VISION & MISSION

VISION

Improving the position of poor people, particularly women, in markets by addressing constraints, and enabling them to benefit from sustainable economic growth.

MISSION

Working with market actors, the programme generates market insights, demonstrates innovation and builds capacity to improve the functioning of markets for poor people; leading to over 1m poor people realising cumulative income increases of over £100m by 2020.
INTRODUCTION

During the year 2017, ELAN RDC more than doubled its outreach to over 400,000 Congolese households with increased income, while the average income increase reached £31. This led to an overall increase of income generated by the programme from £5 million to £16 million. These results were achieved through a combination of interventions such as large pilots with leading market actors, widely disseminated market studies, business association support and awareness campaigns.

These results were achieved despite a turbulent year for the private sector. The Congolese Franc dropped significantly against the U.S. Dollar, resulting in a drop in purchasing power on the one hand, and increasing risk aversion from financial institutions on the other. The year ended with political issues unresolved, major multinationals expressing concern or even closing (Nestle) and a lack of clarity on how the government will proceed on a number of key pieces of legislation including the mining code.

This context influenced ELAN RDC directly, as several companies backed away from testing innovative models in order to stabilise operations. Heightened security issues impacted the programme’s capacity to monitor some interventions. While ELAN expanded its activities and overcame the above-mentioned challenges, the programme also absorbed several key staff transitions and underwent a midterm evaluation and data verification.
DRC presents a number of unique challenges, including a challenging business and security environment, and limited infrastructure.

**World Bank ranking:**

1. **Ease of doing biz**: 182
2. **Getting electricity**: 175
3. **Getting credit**: 142
4. **Paying taxes**: 181
5. **Cross-border trade**: 188

**World Bank ranking (Out of 190):**

- 188 - cross-border trade
- 181 - paying taxes
- 142 - getting credit
- 175 - getting electricity
- 182 - ease of doing biz

**Key Statistics:**

- **GDP**: $32B
- **Annual GDP growth**: 2.4%
- **Total pop.**: 79M
- **GNI per cap.**: $430
- **Life exp. (at birth)**: 59 yrs.
TOWARDS SYSTEMIC CHANGE: DEFINITIONS

- **Market system**: The network of buyers, sellers and other market stakeholders that come together to trade in a given product or service.

- **ELAN sectors** individually cover one or several market systems with similarities and shared constraints (for example coffee and cocoa).

- **A systemic change in a market has three key characteristics:**
  - **Scale**: Systemic changes influence and benefit a large number of people who were not directly involved in the original intervention.
  - **Sustainability**: Systemic changes continue past the end of the programme, without further external assistance.
  - **Resilience**: Market players can adapt models and institutions to continue delivering pro-poor growth as the market and external environment changes.

- **Scale**: An intervention is considered to have reached scale when it reaches tens of thousands of new individuals accessing an innovative product or service. The number and nature of actors driving scale varies depending on the market system and type of innovation. Some common approaches to reaching scale are:
  
  - Achieve scale through big actors
  - Work with first movers to trigger demonstration effect
  - Actively support second movers
  - Create or strengthen supporting functions
  - Strengthen or reform rules and regulations
## TOWARDS SYSTEMIC CHANGE: ELAN RDC FRAMEWORK

