



MEASURING IMPACT: A BUSINESS APPROACH



ABOUT IGD //

The Initiative for Global Development (IGD) drives global poverty reduction by advancing catalytic business growth and investment in the developing world. We bring together an influential network of CEOs and senior executives with the interest and capacity to make strategic investments in high-need, high-potential regions, with a current focus on Africa. Working together, we foster global connections, share frontier market knowledge and insight, and promote business-driven development to create economic growth and opportunity that improves the lives of the poor.

ACKNOWLEDGEMENTS

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ADDITIONAL INFORMATION

For more information on IGD's Impact Measurement Framework, or to participate in the initiative, please contact **Helen Mant, Director**, at hmant@igdleaders.org.

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MEASURING IMPACT // A BUSINESS APPROACH

Successful businesses in frontier markets have enormous power to drive social and economic development. As they seek to enhance profitability, companies make decisions regarding supply chain management, workforce development, product innovation, and distribution channels, all of which have the potential to dramatically improve the lives of individuals and the health of communities. By providing the tools for companies to identify and quantify their broader impact, the Initiative for Global Development (IGD) aims to highlight actionable information that can help companies deepen their impact over time and partner more effectively with key stakeholders.

WHY MEASURE?

Measuring and understanding impact beyond traditional assessments of financial return enables companies to:

- Strengthen strategy formulation and decision-making;
- Better manage their business and achieve greater impact;
- More effectively engage external stakeholders; and
- Enhance the long-term sustainability of their business through value and wealth creation and the efficient use of resources.

Beyond the analysis of individual companies, aggregated information about corporate impact can add to a compelling body of evidence on the positive contributions of business to poverty reduction.


THE IGD IMPACT MEASUREMENT FRAMEWORK

While a number of different measurement methods already exist, the IGD Impact Measurement Framework (the Framework) is unique, having been developed for business by business, with input from leading practitioners.

The Framework focuses on strategic business drivers, identifying key social and economic impacts in the areas where a company is most likely to create long-term value:

- Achieving growth;
- Achieving operational efficiency and increased productivity through the value chain;
- Doing business responsibly; and
- Enhancing the operating environment to support business growth.

In each of these categories, the Framework identifies distinct areas of impact and suggested metrics for capturing relevant data. For example, product innovation is a significant driver



of impact when a company is striving to achieve growth. For a power company, this may be measured in terms of greater fuel flexibility and reliability of supply, resulting in lower costs and an expanded customer base. For a bank, product innovation may mean a robust technology platform that enables mobile banking for smallholder farmers, resulting in greater access to financing for inputs and improved yields.

APPLYING THE FRAMEWORK IN PRACTICE

The Framework is designed to be comprehensive, yet flexible. It can be applied:

- Across a whole business, to an individual product line, or in a specific country or region;
- Using a light touch to achieve a macro-level perspective, or as part of a deeper, more detailed analysis; and
- By sector, reflecting the need for consistency in reporting to allow for comparison, while recognizing that the nature and extent of impact will differ across different businesses.

Sector frameworks are available for agribusiness, power, financial services, and information and communications technology (ICT), with additional sectors under development.

The summary case studies within this report demonstrate the impact of five IGD member companies in their respective sectors: AICO Africa Limited, ContourGlobal, Ecobank Transnational Incorporated, Equity Bank Limited, and Main One Cable Company Limited. These initial examples of measuring impact through the IGD Framework provide a high-level starting point for what could be a much deeper analysis to fully understand the impact these companies are having through their businesses.

NEXT STEPS

Companies can take the following actions to see the benefit of impact measurement in their business and to help IGD promote the practice more broadly:

- Apply the IGD Impact Measurement Framework to their operations;
- Use data gathered from the implementation of the Framework to improve performance;
- Endorse the IGD Impact Measurement Framework for wider replication based on their experience;
- Share lessons learned with other companies; and
- Feed their data into a collective body of evidence on the valuable role that business plays in reducing poverty.

IGD is a resource to companies as they embark on these steps, and looks forward to helping individual companies implement the Framework as well as sharing best practices across the IGD network and beyond.



Incorporated in Zimbabwe in 2008, AICO Africa Limited is a diversified agro-industrial conglomerate that engages in the manufacturing of broadacre crop seeds, cotton production, and processing through its subsidiaries, Cottco and Seed Co. Seed Co currently maintains breeding, production, and distribution interests in 15 African markets, and is the biggest seed house in Zambia, Zimbabwe, and Malawi.¹ With involvement in every aspect of the supply chain, Cottco is the largest cotton processor and marketer in Sub-Saharan Africa.²

“Our business model is not about how to integrate smallholders; smallholders are our business model. Their success is our success. Our products help to increase their yields, which enables them to earn more and then hopefully invest in more of our products.”

Patrick Devenish,
Group Chief Executive

AICO AFRICA LIMITED // ACHIEVING GROWTH THROUGH SMALLHOLDER FARMER ENGAGEMENT

More than 70 percent of Africa’s poor live in rural areas, the majority of whom depend on smallholder agriculture for their livelihoods. Agriculture represents 15 percent of Africa’s total GDP—more than \$100 billion annually.³ In Zimbabwe, roughly 15 percent of the population, or 250,000 households, depend on cotton for their cash income. According to the World Bank, investment in the agriculture sector is approximately three times more effective in raising incomes among the very poor than investment in other sectors.⁴

BUSINESS MODEL

AICO is a vertically integrated agro-industrial company whose strategy focuses on smallholders; Seed Co and Cottco are its principal subsidiaries. Seed Co is Africa’s largest seed production company, selling over 67,000 tons of high-quality seed inputs designed to increase crop yields for over 360 million smallholders in 15 countries.⁵ Its success is based on early-mover advantages in new markets, six state-of-the-art seed research and production facilities, an extensive distribution network, and highly trained agronomists.

Cottco contracts with smallholders to grow high-quality cotton to sell back to the company, which then gins the final lint product and sells it to international markets.⁶ Through Cottco’s Inputs Credit Scheme, established in 1992, seasonal financing and quality inputs such as pest control, fertilizer, and equipment are provided to farmers at appropriate points in the growing cycle.⁷ Extension services and information technology-based guidance on planting and harvesting are also provided. This business model adds value to the supply chain and provides a market for smallholders, as well as the missing link between local growers and international markets.

KEY IMPACTS

- In 2011, Seed Co’s \$4 million investment in research and development and sale of 67,240 tons of seeds resulted in enhanced crop yields for 3.7 million smallholder farmers.
- Seed Co’s products help countries transform from net grain importers to net grain exporters.
- Cottco’s \$15.1 million input financing, cotton buy-back, and agronomy programs enhanced the livelihoods of 156,673 smallholders.

PERFORMANCE AGAINST FRAMEWORK METRICS

ACHIEVING GROWTH

Seed Co achieves growth by developing high-quality, disease- and drought-resistant seeds, which it sells to smallholders in small packages. These improved inputs contribute to a significant increase in yields across Sub-Saharan Africa. In Malawi, for example, farmers using Seed Co seeds produced 3.6 tons of maize per hectare in 2010—twice the amount

of previous years.⁸ Smallholder demand for these inputs has steadily increased, leading to a dramatic expansion of supply and subsequent profits for Seed Co, which the company has used to fund further research and development. In 2012, Seed Co increased seed sales by 22 percent and earned \$19.1 million in profits.

