1000h)+Grants (up to 30000$)
Injaz Company Program	Injaz Tunisie	Vivo Energy, Abraaj Capital, IACE, SAROST S.A, Groupe SBF	Coaching+Mentoring (1 coach per team, 2h weekly meeting), inkind (regional competition, gifts)
Compétition Enactus Tunisie	CJD	American Embassy in Tunisia, Konrad Adenauer Stiftung, Attijari Bank, Tunisiana, Coca Cola, Monoprix, etc.	Coaching+Mentoring+in kind (global competition, gifts)
At'venture	Club Entrepreneurs Atuge	MSB	Coaching (2mois), Grants (10000$)
Creative Business Cup	IACE et CJE en Tunisie		Coaching
CJD Business Awards	CJD	La Konrad-Adenauer-Stiftung, EXPRESS FM et Bourse des Valeurs Mobilières de Tunis	Coaching+Grants
Challenge Projets d'entreprendre	Sup'com	Telecom SudParis, Microsoft Innovation Center, L'Association des Diplômés de Sup'Com (AdSup), L'ISET'Com, Le Pôle Elgazala SERVICOM, La Poste Tunisienne, La BIAT, World Network Consulting, Tuninvest	Coaching+Grants(1000$ for the winning team)
Tunisiana Startup Factory	Tunisiana	Microsoft, Bull, Alcatel-Lucent, Réseau entreprendre, GIZ Google, Business & Decision, BlackBerry, EFE, Esprit, ENIS Pole El Ghazela, BFPME, SUP'COM, etc.	Coaching+incubation
Forsa	Adam Smith International, Mowgl fondation	IACE	Mentoring
Andi fikra	Express FM	Tunisie Télécom, Diva SICAR	Coaching+Grants (15000$)

Cisco Entrepreneur Institute - Starting a Business training session	Cisco Entrepreneur Institute, Cisco, AMIDEAST	Aries Technology, The INLEA Foundation, Cornell University's Johnson School, Stanford University, Entrepreneurial Learning Initiative-LLC, GoVenture, etc.	Formation (payante, 600$ par personne)
Programme de formation et d'accompagnement des futurs entrepreneurs	EFE Tunisia	BFPME, Microsoft	Training, Coaching (6mois)
Tente entrepreneuriale	IACE	GIZ, BNA, TT entreprises, Vivo Energy	Coaching
Tounes Tekhdem	Mercy corps Tunisie	Agence Française de Développement (AFD), DFID, MFPE, ANETI	Training
Tunisia Works	IYF	Atuge, MEPI	Training
MASHROU3I	ONUDI	USAID, Coopération italienne pour le développement, HP, gouvernement tunisien	Training, Coaching
UNIVENTURE	Carthage Business Angels	Wikistartup, Tunisie Télécom, Sesame, GIZ, MAZAM, CDC, ANPR	Coaching, Mentoring, Grants (10000$)
Prix Orange de l'entrepreneuriat sociale	France Telecom		Coaching, Grants (60000$)
Innovate IT	CONECT	IYF, MEPI	Training
Concours de Plans d'Affaires "Entreprendre et gagner"	Ministere de l'Enseignement Superieur, Ministere de l'Emploi	ANETI, World Bank	Training, Pre start-up coaching, Grants (from 3000-15000 TDN)
Moraine (Méthode Originale de Recherche Active d'Idées Nouvelles pour Entreprendre)	ANETI		Training
CEFE (Création d'Entreprises et Formation d'Entrepreneurs)	ANETI		Training (& start-up allowance for 12 months)
CREE	ANETI		Training

iBDA	Yunus Social Business	afdb, Japanese Trust Fund, Multi Donor Trust Fund for Countries in Transition, Mazars, Yale University, JWT	Training, Coaching, Finance (incubator & accelerator)
ENPACT	Enpact	Germany - Foreign Affairs Ministry	Mentoring
IMPACT	LAB'ESS Laboratoire de l'Economie Sociale et Solidaire		Consulting, training, networking
Bidaya	enda	Youth Business International	Training, Coaching, Finance
Fikra	Network of European Foundations	Calouste Gulbenkian fondation, France foundation, King Baudouin Fondation, Robert Bosch Stiftung, Network of European Foundations	Incubation, finance
Intilaq	QFF	Microsoft, Tunisiana	Training, Finance
CEED grow/ CEED go to market	CEED	USAID, SEAF	Mentoring, Training, Coaching, Finance, networking
Reseau entreprendre	Reseau entreprendre	QFF	Coaching, Finance (10,000-30,000 TND)
HP Life	HP	APII	Training
PCAM	Ministere de l'Industrie	European Union	Technical coaching, non technical coaching, Certifications support
Micosoft Innovation Center	Microsoft		Training, mentoring
Innovation and Entrepreneurship Platform	CONECT	QFF	Training, mentoring
Samsungfasttrack	Samsung	Esprit incubator, YSB	Training, mentoring, incubation
WES- Women's Enterprise for Sustainability	WES	MEPI	Training, capacity building

Annex 10 : Overview of funds providing self-financing

Donor-supported Funds

Name of fund:	**Le Fonds Suisse**
Year created:	2011
Source of financing:	Swiss Development Cooperation
Managed by:	Banque de Financement des Petites et Moyennes Entreprises (BFPME)
Eligibility criteria:	Priority groups: Individuals under the age of 40; women Sector: n/a Regions: Kasserine, Sidi Bouzid, Le Kef, Médenine (extended to 12 governorates) Other : Job-creation potential
Amount of financing provided	Investment: Max. 500,000 TND Participative loan : Max 30,000
Financing instrument	Zero interest loan
Financing conditions	• Max. 7 year repayment period • Max. 3 year grace period

http://www.fondsuisse.com/?page_id=22

Name of fund:	**Qatar Friendship Fund (QFF)**
Year created:	2013
Source of financing:	Government of Qatar
Managed by:	Banque de Financement des Petites et Moyennes Entreprises (BFPME)
Eligibility criteria:	Priority groups: Tunisian Youth and Women Sector: Different sectors Regions: All the country
Amount of financing provided	Max 100,000 TND per intervention (an average of 40,000 TND)
Financing instrument	Zero interest loan (participative loan)
Financing conditions	Equity loans are granted for the entrepreneurs according to the following modality : • Interest rate = 0 % • Grace period = 2 years • Reimbursement period = 5 years (include the grace period). A commission of 3% will be withdrawn from the loan and disbursed in the fund.

http://www.qff.tn/partners/banque-de-financement-des-petites-et-moyennes-entreprises

