

Management Response to the Independent Evaluation of Intellectap's Support to Ventures in East Africa conducted by Argidius Foundation's Appointed Independent Evaluator, ITAD.

Intellectap's journey to build the entrepreneurial ecosystem in East Africa, replicating the ecosystem building work we have done in India over the past decade, formally began in 2014 with the successful organization of the first Sankalp Africa Summit. In 2015, encouraged by positive responses from a wide variety of stakeholders in the East African ecosystem, we introduced advisory and enterprise support programs into East Africa. In 2016, we received support and funding from Argidius Foundation, the Shell Foundation & USAID PACE program for the transfer of Intellectap's ecosystem approach from India to East Africa. At the program inception, we agreed with Argidius Foundation that it would be useful to evaluate the progress of the enterprise support program at the conclusion of the support from our three funders.

ITAD's evaluation of Intellectap's enterprise support program found that it has contributed to enterprises' progress in generating revenue & employment as well as enabled investors to participate in supporting local entrepreneurs. Enterprises we have worked with closely provided examples of improved business and financial models and highlighted outcomes such as a better articulation of value proposition; a more solid grasp of business financials; improved market segmentation; and new product development. Investors reported to have improved their knowledge of impact investing in East Africa, found investment opportunities as well as networked with other potential co-investors. In addition, we are extremely pleased to learn that enterprises selected by Intellectap increased revenue and raised investment four times more than those Intellectap did not select; and earned nearly three times more revenue and investment than the enterprises selected by other organisations/programmes as per comparison with available data from the Global Accelerator Learning Initiative (GALI). These results were possible since enterprises supported by us grew approximately 3.5 times in revenue and generated almost a 1,000 more jobs from the time we engaged with them through the end of 2018.

While attributing these results solely to Intellectap's support would not be appropriate, we believe that these results confirm our hypothesis that there is a gap in the early stage entrepreneurial support ecosystem in East Africa. Identifying and supporting promising entrepreneurs can provide significant economic and social benefits to the rapidly growing economies in the region.

Intellectap's vision is to build enabling ecosystems and channel capital to create and nurture a sustainable and equitable society. We want to see an entrepreneurial ecosystem in East Africa where enterprises dealing with low income communities can access capital across the risk spectrum with significant participation from local capital providers, advisory support to help businesses scale and finally networks to form unusual alliances and ensure that innovative products and services reach those most vulnerable in society. Since 2016, we have assisted over 200 enterprises by extending our technical assistance services in a range of areas spanning from finance, marketing, human resources, business model validation and investment readiness support.

Building an enabling ecosystem takes time and effort. While the journey of individual companies can be charted in a relatively linear manner, the process of building an ecosystem is complex with outcomes that are initially incremental at best. As the system matures and more players become activated the outcomes will become more exponential, with the multiplier effect kicking in.

We are grateful to the Argidius Foundation for providing us with an opportunity to reflect on our progress as well as be presented with a mirror to reveal the impact of our work and provide us with a chance to see where we can focus our efforts moving forward. We also note the findings related to the knowledge-sharing of key learning generated from the program. Intellectap recognises the importance of learning from its experience and sharing key learnings of the evaluation not just for Intellectap but for the broader ecosystem.