<table>
<thead>
<tr>
<th>2018 Activities for:</th>
<th>Scale Examples</th>
<th>Resilience Examples</th>
<th>Sustainability Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialty Crops (Perennial Ag)</td>
<td>Saveur du Kivu and other marketing efforts stimulate market activity</td>
<td>Support provided to ASSECCAF on tax lobbying and other issues builds market cohesion</td>
<td>Virunga and Coffee Lac are encouraged to continue investing in pro poor change through ongoing monitoring and TA</td>
</tr>
<tr>
<td>Grains &amp; Horticulture</td>
<td>Seed marketing campaigns, agriculture fairs and linkages to new markets build scale</td>
<td>The Africa Seed Access Index (TASAI) applied to DRC guides lobbying efforts</td>
<td>Several international and local seed distributors / producers continue selling</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>A national renewable energy marketing campaign builds broad market response</td>
<td>A renewable energy industry association lobbies effectively</td>
<td>Altech, Dlight, Dev Solaire continue offering a range of solar solutions</td>
</tr>
<tr>
<td>Branchless Banking</td>
<td>An agency banking study highlights ongoing constraints and leads to market response</td>
<td>Regulatory work, potentially in a sandbox, pushes MNOs and Fis to collaborate with each other</td>
<td>FINCA continues operating the rural agent model, while also offering credit via FINCA Mobile</td>
</tr>
<tr>
<td>SME Finance</td>
<td>Training offered on CMA and SMA products to broader market results in new demand</td>
<td>Train on operational issues such as tax treatment ensure growth of leasing market. Industry association supports insurance.</td>
<td>Comexas, Pro Credit Bank and others continue offering CMA services, while Rawbank offers a leasing product.</td>
</tr>
<tr>
<td>Transport</td>
<td>PayWebPhone River Transport MIS tests market response to provision of new information</td>
<td>Association capacity building for sustainable tax lobbying</td>
<td>Freight forwarders continue offering services in Equateur</td>
</tr>
<tr>
<td>Measurement</td>
<td>Indirect Beneficiaries measurement methodology fully implemented</td>
<td>Market system / sector review Closure PECA analysis</td>
<td>Built in monitoring of ELAN partners (sales records, etc.)</td>
</tr>
<tr>
<td></td>
<td>Other alternative systemic change measurement tested</td>
<td>Macro economic analysis</td>
<td>Intervention closure reports and recommendations on future engagement</td>
</tr>
</tbody>
</table>
## ELAN RDC – THEORY OF CHANGE

### IMPACT
To reduce poverty in DRC by improving the income growth of poor people in selected market systems

### OUTCOMES
The performance and position of poor people within selected market systems is substantially improved

### OUTPUTS

| 1 Innovation | Partner market actors have successfully taken-up pro-poor innovations and have invested in order to sustain these innovations independently of programme support |
| 2 Crowding-in | Market actors who are competitors to those that pioneered the pro-poor innovation have copied the pro-poor changes or offered variants of it. |
| 3 Market Response: | Non-competing market players have adjusted their own practices in reaction to the pro-poor market system change. |

### INPUTS
Market insights, technical assistance, facilitation, loan guarantee funds to demonstrate innovation and builds capacity

### CONSTRAINTS PER SECTOR

| Agr NP | - Inadequate access to inputs and services |
| - Limited A2F |
| - Lack of innovative marketing and distribution techniques |
| - Tax regime not adequate |
| Agr P | - Lack of training for growers |
| - Lack of post harvest processing units |
| - High taxes |
| - Buyers are not confident in quality |
| A2F BB | - Lack of trust in MNOs for banking transactions |
| - Inadequate products offered by MNOs |
| - Incapacity to retain and grow network of consumers |
| A2F SMEs | - Lack of collateral to access capital for SME expansion |
| - SME lending is limited |
| - SME owners lacking management skills |
| Transport | - High illegal taxes |
| - Lack of access to finance |
| - Lack of market information |
| RE | - Low involvement of private sector in prod. and distr. of RE products |
| - Lack of consumer awareness |
| - Limited A2F |
| - Tax regime not adequate |

### PROBLEM
Markets systems in the DRC are bound by constraints that limit access for poor people, particularly women, who consequently suffer from intractable poverty and exclusion from broader and sustainable economic growth.
Our strategic framework allows us to project and measure how specific interventions and activities result in sustainable impact:

**INTERVENTIONS**
- Share market insights
- Demonstrate innovation
- Build capacity
- BMOs lobby Govt -- Govt adopts reforms favouring business environment

**SYSTEM-LEVEL CHANGE**
- Businesses adopt innovative business models that benefit the poor;
- Businesses buy/sell more products or services to the poor.

**ENTERPRISE PERFORMANCE**
- Poor smallholder farmers increase productivity and/or sales
- Poor micro-entrepreneurs increase sales or have reduced costs
- Poor consumers accumulate savings

**IMPACT**
- Increased income for poor men and women
- Pro-poor products and services are available
- Financial inst. provide finance to businesses
Our interventions span four major regions of DRC, with four offices currently covering work in 12 provinces. We are active in 9 of the 13 core provinces targeted by the project. ÉLAN RDC also implements pilots in three additional provinces.
ÉLAN RDC currently targets six sectors (below). In each sector, the programme addresses specific market constraints by facilitating market system changes. These target areas were selected for their potential to reach a high number of beneficiaries, their high potential for NAIC growth and their potential for systemic change.
RESULTS & IMPACT
KEY GLOBAL 2017 RESULTS

2017 marked a critical year in the progress towards scaling up the ELAN RDC programme. Each sector saw a combination of new partnerships and broader development activities, while the programme grew in size.

