Developmental Evaluation of Business with Impact (BEAM) Programme

Evaluation on Finland's Development Policy and Cooperation

2019/4

DEVELOPMENTAL EVALUATION OF BUSINESS WITH IMPACT (BEAM) PROGRAMME

Final Report

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4FRONT

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BUSINESS FINLAND

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CONTENTS

TABLES

FIGURES

ACRONYMS AND ABBREVIATIONS

AEA	American Economic Association
ALICT	African Leadership Institute for Community Transformation
BEAM	Business with Impact Programme
BF	Business Finland
BioFISA	Finnish-Southern Africa Partnership Programme to Strengthen NEPAD/SANBio network
CSBKE	Creating Sustainable Businesses in the Knowledge Economy
DAC	Development Assistance Committee of OECD
DE	Developmental Evaluation
EEP	Energy and Environment Partnership Programme
ESG	Evaluation Steering Group
EVA-11	Evaluation unit of the Ministry for Foreign Affairs of Finland
HIPSO	Harmonised Indicators for Private Sector Operations
I4D	Innovation for development
IPP	Innovation Partnership Programme (Vietnam)
MFA	Ministry for Foreign Affairs of Finland
MFS	Sustainable Forest Management Programme
MTE	Mid-Term Evaluation
NGO	Non-governmental organisation
ODA	Official Development Assistance, a definition by OECD Development Assistance Committee (DAC)
OECD	Organisation for Economic Cooperation and Development
RBM	Result-based management
R&D	Research and development
RDI	Research, development and innovation
SAFIPA	South African Finland Partnership Programme
SAIS	Southern Africa Innovation Support Programme
STIFIMO	Programme of Cooperation in Science, Technology and Innovation between Finland and Mozambique
TANZICT	Information Society and ICT Sector Development Project in Tanzania
Tekes	Finnish Funding Agency for Innovation, earlier name of Business Finland
TF	Team Finland
ToR	Terms of Reference
UN	United Nations
USAID	United States Agency for International Development
WEF	World Economic Forum
WP	Work Package

SUMMARY

Business with Impact – BEAM has been a five-year programme (2015–2019) with an initial budget of EUR 50 million, together financed by Business Finland and the Ministry for Foreign Affairs, and matched by co-funding from the participating companies and organisations. The aim of the BEAM has been to assist Finnish enterprises and other organisations, including research institutes, universities and civil society organisations to solve global challenges with the help of innovations and to make it successful and sustainable business.

The **developmental evaluation** of BEAM programme begun in September 2015 and has continued through the whole duration of the programme until the end of 2019. An important objective of the developmental evaluation has been to document the progress and the choices made during the course of the programme, and to provide the programme management team with informative means to learn from experiences in order to improve the service delivery. At the same time the objective of the evaluation has been to provide the means to verify achievements against intended results as well as unintended consequences – both positive and negative.

This **Final Report of the evaluation** is structured to explain the process and individual tasks of the developmental evaluation approach, to synthesise the learnings and messages of the whole evaluation, and to feed into the planning of future activities of similar nature.

BEAM is addressing a relevant and timely topic

The evaluation concludes that overall, BEAM has addressed a very relevant societal challenge that otherwise would not have been equally well addressed, and that the programme timing has been very appropriate. It has been important to broadly engage the private sector into this theme and to incentivise their research and development towards addressing challenges in the developing markets. This has also offered important new growth potential to Finnish companies in a time when domestic market growth prospects have been modest. There appears to be further interest and demand for the topic and volume of programme funding has developed positively.

The unique additionality BEAM programme has offered has been the testing of viability and scalability of sustainable innovation and its 'gateway' into the developing markets. The programme has made some progress towards building a true multilateral collaboration among companies, researchers and NGO for sustainable innovation, however to this end there is still a work to be done.

Explorative, developing and clarifying programme

At the start of the BEAM, there was not yet a clear understanding of what kind of projects would eventually be selected in the programme and what would be a realistic anticipation of programme's impact. The discussion among stakeholders was vivid and expectations for the programme were broad and some

optimistic. The programme impact logic was not sufficiently elaborated and several aspects of the jointly organised programme administration, such as organisation of the programme monitoring, needed further working out. As the programme progressed, these have been sorted out and appropriate working models defined.

Over the course of the programme, the development of programme services, support and advice has been reflected in the better selection, maturity and viability of funded projects. This has been the impression and intention, at least. Particular emphasis has been put to understanding and communication the development impact of innovation projects. Practices for joint programme administration (between MFA and BF) have also been developed. Meetings among Business Finland and MFA specialists have been considered particularly helpful. The programme has also revised (i.e. narrowed) its geographical focus with the intention to systematically identify possibilities and build collaborations.

Exceptional programme structure...

The fact that BEAM has been an effort to combine the objectives, resources and operations of two separate Team Finland actors (i.e. MFA and BF) and build on their synergies, has made it a genuine Team Finland programme – the first of its kind. Compared to a 'normal' Business Finland or MFA programme, the joint programme approach has brought more funding resources, more collaboration opportunities, broader set of services and a broader competence-base to support the projects.

BEAM programme has also been the first time Business Finland (or MFA) to apply a developmental approach in a programme evaluation. The developmental evaluation has regularly observed programme implementation and provided assessments, advice and specific analyses (such as analysis of programme portfolio) for the support of the programme management.

...with slightly heavier administration

Despite the benefits of a joint structure, the exceptional organisation of BEAM has also brought some additional administrative burden; the programme management is a shared function of the two parties (i.e. MFA and BF), all project proposal are assessed and approved by both parties and the progress and results of the programme are reported to both parties. This, particularly at the beginning of the programme, resulted in heavier administration. Furthermore, since the MFA applies ODA-funding to BEAM, this brings additional criteria, advice and monitoring on top of the normal RDI funding processes of Business Finland. Moreover, promotion, collaboration and implementation of BEAM projects in distant (and often culturally and contextually very different) developing market environments, has expanded the requirements of programme management, coordination and evaluation. Overall, the management and coordination resources have in several occasions been considered insufficient for the demanding requirements of the programme.

BEAM has mobilised actors

BEAM has raised the awareness of, and the interest in the developing market opportunities amongst Finnish companies and Business Finland clients, and managed to generate a good number of collaborative Research, Development and Innovation (RDI) projects within the topic. The programme has facilitated the seeking and establishment of new partnerships. BEAM has also facilitated collaboration amongst public services that are aimed at supporting sustainable innovation and exports, as well as helped to build a joint vision among the service providers. The programme has significantly increased public sector understanding of sustainable innovation, building the capacity and requirements for developing markets.

Rather small projects addressing big challenges

BEAM has succeeded to mobilise a large number of projects from micro and small companies. Successful adoption and commercialisation of innovations in developing markets usually requires determined investment, adaption to unforeseen changes, a good amount of resources and time. This poses a challenge for most small companies. Towards the end of the programme, the focus has shifted strongly to company projects (and away from research / multilateral collaborative projects). The geographical distribution is also wide, although India, Vietnam, Tanzania and Namibia clearly stand out. Hence, the programme would most likely benefit from tighter strategic focus.

Relatively good progress and results...

The monitoring survey on BEAM projects was carried out in spring 2019 and according to it, a clear majority of project managers considered that their project had progressed as planned, or even better than planned, in relation to their objectives. Most projects were estimated to meet or even exceed objectives. At the same time, every third project had had some unexpected difficulties. Challenging conditions in partner countries, cultural differences and slow progress of projects were the most common of unexpected hurdles.

...but the generation of wider impact is a slow process

Many of the BEAM projects are still running or at best, they are still at the early phases of broader utilisation of project results. Normal BEAM project has a duration of 2–3 years and Business Finland typically collects project follow-up information three years after their completion. There are successful projects, but it is still early to collect evidence on larger commercial and development impacts from these projects.

The challenge of assessing development impact

Generating development impact has been one of the key objectives of BEAM. The programme has now gathered a good amount of experience on this, and this should be utilised for defining appropriate selection criteria and monitoring indicators for future projects. The new assessment tool for applications includes a set of criteria for assessing development impact. This should provide an important information base to build on and to elaborate further.

RECOMMENDATIONS FOR FUTURE

1. Funding model needs updating

In order for BEAM to increase its economic and development impact, it would be beneficial to engage different types of partners in projects. This applies in particular to local partners in target countries. This has indeed been the aim of BEAM from the very beginning, but Business Finland's funding instruments do not properly support this. In order to go about this, it is suggested that in future, BEAM funding could consist of funding from other organisations, such as of Finnpartnership, on top of the Business Finland funding. This would bring more flexibility in funding and allow for a broader set of activities and partners to be included in BEAM.

2. Funding of foreign collaboration and NGOs yet to be solved

The objective of BEAM has been, from its very beginning, to build a broad-based innovation collaboration both in Finland and in partner countries. In practice, this has not always been possible. One of the difficulties has been the limitations related to Business Finland's funding, which is not suited to funding of foreign partners. When other complementary funding sources have not been available, such as local RDI-funding in partner countries, practical project collaboration in partner countries has usually remained very limited. This is one of the clear limitations of the current funding model of BEAM.

Rather similar challenge has been with the engagement of NGOs in BEAM, as Business Finland's funding criteria does not approve activities without clear commercial interests, like those of the NGOs. NGOs often have strong networks, practical and cultural experience and presence in developing markets, which can be extremely important for finding suitable partners, understanding the application needs and opportunities for collaboration with local partners. They also have a true interest to help disseminate practical solutions to the challenges of people in developing markets.

By supporting earlier and better engagement of local partners and NGOs in sustainable innovation projects, BEAM could help to improve the design and uptake of innovations in the partner countries, and eventually increase their economic and development impact.

3. Further emphasis on programme-level collaboration

Much of the BEAM focus has so far been on the project level – in focusing on the right kinds of projects, partners and impact – and much less on programme, institutional or ecosystem level collaboration. In the future, this aspect should be given more emphasis, in order to leverage larger funding opportunities and more importantly, to general broader and more sustainable impact.

BEAM programme's objective to support to innovation in developing markets has many synergies with, for example export promotion and other forms (than development policy) of foreign policy and these synergies could be strengthened both at project level and particularly at the programme and institutional levels amongst other the Team Finland actors. Good examples of such synergies are the

different funding instruments that are available, as well as the support of international offices and representations in partner countries, building on the different country strategies of MFA and connecting / taking stock of the procurement opportunities of IFIs, in which Finland is already formally present.

Other programme level collaboration opportunities include various events, networks and innovation hubs, as well as building synergies with similar funding programmes of foreign and international development funders, such as the World Bank, SIDA, DANIDA, etc. Combining private sector innovation with development policy is not unique to BEAM and this has been tried (for example with Indian funder Gita) during the course of BEAM but setting up practical collaboration has been time and resource consuming and not always fruitful. In the long run, such programme level collaboration could bring strategic advantages to BEAM by opening up important scaling and efficiency gains.

1 INTRODUCTION

This report summarises the work and findings of the developmental evaluation of BEAM – Business with Impact Programme by Business Finland and Ministry for Foreign Affairs of Finland.

The aim of the BEAM has been to assist Finnish enterprises and other organisations, including research institutes, universities and civil society organisations to solve global challenges with the help of innovations and to make it successful and sustainable business. BEAM has been a five-year programme (2015–2019) with an initial budget of EUR 50 million, to be equally financed by Business Finland and the Ministry for Foreign Affairs and matched by co-funding from the participating companies and organisations.

The programme has supported development, piloting and demonstrations of innovations that improve people's welfare in developing countries and create international business for Finnish enterprises. Innovation has been defined to include new products and services, business models and partnerships, distribution channels, technologies, solutions and social innovations in various sectors ranging from education to health, food production, renewable energy, climate change mitigation and adaptation or other types of environmental protection.

The developmental evaluation of BEAM programme begun in September 2015 and has continued through the whole duration of the programme until the end of 2019. An important objective of the developmental evaluation has been to document the progress and the choices made during the course of the programme, and to provide the programme management team with informative means to learn from experiences in order to improve the service delivery. At the same time the objective of the evaluation has been to provide the means to verify achievements against intended results as well as unintended consequences – both positive and negative.

The developmental evaluation team has been led by *Kimmo Halme*, with experts *Kristiina Lähde, Merja Mäkelä, Helka Lamminkoski* and *Steve Giddings*. During the course of the evaluation, also *Juho Uusihakala* and *Petri Uusikylä* have been part of the evaluation team. The evaluation has been guided by the *Evaluation Steering Group* (ESG), in which also the evaluation approach and tasks have been actively discussed and agreed upon. At the end of the evaluation, the ESG was composed of two members; *Mari Räkköläinen* (earlier *Jyrki Pulkkinen* and *Riitta Oksanen*) from MFA, and *Teppo Tuomikoski* (earlier *Pekka Pesonen*) from Business Finland, while also *BEAM programme Manager* and other MFA and Business Finland experts have been invited to its meetings.

This Final Report of the evaluation is structured to explain the process and individual tasks of the developmental evaluation approach, to synthesise the learnings and messages of the whole evaluation, and to feed into the planning of future activities of similar nature.

2 THE BEAM PROGRAMME

The Business with Impact – BEAM programme was set to assist Finnish enterprises in addressing global development challenges by converting such challenges into successful and sustainable business. It has been a five-year innovation programme (2015–2019) managed by Business Finland, with an intended total budget of EUR 50 million, half of which to be jointly co-financed by Business Finland and the Ministry for Foreign Affairs. It has been the first Team Finland programme of Business Finland and MFA.

2.1 Rationale and objectives

BEAM programme has been based on the **vision** that Finnish companies and other actors are part of the global ecosystems that create economic, environment and societal impacts both in Finland and developing countries. Programme's **mission** was to help Finnish companies build successful and sustainable businesses in Finland and developing countries through inclusive innovations for societal challenges.

The immediate objective of BEAM, as stated in the programme proposition[1] was that participating private sector partners, education and research organisations and civil society organisations in developing countries and in Finland **create new innovations and new knowledge and knowhow**.

The anticipated short to medium-term impacts of the programme were

1. Participatory product, service and business innovations for developing countries' indigent people, new delivery channels, technology and solutions
2. Creation of new employment and entrepreneurship opportunities. Increased economic resources in both developing countries and in Finland.

...while the anticipated long-term impacts in Finland and in developing countries were

1. Renewed industry and commerce, economic growth improves
2. New and innovative solutions to environmental challenges are found
3. Wellbeing and social equality increase

BEAM programme was not restricted to particular sectors or sub-sectors. However, formally MFA-funding must be targeted to operations meeting the criterion for official development assistance (ODA). Business Finland-funding and companies' own funding aren't bound to this criterion.

The target countries can be any of the developing countries listed as eligible for official development assistance by OECD/DAC, except China, which is listed out

1 Hanke-esitys, 3 December 2014; UH2014-015356

due Team Finland's already strong orientation to Chinese markets. However, the aim is to establish innovation and business process tripartite partnerships with China and target countries in Africa and Asia.

The direct beneficiaries of BEAM have been Finnish companies and also larger consortia including organisations and institutes in Finland, as well as their partners in developing countries. BEAM has supported the growth aspirations of Finnish SMEs in new and developing markets and aimed to build their understanding of SDGs and the potential of new business opportunities related to sustainable development. Final beneficiaries of the programme are people living in developing countries: rural small farmers, ethnic minorities, disabled people, women, men, children, elderly people etc. Business Finland has operated BEAM since 2015 and has worked to ease market entry of Finnish companies to developing markets and projects financed by multilateral development agencies. The Ministry for Foreign Affairs has contributed roughly half of the budget of BEAM using ODA funding and worked to raise developmental impact aspects of the programme.

