



CIRCULAR ECONOMY
C A T A L Y S T



IMPACT REPORT

2024

Mid-term outcomes of incubation support

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About Circular Economy Catalyst

The Circular Economy Catalyst harnesses the transformative potential of small and growing enterprises to contribute to circular and inclusive economies. Working in India and Kenya, we collaborate with partners — such as business advisors and financiers — to support over 220 entrepreneurs to create profitable circular economy business models that generate income, positive environmental impacts and more than 8,700 jobs.

About adelphi

adelphi research gGmbH is a public policy consultancy and think-and-do tank focused on climate, environment and development. At adelphi, we work together with green enterprises, financial institutions and policy makers to unlock finance at scale to secure a climate-neutral and resilient tomorrow.

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KEY TERMS AND ABBREVIATIONS

BDS advisors	Business Development Service Advisors. They refer to enterprise support actors -business consultants, mentors, incubation and acceleration managers- who provide business support to enterprises in their regions
CEC	Circular Economy Catalyst
Entrepreneurial Mindset, Knowledge and Skills	Capacity pillars that make up the business acumen and entrepreneurial capacities of entrepreneurs
MSMEs	Micro, small and medium enterprises
Originators	Enterprises which have successful business models in the circular economy which can be replicated in other contexts. They feature as case studies in the Replicator Workbooks that are used during the workshop phase, inspiring participants.
Replicator Programme	Incubation programme targeting aspiring entrepreneurs as well as early-stage entrepreneurs interested in circular economy business models with the objective to accelerate their ideation process and assist them in identifying partnership opportunities and growing their impact
SMEs	Small and medium enterprises
Starter Programme	Incubation programme that guides participants from the early stages of ideation to the generation of a viable business plan used to launch a circular economy enterprise
STEM fields	Science, technology, engineering, and math- related fields. These share an emphasis on innovation, problem-solving, and critical thinking
ToT	Training of Trainers. It refers to the Ecosystem Building programme that seeks to enhance the capacities of Business Advisors with the skills and tools required to improve their support to enterprises in the circular economy.

EXECUTIVE SUMMARY

The Circular Economy Catalyst (CEC) programme has provided incubation support to circular economy enterprises and entrepreneurs across diverse sectors in India and Kenya. This report evaluates the mid-term outcomes of these support initiatives, focusing on participants' development in entrepreneurial mindset, knowledge, and skills, as well as the overall status of their businesses one year after programme completion.

The mid-term assessment surveyed 200 participants from the CEC incubation programmes, including 121 from the Replicator programme and 107 from the Starter programme. As it was possible to participate in both the Starter and Replicator programmes, 28 from the 200 participants engaged in both programmes and are therefore counted in each programme. The response rate was substantial, with significant samples from both countries and all programmes. Most respondent enterprises operate in the Water, Food & Energy (36%) and Textiles & Handicrafts (29%) sectors. Gender distribution of participant individuals showed strong female representation in Textiles & Handicrafts (69%), especially in Kenya, though women were underrepresented in Housing & Infrastructure and Electronics & ICT sectors. The assessment further focused on the Training of Trainers, for which it surveyed 94 BDS advisors who have been trained in the ToTs, with 44.7% operating in India (42) and 55.3% from Kenya (52). A response rate of 41.5% was obtained, with 15 responses from India, and 23 from Kenya. Of the respondents, nearly half (49%) reported working for an organisation, 21% identified as independent consultants, and 31% indicated working in both capacities.

Participant enterprises reported a high level of entrepreneurial mindset, knowledge, and skills, although there was a slight decline compared to the short-term assessment. This decline might reflect increased self-awareness and stricter self-assessment as participants gain experience, as well as limitations brought upon by subjective self-reporting. Participants rated their entrepreneurial mindset at 3.8 out of 5, slightly down from 4.1 in the previous, short-term assessment. Feeling inspired by case studies emerged as the strongest motivator, particularly in Kenya (82.6%), while feeling connected to a supportive business network was the weakest factor. Entrepreneurial knowledge scored 3.9 out of 5, with a high understanding of business cases (76%) but weaker confidence in revenue generation (56%). Participants who engaged in both the Starter and Replicator programme reported the highest knowledge scores. Entrepreneurial skills were rated at 3.7 out of 5. Indian participants reported higher communication skills, while Kenyan participants' highest scores were achieved on partnership management and leadership.

Gender and Regional Variations

The assessment revealed persistent gender disparities, with women generally rating themselves lower across mindset, knowledge, and skills. Men reported higher confidence in their entrepreneurial skills, although the gap between genders has narrowed compared to earlier assessments. Cultural attitudes towards risk-taking and the maturity of entrepreneurial ecosystems could have contributed to regional differences in mindset and skills.

Business Evolution, Challenges, and Support Needs

Understanding the evolution, challenges and barriers faced by enterprises is crucial for providing better support. Significant improvements have been reported by supported SMEs, mainly in the areas of Market and Customer Relations (64%), Growth and Expansion (45%) and Financial Improvement (36%). Indian enterprises reported improvement primarily in Market and Customer Relations (53%) and Financial Improvement (35%), while Kenyan enterprises highlighted Market and Customer Relations (70%) and Growth and Expansion (53%) as improvement areas. However, SMEs still face challenges, with the most commonly reported being cash flow management issues (42%), limited access to a skilled workforce (40%), and high production costs (40%). Indian enterprises face significant hurdles in marketing and customer acquisition (35%), while Kenyan enterprises are challenged by high production costs (57%) and regulatory complexities (40%).

In light of these challenges, enterprises expressed a need for various forms of support to address them, including Training Programme (34%) particularly in areas like circular economy challenges, inventory management, financial management, and product design; Business Advisory Services (32%) in sales, marketing, cash flow management, and budgeting; and Financial Support (24%) related to access and funding opportunities.

Regarding the Training of Trainers programme, the mid-term assessment has found that BDS advisors continue to improve their knowledge and skills about the circular economy and how to better support enterprises within. All trained BDS advisors utilise tools provided during the BDS trainings in their daily work by using them mixed with other support tools.

Furthermore, BDS advisors keep progressing towards the expansion of their service portfolios to target circular economy enterprises and are mobilising technical support to circular enterprises: 94% of advisors have provided technical/business expertise, 92% have identified circular economy enterprises to target their services to, 89% provide sector-specific technical support and have added circular economy enterprises to their portfolio and 69% of advisors have designed new, tailored support programme for these businesses. Correlated to these findings is the fact that the share of circular enterprises in the BDS advisors' portfolio continues to increase. The share of circular enterprises in their portfolio is 42.6%.

Beyond identifying and understanding the outcomes and progress towards the goals of the project, this report also sought to shed light on insights and/or learnings that can be transferred to our future activities within the Circular Economy Catalyst and beyond to other programmes implemented within adelphi. The results collected and analysed for the mid-term assessment provide strong evidence that the Circular Economy Catalyst project is well on track to meet its objectives. It furthermore offers a wealth of insights into the further impact the activities have in supporting circular enterprises and developing an enabling ecosystem for circular economy enterprises in Kenya and India.

The mid-term outcomes indicate positive development in entrepreneurial capacities among participants, despite slight declines in self-assessment scores. The high business launch rate and specific insights into gender and regional variations provide valuable guidance for refining and enhancing future CEC programme. By addressing identified gaps and leveraging strengths, CEC can continue to drive impactful support for circular economy entrepreneurs in India and Kenya.

This report further develops the main findings in two main chapters: Chapter 1 traces mid-term outcomes of Incubation programmes and Chapter 2 looks at mid-term outcomes for the support for business development service (BDS) providers. The report finalises by providing 9 key insights and learnings from the outcomes obtained.

PART 1.

MIDDLE TERM OUTCOMES OF INCUBATION SUPPORT FOR CIRCULAR ECONOMY ENTERPRISES AND ENTREPRENEURS

Although the enterprises that participated in the CEC programme are diverse, and not all took part in the survey, certain common outcomes can be identified, as well as important differences among groups (i.e., country, gender). The mid-term assessment aimed to analyse the evolution of these similarities and differences over a one-year period after the support was received. The goal is to assess the progress of the outcomes obtained and the evolution of the previously assessed entrepreneurship pillars to evaluate the mid-term outcomes of the project, between 6 to 12 months after implementation. The mid-term outcomes for Replicator and Starter entrepreneurs and enterprise teams are related to the development of go-to-market strategies that help enterprises bring their product or service to the market and begin operations. Furthermore, in the last assessment, we measured the increase in capacity and acumen for replication or development of business ideas, and we aim to continue assessing the change.

1. PORTFOLIO GENERAL CHARACTERISTICS

The mid-term assessment surveyed 200 participants of the incubation programmes: 121 Replicator participants -46 in India and 75 in Kenya- (of whom 28 continued to the Starter programme), 107 Starter participants (in 56 teams) - 62 in India and 45 in Kenya.

A total of 78 surveys were obtained, with 32 respondents from India and 45 from Kenya. Participation is disaggregated as follows: 33 completed only the Replicator programme, 27 solely participated in the Starter programme, and 18 went through both. Consequently, response rates were 35% for Replicator-only, 64% for those completing both programme, and 43% for Starter teams. While the response rate is slightly lower compared to the 3–6-month survey, the distribution is more even across countries and programme, resulting in significant samples for each group.

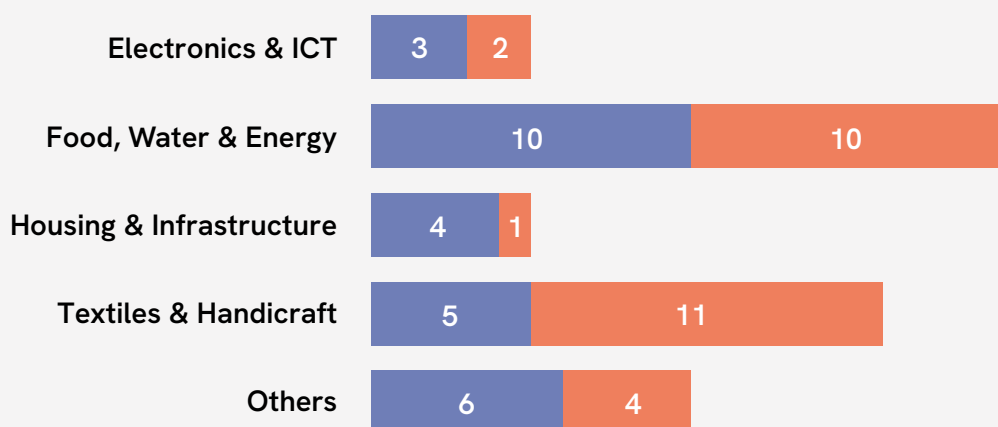
Within CEC’s four key sectors for circular economy development in India and Kenya, most of the surveyed enterprises operate in the Water, Food & Energy sector (36%) and the Textiles & Handicrafts sector (29%). Electronics & ICT and Housing & Infrastructure followed with a combined 18% (9% each). The sector representation in the sample is well aligned with the sector distribution in the workshops.

The survey received responses from an even number of women (28) and men (28), with 22 respondents choosing not to disclose their gender. Women were more active in the Textiles & Handicrafts sector, making up 69% of respondents there - an increase from 65% in the short-term assessment. Conversely, women remain underrepresented in Housing & Infrastructure, with only 20% identifying as female (down from 25% previously). Overall, men hold a higher representation in Housing & Infrastructure (80%) and Electronics & ICT (60%). Interestingly, the Food, Water & Energy sector achieved a balanced gender distribution, with women and men comprising 50% each.

Similar to the short-term assessment, the gender distribution of respondents varies widely across sectors and countries, and is representative of the gender distribution across sectors in the workshops. This variation is more pronounced in Kenya, where there were no women respondents in the Housing & Infrastructure sector (compared to 17% in the short-term assessment). In contrast, India shows a positive shift, with women comprising 50% of respondents in Housing & Infrastructure, a significant increase from 30% in the short-term assessment.

Number of women and men in each sector

● Female ● Male



This rise in female participation in Housing & Infrastructure aligns with the reported growth of this sector in India, as highlighted in the CEC Landscape Report 2023. The report indicates that the construction sector is gaining importance due to its contribution to the economy, accounting for 20% of total material demand and generating a third of India’s solid waste.



Impact Insights

As already identified in the previous assessment, there is a notable sector-specific gender disparity. Women dominate the Textiles & Handicrafts sector (69%), particularly in Kenya (75%), indicating strong female engagement in traditional industries. However, women remain underrepresented in the Housing & Infrastructure sector..

The underrepresentation of women in Electronics & ICT and Housing & Infrastructure, especially pronounced in Kenya, underscores a broader trend of gender disparity in STEM fields. This highlights the need for targeted interventions to encourage female participation in these sectors.

2. ENTREPRENEURIAL MINDSET, KNOWLEDGE AND SKILLS

The current impact assessment focuses on the findings from the mid-term survey conducted by the Circular Economy Catalyst. The survey aimed to measure if entrepreneurs or enterprises have built their capacity and commitment to take forward circular economy solutions. In other words, we assess whether their business acumen and entrepreneurial capacities (knowledge, skills, and mindset) have been enhanced after a one-year period. The mid-term survey, conducted at the 12-month mark, allows us to estimate this development. This assessment is built on the hypothesis that successful entrepreneurs with resilient businesses need the right mindset, knowledge, and skills to navigate the market.

Mid-term outcomes of the programmes in the reported mindset, knowledge and skills

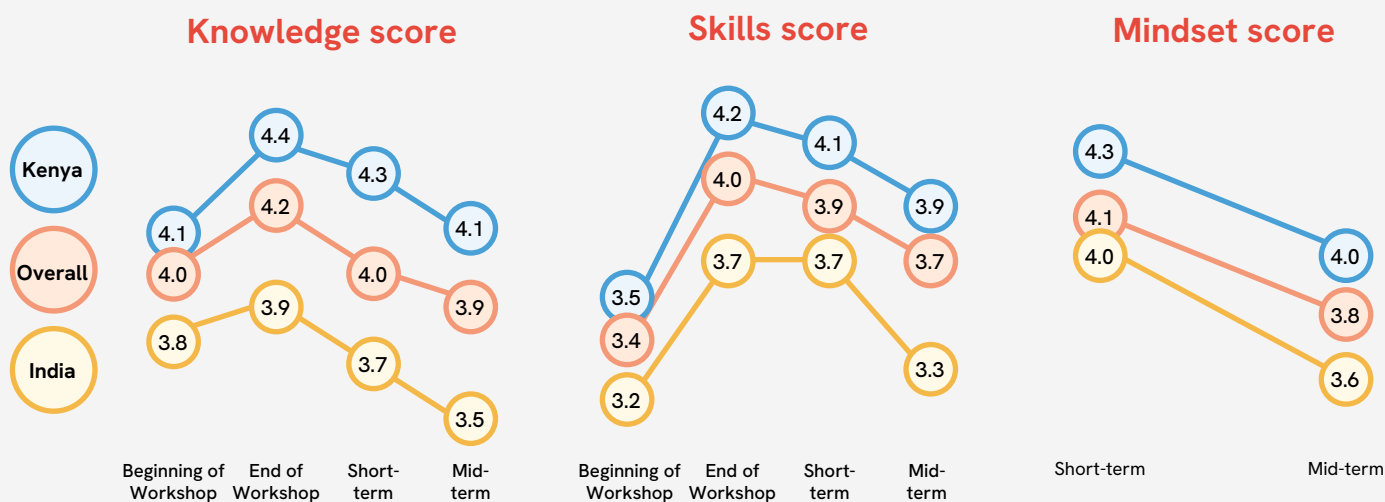
The data indicates that in the mid-term assessment, participants of both the Starter and Replicator Programmes self-reported having a very good entrepreneurial attitude, knowledge, and skills. These attributes were evaluated positively if respondents rated them 4 or 5 on a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree).

However, the data shows a decrease compared to the short-term assessment, where the percentages reached 81% for entrepreneurial mindset, 73% for knowledge, and 74% for skills (n=82). In the current assessment, 70% of the total respondents reported possessing an entrepreneurial mindset, 68% reported having good knowledge of circular economy and business topics, and 61% reported having the necessary skills to turn their knowledge into practical activities for their businesses (n=78). This translates to a change in reported scores from 4.1 for mindset, 4 for knowledge, and 3.9 for skills to 3.8 for entrepreneurial mindset, 3.9 for knowledge of circular economy and business topics, and 3.7 in skills to turn their knowledge into practical activities for their businesses in the current mid-term assessment (n=78).

In general, this result is unexpected, as we anticipated that the self-reported skills, knowledge and mindset continued an improvement trajectory. While the average scores for each area dipped slightly compared to the previous assessment, this doesn't necessarily indicate a decrease in overall programme outcomes. The data relies on self-reporting, and participants' perceptions can shift over time. Additionally, after a longer period since the workshops, it might be more difficult for participants to accurately assess the impact of the training on their business skills. Furthermore, the results might suggest that as participants progress through the programme and gain more experience, their understanding of what constitutes a strong entrepreneurial mindset, knowledge, and skills becomes more nuanced. This increased awareness may lead them to assess themselves more strictly, recognizing gaps and areas for improvement that they were not initially aware of.

Additionally, as the circular economy gains traction globally, it is also undergoing constant change and evolution. This dynamic environment might lead participants to benchmark themselves more critically against industry standards or their peers. As they become more entrenched in the entrepreneurial ecosystem, they might perceive their own abilities as less advanced compared to others, potentially resulting in lower self-assessments.

Regarding differences across countries and gender, mirroring the previous assessment, gender disparities persisted, with women consistently rating themselves lower across all three pillars (entrepreneurial attitude, knowledge, and skills). On average, women scored 8% lower. Country variations were also evident. Indian participants reported an average score of 54% across the categories, while Kenyan respondents tended to be more positive, averaging 75%.



Similar to the short-term assessment, participants who completed both programme (Replicator and Starter) scored the highest (77%), followed by Starter programme participants (63%) and then those solely in the Replicator programme (60%). This suggests a potential cumulative benefit from participating in both programme, which has been constant in both, the short and mid-term assessments.

2.1. ENTREPRENEURIAL MINDSET

A key aspect of the programmes is the impact they have on participants' mindsets. The mid-term survey assessed the current state and year-over-year evolution of four mindset factors.

The data revealed interesting shifts in mindset over the past year. Notably, the strongest factor now is feeling inspired by case studies and others' achievements, motivating participants to persist with their businesses (77%, n=78). This represents a change from the short-term assessment, where feeling prepared to take risks was the top factor. Conversely, feeling well-connected to a supportive business network remains the weakest factor (60%, n=78), similar to the short-term results.

Since feeling inspired by others is now the strongest motivator, incorporating more case study sharing and peer-to-peer learning opportunities into the programme should be considered. Additionally, there should be a focused effort on enhancing networking opportunities (e.g.: Organise more regular networking events and peer-to-peer learning sessions to foster a more connected community).