Government Funds

Name of fund:	**Fonds de Promotion et de Décentralisation Industrielle (FOPRODI)**
Year created:	1973
Source of financing:	Tunisian Government
Managed by:	Banks with agreements from the Ministry of Finance to manage the FOPRODI fund.
Eligibility criteria:	Priority groups: New entrepreneurs, SMEs Sector: Manufacturing, crafts, services Regions: All the country, with additional benefits for those in regional development zones
Amount of financing provided	Max 1,200,000 TND
Financing instrument	Refundable grant or equity
Financing conditions	Projects with a total investment from 100,000 TND to 10 million TND Refundable grant: • Min. 10% of the capital by entrepreneur • 3% interest rate • 5 years grace period Equity (depending on size of the project): • Min. 10%-20% of the capital by entrepreneur • Max. 30-60% of the capital by FOPRODI

http://www.tunisieindustrie.nat.tn/fr/doc.asp?action=showdoc&docid=766#2;
http://www.soukattanmia.org/uploads/document/foprodi-1.pdf;
http://www.tunisieindustrie.nat.tn/fr/doc.asp?mcat=12&mrub=92&msrub=215&dev=true

Name of fund:	**RIICTIC - Régime d'Incitation à la Créativité et à l'Innovation dans le domaine des Technologies de l'Information et de la Communication**
Year created:	2010
Source of financing:	Tunisian Government
Managed by:	VCs and Banks with agreement
Eligibility criteria:	Priority groups: • Tunisian citizens with a university degree • Companies launching new projects • Companies running innovative extension operations and employing at least 3 engineers or 4 technicians specialized in ICT or equivalent field • Project size below 500,000 TND Sector: Information and communication technologies
Amount of financing provided	Max. 210,000 TND • Equity or repayable grant with a limit of 49% of the minimum capital of the project without exceeding 120,000 TND • Grant for studies and tehnical assistance = 70% of the total cost of the studies and the technical assistance with a limit of 10,000 TND • Investment grant = 10 % of the total expenses of the tangible equipments with a limit of 20 000 TND

	• Investment grant for intangible equipments = 50 % of the total expenses of the intangible equipments with a limit of 60 000 TND
Financing instrument	Grant, repayable grant or equity
Financing conditions	Repayable grants • 3% interest rate • 5 years grace period

http://www.tunisieindustrie.nat.tn/fr/doc.asp?mcat=12&mrub=174;
Décret n° 2010-2342 du 20 septembre 2010

Name of fund:	**Fonds Spécial de Développement de l'Agriculture (FOSDA)**
Year created:	1994
Source of financing:	Tunisian Government
Managed by:	APIA
Eligibility criteria:	Smallholder farmers and fishermen
Amount of financing provided	n/a
Financing instrument	Loan
Financing conditions	Max. 65% of the investment amount

http://www.jurisitetunisie.com/tunisie/codes/cii/95-0793.htm

Name of fund:	**Fonds National de Promotion de l'Artisanat et des Petits Métiers (FONAPRAM)**
Year created:	1981
Source of financing:	Tunisian government
Managed by:	VCs and banks with agreementn
Eligibility criteria:	- Tunisian nationality - Eligible activities - Project size 10,000-50,000 TND
Amount of financing provided	Max. 16,000 TND
Financing instrument	Grants
Financing conditions	• Grant covers up to 32-36% of total project cost • 4-8% self-financing required

http://www.emploi.nat.tn/fo/Fr/global.php?libre=163&menu=2 ;
http://www.finances.gov.tn/themes/DGAFF/liens/Artisanat%20et%20petits%20metiers.pdf ;
http://www.soukattanmia.org/uploads/document/fonapram.pdf ;
http://www.soukattanmia.org/uploads/document/guide-de-l-investisseur-dans-le-secteur-de-l-artisanat-centre-d-affaires-kef.pdf

Name of fund:	**FONDS DE PROMOTION DES EXPORTATIONS (FOPRODEX)**
Year created:	1984

Source of financing:	Tunisian government
Managed by:	CEPEX
Eligibility criteria:	Exporters
Amount of financing provided	N/A
Financing instrument	Grant, Loan
Financing conditions	Contribution limited to 80% of the total project cost Loan: • 1 year grace period • Market interest rate

http://www.uticabenarous.com/images/Nouveau%20dossier/foprodex1.pdf

Name of fund:	**IKDAM**
Year created:	2007
Source of financing:	Tunisian government
Managed by:	BFPME
Eligibility criteria:	The objective of the fund is to reinforce the capital of innovative companies before their official launch Sector: Innovation
Amount of financing provided	n/a (total budget of 1.000.000 TND)
Financing instrument	Equity
Financing conditions	N/A

http://www.cmf.org.tn/pdf/epargne_collective/prospectus_fcp/Prospectus_IKDAM_II_fr.pdf

Annex 11: Methodology used for estimating job creation

Definition of a "job":

- "Long-term job": The project's outcome indicator refers to the "Number of additional long-term jobs created"; however, no definition is provided with regard to what is considered "long-term". For the sake of this evaluation, we consider "long-term" jobs regular full- and part time working arrangements that (with or without a contract) that were still active at the time of the evaluation. Not included in this definition are: a) Casual laborers, b) apprentices/interns, and c) temporary positions that have not been sustained.
- "Employment opportunity": For the purpose of this evaluation, we use the broader term "employment opportunity" to comprise all jobs defined as "long-term" per the above definition as well as a) Casual laborers, b) apprentices/interns, and c) temporary positions that existed for at least 6 months.

Number of jobs created among direct beneficiaries:

- Start-up projects: The beneficiaries of start-up projects were counted towards the job creation estimates if they met all of the following conditions:
    - The business had started to operate
    - The business was still in operation
    - The entrepreneur was previously unemployed, inactive, casual laborer, a student, or gave up his previous employment to start the business. Entrepreneurs who started the Souk At-tanmia supported business as a secondary activity (in addition to an existing wage- or self-employment job) were not counted as new job created.
- Growth projects: The beneficiaries of growth projects were not counted towards the job creation estimates because they were already engaged in a business activity prior to joining Souk.

Number of direct jobs created for employees of supported business:

- Start-up projects: The number of employees was based on the reported number of employees at the time of the evaluation.
- Growth projects: The number of employees was calculated as the difference between the reported number of employees at the time of the evaluation and the reported number of employees at the time of applying to Souk At-tanmia.
- Projects that could not be contacted: For those projects that could not be interviewed as part of the present evaluation, the following information sources were used to estimate the number of jobs created:
    - Beneficiary tracking interviews conducted by the AfDB in July/August 2014
    - IN the absence of available data from the tracking interviews, job creation estimates for 2013 provided by beneficiaries in their project update sheet in December 2013 were used.

Number of indirect jobs created:

Beneficiaries were asked to estimate whether their project helped generate new jobs at their suppliers or clients, and if yes, if these jobs were either of a) regular, or b) temporary/casual nature. Indirect jobs reported to be regular were counted towards the "long-term" jobs, those reported to be of temporary/casual nature were counted towards the broader definition of employment opportunity only.