Seed Co also offers a range of value-added products, services, and initiatives to enhance smallholder productivity and reduce vulnerability to shocks. The company has sponsored 1,100 field days to teach farmers how to use its products more effectively. Geographical information systems, local agronomic education, and farming insurance further support enhanced crop production. In Kenya, Seed Co reduced the risk of devastating crop loss by partnering with Kilimo Salama and the Syngenta Foundation to provide smallholders with cost-effective farming insurance. The program insured 11,000 smallholders through a matching scheme in which Seed Co contributed to the cost of the insurance.⁹

Cottco generates growth by contracting with more smallholders each season. During the 2011-12 growing season, Cottco expanded its Inputs Credit Scheme by 30 percent, and invested \$15.1 million in high-quality inputs that were sold to 156,673 contracted smallholders. The farmers sold 103,225 tons of cotton back to Cottco at an average of \$0.90 per kilogram, well above Zimbabwe's 10-year average price of \$0.30 per kilogram. This reflects the higher-quality crop achieved from the superior inputs and agronomy guidance provided by the company.¹⁰ After receiving the cotton from smallholders, Cottco processes it and sells the lint product in international markets, effectively linking its contracted farmers to the global economy.

ACHIEVING OPERATIONAL EFFICIENCY AND INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

AICO is committed to hiring and cultivating local talent, spending \$24.5 million in 2012 on employee costs, benefit packages, and training. Seed Co maintains a 500-member staff, 30 of whom are highly-trained seed breeders and researchers. Cottco's local employees undergo rigorous training to support grading, processing, classifying, and packaging operations in 29 facilities throughout Zimbabwe.

DOING BUSINESS RESPONSIBLY

AICO upholds high standards of governance throughout its operations. The company's Board of Directors is governed by four separate committees, and its processes for external reporting of financial performance meet international best practice standards. Additional transparency is achieved through online audio recordings of company meetings. AICO's Works Council provides a forum for employees to engage in collective bargaining and present grievances. The wealth generated by AICO's operations is redistributed through payments to employees, contracted farmers, and suppliers. Last year, the company indirectly supported Zimbabwean citizens by paying \$1.4 million in taxes.¹¹

ENHANCING THE OPERATING ENVIRONMENT TO SUPPORT BUSINESS GROWTH

Partnerships with the National Cotton Council, the West Africa Centre for Crop Improvement, and the West Africa Seed Alliance help to support seed research; facilitate knowledge-sharing, networking, and collective action; and provide platforms for discussing policy reforms and regulation.



SUCCESS STORY

Cottco enhances the value of its final cotton lint product and improves grower livelihoods by cultivating better-quality crop yields. The company's positive impact is demonstrated by the Kasaira family, Cottco growers living in Guruve, Zimbabwe. "We resolved never to side-market the crop that Cottco funds us each season and that has created a strong bond with the company, such that we don't ever worry about where to get inputs. And with the expert advice we get from Cottco's extension officers, we realize high yields and returns from our cotton production, enabling us to prosper. That should serve as a lesson to all cotton growers," said Ms. Kasaira.



Founded in New York in 2005 by Reservoir Capital Group, ContourGlobal manages, owns, and operates a portfolio of 31 power plants in 15 countries, utilizing a wide range of fuel types and technology, including renewable energy production based upon wind, solar, and biomass. Through its direct ownership interest and active control of its projects, ContourGlobal ensures it operates at the highest industry standards.¹

“At ContourGlobal, we know our operations don’t exist in a vacuum. The communities in which we operate are often also our customers, and their residents are our employees and our families. By providing social support and insisting on ethical and transparent relationships with vendors and governments, we are working to sustain and grow our communities and their people.”

Joseph C. Brandt, President & CEO

CONTOURGLOBAL // POWERING HEALTHY, VIBRANT COMMUNITIES

Sub-Saharan Africa’s power sector is defined by insufficient generating capacity, unreliability, high prices, and low rates of access to the electricity grid. Energy remains one of the biggest constraints to growth in the countries where ContourGlobal operates. For example, Togo must import 486 million kWh from neighboring Ghana in order to meet its annual electricity demand of 576 million kWh.² In Rwanda, only 13 percent of the population is connected to the grid.³ The heightened risks and costs associated with energy inaccessibility have a negative impact on entire communities, including low-income consumers.

BUSINESS MODEL

Reaching underserved markets, demonstrating a fuel-agnostic approach, utilizing local resources, and implementing innovative solutions are the four central principles of ContourGlobal’s business strategy. In high-growth markets, the company supplies the national electrical grid through its own central power generating stations. In mature markets, innovative niche products such as carbon capture and renewable energy are utilized to support multinational corporate clients. This strategy ensures that ContourGlobal provides the most efficient energy solutions, even in the most challenging international markets.⁴

KEY IMPACTS

- ContourGlobal’s investment of over \$350 million in Togo and Rwanda will provide the countries with 125 MW of reliable, competitively-priced power.
- ContourGlobal increased local capacity, operational efficiency, and productivity by investing in the construction of a technical school in Rwanda and employing 250 local workers and contractors for its power plant projects in Africa.

PERFORMANCE AGAINST FRAMEWORK METRICS

ACHIEVING GROWTH

ContourGlobal’s projects in Africa are achieving growth and enhancing livelihoods by utilizing first-mover advantages and a unique delivery model to increase accountability, optimize electric system purchases, and add a substantial source of reliable, competitively-priced power to governments’ generation portfolios. As a result, low-income consumers have better access to clean, affordable energy. The \$142 million KivuWatt project in Rwanda—financed by the African Development Bank (ADB), the Emerging Africa Infrastructure Fund (EAIF), and the Netherlands Development Finance Company (FMO)—will increase the country’s installed capacity by 40 percent. To be completed in 2013, the project will add 26.2 MW of electricity generation capacity through an integrated methane gas extraction production facility and power plant that processes methane trapped in the waters of Lake Kivu.⁵

ContourGlobal’s project in Togo represents the country’s largest infrastructure investment and independent power project to date. Through its \$209 million tri-fueled (natural gas, heavy fuel oil, and diesel) power plant, ContourGlobal has tripled Togo’s generation capacity with the supply of 100 MW of reliable, fuel efficient, and competitively-priced power.⁶

ContourGlobal partnered with the Coca-Cola Hellenic (CCH) subsidiary Nigeria Bottling Company (NBC) to develop three combined heat and power plants. Completed in 2012, the plants provide 99 percent of NBC's power needs and reduce carbon emissions by 40 percent. Delivering the plants under ContourGlobal's build, operate, and transfer model allows the company to manage them for 15 years, then transfer ownership to NBC. This delivery model contributes to ContourGlobal's high level of accountability, while also incentivizing private investment in power infrastructure.⁷

ACHIEVING OPERATIONAL EFFICIENCY AND INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

ContourGlobal employs over 250 local workers and contractors in projects across Togo, Rwanda, and Nigeria. All of these employees are over the age of 18 and receive extensive training on health and safety standards, as mandated by the company's policy. Working with local organizations like La Compagnie Energie Electrique du Togo, ContourGlobal builds strong relationships with experts in the industry to facilitate the hiring and training of local workers at the highest level of technical proficiency. This helps to build local capacity and increases operational efficiency and productivity through the value chain. By building a technical training institute in Rwanda, ContourGlobal is ensuring that future generations possess the skills necessary to be effective workers.⁸

