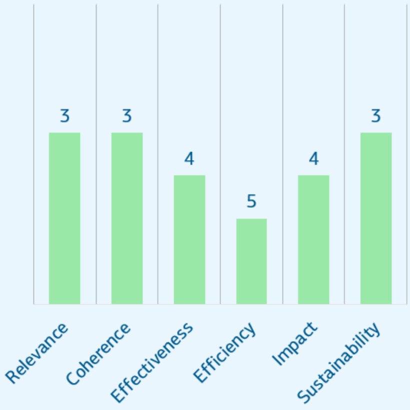
Ex-post evaluation
Corona-SME-Fonds, Côte d'Ivoire

Title	Coronavirus emergency aid to support the Coronavirus SME Fund (budget financing)
Sector and CRS code	2403000 Financial intermediaries (formal sector)
BMZ number	2020 65 175
Commissioned by	BMZ
Recipient and executing agency	Ministère des Finances et du Budget
FC financing volume and instrument	EUR 30 Mio. standard loan
Project duration	2021-2025 **Reporting year** 2025 **Year of random sample** 2025

Overall rating

moderately unsuccessful



1: very successful – **6:** completely unsuccessful

Project objectives and implementation

The project's outcome-level objective was: 'Micro, small and medium-sized enterprises (MSMEs) have achieved improved liquidity in the short term and on favourable terms.' At the impact level, the objective was 'MSMEs secure jobs and mitigate the negative social and economic consequences of the coronavirus pandemic for the population.' The FC module implemented these objectives by providing the Ivorian government with budget support, which was made available in equal amounts to a fund to support MSMEs through grants, loans and loan guarantees. The fund supported MSMEs primarily in 2020 and 2021.

Key findings

The project was able to provide short-term liquidity for a limited number of Ivorian MSMEs, with unclear employment effects and significant weaknesses in efficiency. Sustainability of impact was not a priority for this measure, which was financed by the BMZ's special coronavirus programme.

- Providing liquidity support to micro, small and medium-sized enterprises, especially during a crisis such as the COVID-19 pandemic, and of doing so quickly by means of budget financing, was the right approach (relevance).
- A limited number of medium-sized enterprises in particular were able to receive support. Smaller, weaker companies tended to have difficulties accessing support (effectiveness).
- Very low repayment rates by MSMEs to the fund, unclear re-use of unused funds, and delays in the MSME application process severely limited the efficiency of the FC module and undermined confidence in state actors (efficiency, impact).
- Due to methodological weaknesses, employment effects identified at the development policy level (impact) are only of limited significance.

Conclusions

- Budget financing is generally a good option for rapid disbursement in times of crisis.
- To support implementation more effectively, it is desirable during a crisis to embed budget financing in existing co-operation with project partners or in an existing (sectoral) policy dialogue.
- If SMEs are supported by loans, their repayment may need to be secured by legal measures.

Contents

List of abbreviations

PCR	Final completion report
GDP	Gross domestic product
BMZ	Federal Ministry for Economic Cooperation and Development
BNI	Banque National d'Investissement
CI PME	Société d'État Côte d'Ivoire PME
DAC	Development Assistance Committee
EPE	Ex-post evaluation
EUR	Euro
FC	Financial cooperation
FC E	FC Evaluation
FCFA	Franc de la Coopération Financière en Afrique de l'Ouest
FSPME	Fond de Soutien aux Petites et Moyennes Entreprises de Côte d'Ivoire
FIPME	Fédération Ivoirienne des PME
GIZ	German Society for International Cooperation
GUDE PME	Guichet Unique de Développement des PME
HDI	Human Development Index
IMF	International Monetary Fund
MP	Module proposal
MSME	Micro, small and medium-sized enterprises
NSIN	National Securities Identifying Number
OECD	Organisation for Economic Co-operation and Development
PA	Project appraisal
PME	Petites et moyennes entreprise
PP	Project proposal
TC	Technical cooperation
USD	US dollar

Overview

General conditions and classification of the project

The project was implemented during the coronavirus pandemic in Côte d'Ivoire against a backdrop of difficult macroeconomic, sanitary and political conditions. It was part of a comprehensive programme launched by the Ivorian government to mitigate the economic and social impact of the pandemic. The project was not part FC portfolio at the time, although it did have links to the TC portfolio. The fund set up to support micro, small and medium-sized enterprises (MSMEs) was also financed from the Ivorian budget and EU funds. The fund itself was newly established, with financial management handled by the locally established *Banque National d'Investissement* (BNI). KfW's contractual partner was the then Ivorian *Ministère de l'Économie et des Finances* (MEF), which today operates under the name *Ministère des Finances et du Budget* (MFB).

Brief description

The project entailed a budgetary loan on behalf of BMZ. The funds were paid directly into the Ivorian budget as budget financing. An equivalent amount from the Ivorian budget was made available to support the *Fonds de Soutien aux Petites et Moyennes Entreprises de Côte d'Ivoire* (FSPME). This fund to support MSMEs, established in May 2020, was intended to enable a rapid injection of liquidity into the Ivorian MSME sector. The measure was designed in response to the urgent economic and social consequences of the COVID-19 pandemic and was intended in particular to secure jobs and ensure the economic survival of businesses. The fund was financed by a one-off transfer of EUR 30 million, supplemented by additional national and EU funding. Primarily in 2020 and 2021, it provided support to MSMEs – mainly in the service and trade sectors, but open to all sectors and regions of the country – through grants, reduced-interest loans or indirectly through loan guarantees.

Breakdown of total costs

Below, total costs are broken down for the entire FSPME. External financing included EUR 10 million from the European Union (EU) as well as the FC contribution of EUR 30 million.

	Plan	Actual
Investment costs (total) in EUR million	96.4	96.4
Own contribution in EUR million	56.4	56.4
External funding in EUR million	40.0	40.0
of which BMZ funds in EUR million	30.0	30.0