2.2 Programme setup in Business Finland

2.2.1 Programme governance

Since its inception, BEAM has had a **Programme Supervisory Board** to discuss programme direction. This supervisory board was chaired by the responsible Tekes Director and including members from industry (Tekes clientele) and representatives from the two funding ministries. With the merger of Tekes into Business Finland, the supervisory Board was replaced by an **Advisory Board for the Developing Markets Business Area**, being in charge of other related activities along the BEAM programme.

For the practical level planning and coordination, a **joint Management Team** (BEAM Johtotiimi) has been organised among Tekes/Business Finland, MFA, MEAE and other stakeholders, such as Finnvera. This has played an important role for example in linking the administrative practices between the funders Tekes / Business and MFA.

The day-to-day management of the programme has been the responsibility of the **BEAM core team in Tekes and later at Business Finland**. At the beginning there were four persons dedicated to this, but towards the end of the programme resources have been cut and it has been managed by two full-time persons at Business Finland. Other Tekes / Business Finland and MFA colleagues have contributed to the evaluation of project applications, identification and activation of market opportunities in the focus developing markets. The BEAM programme management at Business Finland has prepared annual progress reports to MFA.

As a standard Business Finland practice, the practical **programme coordination has been outsourced to an external service provider** (Spinverse Oy).

2.2.2 Tekes and Finpro merger into Business Finland

As a consequence of the merger between Finnish Export Agency – Finpro and Finnish Funding Agency for Innovation – Tekes in 2018 to form the new Business

Finland, also the Tekes operated BEAM programme (mainly RDI funding) and the Finpro operated Developing Markets business area (mainly export promotion) were merged. The Business with Impact – BEAM, was kept as the name of the new merged programme.

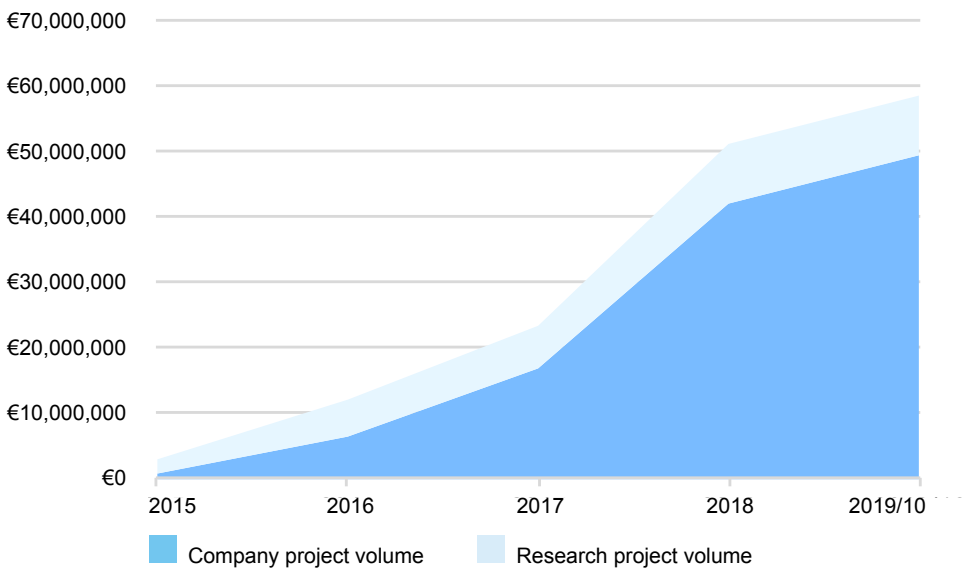
The new setup of the programme provided opportunities to **redefine BEAM programme strategy**. Work to develop and implement the new strategy was initiated in September 2018 with the appointment of Programme manager Christopher Palmberg.

The merger also made available to BEAM all of the former Finpro competences, services and activities. These activities have, in various ways, contributed to the evolution of the project portfolio by, for example, activating new companies, consortia and reactivating existing BEAM projects.

2.3 Project funding and progress

BEAM, and more generally sustainable business in developing markets, has raised increasing attention and interest, even though at the beginning of the programme it was not easy to find sufficiently good and concrete company projects. Further attention was paid to these issues in the mid-term evaluation of the programme, and from fall 2017 onwards Tekes made a strong effort to identify new, better matching (larger, more mature and clearer) projects for the programme. Companies were sought and activated amongst the broader clientele of Tekes. Programme communication was strengthened, and services improved to make the programme better known and more attractive. As a result, more projects have been taken on board and the programme has exceeded its volume objective of 50 million euros.

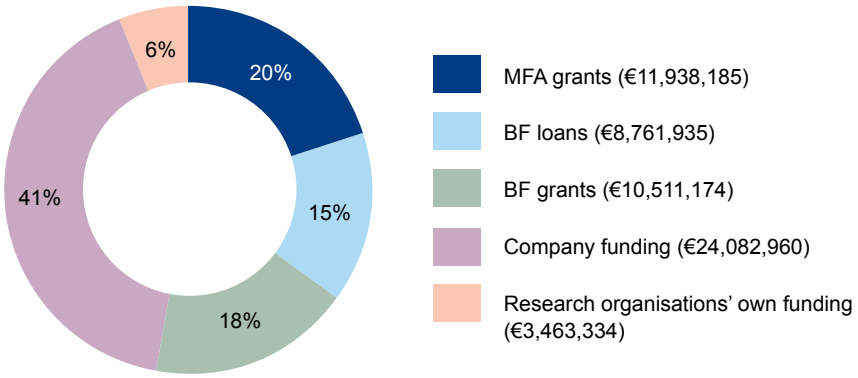
Figure 1. Development and distribution of BEAM project volume 2015–10/2019.



Source: Business Finland.

The total volume of funded projects has increased particularly over the years 2018–2019. The increase has come purely from company projects (in comparison to research projects). In October 2019, total volume of BEAM funded projects was 58,8 million euros. Out of this, the share of BEAM funding was altogether 31,2 million euros (53,1%), the rest coming from companies and research organisations. The contribution of Business Finland grants and loans was altogether 19,3 million euros (32,8% of total) and MFA grants 11,9 million euros (20,3% of total). Hence the difference between MFA and Business Finland shares, as BEAM portfolio has included also projects, which were not co-funded by MFA. The share of enterprises' own funding was 24,1 million euros (41,0% of total) and research organisations' 3,5 million euros (5,9% of total), (see also Annex 1 for BEAM funding data).

Figure 2. Distribution of BEAM project funding by source 2015–10/2019.



Source: Business Finland.

The majority of BEAM funding has been Research and Development (R&D) grants to companies (16,7 million euros). The volume of R&D loans to companies was altogether 8,8 million euros. Funding to research organisations has been 5,8 million euros.

BEAM has received altogether 230 funding proposal over the whole programme period (2015–10/2019). 151 applications were finally approved and started. Based on this, the approval rate was reasonably high, 66,8%. Out of the 151 funded projects, 116 were company projects and 44 research projects. Average size of projects were 426,984 euros and 209,714 euros, respectively.

The companies and projects accepted for BEAM have been found to be relatively small and their duration short. To this end, BEAM Portfolio analysis of 2018[2] stated that

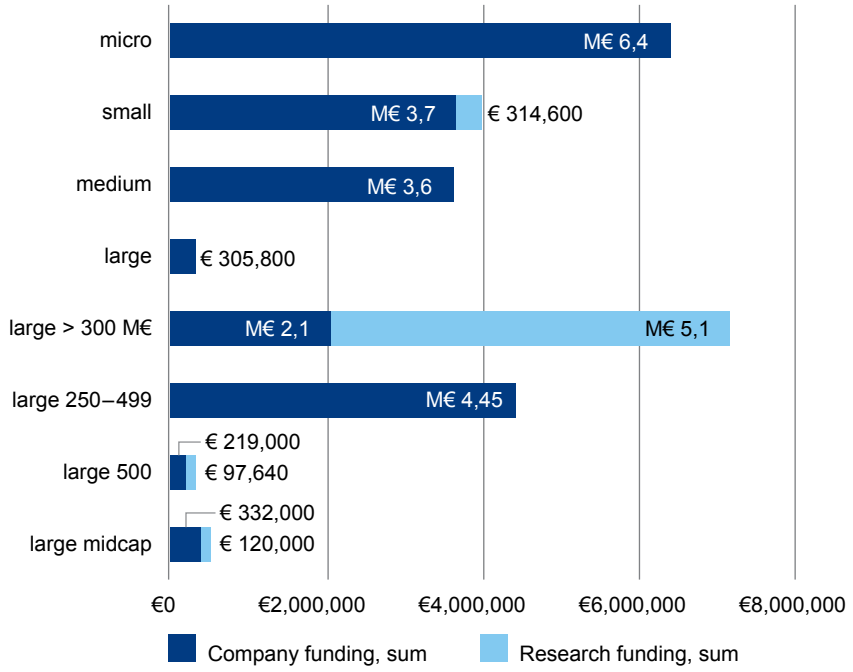
- The share of young companies has increased in the portfolio
- BEAM project portfolio consists of many small projects, and of a few very large ones.
- Size distribution of project partners is very uneven. Few large companies are leading the largest projects.

2 Analysis of BEAM projects. Report on portfolio analysis, December 2018.

- Geographical distribution of projects is wide, while India, Vietnam, Tanzania and Namibia clearly stand out. Except for India, these are the countries where MFA also has innovation programmes.

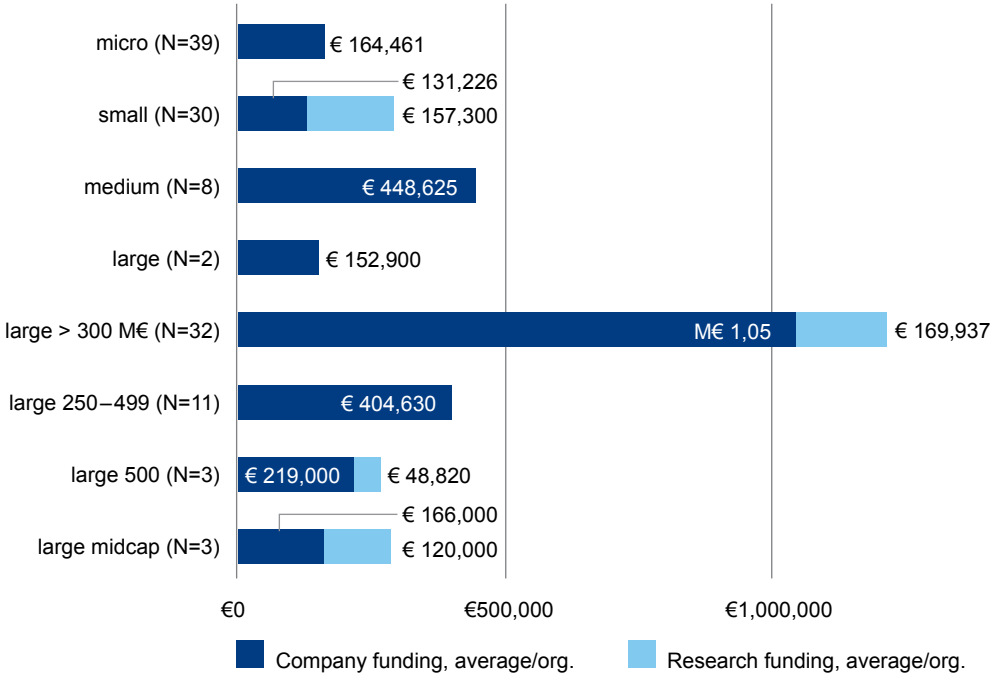
Towards the end of the programme, the BEAM focus has shifted strongly to company projects (and away from research projects).

Figure 3. Distribution of company project funding decisions in BEAM, situation in 12/2018.



Source: BEAM Portfolio Analysis.

Figure 4. Average funding according to company size, situation in 12/2018.

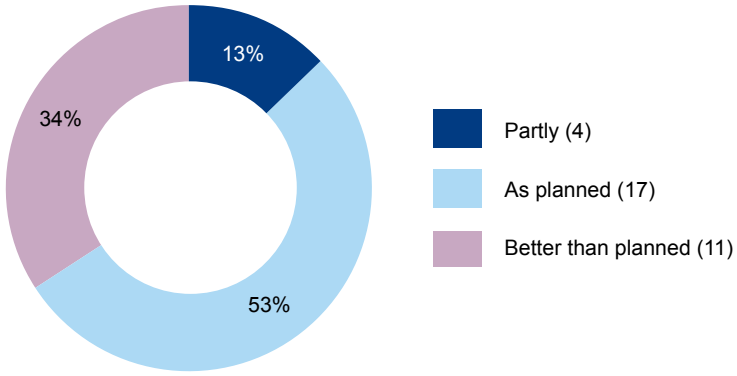


Source: BEAM Portfolio Analysis 2, 2019.

Based on the data, BEAM has succeeded to mobilise a large number (69) of projects from micro and small companies, and also many (30) new projects from large companies.

A monitoring survey on BEAM projects was carried out in spring 2019. Its objective was to map out how BEAM project managers considered their projects progressing, delivering results and achieving intended targets. Majority (87%) of BEAM project managers considered that their project had progressed as planned, or even better than planned, in relation to their objectives.

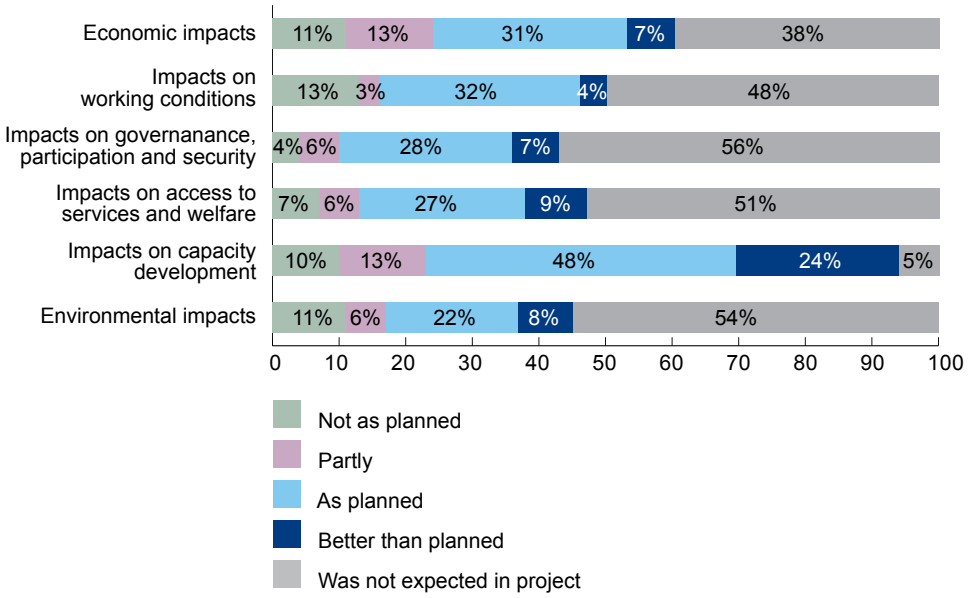
Figure 5. Meeting the objectives in BEAM projects. Perception of project managers.



Source: BEAM Monitoring Survey, situation 2019. N=34/124.

According to the same survey, 76% of BEAM project managers estimated that their project will eventually generate the anticipated impact. In particular, the impact on capacity development was considered most prominent in projects.

Figure 6. Anticipated impact of BEAM projects. Perception of project managers.



Source: BEAM Monitoring Survey, situation 2019. N=34/124.

Majority (72%) of project managers considered that their project will meet, or exceed, its objectives. However, every third project had had some unexpected difficulties in meeting objectives. Challenging conditions in partner countries, cultural differences and slow progress of projects were the most common of unexpected hurdles.

Majority of project managers consider their project will meet, or exceed, its objectives.

