

PROJECT STATUS REPORT

JULY 2016 - DECEMBER 2016

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Regional Social Enterprise Loan Fund

Project Number: RG-S1003 - Project Num.: ATN/OC-15609-RG

Purpose: Increased access to financing and business consulting for social enterprises operating in Central America, Mexico, Colombia, and Ecuador (the "Target Region")

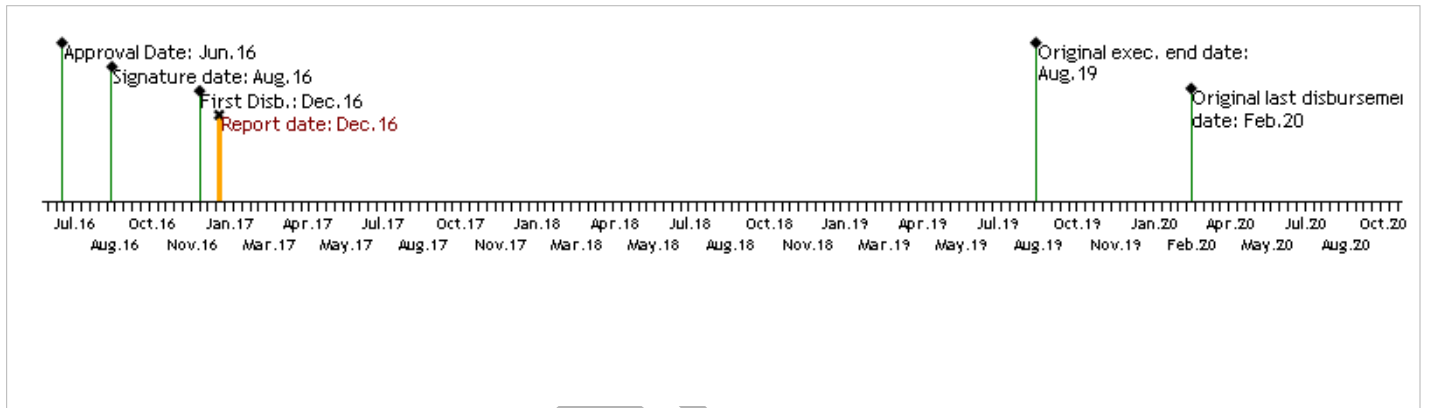
Country Admin
UNITED STATES

Country Beneficiary
COLOMBIA, ECUADOR, MEXICO

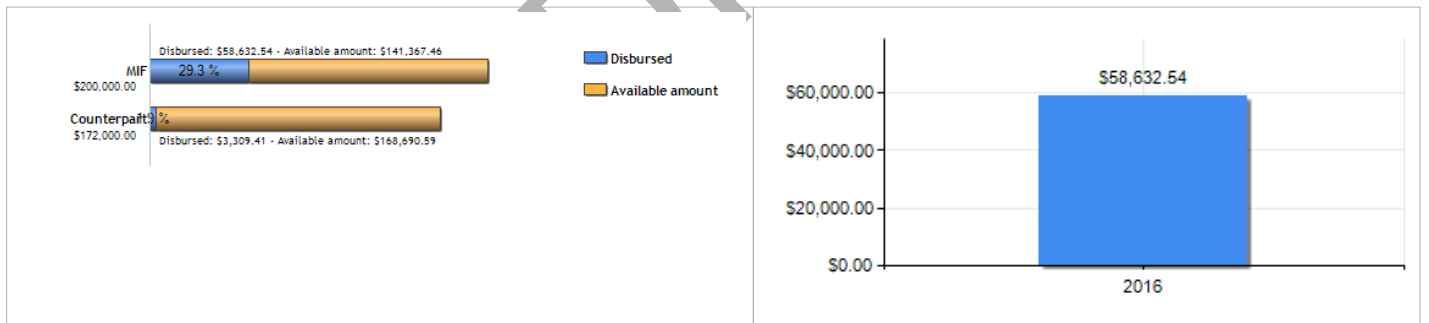
Executing Agency: Pomona Trabajo en Cooperación y Compañía Limitada S.A.