Table1: *Breakdown of costs.*

Map of the project region

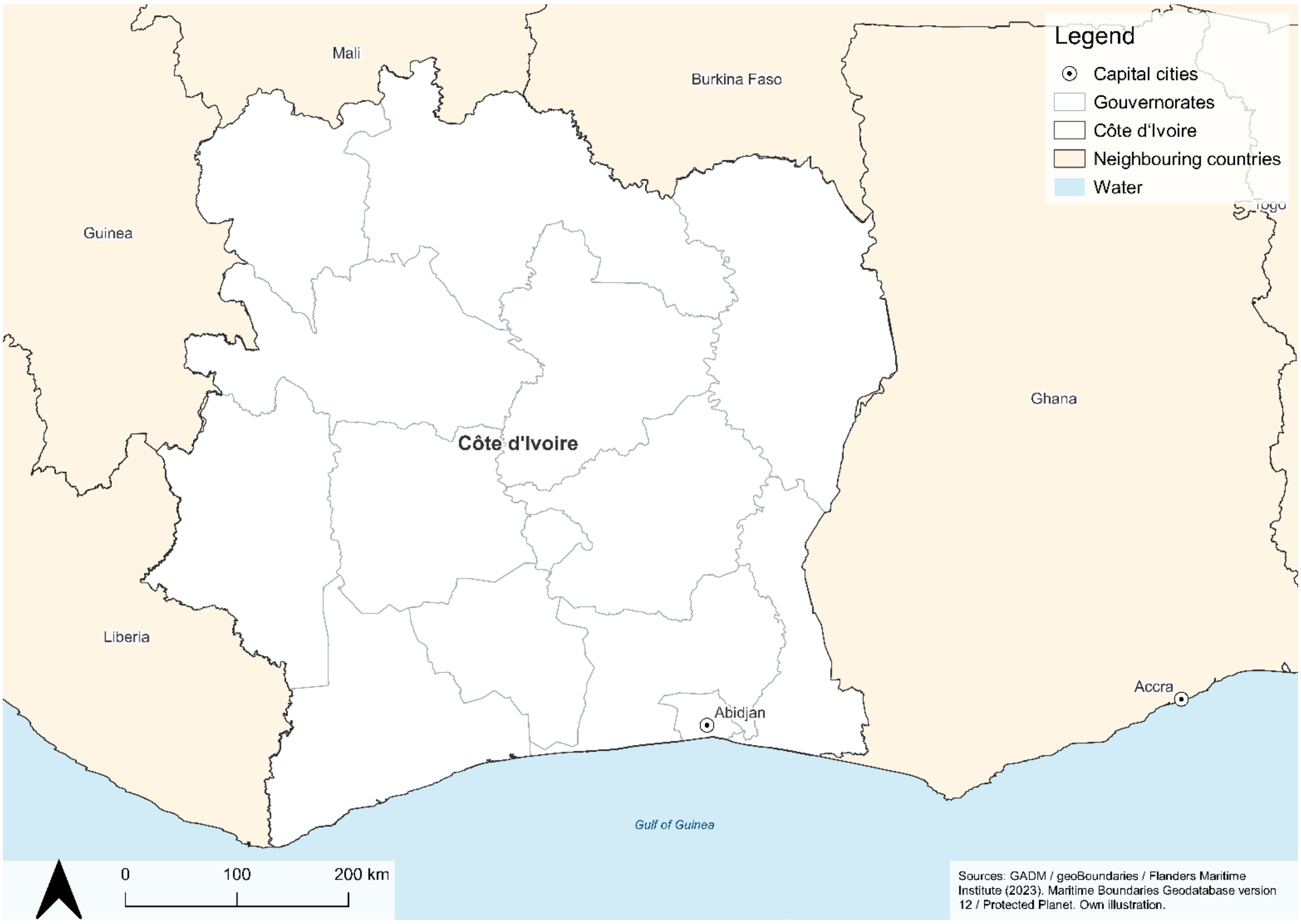


Figure 1: *Côte d'Ivoire*
Source: *See figure.*

Project-specific strengths and weaknesses of the project

The strengths include in particular:

- **Relevance of the project:** The financial support mechanism – tranche payments/budget financing via the national budget to a fund for small and medium-sized enterprises (SMEs) in Côte d'Ivoire – has proven to be an effective way of responding quickly to the economic challenges posed by the COVID-19 pandemic. Providing liquidity was a sensible way of supporting businesses during the pandemic.
- **Achievement of outcome targets (effectiveness):** The number of MSMEs supported by the fund exceeded the original targets set for the FC module, but this was due to the additional financial resources allocated to the fund. A total of EUR 96.4 million was made available for loans and grants. However, only around 55% of this was passed on to MSMEs as financing.
- **Coordination with other partners (coherence):** Despite the challenges in implementation during the pandemic, the co-operation between KfW and GIZ in the initial phase of the project was praised. However, there was little further co-ordination, e.g. with the EU. The measures taken by GIZ presumably helped to enable support for MSMEs through the FSPME.

The weaknesses include in particular:

- **Barriers to access for MSMEs (relevance/efficiency):** Many small and very small enterprises had difficulty providing the necessary documents to apply for support. As a result, only a quarter of applications were approved, which limited the effectiveness of the programme and presumably excluded highly vulnerable enterprises. This reduces allocative efficiency and development policy impacts.
- **Lack of monitoring (impact):** The fund did not use any administrative or other independently verifiable data to monitor job retention at the supported MSMEs, calling into question the verifiability of the claimed positive impact on employment. According to its own information, the fund contributed to securing 9,995 jobs. However, the methodological validity of these figures is questionable, as they reflect the total number of employees at MSMEs and therefore assume as a counterfactual the complete loss of all these jobs. At the same time, at least some of the companies that received support have cut jobs over the course of the pandemic.
- **Incomplete use of funds by the fund (effectiveness/efficiency):** Not all of the fund's available resources could be disbursed to MSMEs. Around 30% of the funds remained unused. The points to structural problems in the application process and allocation of funds, yet may also reflect the swift exit from economic restrictions and recovery from the direct effects of the pandemic. The planned provision of loan guarantees was hardly used. The remaining funds are lying unused at the BNI, with a negative impact on the assessment of efficiency (opportunity costs).
- **Slow processing (efficiency):** The long processing times for applications led to delays in the disbursement of funds, which hampered the immediate support of businesses during the crisis. This caused frustration and financial strain for applicants and may have reduced the overall effectiveness of the programme.
- **Low repayment rate (efficiency):** The repayment rate for loans granted by the fund to MSMEs is only 35%. While a somewhat lower repayment rate may be expected given the circumstances, this is still an unacceptably low rate, with negative impact on efficiency and, indirectly, on other assessment criteria.
- **Late use of funds (effectiveness/impact):** Around a quarter of the applications that were ultimately approved were only approved in the second half of 2021. It is unlikely that many companies were still affected by pandemic-related liquidity problems at that point in time.

General conclusions/lessons learned

- Budget financing is generally a good option for rapid disbursement in times of crisis. Disbursement in tranches to the general budget, combined with disbursement conditions for the further use of national funds, is a cmparatively quick way to enable FC disbursements. However, to the extent that this supports a specific component of the partner's overall package of measures, there should also be a corresponding dialogue based on joint monitoring.
- Setting up budget financing for a sector in which no other FC projects are running during the crisis period is risky. In times of crisis, it is desirable to embed budget financing in existing co-operation with project partners or existing (sectoral) policy dialogue in order to be able to accompany implementation more effectively. As in traditional general budget support and in line with the experience of successful reform financing today, technical support measures (i.e. personnel) should be considered.
- If MSMEs are supported by loans, repayment will have to be ensured by legal measures if necessary. Not only do low repayment rates increase overall project costs. If public agencies that become contractual partners of MSMEs do not ultimately pursue all legal avenues to enforce repayment, they jeopardise the compliance of MSMEs in future government programmes as well as in other government interactions (e.g. tax compliance).