Interesting variations emerged in mindset factor ratings between India and Kenya. In India, similar to the short-term assessment, the strongest factor remained feeling prepared to take risks (75%, n=32 Indian respondents). Conversely, Kenyan participants reported drawing the most inspiration from case studies and others' achievements (82.6%, n=46 Kenyan respondents), followed closely by feeling prepared to take risks (76.1%). Notably, the feeling of being well-connected to a supportive network was the weakest factor for both countries. While a higher proportion of Kenyan respondents rated this factor positively (65.2%, n=46) compared to India (53.1%, n=32), it still suggests a need for improvement in both regions.

As highlighted in the short-term assessment, cultural attitudes towards risk-taking and inspiration can differ significantly across countries. However, other factors likely play a role in these variations. The developmental stages of the entrepreneurial and innovation ecosystems in India and Kenya might be a

contributing factor. According to the Global Innovation Index (GII), which ranks world economies based on their innovation capabilities, India sits at 40th place, while Kenya falls at 100th out of 132 economies. This disparity suggests a potentially more mature ecosystem in India, where entrepreneurs might prioritise skills like risk management. Conversely, a nascent ecosystem in Kenya might emphasize the importance of role models and success stories to build confidence and motivate aspiring entrepreneurs (GII 2023).

Entrepreneurial Mindset

Level of agreement with each factor of Entrepreneurial Mindset



PROGRAMME COUNTRY GENDER

I feel heard, valued and recognised in my network/community

I am prepared to take risks as I know how to manage them

I feel inspired by case studies and achievements of others to persist with my business

I feel well connected to a network that can support my business

POSITIVE

● Strongly disagree ● Somewhat disagree ● Neither ● Somewhat agree ● Strongly agree

Participants in the Starter programme might generally have more entrepreneurial experience or maturity than those in the Starter programme. This additional experience could contribute to a stronger entrepreneurial mindset as they are more familiar with the practicalities of running a business.

Interesting gender variations emerged in the current assessment of entrepreneurial mindset. While scores remained relatively close between men (70%) and women (69%), the gap narrowed considerably compared to the short-term assessment (men: 83%, women: 79%). This trend of a closing gender gap was evident in all categories. Although men still scored slightly higher than women in three categories, the gap was significantly smaller. In the short-term assessment, the difference in percentages could be as high as 10%. However, the mid-term data shows a much smaller gap, with percentage differences now under 4%. This suggests a move towards more balanced gender parity in entrepreneurial mindset.

Interestingly, women scored higher than men in feeling heard, valued, and recognized within their network/community (71% women vs. 64% men). This suggests that fostering an inclusive environment might be particularly important for retaining and empowering female entrepreneurs.

2.2. ENTREPRENEURIAL KNOWLEDGE

The mid-term results are positive regarding entrepreneurial knowledge. After one year, respondents reported possessing a high level of the knowledge required to run their businesses, with an average score of 3.9 out of 5 across key knowledge factors. This score represents a slight decrease of only 0.1 compared

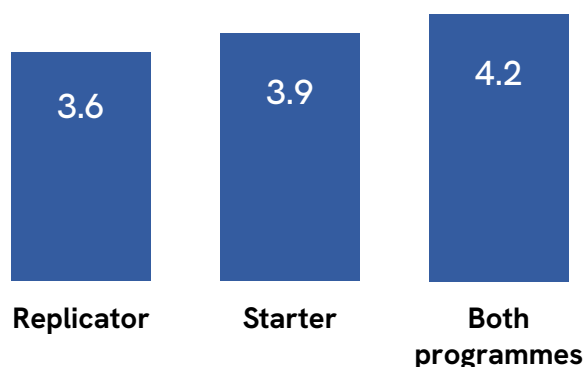
to the short-term assessment (4.0). In other words, approximately 69% of respondents indicated a strong understanding (either large or very large extent) of Circular Economy and related business topics after one year of completing the programme.

While the overall score for entrepreneurial knowledge categories showed a slight decrease compared to the short-term assessment, a closer look reveals some interesting variations. Understanding business cases in the circular economy emerged as the leading area of knowledge, with 76% of respondents reporting a high level of understanding business cases. This is a different area of knowledge compared to the short-term assessment, where participants excelled in identifying circular economy opportunities (84%). We can conclude that as participants progress through their learning journey, their focus likely shifts naturally from identifying opportunities to understanding how to implement and capitalize on them through concrete business cases. This progression reflects a deeper level of understanding and a stronger emphasis on application of knowledge developed, which is crucial for successful business development.

Similar to the short-term assessment, understanding how to generate revenue remained the weakest area of entrepreneurial knowledge, with only 56% of respondents feeling confident (large or very large extent) in this area. The programme's design, which prioritizes building knowledge about the circular economy and the business opportunities it presents before delving into more advanced topics like revenue generation, could be a contributing factor. This approach might leave participants feeling less equipped to handle the specific challenges of generating income for their circular economy ventures.

The data reveals interesting variations in overall entrepreneurial knowledge scores across the different programmes. Similar to the short-term assessment, participants who engaged in both the Starter and Replicator programmes reported the highest knowledge scores after one year. The average score for participants in the Replicator programme was 3.6. This score increased to 3.9 for those who participated only in the Starter programme. Notably, participants who engaged in both programmes reported the highest score of 4.2.

Average score of programme participants

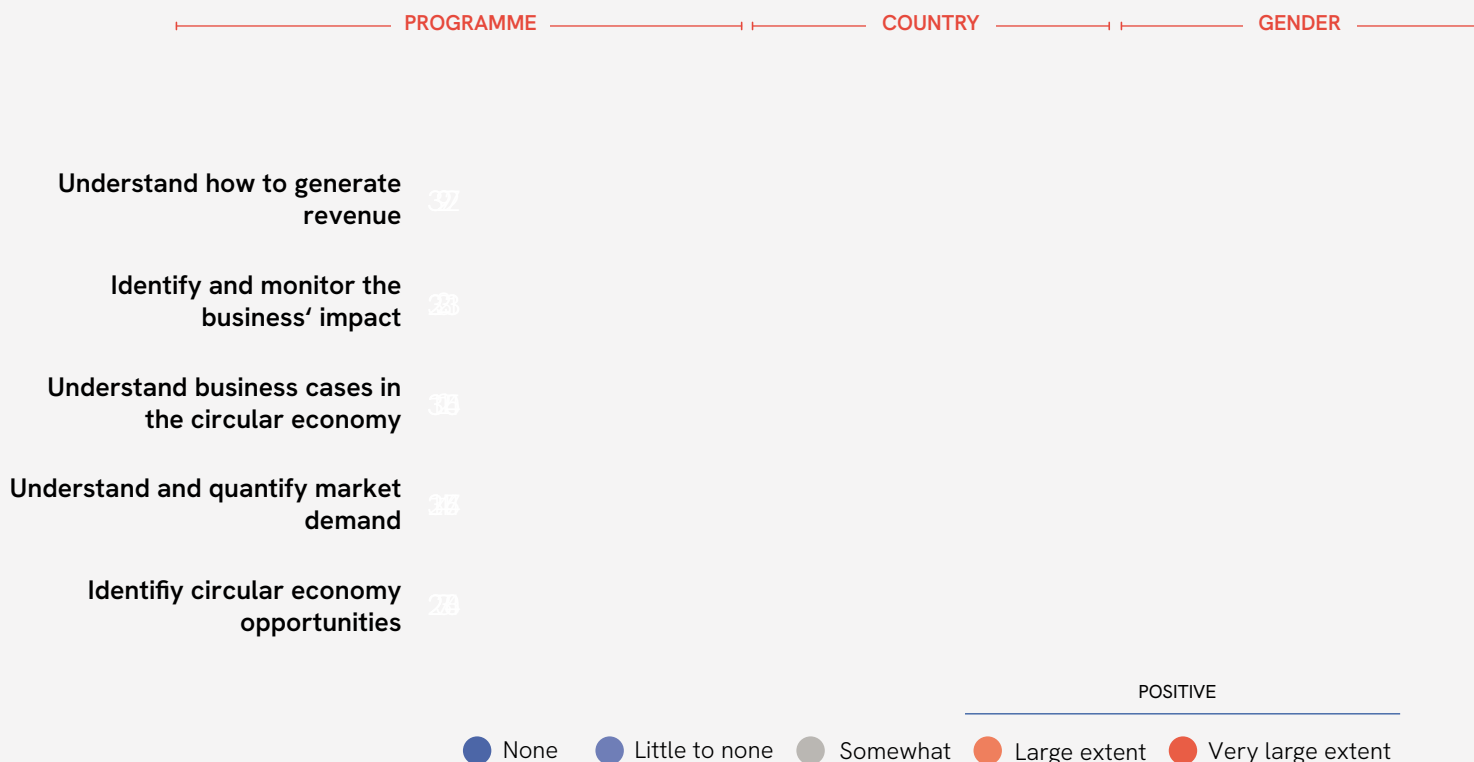


The data reveals variations in knowledge scores by country and gender. While scores remained relatively stable overall, there were slight decreases between the short-term assessment and the mid-term survey. The average score for respondents in India went from 3.7 to 3.5, and Kenya saw a similar decrease from 4.3 to 4.1.

Similar to the short-term assessment, men reported slightly higher scores in each of the knowledge factors. However, the gap between men and women in terms of entrepreneurial knowledge remained small (3.8 for women vs 3.9 for men). Interestingly, women scored higher in understanding business cases in the circular economy (75% compared to 71% for men). Men scored higher in identifying and monitoring the business' impact.

Entrepreneurial Knowledge

Score across the 5 factors of Entrepreneurial Knowledge



2.3. ENTREPRENEURIAL SKILLS

The data reveals a significant difference in perceived preparedness for business activities between India and Kenya. In India, only 43% of respondents reported feeling prepared to undertake business activities to a large and very large extent, compared to a much higher 74% in Kenya. This trend aligns with the short-term assessment results (Kenya: 80%, India: 67%).

Gender Differences in self-reported skills exist. Similar to the short-term assessment, men reported higher confidence in their entrepreneurial skills compared to women. Specifically, 67% of men felt to a large and very large extent prepared to undertake business activities, while only 55% of women expressed the same level of confidence.

Unlike the short-term assessment, where women excelled in some categories like business management and strategic vision (73% women vs. 70% men and 65% women vs. 61% men, respectively), the mid-term survey results show a shift after one year. Men now lead in all six categories except for communication, where scores remained equal (68% for both genders).

As highlighted in our short-term assessment, self-perceptions of leadership skills differed between women and men. The variation in scores from the short/term to the mid/term assessment might be influenced by other external factors, such as changes in priorities and roles. However, the differences are not large enough to be statistically significant and therefore cannot be certainly attributed to external factors. .

Differences across programmes and countries can be observed as well. On average 52% of Replicator participants (n=33) feel prepared to undertake the evaluated activities to a large and very large extent. 60% (n=27) of the Starter programme participants and 77% (n=24) of participants of both programmes report the same.

Shifting from possessing the highest score in partnership management (85% in the short-term assessment), Indian enterprises now report communication skills as the best scored (59%), indicating a strong existence of effective communication within teams, and with customers and stakeholders. Interestingly, their weakest

area was utilizing market feedback to refine their business ideas (31%). This suggests a potential opportunity to strengthen their approach to market research and adaptation.

In contrast, Kenyan enterprises identified determining the activities and tasks needed to enter the market (67%) as their weakest area. This highlights a need for support in developing go-to-market strategies. Kenyan enterprises, maintaining their focus on partnership management (83%) and leadership (83%) identified in the short-term assessment.

Entrepreneurial Skills

Share of respondents who possess each skill set to a large and very large extent



Partnerships
management

Leadership

Communication /
representation

Analytical /
conceptual

Strategy, vision

Business
management



Impact Insights

Although the reported skills, mindset, and knowledge of participants have slightly decreased compared to the short-term assessment, enterprises still report a high level of positivity towards most entrepreneurial capacities after one year. As this is a self-reported assessment, the information reported is rather subjective. The decrease in percentages may be attributed to the experience and awareness that enterprises have gained over this period. Their understanding of what constitutes a strong entrepreneurial mindset, knowledge, and skills may have become more nuanced. This increased awareness may lead them to assess themselves more strictly, recognizing gaps and areas for improvement that they were not initially aware of. Recognising this potential bias, CEC is actively refining its impact assessment framework in close collaboration with an expert. This refined approach will enhance the accuracy and reliability of future results.

- **Inspiration Matters:** “Feeling inspired by case studies and others’ achievements” is now the strongest mindset factor of participants (77%). Continuing to incorporate case study sharing and peer learning will be a focus of CEC.
- **Cultural Variations:** Risk tolerance and inspiration differ by country. Indian entrepreneurs feel more prepared to take risks (75%), while Kenyan entrepreneurs emphasise inspiration by case studies or their peers (82.6%)
- **Gender Parity:** The gender gap in mindset is closing. Women scored higher in feeling valued within their network (71% vs 64% men). Fostering inclusive environments to further female entrepreneurs should be a key priority of similar programmes.
- **Shifting Focus:** Understanding business cases (76%) is now the leading area among the entrepreneurial knowledge factors, while identifying opportunities decreased (84% to 76%). This reflects a natural progression towards implementation after achieving great understanding of circular businesses and opportunities
- **National Differences:** Indian enterprises report better communication skills (59%) among the entrepreneurial skills factors, while Kenyan enterprises focus on partnership management (83%) and leadership (83%).

3. THE STATUS OF THEIR BUSINESS

To understand the business activities of entrepreneurs and analyse the programme’s contribution towards the development of new circular businesses, the mid-term assessment aimed to identify business activities undertaken by entrepreneurs one year after participating in the programmes and analyse changes in their business status since the last assessment.

3.1. LAUNCHING BUSINESS IDEAS TO THE MARKET

Status of business idea brought to / developed during the workshop



- Brought to market before the workshop
- Brought to the market within 6 months from the workshop
- Brought to the market more than 6 months after the workshop
- Brought to market after the workshop
- Not yet brought to market

*In the graph, the category *Brought to the market within 6 months from the workshop* corresponds to participants who did not participate in the short-term survey but did so in this mid-term survey. Therefore, it cannot be assessed if the business was launched between the end of the workshop and the short-term assessment, or the short-term and mid-term assessment.

The data reveals a high launch rate among participants. Out of 104 respondents across both assessments, only 13% (14 participants) have not yet brought their circular economy ideas to market. This means that a significant majority, 87% (90 participants), have already launched businesses, either before or after participating in the programme.

Encouragingly, 3 new products/services have been brought to the market by participants who had not yet done so at the time of the short-term assessment. This highlights the programme's ongoing impact in fostering entrepreneurial activity.

While the overall launch rate is positive, some interesting differences emerge between countries. A larger percentage of participants in India have not brought their idea to the market yet (18%) compared to Kenya (10%) (as already identified in the previous assessment). However, a higher proportion of Indian participants had already launched before the programme (50%) compared to Kenya (38%). In contrast, a larger share of Kenyan participants launched their idea after the workshop (40%).

There are no major gender differences in launch rates. Interestingly, a larger share of men has not yet brought their ideas to the market (18%) compared to women (11%). This is an unexpected finding, considering the global disparity in female entrepreneurship, where only 1 in 3 businesses are owned by women. This suggests an important contribution of the programmes to closing the gender gap in entrepreneurial activity.

Lack of funding continues to be the primary obstacle for participants who have not launched their businesses. A significant increase in the prevalence of this challenge is observed, with 90% of non-launched ventures (n=26) citing this challenge. This number is up from 55% in the short-term assessment. As participants progress in bringing their products/services to the market, their understanding of the financial realities of launching a business might become more nuanced, leading them to identify funding needs more readily.

Forty five percent of non-launched businesses reported that they are refining their business models and require more time before entering the market. This points at the fact that despite financial challenges, entrepreneurs are still working on their business idea to launch it soon. These ventures could potentially launch in the future, suggesting continued programme impact.

To evaluate the effectiveness of the programme in supporting go-to-market strategy development, BDS advisors assessed the quality of these strategies for a sample of entrepreneurs. The assessment focused on 29 applications submitted for the Starter Grant programme. These applications were chosen as they likely included detailed go-to-market plans as part of the application process. The BDS advisors evaluated the applications based on four key components of a strong go-to-market strategy: 1) Understanding of customer segments and target markets, 2) Understanding of their value chain, 3) Competitive strategy and awareness of the market environment, and 4) Understanding of costs and revenue streams. The average score awarded by the BDS advisors was 3.7 on a scale of 1 to 5 (with 5 being the highest). This indicates that, while there is room for improvement, the overall quality of the go-to-market strategies was good. As good quality go-to-market strategies are essential in businesses success, the findings of the assessment are indicative of the potential success of those businesses launched.

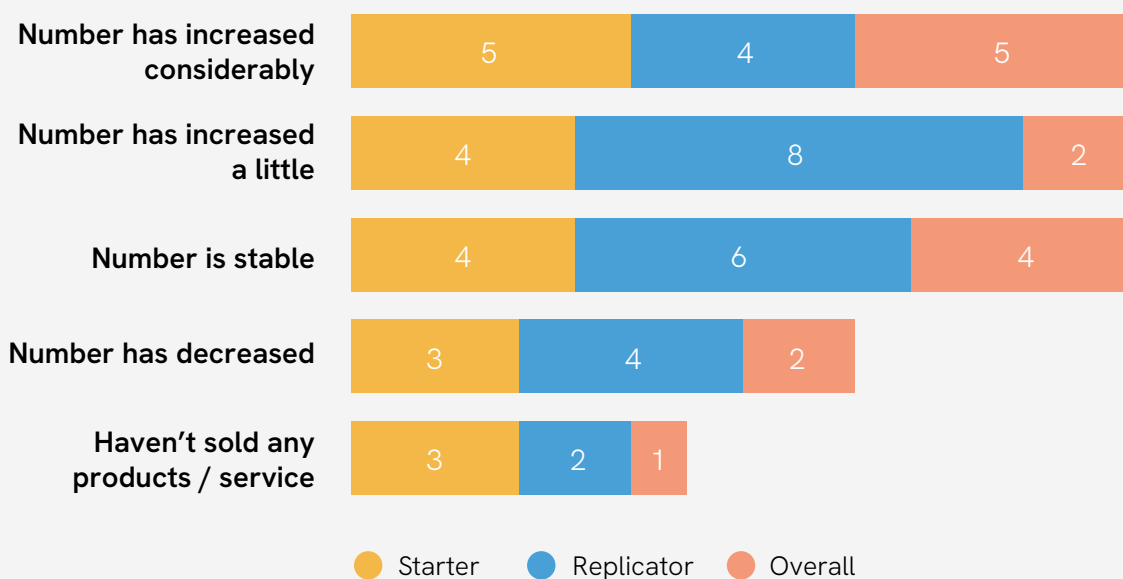
3.2. CUSTOMER AND SALES DEVELOPMENT

Entrepreneurs who have already launched their business have a customer base of 539 customers on average (n=57). Interestingly, enterprises in India seem to have a larger customer base than those in Kenya, with averages of 1,079 and 200 customers, respectively. A closer look reveals a wide range in customer base sizes as the majority of launched businesses (75%) have less than 250 customers, suggesting that few enterprises in India have a very large customer base that drives the average upwards

The data showed a positive sales trend. Complementing the data on customer base size, entrepreneurs were asked about their sales level status and how it has changed over the past six months. The results are encouraging as 50% of participants (n=57) reported an increase in sales (either a little or considerably). Participants from both the Replicator and Starter and participants from the Starter programme alone reported the highest percentage (9% each) of businesses experiencing a considerable increase in the number of products sold. These findings provide a strong indication of the potential for survival and growth of these

enterprises, correlating with CEC's contribution in equipping participants with the knowledge and skills necessary to achieve sales growth.