DOING BUSINESS RESPONSIBLY

ContourGlobal invests its own human and financial resources into every project under management. This helps to encourage transparency and responsible business practices, while also creating interdependency, as revenues are generated from investments in immovable infrastructure. These interdependencies—where both the company and the country benefit—foster a collaborative business environment that promotes a mutual commitment to success. ContourGlobal adheres to the UN Global Compact principles and to International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability to ensure that its projects are developed in a socially-responsible manner and reflect sound management practices. The company relies heavily on its internal policies, such as its Anti-Corruption Policy, its Code of Conduct and Business Ethics, and its Social Responsibility and Environmental Sustainability Policy, to ensure responsible business practices.⁹

ENHANCING THE OPERATING ENVIRONMENT TO SUPPORT BUSINESS GROWTH

ContourGlobal's strong public-private partnerships—with the IFC, the Overseas Private Investment Corporation (OPIC), development banks, and governments—enhance the local operating environment by building the capacity of small firms, and encouraging sustainable and inclusive investment decisions. As an Independent Power Producer (IPP), the company also plays an important role in reducing reliance on state-owned utilities, increasing competition in the sector and contributing to lower costs and enhanced reliability of electricity supply.



SUCCESS STORY

In 2011, ContourGlobal received the Africa Power Deal of the Year award from Euromoney's Project Finance magazine for its \$142 million KivuWatt project. The project is expected to increase Rwanda's total installed generation capacity by 40 percent through its innovative integrated methane gas extraction and production facility and associated 26.2 MW power plant. The system, which extracts harmful methane gas trapped in Lake Kivu, will improve the health of both the environment and the population of 2 million living close to the shoreline, while also contributing to Rwanda's transformation from a fuel importer to an electricity exporter. The project underscores the benefits of innovative energy solutions for both the local economy and private companies like ContourGlobal. Indeed, through adaptation of advanced technologies, ContourGlobal has realized substantial financial and social returns on its investment.¹⁰



Ecobank is a regional commercial bank based in Lomé, Togo with the dual objectives of building a world-class, pan-African bank and contributing to the economic and financial integration and development of the African continent. Its operations span 32 countries across Middle Africa. As of September 2012, Ecobank has 9.1 million customers.¹ It provides wholesale, retail, investment, and transactional banking services to governments, financial institutions, multinational corporations, local companies, small- and medium-size enterprises (SMEs), and individuals.

“At Ecobank, we understand that providing financial access to unbanked and underbanked, low-income customers is fundamental to unlocking the immense economic potential of Africa.”²

Patrick Akinwuntan,
Group Executive,
Domestic Banking

ECOBANK // UNLOCKING AFRICA’S ECONOMIC POTENTIAL

Currently, only 10 percent of Sub-Saharan Africa’s population has access to formal financial services.³ Reliance on informal financial channels increases both the transaction costs and risks to low-income consumers. Seeing these challenges as an opportunity, Ecobank has developed innovative financial products targeted to Middle Africa’s unbanked and underbanked populations.

BUSINESS MODEL

Ecobank’s business model is focused on delivering commercial success while contributing to economic development and financial integration. It has developed and implemented a common sustainability framework that focuses on driving economic transformation, promoting socially-responsible financing, attracting and retaining human capital, and protecting natural resources. Ecobank’s “One Bank” concept—with its uniform technology platform, universal branding, and common policies across branches—enables continued expansion into new markets while providing all customers with a consistent, high level of service.⁴

KEY IMPACTS

- Ecobank deepened financial access and grew its customer base to 9.1 million through its partnerships with 200 microfinance institutions, mobile banking platforms, and Rapidtransfer offering.
- Ecobank’s \$11 million investment in employee training supports local talent development and helps achieve operational efficiency.

PERFORMANCE AGAINST FRAMEWORK METRICS

ACHIEVING GROWTH

By offering targeted products to the unbanked and underbanked populations of Middle Africa through alternative delivery channels, Ecobank expands its market share and customer base while increasing access to financial services. The bank provides innovative loan products to individuals, SMEs, and underserved segments of the agriculture value chain through its relationships with development banks and nonprofits. Recognizing that microfinance was an untapped market opportunity, Ecobank established a strategic partnership with five established microfinance institutions to build a regional platform that met the needs of the target market. In Ghana, Ecobank partnered with microfinance and microlending organization Accion to provide 70,000 previously underserved customers with access to formal banking services through a system of seven branches, two satellite kiosks, 100 ATMs, and a team of 185 roving agents.⁵

Ecobank’s Rapidtransfer and Regional Card products are providing innovative solutions to Africa’s rural and diaspora populations. Rapidtransfer enables diaspora customers to quickly and safely transfer funds to relatives in their home countries. From 2010 to 2011, the new technology increased volumes by 106 percent, from \$385 to \$794 million.⁶ Using Ecobank’s Regional Card, customers can affordably access their money at Ecobank branches across 32 countries of operation. Both products help to grow Ecobank’s customer base, while expanding access to financial services for historically-underbanked consumer segments.

Through its commercial business, Ecobank helps drive business growth that indirectly provides jobs and improves livelihoods. For example, in 2012, Ecobank partnered with Nexim Bank to provide nearly \$1 million in working capital loans to cashew processors in Nigeria. This enabled an increase in processing capacity from 8 to 20 tons daily and doubled the workforce.⁷ Through its investment banking arm, Ecobank achieves impact by strengthening the region's banking sector. In 2011, it operated as the lead arranger for the issue of a \$216 million, 5-year, 6-percent-coupon sovereign bond on behalf of the Republic of Chad.⁸

ACHIEVING OPERATIONAL EFFICIENCY AND INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

Ecobank has more than 23,000 employees who collectively support over 100,000 people across 32 countries. Prioritizing workforce development, Ecobank invested over \$11 million in training and development, ensuring that all employees receive a minimum of 40 hours of training per year. In addition, leadership programs develop local talent to fill senior management positions within the bank. Such programs contribute to employee effectiveness and loyalty, and enhance operational efficiency.

DOING BUSINESS RESPONSIBLY

Ecobank strengthens the local business environment and facilitates growth by promoting high standards of transparency and accountability through its Group Corporate Governance Charter and sustainability framework. Ecobank has a significant multiplier effect across its large geographic footprint. In 2011, it redistributed \$295 million to customers through interest paid on savings and other deposit accounts, and a further \$1.01 billion through taxes, salaries, and payments to suppliers, generating local economic growth and benefiting the bank by increasing customer deposits and loans.⁹

ENHANCING THE OPERATING ENVIRONMENT TO SUPPORT BUSINESS GROWTH

Since 1993, Ecobank has maintained a strategic partnership with the International Finance Corporation (IFC) that leverages both organizations' infrastructure and capital resources to increase the region's access to finance, support small business growth, and, indirectly, strengthen Africa's banking sector. In 2012, IFC invested a further \$100 million in Ecobank to help the company scale up in key markets, strengthen its capital base, and expand its operations across Africa.¹⁰

SUCCESS STORY

In the past five years, Ecobank has successfully leveraged its extensive resources to establish a microfinance network that provides unbanked and underbanked segments with access to formal financial services and the opportunity to improve their livelihoods through increased incomes. The bank partnered with Accion and IFC in Nigeria to establish Accion Microfinance Bank Limited (AMfB), which provided over \$2.3 million in microloans to 12,000 customers in 2009.¹¹ By 2011, the bank's active portfolio had grown to \$6.6 million.¹² Ecobank further expanded the microfinance network to include subsidiaries and associates in Burkina Faso, Cameroon, and Sierra Leone, while also supporting 200 microfinance institutions through wholesale loans.¹³



Founded in 1984 in Kenya as Equity Building Society, Equity Bank has transformed from a microfinance institution into an all-inclusive, publically-listed commercial bank. Through its subsidiaries in Kenya, Rwanda, Tanzania, Uganda, and South Sudan, Equity Bank provides a diversified portfolio of services designed to increase the financial resources of its nearly 8 million customers. The largest bank by customer base in East Africa, Equity Bank successfully leverages its innovative technology, broad distribution network, unique business model, and numerous partnerships to broaden financial access and deepen financial inclusion among the region's unbanked and underbanked populations.