Assessment according to OECD DAC criteria

Relevance

1. Alignment with policies and priorities

The evaluated project, 'Budget financing to support the FSPME Covid-19 Fund', was designed to respond quickly to the effects of the COVID-19 pandemic and to meet the liquidity needs of the MSME sector in Côte d'Ivoire. The conceptual approach reflects national and global development policy priorities, such as protecting jobs and ensuring economic stability. The approach is therefore consistent with the overarching policy framework provided by BMZ and other international donors for crisis management.

The objective of the measure, providing immediate liquidity support to MSMEs to preserve jobs and mitigate the economic impact of the COVID-19 pandemic, was broadly in line with the political priorities of the partners involved. The initiative was designed as part of a comprehensive government support plan for Côte d'Ivoire, which addressed not only the health crisis but also social and economic challenges. Four fund structures were established as part of this support plan, one of which was the fund structure for small and medium-sized enterprises supported by the FC module. Other funds support the informal sector or larger companies.

Budget financing with a one-off tranche payment into the Ivorian national budget was used as an instrument for the FC measure to ensure rapid action in a crisis. At the same time, however, it should be noted that the original concept for the measure did not provide for its integration into an existing sector-specific political dialogue format (e.g. within a financial sector portfolio). Among other things, this had a negative impact on the possibilities for closer monitoring and support for the implementation of the measures.

Quality characteristics such as human rights, gender equality, anti-corruption measures, environmental aspects and digitalisation were partially integrated into the concept, but did not play a prominent role. The FSPME set up a digital application page to make it easier for companies to submit documents. KfW called for the fund's guidelines to be revised to take environmental aspects into account. Clear and transparent criteria for the allocation of the fund's resources were intended to help prevent irregularities. There was no explicit support for companies run by women or those with a particularly high number of female employees.

2. Alignment with the needs and capacities of stakeholders and beneficiaries

The main idea behind the measure was to address the acute threats to MSMEs affected by the pandemic and the decisions taken by the Ivorian government to restrict economic and social life: the lack of liquidity and subsequent insolvency. The aim was to preserve jobs and thus secure people's livelihoods. The concept was also based, at least indirectly, on the assumption that workers who lost their jobs during the crisis would have been less productive in future employment, for example because insolvencies would have resulted in the irretrievable loss of specific forms of intangible capital such as company-specific knowledge ('scarring'). If that wouldn't have been the case, more direct measures to secure the material livelihoods of workers would certainly have had to be considered.

The focus on the MSME sector was based on the correct assumption that MSMEs are particularly vulnerable financially and can hardly survive for long without income or alternative financial support. According to estimates, two-thirds of Ivorian MSMEs suffered temporary declines in turnover of up to 50% in 2020 compared to 2019. Half of micro-enterprises even suffered revenue declines of more than 75% (World Bank, 2020a, 2020b).

In designing the project, the focus was on the urgent need to provide rapid liquidity for the MSME sector. The FSPME provided support in the form of grants for the smallest enterprises and interest-free or reduced-interest loans for slightly larger enterprises. In some cases, support was also provided indirectly through loan guarantees given to financial institutions. Support was available to all businesses in the country and in all sectors, provided they could submit the relevant tax and social security documents and did not exceed a certain size. This was based on the national definition of micro, small and medium-sized enterprises.[1]

During implementation it became clear, however, that many MSMEs were unable to submit the required documents to the FSPME on time. This was often due to lack of experience, especially among micro and small enterprises, in working with the

[1] Micro-enterprises were defined as those with an annual turnover of less than EUR 46,000 and fewer than ten permanent employees, small enterprises were defined as those with an annual turnover of between EUR 46,000 and EUR 230,000 and fewer than 50 permanent employees, and medium-sized enterprises were defined as those with an annual turnover of between EUR 230,000 and EUR 1.5 million and fewer than 200 permanent employees.

banking sector, which meant that their applications were significantly less likely to be successful: 557 of the 894 companies that received support were medium-sized enterprises; only 116 microenterprises received support.

There was no explicit differentiation or special consideration of vulnerable groups (e.g. regarding the gender of the owners or company-specific characteristics). It is therefore clear that, although the fundamental needs of the MSME sector were correctly identified, there was room for improvement in terms of addressing the target group in a differentiated manner, e.g. regarding their capacities and resources.

3. Appropriateness of design

The concept behind the project assumes that rapid and direct access to liquidity is essential, particularly in times of crisis, to ensure the economic survival of companies and the jobs associated with them. Securing jobs would in turn secure the material livelihoods of employees. This logic appears fundamentally plausible.

However, there would have been more direct approaches to securing the material needs of employees. Instead of supporting individual companies through an application process, for example, consideration could have been given to supporting employees and their households more directly (e.g. through direct cash transfers). This idea is taken up again in the chapter on efficiency.

Alongside the goal of securing jobs, the survival of certain companies was therefore a priority. This objective would be particularly relevant if bankruptcies in the Ivorian economy would have caused (labour market) hysteresis (or 'scarring'), i.e. if the pandemic-induced slowdown in growth would have led to a permanent loss of production capacity (Cerra et al., 2023; Blanchard and Summers, 1986).

Scarring is also plausible in developing countries, even though there are very few studies on the topic. However, in the context of the measure, the potential for this will depend heavily on the characteristics of specific sectors. While all companies faced the challenge of being able to finance their employees' wages, the risk of scarring was certainly limited, at least in some sectors. These and related considerations could have been reflected at the design stage.

The fund's approach of adding national funds and donor funds to the FSPME via the Ivorian budget is a compelling element of the project's design. While the fund structures were being redesigned, the BNI was entrusted with financial management, thus largely avoiding the need to set up new structures. The fund's structure was quickly operational in 2020, which was critical. In some respects, this support for the MSME sector broke new ground, namely through the use of credit guarantees. These were made available to financial institutions by the FSPME through a separate structure, the *Fonds de Garantie aux crédits des PME* (FGPME). From an evaluation perspective, existing and proven instruments should be used to the extent possible in times of crisis so that the project becomes effective quickly.

Methodologically, it should be noted that the target values were calculated based on the total number of employees in the subsidised companies at the time of application. This approach is based on the completely unrealistic assumption that all jobs in the companies would have been lost if no subsidies had been granted. The actual employment effects of the fund are therefore very likely to be significantly overestimated (see also Impact). Ultimately, the FSPME lacked a monitoring system that could have been used to verify actual employment effects.

The lack of such a monitoring system is all the more problematic given that the FSPME offered loans at interest rates of up to 2.5% p.a., which is well below the usual interest rates for MSMEs in Côte d'Ivoire.[2] Without adequate monitoring, any requirements to maintain jobs and continue paying wages are unlikely to be perceived as binding by companies. At the same time, the low interest rates create opportunities for arbitrage, that is, even companies that were not experiencing liquidity bottlenecks could have benefitted from submitting applications. Better targeting would have been achieved either through binding conditions or through more market-oriented interest rates (in combination with effective loan recovery or interest bonuses for preserving jobs). However, neither of these measures was implemented in this case.