Annex 12 : Regional classification based on level of development

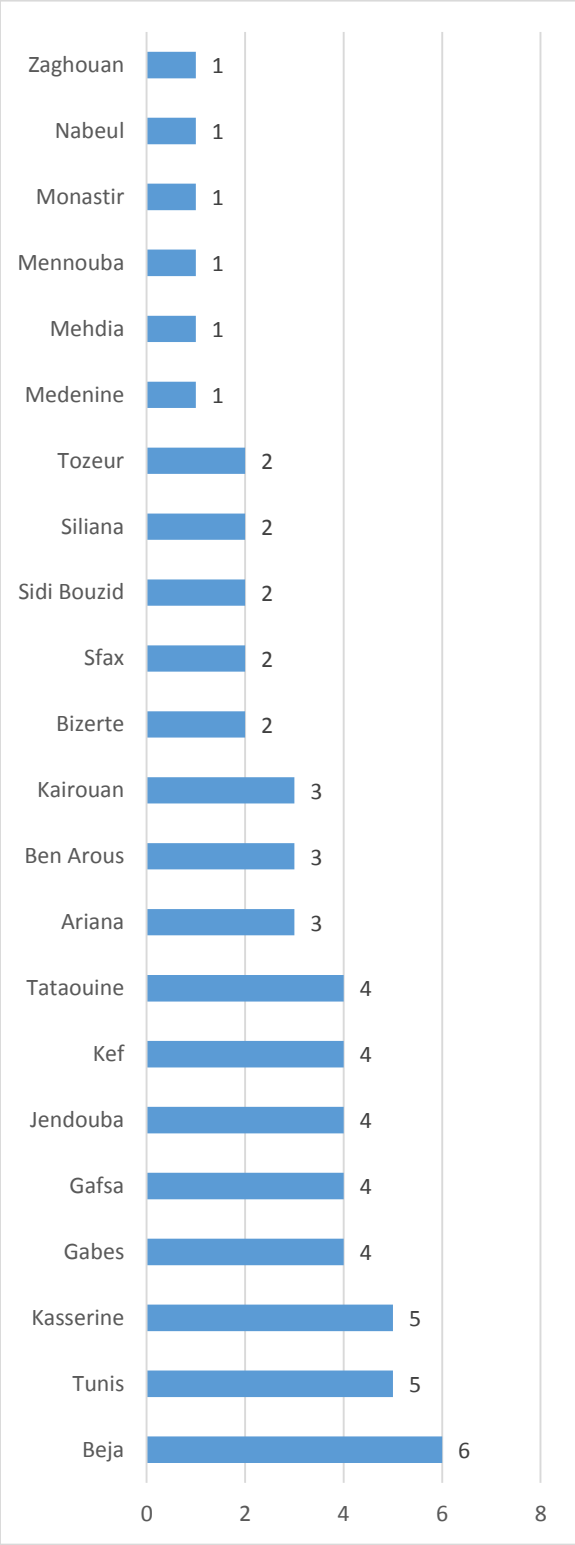
Governorate	Index value	*Ranking*
Tunis	1	1
Ben Arous	0.814	1
Manouba	0.805	1
Ariana	0.778	2
Monastir	0.711	2
Sousse	0.646	3
Nabeul	0.616	3
Mahdia	0.592	3
Tataouine	0.446	3
Sfax	0.427	3
Zaghouan	0.417	3
Bizerte	0.394	4
Kebili	0.39	4
Gabès	0.347	4
Medenine	0.338	4
Tozeur	0.335	4
Béja	0.296	4
Gafsa	0.233	4
Le Kef	0.151	5
Siliana	0.144	5
Jendouba	0.133	5
Kairouan	0.129	5
Sidi Bouzid	0.096	5
Kasserine	0	5

The ranking combines the classification of developed and underdeveloped regions published by the Ministry of Social Affairs and the underdevelopment index published by the Institut des Regions Arides de Mednine and Institut Superieur de Gestion de Gabes. Higher rankings refer to more underdeveloped regions.

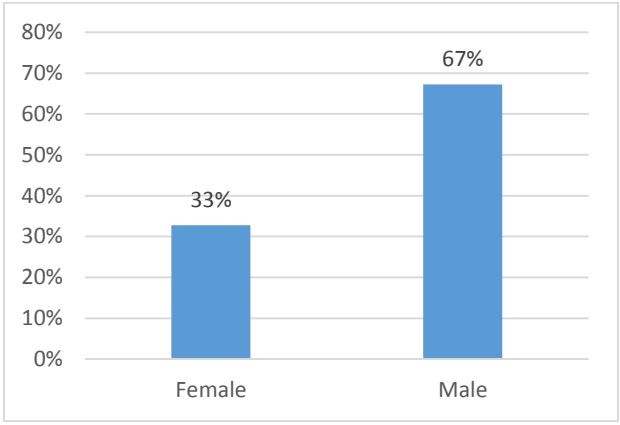
Source: AfDB (2014b).

Annex 13: Overview of beneficiary characteristics

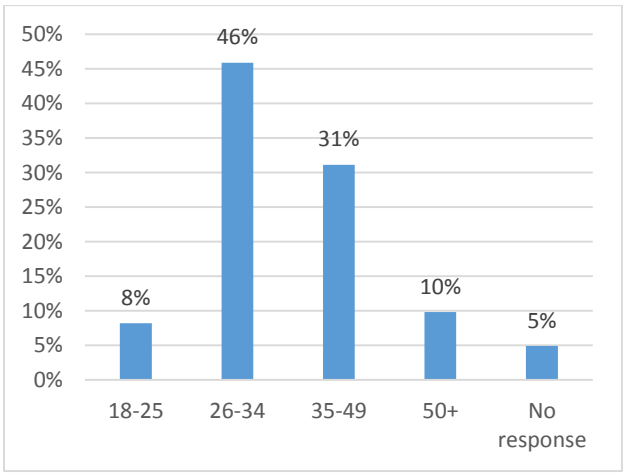
By Region (in absolute numbers)