“Equity Bank will continue to live out its purpose of transforming the lives and livelihoods of our people, socially and economically, by providing them with innovative services designed to broaden financial access and deepen financial inclusion.”

James Mwangi,
CEO & Managing Director

EQUITY BANK // TRANSFORMING LIVES THROUGH INCLUSIVE FINANCIAL ACCESS

Access to affordable financial services is a significant challenge in Africa, where the majority of the population is excluded from the formal banking sector. In 2007, more than 70 percent of households in Kenya relied on informal sources of financing.¹ Inaccessibility to formal financial services negatively impacts livelihoods by increasing transaction costs and risks, limiting market exchanges, and reducing opportunities for households to save.

BUSINESS MODEL

Equity Bank, through its inclusive business model, develops financial products designed to serve the continent's unbanked and underbanked populations. Its business model targets the low-income market to achieve scale through a high volume of relatively small, low-margin transactions. This allows Equity Bank to keep costs low, while providing stable funding to customers and promoting accessibility, convenience, affordability, and efficiency of financial products and services. A large distribution network of agents and a robust information technology platform further enable the bank to access previously untapped markets. The bank's business model has been featured in case studies at leading international business schools around the world.

KEY IMPACTS

- Equity Bank's agency banking model expands financial access to 1.7 million low-income consumers.
- Equity Bank has dispersed \$1.45 billion in loans, including \$500 million to consumers, \$39 million to the agricultural sector, \$158 million to women, and \$65 million to youth.
- Equity Group Foundation's free financial literacy program with The MasterCard Foundation has deepened financial inclusion for 450,000 Kenyans, and aims to reach one million.

PERFORMANCE AGAINST FRAMEWORK METRICS

ACHIEVING GROWTH

Equity Bank has grown rapidly through a mix of strategic capitalization. In 2007, Helios Investment Partners LLP provided the bank with \$180 million, enabling it to expand its loan portfolio and low-income customer base by offering innovative, lower-cost financial products across consumer, agriculture, micro, and small- and medium-size enterprise (SME) loan segments.² In 2011, these segments provided over \$1.45 billion in financing through 1.05 million loans, including over \$500 million in consumer loans, which gave nearly 550,000 people the opportunity to pay for education, healthcare, and other life-enhancing services.³

In addition, in 2011, Equity Bank provided African entrepreneurs with capital to expand their businesses, increase savings, and hire new employees through 294,000 SME loans valued at over \$730 million.⁴ Equity Bank's central role in expanding access to finance is

increasingly recognized by major international funders and donors; in 2012, it received \$100 million in funding from the International Finance Corporation (IFC) to further expand its SME lending portfolio.

Equity Bank's agriculture segment has successfully grown over the years by lending across the value chain, thereby reducing risk exposure. In 2011, the bank invested over \$39 million through 88,000 agriculture loans for smallholders, agricultural processors, manufacturers, distributors, and retailers.

ACHIEVING OPERATIONAL EFFICIENCY AND INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

Equity Bank makes substantial investments in the skills development of its employees to improve operational efficiency and productivity. The bank's 7,000 employees each receive training worth an average of \$6,557. In the agriculture segment—in which more specialized knowledge is needed to work with smallholders—employees are required to have at least four years of relevant experience.⁵

To ensure that financial inclusion reaches last-mile populations, Equity Bank relies on its mobile banking platform and agency banking model. Having achieved sufficient scale, the bank expanded its remote agency model to build a network of over 5,100 agents to serve a growing customer base of nearly 8 million. This expansion improved access to formal financial services for the low-income—marked by a 37 percent increase in customer deposits—while also reducing household risk and transaction costs, and increasing profits for the bank.

DOING BUSINESS RESPONSIBLY

Equity Bank promotes transparency and adherence to ethical standards through its Code of Corporate Practices and Conduct and independent Board of Directors. The IFC has recognized Equity Bank as a partner of choice, due in part to its strong governance. The bank's philanthropic arm, the Equity Group Foundation, demonstrates responsible business engagement by partnering with The MasterCard Foundation, with support from UKaid,⁶ USAID,⁷ and KFW,⁸ to provide \$70 million in scholarships for secondary school education to 7,600 academically-gifted, financially-challenged children under the Wings to Fly program. The program aims to provide 10,000 scholarships by 2015.

The Equity Group Foundation also partners with The MasterCard Foundation to provide free financial literacy and skills training to youth and women through Financial Knowledge for Africa (FiKA). FiKA has enabled the partners to leverage their infrastructure and capital resources to train over 450,000 Kenyans.⁹ Investing in social initiatives like FiKA broadens financial access and deepens financial inclusion to remote populations, including the historically-excluded women and youth segments.

ENHANCING THE OPERATING ENVIRONMENT TO SUPPORT BUSINESS GROWTH

Equity Bank's impact on poverty reduction goes well beyond the direct provision of financial services. The bank indirectly contributes to the development of a well-functioning, competitive, and diversified financial sector by providing the mass market with a means of payment, enabling secure financial and commercial transactions, and mobilizing domestic savings. This financial infrastructure enables more efficient allocation of capital to productive investments, which contributes to growth and, ultimately, poverty reduction.

SUCCESS STORY

In July 2011, the Lukama Dairy Commercial Village partnered with Brookside Dairy and Equity Bank to develop a dairy cooperative in Kenya. The model provides smallholders with a market for their products and access to high-quality inputs financed by Equity Bank. In October 2011, Equity Bank provided a \$4,000 overdraft facility to smooth over farmer incomes following a delayed payment schedule. As a result, average daily milk sales rose from 186 to 600 liters, translating to an increase in income of \$4,500 per month for the cooperative.¹⁰

Equity Bank also works with the World Food Program (WFP) on various initiatives. The Purchase for Progress program (P4P) provides smallholders with financing for farm inputs and aggregates outputs to sell to WFP. The Seasonal Cash for Asset and Unconditional Cash Transfer program provides beneficiaries with access to cash (using Equity Bank's agency model for payments) and FiKA training, which transfers knowledge on financial management to enhance the payment process. Over \$16 million has been invested in this program, which reaches 160,000 people.



Main One Cable Company is a Nigeria-based communications services company that provides open access, wholesale, international broadband capacity to four countries in West Africa. The company built and operates the first privately-owned submarine cable along the West African coastline, covering a distance of 7,000 kilometers, with initial landing stations in Nigeria, Ghana, and Portugal. Offering state-of-the-art IP-NGN¹ infrastructure; circuits for video, voice, and data transmission; and colocation and managed services, Main One increases regional access to the internet and high-quality communications services.