Design Team Leader: DIETER WITTKOWSKI
Supervision Team Leader: LAURA FERNANDEZ

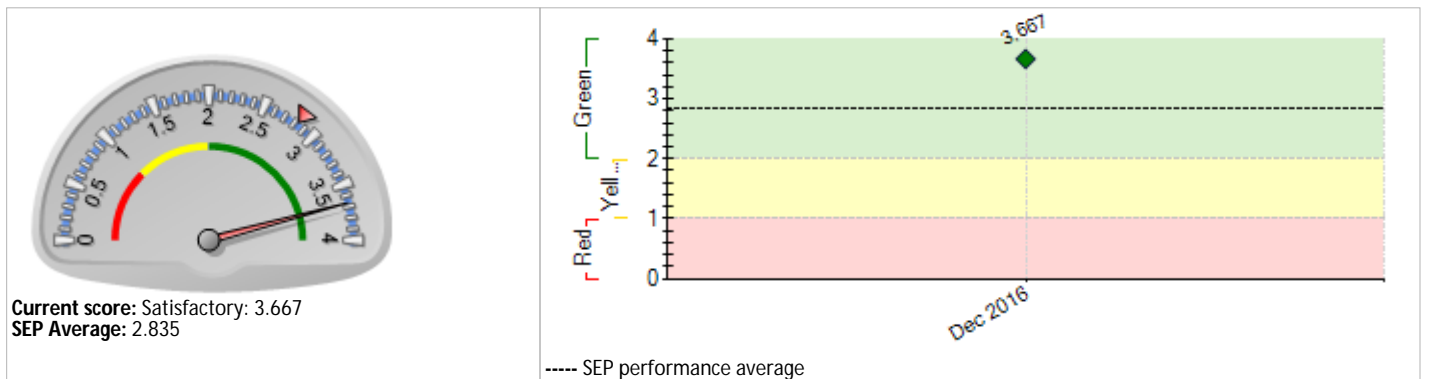
PROJECT CYCLE



FUNDS (IN USD THOUSANDS)



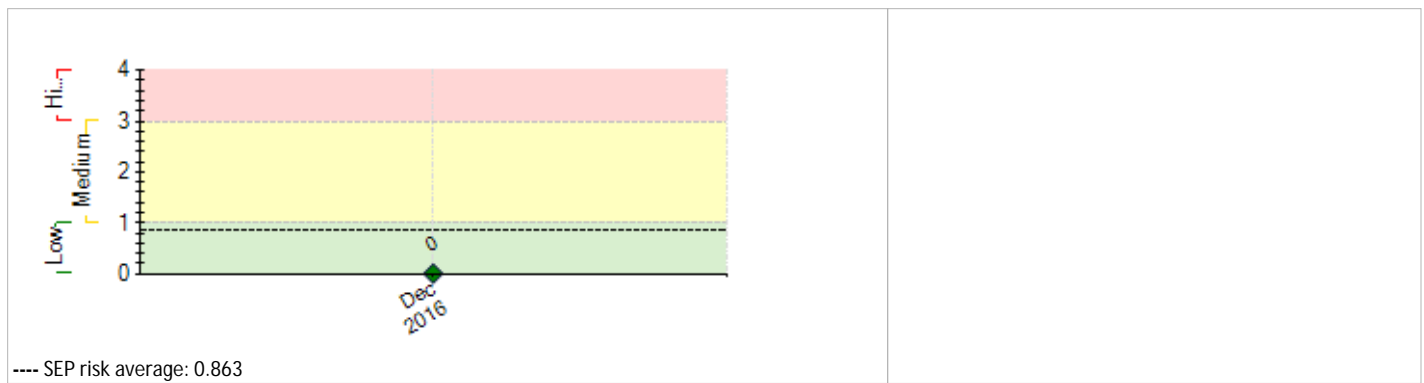
PERFORMANCE SCORE



EXTERNAL RISKS

INSTITUTIONAL CAPACITY

Risk
Financial Management: Medium
Procurement: High
Technical Capacity: Low



SECTION 2: PERFORMANCE

Summary of project performance in the last six months

We are currently in an active contract with a website contractor who will be producing the first final draft of the website but for now it is operational.