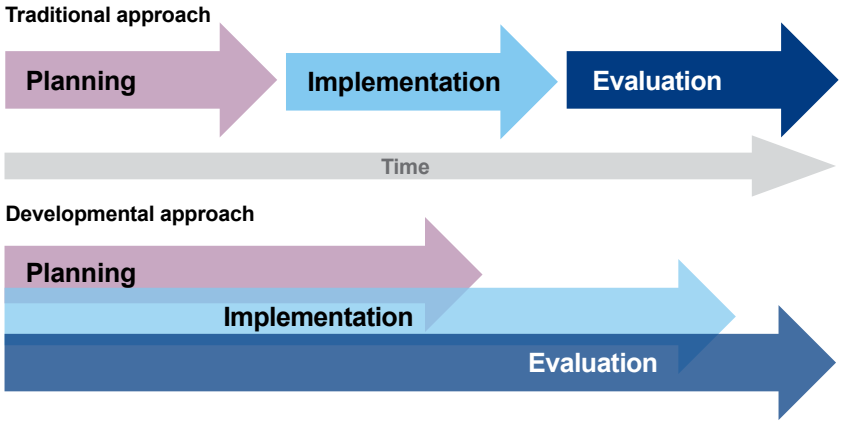
3 DEVELOPMENTAL EVALUATION OF BEAM

3.1 Developmental evaluation as an approach

Typical programme evaluations are conducted after the completion of the programme (summative, Ex Post), using different analytical research methods – quantitative and qualitative, depending on specific needs and approach. Many programmes also carry out lighter mid-term evaluations to see, whether the programme is progressing to the anticipated direction.

The developmental evaluation approach, however, differs significantly from traditional evaluations usually applied in Business Finland and MFA programmes. The developmental evaluation approach emphasises innovation and strategic learning during the course of the programme, rather than pre-planned outcomes and strict logic model -based approaches. Developmental evaluation aims to *continuously develop* both the goals and the methods of evaluation, to best respond to the changing conditions and *evolution of the programme*. Such an approach is usually applied to programmes, with complex and dynamic conditions, to programmes which aim for a systemic change, such as those of social innovations. This is very much the case in BEAM programme, too.

Figure 7. Illustration of differences between traditional evaluation and developmental evaluation approach. (Adapted from Gamble 2008)



Due the to the ongoing/pre-emptive nature of developmental evaluation, it should be noted that the produced evaluation reports working documents are always **linked to their specific timing**. It is then for the programme management to reflect to these reports and findings as considered necessary. The role of the evaluation is also to pose questions and propose suggestions for the consideration of the programme management.

Furthermore, an important objective of the developmental evaluation is **to document the progress and the choices made** during the course of the programme. In this light, the interim deliverables (i.e. reports, analyses, presentations) can eventually form parts of the overall assessment of the BEAM programme, describing the situation and choices, as they were perceived at each current moment. Links to these documents can be found at the end of this report.

3.2 Organisation of the developmental evaluation

BEAM programme plan did not initially include an element of Developmental Evaluation specifically. The DE as an approach was introduced later to the programme. Hence BEAM had been running nearly a year (11/2014–10/2015) before the developmental evaluation started. By the start of the evaluation, three BEAM calls had already been organised.

The purpose of the Developmental Evaluation (DE) of BEAM has from the start been to give the programme fast and constructive feedback on the effectiveness of different approaches, to support both the strategic learning of the programme and the impact and results in the project target countries and in Finland with the actors implementing the projects.

Developmental Evaluation[3] has been carried out alongside BEAM programme implementation, and has produced both quick insights and broader reports to support the implementation.[4] The evaluation has brought attention to the evaluability of BEAM, it has supported the forming of an impact framework for the programme, and brought forward observations regarding the reaching of the programme goals. As part of the evaluation several workshops and three field missions have been carried out. The field missions have targeted BEAM projects in South Africa and Namibia (4/2017), India (12/2017) and Vietnam (6/2019)

The field missions have produced observations on the importance of both target country knowledge and recognition of the innovation needs, as well as on the significance of partnerships and collaboration in Finland and in target countries. The missions have also highlighted the challenges BEAM project implementers have had in creating the right connections, and the related support needs.

The Developmental Evaluation was organised via three work packages in **two separate phases**: First phase consisted of Work Packages 1 and 2, which were synthesised by the Mid-Term Evaluation. The second phase was optional, which gave a possibility of discontinuing the evaluation if the clients had so wished.

3 Developmental evaluation has reported to a separate Evaluation Steering Group. The Steering Group consists at the end of the evaluation of Mari Räkköläinen (MFA) and Teppo Tuomikoski (BF). In different phases of the evaluation, the evaluation team has consisted Kimmo Halme, Helka Lamminkoski, Kristiina Lähde, Petri Uusikylä, Juho Uusihakala and Merja Mäkelä, as well as Steve Giddings from South Africa.

4 All BEAM evaluation reports are available at the Ministry for Foreign Affairs website: https://um.fi/development-cooperation-evaluation-reports-comprehensive-evaluations/-/asset_publisher/nBPgGHSLrA13/content/business-with-impact-beam-ohjelman-kehittava-evaluointi/384998

Work Package 1 was called **Ex-ante evaluability analysis of BEAM** and consisted of *State-of-the-art analysis, Analysis of ramp up phase and Evaluability analysis*.

Work Package 2 was called **Meta-analysis, bi-annual reviews and Mid-term evaluation**, and consisted of *Meta-evaluation and meta-analysis, Portfolio analysis, Participant survey, Field mission to Southern Africa and Mid-Term Evaluation*.

Work Package 3 was called **Biannual reviews 2017–2019** and consisted of *Field Mission to India, Impact Workshop, Second portfolio analysis, Updated impact framework, Field mission to Vietnam and update of Southern Africa, Key lessons of developmental evaluation*, as well as this *Final report*. Next section of this document presents the evaluation activities and their results in more detail.

In Work Packages 2 and 3 some of the planned evaluation activities were redesigned according to BEAM programme needs. In original evaluation design more field missions had been planned, but some of the missions were replaced with desk studies and workshops. Thus, the Developmental Evaluation itself was also under continuous development. Overall the evaluation produced 10 reports during WP1 and WP2, and 7 during WP3 counting this Final Report, organised four own evaluation workshops and contributed to several other workshops.

The evaluation team was guided by and reported to an Evaluation Steering Group (ESG). The ESG formally consisted of representatives of the Ministry for Foreign Affairs of Finland and Business Finland (formerly Tekes). BEAM programme manager, coordinator and Programme director participated in many of the ESG meetings. The evaluation team acted as the secretariat for the ESG and was also represented in the meetings. The ESG held in total 28 meetings.

The ESG approved changes in work plans, the plans and ToRs for various evaluation activities, and approved the reports and other results such as workshops. As the Developmental Evaluation lasted for 4,5 years in total, the members of the ESG as well as some members of the evaluation team changed along the way. ESG and evaluation team members are introduced at the end of this report.

The figure on the next page (Figure 8) illustrates the timeline of main BEAM activities (launch/calls) since its start and how the Developmental Evaluation task position to that. A more detailed description of different developmental evaluation task, methods and findings are presented later in Chapters 3 and 4.

Figure 8. The progress path of BEAM and its evaluation (blue boxes are BEAM events, orange boxes evaluation activities and outputs)

3.3 Evaluation methodology

The tasks of the Developmental Evaluation in BEAM had been largely predefined in the *Terms of Reference* to the evaluation call. However, some of the initially planned activities have been revised by the decision of the Evaluation Steering Group to meet the specific information needs of each current situation. The table below presents the key data sources and analysis methods for each of these tasks.

Table 1. Summary of applied evaluation methods.

Evaluation Task	Data sources and collection	Analysis focus / methodology
State-of-the-art analysis 11/2015	International and domestic evaluation literature.	Literature review and international benchmarking.
Analysis of the Ramp-up phase 12/2015	BEAM programme documents. Interviews of programme management.	Operational / feasibility analysis of the programme plans.
Evaluability analysis 3/2016	BEAM programme documents. Interviews of programme management. Stakeholder workshop.	Analysis of the (feasibility of) monitoring and evaluation framework and practices of BEAM.
Meta-evaluation and analysis 6/2016	Evaluation reports of 12 MFA innovation programmes.	Assessment of the methods applied in evaluating innovation programmes. Summary of results of MFA supported innovation programmes to understand reasons for successes and failures.
Participant Survey 12/2016	Electronic survey to 566 participants of BEAM activation events in 2015–2016 (Response rate 17%).	Feedback collection and analysis of BEAM target groups, reasons for applying or not, as well as on the application process.
Portfolio Analysis 2/2017	All Tekes information on 111 BEAM applications and projects (August 2016). 60 MFA statements on BEAM applications. Interviews of Tekes and MFA staff.	Cross-analysis of applications, their assessments and statements, as well as the selected projects.
Field Mission to Southern Africa 6/2017	35 interviews of 9 BEAM projects in Finland, South Africa and Namibia + representatives of Embassies and other stakeholders. Related project reports, applications and assessment forms.	Analysis of a) BEAM projects and their progress and b) BEAM services and processes for the projects.
Validation workshop 5/2017	Approximately 25 BEAM stakeholders (MFA, MEE, Tekes, NGOs, etc).	Expert dialogue on the draft findings and conclusions of MTE.
Mid-term evaluation 8/2017	All above + analysis of BEAM Annual Report 2015–2016, Steering Group and Management Team memos.	Summative evaluation.
Field Mission to India 12/2017	30 interviews of 8 BEAM projects in India and in Finland + Embassies and other stakeholders. Related project reports, applications and assessment forms.	Analysis of a) BEAM projects and their progress and b) BEAM services and processes for the projects.
Impact Workshop 4/2018	BEAM Developing markets Steering Group, experts from BEAM, MFA, BF, Finnvera, MEAE	Expert dialogue on the key lessons and the guidelines for way forward.
Second Portfolio Analysis 12/2018	All BF information on 163 applications and 101 projects. 54 Development impact analysis -documents. 9 project interviews about expected impact.	Cross-analysis of applications, their assessments and statements, as well as the selected projects. Comparative analysis with earlier portfolio.
Validation workshop and updated Impact Framework 3/2019	10 BEAM stakeholders from BF and MFA. Ex ante evaluation of Development Impact -report commissioned by MFA.	Expert dialogue on the key lessons and design of impact framework.
Field Mission to Vietnam and review of Southern Africa projects 6/2019	37 interviews of 10 BEAM projects in Vietnam and 12 interviews of 9 BEAM projects in Southern Africa, and interviews in Finland + Embassies and other stakeholders. Related project reports, applications and assessment forms.	Analysis of a) BEAM projects and their progress and b) BEAM services and processes for the projects.
Collection of evaluation lessons and Final seminar 12/2019	All previous developmental evaluation reports, BEAM monitoring survey of 2019 carried out by BF, BEAM annual report 2019.	Summative evaluation.

3.4 Limitations and applicability of findings

A developmental evaluation approach is particularly suited to strategic, complex programmes like BEAM. When properly functioning, a developmental evaluation approach should allow the programme to become more explorative, a more agile in its decisions and to take better calculated risks in otherwise uncertain conditions. In BEAM, both funding organisations (Business Finland and MFA) have a strong culture of innovation and a readiness to pilot advanced evaluation approaches.

There are, however, number of limitations for the developmental evaluation to work properly.

- Firstly, it should be noted that developmental evaluation is more of an **evaluation philosophy** and a reflective state-of-mind than a compact evaluation approach. Therefore, it is very difficult to pre-define an evaluation plan for programme evaluation, or at least there should be sufficient room for adaption according to needs.
- The quality of DE is strongly liable on the **quality and availability of** (planning, baseline and monitoring) **data and information** at each current state. In most cases, there is significantly less data and information available compared to traditional (ex-post) evaluations, as decisions and actions have not yet been made.
- Opposite to traditional evaluations, DE is a **time-critical and front-loaded process**, meaning that much of the evaluation work is done on a short notice and concentrates at the beginning of the programme cycle, when most strategic decisions are made. This also means applying pre-emptive analysis methods.
- DE is a **collaborative process** between the evaluation team and the programme management. It needs to set up working practices and roles which are beneficial for both parties.
- DE concentrates on the programme as a whole and has for confidentiality reasons had only limited information available on the funded projects themselves. Individual projects have been reviewed and interviewed in some evaluation activities, but they represent only a fraction of the entire project mass. The reliability of developmental **evaluation findings are therefore not fully exhaustive at the project level**.

4 EVALUATION FINDINGS

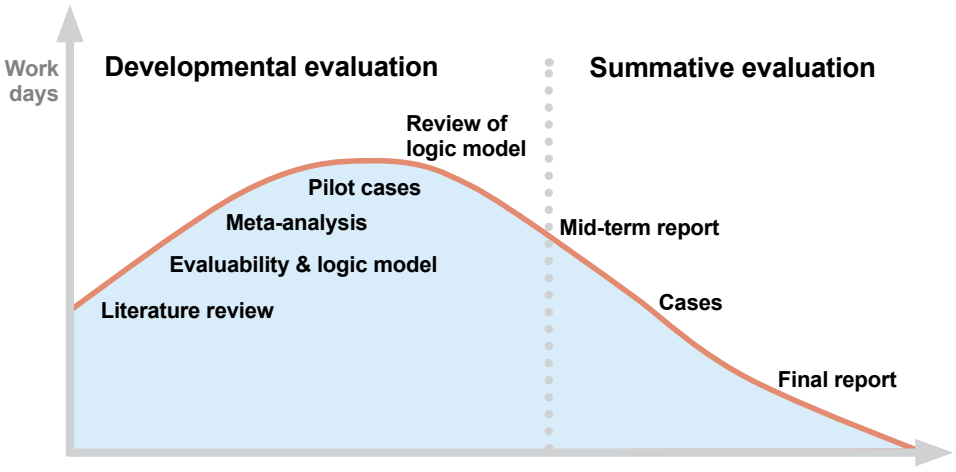
The following sections present the key findings according to individual evaluation tasks, and in chronological order as they came out during the programme implementation and its evaluation. The findings have been presented at each time to the programme management for its consideration.

4.1 State-of-the-art analysis 11/2015

As stated earlier, the developmental evaluation of BEAM programme begun 25.9.2015 and the State-of-the-art Analysis was the first task of the evaluation team and it largely laid the ground for a more detailed design of the evaluation work. The primary objective the analysis was to present the latest approaches and experiences in the design and utilisation of developmental evaluation in Finland and abroad, and to draw lessons and guidelines for the planning of BEAM evaluation. The report reflects these lessons to the conceptual framework of BEAM evaluation, and in line with these, proposed a slightly elaborated version of the evaluation approach and design for ESG consideration.

One outcome of the state-of-the-art analysis was **an elaborated work plan for the evaluation tasks**.

Figure 9. An illustration on how the tasks of Developmental Evaluation concentrate at the beginning part of the programme, opposite to those of a typical summative evaluation.