“We believe that access to broadband should be available in all parts of the country such that it starts to impact our lives in a more meaningful way. When broadband access is readily available, we will rely on that connectivity to obtain services—in education, government, commerce, and entertainment—and improve productivity in our daily lives.”

Funke Opeke, CEO

MAIN ONE CABLE COMPANY // DELIVERING CONNECTIVITY ACROSS WEST AFRICA

Unreliability, poor quality, and high costs define Sub-Saharan Africa’s internet market. A lack of network infrastructure and international bandwidth capacity has resulted in a low internet penetration rate of 8 percent, well below the world average of 23 percent. With monthly subscription costs over \$300/month and an average bandwidth speed of only .06 Mbps, few Africans are able to realize the full benefits of the internet.

BUSINESS MODEL

Main One provides affordable, reliable broadband internet access to the people and businesses of Sub-Saharan Africa. An early mover in Nigeria’s information and communications technology (ICT) sector, Main One secured a competitive advantage by scaling network economies and marketing momentum. The company invested a total of \$255 million in the deployment of its submarine fiber optic cable, which links West Africa to Europe. Of this investment, \$15 million was spent on infrastructure expansion to bring down the cost of bandwidth and increase accessibility to the internet.

KEY IMPACTS

- **Main One’s upgrade of its submarine fiber optic cable system and expansion of its infrastructure are enhancing capacity distribution by providing service to Nigeria, Ghana, Benin, and Burkina Faso.**
- **By reducing wholesale broadband prices by 90 percent and partnering on a teleport to bring additional bandwidth to rural areas, Main One is helping to increase internet access for low-income users.**

PERFORMANCE AGAINST FRAMEWORK METRICS

ACHIEVING GROWTH

Since commencing commercial operations in 2010, Main One has delivered a number of product and service innovations that have dramatically increased the availability and quality of broadband internet in West Africa. The company increased its customer base by offering high quality, reliable broadband access and by expanding into new, untapped markets. The Main One cable system delivers fast and affordable international connectivity at 1.92 Tbps, 10 times the speed previously available in the market at inception. This volume of bandwidth is sufficient to drive large increases in quality broadband services across Nigeria in the coming years. Since becoming operational in 2010, the system has maintained an unparalleled 100 percent uptime, providing communities with extraordinary gains in efficiency and productivity.

ACHIEVING OPERATIONAL EFFICIENCY AND INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

Main One encourages local content development via skills transfer of critical networking technologies and has spurred job creation by locating the network operation centers for the entire system in Nigeria and Ghana. At the macro level, broadband and internet accessibility are playing a growing role in improving human capital by enabling individuals

to acquire skills and increase their marketability as workers, expanding access to opportunities in new markets, and improving access to and effective use of basic services (e.g., health care and education).

Despite considerable gains made by Main One to improve international connectivity, high bandwidth costs persist due to limited distribution and last-mile infrastructure constraints. End-users are unable to access the broadband speeds and reduced pricing enabled by Main One because domestic infrastructure owners are not connecting them effectively. In response, Main One has started to build infrastructure to connect coastal landing stations with both interior areas and neighboring countries. This infrastructure will also be offered on an open access basis to further level the competitive landscape and drive broadband penetration. With an extra \$15 million of investment, Main One has begun to extend its infrastructure towards Togo with an interconnection through Ghana and is already servicing Benin from Nigeria. Furthermore, the company plans to connect terrestrial fiber from Nigeria and Ghana to Burkina Faso and Niger. These investments will increase capacity exponentially in the Sahel region and deliver true broadband to countless communities. Finally, in order to further extend access to last-mile internet users in West Africa, Main One has developed strategic partnerships with independent operators.

DOING BUSINESS RESPONSIBLY

Globally, market domination by large players in high technology-related businesses stifles innovation and punishes consumers with high prices while rewarding players with high profit margins. Despite the competitive behavior of many of its counterparts, Main One continues to operate an open access cable with competitive pricing made available on its network. This encourages market entry from smaller, local companies and reduces the incidence of dominant market entities. Main One has also implemented a Partner Advantage program which targets resellers of bandwidth services to further ensure that benefits are passed on to end-users. In the public arena, the company is a strong advocate for better regulation, which rewards investment in open infrastructure, spurs innovation, and increases local content development.

ENHANCING THE OPERATING ENVIRONMENT TO SUPPORT BUSINESS GROWTH

Main One fervently believes that governments have a major role to play in promoting broadband penetration by using their assets and power to drive policy change. As such, the company has urged the Nigerian Communications Commission to promote regulatory and policy interventions that ensure sustainable access to nationwide broadband services. Main One has also been at the forefront of the push for the development of a National Broadband Policy in Nigeria to drive expansion of broadband.

SUCCESS STORY

To increase product awareness and educate customers, Main One established a “Feel the Impact” promotional campaign. The company provided communities throughout Ghana and Nigeria with the opportunity to experience its 1.92 Tbps cable system for free. During the promotion, participants could use the available computers to download up to 20 GB of data at no cost. The promotional tour reached over 3,000 people, giving them the opportunity to learn more about Main One’s products and services.

Main One Ghana Country Manager, Joseph Odoi, explained, “The Feel the Impact promotion reflects our commitment to ensure that Ghanaians tap into the benefits of the broadband internet revolution offered by Main One Cable. We are poised to champion a communications revolution in the sub-region, impacting businesses, governments, and individuals by providing higher bandwidth and exceptional speed at the most competitive price.”²

BUSINESS DRIVERS

IMPACT

ACHIEVING GROWTH

EXPAND PRODUCTS AND SERVICES

- Develop high-quality inputs for smallholders
- Improve agricultural infrastructure capacity and techniques
- Offer value-added services (e.g., ICT; mobile payments; soil mapping; seasonal loans; finance; agronomy support; business training)

Improves productivity and business skills; addresses critical gaps in smallholder financing; enhances resilience to shocks; reduces post-harvest losses; improves local value retention through processing.

SERVE MORE CUSTOMERS

- Low-price, mass-market business models that offer affordable inputs, equipment, and infrastructure
- Innovative access and distribution models that expand reach to rural/remote areas

Improves access and affordability to low-income, rural and SME customers; reduces post-harvest loss for staple and cash crops.

ACHIEVING OPERATIONAL EFFICIENCY & INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

LOCAL WORKFORCE DEVELOPMENT

- Hiring and training of local talent
- Specialized agriculture training

Supports job creation; transfers knowledge; provides income; boosts productivity and improves export opportunities.

LOW-COST, RESPONSIBLE SOURCING AND PRODUCTION

- Source and produce locally
- Comply with agricultural food standards
- Reduce risk by providing credit/financing and using forward contracts

Enhances skills; supports job creation and compliance with standards on food production, traceability; drives development of (export-oriented) agriculture industry.

EFFICIENT RETAIL/DISTRIBUTION

- Small-scale agent networks to scale distribution and reduce costs
- Mobile technology for distribution of agriculture/market information

Supports new markets and local jobs; increases access to agricultural inputs (seeds, fertilizer).