As of November 2016 - we have participated as sponsors for both the FLIICAC2016 in Central America as well as for the Village Capital accelerator for Health Tech in Jan of 2017 (agreements for sponsorship were made as of last year, 2016). We also participated in the SOCAP2016 conference in San Francisco and have managed entrepreneurship bootcamps for both Enactus Guatemala and Starfish (November 2016).

We have so far invested in one company, Yellow Pallet, which is based in Costa Rica with funding from our loan from FOMIN.

We completed our Roadshow in September of 2016. During our Roadshow we realized that we wouldn't be able to do a session in Panama due to a lack of partnerships and contacts on the ground. This realization also spurred us to think about Country Advisors in each country and actively pursue those contacts.

We successfully completed our first AgTech accelerator in November of 2016 and have uploaded documentation (final report) to this online database.

Some challenges we have faced have been due to finding and establishing a contract with a concrete timeline with our website contractor which has pushed back out timeline for that project but it is on course.

Over the next six months we will be focused on the website, the second AgTech Accelerator, and finding new investment opportunities.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Agree. Pomona started the execution at time of project approval and performed all planned activities for the first semester. There were some issues with MIF system and reporting of indicators that have been solved and will be better reported in the following semester.

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate	Intermediate	Intermediate	Planned	Achieved	Status	
			1	2	3				
Goal: Contribute to sustainable job creation, revenue growth, and direct beneficiaries of the project portfolio companies (social enterprises).	I.1	Number of jobs created by project portfolio companies	0	30			146	220	
		Aug 2016	Aug 2018			Aug 2019	Jan 2017		
	I.2	Average increase in revenues of project portfolio companies having received an investment at least one year ago	0	15			35	1530850	
		Aug 2016	Aug 2018			Aug 2019	Jan 2017		
	I.3	Number of direct beneficiaries from project portfolio companies	0	1000			1500	4739	
		Aug 2016	Aug 2018			Aug 2019	Jan 2017		
Purpose: Increased access to financing and business consulting for social enterprises operating in Central America, Mexico, Colombia, and Ecuador (the "Target Region")	R.1	Number of social enterprises funded by Pomona Impact in the project	0	3	6		8	1	
		Aug 2016	Aug 2017	Aug 2018		Aug 2019	Dec 2016		
	R.2	Aggregate financing from Pomona Impact to social enterprises in the project	0	660000	1100000		1500000	1	
		Aug 2016	Aug 2017	Aug 2018		Aug 2019	Dec 2016		
Component 1: TECHNICAL ASSISTANCE: Strengthening of project portfolio companies Weight: 20% Classification: Satisfactory	C1.I1	Number of project portfolio companies receiving monthly business consulting services from Pomona Impact	0	3	6		8		On Course
		Aug 2016	Aug 2017	Aug 2018		Aug 2019			
	C1.I2	Number of project portfolio companies that receive specialized advisory services in the project	0	3	6		8		
		Aug 2016	Aug 2017	Aug 2018		Aug 2019			
	C1.I3	% of project portfolio companies rating Pomona Impact consulting as "Helpful" or "Crucial to business"	0	65	65		75		
		Aug 2016	Aug 2017	Aug 2018		Aug 2019			
	C1.I4	Number of impact investing events in which project portfolio clients participated, with sponsorship by Pomona Impact	0	1	3		6		
		Aug 2016	Aug 2017	Aug 2018		Aug 2019			