Although much of the state-of-the-art analysis focused on the development and elaboration of the evaluation plan itself, perhaps more importantly regarding the BEAM programme, the analysis also provided a programme **risk assessment and mitigation table for BEAM**, as well as a specific risk assessment table related to the Developmental Evaluation of BEAM. These were based on the literature of earlier similar exercises. The report highlighted the following issues:

A) Understanding the role and nature of DE in an experimenting programme like BEAM

B) Effective utilisation of DE for the purpose of BEAM

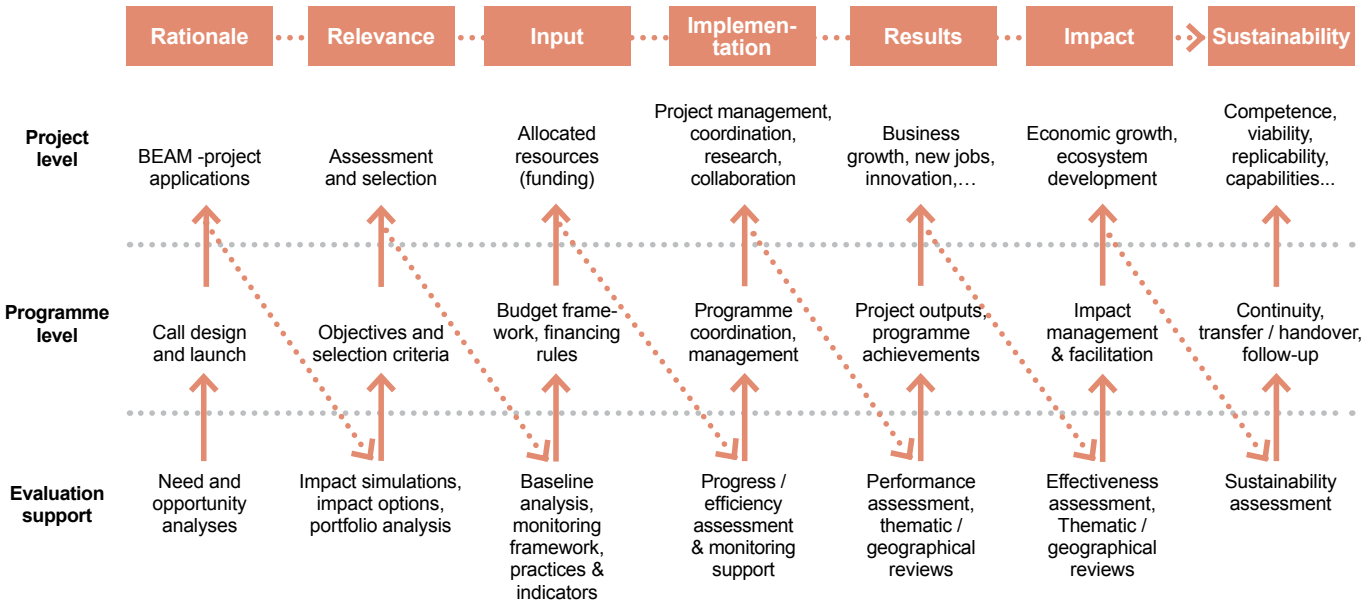
C) Issues that need to be well addressed and further defined for DE (listed)

D) Collection of data and evidence

E) Issues that are important for learning and future use of DE (listed)

The state-of-the-art analysis also presented a schematic plan how the developmental evaluation could be continuously interlinked with the BEAM programme management decisions. This **intervention logic** is described below.

Figure 10. Schematic intervention logic of developmental evaluation with respect the BEAM programme and its projects.



The task helped to clarify the approach and methods of developmental evaluation to all stakeholders, and based on that, helped the programme funders to define and plan more concretely the role of developmental evaluation in supporting the BEAM programme.

Link to the report (MFA website): D1.1 State-of-the-Art Analysis

4.2 Ramp-up phase analysis 12/2015

The purpose of this task was to assess in detail the BEAM programme planning documents, and to draw attention on issues which would benefit from further elaboration, proper addressing or could otherwise pose a risk for a proper programme implementation. The work resulted in number of specific observations regarding each part of the programme planning documents, as well as some cross-cutting observations. These observations were conveyed to the BEAM management for their consideration.

BEAM programme document had several unclear or unaddressed questions.

According to the Ramp-up phase analysis, the BEAM programme document had several unclear or unaddressed questions, which were raised by the evaluation. These included, among others, the following:

- The plan refers to a *Global Innovation Fund* as a good example. Specific plans and implementation experiences from other countries were missing
- Clarification was needed on programme *assumptions*
- The programme has *no sector focus nor a geographical strategy*, which was considered loose planning
- Compliance of the *Corporate Social Responsibility* + related education was mentioned in the plan, but not elaborated how these are addressed in practice
- It was not clearly defined *how ODA criteria of MFA funding was to be ensured* and monitored
- It was not clear how the new *Team Finland -network* was to be engaged with BEAM
- There were **important limitations to the BEAM logic model**; not detailed enough, not indicating impact mechanisms, does not mention DE, etc
- Plan mentions systematic monitoring of programme, but there is no elaboration on **how the programme monitoring was to be done in practice**
- *Reverse innovation* mentioned in the plan, but how was this to be addressed in practice
- It was unclear how the *local knowledge/competence/ etc. are addressed* in different markets

The task helped to identify several areas in which the initial BEAM programme plan was not sufficiently operational and specified (e.g. ensuring the fulfilment of MFA ODA criteria). It in particular helped to identify areas in the plans, which were not yet sufficiently elaborated (such programme monitoring functions) and those, which were considered too ambitious in comparison to available resources (innovation fund). On the basis of this task, the programme plans were revised and further elaborated.

Link to the report (MFA website): D1.2 Analysis of the Ramp-up Phase

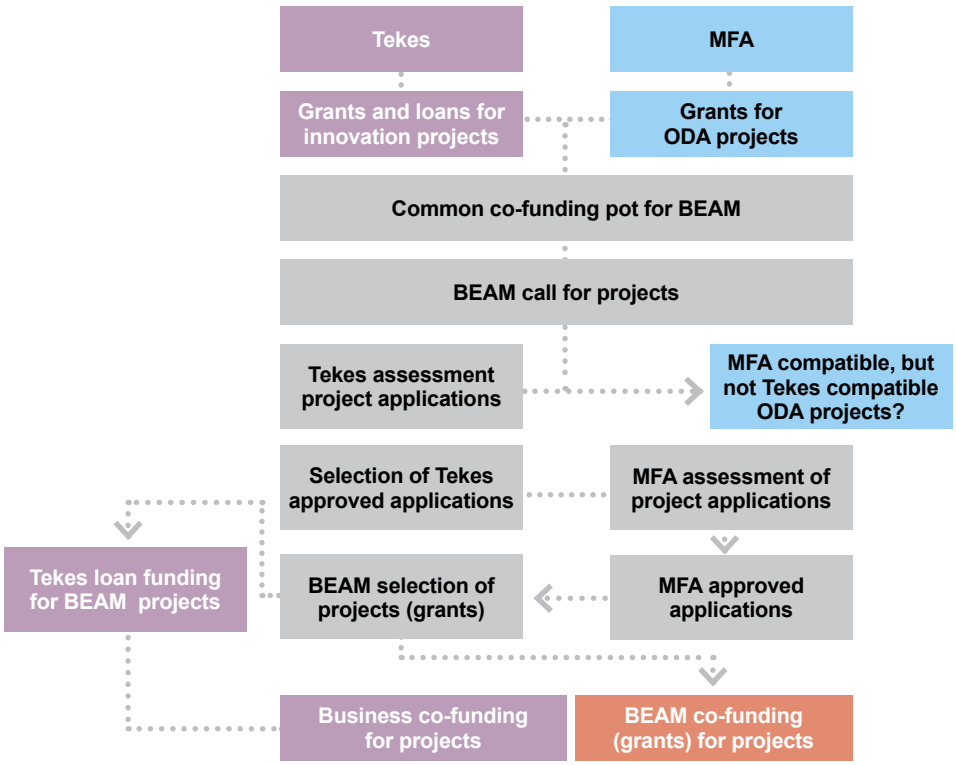
4.3 Evaluability analysis 3/2016

The purpose of the Evaluability Analysis was to ensure that the BEAM has put in place sufficient and well-functioning monitoring and evaluation framework and related practices, which allow the programme management to direct the programme towards its intended objectives. In this sense, the Evaluability Analysis did not assess the relevance, objectives or strategy of the programme, but wheth-

er the programme design and implementation have all the necessary elements and processes in place to ensure, monitor and evaluate its progress towards these goals and anticipated impact. Perhaps due to the experimental nature of BEAM, there were plenty of issues to be further clarified regarding programme monitoring. As already raised in the Ramp-up Phase analysis, the impact model and related monitoring indicators of BEAM needed further clarification and elaboration.

On the request of the BEAM management, attention was also drawn on some issues regarding the programme administration. More precisely, there had been difficulties in synchronising the funding processes of Tekes and MFA, with a consequence of late or less funding decisions for projects. The extended project funding setup of BEAM has been illustrated below.

Figure 11. Illustration of the funding processes of BEAM.



There were difficulties in synchronising the funding processes of Tekes and MFA.

BEAM **Evaluability Conclusions** was a separate and concise summary document of the Evaluability Analyses for the purpose of BEAM Steering Group. It drew attention on number of important issues regarding programme design and implementation plans. Most importantly, it proposed – as a result of joint elaboration with BEAM management – an updated impact model for BEAM (see Table below).

Table 2. Proposed updated impact model.

INPUT →	ACTIVITIES →	RESULTS →	IMPACT
Resources available for BEAM **Other mobilised resources which support BEAM objectives (e.g. Finnpartnership, WB)**	Activation, initiation and definition ↓	• Engagement of partners and stakeholders • New concepts for products, solutions and working models	• Wider community of engaged partners • New knowledge, intangible assets and networks
	Joint projects, piloting and demonstration ↓	• Proof of concepts that have been validated by users and key stakeholders	• Proven concepts, tools and processes • Experience on the applicability of these concepts
	Project results and their utilisation ↓	• Utilisation of new concepts • Investments into solutions • First product or service deliveries	• Impact on partners and stakeholders; on the quality, availability or impact on products, services
	Dissemination and expansion	• Broader utilisation amongst other stakeholders	• Impact on wider communities, environment, business ecosystems, etc • Sustainability

The proposed impact model was later adopted by the programme. To be sufficiently concrete and constructive, the Evaluability Analysis also proposed a structure to be adopted for **BEAM performance indicators**, targets, their sources of verification, as well as ways to define measurement baselines. These were elaborated on the basis of the impact model and proposed as examples of how performance indicators could be set.

Evaluability analysis was perhaps the most important task of the developmental evaluation.

Moreover, for clarity purposes, the document also **suggested how the roles of different BEAM partners** (Tekes, MFA, Steering Group, Management team, Coordination team, ESG, etc) could be defined and allocated. Clarification to that end was deemed necessary.

The document also explained how different tasks of the developmental evaluation were planned to support the work of BEAM management. The key findings and recommendations were finally synthesised in an **Evaluability Summary Table**, for which BEAM Management Response was inquired, together with a **Table of Further elaboration needs**, and a Risk Assessment Table.

The evaluability analysis was perhaps the most important task of the developmental evaluation, as it also proposed very concrete and important improvement suggestions to the programme management. The report triggered a process, in which the Evaluation Steering Group submitted the evaluation findings to the programme Steering Group at Business Finland, requesting for their formal management response. Evaluation findings were noted, but formal management response was not received. The proposed impact model was adopted by the pro-

gramme, but not put fully in practice (i.e. applied to programme monitoring). These evaluation recommendations were included also in the mid-term evaluation (MTE) of BEAM and presented later again to the programme management.

Link to the reports (MFA website): D1.3 Evaluability Analysis and D1.3B Evaluability Conclusions and Recommendations

4.4 Meta-evaluation and meta-analysis 6/2016

The first task of the second evaluation work package focused on the meta-analysis of 12 MFA innovation programmes. The objective of this exercise was to a) learn lessons of methodologies applied in evaluating innovation projects (Meta-evaluation) and b) summarise the results of MFA supported innovation projects and understand reasons for successes and failures based on information included in the selected evaluation reports (Meta-analysis). The list of programmes covered in the meta-evaluation and analysis are shown in table below.

Table 3. List of MFA innovation programmes covered by the analyses.

Programme	MFA meta-evaluation	Meta-evaluated	Meta-analysed
1. AEA + MFS (MTR)			✔
2. ALICT (MTR)		✔	
3. BioFISA	✔	✔	✔
4. CSBKE (MTR)		✔	✔
5. EEP -Central America (MTR)			✔
6.–7. EEP S&EA + Mekong (MTR)	✔	✔	✔
8. IIP Vietnam		✔	✔
9. SAFIPA		✔	✔
10. SAIS	✔	✔	✔
11. STIFIMO	✔	✔	✔
12. TANZICT	✔	✔	✔

MFA commissions meta-evaluations of their programmes approximately every two years. Previous meta-evaluations had been conducted in 1996, 2007, 2009, 2012 and 2015. This, however, was the first MFA commissioned meta-evaluation focusing on one single "sector", in this case innovation.

The meta-evaluation raised following issues of innovation programmes:

1. The **evaluation quality** of MFA innovation projects, according to OECD / DAC standards, **varied**.
2. Innovation programmes are broad, systemic, experimental and anticipate impact over a long term. They are often unique in their design and context as well. Straight-forward evaluation approaches may have limited capability to address the full nature of such programmes.
3. Regardless of the above, there were (too) **many technical shortcomings** in the programme evaluations. Many of these shortcomings were of similar types.

Meta-analysis brought attention to the fact that many programme evaluations had shortcomings.

With respect to the outcomes of these innovation programmes, the meta-analysis drew attention on:

1. Relevance: all programmes seemed to be in line with partner country policies, but in practice there were gaps. **Many evaluations did not address relevance issues properly.**
2. Impact: **Evaluation of impact is challenging** in the current format. Most cases reported it was too early to assess impact. The criteria could be changed to evaluate how well the programme has been planning for impact. Need for clear results chains to demonstrate the intended impact path.
3. Effectiveness: There were often **difficulties in evaluating effectiveness**. Lack of baselines, clear targets, etc. Accomplishments difficult to attribute to programmes.
4. Efficiency: Many programmes had had a slow start. **Inefficiencies often beyond the control of the programme.** Lack of sufficient monitoring data caused difficulties in evaluating efficiency.
5. Sustainability: As with impact, generally too early. Short-term indicators and long-term sustainability did not always correlate.
6. Aid effectiveness: **Most evaluations did not report directly on aid effectiveness.**
7. Coherence: High in programme documents, not always visible in practical activities.

These findings were presented in a workshop held in May 2016 at the MFA. The task brought to light typical challenges and shortcomings in programmes supporting innovation in developing countries, and in evaluations of such innovation programmes. It provided useful insights for the DE itself (i.e. in which issues the evaluation should pay particular attention to), and in part supported the process of MFA renewing its evaluation manual.

Link to the report (MFA website): D2.1 Meta-evaluation and Meta-analysis of MFA Innovation Programmes

4.5 The first BEAM portfolio analysis 2/2017

On a decision by the Evaluation Steering Group (ESG), **the planned first Biannual Review of BEAM was changed from a Field Mission to a Portfolio Analysis and a Participant Survey**. This change was necessary because at that time it was considered too early to assess the programme implementation in field, as there was insufficient information available on the composition of BEAM project portfolio and its participants. This information should have been collected by the programme, and since it was not available, the ESG suggested the evaluation team to gather it. This was the first analytical look into the BEAM projects as a whole, and therefore very important.

The Portfolio analysis (based on data until August 2016) covered all 111 BEAM applications, their project reports and included interviews with BEAM management and Tekes administration. The analysis also included altogether 60

statements made by MFA staff on BEAM project applications, as well as related follow-up interviews with MFA experts.

In summary, the Portfolio Analysis drew attention on the following:

- There were relatively few BEAM applications
- Small size of projects (average 200,000 euro)
- Applicants were mainly from the capital area
- Wide geographical spread for collaboration
- India and Sub-Sahara main geographical focus areas
- Cleantech most dominant thematic sector
- Project risks were considered manageable
- There was no significant difference between selected and not-selected groups
- Company projects are larger on average (biased by a few large projects)
- There are rather few local partners
- Strong research orientation in projects
- Role of NGOs was marginal and unclear
- The anticipated development impact of the (few) company projects was relatively low
- The anticipated development impacts were higher in research and NGO-projects.