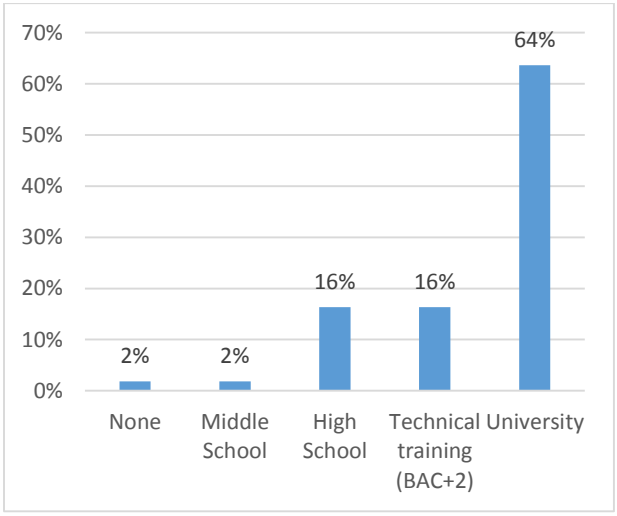
By Gender



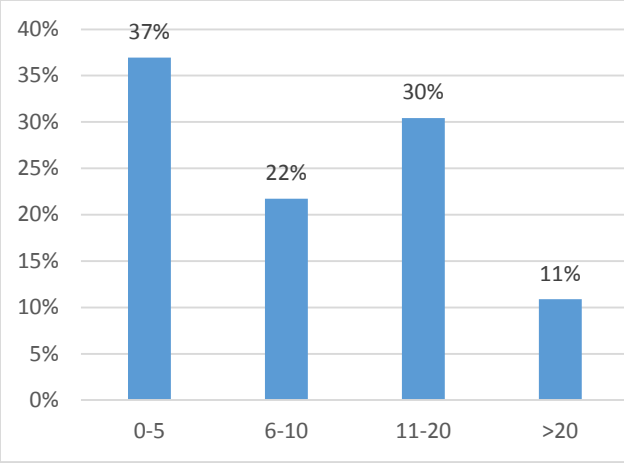
By age



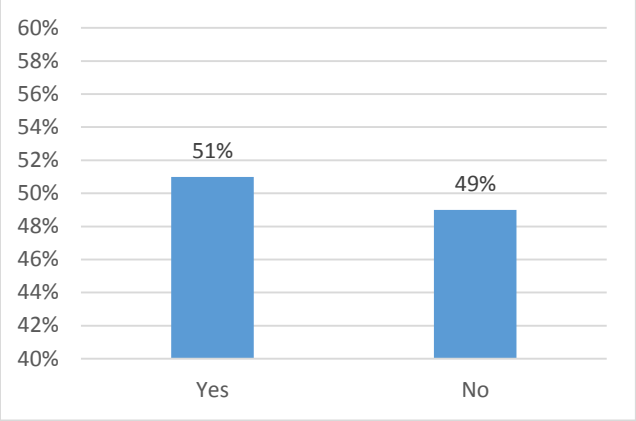
By highest level of completed education



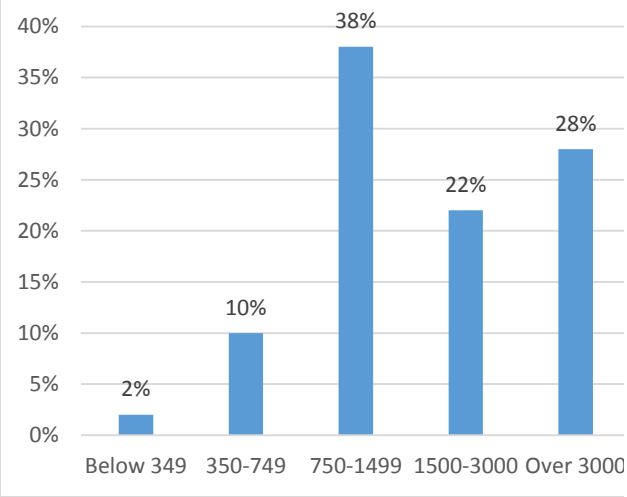
By professional experience (in years)



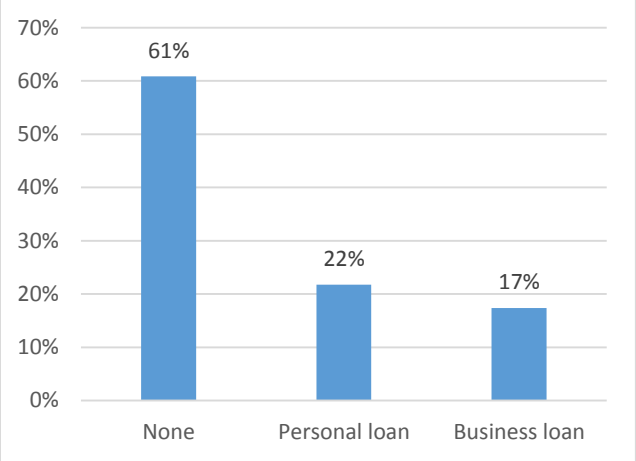
By whether this was the beneficiaries' first attempt to open a business



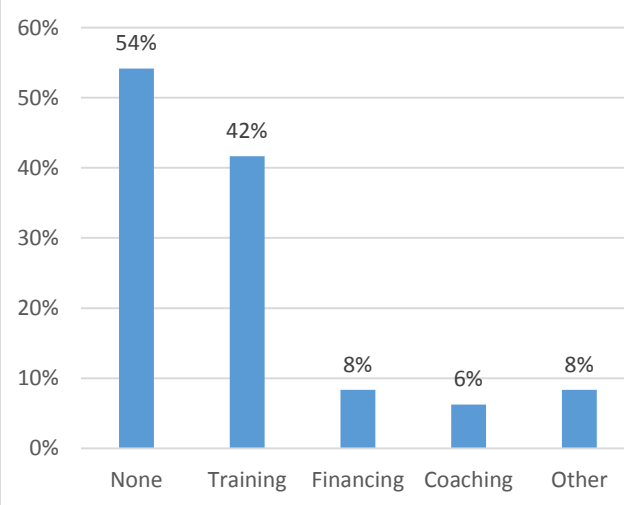
By household income (in TND)



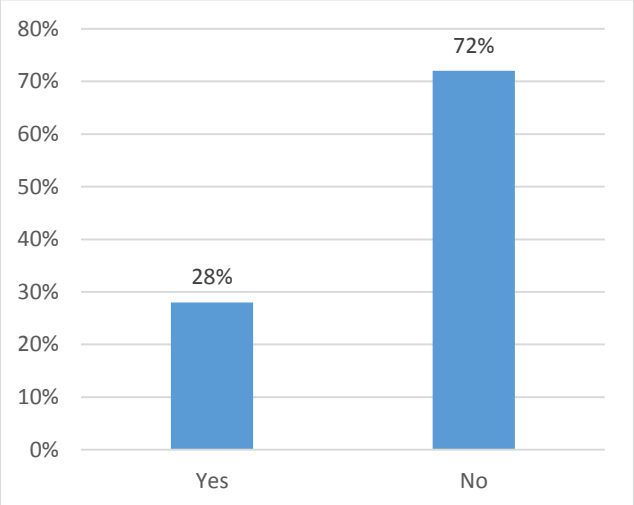
By whether beneficiary had previously accessed loans



By previous entrepreneurship support received



By whether parents were self-employed



Annex 14: Contributions by partner organization

Organization	Funding	Secretariat & taskforces	Steering committee	Selection committee members	Training	Number of coaches (# projects coached)	Communication
AfDB	Over 200,000 USD (in-kind)	Secretariat and all taskforces	✓	4			
DFID	£ 400,000 (incl. 100,000 admin. budget)	Evaluation taskforce	✓	1			
U.S. Embassy	$400,000		✓				
Danish Embassy	170,000 GBP		✓				
UNIDO	50,000 USD	Communication and Evaluation taskforces (through UN coordinator)	✓			3 (12)	Funding of local outreach campaign implemented by Touensa (USD 25,678)
UNDP	10,000 USD		✓			2 (12)	
ILO	30,000 USD		✓			1 (5)	
FAO	10,000 USD		✓	1		1 (3)	
IOM	10,000 USD		✓	1		1 (3)	
British Council		Communication and Evaluation taskforces	✓		Training of trainers and 3-day training for 300 candidates		
BFPME	Payment Agency (in-kind)	Communication taskforce	✓	2			
BTS			✓	2			
Microsoft		Communication taskforce	✓	2		1 (3)[104]	
MSB		Evaluation taskforce	✓	1		5 (5)	
CONECT			✓	1		7 (7)	
Talan		Communication taskforce	✓	4		3 (3)	Website development and management
CJD			✓	2		2 (5)	

[104] And integration of projects into Microsoft Innovation Center program.