Component 2: TECHNICAL ASSISTANCE: Development of Pomona Impact Institutional Capacity Weight: 20% Classification: Satisfactory	C2.11	Improved website operational (Y/N)							Aug 2017		On Course
	C2.12	Number of events on impact investing and entrepreneurship coordinated by Pomona Impact	0	3	6				9		On Course
			Aug 2016	Aug 2017	Aug 2018				Aug 2019		
Component 3: TECHNICAL ASSISTANCE: Promotion of Pomona Impact Initiatives Weight: 10% Classification: Satisfactory	C3.11	Completion of a Central American roadshow to increase awareness of Pomona Impact and develop further partnerships							Aug 2017	No Sep 2016	On Course
	C3.12	Pomona Impact staff participations in regional and international impact investment events	0	7	14				20		Finished
	C3.13	Number of sector-specific accelerator programs delivered	0	1	2				3	1	Finished
			Aug 2016	Aug 2017	Aug 2018				Aug 2019	Nov 2016	
Component 4: LONG-TERM FINANCING: Mezzanine debt, revenue royalty, demand dividend Weight: 50% Classification: Satisfactory	C4.11	Gross IRR	0						22		
			Aug 2016						Aug 2019		
	C4.12	Number of potential project companies reviewed by Pomona Impact	0	20	40				60		On Course
			Aug 2016	Aug 2017	Aug 2018				Aug 2019		
	C4.13	Additional investment capital raised by Pomona Impact to support social enterprise in the Target Region	0	1500000	3000000				10000000		On Course
		Aug 2016	Aug 2017	Aug 2018				Aug 2019			
C4.14	Annual report including financial and impact metrics completed	0	1	2				3		On Course	
		Aug 2016	Aug 2017	Aug 2018				Aug 2019			
C4.15	Percentage of portfolio in arrears	0	4	6				8		On Course	
		Aug 2016	Aug 2017	Aug 2018				Aug 2019			

Milestones	Planned	Due Date	Achieved	Date of achievement	Status	
M0	Conditions Prior	1	Feb 2017			
M2	1 Agtech accelerator program completed with at least 8 entrepreneurs graduated	1	Apr 2017	1	Nov 2016	Achieved
M1	[*] New Website functional	1	Aug 2017			
M3	At least 2 deals funded by Pomona Impact as part of the project	2	Sep 2017			
M4	20 project companies reviewed for pipeline deals	20	Nov 2017			

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE
 [None reported in this period]

SECTION 4: RISKS

MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

PROJECT RISK LEVEL: Low **TOTAL NUMBER OF RISKS:** 11 **IN EFFECT RISKS:** 0 **NOT IN EFFECT RISKS:** 2 **MITIGATED RISKS:** 9

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which have been taken in the reporting period:

Through the successful implementation of our AgTech Accelerator we have learned the value of ensuring early preparation, taking advantage of funding opportunities ahead of time, and the importance of partnerships with local organizations to help source future Ag-focused entrepreneurs. To address these, we have created a talent and connected board of advisors for the AgTech program which include members of local agriculture universities and members of large scale agricultural production companies. It is our hope that with these new connections for advising and sources for funding we will be able to grow and expand our AgTech Program.

SECTION 6: PRACTICAL LESSONS

1. During our Central American Roadshow, the first of its kind for our organization, we had to learn how to make contacts and set up events in 4 different countries while being based in one of them (Guatemala). We were also partnering with a local organization (ANDE) that went with us to present on some of their findings. We learned through the course of traveling and planning all of these events the importance of local counterparts in every country we have an event. Without someone on the ground, it is impossible to get the local ecosystem players involved and interested and it is key to have someone who knows when and where might be best to hold an event. This lesson from the Roadshow led us to solidify our idea of having a Country Advisor in every country in Central America to help us source potential deal flow. Now we have a key person in every country in Central America (minus Panama for now) who knows our criteria as well as entrepreneurs that could be a good fit for our fund.	Relative to Implementation	Author Sterling, Sarah
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