Major Technical Achievements:

- **Renewable Energy**: Solar lamp home kit distributors began shifting to a pay-as-you-go system that allows households with limited means to access solar products;
- **Transport**: After visiting multiple sites with ELAN, Kisangani-based freight forwarders opened offices in new ports between Kisangani and Kinshasa;
- **Specialty Export Crops**: Several events (Saveur du Kivu and International Coffee Day) raised awareness about the quality of Congolese coffee, and a new tool, the Congo Coffee Atlas, was presented during several industry events in DRC and New York.
- **Grains and Horticulture**: A major regional seed distributor, Naseco, entered the DRC market, while The Africa Seed Access Index (TASAI) extended its work to the DRC reviewing the business climate for the seed industry.
- **SME Finance**: The collateral management product was successfully scaled in Katanga, a guide to accounting for leasing products was developed and a market study on the insurance sector was conducted.
- **Branchless Banking**: Market actors gathered in Kinshasa with representatives of GSMA and Microsave and with the Central Bank of Congo to discuss market failures, while FINCA launched its e-wallet as a step towards mobile phone based credit.
From a programme management, monitoring and evaluation perspective, noticeable achievements in the reporting year included:

**Major Programme Achievements:**
- Developed a methodology for the collection of indirect beneficiaries data;
- Started collection of MRM data using remote devices;
- Satisfactorily went through 2016 Results Verification work with DSU;
- Refined the methodology on measurement of programme’s impact on women’s economic empowerment;
- Influenced a satisfactory number of competing and non-competing actors who changed their practices as a result of market system changes instilled by ELAN;
- Influenced a satisfactory amount of partners innovating or expanding as a consequence of market system changes triggered by the Program;
- Reached more beneficiaries than expected at aggregate level with respect to additional income earned at least once;
- Triggered 2017 additional income beneficiaries to earn 31£ vs. a target of 30£;
- Managed several personnel changes and an office change
BIGGEST OVERALL ACHIEVEMENTS

The programme is on track to achieve overall results:

To date, over **400,660 poor people** have experienced a **net positive income change**.

In 2017, over **£11,220,166** in cumulative net **additional income change** attributable to project interventions at an average of **£31** per person.

To date, over **466,599 poor people** demonstrating improved **enterprise performance**.

Since program start, over **643,013 poor people** demonstrating improved **business practices**.
IMPACT BREAKDOWN: GENDER

To date, ÉLAN RDC’s efforts to promote women’s economic empowerment have resulted in:

- Over **124,053** poor women have experienced a **net positive income change**
- Over **£5,005,411** in cumulative net **additional income change** attributable to project intervention for 2017
- Over **146,241** poor women demonstrating improved **enterprise performance**
- Over **201,774** poor women demonstrating improved **business practices**

- **45%** Renewable Energy
- **23%** Ag-Non Perennial
In 2017, ELAN pioneered innovative interventions that push the boundaries of what M4P is conventionally understood to “be able to do for women”. Examples include...

**Embedding progressive social norms and modelled behaviours** into a far-reaching renewable energy consumer awareness campaign to depict and help to **normalise men undertaking unpaid care work**, and **promote images of women engaged in non-traditional roles** and economic activities.

Supporting the formation, launch, and ongoing development of a representative body for women in the coffee and cocoa sectors (IFCCA), therein helping **Congolese women to become organised and have a collective voice through a platform** from which they can market their coffee/cocoa internationally, which has already led to purchases from Western buyers.