Sales trend for programme participants

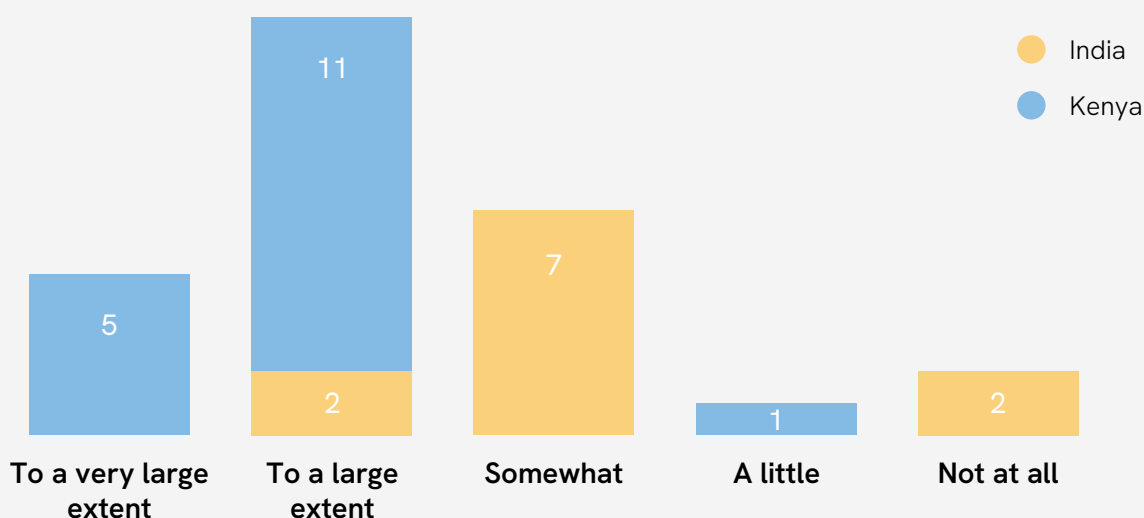


3.3. IMPACT OF THE PROGRAMMES IN SALES DEVELOPMENT

The data reveals a strong positive perception of the programme's contribution to sales growth. A majority of entrepreneurs (64%, n=28) found CEC "helpful to a large and very large extent" in increasing their sales. Only a small minority (7%) did not find it helpful. These results highlight the contribution that the programme has in entrepreneurs' skills, therefore increasing their sales.

Furthermore, there are some country variations in perception. In Kenya, a significantly higher proportion of participants (16 out of 17) found the programme "helpful to a large or very large extent". In India, half of the participants considered it was only somewhat helpful for the same purpose.

Helpfulness of CEC programmes in increasing sales





Impact Insights

The high launch rate and positive sales trends among participants indicate that the programme is effectively fostering entrepreneurial activity and business growth in the circular economy sector.

- **High Launch Rate:** The programme demonstrates a high success rate, with 87% of participants (90 out of 104) having launched their circular economy businesses. Only 13% (14 participants) have not yet brought their ideas to market.
- **Sales Growth:** 50% of participants reported an increase in sales over the past six months, with 9% of businesses experiencing a considerable increase in product sales. CEC programmes have positively influenced sales, with 64% of respondents reporting CEC as being helpful to increase their sales.

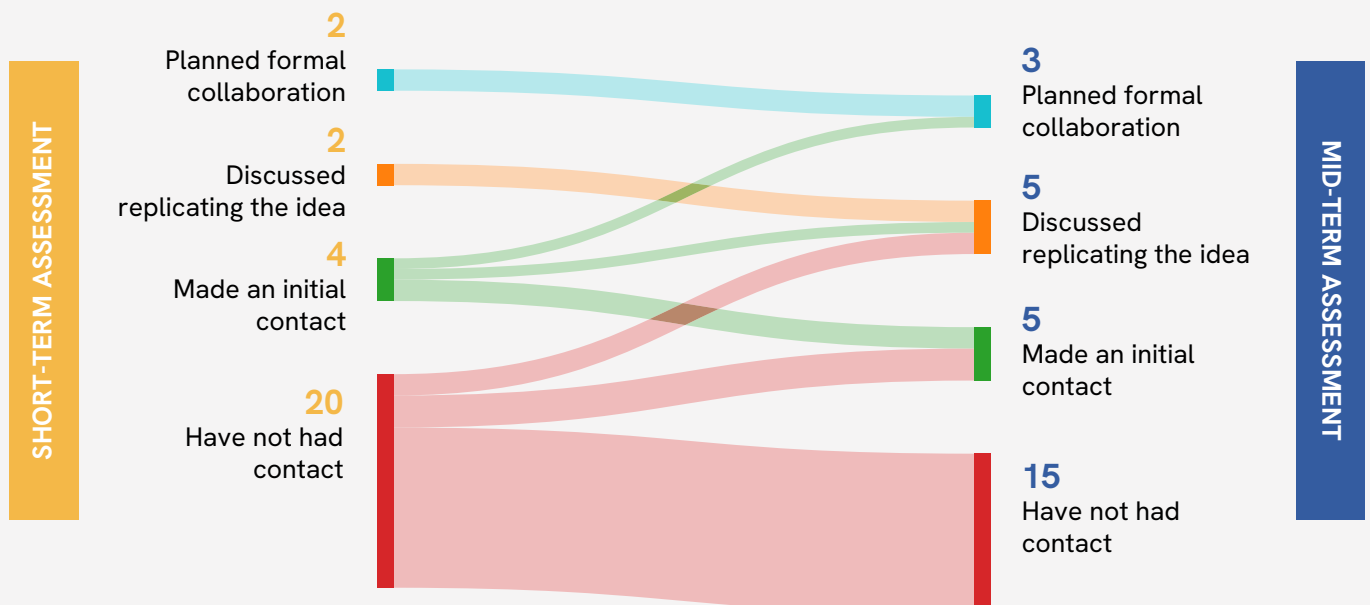
Funding as a Critical Barrier: The significant increase in participants citing lack of funding as a primary obstacle underscores the need for enhanced financial support mechanisms within the entrepreneurial ecosystem. The lack of funding is a critical barrier, cited by 90% of non-launched ventures, up from 55% in the short-term assessment. This highlights an increasing awareness of financial needs as participants progress.

Business Model Refinement: 45% of non-launched businesses are refining their models and expect to launch within six months, suggesting continued programme impact.

4. PARTNERSHIPS AND THEIR IMPACT

Partnerships are crucial for both the inception and expansion of businesses. While collaboration with fellow business owners plays a role, true success often lies in cultivating a broader network of partners. This network extends beyond just other companies, encompassing a rich tapestry of collaborators, including customer partnerships, supplier partnerships, and alliances with various intermediaries such as incubators and other institutions. They can provide valuable resources, expertise, and connections that can propel the business forward.

Progress of partnerships with originators



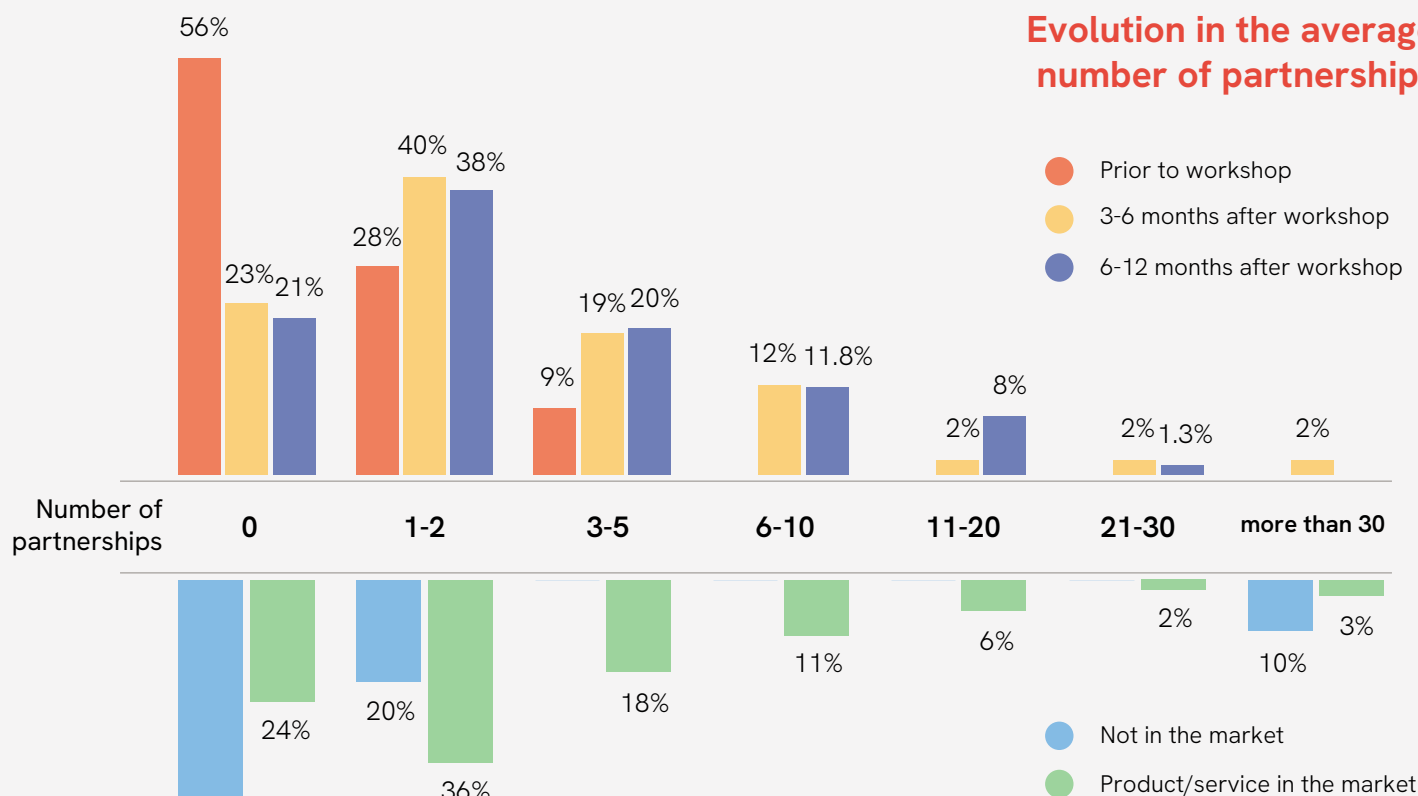
The mid-term assessment reveals a that a few new relations with originators have been developed to set up a partnership, and a few other participants have brought their relations to the next level, unveiling positive progress in the collaboration between Replicator programme participants and originators of circular economy ideas. Since the short-term assessment, 3 out of 20 participants who hadn't previously connected with originators have now made initial contact. Even more promising, 2 of these participants have already progressed to discussing the possibility of replicating the originator's idea.

Encouragingly, the trend continues for those who had already established contact. Among the 5 participants who had made initial contact earlier, 1 has moved forward to discuss replicating the idea, and another has already planned a formal collaboration to bring the idea to life. These developments highlight the programme's effectiveness in fostering connections and driving progress towards replicating successful circular economy models.

Beyond originator partnerships, the data reveals a strong reliance on partnerships among participants, with 78.9% having at least one main partner. The majority (38.2%) have 1 or 2 partners, suggesting a focus on building strong relationships with key collaborators, such as suppliers and buyers.

While the number of partnerships might fluctuate for individual businesses, the overall trend across participants remains stable. Furthermore, the mid-term assessment shows an increase in the number of enterprises with 11-20 partnerships (8%) compared to the short-term assessment (2%). This suggests a potential shift towards more complex partnership networks for some businesses.

The data also highlights a clear connection between partnerships and business stage. Unsurprisingly, 70% of participants who haven't launched their product/service yet lack partnerships. However, this is to be expected as partnerships often develop once businesses become operational. Conversely, only 24% of launched businesses lack main partners, indicating not only that partnerships become increasingly important as businesses mature, but also that the reason they are struggling to launch their business may be that businesses lack the partnerships required to do so.





Impact Insight

Partnerships are instrumental in driving entrepreneurial success. By cultivating a broad network encompassing customers, suppliers, and intermediary organisations like incubators, startups gain access to vital resources, expertise, and connections. These partnerships collectively propel business growth and development.

Prevalence of Partnerships:

- **Majority with Partners:** 78.9% of participants have at least one main partner.
- **Key Collaborators:** The majority (38.2%) have 1 or 2 partners, emphasizing the importance of strong relationships with key collaborators such as suppliers and buyers.

Increase in Extensive Partnerships: The mid-term assessment shows an increase in the number of enterprises with 11-20 partnerships (8%) compared to the short-term assessment (2%), indicating a potential shift towards more complex partnership networks for some businesses.

Pre-Launch vs. Post-Launch:

- **Pre-Launch:** 70% of participants who haven't launched their product/service yet lack partnerships, which is expected as partnerships often develop once businesses become operational.
- **Post-Launch:** Only 24% of launched businesses lack main partners, illustrating the increasing importance of partnerships as businesses mature.

5. TRIPLE BOTTOM LINE IMPACT

Triple Bottom Line Impact Indicators

Indicators usually followed across Green Entrepreneurship projects



SOCIAL IMPACT

- Number of employees (women, youth, BoP)
- Number of suppliers engaged (women, youth BoP)
- Number of customers or beneficiaries receiving access to products or services (women, youth, BoP)
- Gender pay gap
- Quality of employment offered
- Access to basic services provided (volume of clean water and amount of clean energy)



ENVIRONMENTAL IMPACT

- GHG emissions saved/reduced
- Resources saved (water, energy)
- Waste reduced or prevented
- Area of land sustainably managed
- Climate change adaptation and mitigation measures implemented



ECONOMIC SUSTAINABILITY OF THE ENTERPRISE

- Revenue generated
- Increase in revenue
- External finance raised
- EBITDA
- Profit
- Number of client contracts

The Circular Economy Catalyst aims to enhance the capacities, financial readiness, and organisational resilience of circular economy enterprises, as well as their potential impact in Kenya and India. These enterprises create a positive impact across the triple bottom line by generating jobs, reducing or avoiding resource use such as water and energy, and minimising waste generation, all while maintaining the economic sustainability of their businesses.

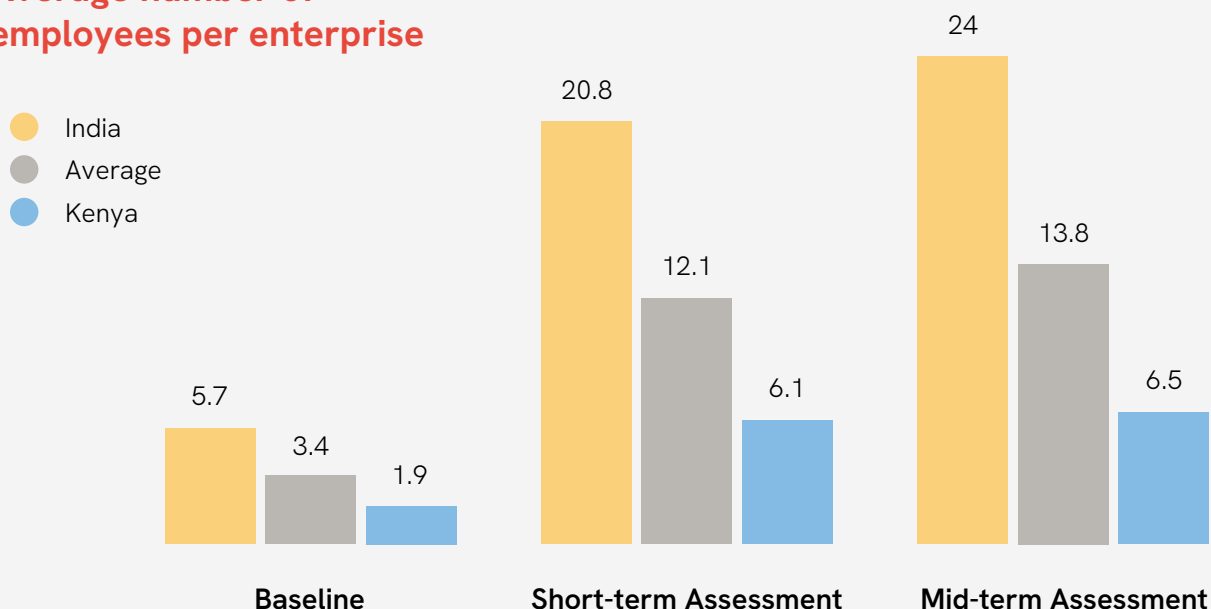
The mid-term assessment aims to evaluate the current status of businesses in terms of their understanding and implementation of impact management and measurement, as well as the results they have achieved. This section examines the status of businesses with products/services on the market, focusing on the employment they have generated, their understanding and measurement of social and environmental impacts, and their economic impact, including revenue and external finance accessed.

5.1. CREATING EMPLOYMENT OPPORTUNITIES

The programme’s contribution extends beyond business growth. A significant increase in the average number of employees highlights its correlation to job creation. Currently, participating enterprises employ an average of 13.8 full-time and part-time staff. This is a substantial jump from the application stage, where the average was 3.4 employees, and even from the short-term assessment, where the average reached 12.1 employees. This translates to a significant increase of 133% from the baseline assessment. Businesses now employ 4.3 more staff members on average. This increase shows sustained growth in job creation. When the results are extrapolated to the total number of entrepreneurs, the number of direct jobs created amounts to 196.

There are some differences between countries. While the overall trend is positive, enterprises in India tend to generate more jobs on average compared to those in Kenya.