Total	TND 40,000 ($26,067)		✓	2		2 (1)	
Tunisiana	TND 90,000 ($58,651)	Communication taskforce	✓	1		1 (2)	SMS Campaign, phone credit for outreach campaign
Touensa		Communication taskforce	✓				Local outreach campaign (paid by UN)

Annex 15: Beneficiaries' perceived difficulties in dealing with Banks and administrative procedures

General Bank-related issues

- The entrepreneurs need to present a rental contract to get the loan approval. Due to bank delays, the entrepreneur often pays several months of rent before even being able to start his business.
- The bank requires that the entrepreneur spends at least 80% of his personal contribution before accessing the loan funds. This causes problems when the personal funds are used up and then the Bank delays disbursing the loan thus causing interruptions to the business.
- Loan applicants are required to put their personal funds in a restricted account. This can cause delays for the business to start because the entrepreneur has to wait for all Bank procedures to be finalized. In the meantime the entrepreneur cannot pay occurring expenses (e.g. rent) and cannot start investing step by step.
- Since beneficiaries were under pressure to spend the grant funds, they no longer were able to show their personal contribution in monetary terms to the Bank. This could lead to having to pay for a study to value their assets before being able to access the loan.
- Banks are generally unwilling to finance intangible assets and investments

Specific BFPME and BTS related issues

- Beneficiaries had understood that the Banks would accelerate their processes for Souk At-tanmia participants but the approval process tended to be the same. Many beneficiaries felt that the approval processes were long, intransparent and inflexible.
- Local Bank branches were not well informed about the initiative.
- The Bank delays caused business plans to be out of date. This caused extra costs and financing gaps due to price increases from suppliers and changes in the exchange rate.
- Loan applicants were required to increase their loan requests to take into account fees for loan application and administrative procedures
- As of its most recent policy, the BFPME finances only half of the entrepreneur's loan request and asks the applicant to look for another commercial bank for secure the remaining financing. The applicants were obliged to repeat the same process with the new bank thus losing a lot of time.
- Working capital ("besoin en fonds de roulement"): Working capital was either not eligible as part of the Bank loan or only to a limited extent.
- Contradictions between BFPME and APIA : BFPME waits that APIA gives subsidies before issuing the loan, and APIA waits that BFPME gives the loan before providing the subsidies.
- Guarantee requirements: One beneficiary was asked that his mother hypothecate her land as a condition to give the loan approval.
- Discouragement: One of the beneficiaries was told by a local bank director that she will not start her business within the next two years.
- Non-response: One beneficiary never received a response to his loan request.
- Repayment: The grace period starts running before actual disbursement of loan funds. Moreover, entrepreneurs can be required to start repaying their debts even though the loan has not yet been fully disbursed.
- Uncertainty: The Bank told a beneficiary that he needed to create the company and start making investments before the Bank would consider granting a loan. This uncertainty about getting a loan and risk effectively discouraged the entrepreneur to continue.

Administration-related issues

- Following delays in accessing the loan, entrepreneurs are required by the Industry Promotion Agency to redo some of the procedures such as providing an updated financing plan and updated quotations
- Different administrative offices send the entrepreneurs back and forth to one another for additional information (no system for information sharing between agencies)
- The Agricultural Investment Promotion Agency asks the entrepreneurs to be fully dedicated to their project but with the different delays, these people are obliged to have other income-generating activities.
- The multiple administrative procedures are very expensive (e.g. “enregistrement de contrats”)
- Some beneficiaries were not attended and not given information at the governor’s and tax office

Annex 16 : Comparison of the first and second edition of Souk At-tanmia

Category	First edition	Second edition

Eligibility criteria	• Prospective start-ups, existing businesses and NGOs
	• Project size 10,000-150,000 TND
	• Criteria
	  ○ Job creation potential (main)
	  ○ Financial viability (main)
	  ○ Project feasibility (main)
	  ○ Candidate characteristics
	  ○ Innovation
	  ○ Geographic area
	  ○ Replicability
	  ○ Funders thematic focus
		• Separate windows for start-ups (initiator) and growth projects (accelerator); no NGOs
		• Project size 10,000-300,000 TND
		• Criteria
		  ○ Job creation potential (main)
		  ○ Financial viability (main)
		  ○ Project feasibility (main)
		  ○ Candidate characteristics
		  ○ Innovation
		  ○ Geographic area
		  ○ Positive impact on environment

Outreach	• Launch in July • 10 civil society focal points • Road show in 5 governorates • SMS campaign: 5 millions sms sent • Emailings	• Launch in April • 25 civil society focal points (1 per governorate with dedicated phone number • A dedicated call center with one phone number for two months • API business centers and Scouts as outreach partners • Targeted outreach to universities • Emailings
Selection process	• Web application and computer-based scoring (pre-selection) • Desk review of proposals by member of selection committee • Selection of training participants (300) • 2nd web application after training • Final selection by selection committee (goal : 70-100)	• Web application and computer-based scoring (pre-selection) • Desk review of proposals by member of selection committee • Personal interviews with selection panel • Selection of training participants (200-250) • 2nd web application after training • Selection by selection committee for coaching participants (150 • Validation of financing by banks (goal : 110)
Training	• 3 days • Curriculum by Gwent College (UK) • Organized by the British Council	• 5 weeks • Adapted Build Your Business Curriculum (IYF and Microsoft), 20 modules • Organized by Education for Employment (efe)
Coaching	• 12 months coaching period • Mix of professional and volunteer coaches	• 6 month coaching period (start-up phase) • 6-12 months mentoring following the initial coaching

	• Coaches provided by different partners	• All coaches are professional coaches and paid • All coaches are provided by efe
Funding	• Grant size: 30k TND maximum • Grant can cover up to 100% of financial needs • No personal contribution required • Disbursement in 1-3 tranches	If project size 10k-100k TND: • Grant size: 35k TND maximum • Grant can cover up 50% of the financial needs If project size 100k-300k TND: • Grant size: 50k TND maximum • Grant can cover up 35% of the financial needs All projects: • 5% of project cost in personal contribution required • BTS has earmarked 5 million TND for Souk projects
Partners	Afdb, British Council, MSB, Total, Talan, Tunisiana, Touensa, US embassy, UK aid, Danish embassy, OIM, ONUDI, BTS, BFPME, CONECT, CJD, ILO, DFID, FAO, UNDP	New: efe, APII,TPM Left: Total, Tunisiana, Touensa, ILO, FAO