Exploring technology-based innovations that can **connect female producers and consumers more effectively to markets** (e.g. E-mart, Finca, TMB) and learning from failure in this non-traditional and more speculative domain.
IMPACT BREAKDOWN: CONSUMERS VS. PRODUCERS

To date ÉLAN RDC has achieved the following, broken down by consumers vs. producers:

Of the 400,066 new beneficiaries experiencing a net positive income change, **69% are poor producers vs. 31% consumers.**

The average **NAIC** for poor producers is **£26.95 vs. £42.33 for poor consumers.**

**42 interventions** focused on generating **productive income** vs. **19 interventions** on generating **savings** from either cost-saving products or access to cheaper financial services.
2018 KEY OBJECTIVES

During 2018, ELAN RDC will complete the shift from implementation mobilisation to monitoring, evaluation and closure. This will allow the programme to manage a smooth closure, capturing lessons to inform future programmes. The team will focus on strengthening assumptions for post-ELAN replication and implementing sustainability plans.

At the sector level:
- Renewable Energy: Monitor the volume and impact of partner sales, build an industry association for effective lobbying and
- Transport: Support expansion of the freight forwarder model, improve trade between Kinshasa and Kongo Central through aggregation and support efforts to stabilise transport to and from the Kasais.
- Specialty Export Crops: Support further development of coffee marketing efforts while improving traceability and supporting supply chain financing
- Grains and Horticulture: Expand access to markets through East Africa Exchange and the East Africa Grain Council, while continuing to support agriculture financing with both SMEs and smallholder farmers
- SME Finance: Support the launch of leasing products, the expansion of the CMA product and support the development of the insurance market
- Branchless Banking: Conduct a review of agency banking in DRC, support further expansion of agency banking models and monitor the launch of mobile credit services
Eastern DRC is often better connected via trade with other neighboring countries than it is with the rest of DRC, due to poor infrastructure and more developed economies to the East. Humanitarian aid plays a major role in the economy.

**KIVU**
- Population of +/-13 million
- Good access to Eastern African Market
- Area: +/- 125 153 km²
- Highest population density 93/km² after Kinshasa
- North and South Kivu represent resilient economies bordering several other countries in the Great Lakes Region.
- Insecurity and porous borders undermine a potentially productive economic region.

**PRIVATE SECTOR**
- Dynamic cross border trading (more integrated to East Africa markets)
- 14 companies account for near 100% of DRC coffee and cocoa exports
- Low industrial development rate
- More than 70% of consumer products are imported
  - High level of informal trade
  - Inadequate energy supply
  - Very limited access to finance
  - Informal mining sector

**LOW INCOME POPULATIONS**
- Approximately 78% of the population is under the poverty line
- 85% make a living from agriculture
- 80% unemployment rate
- 4% have access to electricity
- 78% of the population lives in rural areas
EQUATEUR

- 8 -9 million population (~10% of DRC total)
- 403k km² (17% of DRC),
- Sparsely populated: 20 inh./ km²
- Key asset: River transport >5,500 Km navigable, and connection to Kinshasa market
- Low urbanisation (< 2 Million people in urban areas)
- Complex political economy (Mobuto’s legacy)

PRIVATE SECTOR

- Very thin markets and low number of private companies
- Low industrial development rate
- Challenging road infrastructure (only <80km tarred road, and 14.000Km total)
- Immature financial sector
- Agriculture employs 76.5% of economy
- Inactive plantations
- High agriculture inputs costs
- Foreign interest in plantations & logging

LOW INCOME POPULATIONS

- Per-Capita Expenditure <100 USD/a, about half of national average
- Low urbanisation (< 1 Million people in urban areas)
- Only 1 % of the households have access to electricity (DSCRP, 2008)
- Women are poorer & more vulnerable
- Informal employment in agriculture
The province has important and strong connections with the southern Africa regional block which in turn impacts its economy with a mature private sector, several financial institutions, and a growing services sector.

**KATANGA**
- Katanga region covers approximately 500,000 km²
- Population of 13 million
- Mining industry, which dominates the regional economy.
- The “decoupage” splitting the province in 4 new provinces exacerbated inequality between non-mining and mining regions
- Conflicts in the Mitwaba area called “death triangle”

**PRIVATE SECTOR**
- Economic activities revolve around the mines
- High consumer demand created by mining sector
- High urbanisation rate
- Challenging transport infrastructure
- Low industrial development rate
- High agricultural inputs costs
- More than 70% of consumer products imported
- Inadequate energy supply
- Scarcity of skilled labour
- Inadequate access to finance

**LOW INCOME POPULATIONS**
- 75% live below poverty line
- Women are poorer & more vulnerable
- Informal employment in agriculture
Kinshasa is characterized by the development of a large consumer market for imported products and low production of local products. This configuration as a result of the presence of a large number of people in the administration.