Average number of employees per enterprise

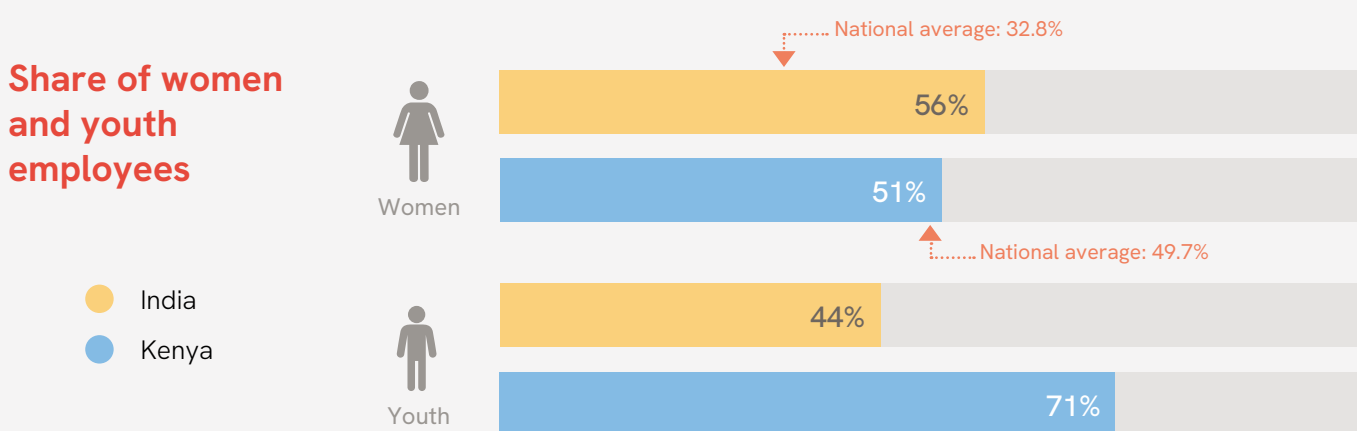


A particularly encouraging trend is the inclusion of women and youth. Across participating businesses, women make up a significant portion of the workforce, with an average of **49%** of the full-time positions and **54.6%** of the part-time positions. Youth are also well-represented, averaging **63.3%** of full-time employees and **58.8%** of part-time employees. The high participation of women and youth in entrepreneurial ventures is a significant finding, especially considering the challenging global employment landscape. While some countries offer more favourable conditions, significant gender and age disparities persist. In Kenya, women

represent nearly half (49.7%) of the total workforce (Kenya National Bureau of Statistics (KNBS) 2022). This paints a relatively positive picture of female participation in the formal labour market. However, the situation in India is starkly different. Women in India have one of the lowest female labour force participation rates in the world. There's a considerable gender gap, with the women's Labor Force Participation Rate (LFPR) at a meagre 32.8% in 2022 (India Employment Report 2024, ILO 2024).

Kenya has a large and vibrant youth population, with about 75% of the population aged below 35 years. However, many young people face challenges in accessing decent and productive employment opportunities that match their skills and aspirations. In Kenya, youth employment accounted for 13.35% of the total employment in 2022 (KIPPRA, 2024). In India, young people also face employment challenges, representing almost 83% of the unemployed workforce (Krishnan, 2024).

Considering the challenging landscape, CEC supported enterprises excel at providing inclusive employment opportunities. With the total share of women employees being 56% in India and 51% in Kenya, it places enterprises above country averages by 70% in India and 2% in Kenya.



5.2. SOCIAL AND ENVIRONMENTAL IMPACT

The programme is fostering a growing commitment to measuring social and environmental impact among participating enterprises with the aim of scaling their impact. This focus on accountability is evident in several positive developments.

The number of respondents who measure their social impact has jumped significantly, from 35% in the previous assessment to 51% currently. This rise in awareness signifies a growing understanding of the importance of tracking social contributions. There is a promising shift towards more robust monitoring practices for social impact. While 32% of respondents have basic monitoring in place, a significant 19% have implemented comprehensive monitoring and reporting systems. This dedication to thorough data collection ensures a clearer picture of the programme's social contribution.

The indicators described in this assessment have improved from the ones reported in the short-term assessment. Respondents now use indicators that apply the SMART¹ criteria to a greater extent. For example, enterprises track the amount of food provided, the number of girls receiving sanitary products per month, the reduction of coconut husk waste in landfills (achieving an amount of 3 tons), the increase in household income from the previous year, and the number of plastic packages saved by using multiuse packaging. This demonstrated that their knowledge and skills with impact management has improved along the way.

Similarly, 42% of respondents now measure their environmental impact. Among these, 28% use basic monitoring practices, while 13% have a comprehensive system in place. This represents an increase from the previous assessment, where only 27% of respondents measured their environmental impact. These findings

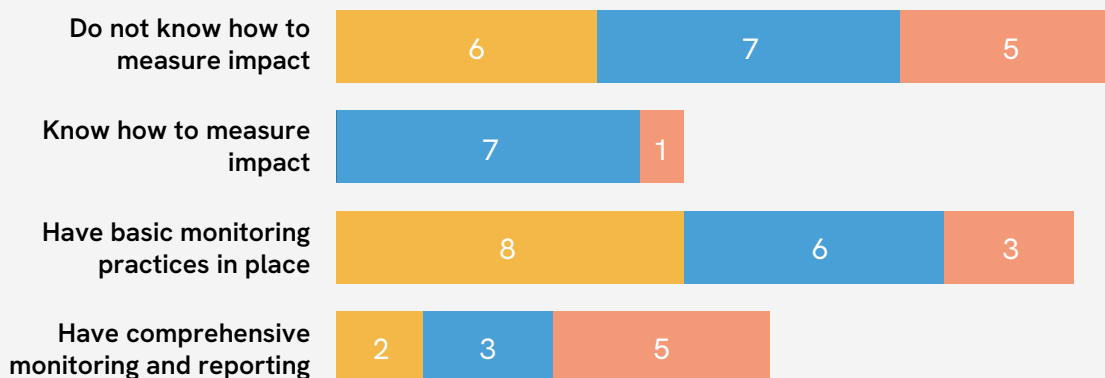
1 Specific, measurable, achievable, relevant, and time-bound

Measuring social and environmental impact

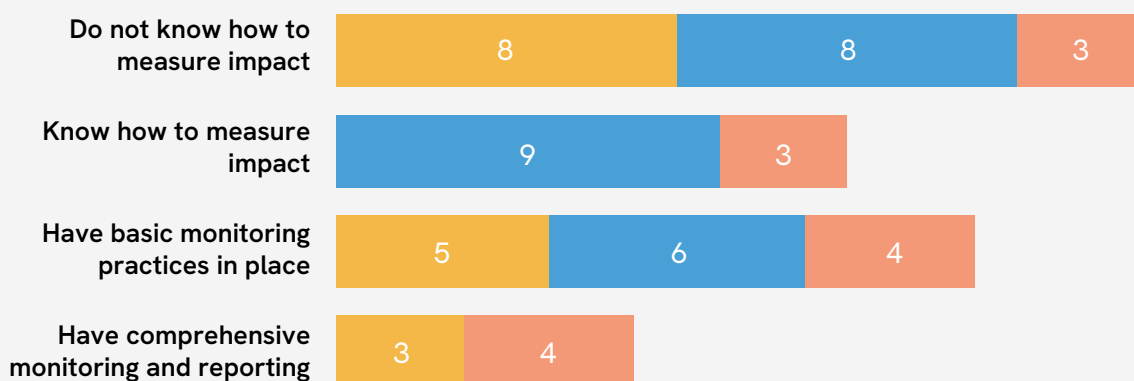
● Starter ● Replicator ● Both



Social impacts



Environmental impacts



highlight the positive trend in participants' efforts to track and enhance their social and environmental contributions, reflecting the growing emphasis on sustainable and measurable impact.

The indicators shared for environmental impact also show significant improvement. Entrepreneurs are now employing a variety of key metrics to gauge their environmental impact. These include measuring the amount and type of waste generated, both hazardous and non-hazardous, and tracking how it is disposed of. They also monitor their water usage, aiming to reduce the number of litres consumed in their processes. Additionally, they measure reductions in carbon emissions and track the amount of plastic waste they have removed from the environment. Another important metric is the offset of methane emissions from landfills, highlighting their efforts to mitigate greenhouse gas emissions.

However, while these indicators point to a positive trend, the specific results and detailed methodologies for calculating these impacts have not been shared. This leaves a gap in understanding the accuracy and reliability of these measurements or estimates, and the actual impact that they have created. Therefore, it remains essential -but still difficult- to further assess the results achieved and analyse their trends, therefore allowing to assess the SMEs' environmental and social impact. Developing more impact assessment touchpoints with enterprises (e.g. via webinars) is a feasible strategy that can be implemented by CEC, to continue developing the capacity of businesses to track and manage their impact.

5.3. ECONOMIC IMPACT (SALES & FUNDING)

The majority of launched businesses with products/services on the market (77%, n=53) reported generating revenue in 2023. This is consistent with the findings of the previous assessment, indicating sustained revenue generation among participating enterprises. Even more promising, a small number of businesses (3) who were not previously generating revenue have now begun making sales. Extrapolating this trend to the total participants, the findings suggest that an estimated 98 new enterprises are now generating revenue.

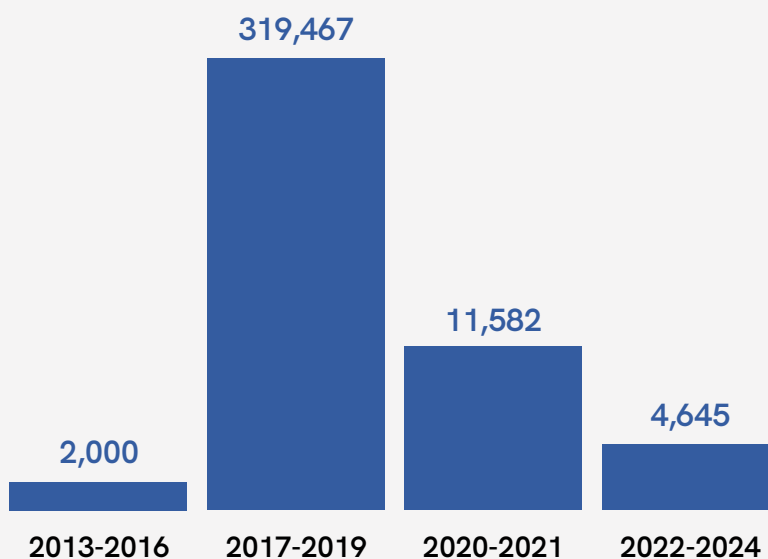
Unfortunately, due to a small sample size across both assessments (only 14 enterprises), there is not enough data to calculate a reliable average sales revenue increase from the time of the short-term assessment. Further data collection efforts in the next assessment cycle will be crucial to track progress in this area. However, for the current sales level (2023), the data indicates an average sales revenue of \$12,585 USD (n=34, including 5 businesses without registration year reported). There is a notable difference in average revenue between countries, with Indian enterprises reporting a higher average (\$34,128 USD, n=10) compared to Kenyan enterprises (\$3,609 USD, n=24). It is important to note that the Indian sample size for revenue data is small, and the average may not be statistically significant.

However, the median sales revenue value sits at \$1,750 USD, suggesting that the majority of enterprises have lower revenues, and that the average is increased by fewer enterprises who have achieved higher revenues. Furthermore, as observed in the previous assessment, younger enterprises tend to have lower average sales revenue. This is likely due to the fact that these businesses are still in the early stages of growth.

Average sales revenue in 2023 - by registration year

(in USD)

(n=34, respondents from the mid-term assessment)



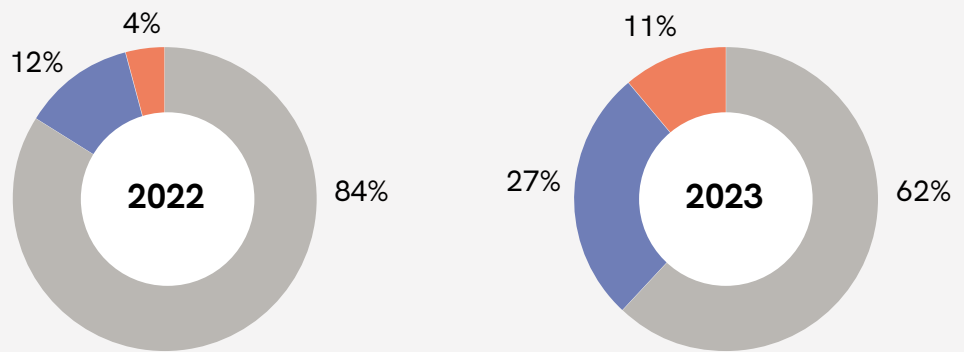
Funding

The programme appears to be supporting participating enterprises in attracting financing. On average, respondent enterprises secured \$4,048 USD in funding during 2023 (n=55), totalling \$ 222,640 USD from all respondent businesses. This figure includes CEC Starter programme grants. Twenty Starter Grants of up to €1,000 were awarded across both countries (10 in each). The average CEC Starter grant was €975. Ten out of the twenty grant recipients (three from India, seven from Kenya) completed the mid-term survey. The median value of financing attracted across all sources of finance was \$500 USD, indicating that a significant portion of enterprises secured smaller amounts of funding.

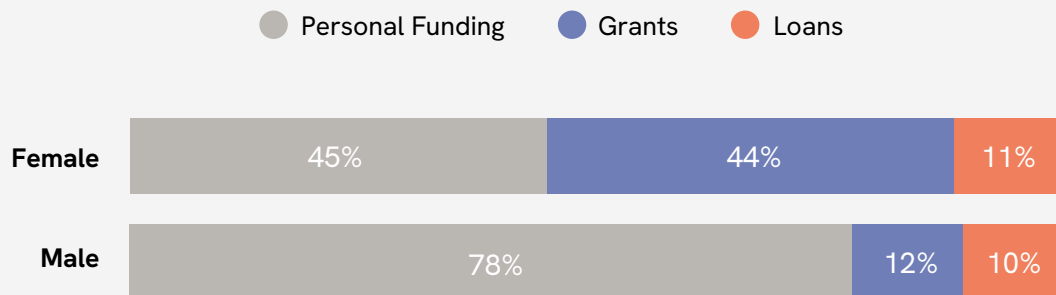
Personal funding, including savings and family/friend gifts, remains the primary source of finance for enterprises, accounting for 62% of the total funding secured. Grants come in second at 27%. Although loans only represent 11% of the total funding, this shows a positive increase compared to 2022, when they only accounted for 5%. This rise could be attributed to enterprises improving their financing readiness through the programme's training and the practical application of those skills. These findings paint a positive picture of the programme's impact on launched businesses. The high percentage of enterprises generating revenue, coupled with their success in attracting financing from diverse sources, suggests that the programme is effectively equipping participants with the tools and knowledge needed to achieve financial sustainability. Furthermore, the increase in loan acquisition indicates an improvement in the businesses' ability to access external financing, potentially leading to future growth and expansion.

While the amount and composition of funding attracted by participating enterprises appears similar across countries, a surprising gender-based difference emerges. The average amount secured by women (\$6,063 USD) is significantly higher than that secured by men (\$2,194 USD).

Average composition of finance raised



Funding source by gender



Women raised a lower average amount in loans (\$366 for women compared to \$479 for men), but they represent a similar share of the total funding attracted (11% for females and 10% for men). This disparity stems primarily from personal funding sources (savings, family/friend gifts). Less women are accessing personal funding, however, they access higher amount and in turn raise a substantially higher amount (\$7,155 USD) through these means compared to men (\$1,466 USD).

This analysis highlights an opportunity to enhance activities aimed at increasing access to finance (loans), especially for women. The programme's activities around the Practitioner Lab on Climate Finance (PLCF) hold significant promise in addressing this disparity. This finding underscores the programme's potential to promote not only economic growth but also gender equity within the entrepreneurial landscape.



Impact Insights

Employment Impact: Growing enterprises who have participated in the programme significantly contribute to job creation and promote inclusive employment, particularly for women and youth. Participating enterprises have seen a substantial increase in employment, with an average of 13.8 employees, up from 3.4 at the application stage and 12.1 in the short-term assessment, marking a 133% increase from the baseline assessment.

Impact Management: There is a marked improvement in the measurement and management of social and environmental impacts, with a growing number of enterprises implementing comprehensive monitoring systems. 51% of participants now measure their social impact, up from 35% in the previous assessment, while 42% measure their environmental impact, up from 27% in the previous assessment. Participants track key metrics such as waste generation, water usage, and carbon emissions reductions. The focus on robust, SMART criteria for impact indicators reflects improved knowledge and skills in impact management.

Economic Sustainability: A high percentage of businesses are generating revenue, and there is a positive trend in attracting diverse funding sources, although further efforts are needed to enhance access to loans, particularly for women. Personal funding sources, including savings and gifts from family/friends, account for 62% of total funding, while grants account for 27%, and loans represent 11%. The increase in loan acquisition from 5% to 11% indicates improved financing readiness among enterprises.

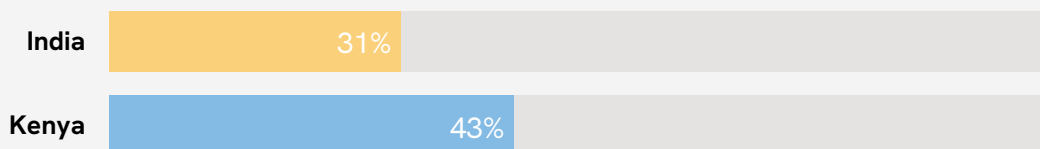
6. IMPACT AND ENGAGEMENT OF OTHER PROGRAMMES

Acknowledging the presence of other programmes within the Indian and Kenyan circular economy ecosystems, CEC aims to assess their impact and engagement with participants. The data reveals that a significant portion of participating enterprises (38%, n=69) have participated in programmes or initiatives beyond the Circular Economy Catalyst offerings during the past year. Notably, there is a variation in participation by country: Kenyan enterprises had a higher engagement rate in other programmes (43%) compared to their Indian counterparts (31%). Interestingly, the data suggests a gender disparity in participation in other programmes. Men appear to have engaged more (58%) compared to women (43%).

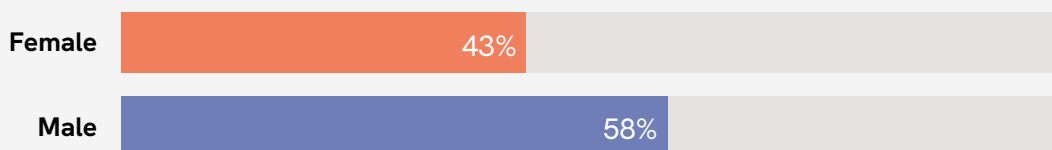
As observed in other metrics, a trend emerges regarding the association between programme participation and engagement with other initiatives. Enterprises that participated in both the Starter and Replicator programmes display the highest level of engagement with other programmes (55%). This is followed by Replicator programmes (43%) and Starter programmes (35%) individually.