Besides the above findings, the Portfolio Analysis also raised number of strategic and operative questions for the consideration of the programme management. These included, among others, the following:

- What is the anticipated balance between geographical coverage and impact?
- What is the anticipated balance between Finnish companies and local partners?
- What is the optimal size of a BEAM project?
- How to improve and unify the application assessment processes of Tekes and MFA?
- How to utilise portfolio analyses in the continuous monitoring of BEAM?

Full list of questions can be found at the end of Portfolio Analysis report. The list of questions was conveyed to the BEAM Steering Group and the questions have been addressed in the BEAM Annual Report.

As a result of this evaluation task, the discovered lower development impact of company projects raised an internal discussion in the MFA. The impact of company projects had been analysed by different MFA experts, and there were concerns on whether the analyses were sufficiently deep and mutually consist-

Portfolio Analysis revealed that BEAM applications were few and small. Also, the development impact of company projects was relatively low.

ent (i.e. lacking a systematised approach). Further to this, an external study was commissioned to develop MFA internal guidelines for assessing private sector innovation projects. The programme also used these results to further develop and improve its communication and activation towards potential applicants, as well as to identify indicators for impact assessment (with the help of developmental evaluation).

Link to the report (MFA website): D2.2A BEAM Portfolio Analysis (in Finnish)

4.6 Participant survey 1/2017

The BEAM Participant Survey was conducted during fall 2016, in parallel with the Portfolio Analysis. An electronic questionnaire was sent to all BEAM applicants (both selected and rejected), and a separate shorter questionnaire to those who had participated in BEAM info sessions.

A total of 566 people was approached, of which 497 reached and finally 85 (17%) answered. Key topics addressed were a) how BEAM has succeeded in reaching the relevant actors and providing them with appropriate information, b) how the applicants see the BEAM application and selection process, and c) why have some organisations participated in the BEAM events, but not applied for funding.

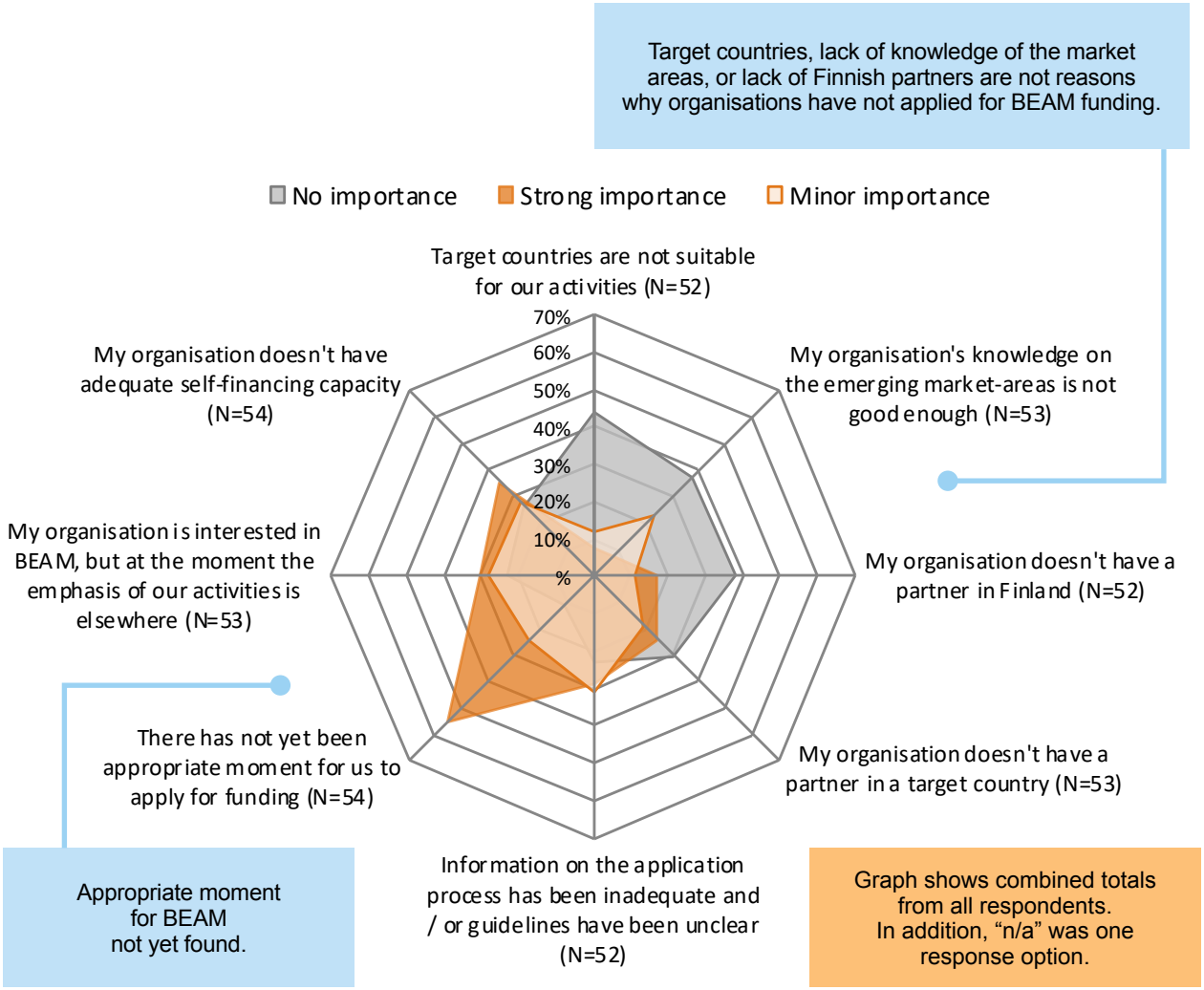
BEAM objectives and criteria were not clear to applicants. Self-financing was critical to SMEs.

The survey responses demonstrated that there was interest and potential for BEAM. The programme was considered relevant, with high input additionality. At the same time, the survey showed that better information delivery and transparency were needed. Furthermore, the project application process was somewhat unclear to potential participants and needed clarification and perhaps more guidance. More specifically, the survey raised following points, among others, for BEAM's consideration:

- **Information and communication were areas to further develop in BEAM**
- BEAM **objectives and criteria were not clear** to all applicants
- Many interested applicants had **difficulties in finding partners**
- Support, advice and assistance were needed at the application phase
- The requirement of sufficient self-financing, together with high risks, was critical for small SMEs.

The below figure presents the key reasons behind relatively few BEAM project applications, according to the Survey results.

Figure 12. Excerpt from the Participant Survey results.



Q: Why has your organisation not applied for BEAM funding?

Altogether, the participant survey brought about much needed information on the reasons and impressions of those interested in BEAM. The results of the Portfolio analysis and Participant Survey have been presented on a workshop in November 2016 at MFA. The task helped the programme to improve especially its outreach and communication activities, and to find ways to make the application process easier for applicants.

Link to the report (MFA website): D2.2B BEAM Participant Survey

4.7 Field mission to Southern Africa 6/2017

The first field mission of the Developmental Evaluation of BEAM programme was carried out in February 2017. The focus of the mission was on the nine BEAM-funded projects with activities in South Africa or Namibia. These projects were not evaluated as such, instead the project findings have been used to review the BEAM programme. Hence, the purpose of the review mission was to assess the progress of the BEAM programme against the set objectives and suggest changes to improve programme implementation. The results framework that had been adopted by the BEAM programme was used as a basis for the review.

The assignment consisted of document analysis and project partner and stakeholder interviews both in Finland and in South Africa and Namibia. The relevant Team Finland representatives in the embassies and Finpro were also interviewed.

As part of the mission planning, an evaluation matrix was developed to go into more detail to the themes under the evaluation questions. The evaluation matrix divided the questions into four themes, namely 1) Reach and relevance, 2) Programme structure and way of organising, 3) Efficiency of implementation and 4) Potential for effectiveness, impact and sustainability. Field mission came out with the following findings.

Reach and relevance

- The projects were relevant to BEAM objectives
- There was a need for the solutions the projects are creating, but the needs could have been identified even better
- Involving local partners more and earlier could have improved project outcomes
- Embassies and other key connectors were in an important role in the preparation and implementation of projects

Programme structure and way of organising

- More contact between Tekes/BEAM and the projects after the funding phase was desired
- The typical BEAM project set-up did not make most of the local partners' knowledge and experience
- The lack of inception phase for the projects may have caused some critical oversights
- BEAM projects would have benefited from organised networking between them

Efficiency of implementation

- After initial stages, BEAM processes had become clearer
- There was some confusion on BEAM, how it differed from other Tekes instruments and how they differed from Finnpartnership, etc.
- Lack of strong existing partner networks may have caused inefficiency in the initial stages of the project

Potential for effectiveness, impact and sustainability

- Projects showed good potential for impact and sustainability
- There was a need for a process which would have analysed ecosystem-wide needs early on in the project cycles
- There were some concerns on whether the expected outcomes are realistic

This was the first time the evaluation and the programme had concrete and objective feedback from projects on how they are progressing on the field. That was very important, as there had not been any similar types of programmes in Tekes (operating in developing country context) before. Hence, this evaluation task helped the programme to understand better the nature of challenges collaborative innovation projects in developing countries face, and to consider different options for supporting the projects. The role of the Embassies was highlighted and linking them better to the project was discussed.

Link to the report (MFA website): D2.3 Report of the First Evaluation Field Mission

Field mission showed that BEAM projects were relevant, but engaging local partners was challenging.

4.8 Mid-Term Evaluation 8/2017

First, a validation workshop was organised in May 2017 to present a synthesis of BEAM evaluation outcomes and to discuss the draft conclusions of this Mid-Term Evaluation. Besides the evaluation team, the workshop participants consisted of BEAM management, and relevant experts from Tekes and Ministry for Foreign Affairs of Finland, as well as some BEAM stakeholders. There was a general consensus on the evaluation findings and points raised during the discussions are integrated into this report. Some of the issues raised include:

- The evaluation had raised useful issues and the dialogue between MFA and Tekes
- Developmental evaluation should not lose its strategic view (not too practical, not monitoring)
- Important to ensure all relevant partners are funded / stakeholders in the evaluation
- Portfolio analysis would be useful in other Tekes programmes as well
- Would be important to further study the impact logic of innovation in development – may not follow traditional processes
- BEAM programme has been in a constant change and the evaluation has had to adapt to that

The Mid-Term Evaluation of BEAM was presented and widely discussed in a seminar at the House of Estates in August 2018. The event gathered plenty of participants to discuss the progress of BEAM and the findings of its evaluation. Presentations at the event were streamed. The published mid-term evaluation report raised interest and visibility for BEAM. It helped to clarify and summarise evaluation messages. As a direct consequence, Tekes refocused and stepped up its activation and search for new BEAM projects, thus looking for more mature and potentially impactful projects.

Link to the report (MFA website): BEAM Mid-term evaluation report

4.9 Field Mission to India 12/2017

The second field mission of developmental evaluation was carried out between 11–20 December 2017 to India. The aim of the second review mission was to assess the progress and outcomes of the BEAM/India projects and to assess the societal, developmental and business impacts of the programme as a whole.

The field mission also paid a particular attention to local collaboration both at the programme level (i.e. embassies, institutions, agencies, networks, etc.) and at the project level (partnering, networking, utilisation of results, etc), in light of BEAM's anticipated contribution towards economic and societal change, business ecosystems etc in its partner regions.

The assignment consisted of document analysis and project partner and stakeholder interviews both in Finland and in India. Altogether eight projects were evaluated individually and then assessed at programme level. The relevant Team Finland representatives in the Finnish Embassy and Finpro were also interviewed as well as relevant Indian funding agencies.

According to the review, the overall relevance of BEAM projects in India was considered high. The projects focused on issues that constitute tremendous development challenges in the rapidly growing and highly populated country: access to clean water, waste management, inclusive education, improved healthcare, better nutrition and the control of air pollution.

BEAM support enabled collaboration between universities/research institutes and firms in Finland. Research and innovation were being promoted and they had resulted already at the time of the mission in some important innovations that have good commercial potential. None of the innovations was yet at the stage of commercialisation but considerable progress was being made.

However, BEAM as an instrument was not well known among Finnish and Indian institutional agencies in India. The Finnish Embassy, Finpro representatives in India, GITA, DBT and DST were not fully aware of BEAM programme and BEAM projects, BEAM objectives and working modalities. In building the networks and understanding the environment in India, the expertise and contacts of the Finnish Embassy and Finpro representatives had been underutilised.

Lack of local funding limited the engagement of local partner in India.

In most projects the role of Indian partners had remained marginal. This was mainly due to missing funding to Indian partners as well as, in some cases, the limited communication between the Finnish and Indian project partners. They were not eligible for having direct BEAM funding and some had not received funding either from GITA/DST/DBT or other relevant ministries. According to Indian funding agencies this was mainly due to the lack of coordination and communication between Tekes/MFA and their Indian counterparts. In countries like India funding schemes needed to be agreed in advance at the government level.

Lastly, there was still a rather limited knowledge and interest on local ecosystems among some of the Finnish partners. The main incentive seemed to be limited to getting funding for developing a particular product or innovation but not thinking big enough on long-term goals and positioning in the Indian market. This was unfortunate since India has vast market potential which remains

underutilized due to missing communication and networks as well as insufficient market analyses.

The second field mission confirmed and reinforced earlier evaluation findings from the field, especially on the underutilisation of the knowledge, resources and networks available through Embassies, Finpro and other stakeholders. The importance of local partners and local knowledge was emphasised and different ways of supporting local partners' stronger participation was discussed.

Link to the report (MFA website): D3.1 Report of the Second Evaluation Mission – India

4.10 Impact Workshop 4/2018

This workshop pulled together the results of earlier work in addressing the development impact of BEAM projects and synthesised the key lessons from the mid-term evaluation of BEAM for the programme leadership. The messages of developmental evaluation were thus provided as an input for the discussion on future activities in developing market business area of Business Finland.

Based on the issues outlined above, the workshop discussion highlighted the key activities of BEAM for the remainder of the period aimed at ensuring the successful completion of the current programming period. Related observations were:

- Utilising the project portfolio more actively to support programme guidance and targeting. The project portfolio of the programme was analysed over a year ago (portfolio analysis), which proved to be useful for programme orientation. The workshop stressed that it would be useful to continue to focus BEAM activities, based on its project portfolio. By looking at BEAM projects through portfolio analysis, programme focus could be enhanced.
- The debate also highlighted the need for a more precise definition and positioning of BEAM's role. When analysing the project portfolio, it would be useful to specify out where and how the added value of the programme is generated, so that the programme can be targeted on the basis of its added value.
- Better structuring programme functions. BEAM's operating model and programme practices have been developed throughout the programming period and significant progress has been made. Continuing this work is important not only for the development of the current programme, but also for the planning of future activities.
- Identification of development impact producing activities and monitoring. Achieving development impact is one of the key objectives of the BEAM programme. The identification of activities producing these effects at project level, as well as the identification of suitable indicators to monitor their impact, should be carried out during the remainder of the programme. The experience gained through this and the definitions and methods developed by BEAM could also be used more extensively in other programme activities.

- Strengthening co-operation and synergies with other TF actors. Building synergies and coherence can play an important role in delivering development impact. RDI activities, export promotion and development cooperation play complementary roles in many respects, and these synergies could be strengthened both at project level and through cooperation between Team Finland actors (other programming and financial instruments, links to international procurement, foreign missions and networks, etc.).
- Dissemination of BEAM lessons. As regards BEAM's final reporting, expectations are particularly directed towards the description and examples of new development solutions and operating models, as well as the underlying programme policies and practices. The description of the cooperation model built by the Ministry for Foreign Affairs and Business Finland is also interesting.