**KINSHASA**
- Population of +/-13 million ( +/- 20 million by 2025)
- Centre of decision making in DRC
- Area: +/- 9 965 km² (96% of the total population only occupies 11% of the city)
- Highest urbanisation rate in the DRC (+/- 96%).

**PRIVATE SECTOR**
- 5 urban markets that feed the city with over 55,000 informal sellers
- 14 sites of production with about 25,400 farmers
- 35% of industrial companies are in the food industry, yet
- More than 80% of consumer products are imported
- High level of illegal entry of imported goods destabilizing the Kinshasa market
- SME's lack working capital to consolidate purchases

**LOW INCOME POPULATIONS**
- 56% of the population is in the informal and public sector
- 85% of consumption is on food & beverages (66%), rent, electricity, water, transport and education
- 74% have access to electricity and while 26% have no access
- Price of electricity and water has increased in 2016 by 5.78%
- Highest budget for transport in DRC
- 95.8% of transport are provided individuals and informal sector

56% of the population is in the informal and public sector
- 85% of consumption is on food & beverages (66%), rent, electricity, water, transport and education
- 74% have access to electricity and while 26% have no access
- Price of electricity and water has increased in 2016 by 5.78%
- Highest budget for transport in DRC
- 95.8% of transport are provided individuals and informal sector
SECTORS
NON-PERENNIAL AGRICULTURE
GRAINS & HORTICULTURE
2017 Results: Scaling

- 2 more int’l seed suppliers develop distribution networks in the DRC
- 1 local vegetable seed producer increased market share by 1.5 and adjusted production capacity to meet market demand
- Rice producer achieves greater market access in South Region
- Facilitation of market access (Ets Inkune in North Region)
- SMA developed and launched in South Region with 2 partners

Sector Results Chain:

Smallholder farmer (SHF) revenue increased

- Use of high-quality inputs
- Higher yields
- Increased production quantity and quality
- Access to secured markets
- Improved regulatory environment
- Support aggregation, processing, storing & transportation
- Foster industry advocacy
- Support dev. of OGS and financing
- Support FSPs to develop products
- Support input suppliers
- Pre-financed inputs from ag. biz & mines
- Agribusinesses access finance
- Access to secured markets
- Improved regulatory environment
- ELAN’s work
CASE STUDY:

Below we highlight work in the Agricultural Non-Perennial sector both with individual partners (NASECO Seeds) and through industry-wide initiatives (The Africa Seed Index).

PARTNERS: NASECO Seeds

Objective: Sale and distribution of 200 MT of hybrid maize seed and installation of 10,000 demonstration plots in Ituri and North and South Kivu

Model:
- Sales and distribution tailored to and targeting SHFs in East Congo [specialised communication and consumer education]

Key takeaways
- SHFs have a sustainable source of hybrid maize seed and information on GAPs. A minimum 10,000 SHFs trained in GAPs.

Next steps
- Training of 200+ agro-dealers in Ituri and North and South Kivu on GBPs by AgriExperience to ensure sustainability of the NASECO Seeds distribution network.

INDUSTRY: AFRICA SEED INDEX

Objective: Support seed industry stakeholders in the development of a dynamic and sustainable private sector led seed industry

Model:
- Improvement of the business enabling environment through the generation of quantitative data.

Key takeaways
- Maize varieties produced and sold in the DRC [East; South; West and; North Regions] are outdated. Varieties are on average 18 years old compared to 5.7 years in Malawi; 10 years in Tanzania and; 6.4 years in Zambia.