4. Adaptability – response to change

The social and economic context changed rapidly during the pandemic. Restrictions were imposed in March 2020 (see Figure 2). In the first half of 2020, the government launched an economic support programme, which included the FSPME. The decisive factor here was the fund's 2020 financial endowment from the Ivorian budget. Ultimately, most of the containment measures were lifted as early as mid-2020 – very early by international standards – so that by the beginning of 2022 at the latest, there

[2] The IMF estimates market interest rates for MSMEs at around 15% (IMF, 2022). A comparable emergency aid programme in Nigeria (*Targeted Credit Facility*) charged an interest rate of 5%; in South Africa (*COVID-19 Loan Guarantee Scheme*) it was 7.75% (current repo rate plus 3.5%); in Egypt it was as high as 8%.

was no longer any basis on which MSMEs could receive financial support due to the pandemic. The fund finally suspended its activities at the end of 2022.

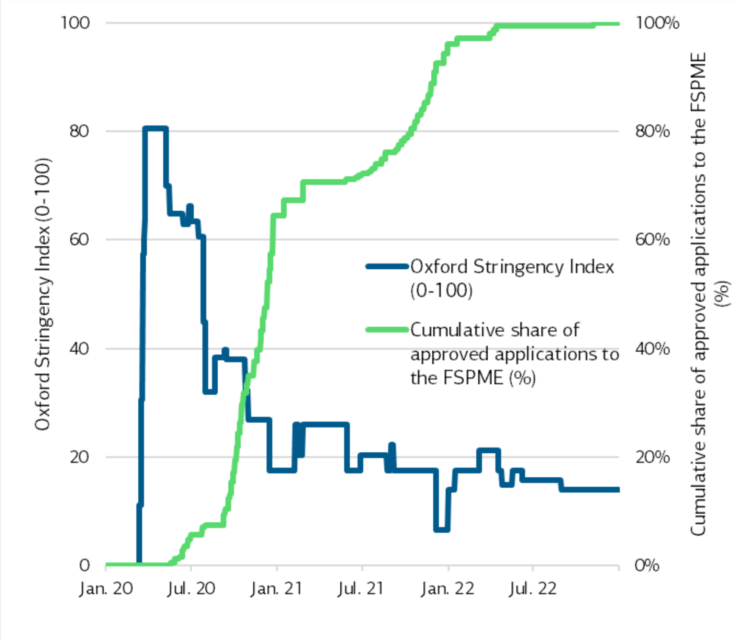


Figure 2: *Restrictiveness of government measures ('stringency index') to counter COVID-19 and cumulative share of approved applications fo the FSPME, January 2020-December 2022.*
Note: *The Oxford COVID-19 Government Response Tracker (OxGRT) is a project that collects and publishes information about the political measures to combat the COVID-19 pandemic over the period 2020-21.*
Source: *Hale et al. (2021). A list of the beneficiaries of the FSPME was obtained from https://fspme.cipme.ci on July 3rd, 2025.*

Against this volatile backdrop and in view of lengthy application review procedures and administrative delays in practice, questions about adaptability quickly arose. According to the FSPME's monthly reports, at least some of the procedures – particularly with regard to improved access for micro-enterprises – were adjusted during 2020, demonstrating a degree of flexibility. In fact, the proportion of applications rejected by the FSPME and BNI fell during the second half of 2020, from 89% in July to 41% in December. However, it is not clear to what extent this is due to changes in the application process. Nor did the proportion of small and micro-enterprises among the beneficiaries increase in the following months.

Funds from KfW (as well as funding from the EU) were disbursed in a single tranche. Although this procedure was intended as a rapid response tool in the event of a crisis, the funds were not disbursed until the end of 2021 – more than a year and a half after the first COVID-19 case in Côte d'Ivoire was registered. This highlights the fact that even instruments originally intended as a 'rapid response' take time to implement. However, by 2020, the fund was already endowed from the Ivorian budget. And the actors were certainly aware some time before the disbursement of the KfW funds that there would be a disbursement. Hence, the relatively late timing of the actual disbursement has arguably not prevented a rapid response, a view that is adopted by the evaluators (see also 'Efficiency'). Supplementary sources of funding, such as additional budgetary resources from the Ivorian budget and EU funding, show that the project was flexible and adaptable in terms of financial implementation.

After the end of the pandemic, new tools were developed to promote MSMEs, including credit guarantees. Lessons were certainly derived from the experiences of the FSPME. However, there was no immediate further development of the FSPME in terms of a reorientation of the instruments or a continuation of the fund (see 'Sustainability').

Rating summary of relevance: moderately successful (3)

The project was fundamentally aligned with national and development cooperation crisis priorities and addressed the urgent liquidity needs of the MSME sector. However, the design of the project had weaknesses in the form of a lack of integration into dialogue formats, high administrative hurdles in the application process, a lack of monitoring and a failure to address the target group.

Coherence

5. Internal coherence

The intervention was established as part of the BMZ's 2020 and 2021 coronavirus emergency programme. The budget financing and the allocation of Ivorian budget funds to the fund were not integrated into an existing political dialogue between Germany's development cooperation and partners within the MSME sector. There was no integration into the then current FC portfolio. Even if payment in a single tranche into the national budget appears to be an appropriate, rapid financing instrument, its subsequent implementation entails corresponding risks that are not closely monitored as they are in project financing. In such a situation, closer integration of budget financing into an existing FC partner structure and on-going projects could possibly have helped to maintain closer dialogue on the implementation of measures. Similarly, a policy dialogue, such as that found in traditional budget support or current reform financing, or support in the form of FC personnel assistance measures, could have been useful.

At the same time as the project was launched, GIZ supported the MSME sector in the country through the projects "Invest for Jobs" and "Job partnerships and promotion of small and medium-sized businesses in Côte d'Ivoire". Their aim was to strengthen the resilience of companies during the pandemic and to support them in the application process. The FSPME was also to be supported for a period of six months in its early stages in 2020. Close coordination between KfW and GIZ therefore took place initially, but ceased to play a significant role after 2020.

Securing jobs and thus household incomes is an important element in meeting basic needs. International norms and standards, such as those relating to human rights, gender equality and climate protection, did not play a prominent role in this measure. Environmental aspects were incorporated into the FSPME funding guidelines.

6. External coherence

The FSPME was an initiative launched by the government of the Côte d'Ivoire. It was part of a comprehensive plan to tackle the economic, social and humanitarian consequences of the pandemic and thus complemented by other measures implemented by the government. In addition to the German contribution, the EU supported the FSPME with EUR 10 million. Other international donors such as the IMF, the World Bank and the African Development Bank also supported the government during this period with budgetary assistance.