Enterprises participation in programmes or initiatives beyond CEC

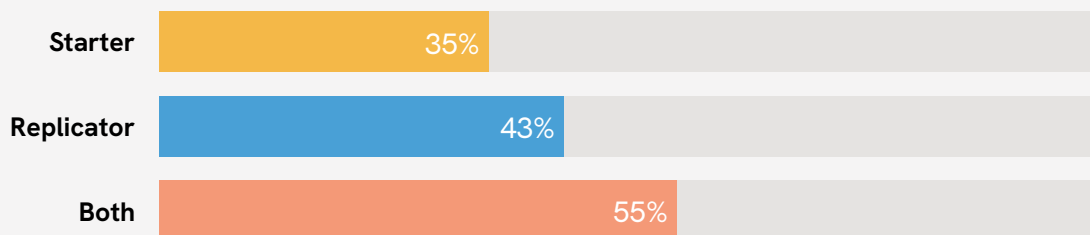
By country



By gender



By programme

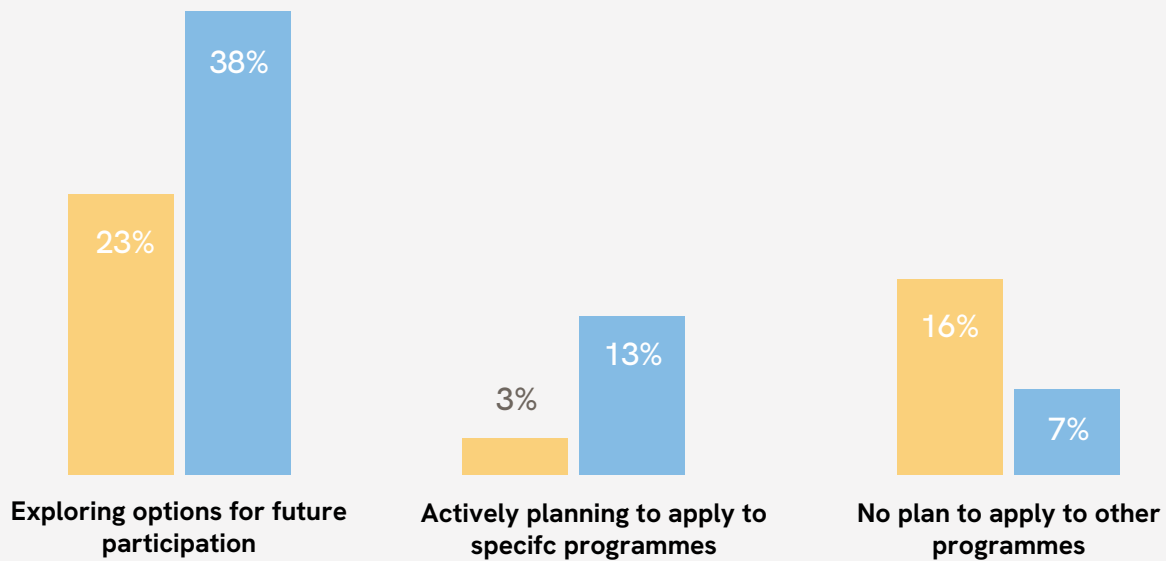


The data reveals a significant interest among participating enterprises (61% of respondents, n=69) in exploring or actively pursuing participation in programmes beyond the Circular Economy Catalyst (CEC). This suggests a strong desire for continued learning and support in their entrepreneurial journeys. When asked if they plan to apply to any other programmes in the near future, 61% of enterprises (n=69) responded affirmatively, stating they are exploring options for future participation. 16% mentioned they are actively planning to apply to specific programmes, while 23% indicated they have no plans to apply to other programmes.

Interestingly, Kenyan participants showed a higher level of interest in participating in other programmes in the near future. 51% percent of Kenyan enterprises reported actively planning to apply to specific programmes or exploring options for future participation, compared to 26% of Indian enterprises.

Percentage of enterprises planning to apply to other programmes in the near future

● India ● Kenya



The nature of the additional programmes in which enterprises have participated and their specific goals can be clustered in three main categories (n=22):

1. Mentorship and incubation programmes. These were the most popular choice, accounting for 41% of all participation.
2. Business skills and knowledge development programmes came in a close second at 33%. This suggests a strong emphasis among enterprises on building essential skills like entrepreneurship, finance, and leadership.
3. Specific industry/business programmes: 26% of respondents participated in this type of programmes, which encompass programmes tailored to areas such as black soldier fly breeding management, alongside sustainable agricultural practices like Regenerative Agriculture, Precision Agriculture, and Carbon Farming.

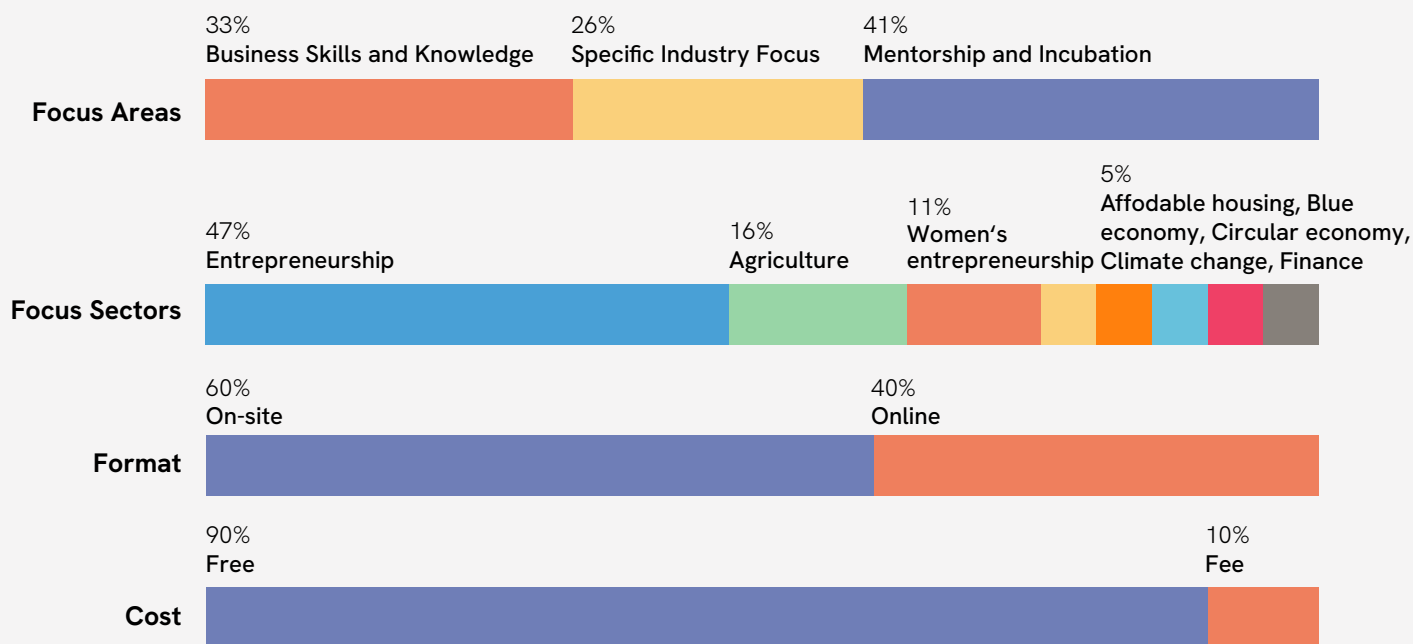
Looking at the main topics covered by these programmes, entrepreneurship emerged as the most prominent theme, representing 41% of the overall focus. This reflects a general interest in developing core entrepreneurial skills. Additionally, the survey highlighted a strong interest in Agriculture (16%), potentially indicating a desire to adopt more sustainable farming practices. Women's entrepreneurship also held a significant presence at 11%, highlighting a focus on supporting female business owners. Examples include the BRACE programme, Sinapis Entrepreneur Academy, Cherie Blair Foundation Mentorship for Women in Business Programme, Climate Innovation Hub, and SHE STARS – See Her Empowered.

While these categories capture the majority of programme participation, the survey also identified other sectors attracting some interest, albeit at a lower level. These include Affordable Housing, Blue Economy, Circular Economy, and Finance. This broader range of interests suggests a diverse and dynamic entrepreneurial landscape among the participating companies.

Interestingly, the survey found a 60%/40% split between on-site and online programme delivery. This suggests a preference for in-person interaction but also acknowledges the convenience and accessibility of online learning. Furthermore, a significant finding is that 90% of the programmes were offered free of charge. This highlights the availability of valuable support resources for entrepreneurs, regardless of their financial constraints. The data reveals that 78% of respondents did not receive any financial assistance from the programs they participated in. However, 22% did benefit from some level of financial support.²

² data about the type of financial support was not provided

Other programmes participated in by CEC-supported enterprises



Beyond offering a snapshot of the enterprises' participation in other support programmes, this assessment aimed to assess how participating enterprises perceive the Circular Economy Catalyst's support services compared to other programmes they have participated in. The survey evaluated five key areas: Capacity Building, Profiling, Tools, Network Building, and Financing. Participants rated each area on a scale ranging from "Much Worse" to "Much Better."

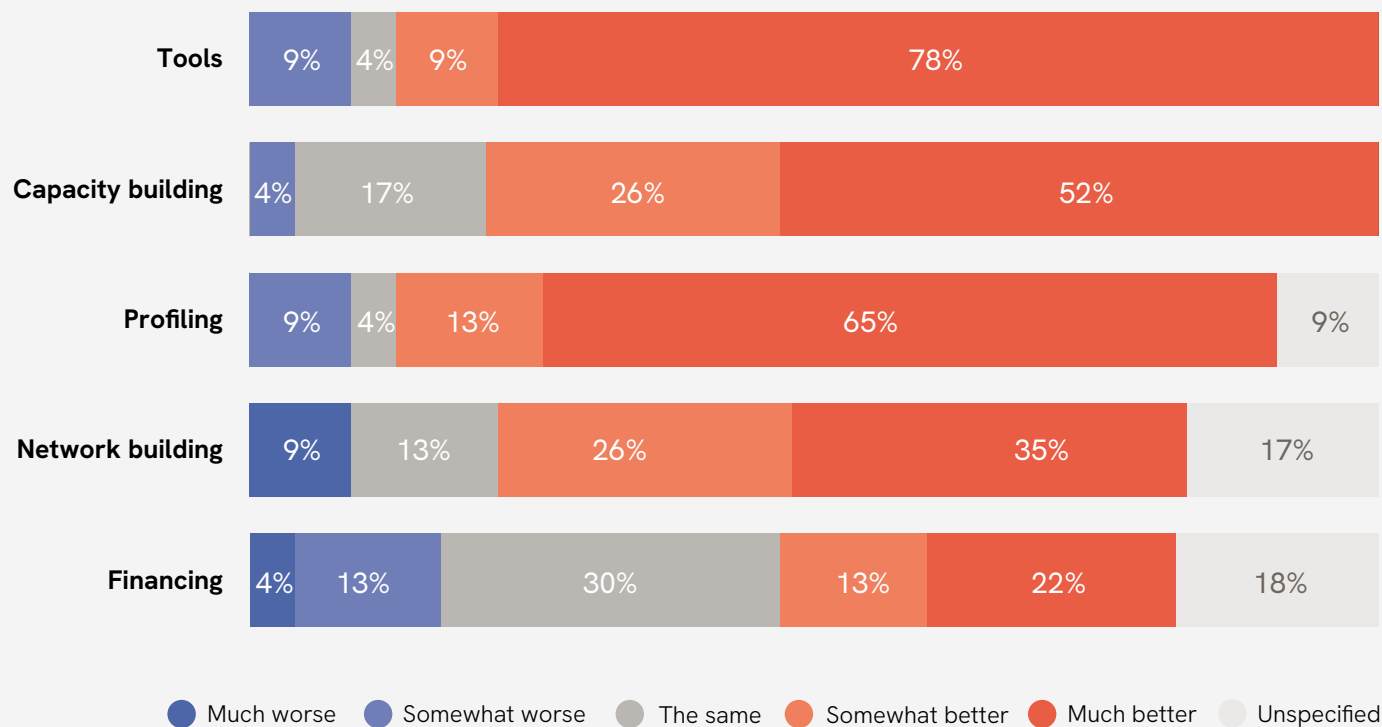
The assessment revealed a resounding positive response to the CEC's tools. 87% of enterprises (n=23) rated the CEC's toolkit or workbook as "Much Better" or "Somewhat Better" compared to other programmes. This highlights the exceptional value and design of the CEC's tools, specifically tailored to launching circular economy businesses.

Capacity Building and Profiling also received positive evaluations. 78% of participants rated these aspects as "Much Better" or "Somewhat Better" compared to other programmes. This suggests the CEC's approach to developing entrepreneurs' skills and helping them define their businesses is effective.

Network building scored lower, with 61% of participants rating it "Much Better" or "Somewhat Better" compared to other programmes. While the CEC might offer networking opportunities, some participants might desire a stronger focus on connecting them with potential investors, partners, or mentors.

The survey results show that 35% of participants considered the CEC's financing support as "Much Better" or "Somewhat Better" compared to other programmes. This indicates that the CEC's financing support is valuable for a portion of participating enterprises. However, it also suggests that some enterprises might have encountered programmes with a stronger emphasis on financing. These programmes might offer a wider range of financing options or more substantial financial resources, catering to a greater need for funding among participating businesses.

Enterprise perception of CEC Key Areas in comparison to other programmes attended



Impact Insight

A significant portion of CEC participating enterprises have engaged with other programmes over the past year, with higher engagement among Kenyan enterprises compared to Indian ones. There is also a notable gender disparity, with men participating more than women. Enterprises expressed interest in further participation in external programmes, with Kenyan participants showing more interest than their Indian counterparts.

Enterprises predominantly engage in mentorship and incubation programmes, followed closely by business skills and knowledge development programmes, and specific industry/business programmes. The primary themes covered in these programmes are entrepreneurship, agriculture, and women's entrepreneurship.

The preferred mode of programme delivery is on-site, though online programmes are also popular. Remarkably, most of these programmes are offered free of charge, making them accessible to entrepreneurs regardless of their financial constraints.

Top-quality of CEC programmes: in four of the 5 pillars evaluated (Tools, Capacity building, profiling and network building), the large majority of participating enterprises assessed CEC as somewhat better or much better than other support programmes. Financing is the only pillar where enterprises did not feel the same. Direct financing is an objective of the incubation programmes of CEC through the grants awarded. However, these grants are not awarded to all participant enterprises which explains respondent businesses' assessment of this pillar, and their feeling that financing support could be integrated more in the curricula.

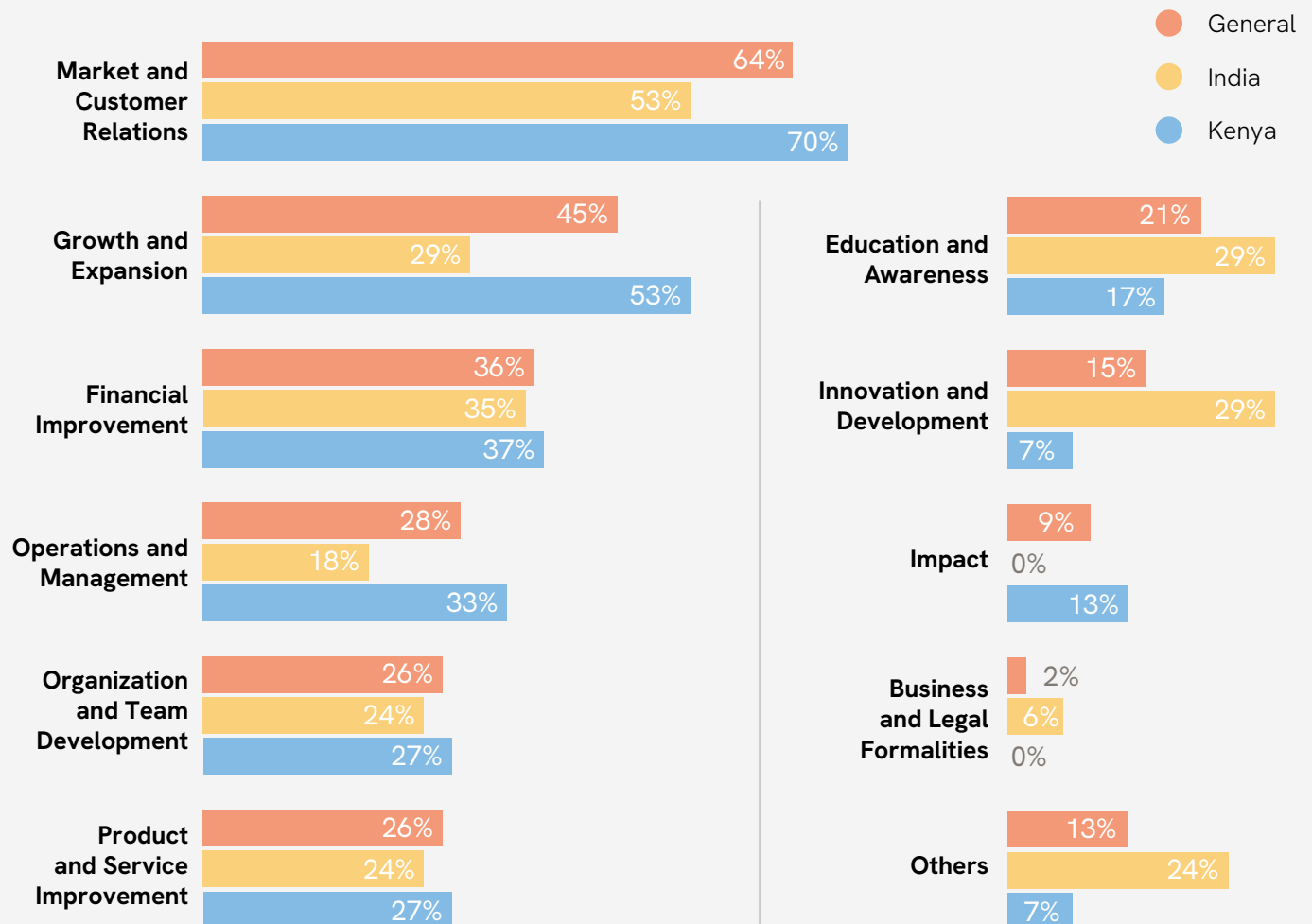
7. BUSINESS EVOLUTION, CHALLENGES, AND SUPPORT NEEDS

A fundamental part of an enterprise’s business model success and growth is understanding the challenges and barriers it faces. This allows for the identification of opportunities to address their needs and gaps, ultimately providing better support. During the mid-term assessment, we asked enterprises to share their perspectives on the changes they have experienced in their businesses over the past two years. We also explored the factors contributing to these changes. Finally, we asked them to rate the current challenges they face in their operations and what support they would like to receive to address those challenges.