RESPONSIBLE BUSINESS

HIGH STANDARDS OF GOVERNANCE

- Adhere to international standards for good governance, sustainable agriculture, and worker and environmental protection
- Respect human and indigenous rights regarding land ownership and bioengineering

Improves company transparency, accountability and reputation; safeguards land rights and community health.

FAIR DISTRIBUTION OF REVENUE

- Make transparent payments to employees, suppliers, and governments
- Ensure that producers/farmers receive a fair price for their products/crops

Stimulates local economic growth by increasing the capital flows needed to purchase local goods and services.

EFFECTIVE CORPORATE PHILANTHROPY

- Launch targeted initiatives aligned to core business, e.g., agricultural training

Addresses specific development needs, particularly when programs align to core business.

ENHANCING THE OPERATING ENVIRONMENT

IMPROVE POLICY AND REGULATORY ENVIRONMENT

- Prioritize investments in agriculture infrastructure
- Advocate for reforms related to land rights, trade balance, and market distortions in the sector

Connects farmers to markets; reduces post-harvest losses; increases value retention, farmer protection, access to finance, and incomes; reduces imports of agricultural commodities.

STRENGTHEN INSTITUTIONAL CAPACITY

- Develop/strengthen extension services and farmer associations
- Integrate ICT/mobile payments
- Specialized technical training
- Standards compliance, standards-setting

Increases productivity; improves business skills; builds capacity to address specialized skills gaps; raises standards in the agribusiness sector; enhances domestic export potential.

PARTNER TO ACHIEVE COMMON OBJECTIVES

- Effective utilization of ICT for soil mapping, agricultural information, and mobile payments
- Efficient sharing of knowledge (e.g., seed, technology)

Improves productivity through access to information on soil, weather, and agronomy; enhances national seed bank.

METRICS/MEASURES

<ul style="list-style-type: none"> • # new affordable, low-cost products targeted to smallholders • % increase in productivity achieved 	<ul style="list-style-type: none"> • # value-added services provided; \$ invested • # tons transportation/storage/processing capacity; % increase; % utilized 	<ul style="list-style-type: none"> • \$/# transactions/mobile payments • % increase in producer surplus
<ul style="list-style-type: none"> • % customers from low-income/rural segments • \$ cost per unit (input/transportation/storage/warehousing) 	<ul style="list-style-type: none"> • # low-income receiving seasonal loans/finance, crop insurance, extension services/business training; resultant % increase in productivity 	
<ul style="list-style-type: none"> • # skilled/unskilled jobs created • \$ per employee; wage/benefits cost per employee 	<ul style="list-style-type: none"> • # receiving training/\$ spent on training by type of input, technology, and agro-processing • \$ invested in talent development programs 	
<ul style="list-style-type: none"> • # skilled/unskilled jobs created (direct, indirect) • #/\$ value of (forward) local producer/processor contracts 	<ul style="list-style-type: none"> • % total procurement sourced locally • \$ invested in developing/training local supply chain 	<ul style="list-style-type: none"> • #/% producers/processors meeting international food and feed safety standards; \$ value of exports
<ul style="list-style-type: none"> • # skilled/unskilled jobs created/supported (direct, indirect) • #/\$ contracts with agents/distributors; \$ income generated 	<ul style="list-style-type: none"> • Penetration rate of agent network in rural areas • #/% smallholders using agricultural mobile services; % increase in resulting productivity revenues 	<ul style="list-style-type: none"> • \$ invested in agent capacity-building/skills development
<ul style="list-style-type: none"> • # international standards and principles met internally and across value chain (e.g., anti-corruption; sustainable agriculture; Health, Safety and Environment (HSE); International Labor Organization (ILO); fair/ethical trade) 		<ul style="list-style-type: none"> • Participatory engagement with local communities around land/resource rights
<ul style="list-style-type: none"> • \$ employee compensation; % earned locally • \$ paid in corporate and other government taxes 	<ul style="list-style-type: none"> • \$ operating expenses; % earned by local service providers • \$ paid to shareholders; %/\$ shares held locally 	<ul style="list-style-type: none"> • % increase in producer surplus
<ul style="list-style-type: none"> • % of pre-tax profit invested in corporate philanthropy 	<ul style="list-style-type: none"> • \$ spent; gifts in-kind 	<ul style="list-style-type: none"> • Key performance indicators defined and met
<ul style="list-style-type: none"> • Effective legislation on land rights enabling smallholders to access financial products 	<ul style="list-style-type: none"> • Integration of financial literacy/education into government-provided agronomy services 	<ul style="list-style-type: none"> • Reforms to facilitate effective commodities exchanges linking farmers to markets
<ul style="list-style-type: none"> • Programs for training, knowledge transfer to agronomy and extension services 	<ul style="list-style-type: none"> • # utilizing ICT-enabled information/mobile payments (input purchase, warehouse ticketing, payments) 	<ul style="list-style-type: none"> • \$ spent; # trained to meet specialized skills requirements (e.g., seed technology and agro processing)
<ul style="list-style-type: none"> • \$ invested in each partnership • % country soil mapped using ICT solutions 	<ul style="list-style-type: none"> • # mobile payments made • # agricultural information services utilized 	<ul style="list-style-type: none"> • \$ invested in joint research and development projects

BUSINESS DRIVERS

IMPACT

ACHIEVING GROWTH

EXPAND PRODUCTS AND SERVICES

- Build incremental generation capacity in underserved areas
- Diversify generation facilities to increase capacity from varied sources
- Deploy innovative methods for efficient local production

Generates more reliable, cost-effective power using less resources; enables gains in efficiency and productivity for the local economy; creates new markets through innovation.

SERVE MORE CUSTOMERS

- Expand power access using innovative distribution and transmission models
- Promote power safety through educational marketing campaigns
- Diversify customer base by offering more affordable products and innovative methods for payment (e.g., pay-per-use)

Provides sufficient energy for income-generating activities to facilitate small business growth, enhance low-income livelihoods, and support basic services (e.g., healthcare and education); increases awareness of the dangers of unsafe/unhealthy energy sources used by low-income households.

ACHIEVING OPERATIONAL EFFICIENCY & INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

LOCAL WORKFORCE DEVELOPMENT

- Train employees in technical skills, health and safety
- Hire local talent

Supports job creation; provides income; builds local capacity; improves health and safety standards; narrows skills gaps.

LOW-COST, RESPONSIBLE SOURCING AND PRODUCTION

- Develop linkages with local suppliers
- Identify lower-cost local sourcing options

Enhances technical business skills and supports job creation; builds local capacity.

RESPONSIBLE BUSINESS

HIGH STANDARDS OF GOVERNANCE

- Adhere to strict standards for good governance, and worker and environmental protection
- Practice transparency and anti-corruption in all business activities

Strengthens the local business environment through high standards of transparency, anti-corruption, and Health, Safety, Environment (HSE); promotes market efficiency and facilitates growth.

FAIR DISTRIBUTION OF REVENUE

- Make transparent payments to employees, suppliers, and governments

Stimulates local economic growth by increasing the capital flows needed to purchase local goods and services.

EFFECTIVE CORPORATE PHILANTHROPY

- Launch targeted initiatives aligned to core business, e.g., promotion of power safety

Addresses specific development needs, particularly when programs align to core business activities.

ENHANCING THE OPERATING ENVIRONMENT

IMPROVE POLICY AND REGULATORY ENVIRONMENT

- Engage local governments and regional power associations to promote sector development
- Advocate for sector reform, such as liberalization and transparency

Creates efficient market structures that encourage market competition and private investment; creates a more equitable marketplace to support socio-economic development.