A certain degree of coordination between partners – particularly between the EU and German development cooperation – and the Ivorian government was envisaged from the outset. However, the results of the evaluation indicate that it was not possible to establish a more intensive, coordinated dialogue among partners and with the partner country's government on a sustainable basis. For example, there is a lack of information regarding the possible joint use of monitoring and evaluation systems.

Rating summary of coherence: moderately successful (3)

The measure essentially complements the partner's own efforts and is embedded in the international support environment, but there are shortcomings in on-going coordination and in the systematic use of joint structures. Overall, this suggests limited success in terms of coherence, with still untapped potential for improving sectoral integration and the sustainable coordination of the instruments used in German development cooperation.

Effectiveness

7. Achievement of objectives

The outcome-level target adjusted as part of the EPE was: "KKMUs have achieved improved liquidity in the short term and on favourable terms." The additional target dimension formulated during the project appraisal, namely to preserve jobs and mitigate the negative social and economic consequences of the coronavirus pandemic for the population, was moved to the impact level during the ex-post evaluation and is discussed there accordingly.

The following indicators were used to measure the outcome objective:

Indicator	Status at time of review	Target value at EPE (review)	Actual value at PCR	Actual value at EPE
(1) Number of MSMEs receiving loans or grants through the fund (the entire duration of the FSPME is considered as the time frame)	0 (at the time the FSPME became active)	600	Not applicable. PCR not yet produced.	With respect to the FSPME in its entirety: 894 Proportionate to FC financing of the FSPME (31.1%): 278 Target value not achieved
(2) Volume of loans and grants disbursed through the FSPME in EUR (the entire term of the FSPME is taken as the time reference)	0 (at the time the FSPME became active)	EUR 30 million	Not applicable. PCR not yet produced.	With respect to the FSPME in its entirety: EUR 52.55 million Proportionate to FC financing of the FSPME (31.1%): EUR 16.38 million Target value not achieved

***Table 2**: Outcome target achievement*

The table shows that the primary objective of the FSPME – providing liquidity to MSMEs in a crisis situation – was achieved to a lesser extent than hoped for. The fund was unable to meet the target values for the indicators originally defined by the FC – 600 companies supported and a financing volume of EUR 30 million – because the total values of the FSPME, which are significantly above these targets, can only be attributed proportionally to FC financing. This is reflected in the total of 894 MSMEs supported and a total volume of FCFA 34.469 billion (52.55 million euro) disbursed. Of these target values, only 278 MSMEs or a total funding amount of EUR 16.38 million, respectively, can be assigned to the FC project – in line with a financing share of 31.1%.

The FSPME had a very high total financial allocation of FCFA 63.1 billion (EUR 94.65 million). However, only 54.6% of this total was paid out to companies in the form of grants and loans. An additional FCFA 10 billion (around 15% of the fund's total resources) was available for loan guarantees. Yet with one exception, there was no demand for these. At the end of 2022, around FCFA 25 billion (EUR 38 million) remained with the FSPME, with (a limited amount of) repayments accounting for part of this total.

The breakdown by financing instrument shows that, in addition to a few subsidies (grants) and interest-free loans, most of the loans granted were low-interest loans (768 loans, FCFA 33.94 billion). In terms of company size, it is striking that the largest volume of funding went to medium-sized companies (557 medium-sized companies: FCFAS 31.31 billion), while so-called micro-enterprises received comparatively little support. Eighty-four percent of the companies receiving support were based in the greater Abidjan area, reflecting the high concentration of the country's economic activity in this region. In terms of the sectoral distribution of funds, there was a concentration on services, trade and construction, together accounting for around 75% of the total disbursements. Other sectors such as catering and industry received only a small share.

KfW requested that the FSPME revise its internal guidelines to take environmental aspects into account when selecting companies. FSPME criticised the administrative burden of this revision and described it as inappropriate in a crisis situation but ultimately implemented it. For KfW, these requirements are, of course, standard practice. In retrospect, there are no known cases in which these criteria led to the rejection of a funding application. At the same time, it is not possible to say whether these criteria led to a lower number of applications.

8. Contribution to the achievement of objectives

The objectives outlined above and their achievement, as defined, can be attributed to the support provided to companies by the FSPME. The following comments serve to further classify the objectives achieved at the level of MSME:

The rapid operational readiness of the FSPME in 2020 was crucial to the effectiveness of the measure in response to the crisis. Almost two thirds of successful applications to the FSPME were approved in the first year of the pandemic, when economic and social restrictions had a negative impact on companies' economic activity (Figure 2). A total of 590 MSMEs received support amounting to FCFA 25.55 billion in 2020.[3] However, it should be noted that there were delays of several months in some cases in the submission of applications by MSMEs and in their processing by the FSPME. Companies often waited two to four months for a financing decision and an additional one to three months for payment.

At the same time, the timing of the approvals of applications after 2020 raises questions. Only a few applications – around 7% of all approved applications – were accepted in the first half of 2021. This is plausible insofar as Côte d'Ivoire was already well into its recovery phase at that point and there was presumably less acute demand for liquidity. However, it is unclear why almost a quarter of the applications were still approved in the second half of 2021. By this point, a significant recovery was also noticeable worldwide, while the economic turmoil associated with Russia's war of aggression against Ukraine was still several months away. It cannot be assumed that the original problem that the fund was intended to address still existed at that point in time. It can therefore be assumed that these applications were hardly effective in view of the fund's original objective.

The high demand for the fund's services was reflected in the large number of applications: by the end of 2023, a total of 3,900 companies had submitted applications for financing. However, only about a quarter of these were approved. This meant that many companies incurred costs that ultimately did not result in liquidity support. At the same time, the FSPME had to perform a significantly greater amount of administrative work to provide financial support to the MSMEs that were ultimately selected. Nothing further is known about the economic development of those companies whose applications were not approved. However, considering the generous financial resources available to the fund, it remains an open question whether a significantly greater effect could have been achieved here.

9. Quality of implementation

The project was implemented partly through an existing institutional infrastructure, with particular emphasis on the use of the BNI as a central instrument in financial management. Based on experience with government support programmes, this was a sensible choice. The fund itself was set up as a lean structure. The decision-making bodies of the FSPME were made up of relevant stakeholders.

Nevertheless, the implementation process was marked by administrative hurdles: lengthy processing times, frequent requests for additional documentation and, in some cases, requirements that were considered excessive by MSMEs led to delays and made it difficult for MSMEs to access the funds quickly. This highlights the risks of establishing a new support mechanism that must be able to act quickly and professionally in times of crisis. Although no systematic irregularities were identified, potential risks remain in the areas of transparency and equal opportunities, which are associated with the basic operating principle of the fund: a committee deciding on applications from individual companies.