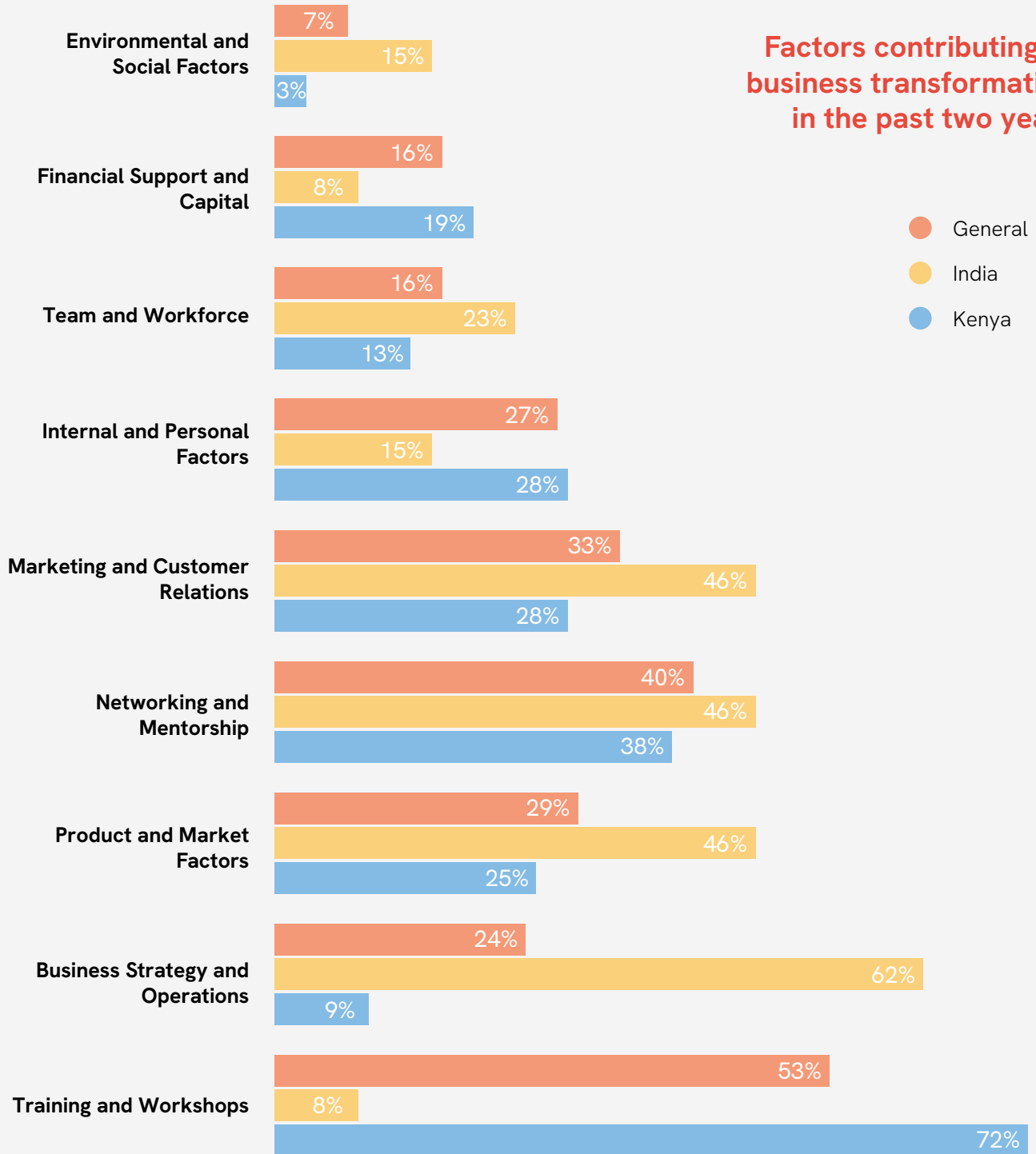
The data shows that, when asked about the changes they have experienced in their businesses over the past two years, most enterprises (64%, n=47) identified Market and Customer Relations as the area with the most significant and positive changes. Examples include increased visibility, a larger customer base, improved customer service and communication skills, and stronger networks and partnerships. Other mentioned positive changes include Growth and Expansion (45%) and Financial Improvement (36%). Education and Awareness (21%), Innovation and Development (15%), and Impact (9%) were mentioned less frequently.

Breaking down the data by country reveals significant differences. Indian enterprises (n=17) primarily reported development in Market and Customer Relations (53%), Financial Improvement (35%), and Innovation and Development and Education and Awareness both with 29%. (n=5). Kenyan enterprises (n=30), on the other hand, believe the most significant positive development relate to Market and Customer Relations (70%), Growth and Expansion (53%), Financial Improvement (37%), and Operations and Management (33%). Interestingly, all enterprises mentioning Impact as an area of significant positive change in the past two years were from Kenya. Notably, no Indian enterprises mentioned this topic.

Share of enterprises who perceived positive business changes in the past two years

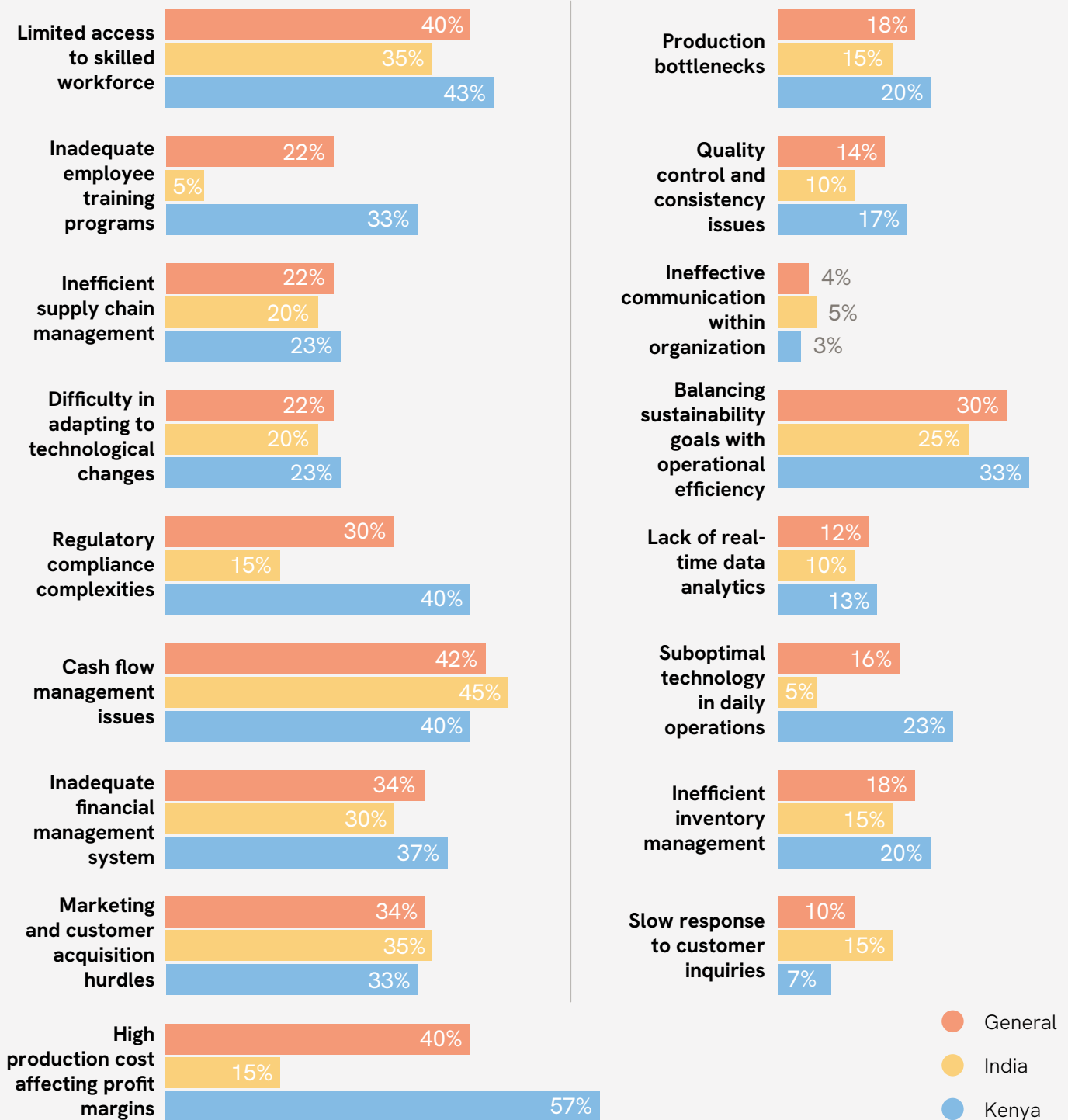


Factors contributing to business transformation in the past two years



The majority (53%, n=45) of enterprises attributed their business transformations over the past two years primarily to the CEC's training and workshops. Networking and mentorship also played a crucial role for 40% of respondents. Improved marketing and customer relations, as well as enhanced product and market factors, contributed to business changes for 33% and 29% of enterprises, respectively. These factors, including improved product quality, evolving customer mindsets, and increased market exposure, could have stemmed from the CEC's training, which provided access to relevant tools and networking opportunities. When analysing the data by country, Indian enterprises primarily attributed their business changes to improvements and measures around Business Strategy and Operations (62%), followed by Marketing and Customer Relations and Product and Market Factors with 46% each. In contrast, 72% of Kenyan enterprises identified CEC Training and Workshops as the main factor for their business change in the last two years, followed by Networking and Mentorship (38%) and Internal Development Factors (28%) respectively.

Challenges enterprises are currently facing



We also asked enterprises to rate the challenges they are currently facing in their business operations. They could select up to five of the seventeen pre-determined options that were most relevant to their organisation. The data revealed that cash flow management issues were the most common challenge, with 42% of enterprises selecting it. Limited access to a skilled workforce and high production costs affecting profit margins were both cited by 40% of respondents as significant challenges. Inadequate financial management systems and marketing and customer acquisition hurdles were also mentioned by 34% of enterprises.

This might suggest a widespread need for improved financial management strategies or access to capital and highlights the need for targeted financial tools and more effective marketing strategies. Furthermore, the lack of access to a skilled workforce remains a significant barrier, suggesting a gap in vocational training and education programmes.

The data suggests a greater need for Indian businesses to improve financial management or access capital (45% cited cash flow issues compared to the overall 42%). Additionally, marketing and talent acquisition pose significant hurdles. This indicates a need for more effective marketing strategies and potentially enhanced vocational training and education programmes to address the identified skills gap. Interestingly, while Indian enterprises face challenges with limited access to a skilled workforce, they seem less concerned about inadequate employee training programmes (only 5% mentioned it). This contrast could be an opportunity. By focusing more on internal training, Indian enterprises could integrate new talent more effectively and potentially bridge the skills gap.

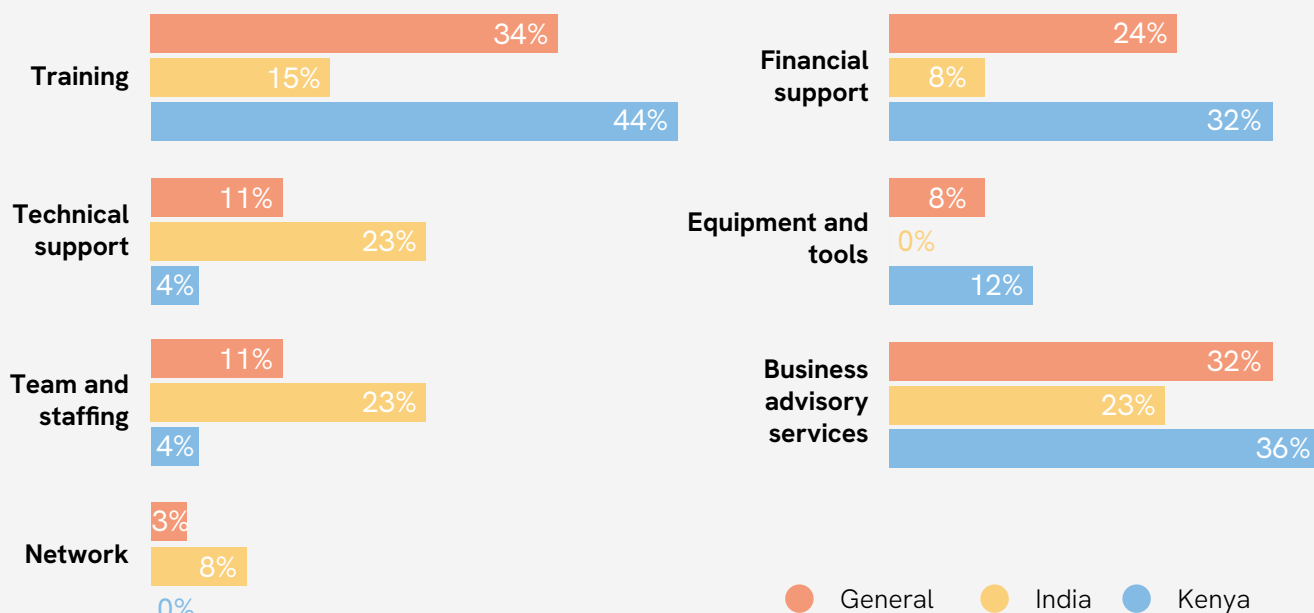
In contrast, Kenyan enterprises highlighted high production costs affecting profit margins (57%) as their main challenge, followed by limited access to a skilled workforce (40%) and complexities in complying with regulations (40%). These results suggest a need for cost-reduction strategies, such as exploring more efficient production methods, negotiating better deals with suppliers, or optimizing resource allocation. Additionally, challenges indicate a need for improved workforce development programmes and streamlined regulatory processes to ease business operations.

Initiatives that integrate sustainability goals with efficient operations could help Kenyan enterprises address environmental concerns without compromising profitability and efficiency. Finally, the identified gap in Kenyan enterprises' training programmes suggests a need for increased efforts to improve vocational training. Partnering with vocational training institutions or offering in-house training could help bridge the skills gap.

Finally, we investigated what support enterprises would like to receive to address these challenges. This could include training programmes, consulting services, or financial aid. A significant portion of enterprises (34%) requested training programmes. Business advisory services (32%) and financial support (24%) were also in high demand. Examples of training needs included circular economy challenges, inventory management, financial management, and product design. They also requested business advisory services in sales, marketing, cash flow management, and budgeting. Overall, enterprises expressed a need for financial support related to accessing funding opportunities.

Similar to the overall findings, Kenyan enterprises also emphasise the need for more support in training (44%), business advisory services (36%), and financial support (32%). Examples of these training include business and finance skills, operational management practices, mobile repair training with equipment funding, virtual sessions tackling circular economy challenges, and legal/compliance, quality assurance, and technology adoption support. However, the data highlights significant differences in priorities between countries. Indian enterprises, in contrast to their Kenyan counterparts, prioritise areas like team and staffing, technical support, and business advisory services (all mentioned by 23% of respondents). Additionally, while Kenyan enterprises prioritise equipment and tools and place less emphasis on networking, the opposite holds true for Indian enterprises, who prioritise networking and give less importance to equipment and tools.

Desired support for addressing business challenges



Impact Insight

CEC driving business transformation: Over the past two years, most enterprises (64%) reported significant positive changes in Market and Customer Relations. These changes include increased visibility, a larger customer base, improved customer service and communication skills, and stronger networks and partnerships.

The primary driver of these business transformations was the CEC's training and workshops for Kenya, and networking and mentorship, and improved marketing and customer relations in general. These improvements could have stemmed from the CEC's training, which provided access to relevant tools and networking opportunities, indicating a synergistic relationship between various programme components in driving business transformation.

Remaining challenges and CEC opportunities: Enterprises currently face a range of challenges in their business operations. The most common challenge is cash flow management, limited access to a skilled workforce and high production costs affecting profit margins. This suggests a widespread need for improved financial management strategies, access to capital, and better financial tools and marketing strategies. Additionally, the lack of access to a skilled workforce remains a significant barrier, indicating a gap in vocational training and education programmes.

To address these challenges, enterprises expressed a need for various forms of support. A significant portion requested training programmes, particularly in areas such as circular economy challenges, inventory management, financial management, and product design.

Additional extracurricular sessions could be delivered by CEC to tackle some of these challenges. Furthermore, the training sessions are under continuous improvement and tailoring to include the most pressing and needed topics in upcoming trainings.

PART 2.

**MIDDLE TERM OUTCOMES OF SUPPORT FOR BUSINESS
DEVELOPMENT SERVICE (BDS) PROVIDERS**

1. PORTFOLIO CHARACTERISTICS

This mid-term assessment analyses the extent to which the targeted support has helped trained BDS advisors integrate, improve, or maintain circular economy topics into their daily activities. It also assesses the impact on their knowledge and skills related to circular enterprises. The data was collected from both respondents who were part of the BDS surveyed in the short-term survey in 2023, as well as respondents participating in the survey for the first time. Together, these data points constitute the basis of the analysis for this chapter, focusing on insights into BDS advisors’ entrepreneurial and circular economy capacities, and the changes in such knowledge and skills over a one-year period.

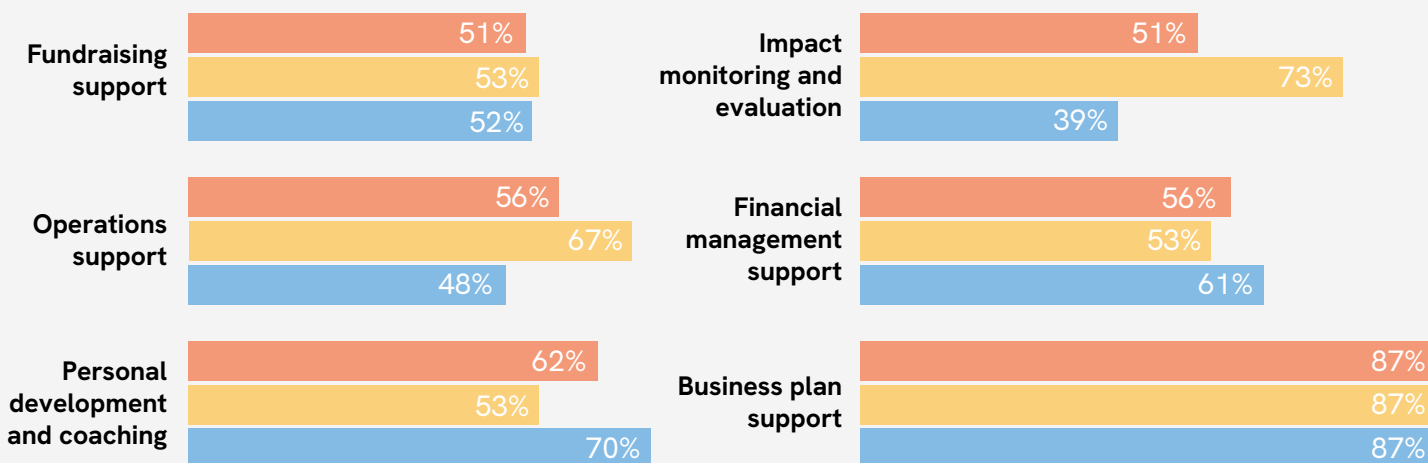
A total of 94 BDS advisors have been trained in the ToTs, with 44.7% operating in India (42) and 55.3% from Kenya (52). 39 advisors responded to the mid-term survey, conducted around one year after the training, representing a response rate of 41.5%. Of the respondents, 14 (35.8%) also took part in the short-term survey conducted in 2023, while 25 (64.2%) participated in the survey for the first time. Specifically, 15 (38%) respondents were from India, and 23 (59%) were from Kenya. 13 women (33%) and 25 men (64%) responded to the survey. Of the respondents, nearly half (49%) reported working for an organization, 21% identified as independent consultants, and 31% indicated working in both capacities.

What services do they offer?

In the mid-term survey, BDS advisors shared a diverse set of entrepreneurship support approaches provided to their clients. The most frequently mentioned service was Business Plan Support (87%), followed by Personal Development and Coaching (62%) and Financial Management Support (56%) and Operations Support (56%). Other services such as Impact Monitoring and Evaluation and Fundraising Support were the least prevalent, with 51% offering them. Analysing the changes from the previous assessment, Business Plan Support remained the most mentioned service offered by the advisors. Interestingly, less offered services in the short-term assessment (54%), such as Personal Development and Coaching, climbed to become the second most offered service in the mid-term survey with 62%. Services such as Operational Support and Fundraising Support, which were mentioned as relevant services during the short-term assessment (71%), became less prevalent for the advisors after a one-year period post-training with 56%.