Annex 17 : Overview of communication activities and results

Type of activity	Communication tools and activities used	Details
Outreach campaign	*Road Show:* Kef 13/07/2012 Gafsa and Kairouan 16/07/2012 Tatouine, Mednine 24/08/2012	• 5 events • 5 governorates : Kef, Gafsa, Kairouan, Mednine, Tataouine • Media coverage ○ TV : Watanya 1, Watanya 2, Hannibal TV (1k views on youtube for hannibal tv) ○ Radio : news and interviews in Kef and Gafsa regional radios, Sabra FM, Shems FM and Mosaique FM ○ Newspaper : articles in Shourouk, LeTemps, LaPresse ○ 6 web press articles
	Regional dissemination : Information sessions by NGO focal points	• 10 associations involved • 25 conferences organized (5 are related to the road show) • 16 governorates • 6 web articles
	Mobile Marketing : SMS campaign by Tunisiana	5 million SMS sent
	Emailings : Initiative promotion through partners' databases	Emailings sent by BTS, CJD, CONECT, BFPME, MICROSOFT
	Hotline : Regional focal points with special phone numbers offered by Tunisiana	10 focal points representative of the different governorates
Website	Initiative presentation and registration form Souk of Opportunities: one stop shop section to promote entrepreneurship initiatives and facilitate knowledge-sharing	• 86,000 site visits • 2350 registred ○ 31% women ○ 44% jobless ○ 81% young (18-34) • 1345 submitted projects ○ 26% women ○ 44% jobless ○ 70 % young (18-34) • More than 30 initiatives promoted
Social media	Facebook page, Twitter, Youtube	• 3500 "likes" on facebook by March 2014, 7000 "likes" by November 2014 • 221 followers on twitter • 6 videos on youtube with 4638 views
Events organized	Official Launch (July 2012, Cité des Sciences)	• VIP attendance (Dr. Donald Kaberuka, AfDB president, Mr. Mohamed BELHOCINE, the UN's Resident Coordinator in Tunisia and the Resident Representative of the UNDP and CEO and president representatives of the different partners.

		• 2 radio interviews (en plateau Mosaique FM and Express FM) • 5 radio news and interviews (Mosaique FM + Shems FM + RTCI +Express FM+ Radio Jeunes) • 20 web press articles (TAP, LaPresse, Letemps, Leaders, Tekiano, Tuniscope, Webmanagerscenter, l'Expert, etc.) • The information has been also published on the AfDB and partners' websites.

	Announcement of winners (January 2013, Cité des Sciences)	• 500 attendees
		• Media coverage
		  ○ 10 Tunisian web press articles
		  ○ 6 foreign web press articles
		  ○ 6 radio coverage (express FM, Mosaique, Radio jeunes, Radio nationale, RTCI, shems FM)
		  ○ 2 newspaper article
		  ○ 2 videos (1007 views on youtube)
		  ○ Interviews on National TV News + Hannibal TV

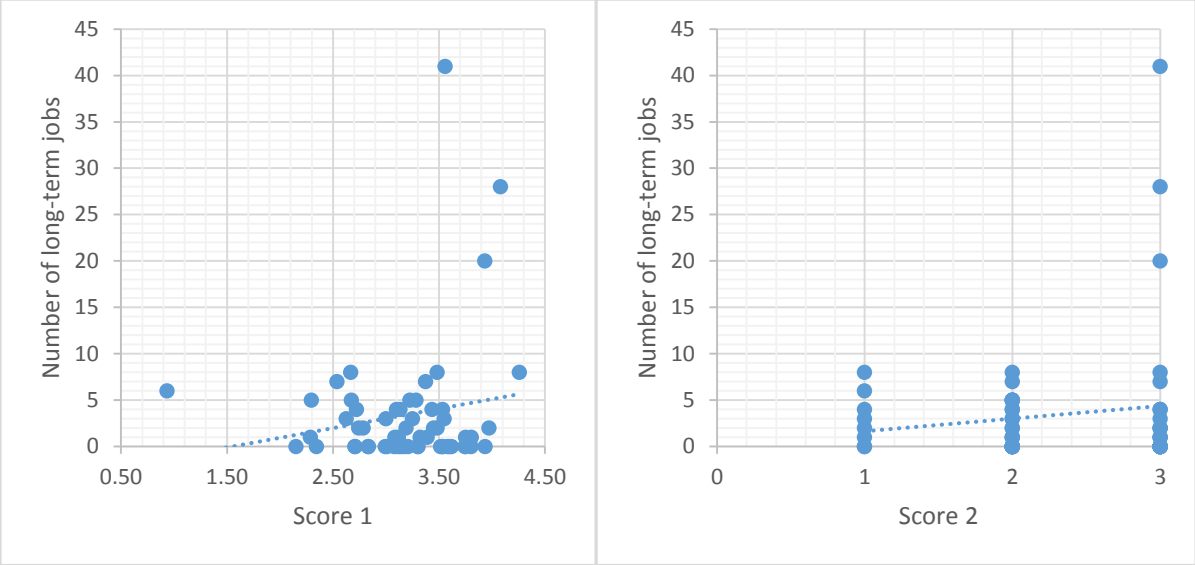
	Awards Ceremony (February 2014, Palais des Congrès) • Exposition of beneficiary projects (sales exhibition of products) • Selection of best projects	• 450 attendees • 20 web + press articles • 10 radios interviews (Radio Express FM + Radio jeunse + radio Mosaique FM + Shems FM) • 3 TV interviews (Watanya TV news + Hannibal TV news + First TV) • 4 videos on web magazine Tuniscope

	Afdb and UK delegations field visit	Media coverage
		  ○ 18 webpress articles
		  ○ 3 radios
		  ○ 1 web video (1851 views)

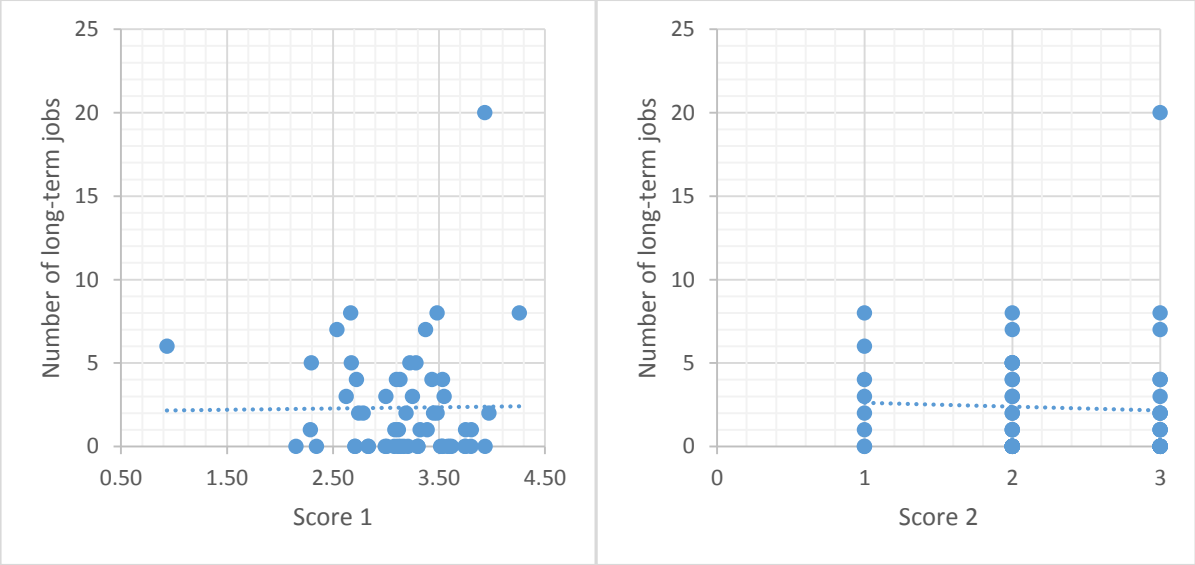
Events participated in	8 participations in events	Salon de l'entreprenariat, Congrès mondial social, BIL TN2012 « unconference » (Video and radio interviews), International conference on productive work for youth in Tunisia and the rest of the Middle East and North Africa region (CAT 2012), Salon de financement des PME, Google Entrepreneurship Week 2013, Forum de l'ATUGE (TV interview), One Day on Earth
Communication partnerships	Wajahni (sort of webTV supporting employability and entrepreneurship in Tunisia through videos of entrepreneurs) brodcasted on Watanya TV	6 videos