The technical support provided by GIZ and the EU is considered appropriate and adequate in terms of the quality of implementation. Closer monitoring of the FSPME, for example through personnel support measures financed by the Federal Ministry for Economic Cooperation and Development (BMZ), and continued close coordination with the EU could have had an additional positive impact on the quality of implementation.

10. Unintended effects (positive or negative)

Several aspects of the FSPME's work are worth mentioning in the context of unintended effects, but are discussed in more detail in other chapters and sections and are therefore only briefly mentioned here:

- Administrative requirements placed on MSMEs in the application process have already been discussed. It is plausible that these requirements have led to discrimination against micro-enterprises, which were presumably particularly disadvantaged or financially vulnerable within the target group. Ultimately, only 116 micro-enterprises received support amounting to FCFA 442.56 million (approximately EUR 675,000). The allocation of support by firm size is discussed again in the chapter on efficiency. Future projects should pay greater attention to ensuring balanced and non-discriminatory access.
- Negative effects result from the very low repayment rate. This not only significantly increased the fiscal costs of the project. The lack of enforcement capacity or willingness on the part of the state structures involved also undermines both the payment behaviour of MSMEs in future projects with state funding and tax compliance in general (see sections on production efficiency and the chapter on impact below).

[3] Almost 60% of applications were approved in the second half of 2020. This coincides with the gradual lifting of the most severe pandemic-related restrictions on economic activity. However, it can be assumed that demand for liquidity from MSMEs remained unusually high, not least because it could not be ruled out that further restrictions would be necessary in the future. An analysis by the IMF shows, for example, that credit growth only picked up again in the third quarter of 2020 (IMF, 2022).

- On a positive note, in the years since the FSPME ended, FC-supported successor structures have been established which, among other things, support the MSME sector through credit guarantees and offer further advisory services for MSMEs (Société de Garantie des crédits aux PME, SGPME, see the chapter on sustainability).
- The lack of utilisation and the associated opportunity costs of the remaining funds held by the FSPME, amounting to around FCFA 25 billion (EUR 38.1 million), have indirect negative effects (see section on efficiency).

Rating summary of effectiveness: moderately unsuccessful (4)

Considering the relative contribution of FC funds to the entire endowment of the FSPME, the FSPME did not achieve the quantitative targets that were envisioned at the outset. Fewer MSMEs than originally planned were supported by the FC. At the same time, the remaining high level of residual funds further calls into question its effectiveness. Weaknesses exist in terms of lengthy administrative processes and delays, as well as the poor involvement of particularly vulnerable smaller enterprises. Overall, the project was successful in some aspects, but has operational shortcomings that render it overall moderately unsuccessful.

Efficiency

11. Production efficiency

Budget financing is generally an efficient starting point for providing funds to a vehicle such as the FSPME. As already explained in the section on relevance, the relatively late disbursement of FC funds in a single tranche at the end of 2021 is not considered to have had a negative impact on efficiency. At that point in time, almost all of the 894 companies that ultimately received support had been served. However, the fund had been adequately endowed with Ivorian budgetary resources since 2020, possibly in anticipation of the later disbursement of FC and EU funds. The FC disbursement thus essentially represents a kind of retrospective reimbursement of costs.

It is generally efficient to draw on existing national structures as far as possible for additional financing offers, as this keeps additional administrative and personnel costs low. The FSPME used established structures within the BNI for the financial processing of MSME support. The administrative costs, which remained below the specified threshold of 2%, were primarily incurred by the FSPME committees, i.e. for processing the support applications.

However, as already mentioned, lengthy application procedures that were complex for MSMEs led to considerable delays. Particularly in the first few months of the fund's operation, applicants often waited two to four months for a financing decision and then another one to three months for the FSPME to disburse the funds. This led to a significant loss of efficiency. Bridging several months in the acute crisis period placed a considerable financial burden on companies. In principle, the processing and approval of individual applications from MSMEs by a fund's committee is not very efficient, especially when it comes to providing companies with liquidity particularly quickly in an acute crisis situation.

In general, we note that despite high demand, only around 55% of the funds available to the FSPME were actually disbursed to MSMEs. The utilisation of funds provided for loan guarantees was particularly low, although these only accounted for a small proportion of the FSPME's total funding. Even though more than 40% of the funds were not used, there were at the time firms that would certainly have taken advantage of the favourable conditions, as evidenced by the high number of firms applying. However, by 2021, the attractive financing conditions that came with FSPME support were hardly justifiable, as pandemic-related restrictions on the economy had mostly been lifted at that point. The question of opportunity costs therefore arises with regard to the retention of residual funds – see allocation efficiency below.

However, from the perspective of the ex-post evaluation, the decisive factor for the poor efficiency rating is the low repayment rate of MSMEs to the FSPME. This reflects extremely poor repayment behaviour on the part of MSMEs and a lack of enforcement capacity or willingness on the part of the FSPME, the BNI and the MFB. According to the partners involved, the repayment rate at the time of the evaluation was around 35%.[4] The repayment periods – typically three years – had all expired, and the actors involved had not been able to convincingly demonstrate that the repayment rate will increase significantly. Even if one accounts for the specific nature and circumstances of the project – a combination of budget financing and MSME support during a crisis situation – the repayment rate is unacceptably low.

The following back-of-an-envelope calculation may be helpful in roughly quantifying the additional costs associated with the low repayment rate for the project. By the end of 2023, the FSPME had issued a total of FCFA 34.4 billion (EUR 52.48 million) in

[4] By way of comparison, the repayment rate in a similar project (coronavirus emergency aid via the financial sector; BMZ No. 2020.6827.8) in Senegal was 94.5% for small and medium-sized enterprises, despite the difficult economic situation at the time of the evaluation.

loans, of which almost FCFA 34 billion had been in the form of three-year loans at a (heavily subsidised) interest rate of 2.5% per year. With government financing costs of around 6% (Figure 3) and repayment schedules of three years (with three grace months), the cost of the project would have been around FCFA 1.9 billion (EUR 2.8 million) for the loans with interest at 2.5% per year alone. However, due to the low repayment rate, the opportunity costs of the fund's low-interest loans are estimated to be about twelve times higher: FCFA 22.7 billion (approx. EUR 34.1 million). This calculation does not yet account for the opportunity costs associated with the funds remaining with BNI (see below).