Services offered by country

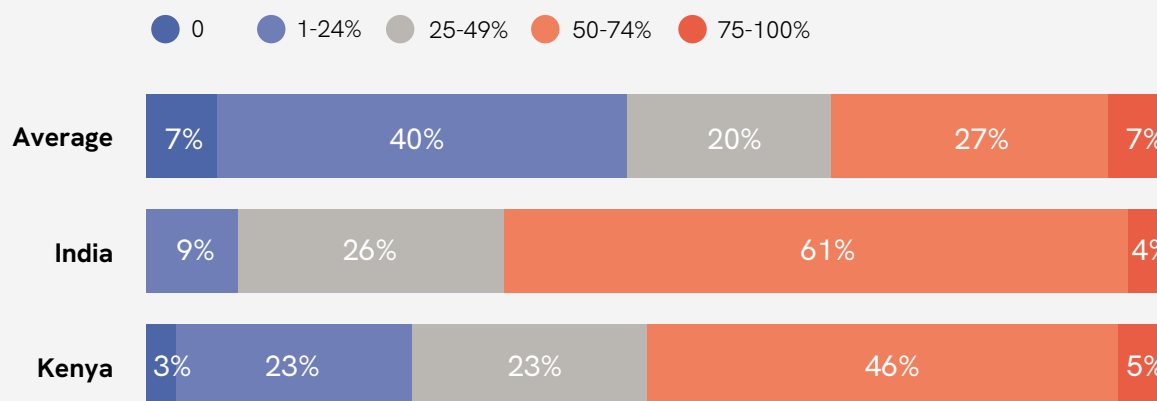
● Average ● India ● Kenya



Who do they support?

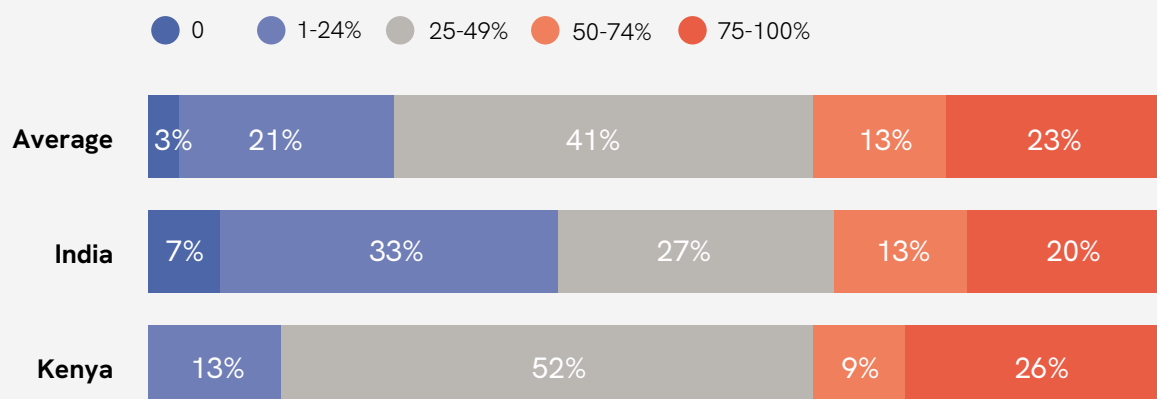
On average, 42% of businesses supported by BDS advisors are women-led. When breaking down the data, 51% of advisors reported that more than half of their client enterprises are women-led. (with 5.1% of participants stating that 75-100% of their portfolio consisted of women-led enterprises). Conversely, 49% of advisors reported that less than half of their portfolio is led by women, with only 3% not having any women-led businesses in their portfolio. Differences exist across countries: BDS advisors in Kenya reported a significantly higher percentage of women-led client businesses, with 50% compared to India's 32% average. This finding is particularly interesting when considering that female SME ownership estimates are 31% Kenya and 20% India. These results highlight the notable success of BDS advisors in supporting women in the circular economy ecosystem in Kenya.

Share of women-led enterprises in portfolio



Regarding circular businesses, the mid-term survey revealed that on average, the current share of circular enterprises in BDS advisors' portfolios is 42.6%, revealing no further changes in the portfolio composition since the last assessment, when the share of circular businesses was reported at 43.9%. Interestingly, Kenyan respondents reported a larger share on average, 46% circular enterprises in their portfolios, compared to 36% reported by advisors in India. Additionally, 36% of respondents shared that more than half of their client portfolio was made up circular enterprises (with 23% reporting a share of 75-100%). Correspondingly, close to 64% of respondents had fewer than half of their portfolio made up from circular enterprises, with only 3% assessing that they do not have any circular enterprises in their portfolio of clients.

Share of circular enterprises in portfolio



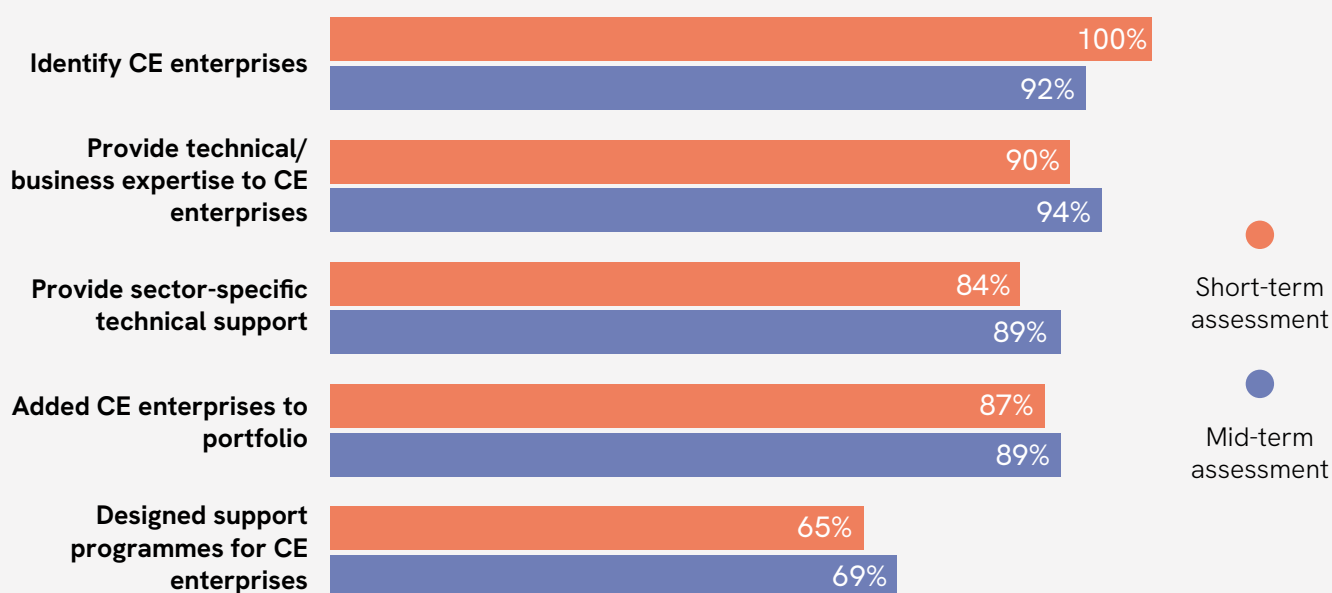
2. CIRCULAR ECONOMY SKILLS, KNOWLEDGE, AND MINDSET

A core objective of the Training of Trainers (ToT) programme is to enhance advisors' skills, knowledge, and mindset, with a specific focus on providing targeted support in the circular economy. To assess the programme's impact on these areas, it is important to monitor the implementation rates of activities aimed at circular economy businesses. By comparing short-term and mid-term assessment, we identified relevant outcomes, opportunities, and challenges.

2.1. ACTION ON THE CIRCULAR ECONOMY

BDS advisors were asked to identify actions that they have been taking since participating in the training. The mid-term survey results reveal positive trends in implementing actions in the circular economy. The large majority of advisors (94%) reported providing technical/business expertise and identifying circular economy enterprises to target their services to (92%), similar to the most common actions reported in the short-term assessment. Additionally, a significant number of advisors (89%) provide sector-specific technical support and have added circular economy enterprises to their portfolio. This finding aligns with the high proportion of circular economy enterprises (42.6%) in the advisors' portfolio, as illustrated in the previous section on the share of circular enterprises. Notably, 69% of advisors have designed new, tailored support programmes for these businesses, demonstrating a strong commitment to their unique needs. In most categories, these results show an increase in the proportion of trainers implementing actions compared to the short-term assessment.

Proportion of trainers implementing actions for circular economy enterprises (n=36)



Impact Insights

CEC's Training of Trainers (ToT) programme demonstrably improved advisor engagement with circular economy enterprises. Out of 14 advisors who initially had not implemented any action in the circular economy, 7 (50%) subsequently began offering technical/business expertise, sector-specific support, or tailored programmes to these businesses.

Mapping the Landscape: Assessing BDS Advisors' Offerings for Circular Enterprises

To validate the assertions made by BDS advisors regarding their services tailored for circular enterprises, a comprehensive web search was undertaken to identify specific offerings on the organisations' websites. A total of 28 websites and social media platforms, purportedly providing targeted services, were analysed. The findings indicate that while the majority of advisors offer technical and business expertise for enterprises, their provisions are generally broad rather than specifically tailored or focused solely on circular economy enterprises.

Of the 28 reviewed advisors' websites, 10 (28%) were identified as providing targeted services for sustainable businesses. While many of these services do not explicitly center on circular economy initiatives, they often indirectly support businesses aligning with circular economy principles. These include endeavors promoting sustainability and environmental conservation, such as sustainable farming practices, resource efficiency, and waste management. Examples of the services offered encompass networking and collaboration opportunities, digital tools and resources, financial advisory services, and skills training across various sectors of sustainability.

Only 4 out of the 28 BDS organisations who participated in the ToTs (11%) explicitly incorporate the concept of circular economy into their websites as part of the services they offer to enterprises. Examples of these include technical and training services for India's formal waste management provided by S3IDF, policy design and strategic action plan development alongside the creation of roadmaps for circular economy initiatives offered by the Environmental Management Centre, and Circular Supply Chain Optimization for sustainable farming practices, resource efficiency, and waste management as provided by the National Agricultural Value Chain Development Project.

While the low number of advisors mentioning technical/business expertise in circularity might suggest a lower integration of such expertise into circular businesses than reported in the survey, it is important to consider the nature of self-reported information. This suggests that some advisors may not fully recognise how their existing knowledge in sectors like waste management, water efficiency, and sustainable materials translates to circular economy expertise. However, this may also result from considering what is marketable to their client enterprises, as it might be more effective for BDS organisations to communicate sector-level support than more generally, circular economy more support. Therefore, even though a lack of explicit circular economy references were found on their websites, it is likely that many advisors integrate aspects of circular economy into the services they offer enterprises, as they reported in the mid-term survey.

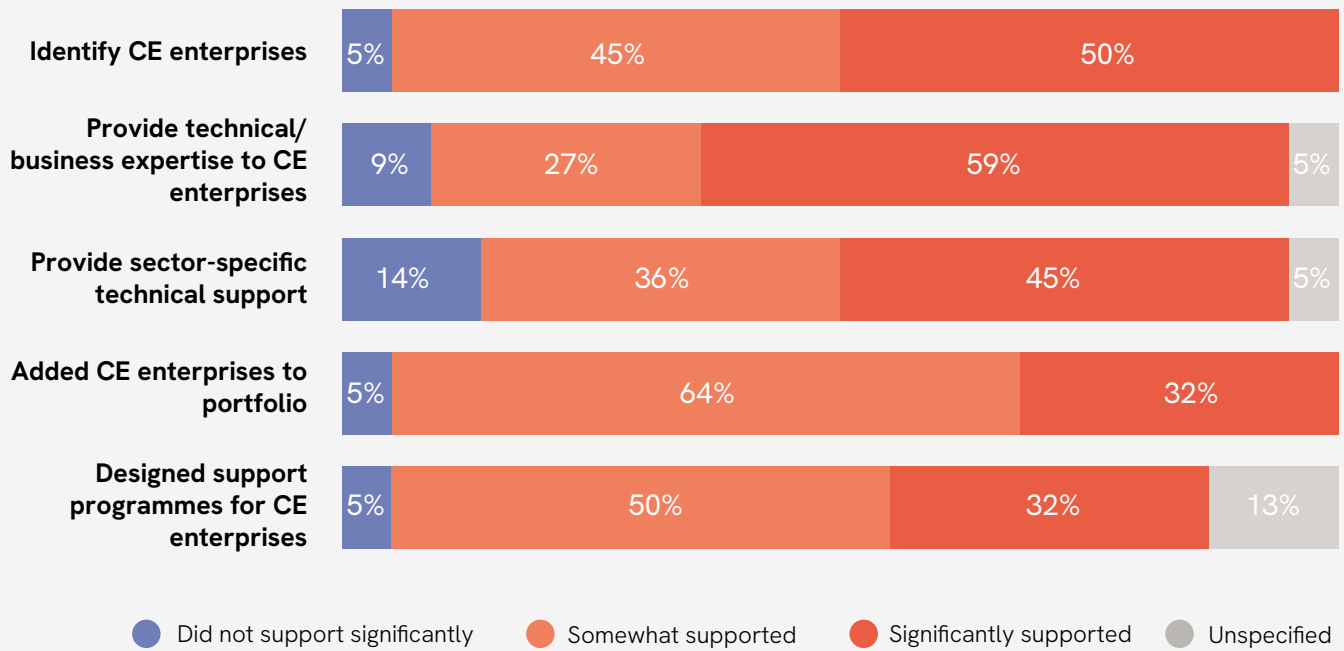
2.2. CIRCULAR ECONOMY KNOWLEDGE

To provide tailored services to circular economy enterprises, BDS advisors need a solid understanding of the various support services these businesses require. The training programme equipped advisors with tools and methods to improve their business development support in these areas. For example, the training covered increasing enterprise circularity and developing value chains that incorporate circular components. The mid-term survey aimed to evaluate the current state of knowledge in key support areas that BDS advisors can provide to enterprises. The advisors were asked to evaluate how much the training supported them to improve their competencies on a scale of "Did not support significantly," "Somewhat supported," and "Significantly supported."

The majority of the 25 first-time survey respondents stated that the training positively supported them in carrying out actions for circular economy enterprises. Specifically, 59% of participants found that the training significantly supported them to better provide technical/business expertise to circular enterprises, while 27% stated that the training somewhat supported them in this competence. Furthermore, half of the advisors mentioned that the training significantly supported them to better identify circular economy enterprises (50%), while 45% stated that the training "somewhat supported" them in this competence.

Although the respondents found the training helpful for the most part, the data also revealed that the competence that advisors considered to be the least benefited or impacted by the training was providing sector-specific technical support.

How did the training support you to...



(n=25, from new BDS advisor respondents)



Impact Insight

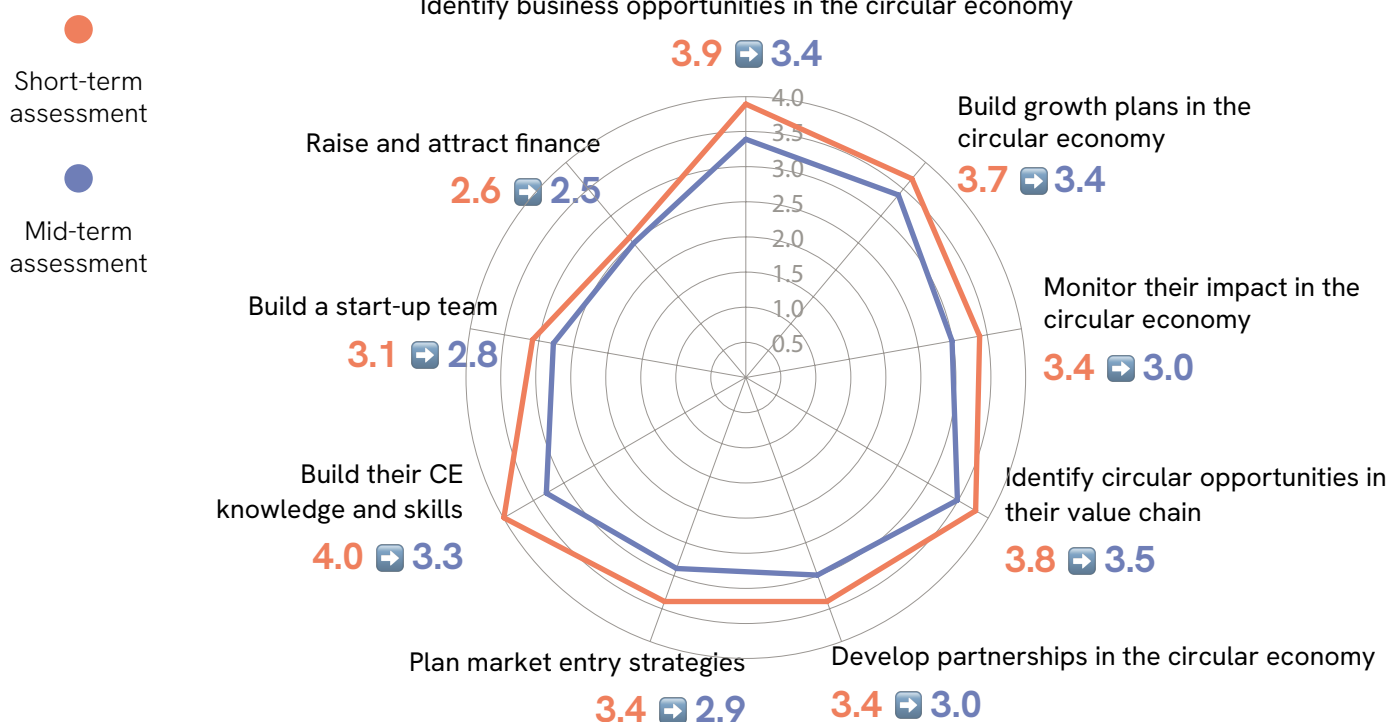
Overall, the training programme is reported to be successful in improving advisors' abilities to support circular economy enterprises. Most respondents (88%) indicated that the training programme significantly supported them in at least one competency area.

2.3. CIRCULAR ECONOMY SUPPORT SKILLS

Skills are a cornerstone for operationalising actions towards the circular economy. To evaluate advisors' current level of these skills after a one-year period, they were asked to score the extent to which they have supported businesses in acting on important circular economy entrepreneurship components. This ranking ranged from 1 (not at all) to 5 (to a very large extent), as shown on the chart below.