Annex 18: Correlation between ranking of proposals during selection process and business success

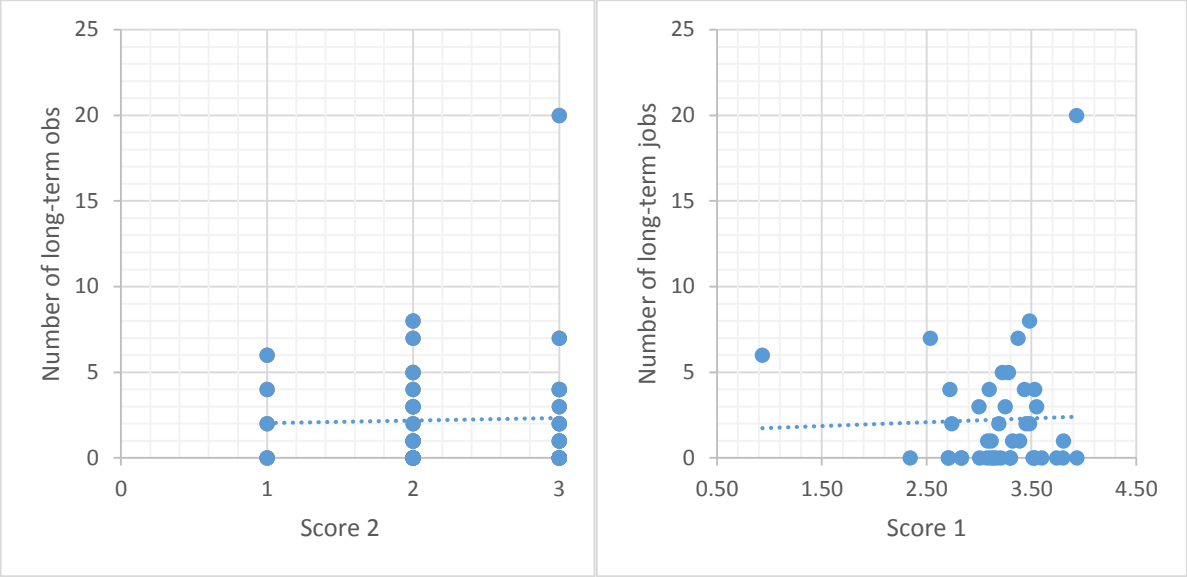
1. Correlation between scores and long-term jobs (all projects)



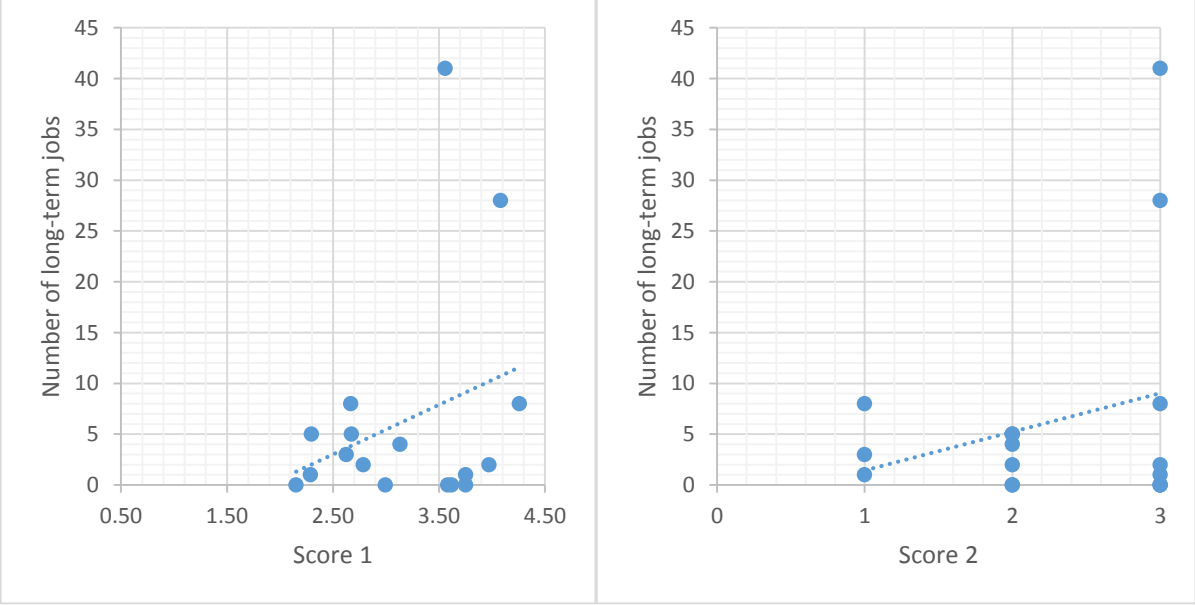
2. Correlation between scores and long-term jobs (all projects, without two major outliers)



3. Correlation between scores and long-term jobs (start-up projects)



4. Correlation between scores and long-term jobs (growth projects)



Note: The correlation between scores and business success is highly sensitive to the two outliers. If the two outliers are not included, the correlation would be negative.

Annex 19 : Souk At-tanmia timeline of implementation

Stage	Description
July 2012	Official launch of the initiative ; Call for proposals issued
July-August 2012	Candidates submit proposals online
September 2012	First round of proposal selection (to identify training participants)
October 2012	3-day entrepreneurship training and submission of detailed proposals
November – December 2012	Second round of proposal selection (to identify grant recipients)
January 2013	Announcement of final beneficiaries (public event)
January-December 2013	Coaching & disbursement of grants
February 2014	Awards Ceremony

Annex 20: Key messages and recommendations from previous evaluations

Boutard, D. and S. Selmi (2013). Evaluation Finale. Tunisie – Fenêtre thématique: Jeunesse, emploi et migration. Titre du programme : Impliquer la jeunesse tunisienne pour atteindre les OMD. MDG Achievement Fund.