Next steps
- Coordination of public and private and non-governmental stakeholders.
PERENNIAL AGRICULTURE
SPECIALTY CROPS
## 2017 Results: Scaling

- Target Industry Associations to lead advocacy and marketing
- Leverage entry and investment of major agribusiness to realize processing and production improvements on a grander scale
- Seize piqued interest among buyers to increase partner and non-partner engagement
- Focus on interventions with partners demonstrating greatest promise and capacity to sustain

### Sector Results Chain:

<table>
<thead>
<tr>
<th>Impact</th>
<th>Ent. Perf.</th>
<th>Mkt Sys. Chg.</th>
<th>ELAN’s Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smallholder farmer (SHF) incomes increase</td>
<td>Decrease losses, improve yields</td>
<td>Achieve certification</td>
<td>Support training and certification</td>
</tr>
<tr>
<td>Increased sales volumes</td>
<td>Improved processing equip.</td>
<td>Access to finance</td>
<td>Support equip installations and traceability systems</td>
</tr>
<tr>
<td>Int’l confidence in Congolese market</td>
<td>Improve regulatory &amp; tax environment</td>
<td>Promote Congolese coffee/cocoa</td>
<td>Support industry-wide marketing and branding</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CASE STUDY — The Congo Coffee Atlas

In 2017, ELAN teamed with coffee exporters, industry associations, and Eastern Congo Initiative (ECI) to design and develop the Congo Coffee Atlas, an industry-leading online business intelligence dashboard and tool to demystify the marketplace. The tool helps increase access to information including zonal flavour profiles and characteristics, value chain actor profiles, capacity, and and much more — all critical elements of the buyer decision making process.

Key Figures
- 11,000MT of coffee exported in 2016
- In the last ten years, DRC did not export more than 8,000MT
- At the end of the 1980s, DRC exported upwards of 120,000MT

Key Activities
- Precompetitive Exporter Profile and Data Collection Design
- Exporter/Cooperative Geo-Tagging and Data Capture
- Dashboard Design, Development, and Data Input
- Industry Engagement/Validation
- Test Launch at Saveur du Kivu (SduK) 2017
- UN General Assembly Presentation
- International Coffee Day Launch

Key Takeaways
- Global buyers, national exporters, cooperatives, and industry associations enthusiastically welcome the launch of the Congo Coffee Atlas as means to put them on the map and significantly improve access to information.
- The tools’ utility and full potential have not yet been realized as cocoa and Robusta exporters, as well as value chain actors in every producing province are eager to be included in future updates and iterations.

DRC’s Coffee Industry Leads the Way in Bolstering Access, and Improving the Flow and Quality of Information Critical to Buyers

Next Steps
- Continuity Planning: (1) Finalize user agreements, intellectual property rights, and communications planning; (2) complete exporter and zonal profiles for print/promotional versions; (3) orchestrate dashboard training, handover, and merge to ASSECCAF; (4) secure placement for discussion at key industry events.
BRANCHLESS BANKING
2017 Results: Scaling

- Financial education campaign with 155 IVR through Viamo (formerly HNI)
- Women financial empowerment with the Pépinière program
- M-Pesa/FINCA integration completed and FINCA Mobile launched
- Partnering with newcomer for mobile money agent based money transfer
- Mobile money industry platform with GSMA

Sector Results Chain:

<table>
<thead>
<tr>
<th>Increased savings and income</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital transactions increase</td>
<td>Ent. Perf.</td>
</tr>
<tr>
<td>Support education</td>
<td>ELAN’s work</td>
</tr>
<tr>
<td>Optimized digital payment system</td>
<td></td>
</tr>
<tr>
<td>Improve quality and reach of agent network</td>
<td></td>
</tr>
<tr>
<td>Provide technical assistance</td>
<td></td>
</tr>
<tr>
<td>Improved access to finance</td>
<td></td>
</tr>
<tr>
<td>MNOs and Fin. Inst. offer services to the poor</td>
<td></td>
</tr>
<tr>
<td>Share market studies</td>
<td></td>
</tr>
</tbody>
</table>
CASE STUDY: VIAMO

Consumer education is a pillar of success for financial inclusion in DRC. ELAN RDC and Viamo (formerly HNI) with the Central Bank participation have launched 155 Vodacom for the financial education national program.

Background:
• ÉLAN RDC and Viamo have developed a new channel for consumer education as a tool to disseminate key information that will service product adoption. The 155 service is a toll free number (10 free calls per month) to access varied information such as healthcare, agriculture and financial education. Advans Bank, BCDC and Rawbank came together joining ELAN and Viamo to design and approve financial education content related to managing finances, saving, credit and the company formation process.