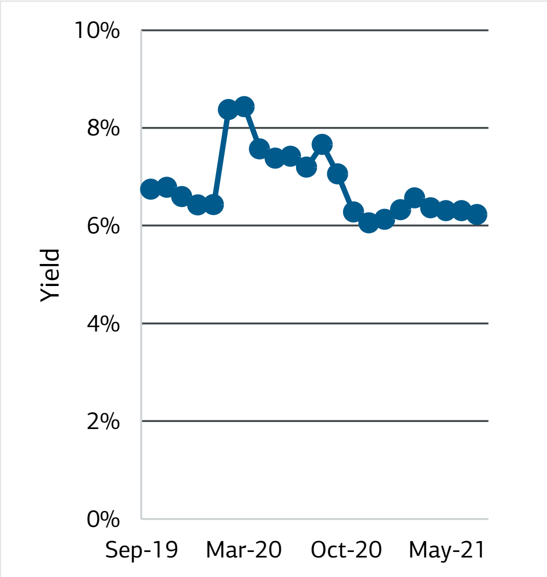


Figure 3: *Yield on an Ivorian government bond (German Securities Identification Number: A2R9D3) with a term from 2019 to 2040.*
Source: *finanzen.net*

The FSPME has clearly defined the repayment terms in its agreements with MSMEs. Therefore, the argument put forward by some of the parties involved that the FSPME is primarily intended as a crisis instrument and that, despite the predominantly low-interest loans, repayments are of secondary importance, is not convincing. Legal action would have had to be taken as a follow-up measure in the event of non-repayment. However, the state institutions do not seem willing to do so. The result is a further undermining of payment morale and damage to the legal clout of the state actors involved (see also *Impact*).

12. Allocation efficiency

Turning to allocative efficiency, the first question that arises is whether the effects achieved could have been achieved more cost-effectively and thus more efficiently than alternative courses of action. A detailed economic profitability calculation or sectoral cost-efficiency comparisons cannot be carried out within the scope of the evaluation. However, the minimum wage outside the agricultural sector in Côte d'Ivoire, which stood at FCFA 60,000 (approx. EUR 90) per month in 2020, may serve as a rough guide. The originally estimated EUR 2.8 million – calculated as the opportunity cost of the low-interest loans, see above – would thus have been sufficient, at least in theory, to pay the minimum wage to just under 2,600 workers for one year. The original goal of securing 6,000 jobs does not therefore seem to lack ambition. However, the costs of EUR 34.1 million ultimately incurred due to the low repayment rate could have been used to pay the minimum wage to over 30,000 employees for a year. There must therefore be considerable doubts about the efficiency of the project.

At the time of evaluation, the FSPME reported a total of almost 10,000 jobs (including part-time jobs) among the firms receiving support at the time of application, i.e. each job was subsidised by an average of over EUR 3,400. However, due to a lack of monitoring data, it is unclear how many jobs were actually preserved by the measure (see *Impact*). The number is likely to be far lower.

The question remains what other mechanisms would have been available. One option are direct cash transfers to households to compensate for labour income. They would require sufficient administrative data – also challenging hurdle. However, this would have completely circumvented the repayment issue. In Côte d'Ivoire, 125,000 households received direct payments of USD 136 per quarter as part of the *Fonds Spécial de Solidarité COVID-19*. Existing databases were used to identify beneficiaries. For a period of two months, payments were also made to just over 20,000 workers whose employment contracts had been terminated. A cash transfer to a household is not necessarily equivalent to obtaining a job. However, given the nature and distribution of firms across sectors, it can be assumed that comparable jobs would have been created again when economic activity resumed.

Another option is the broader provision of liquidity support to the MSME sector by means of flexible and comprehensive credit guarantees. This would have had the advantage of allowing the assessment of long-term profitability and debt collection to be delegated to private financial institutions, which would probably have been more efficient in this regard. However, this option would have likely required greater penetration of financial services in the MSME sector than was the case in Côte d'Ivoire.[5]

A third option would have been tax relief for affected firms. In Côte d'Ivoire, some taxes and fees for firms were suspended during the pandemic. Other effective relief measures, such as corporate tax suspensions, also require that firms face a correspondingly heavy tax burden in normal times, which is doubtful.

Question about financial additionality arise for two reasons. Firstly, the payment into the Ivorian budget was not made until the end of 2021, while the FSPME was already financed from the Ivorian budget in 2020. The pandemic-related restrictions in Côte d'Ivoire were already largely lifted by the end of 2020. Secondly, the FSPME only used around 55% of the funds available to it, with FC financing accounting for around 30% of the FSPME's total financing. The evaluation's argument regarding financial additionality is that the FC funding must have appeared certain to the Ivorian partners, above all the MFB, at a relatively early stage – presumably at the end of 2020. The extensive provision of national funds by Côte d'Ivoire must be seen in this context. Overall, the Covid-19 pandemic naturally placed a considerable financial burden on the Ivorian budget, so that donor-financed funds for the budget did indeed exhibit a certain degree of financial additionality.

The remaining funds held by the FSPME – around FCFA 25 billion (EUR 38.1 million) – were still in a BNI account at the time of the evaluation. According to the MFB, it was decided that these funds should be returned to the national budget. However, this has not yet happened and the reasons for this remain unclear. With the government's financing costs in the range of 6-7% (Figure 3), this results in opportunity costs running into millions each year. The remaining funds should therefore be quickly allocated to other uses via the national budget.

There were upper limits on the maximum funding per firm for the various financial products offered by the FSPME (grants, interest-free loans and reduced-interest loans). These upper limits were considered to be generally appropriate to the needs and size of the firms, so that the funds were used efficiently in this respect. However, firms reported that in some cases significantly less than the upper limit was approved. The terms and conditions were also considered appropriate for the crisis situation, with a significant interest subsidy element compared to standard market conditions in Côte d'Ivoire. Although all three products were in demand, interest-reduced loans accounted for most of the financing amounts. This is due to the fact that larger firms tend to require larger loan amounts and therefore primarily applied for interest-reduced loans. In terms of both financial volume and number, medium-sized companies benefited the most.

The approach of providing a financing window for loan guarantees in addition to grants and loans directly for MSMEs was fundamentally understandable. However, there was hardly any demand for this. Only one microfinance institution took advantage of this product through the FSPME. The funds of up to FCFA 10 billion that were made available to commercial banks via the FGPME were not drawn down.

As already noted, larger MSMEs in particular – i.e. medium-sized firms – gained access to the FSPME's support products. It is not clear that these were the ones with the greatest need for support. Given that smaller enterprises in particular tended to have more difficulty obtaining support and that it is generally assumed that small enterprises are more likely to suffer from liquidity bottlenecks, the efficiency of the allocation in this respect is questionable.

As noted in the chapter on effectiveness, a particularly large number of frims from the greater Abidjan area have received funding (around 84%). However, this reflects the economic structure of the country, so that allocative efficiency can be assumed to be appropriate in this respect.

Rating summary of efficiency: unsuccessful (5)

While the project got off to an efficient start thanks to the use of established structures and a one-off tranche payment, lengthy and complex application processes led to considerable delays, which placed a financial burden on MSMEs, particularly in the crisis situation. In addition, only around 55% of the funds made available were allocated, with the delay in returning the remaining funds to the budget likely to result in significant opportunity costs. The extremely low repayment rate of around 35% undermines the credibility and assertiveness of the actors involved, as well as their payment behaviour and financial discipline. The low demand for loan guarantees and the predominant support for larger MSMEs highlight further structural deficiencies. Overall, this points to an inefficient use of the funds deployed. A final audit report on the project, which is still pending, may provide additional transparency on remaining funds and repayments and serve as a basis for further decisions.