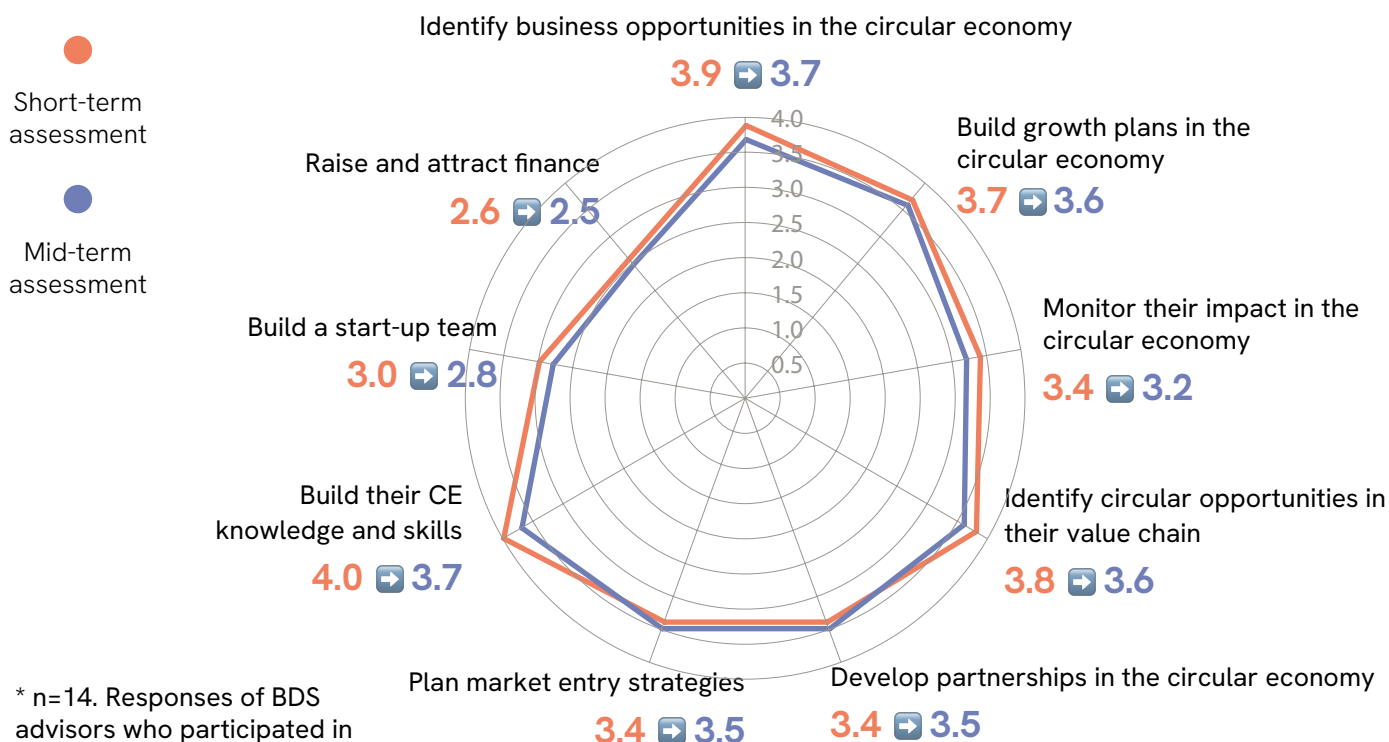
The advisors' strongest practice was supporting enterprises in identifying circular opportunities within their clients' value chains (3.5), closely followed by identifying business opportunities in the circular economy itself (3.4) and building growth plans related to the circular economy (3.4). The areas of building start-up teams (2.8) and attracting finance (2.5) had considerably lower scores, mirroring the advisors' rankings in the short-term assessment.

BDS Advisors' competency rating (1-5) since the training (n=25)



Overall, the support pillars exhibited a slight decrease compared to the short-term assessment. However, upon closer examination of the results from advisors who participated both in the short-term and mid-term assessments, it became evident that certain support areas experienced an increase during the last year. For example, scores for “Develop partnerships in the circular economy” and “Plan market entry strategies” went from 3.48 and 3.45 to 3.57 respectively. This is an encouraging sign, suggesting a growing operationalisation of skills into actions on these critical areas.

Both assessments competency rating (1-5) since the training

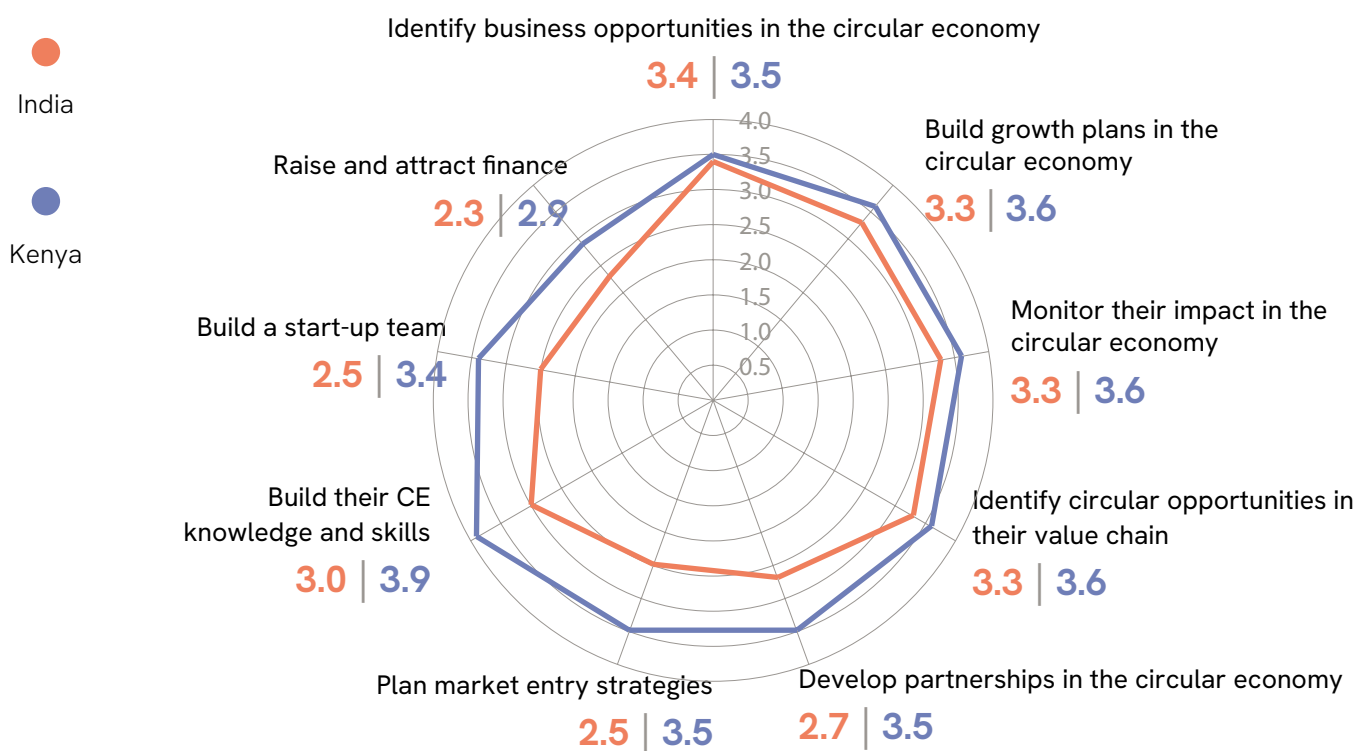


* n=14. Responses of BDS advisors who participated in both assessments.

Differences across countries were identified. Kenyan BDS advisors reported greater confidence in their current level of practice of skills to enhance circular economy entrepreneurship components. On average, Kenyan advisors scored **3.4** on a 5-point scale, while their Indian counterparts averaged **2.9**. This tendency continues from the short-term assessment, when Kenyan advisors scored 4.04 in confidence to their current level of skills to enhance circular economy entrepreneurship components, while Indian advisors scored 3.7.

Within the Kenyan ecosystem, advisors identified building their circular economy knowledge and skills (3.9) as their strongest competency. This was followed closely by identifying circular opportunities in their value chain and building growth plans in the circular economy (both at 3.6). In contrast, Indian advisors reported identifying business opportunities in the circular economy and identifying circular opportunities in their value chain as their strongest competence areas, each scoring 3.3. The assessments reveal a country-specific effect: Indian BDS advisors, in general, expressed a less optimistic view of their competence. Conversely, Kenyan advisors consistently reported higher percentages across all categories related to supporting enterprises in implementing key circular economy entrepreneurship components

Comparative confidence: Kenyan vs. Indian BDS Advisors



Impact Insight



Advisors are proficient in supporting enterprises to identify circular opportunities: The high scores for supporting enterprises in identifying value chain and business opportunities indicate advisors are confident in this area and have operationalised skills into actions. Other areas that show strength include supporting enterprises in growth plan development and building skills and knowledge.

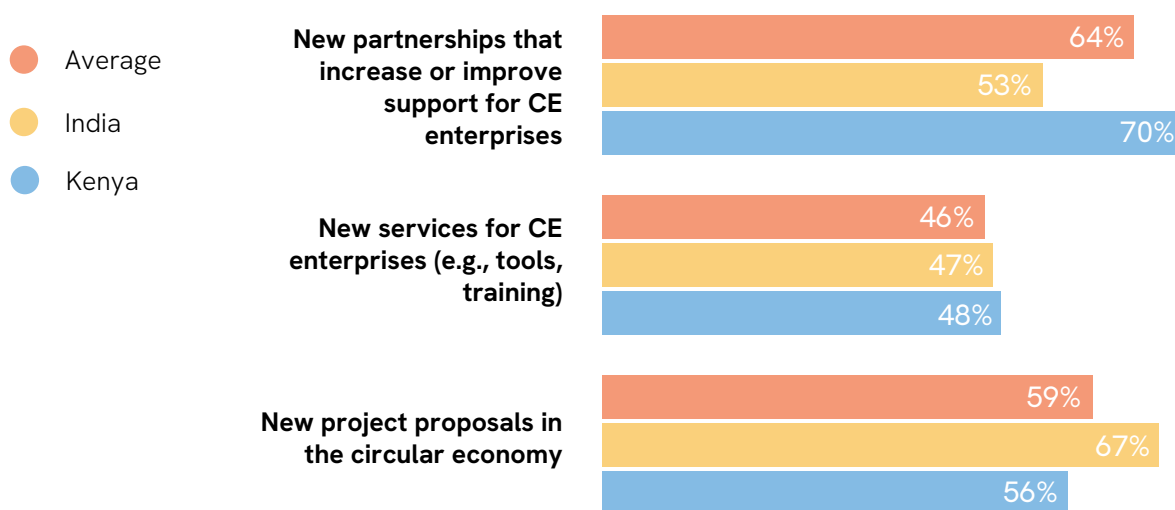
3. UTILISING TOOLS AND DEVELOPING NEW APPROACHES POST TRAINING

Tools play a pivotal role for BDS advisors, enabling them to streamline workflows, boost efficiency, and deliver quality results to their clients. These tools ensure comprehensive coverage of essential topics in a modular and engaging manner. As integral components of both incubation and acceleration training, comprehensive step-by-step entrepreneurship support toolkits were disseminated, and advisors were trained on their use and our facilitation methodology. The mid-term assessment aims to evaluate the utilisation of these tools and integration into their daily work by trained advisors, shedding light on their effectiveness and implementation.

The mid-term survey yielded positive results regarding tool utilisation by BDS advisors, as all the surveyed BDS advisors (n=39) incorporated the use of the tools and toolkits into their service delivery, with 61.5% having integrated the provided tools with their existing methodologies and toolkits. This demonstrates a strong commitment to maximising the values of the toolkit and methodology. Thirty-six percent (14 respondents) opted to leverage the tools for specific topics within their advisory services. This targeted approach suggests a strategic focus on areas where the tools can provide the most benefit. While the majority found the tools valuable, a smaller group (23%, n=9) reported using them to structure their entire support process. This finding suggests potential for further exploration and support in fully harnessing the tools' capacity to streamline service delivery.

Beyond integrating the tools and toolkits into their work, advisors have been engaging in a range of activities following the training. Almost two thirds (64%) of advisors reported establishing new partnerships specifically for implementing circular economy support. This collaborative approach reveals a strategic shift towards tackling circularity challenges. Additionally, a strong majority (59%) crafted new project proposals focused on the circular economy. This suggests a proactive approach to securing funding and resources for circular initiatives. Furthermore, nearly half (46%) of advisors developed entirely new services catering to circular economy enterprises. This expansion of service offerings highlights a commitment to cater to the growing demand for circular business solutions.

Actions since the training



A closer look at the implementation of actions across the countries reveals some interesting trends. In India, the share of advisors who developed new project proposals focused on the circular economy was 67% compared to the short-term assessment average of 64%. This suggests a strong focus on circularity initiatives within the Indian advisor community. In the case of Kenyan advisors, the share of advisors who developed new partnerships that increase or improve their support delivery for enterprises in the circular economy was 70% compared to the 64% from the short-term assessment. Additionally, both, Kenyan (48%) and Indian (47%) advisors showed a higher percentage on implementing new services for circular economy enterprises compared to the short-term assessment average of 46%.

CONCLUSIONS AND OUTLOOK

The results collected and analysed for the mid-term assessment provide strong evidence that the Circular Economy Catalyst project is well on track to meet its project indicators. It furthermore offers a wealth of insights into the further impact the activities have in supporting circular enterprises and developing an enabling ecosystem for circular economy enterprises in Kenya and India. Finally, it importantly hints at potential avenues to be taken to further investigate project components and, if necessary, defines first action fields for incremental improvements.

Entrepreneurs continue to exhibit their business acumen. This is evidenced in more launched businesses and increased sales and customers. 87% of participants have already launched their businesses, with three new products/services on the market since the short-term assessment. Half of the enterprises reporting an increase in their sales over the last six months.

Although a slight decrease in the scores for mindset, knowledge and skills was obtained, several factors could account for this, including the fact that, as this is a self-reported assessment, the information reported is rather subjective. For this reason, CEC is actively refining its impact assessment framework in close collaboration with an expert. This refined approach will enhance the accuracy and reliability of future results.

BDS advisors continue to improve their knowledge and skills about the circular economy and how to better support enterprises within. All trained BDS advisors utilise tools provided during the BDS trainings in their daily work by using them mixed with other support tools. Furthermore, BDS advisors keep progressing towards the expansion of their service portfolios to target circular economy enterprises: 94% of advisors have provided technical/business expertise, 92% have identified circular economy enterprises to target their services to, 89% provide sector-specific technical support and have added circular economy enterprises to their portfolio and 69% of advisors have designed new, tailored support programmes for these businesses. Correlated to these findings is the fact that the share of circular enterprises in the BDS advisors' portfolio continues to increase. The average share of circular enterprises in their portfolio is 42.6%. Beyond identifying and understanding the outcomes and progress towards the goals of the project, this report also sought to shed light on insights and/or learnings that can be transferred to our future activities within the Circular Economy Catalyst and also beyond to other programmes implemented within the entrepreneurial ecosystems in Kenya and India.

Below are 9 insights and learnings that should be considered for future activities across programme and projects.

1. SMEs continue to launch their product/services, with 3 new businesses having launched since the previous assessment. Despite the majority of businesses having launched within the first 6 months after the training, the large majority of entrepreneurs who have not launched their businesses report that they are still refining their business models and securing funding. This means that more businesses will be potentially launched within the next 6 months.

To ensure businesses can launch, further forms of continued support are useful. Business development stakeholders can aim to include continuous support formats such as webinars focused on the most needed topics by entrepreneurs. CEC and its partners have begun to develop these support formats.

2. The objectives of the incubation programmes for enterprises have been largely achieved. The programme design of future incubation programmes should be further tailored to the set of skills, knowledge and mindset that are still missing, such as team development, basic financial knowledge, impact measurement and reporting, and further support in developing a go-to-market strategy, particularly in Kenya, where only 67% felt confident in identifying and determining the activities and tasks needed to enter the market

3. The lasting impact and contribution of the programmes are reflected in the natural progression of businesses towards implementation after achieving great understanding of circular businesses and opportunities. Understanding business cases (76%) is now the leading area among the entrepreneurial knowledge factors, while identifying opportunities decreased from 84% to 76%. Furthermore, a large share of participants who reported an increase in sales over the past six months (50%), and 64% of respondents reported CEC as being helpful to increase their sales. Going forward, it is important to provide further support to businesses in developing strategies to ensure survival in the long term. Especially since 50% of start-ups do not survive past 5 years.
4. Although we achieved equal representation of women in the incubation workshops for enterprises, the lack of women representation in STEM fields indicates a need to increase outreach activities to women active in STEM fields (such as directly targeting universities or female STEM networks) to encourage participation and mitigate underrepresentation in these key circular economy sectors. An even more targeted outreach can be planned to achieve balance and contribute towards gender equality in all the sectors.
5. Cultivating a network of collaborators is a key component in all our support programmes. However, participants from the Replicator programme continue to feel not feeling well connected to a network. Whereas women have improved their perception in this factor from the latest assessment (Women scored higher in feeling valued within their network (71% vs 64% men)). However, regarding skills 67% of men felt to a large and very large extent prepared to undertake business activities, while only 55% of women expressed the same level of confidence. This shows a need to further increase efforts on network building, for example through strengthening the ties of participants to a global SEED alumni network.
6. As enterprises grow and evolve, so do the employment opportunities they create. The average number of employees of supported SMEs has increased by 133% from the baseline assessment, now employing an average of 12.1 employees. This finding builds evidence not only on CEC achieving impact, but also on the need for support programmes that incubate SMEs and help them launch and grow as a means to create employment.
7. Impact measurement carried out by enterprises is an essential yet challenging topic. The survey found that respondents do understand the impact they create and have a grasp of how it is created (the mechanisms), and that their understanding on how to measure or estimate it has improved since the latest assessment, reflected not only in the number of enterprises who measure their impact (the share increased from 35% to 51% SMEs), but also in the quality of the reported indicators. This indicates that although there has been improvement, and enterprises learn as they grow, more capacity building is needed about the topic of impact. Additional (online) sessions can be included across projects and programmes which will help to ensure better data quality and empower the enterprises to showcase the positive impact they contribute to the environment and society, beyond employment opportunities.
8. The data on BDS advisory training results continues to show large differences across the countries of implementation regarding self-assessed knowledge and skills. Potential reasons for this could be the different setup and development stage of entrepreneurship ecosystems in the two countries, different social norms regarding politeness and directness, or simply unnoticed differences in participant backgrounds and interests (beyond what initial descriptive analysis of the assessment data could reveal). These contextual differences must be identified to understand a more nuanced contribution of the programmes, as well as to design and implement programme activities in a more impactful way across countries, with a stronger focus on how to provide more impactful programmes to Indian BDS advisors. As part of the work with external experts on CEC's impact framework, approaches will be identified to embed the assessment of these differences in the core of the impact assessment.ified that allow to embed the assessment of these differences in the core of the impact assessment.
9. The Training of Trainers has been particularly beneficial for BDS advisors' knowledge and approach towards providing services to enterprises that operate within the circular economy. Additional effort should be focused towards training BDS advisors on how to design support programmes specifically for the Circular Economy, as only 46% report having implemented new services for CE enterprises. This could be achieved through follow-up workshops.



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