STRENGTHEN INSTITUTIONAL CAPACITY

- Train government officials to increase effectiveness of power services
- Build capacity of higher education institutes to provide specialized technical training

Reduces barriers to investment; fast-tracks development of power generation to meet demand.

PARTNER TO ACHIEVE COMMON OBJECTIVES

- Promote power accessibility and affordability through joint initiatives with ministries
- Establish strategic partnerships with governments, development organizations, and NGOs to address specific needs, e.g., infrastructure investment

Provides a platform for resource-leveraging and knowledge-sharing, which catalyzes investment and expands capacity to underdeveloped markets.

METRICS/MEASURES

- % increase in MW capacity (online)
- Reliability of energy; #/frequency of power outages

- #/% MW generated from alternative/local sources (e.g., tri/quad-gen, hydro, biofuel)

- % reduction in carbon footprint

- % increase in km of distribution/transmission lines
- #/% of population with access to affordable energy

- # of new connections; % held by low-income
- Cost reduction in mainstream energy for end-users

- \$ invested in educational marketing initiatives; #/% of target population reached

- # skilled/unskilled jobs created
- \$ per employee; wage/benefit cost per employee

- # receiving training/\$ spent on training

- \$ invested in health management programs (HIV/AIDS)

- #/\$ value of contracts with local suppliers
- # skilled/unskilled jobs created

- % total procurement sourced locally
- \$ invested in supplier training and development

- # low-income in supply chain (direct/indirect)

- # international standards and principles met internally and across value chain (e.g., anti-corruption, accounting, HSE, International Labor Organization (ILO))

- Participation in international organizations' initiatives (e.g., UN Global Compact)

- \$ employee compensation; % earned locally
- \$ paid in corporate and other government taxes

- \$ operating expenses; % earned by local contractors

- \$ paid to shareholders; %/\$ shares held locally

- % of pre-tax profit invested in corporate philanthropy

- \$ spent; gifts in-kind

- Key performance indicators defined and met

- # regulatory/policy reforms achieved

- % reduction in regulatory business processing costs and lead time required

- Existence of independent regulatory body

- % reduction in lead time for future Independent Power Producers (IPPs)
- # MOUs developed

- # local education institutes offering technical skills development programs

- \$ spent; # officials trained

- \$ invested in partnerships
- Qualitative improvements in operations, e.g., addressing skills gaps through training

- # beneficiaries of partnerships
- % population receiving first-time electricity programs

- \$ spent; # officials trained

BUSINESS DRIVERS

IMPACT

ACHIEVING GROWTH

EXPAND PRODUCTS AND SERVICES

- Banking products for low-income/SME customers
- Services/platforms for efficient payments and money transfer
- Investment vehicles/equity financing targeting underdeveloped markets

Increases availability of banking, insurance products and financing for low-income/SMEs; enables secure financial and commercial transactions; mobilizes domestic savings.

SERVE MORE CUSTOMERS

- High-volume, low-margin business models that make banking affordable
- Simplified, flexible application/screening process to promote access by unbanked and SMEs
- Geographic reach through branches, ATMs and POS
- Financial literacy marketing campaigns

Improves accessibility of affordable financial services for unbanked and underbanked segments; brings low-income/SMEs into the formal economy.

ACHIEVING OPERATIONAL EFFICIENCY & INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

LOCAL WORKFORCE DEVELOPMENT

- Hiring and training of local talent
- Add value to portfolio companies

Supports job creation and employee retention; transfers knowledge; develops management and leadership skills.

LOW-COST, RESPONSIBLE SOURCING AND PRODUCTION

- Use of local service providers for business processing and other functions

Enhances technical business skills; supports job creation; drives development of service industry.

EFFICIENT RETAIL/DISTRIBUTION

- Small-scale agent/microfinance (MF) networks to scale distribution and reduce costs
- Mobile/online banking services and platforms to facilitate distribution and access

Supports new markets, local jobs; increases cost-effectiveness, efficiency, and reach of financial services.

RESPONSIBLE BUSINESS

HIGH STANDARDS OF GOVERNANCE

- Maintain strong internal controls and financial supervision
- Adhere to international standards for good governance, responsible investment, and worker and environmental protection

Promotes stability and integrity of financial system; reduces risk; protects consumer rights; improves company transparency and accountability.

FAIR DISTRIBUTION OF REVENUE

- Make transparent payments to employees, suppliers, and governments
- Pass on savings from operating efficiencies
- Encourage productive distribution of capital in the macro economy

Stimulates local economic growth by increasing the capital flows needed to purchase/invest in local goods and services.

EFFECTIVE CORPORATE PHILANTHROPY

- Launch targeted initiatives aligned to core business, e.g., financial literacy programs

Addresses specific development needs, particularly when programs align to core business.

ENHANCING THE OPERATING ENVIRONMENT

IMPROVE POLICY AND REGULATORY ENVIRONMENT

- Advocate for sector liberalization and competition
- Advocate for effective regulation of financial sector
- Support legislation to make financing more favorable to low-income and SMEs

Increases competition in sector; lowers prices and drives innovation; promotes financial system development and stability, and financial inclusion.

STRENGTHEN INSTITUTIONAL CAPACITY

- Capacity-building assistance and technical training
- Support transition to electronic payments system
- Support for restructuring of financial institutions (e.g., postal savings) and social security reforms

Strengthens regulatory and supervisory capacity; improves efficiency and transparency of government payments; improves financial inclusion.

PARTNER TO ACHIEVE COMMON OBJECTIVES

- Joint initiatives for financial literacy/inclusion and distribution of services (e.g., mobile money)
- Partnerships with other (development) financial institutions to supplement and mitigate the risk of private investment

Extends financial access and financial capital to underserved markets that would otherwise not be commercially viable; encourages private investment.