CHANGE IN PRACTICES

• Vodacash has adopted 155 service to disseminate Mobile Money knowledge and information to drive awareness around Mpesa.
• Banks in the partnership came together with a common interest of building a financial education content to tackle their respective consumer behavior challenges.
• Banks are planning to assess the impact outcome of the 155 service in order to decide areas of improvement and expansion of the collaboration to more operators (banks and MNOs).

Impact:
• More than 170k callers have listened to financial education contents within 9 months.
• Banks are planning ahead to renew and update the financial education content taking into consideration the traffic driven by the 155 service to their respective customer care desk.
RENEWABLE ENERGY
2017 & RESULTS CHAIN

2017 Results: Scaling

- Increased both the portfolio size, diversity and results compared to this time last year:
  - Total cumulative poor with NAIC end of ‘16 = 36k, ‘17 alone: roughly 60k
  - Increased the amount and size of partnerships from 4 active partners end of ‘16 to 14 active partners, with a total value of roughly $ 3.5M from $650k last year.
  - Quadrupled the international partners from 1 to 4 partnerships, and have more than tripled local partners from 3 to 10
- Developed a series of innovative market supporting partnerships and interventions
  - Marketing campaign (first in country)
  - GLP/Burn distribution support
  - Altech and DevSolaire PAYGO projects (first in country)

Sector Results Chain:

- Poor consumers increase income
- Poor consumers save money and reinvest savings
- Grow supply of energy efficient technologies
- Improved marketing and distribution
- SMEs and consumers access finance
- Improved business environment
- Support both local and int’l players
- Develop national marketing campaigns
- Facilitate credit along value chain
- Support advocacy of new RE association
- ELAN’s work
CASE STUDY:

The Renewable Energy sector has been doing work that both reaches scale and a large number of beneficiaries and while systemic change in the market.

<table>
<thead>
<tr>
<th>PARTNERS: D.LIGHT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective:</strong> Attracting international solar energy actors to help promote and develop the market for low cost clean energy products that benefit the poor in DRC, helping to lower household expenses related to energy.</td>
</tr>
<tr>
<td><strong>Model:</strong></td>
</tr>
<tr>
<td>- To cultivate a favorable business ecosystem, and to crowd-in pico solar players to the DRC market</td>
</tr>
<tr>
<td>- The development of a marketing and distribution plan</td>
</tr>
<tr>
<td><strong>Key takeaways</strong></td>
</tr>
<tr>
<td>- Reached high number of beneficiaries being one of the first international actor to enter the market</td>
</tr>
<tr>
<td>- Sales volume less than expected due to entrance barriers on the Congolese market and the market conditions, and reduced purchasing power after devaluation of the FC</td>
</tr>
<tr>
<td>- D.Light looks to be a key actor for gov’t advocacy work</td>
</tr>
<tr>
<td><strong>Next steps</strong></td>
</tr>
<tr>
<td>- Scaling up of activities, increase of selling points</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INDUSTRY: NATIONAL RE CAMPAIGN</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective:</strong> The marketing campaign aims to reach 2 main goals, (1) to raise the awareness for the general public and (2) to share the economic benefits of PICO solar PV, solar home systems and improved/advanced cookstoves</td>
</tr>
<tr>
<td><strong>Model:</strong></td>
</tr>
<tr>
<td>- This is the first national awareness campaign. The ATL &amp; BTL campaign on a national level, cover 12 cities across 3 different languages through various forms of media</td>
</tr>
<tr>
<td><strong>Key takeaways</strong></td>
</tr>
<tr>
<td>- Large outreach expected</td>
</tr>
<tr>
<td>- Improved awareness will likely lead to improved number of beneficiaries making the Congolese market more attractive and eventually draw more international solar actors.</td>
</tr>
<tr>
<td><strong>Next steps</strong></td>
</tr>
<tr>
<td>- Continued roll-out, the campaign was launched in December and will run through May/June</td>
</tr>
</tbody>
</table>
SME FINANCE
2017 Results: Scaling