In the workshop discussion, the following were identified as key findings and messages for the planning of BEAM successor:

- There is still a need for this kind of action. The BEAM programme and its project flow have developed positively. There seems to be growing interest in the programme as well.
- Programme model is most appropriate approach. In principle, the activities could be mainstreamed (i.e. transferred from a fixed-term programme to continuous activity), but the need and operational models are not yet mature enough. Therefore, programme formality was still considered to be the best form of follow-up to BEAM, although the longer-term goal should be to integrate such activities more fully into 'normal operations'.
- A revision of the funding model is needed. It was hoped that BEAM will become more strategic and therefore its management and financing models should be further developed. Project funding is perhaps the most concrete example where a more decentralised model (i.e. a virtual common pot; each donor financing its own projects in the same package) would probably be more flexible and appropriate. This would make it easier to finance different types of projects and project operators.
- A platform for procurement by international organisations. Procurement from international organisations provides a significant channel of finance and internationalisation for companies. Finnish companies have not made much use of this opportunity. Existing expertise and established contacts can be utilised here, both in Business Finland and in the Ministry of Foreign Affairs and its subordinate organisations.

Impact workshop suggested a more strategic approach and revision of funding model for BEAM.

- Profiling through innovation in sustainable development. The Sustainable Development Goals (SDGs) provide a common basis for BEAM and, more generally, for sustainable innovation from the perspective of companies, research institutes and NGOs. Programming in support of this provides opportunities to develop, test, implement and scale solutions to development challenges and create sustainable business. The message and visibility of the programme has been strengthened, but it is worth strengthening further. Communication, communication, communication!

This evaluation task was a direct response to the programme management needs. At the time, there was a need to re-design and plan future activities related to the developing markets business area of Business Finland, and a need to take stock of the findings and lessons from developmental evaluation of BEAM. The overall message of the workshop confirmed that an activity like BEAM should continue, and the issues (e.g. revising the funding model and a platform approach) raised at the workshop were later elaborated into guiding principles in planning of the future activities.

Link to the report (MFA website): D3.2 Concluding Remarks of BEAM Impact Workshop (in Finnish)

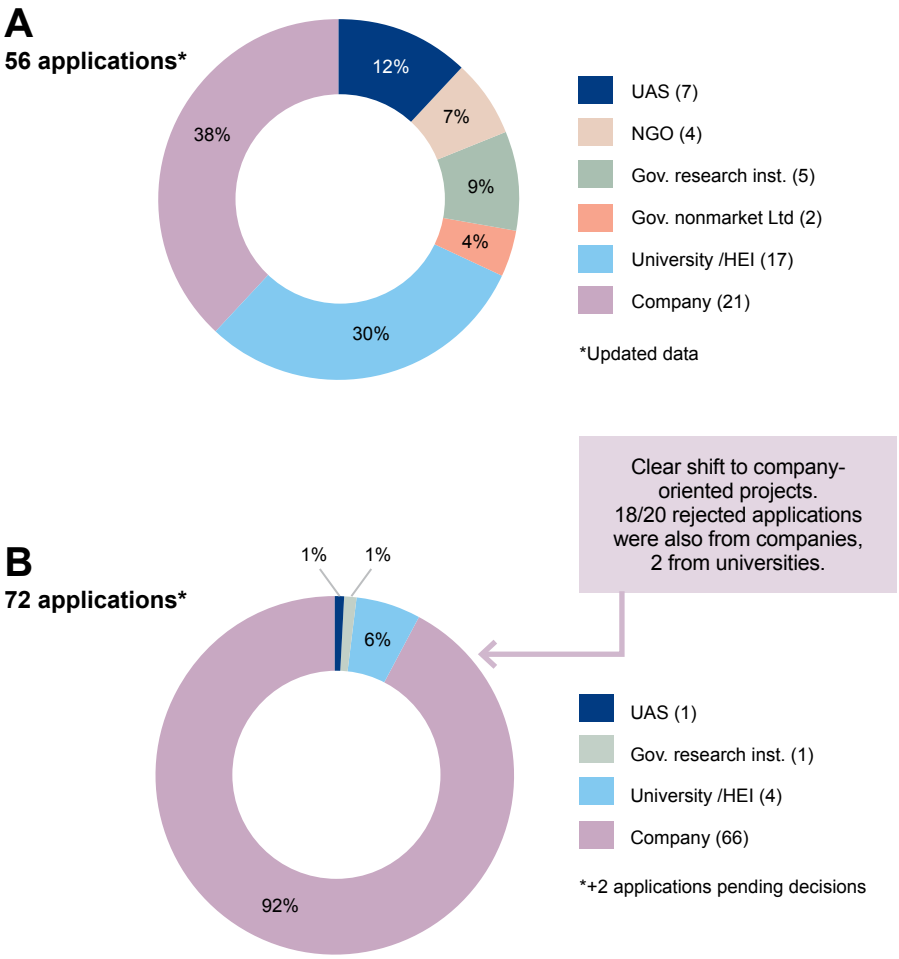
4.11 Second Portfolio Analysis 12/2018

An update of the BEAM project portfolio analysis was conducted at the end of 2018. An overall analysis of the project portfolio, as well as a comparison between the first portfolio analysis in 2016 (A) and the current one (B) was done. The analysis covered status of project applications, status of selected projects, anticipated outcomes of selected projects, which were reflected against interviews of project managers.

Key findings from the BEAM portfolio analysis highlight:

- Large number of very small projects, and a few quite large ones.
- Since the last analysis, the emphasis has shifted to companies, only a couple of other projects.
- There are now more young companies
- Heterogenous set of participants, where the largest organisations also have the largest projects
- Wide geographical range, in which India and former and current MFA programme countries Vietnam, Tanzania, Namibia stand out
- Anticipated results look quite good – but are tentative

Figure 13. Approved BEAM applications by the type of organisation. Portfolio A=2015–8/2016, portfolio B=9/2016–2018. In total 128.



Source: BEAM Portfolio analysis 2, 2019.

Simultaneously with the Portfolio Analysis, a small group of BEAM projects were interviewed to test the Impact Framework being developed. Key findings from the interviews:

- The framework covered various impact aspects well
- For companies the concept of development impact was not fully clear and in some cases they struggled to understand who the end user would be.
- The societal challenges seemed so huge to the companies that it was difficult for them to see how significant their contribution and therefore impact could be
- Impact in growth, capabilities, competitiveness, networks and collaboration were easier to assess, and their estimates were also more positive in those areas.

For companies, the development impact aspect of projects was not fully clear.

A full report of the portfolio comparisons, the impact framework interviews, and their findings is available.

The second portfolio analysis clearly demonstrated how the BEAM portfolio had increased and changed. The findings of the analysis were somewhat unexpected to the programme management too, as the average size of projects was anticipated to have increased but had in fact decreased. The results also brought much discussion on the (lacking) role of NGOs and universities among the latest selection of projects. The portfolio analysis also assessed the anticipated impact of ongoing projects and this draw programme management attention on the necessity for supporting the companies in understanding and measuring development impact.

Link to the report (MFA website): D3.3A BEAM Portfolio Analysis 2

4.12 Validation workshop and updated impact framework 3/2019

During the spring 2018, MFA had commissioned a study to develop a systematic ex- ante tool for assessing anticipated development impacts of BEAM project applications. The general functions of the tool were presented in the workshop. The tool defined a number of assessment criteria for project applications, including MFA-specific criteria designed for BEAM, as well as generic international criteria for development impact. At that point, 10 BEAM applications have been assessed using this tool.

The tool emphasised market impacts and paid attention to the fact that companies do not primarily aim for development cooperation, but for business. The questions for companies therefore focused on business activities, and the impact assessment was based on this information. The general idea was based on the premise that well-functioning business in a right context has a high potential on generating development impact.

The tool was recognised to provide a much-needed standardisation for project assessments and allowed for setting up of a monitoring system to collect cumulative data on anticipated development impact of projects. Alone it, however, did not function as an impact assessment tool. It was discussed that the tool could make further distinction between different themes/substance areas, as well as include indicators for SDGs. Utilising internationally used indicators such as HIPSO (Harmonised Indicators for Private Sector Operations) to monitor development impact, would ensure international comparability. It was brought up that for BEAM the monitoring tool could work as a service that encourages companies to reconsider how they could get most development impact out of their business activities.

A validation workshop was organised to discuss the impact of BEAM in December 2018. A background document describing the evolution and focus of impact measurement in BEAM had been submitted in advance. The document explained how the discussion and perspectives on observing and measuring progress and impact of BEAM had evolved during the course of the programme. It also explained the issues at hand, which should be addressed with the update of

New, overall impact framework was proposed to BEAM.

BEAM impact framework. As a conclusion, the background document proposed a framework of dimensions, against which the overall impact of BEAM could be observed and assessed.

The proposed updated impact framework (Annex 2) provided a set of dimensions with further explanations for the assessment of BEAM specific additionality and impact. Proposed impact dimensions included the following seven:

- Rationale and strategic focus of the programme
- Impact on activation
- Economic impact and growth
- Impact on knowledge creation, competence and renewal
- Impact on collaboration and networking
- Development impact
- Impact on innovation environments

In the validation workshop discussion, the proposed framework was considered as a comprehensive and useful model for observing the overall status and impact of BEAM. It was emphasised that the original programme aims should be reflected in this framework, too. Furthermore, concretisation of programme aims and their anticipated impacts, should help to assess where the programme has brought additionality and what kind of impact it is likely to generate, and thus help in designing future programme activities.

In many ways it was recognised that BEAM has had very high and broad ambitions, and the expectations towards BEAM have been very high. In this regard, a realistic time span for generating impact should be taken into account. Many of the BEAM projects are still in their very early stages.

The evaluation task significantly contributed to the discussion and insight of the strategic impact goals of BEAM, how they should be defined and measured in the current programme and in the potential follow-up programme. The assessment of development impact was particularly elaborated. The work also provided a more comprehensive evaluation framework for the consideration of the programme.

Link to the report (MFA website): D3.3B Summary of BEAM WP3.3. Validation Workshop

4.13 Field Mission to Vietnam and Southern Africa follow-up 6/2019

The third field mission was two-fold. Preparatory work for the Field Mission began in February 2019, continuing with mission planning and desk study in April, and projects interviews in Finland in late April–early May. The field mission to Vietnam took place on May 17–24, 2019.

To complement that, follow-up interviews on the nine Southern African BEAM projects (after the first field mission) were conducted in June 2019. The aim of the review was to assess the progress and outcomes of the BEAM/Vietnam pro-

jects and to assess the societal, developmental and business impacts of the programme as a whole.

The Field Mission paid particular attention to local collaboration both at the programme level and at project level. At the programme level, the Field Mission focused on the Finnish embassy, institutions, agencies, networks, etc. At the project level, it focused on partnering, networking, and utilisation of results in light of BEAM's anticipated contribution towards economic and societal change, as well as business ecosystems in its partner regions.

For the part of Vietnam, the assignment consisted of a document analysis and project partner and stakeholder interviews both in Finland and in Vietnam. Altogether ten projects were assessed individually, and the findings were used to draw conclusions at programme level. The relevant Team Finland representatives in the Finnish Embassy were also interviewed, as well as other relevant Vietnamese partners.

The first Field Mission for the BEAM Developmental evaluation was carried out February–March 2017 and included 9 projects in South Africa and Namibia. Two years after that mission, in June 2019, the BEAM Evaluation Steering Group decided to carry out a brief review on the same project portfolio, concentrating on the overall impact of the now completed projects.

The review of Southern African BEAM projects was carried out by phone interviews with the project partners in Finland, and with the project stakeholders in South Africa and Namibia. The interviews concentrated on the main evaluation questions of BEAM and did not aim to evaluate the individual projects.

According to the review, the projects in Vietnam were very different from each other, and they represented various sectors: education, BIM / construction, forestry, water supply, IT and cleantech. These sectors were all relevant in Vietnam and form the core of Finland's 2016–2020 country strategy for transition (MFA, 2017).

It appeared that the ex-ante assessment template and tool for development effects, introduced in 2018 to complete BEAM applications, had improved the companies' understanding of development impacts. Similarly, the excel-table for ex-ante assessment of anticipated impacts had emphasised the importance of development considerations in granting BEAM funding.

In most cases, the duration of BEAM funded projects had been too short and directed to too early stages to support the creation of development impacts or even outcomes. In the same time, the projects were not built on needs-based innovation, but rather designed to support the internalisation of companies in a new market area. Most companies had a product or service that needed more R&D before commercializing in the Vietnamese market. Two of the projects did, however, show signs of development impacts.

The duration of BEAM projects had been too short and directed to too early stages.

Most companies that had received BEAM funding were relatively small and they had little resources to familiarise with new markets such as Vietnam. The more successful projects had included several partners and well-established networks built over a longer period of time. Permanent contacts, constant presence in the country and sufficient understanding of the local culture and markets were identified as keys to successful projects. Also, local partners had difficulties in getting

funding and often their role was marginal due to the nature of the projects. In some projects, however, there was active participation increasing the impact of BEAM projects.

BEAM funding has benefited the companies in many ways, but in most cases the short-term projects had not resulted in any concrete business development. The support provided by Finnish development cooperation programmes had helped companies to establish themselves in Vietnam and to get contacts in the country. There were signs of sustainability in some projects, while some companies were discouraged and had decided not to continue exploring the Vietnamese markets.

Review of projects in Southern Africa

The follow-up of Southern Africa BEAM projects consisted of interviews of both Finnish and South African and Namibian project partners of the nine projects included in the first BEAM Developmental Evaluation mission in February-March of 2017. At this point, all projects had been concluded and it was possible to have some perspective both to the results and sustainability of the projects, as well as to the challenges the projects have faced along the way.

Some of the key findings of this review:

- The challenges organisations faced entering these markets should not be underestimated. Most if not all projects experienced substantial delays and other challenges, and not all were sufficiently prepared to weather them.
- Small companies especially tended to be too optimistic about their resources compared to the circumstances, and struggle to survive the almost inevitable delays and setbacks.
- The amount of time needed to enter these markets while simultaneously developing a new product or adapting an existing product for the market needs was considerably longer than the timeline of a typical BEAM project.

As can be expected, there's a range of different outcomes and different levels of success from the 9 projects:

- Two research projects completed the research but were not able to continue the work to more practical piloting or implementation projects
- Two of the projects were clearly preparatory in nature and were expected to produce market understanding and to create relationships and networks leading to further projects or other initiatives, which they succeeded in doing.
- Two company projects lead to both companies changing their approaches. Both are still making progress in the same market, but with a different product and business logic.

- One consortium consisting of universities and companies came to halt just before the pilot was supposed to start, due to corruption probe in the partnering municipality. A larger consortium is now preparing a larger initiative targeting several countries, based on the learning and contacts from this project.
- Another consortium with a university and several companies succeeded in building relationships and a local ecosystem and has now started a larger project with EU Interreg Central Baltic Programme funding.
- One joint project between a university and a company succeeded in using the project results to attract larger partners and is now opening the first commercial plant with good growth potential. New initiatives are also starting to investigate the suitability of the solution for different value chains in other countries.

The third field mission emphasised the importance to have an identified target market challenge or problem, as the starting point for innovations, instead of focusing on further developing Finnish innovations. The key messages from the projects were very much in line with the previous mission results, emphasising the support needs the projects have in various phases of the implementation. These findings contributed to the design of the BEAM follow-up programme.

Link to the report (MFA website): D3.4 Report of the Third Evaluation Mission – Vietnam and the follow-up on Southern Africa projects

Challenges in entering into developing markets should not be underestimated. Particularly small companies tend to be optimistic about their resources.