METRICS/MEASURES

<ul style="list-style-type: none"> # savings, credit and insurance products for low-income/SMEs; % total revenues 	<ul style="list-style-type: none"> % increase in savings and remittances for low-income #/% SMEs using formal channels for transactions 	<ul style="list-style-type: none"> # vehicles/funds and \$ capital invested in pro-poor sectors/companies
<ul style="list-style-type: none"> % increase in access to finance by low-income/SMEs % decrease in price of basic financial products/services 	<ul style="list-style-type: none"> % increase in applications/approvals for savings accounts/loans % increase in penetration rate of bank networks 	<ul style="list-style-type: none"> % increase in financial literacy among population
<ul style="list-style-type: none"> # skilled/unskilled jobs created; \$ wages/benefits paid 	<ul style="list-style-type: none"> Employee retention rate # receiving training/\$ spent on training 	<ul style="list-style-type: none"> #/\$ value of business advisory services from investors
<ul style="list-style-type: none"> #/\$ value of contracts with local service providers # jobs created (skilled/unskilled) 	<ul style="list-style-type: none"> % total procurement sourced locally 	<ul style="list-style-type: none"> \$ invested in local service sector; # low-income employed in sector
<ul style="list-style-type: none"> # skilled/unskilled jobs created (direct, indirect) #/\$ contracts with agents; # MF loan officers; \$ income 	<ul style="list-style-type: none"> Penetration rate of agent/MF networks in rural areas 	<ul style="list-style-type: none"> #/% low-income using mobile/online financial services
<ul style="list-style-type: none"> # international standards and principles met internally and across value chain (e.g., anti-corruption; accounting; Health, Safety, Environment (HSE); International Labor Organization (ILO); UNDP and Equator Principles for Responsible Investment) 		<ul style="list-style-type: none"> Effective governance structures and track record
<ul style="list-style-type: none"> \$ employee compensation; % earned locally \$ paid in corporate and other government taxes 	<ul style="list-style-type: none"> \$ operating expenses; % earned by local service providers \$ paid to shareholders; %/\$ shares held locally 	<ul style="list-style-type: none"> \$ cost savings realized by consumers
<ul style="list-style-type: none"> % of pre-tax profit invested in corporate philanthropy 	<ul style="list-style-type: none"> \$ spent; gifts in-kind 	<ul style="list-style-type: none"> Key performance indicators defined and met
<ul style="list-style-type: none"> Level of sector competition; market concentration 	<ul style="list-style-type: none"> Effective regulations for governance, risk and financial oversight 	<ul style="list-style-type: none"> Well-functioning consumer protection mechanism Ease of access to financing by low-income/SMEs
<ul style="list-style-type: none"> \$ government benefits distributed electronically (Interoperable) e-payments system; national switch 	<ul style="list-style-type: none"> # beneficiaries of government-sponsored programs for financial inclusion Scale/effectiveness of postal financial services, social security 	<ul style="list-style-type: none"> \$ spent on financial capacity-building; # trained
<ul style="list-style-type: none"> # MOUs and partnerships \$ invested in partnerships Key performance indicators defined and met 	<ul style="list-style-type: none"> % increase in reach of financial services \$/% increase in private investment as a result of partnership 	

BUSINESS DRIVERS

IMPACT

ACHIEVING GROWTH

EXPAND PRODUCTS AND SERVICES

- Deployment/upgrading of infrastructure and networks
- Development of IT and media adapted to the African market
- Innovations in ICT-enabled applications and other value-added services

Increases ICT availability, reliability and quality; enhances connectivity; increases competition and penetration; and improves network resilience.

SERVE MORE CUSTOMERS

- Low-price, mass-market business models that offer affordable ICT
- Innovative access and distribution models that expand coverage to rural areas
- Educational ICT marketing campaigns

Improves ICT access for low-income, rural, and SME end-users; increases productivity through access to information and reduction of transaction costs; and provides better access to markets and jobs.

ACHIEVING OPERATIONAL EFFICIENCY & INCREASED PRODUCTIVITY THROUGH THE VALUE CHAIN

LOCAL WORKFORCE DEVELOPMENT

- Training and hiring of local talent
- Use of ICT to transfer skills, boost productivity, and reduce costs for workforce development

Transfers knowledge and provides income; indirectly boosts human capital development by improving worker marketability and providing access to learning resources.

LOW-COST, RESPONSIBLE SOURCING AND PRODUCTION

- Local production and sourcing of ICT
- Resource-efficient production and sourcing strategies (e.g., cradle-to-cradle, e-waste)

Creates jobs, encourages technology transfer and fosters development of high-tech, high-value industries; saves money and reduces environmental impact.

EFFICIENT RETAIL/DISTRIBUTION

- Small-scale agent networks to scale distribution and reduce costs
- Shared infrastructure to reduce costs and improve productivity
- ICT distribution channels to deliver basic services to underserved populations

Supports new markets, local jobs and ICT access to less-viable markets; lowers prices, increases last-mile access and supports new market entrants; increases cost-effectiveness, efficiency, and reach of basic services.

RESPONSIBLE BUSINESS

HIGH STANDARDS OF GOVERNANCE

- Refrain from anti-competitive and anti-consumer practices
- Responsibly censor public digital content
- Adhere to strict standards for good governance, and worker and environmental protection

Protects human/consumer rights; improves company transparency, accountability, and reputation; promotes healthy communities and a better business environment.

FAIR DISTRIBUTION OF REVENUE

- Make transparent payments to employees, suppliers, and governments
- Pass on upstream cost-savings to end-users

Stimulates local economic growth by increasing the capital flows needed to purchase local goods and services.

EFFECTIVE CORPORATE PHILANTHROPY

- Launch targeted initiatives aligned to core business

Addresses specific development needs, particularly when programs align to core business activities.

ENHANCING THE OPERATING ENVIRONMENT

IMPROVE POLICY AND REGULATORY ENVIRONMENT

- Promote liberalization of ICT sector and more competition among players
- Advocate for effective sector regulation
- Advocate for efficient consumer protection and universal access to affordable ICT

Reduces market domination by large players, stimulates innovation, and rewards consumers with low prices.

STRENGTHEN INSTITUTIONAL CAPACITY

- Encourage use of ICT for public administration
- Train government officials on industry upgrades/technology advancement

Improves the efficiency, transparency, and accountability of public administration and delivery of government services and benefits.

PARTNER TO ACHIEVE COMMON OBJECTIVES

- Partner with government for last-mile service delivery in the case of market failure
- Partner with industry players to share infrastructure

Extends ICT coverage to underserved markets that would otherwise not be commercially viable.

METRICS/MEASURES

- % increase in connectivity and penetration of ICT
- % increase in capacity and connection speeds
- % reduction in fixed-line faults and internet downtime
- % total digital content developed locally
- % decrease in prices for bandwidth, and voice and data services
- # new, affordable ICT products for low-income

- % total ICT users from low-income/rural segments
- # prepaid and other innovative payment plans
- \$ savings achieved through shared/open-access infrastructure agreements

- # skilled/unskilled jobs created (direct, indirect)
- \$ per employee; wage/benefit cost per employee
- # receiving training/\$ spent on training
- # using ICT to access skills development resources

- %/\$ of goods and services produced/sourced locally
- \$ invested in supplier training/technology upgrades
- Improved resource efficiency and resulting \$ saved
- Growth of high-tech industry (% of GDP)

- # skilled/unskilled jobs created (direct, indirect)
- #/\$ value of contracts with agents/dealers; \$ income
- # non-discriminatory industry agreements for shared/open-access infrastructure and services
- Penetration rate of agent networks in rural areas
- #/% of low-income accessing basic services through ICT (e.g., m-banking, m-health, e-government)

- # international standards and principles met internally and across value chain (e.g., anti-corruption, accounting, Health, Safety, Environment (HSE) and International Labor Organization (ILO))
- Content/censorship policies/practices that protect human rights, political freedoms, and civil liberties
- History of consumer protection and product safety

- \$ employee compensation; % earned locally
- \$ paid in corporate and other government taxes
- \$ operating expenses; % earned by local contractors
- \$ paid to shareholders; %/\$ shares held locally
- \$ consumer surplus from upstream cost-savings

- % of pre-tax profit invested in corporate philanthropy
- \$ spent; gifts in-kind
- Key performance indicators defined and met

- Existence of independent industry regulatory body
- Level of competition in sector; # new licenses issued; market concentration
- Legislation/system for universal access to affordable ICT and for consumer protection
- # policies effectively regulating markets and content

- #/scope of e-government services
- # receiving benefits and pensions using ICT
- \$ spent; # trained

- # MOUs and partnerships
- \$ government subsidies/incentives received
- \$ invested in partnerships
- Key performance indicators defined and met

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