- Le rassemblement d'une vingtaine de partenaires, soit une dizaine de grandes organisations internationales et bilatérales de développement, de grandes firmes du secteur privé et des associations, est une réussite particulière. Ce partenariat a permis une distribution et des combinaisons d'intervention des différents partenaires qui paraissent illustrer une bonne complémentarité et des synergies (notamment pour la fonction promotionnelle et « d'écho »).
- [La] visibilité est une réussite pour Souk At-Tanmia. Le projet a développé une visibilité remarquable sur le web, avec son site qui parait très bien référencé et du matériel vidéo. Les concours d'entrepreneuriat sont en premier lieu des interventions qui se justifient comme outils de promotion de la culture entrepreneuriale. Et cette dimension de l'initiative est sans équivoque importante dans le contexte postrévolutionnaire tunisien pour susciter une dynamique positive parmi la jeunesse. .
- Les bénéfices du concours ne se limitent pas aux emplois directs créés dans les projets des bénéficiaires, mais comprennent les effets « externes d'incitation à emprunter la voie entrepreneuriale sur les concurrents « sensibilisés » qui n'ont pas gagné et bien plus largement parmi la population cible de jeunes chômeurs auxquels les messages d'opportunités et d'avenir ont pu parvenir. Cela dit, ces avantages doivent être assez élevés pour rendre et démontrer l'efficacité du concours par rapport à d'autres options.
- Une leçon importante est qu'il faut dès la phase pilote mieux anticiper le passage à l'échelle en ce qui a trait à l'ensemble des aspects organisationnels, fonctionnels économiques et autres, y compris les partenariats.

African Development Bank (2013). Souk At-tanmia. Mid-term evaluation report. Mid-term evaluation of the Souk At-tanmia pilot edition.

- ***Increase communication and sourcing efforts****:* the pilot edition underscored the importance to increase communication efforts during the call for proposals phase to maximize the likelihood of receiving good applications.
- ***Sharpen selection criteria and process****:*
    - Include interviews of beneficiaries during the selection process to assess the attitude of entrepreneurs and their commitment to project success.
    - Reward skilled job creation
    - Focus grant provision on Greenfield projects
- ***Strengthen mentoring and coaching activities and adapt them to projects life cycle.*** For future editions, it is worth considering providing a comprehensive coaching and mentoring program during the key stages of business development, which goes hand in hand with the financial contribution. This would include:
    - Pre-established assistance to submit application forms as was the case during the pilot edition
    - More intensive and focused capacity building training during the selection process
    - Better standardization of the coaching and mentoring activities and the implementation of minimum weekly interaction time with beneficiary projects
    - A pre-creation coaching program to assist selected candidates in the establishment of their businesses

- A post- creation mentoring/coaching program that provides guidance and assistance in developing business activities once the business is established
- A strengthened access to market services

- ***Differentiate and better adapt financial support***:
  - Enhance entrepreneurs' financial commitment by making respectively the grant size proportional to project cost and requiring entrepreneurs to use personal resources for an equity contribution.
  - Expand the range of financial instruments used by the partnership: the MTE revealed that several beneficiaries would have been willing to consider an equity funding instead of a grant while others needed additional funding once they started growing but were not ready yet to attract funding from existing financial sources. The option to allow the Souk At-Tanmia Partnership to become a "one stop shop" that offers grant, equity, and debt funding as well as capacity building services to entrepreneurs and young enterprises should be explored.
- ***Early involvement of local banks in the selection process:*** For future editions it is important to ensure early involvement of commercial banks in the selection process and a coordination of their selection criteria with those of the Partnership.
- ***Ensure sustainability****:* In order for the Souk At-Tanmia Partnership to continue delivering support to Tunisian entrepreneurs, it is important to review the current model which is exclusively grant-based- to ensure its sustainability and maximize its development impact. Moreover, the partnership in its present form depends to a significant degree on coaching and mentoring activities ensured by development organizations on a program- and project basis. This has been an inhibiting factor as these programs and projects are not always fully aligned with the implementation modalities and timeline of Souk At-Tanmia, and are often a one-time activity. A more sustainable set-up should be explored in this regard.
- ***Improve monitoring and evaluation****:* The MTE identified various shortcomings with the current data collection systems, particularly in terms of the limited consistent data collection and monitoring level. One of the recommendations is to strengthen the secretariat planning, monitoring and evaluation systems.
- ***Maintain the participation and commitment of all partners:*** The sustainability of the current structure of the Partnership largely depends on the appetite of current partners. Therefore, it is recommended to initiate some strategic thinking about the vision for the Souk and how to ensure its sustainability.

DFID (2014). Project Completion Review. Project Title: Support to the African Development Bank to Pilot Social Entrepreneurship in Tunisia (Souk At-Tanmia).

- ***Role of project partners:*** The set-up of the governance structure of the Souk At-Tanmia has resulted in an efficient approach to management of the initiative despite the large number of partners. Coordination amongst the parties of the Souk has been substantially enhanced with the establishment of various task forces. The division of labour, establishment of working groups and the "outsourcing" of some activities enabled the Partnership to mitigate the risk of low engagement, and the Operational Manual sets out a cost-effective follow-up procedure which is currently being successfully implemented.
- ***Value for Money:*** The original business case estimated that the unit cost per job created would be around £3,100, whereas the actual cost per job created has been approximately £2,100. Attempting to quantify value for money in these terms, however, does not take into account the wider beneficial effects. […] While the true value will only become apparent once we are able to take the sustainability of the enterprises into account, at this stage it seems to provide good value for money.
- ***Conclusions:*** This is a successful project which has met expectations in terms of outputs and exceeded them at outcome level. The pilot phase has reached the intended beneficiaries, including 64% from

disadvantaged regions, 33% women, and 50% youth (18-34), and the grant funding, in addition to helping the entrepreneurs develop their projects, has also had a significant leveraging effect. The project has been especially successful in promoting entrepreneurship in Tunisia through a network of partners who are often leaders in their field (Microsoft, for example) and through a very effective communications campaign. A second phase of this project is planned for launch in May, with the lessons learned from the ongoing external evaluation being incorporated into the design of this next edition, for example, measures to tackle the low quality of many of the initial proposals, a revision of the business model to provide both grants and loans, and more robust continuous monitoring of results.

Ministry of Foreign Affairs Denmark (2014). Review of the Danish Arab Partnership Programme (DAPP), Final Report. Ref. no. Arabiske lande.14-7

The Review Team suggests the DAPP to work for the development of a sustainability plan/exit strategy for the project which could build on the following elements:

- Identifying (or selecting via an open tender) a local private sector actor to manage the project (preferably an existing actor to avoid creating a new structure) to manage the project.
- In order to separate the functions, this actor could play the role of moderator/facilitator and financial management could be provided by a financial institution. The implication of a local structure representing the private sector in this role should be explored and evaluated based on a capacity assessment.
- Support to SMEs to finance their projects should progress from a 100% subsidy grant to a co-financing scheme between the SMEs (own capital) i.e. a subsidy-credit (from financial institution); the support through subsidy should not exceed 50% of the total project cost, especially for traditional investments. It should be noted, however, that according to the DAPP team, in the new phase, it is no longer possible to receive a 100% subsidy grant and own capital is now required.