4.14 Key lessons on the developmental evaluation itself 12/2019

The added value of developmental evaluation as an approach is in its good synchronisation and integration with the programme steering and management. Early assessment of programme activities, options, risks and the anticipation of impact is to help the programme steering and management in making better and faster steering decisions. This is particularly important in complex and explorative programme contexts, such as the case of BEAM.

Over the course of the BEAM programme cycle, there have been several learnings on how to organise the work between the programme management and its evaluation, and how to take better advantage of the developmental evaluation.

In the beginning the working collaboration between BEAM and its developmental evaluation was not without challenges. It was difficult for the external Programme Steering Group to grasp the role of such evaluation, as the evaluation tasks appeared irrelevant and oversized to them. At the same time, developmental evaluation had already pointed out several critical areas for further clarification and elaboration in the programme.

For the developmental evaluation to work effectively and to be able to respond in time, it is of utmost importance to have access to relevant programme information. In the case of BEAM, the developmental evaluation has sometimes had difficulties in accessing in a timely manner the data on programme activities, its calls and projects, which makes the evaluation work difficult or slow. To this end,

Timely access to relevant information is essential for developmental evaluation to function.

Developmental evaluation requires a clear division of roles between programme and its evaluators.

the collaboration practices (e.g. joint scheduling) have been improved over the course of the programme.

It is well recognised that BEAM has been the first experiment for both Business Finland and for MFA, in developmental evaluation. There were no prior examples or existing working practices for this. In this regard, one of the key issues were to a) define the roles, functions and mandates of the developmental evaluation versus programme management activities, and b) define what information is needed and useful for different stakeholders at different times. The key findings to this end are:

- The **role and advantages of developmental evaluation are not necessarily evident** without good knowledge of different evaluation approaches and their differences. Furthermore, the developmental evaluation is a reasonably resource heavy process, and appears even heavier at the beginning of the process.
- For developmental evaluation, one cannot overemphasise the importance of **clear allocation of roles and definition of tasks** for different programme parties (management / evaluation). In this regard, some expectations were laid down to the developmental evaluation, which in fact should belong to the programme management – i.e. to provide advice on programme strategy (focus), to elaborate log frame/impact model and indicators, to define the baseline and to collect monitoring information. As a result, the programme has suffered from lack of necessary steering information and the evaluation has conducted also other (monitoring) tasks than initially assigned to it. This has caused unnecessary frustration on both sides. For example, the first evaluation field mission had to be cancelled and replaced by BEAM portfolio analysis and participant survey, since such baseline information had not been collected by the programme.
- At the same time, it is important to highlight that **BEAM has been innovative and explorative** programme with many respects. It is in a new field, combining two policy interests, two different kind of funding, monitoring and evaluation practices, etc. Therefore, there is a substantial amount of mutual learning in BEAM, which is closely reflected to the developmental evaluation.
- Perhaps due to the above, the **programme planning of BEAM was in many respects vague and the scope broad**. There has not been a clear vision and strategy on how the impacts are to be generated. This was particularly the case at the beginning part of the programme, as planning has progressed during the course of the programme. For example, the programme document includes several objectives which can rather be considered as ideas (such as Innovation fund), which were at the later stage dropped from the programme. In this respect, it has been the necessary task of the developmental evaluation to point out the inconsistencies or lack of clarity in the planning documents, to be then worked out by the programme management (sometimes in collaboration with the evaluation).

- The developmental evaluation has produced number of reports and raised numerous issues for the consideration of the BEAM management. As said, many of these at the beginning of the evaluation were considered perhaps a bit academic and of little practical relevance to

  the programme steering. The first input which was fully adopted by the BEAM Steering Group was the *revised impact model* in January 2017. Further to that, the *Portfolio Analysis and Participant Survey* during spring 2017 were able to raise number of relevant points and questions. These questions were systematically discussed by the BEAM Steering Group and Programme Team in May 2017. Further to these, the first *Annual Report of the BEAM* (May 2017), together with this *Mid-term Evaluation*, should provide a rather complete overview of programme information, the activities conducted, progress made and areas for further elaboration for the consideration of all programme stakeholders.

- As the BEAM programme was progressing towards its end, there was an inherent need to take stock of the lessons and to consider how the activity should be followed up, if it should. At that time the data and lessons generated by the developmental evaluation became very valuable. The role of developmental evaluation (and the fact that it has already gathered information and lessons) **has been essential in the future considerations of the programme**.

In the light of the above, it is fair to say that the BEAM programme planning and monitoring – both at the strategic and operational levels – has clearly been stepped up, and also the collaboration between the programme management and the developmental evaluation has found its 'modus operandi'. Although DE has focused on the programme-level, some common success factors and typical challenges at the project level have been collected based on the field missions, see Annex 3.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 Overall conclusions

Due to the nature of developmental evaluation, most findings and recommendations by evaluation have already been raised and delivered to the BEAM programme during its course, and most of those recommendations have resulted in changes and further considerations by the programme management. However, at the same time, the developmental evaluation has been in a good position to closely observe the progress and evolution of the programme, and to draw the following overall observations and conclusions regarding the BEAM programme.

BEAM is addressing a relevant and timely topic

The evaluation concludes that overall, BEAM has addressed a very relevant societal challenge that otherwise would not have been equally well addressed, and that the programme timing has been very appropriate. It has been important to broadly engage the private sector into this theme and to incentivise their research and development towards addressing challenges in the developing markets. This has also offered important new growth potential to Finnish companies in a time when domestic market growth prospects have been modest. There appears to be further interest and demand for the topic and volume of programme funding has developed positively.

The unique additionality BEAM programme has offered has been the testing of viability and scalability of sustainable innovation and its 'gateway' into the developing markets. The programme has made some progress towards building a true multilateral collaboration among companies, researchers and NGO for sustainable innovation, however to this end there is still a work to be done.

In future, the programme could focus its activities more sharply geographically. Although this may not influence so much the success at individual project level, at the programme level the broad geographical scope of activities is likely to consume more coordination resources, limit synergies in learning and networking with local partners, and therefore lessen the intended impact.

Explorative, developing and clarifying programme

At the start of the BEAM, there was not yet a clear understanding of what kind of projects would eventually be selected in the programme and what would be a realistic anticipation of programme's impact. The discussion among stakeholders was vivid and expectations for the programme were broad and some optimistic. The programme impact logic was not sufficiently elaborated and several aspects of the jointly organised programme administration, such as organisation

of the programme monitoring, needed further working out. As the programme progressed, these have been sorted out and appropriate working models defined.

Over the course of the programme, the development of programme services, support and advice has been reflected in the better selection, maturity and viability of funded projects. This has been the impression and intention, at least. Particular emphasis has been put to understanding and communication the development impact of innovation projects. Practices for joint programme administration (between MFA and BF) have also been developed. Meetings among Business Finland and MFA specialists have been considered particularly helpful. The programme has also revised (i.e. narrowed) its geographical focus with the intention to systematically identify possibilities and build collaborations.

Exceptional programme structure...

The fact that BEAM has been an effort to combine the objectives, resources and operations of two separate Team Finland actors (i.e. MFA and BF) and build on their synergies, has made it a genuine Team Finland programme – the first of its kind. Compared to a 'normal' Business Finland or MFA programme, the joint programme approach has brought more funding resources, more collaboration opportunities, broader set of services and a broader competence-base to support the projects.

BEAM programme has also been the first time Business Finland (or MFA) to apply a developmental approach in a programme evaluation. The developmental evaluation has regularly observed programme implementation and provided assessments, advice and specific analyses (such as analysis of programme portfolio) for the support of the programme management.[5] Three field missions have also been conducted as part of the evaluation, first one in Southern Africa (2017), second one in India (2017) and a third one in Vietnam (2019).

...with slightly heavier administration

Despite the benefits of a joint structure, the exceptional organisation of BEAM has also brought some additional administrative burden; the programme management is a shared function of the two parties (i.e. MFA and BF), all project proposal are assessed and approved by both parties and the progress and results of the programme are reported to both parties. This, particularly at the beginning of the programme, resulted in heavier administration. Furthermore, since the MFA applies ODA-funding[6] to BEAM, this brings additional criteria, advice and monitoring on top of the normal RDI funding processes of Business Finland. Moreover, promotion, collaboration and implementation of BEAM projects in distant (and often culturally and contextually very different) developing market environments, has expanded the requirements of programme management, coordination and evaluation. Overall, the management and coordination resources have in several occasions been considered insufficient for the demanding requirements of the programme.

BEAM has mobilised actors

BEAM has raised the awareness of, and the interest in the developing market opportunities amongst Finnish companies and Business Finland clients, and

managed to generate a good number of collaborative RDI projects within the topic. The programme has facilitated the seeking and establishment of new partnerships.

BEAM has facilitated collaboration amongst public services that are aimed at supporting sustainable innovation and exports, as well as helped to build a joint vision among the service providers. The programme has significantly increased public sector understanding of sustainable innovation, building the capacity and requirements for developing markets.

It seems an ecosystem among the key actors for sustainable innovation is in the making. The awareness on BEAM and its message has raised, and this work should be continued.

Rather small projects addressing big challenges

BEAM has succeeded to mobilise a large number of projects from micro and small companies. Successful adoption and commercialisation of innovations in developing markets usually requires determined investment, adaption to unforeseen changes, a good amount of resources and time. This poses a challenge for most small companies.

Also, towards the end of the programme, the focus has shifted strongly to company projects (and away from research / multilateral collaborative projects). The geographical distribution is also wide, although India, Vietnam, Tanzania and Namibia clearly stand out. Hence, the programme would most likely benefit from tighter strategic focus.

Relatively good progress and results...

The monitoring survey on BEAM projects was carried out in spring 2019 and according to it, a clear majority of project managers considered that their project had progressed as planned, or even better than planned, in relation to their objectives. Most projects were estimated to meet or even exceed objectives. At the same time, every third project had had some unexpected difficulties. Challenging conditions in partner countries, cultural differences and slow progress of projects were the most common of unexpected hurdles.

At the end, most project managers estimated their project will eventually generate the anticipated impact. In particular, the impact on capacity development was considered most prominent in projects. These results are very positive.

...but the generation of wider impact is a slow process

Many of the BEAM projects are still running or at best, they are still at the early phases of broader utilisation of project results. Normal BEAM project has a duration of 2–3 years and Business Finland typically collects project follow-up information three years after their completion. There are successful projects, but

5 BEAM evaluation reports can be found at MFA website (published in 2017 and 2019): https://um.fi/development-cooperation-evaluation-reports-comprehensive-evaluations

6 Funding dedicated to Official Development Aid, which needs to fulfil specific criteria

it is still early to collect evidence on larger commercial and development impacts from these projects.

At the same time, most of the BEAM programme attention has been paid to the project level, and less on **institutional, organisational or local ecosystem levels**, hence the main impact is likely to remain at project level, too.

The challenge of assessing development impact

Generating development impact has been one of the key objectives of BEAM. The programme has now gathered a good amount of experience on this, and this should be utilised for defining appropriate selection criteria and monitoring indicators for future projects. The new assessment tool for applications includes a set of criteria for assessing development impact. This should provide an important information base to build on and to elaborate further. In particular, the tool responded to the need to systematise and unify the assessment of project applications, while it also provides a good basis to build a system to monitor project level development impact in BEAM. Moreover, the set of criteria allows to further categorise and follow specific types of development impacts. Clarification of BEAM selection criteria will also make it easier to communicate expected impact to new project applicants and encourage them to prepare better project proposals.

5.2 Recommendations for future

The following recommendations are given to Business Finland and MFA in their consideration of future activities for promoting sustainable innovation and RDI in the developing markets. The planning of BEAM Successor is already on its way and the lessons from developmental evaluation BEAM are utilised in it.

Funding model needs updating

In order for BEAM to increase its economic and development impact, it would be beneficial to engage different types of partners in projects. This applies in particular to local partners in target countries. This has indeed been the aim of BEAM from the very beginning, but Business Finland's funding instruments do not properly support this. In order to go about this, it is suggested that in future, BEAM funding could consist of funding from other organisations, such as of Finnpartnership, on top of the Business Finland funding. This would bring more flexibility in funding and allow for a broader set of activities and partners to be included in BEAM. [7]

Funding of foreign collaboration and NGOs yet to be solved

The objective of BEAM has been, from its very beginning, to build a broad-based innovation collaboration both in Finland and in partner countries. In practice, this has not always been possible. One of the difficulties has been the limitations related to Business Finland's funding, which is not suited to funding of foreign partners. When other complementary funding sources have not been available, such as local RDI-funding in partner countries, practical project collaboration

in partner countries has usually remained very limited. This is one of the clear limitations of the current funding model of BEAM.

Rather similar challenge has been with the engagement of NGOs in BEAM, as Business Finland's funding criteria does not approve activities without clear commercial interests, like those of the NGOs. NGOs often have strong networks, practical and cultural experience and presence in developing markets, which can be extremely important for finding suitable partners, understanding the application needs and opportunities for collaboration with local partners. They also have a true interest to help disseminate practical solutions to the challenges of people in developing markets.

By supporting earlier and better engagement of local partners and NGOs in sustainable innovation projects, BEAM could help to improve the design and uptake of innovations in the partner countries, and eventually increase their economic and development impact.

Further emphasis on programme-level collaboration

Much of the BEAM focus has so far been on the project level – in focusing on the right kinds of projects, partners and impact – and much less on programme, institutional or ecosystem level collaboration. In the future, this aspect should be given more emphasis, in order to leverage larger funding opportunities and more importantly, to general broader and more sustainable impact.

BEAM programme's objective to support to innovation in developing markets has many synergies with, for example export promotion and other forms (than development policy) of foreign policy and these synergies could be strengthened both at project level and particularly at the programme and institutional levels amongst other the Team Finland actors. Good examples of such synergies are the different funding instruments that are available, as well as the support of international offices and representations in partner countries, building on the different country strategies of MFA and connecting / taking stock of the procurement opportunities of IFIs, in which Finland is already formally present.

Other programme level collaboration opportunities include various events, networks and innovation hubs, as well as building synergies with similar funding programmes of foreign and international development funders, such as the World Bank, SIDA, DANIDA, etc. Combining private sector innovation with development policy is not unique to BEAM and this has been tried (for example with Indian funder Gita) during the course of BEAM but setting up practical collaboration has been time and resource consuming and not always fruitful. In the long run, such programme level collaboration could bring strategic advantages to BEAM by opening up important scaling and efficiency gains.

7 Applying for example a so called *Virtual Common Pot* -funding model, where each funding organisation makes its own funding decisions under a common umbrella of the programme.

EVALUATION TEAM

Kimmo Halme, Managing Director of Forefront Ltd., holds a degree of Licentiate of Technology (Eng.) in Industrial Management. Kimmo has nearly 30 years of experience in the design, development and evaluation of research and innovation policy -related activities, having worked in research, for the Finnish government, as a permanent expert for the EU Commission, and for the past fifteen years as a private research and innovation expert. Kimmo has been contributing to the research and innovation policies of several countries and international organisations, including European Parliament, OECD, World Bank and European Commission, as well as in many EU Member States, African, Latin-American and Asian countries. Kimmo is an expert member of the Board of Finnish Evaluation Society.

Kristiina Lähde is the CEO and founder of Saliens Ltd. Her key expertise is in the area of innovation in development. She has been the full-time Chief Technical Advisor of two successful MFA development collaboration projects, SAFIPA in South Africa 2008–2011 and TANZICT in Tanzania 2011–2015. Both SAFIPA and TANZICT had a funding element, and a large part of Kristiina's work in both projects has been appraising and selecting projects and ventures for funding, and then mentoring and supporting them during the implementation phase. Before her development career, Kristiina gained wide experience in entrepreneurship and ICT industry. Kristiina has co-written numerous publications on topics such as Living Labs, Digital Development, and the Tanzanian Innovation Ecosystem. She is also the Social Innovation Advisor for DFID (UK) funded Human Development Innovation Fund HDIF in Tanzania.