- ELAN pursued the replication of CMA in Katanga
- TMB adapted the CMA model to the SMA (Stock Monitoring Agreement)
- Leasing product implementation with PCB and Rawbank. PCB accountants and tax specialists were trained in leasing accounting and tax implications
- BDS exploration in Kinshasa, Katanga and Kivu
- Facilitate access to finance for several MSMEs

Sector Results Chain:

SHF / ME revenue increased

MSMEs purchase more from SHFs and increase their investments

- Improved MSME management
- Fin. Inst. increase SME lending
- Collateral managers develop new services
- BDS provide assistance
- Support lending to SMEs
- Develop risk-sharing guarantees
- Support alternative collateral services

Impact
Ent. Perf.
Mkt Sys. Chg.
ELAN’s work
CASE STUDY: COLLATERAL MANAGEMENT AGREEMENT

An alternative loan guarantee system was developed by ÉLAN DRC in 2014, the collateral management agreement (CMA), to help improve tailored access to finance for agricultural enterprises in DR Congo. The third-party credit-against-stock product was developed by ÉLAN DRC in partnership with several commercial banks and a logistics company.

Key Figures: For Katanga Expansion
• Total Budget: $320,000
• Partner Investment: $190,000
• ÉLAN RDC Investment: $130,000 (41%)

Key Activities / Background
• Onerous property guarantees of 150% to 200% of the amount borrowed, prevented many agricultural enterprises access to finance.
• Agricultural stock is rarely used as collateral because it often remains under the control of the entrepreneur rather than being secured by a third-party holder.

Using Agricultural Stock as Collateral to Improve Access to Finance for Agricultural SMEs

Key Takeaways
• The third-party credit-against-stock product will enable processors / wholesalers to access bank loans for the purchase of additional non-perishable product volumes from producers (here maize for the pilot phase).
• The CMA allows for the purchase of larger quantities of agricultural produce during harvesting and storage under professional conditions. In terms of supply and demand, the CMA, when effectively used, can allow price smoothing, with demand being stimulated by access to finance at harvest.

Next Steps
• Continue the replication of the CMA with other partners as well as in Lubumbashi & Kinshasa
RIVER TRANSPORT
2017 Results: Scaling

- Support of expansion of freight forwarders in Sud-Ubangi
- Piloting of Market Information System (MIS)
- Design of a public-private dialogue in Sud-Ubangi & Equateur provinces to reinforce 2015 advocacies
- Scoping study for agricultural product aggregation in Kongo Central
- Piloting of a new transport system (tricycle) in Kinshasa province

Sector Results Chain:

Increased income of farming households

Improved sales through improved market access

- Improved tax regime
- Access to finance
- Improved coordination along value chain
- Support association advocacy efforts
- Support dev. of financial products
- Support logistics system
- Push for standard weights and units
- Support MIS implementation

Impact
Ent. Perf.
Mkt Sys. Chg.
ELAN’s work
CASE STUDY: FREIGHT FORWARDERS

Product is getting stranded in the ports of the Mongala and Ubangi rivers, sometimes for months, as few boats go through the ports. As a result, traders are reluctant to buy products from small farmers. The objective for this intervention is to improve the logistics of river transport through the expansion of freight forwarders, to aggregates traders’ demand and provide timely information on that demand to boat operators.

Impact:
- In 2017, the first evacuations of the freight forwarder Action Plus in Sud-Ubangi took place in Akula and Mogalu in December with 179 tonnes evacuated.

CHANGE IN PRACTICES

ELAN supported the expansion of freight forwarders, originally present in Kisangani and Kinshasa, to the provinces of Sud-Ubangi, Nord-Ubangi and Mongala. Freight forwarders facilitate shipments of agricultural products to Kinshasa. Their role is to collect information of incoming product and volume to be transported, provide that information to transporters, negotiate shipment and prices with transporters, inform traders about incoming boats, ensure product is ready to be shipped when the boat arrives.

- Boat operators pay freight forwarders a commission per bag loaded in exchange for the service.
- With this intervention, we expect the following changes of practices among traders and transporters:
  - Increased aggregation of products before evacuation
  - Traders ship their products faster and more reliably – leading to less losses and faster ROI
  - Boat operators fill their boats faster, do more rotations and are more profitable
  - More boats serve the main ports of Sud-Ubangi, Nord-Ubangi and Mongala provinces.