Merja Mäkelä (from 6/2017) holds an MSc in forestry and master's degrees in forestry extension and environmental education. She has worked over 30 years in international development cooperation gaining on-the-ground experience in projects and programmes in countries such as Senegal, Tanzania and Botswana and holding expert positions in NGOs, UN, consultancy companies and MFA Finland. She has conducted numerous design and evaluation assignments concerning different funding modalities, including project, programme, sector-wide and private sector support.

Helka Lamminkoski (from 6/2017) (Master of Science) works as a Consultant at 4FRONT and holds an MSc degree in Political Economy of Violence, Conflict and Development from the School of Oriental and African Studies (UK). As a consultant, Helka has among other tasks provided support services to MFA's development cooperation sector's process development and for the establishing UNTIL Finland. Helka has NGO experience from working at CMI in projects focusing on Western Africa, and she has also worked at the Embassy of Finland in Nepal where her task was to monitor Finnish development cooperation projects and the enforcement of the peace agreement.

Steve Giddings is a South African professional management consultant, investor and entrepreneur. He has started and grown three own companies: a manufacturer of coffee, hot chocolate and other hot beverages a service company that provides hot beverage solutions to corporates, another management consultancy that works with the World Bank and other organisations and which has provided consultancies all over the world including Africa, Asia, Caribbean and Middle East. Currently he is launching Ndola Capital, a private equity investment company.

Petri Uusikylä (until 6/2019) is co-founder, senior partner and chairman of the board at Frisky & Anjoy Ltd. Prior to that he was director at Ramboll Management Consulting, partner and managing director at Net Effect Ltd in 1999 and has worked as Senior Advisor at the Ministry of Finance, Finland with special responsibility for performance management, evaluation and benchmarking. He has over 25 years' experience in EU-programme and project evaluation in the fields of science, technology and Innovation policy as well as development cooperation programmes. Petri has comprehensive list of publications in the fields of public budgeting, policy evaluation and methodology, European policy-making, public managements etc. He has also been consulting, evaluating and given number of training courses on evaluation and performance management in Poland, Latvia, Lithuania, Estonia, Czech Republic, Bulgaria, Hungary, Georgia, Russia, Vietnam, Tanzania, Zambia, Kenya and several OECD-countries, both on cohesion policy and other topics.

Juho Uusihakala (until 6/2017) is a Senior Development Impact Adviser at Finnfund. Prior to that he was an independent consultant specializing in development cooperation project and programme preparations and evaluations. Juho has over 15 years of experience with hands- on experience in several development cooperation instruments and modalities and covering all phases of programming cycle. He is very experienced with evaluations (appraisals, mid-term evaluations) of complex interventions covering various countries and/or sectors, project and programme management, including multi-donor sector support to education, decentralisation and capacity development for central and local level civil servants. Juho has been conducting results and objective oriented project and programme planning and is familiar with donor coordination (including bilateral and multilaterals), donor – government dialogue. In addition to short term assignments in dozens of countries in Africa, Asia and Eastern Europe, he has worked six years as a Counsellor in Finnish embassies in Kathmandu (2004–2007) and Dar es Salaam (2010–2013).

EVALUATION STEERING GROUP

Evaluation Steering Group (ESG)

Mari Räkköläinen, Ministry for Foreign Affairs of Finland.
ESG chairperson since 5/2018

Teppo Tuomikoski, Business Finland.
ESG member since 9/2017

Former members of Evaluation Steering group

Riitta Oksanen, Ministry for Foreign Affairs of Finland.
ESG member 9/2015–3/2016 and ESG chairperson 3/2016–9/2017.

Pekka Pesonen, Business Finland.
ESG chairperson 9/2015–3/2016 and ESG member 3/2016–9/2017.

Jyrki Pulkkinen, Ministry for Foreign Affairs of Finland.
ESG chairperson 9/2017–5/2018.

Additional thematic and subject experts from both MFA and BF have also been invited to attend the ESG meetings. The evaluation team has also participated the meetings and acted as the secretariat for the ESG.

LIST OF EVALUATION REPORTS AND DELIVERABLES

All BEAM evaluation reports are available at the Ministry for Foreign Affairs website (published in 2017 and 2019):
https://um.fi/development-cooperation-evaluation-reports-comprehensive-evaluations/

Work package 1:

D1.1 State-of-the-Art Analysis

D1.2 Analysis of the Ramp-up Phase

D1.3 Evaluability Analysis

D1.3B Evaluability Conclusions and Recommendations

Work package 2:

D2.1 Meta-evaluation and Meta-analysis of MFA Innovation Programmes

D2.2A BEAM Portfolio Analysis (in Finnish)

D2.2B BEAM Participant Survey

D2.2C Executive Summary of Portfolio Analysis and Participant Survey

D2.3 Report of the First Evaluation Mission – Namibia and South Africa

D2.4 BEAM Mid-term Evaluation Report

Work package 3:

D3.1 Report of the Second Evaluation Mission – India

D3.2 Concluding Remarks of BEAM Impact Workshop (in Finnish)

D3.3A BEAM Portfolio Analysis 2

D3.3B Summary of BEAM WP3.3. Validation Workshop

D3.4 Report of the Third Evaluation Mission – Vietnam and the follow-up on Southern Africa projects

D3.5A Summary of Evaluation Lessons (in English and Finnish)

D3.5B Good Practices and challenges in BEAM Projects

D3.6 BEAM Developmental Evaluation of BEAM Programme – Final Report (published in December 2019)

ANNEX 1: BEAM FUNDING DATA

Situation at 10/2019. The data on funded projects excludes the data of project applications, which have been accepted, but have been withdrawn before commencement (typically due to lack of available matching funding).

	2015	2016	2017	2018	2019/10	Total
Project applications	47	77	42	46	22	234
New BEAM projects	19	42	31	39	20	151
Acceptance rate (%)	44,2	54,5	73,8	84,8	76,9	66,84
Company projects	8	23	30	38	17	116
Company project volume	€679,066	€5,719,286	€10,640,803	€25,296,103	€7,194,923	€49,530,181
Research projects	14	20	1	6	3	44
Research project volume	€2,213,103	€3,505,857	€580,052	€2,630,993	€297,402	€9,227,407
Total project volume	€2,892,169	€9,225,143	€11,220,855	€27,927,096	€7,492,325	€58,757,588
Total BEAM funding volume	€2,472,449	€5,758,752	€6,290,468	€12,902,025	€3,787,600	€31,211,294
...of which grants	€224,949	€2,462,810	€4,044,468	€7,424,159	€2,528,900	€16,685,286
…and loans	€241,000	€676,700	€1,898,000	€4,745,535	€1,200,700	€8,761,935
…and research funding	€2,006,500	€2,619,242	€348,000	€732,331	€58,000	€5,764,073
…of which MFA funding						€11,938,185
Average BEAM project size	€152,219	€219,646	€361,963	€716,079	€374,616	€389,123

Source: Business Finland

ANNEX 2: IMPACT DIMENSIONS OF BEAM

Proposal by the developmental evaluation.

1. Justification and strategic fit	2. Activation impact	3. Impact on economy and growth	4. Impact on capabilities, competitiveness and renewal	5. Impact on collaboration and networking	6. Development impact	7. Impact on innovation ecosystems
To which end have the basic assumptions behind the programme held true and programme been able to address them?	To which end has the programme been able to attract and engage new companies and other actors to development innovation and to developing markets?	To which end have the projects generated direct economic impact and growth.	To which end have the projects built capabilities, competitiveness, renewed operations or otherwise improved the capacity of participants?	To which end has the programme extended or enhanced collaboration or networks?	To which end have the projects generated development impact in partner or target countries?	To which extent has the programme contributed to the development of innovation ecosystems in Finland or in partner countries?
• Demonstrated need, opportunity and justification for intervention • Programme coverage, policy coherence (MFA/ MEAE) • Suitability of selected measures, programme structure and instruments • Resources available for the programme in relation to the objectives • Relevance of geographic and content area choices	• Visibility of the theme and highlighting market opportunities (eg SDG) • Activation and collision of new players • Number, volume, quality of applications received • Programme content development and load capacity	• Revenue growth • Growth in export / international business • New jobs • Improved profitability • Equity investments received • Follow-up projects, spin-offs / start-ups	• Knowledge, skills, and abilities, research results, publications • Generated intangible assets, IPR • Emerging market solutions (incremental) • Innovations, new products, services, operating models	• Internationalisation and expanded networks, consortia formed • Diversity of cooperation • Improved visibility and position in value networks • Opened market opportunities	• The end-user-effects • Targeting market failures • Impact on quality of life • Impact on public sector activities • Creating local demand • Jobs created • New partnerships • Project / sector effects	• Strengthening the development innovation ecosystem in Finland (operator collaboration, services, platforms) • Development of innovation programme activities, new practices, models and lessons learned. • Programme level collaboration with other actors and instruments (eg UNTIL, ICI, Finnfund, WB) • Strengthening innovation cooperation in partner countries with MFA innovation programmes (eg SAIS, IPP, TANZIS)

Source: Impact workshop 2018

ANNEX 3: GOOD PRACTICES AND TYPICAL CHALLENGES IN BEAM PROJECTS

The focus of BEAM Developmental Evaluation has been on the programme-level and not on evaluating individual projects. However, there are some good practices and typical challenges that have been identified at the programme-level. The field missions of the Evaluation have especially provided valuable findings for recognition of these factors. The actual project cases presented below are provided by Business Finland and serve as examples of BEAM projects.

Common success factors and typical challenges are divided into two themes; 1) Planning and implementation, and 2) Partnerships and consortia. Evaluation recognises the uniqueness of each project and the need to study the background factors for each project based on, for example, its target market, sector, product/service and maturity, to identify unique success factors for each project. The below factors are more general and common factors which have been recognised and raised in several reporting outcomes of BEAM developmental evaluation during the years.

Certain factors in the planning phase of the project, for example, have been recognised to increase the likelihood of a successful implementation phase. In some cases, the shortcomings of the planning phase have been turned into learnings in the implementation phase. Naturally the quality of the product, service or business model, or the knowhow of the team or consortia play a large role in the success of any business. This paper aims to identify factors which are more specific to BEAM projects.

Both the success factors and recognised typical challenges serve as learnings for the BEAM projects and the programme in the future.

1. Planning and implementation

The following good practices related to project planning and implementation have been identified to support the success of BEAM projects:

- Finnish partners have or are willing to invest in long-term presence in the market.
- Needs analysis is conducted before the implementation of the project.
- The product/service to be introduced to the developing markets is not at the concept stage, but rather is sufficiently mature for further development at the start of the BEAM project.
- Project's implementing partners recognise that Finnish solutions, services, business models, pricing, and delivery methods may need significant redesigning before they can be introduced to the developing markets.
- Project's local partners have relevant expertise to support the adaptation of the product/service and its commercial launch.
- The project utilises the services and networks of the Finnish Embassy and other Finnish in-country support systems and collaborates with other projects and organisations present in the target market.

Typical challenges related to planning and implementation include:

- Underestimating the amount of time needed for the contracts, paperwork and other processes before actual implementation lead often to unrealistic scheduling, causing delays that may affect the project's reliability in the eyes of its partners and beneficiaries.
- Unexpected delays have also created financial difficulties especially for smaller companies, which in some cases have not had sufficient resources to continue and have had to pull out of the projects
- Underestimating the importance of connections, local culture and building of trust can cause unexpected problems and delays.
- Focusing interactions solely in sales creation rather than problem solving and innovation lead to incomplete understanding of the market conditions and needs and may also frustrate potential clients and users.
- Failures to recognise the level of technological progress at the developing country has led to difficulties, as in some cases the offered technological solution has been incomplete and adapting it to the target market conditions hasn't been possible.
- Preparation shortcomings, insufficient knowledge about the markets and local ecosystems, as well as failures to carry out risk analysis completely or partly cause companies to be taken by surprise in some situations and lead to unexpected negative outcomes.

Case: As global meat production grows rapidly, developing countries lack the solutions necessary for processing and recycling animal waste. Honkajoki exports a Finnish circular economy concept that helps safely recycle environmentally hazardous animal waste and reduce environmental load.

Honkajoki launched market surveys in India as part of their BEAM project. In India, animal waste is often left to be handled by abattoirs and is dumped in landfills, incinerated or used by the poor as food.

"In India the locals had trouble understanding the benefits of recycling animal waste. Religious beliefs about animals also made the task more difficult. In the end, we chose not to set up a test plant in India but the information we gained about the market helped in our development work."

Honkajoki also carried out surveys in the Middle East, China and Africa. In Africa, the company formed contacts and networks with the help of the BEAM project, and in the Middle East and Asia, matters have progressed negotiating with partners.

BEAM project helped Honkajoki adjust its product concept to be suitable for emerging markets. Honkajoki's global conquest also brings benefits to locals in the target countries. The export model provides both jobs and education for the local population.

"We export technology and expertise into the target country, where we then hire and train locals to maintain the plant. Naturally, we also employ local workforce in construction of the plant, infrastructure and electrical work. This also helps grow the economy of the target country."

More on this BEAM project: https://www.businessfinland.fi/en/whats-new/cases/2019/Honkajoki-exports-solutions-for-recycling-animal-waste/

2. Partnerships and consortia

The following good practices related to partnerships have been identified to support the success of multi-partner BEAM projects:

- At least one of the Finnish project partners in the consortium has pre-existing experience, connections and trusted partners in the target market. In some cases, this partner has been a research organisation or an NGO.
- Already at the planning phase, partners have clearly defined roles and expectations for each partner.
- The Finnish partners have kept the local partners informed on the progress of the project also between the country visits.
- Local partners have been included in the planning and implementation phases, and there's funding available for their contribution.
- There is regular communication between all project partners with the aim of getting to know each other well.

Typical challenges related to partnerships include:

- Inadequate and infrequent communications from the Finnish partners to the local partners.
- There hasn't been enough emphasis and time to build trust and to get to know the local partners.
- Local partners have not been sufficiently involved in the design, planning and decision making. Instead, they have had a more subcontractor-like role, which has reduced their motivation.
- During the planning and budgeting phase, there hasn't been sufficient funds allocated to the local partners or there have been overly optimistic expectations about the availability of funding from local instruments. This has led to significant delays.

Case: Finnish water technology company Solar Water Solutions has invented the most sustainable water purification technology in the world and wants to bring it to the people in developing countries.

The solar-powered SolarRO unit was installed in a village school in Tseikuru, an impoverished rural area in Kenya. The unit produces safe drinking water for 700 villagers, 400 of whom are school children. SolarRO system is based on the reverse osmosis method, and it produces drinking water from any water resource without chemicals. The technology is unique because it can use the solar energy directly without expensive batteries.

Despite careful planning, the company faced many challenges on the site. For example, the road to the destination was terrible because of the rainy season. Solar Water Solutions experts had to bring all their tools with them because such tools were not available in the local hardware stores. The expertise of local partners was found to be vital in these kinds of circumstances. The Tseikuru project was implemented with World Vision. After good experiences, the company continues to enter the markets in Kenya and its neighboring country, Tanzania.

More on this BEAM project: https://www.businessfinland.fi/en/whats-new/news/2018/kenyan_kids_can_enjoy_quality_drinking_water_made_by_finnish_solarro_system/

DEVELOPMENTAL EVALUATION OF BUSINESS WITH IMPACT (BEAM) PROGRAMME

Ministry for Foreign Affairs of Finland

BUSINESS FINLAND