[5] According to project partners, only around 10% of MSMEs in Côte d'Ivoire have access to the private banking sector.

Impact

13. Overarching developmental changes

The impact-level target adjusted as part of the EPE was 'MSMEs secure jobs and thus mitigate the negative social and economic consequences of the coronavirus pandemic for the population.'

The following indicators were used to measure the impact target.

Indicator	Status at time of review	Target value at EPE (review)	Actual value at PCR	Actual value at EPE
(1) Jobs secured (the entire duration of the FSPME is taken as the time frame)	0 (at the time of the start of the FSPME)	6.000	Not applicable. PCR not yet produced.	With respect to the FSPME in its entirety: 9.995 jobs, of which 2.578 part-time jobs Proportionate to FC financing of the FSPME (31.1%): 3.108 Target value not achieved

Table 3 *: Impact target achievement.*
Source*: Reporting by the FSPME.*

With 9,995 jobs, significantly more than the 6,000 jobs originally targeted by the FC were formally secured.[6] Regarding the higher-than-planned target values, it should be noted that the fund had far more resources at its disposal than just the FC contribution, so that these actual values can only be attributed proportionally to FC financing (31.1% of the FSPME).

Another critical issue is that the number of jobs secured is approximated by the total number of employees of the subsidised firms at the time of application to the FSPME. On the one hand, it is assumed that all jobs at the participating firms would have been lost without the measure. This must be considered extremely unlikely. For instance, the *US Paycheck Protection Program*, a pandemic-era programme with an approach similar to that of the FSPME[7] and whose impact has been empirically studied by various researchers, shows that of the nearly 60 million jobs covered by the programme at peak times, only between 3.6 and 15 million would have been lost without the programme (Autor et al., 2022; Faulkender et al., 2024). Since the FSPME tended to support more productive firms, it can be assumed that their resilience during the crisis was not solely due to the support provided by the FSPME, i.e. that this support was not decisive for the survival of the firms and the jobs associated with that.

On the other hand, however, the indicator is based on the assumption that no jobs were lost at firms receiving support. Ultimately, however, there was no monitoring of the employment figures of participating firms, so this assumption cannot be verified across the board. However, the evaluation does find at least some evidence that it does not hold: Three out of four firms whose owners were interviewed as part of the evaluation and who provided information on personnel development during the pandemic experienced job losses during the first year of the pandemic despite receiving support. Taken together, these four firms had almost 20% fewer employees at the end of the first year of the pandemic than at the beginning of that year.[8]

This result is also partly due to the fact that around a quarter of applications were only approved in the second half of 2021. At that point, the Ivorian economy was already recovering – according to World Bank data, it grew by around 6.5% in 2021, a growth rate that was lower than in the pre-pandemic period but higher than in other countries in the region. These developments are mainly due to the rapid lifting of pandemic-related restrictions. It is doubtful that these late commitments helped to secure jobs.

14. Contribution to overarching intended developmental changes

It is conceivable that without the FSPME, some of the MSMEs that were supported would not have survived the crisis and jobs would have been lost, at least temporarily. At the same time, some of the employees would probably have been able to find new

[6] The 2023 report mentions 12,552 jobs ('9,995 full-time jobs and 2,557 part-time jobs'). However, the latest FSPME reports indicate that a total of 9,995 jobs were secured in 894 subsidised companies, of which 2,578 were part-time jobs ('9,995 dont 2,578 occasionnels').

[7] One key feature of the *US Pacheck Protection Program* was that loans could be converted into grants if firms met certain employment targets after a few weeks. It therefore required a strong monitoring system.

[8] At the first firm, the number of employees fell from 15 to just eight between the beginning and end of 2020; at the second frim, from 55 to 48; at the third firm, from three to just one; at the fourth company, it remained constant at ten employees. At least in the case of the first two companies, the number of employees at the time of the evaluation (mid-2025) was significantly higher than at the beginning of 2020 (45 and 95 employees, respectively). At the third company, it was one; at the fourth, it was nine employees.

jobs in the same industry quickly after the economy reopened. However, it can be argued that it was necessary to cushion the impact on households during the height of pandemic-related restrictions in 2020. Therefore, there is certainly some additionality, albeit with significant limitations.

Beyond effects on employment, no significant structural effects can be identified, either at the level of MSMEs or at the institutional level in terms of government support for MSMEs. The new structures for promoting MSMEs that emerged after the crisis are discussed in the chapter on sustainability, but they are only loosely related to the FSPME and the FC measure. The next section analyses the negative effects of the very low repayment rates on the promotion of MSMEs.

15. Contribution to overarching unintended developmental changes

In contrast to the unintended effects described in the chapter on effectiveness, this section will only address the potential effects of the very low repayment rates. As noted in the chapter on efficiency, FSPME, BNI and MFB appear unwilling to take legal action to enforce non-repayments by MSMEs. This stance undermines the payment behaviour of MSMEs and damages the legal clout of the state actors involved. These unintended effects, albeit not intended, were ultimately consciously accepted. For any future support programmes, e.g. in another crisis situation, there is a risk that the parties involved – MSME beneficiaries above all – will not take seriously contracts with repayment clauses. This sends a counterproductive signal for the 'financial culture' of the MSME sector and its promotion, and is considered here to be a negative, unintended change in development policy.

Rating summary of impact: moderately unsuccessful (4)

With regards to the share of FC funding in the FSPME, the target values could not be achieved to the extent hoped for. In addition, there was a lack of monitoring to record net effects of the FSPME on employment. The implicit assumption that all jobs at the supported firms would have been lost and that the FSPME can therefore be credited with preserving a certain number of jobs is in any case implausible. At the same time, the evaluation finds evidence that firms that received subsidies also cut jobs. The very low repayment rates and the lack of legal enforcement have had a negative impact on the financial culture and future enforcement capacity of state actors. Overall, these shortcomings outweigh the positive aspects, so that the impact of the project can be assessed as rather unsuccessful.

Sustainability

16. Capacities of beneficiaries and stakeholders

Firstly, with regard to sustainability, it should be noted that the focus of the FC project was on providing short-term liquidity support to MSMEs during the pandemic. Longer-term measures to strengthen the capacity of MSMEs or support institutions – for example, in the form of knowledge and technology transfer – were not part of the project. If MSMEs were able to maintain their economic activity thanks to the support provided by the fund, it might be possible to speak of certain sustainable effects. The evaluation was able to verify – by means of convenience sample – that MSMEs are still active today and, in some cases, have even been able to expand their activities.

Despite strong credit growth over the last 20 years, MSMEs often lacked access to formal credit before the pandemic. It remains unclear whether the experience of the pandemic has contributed to a certain degree of financial resilience among MSMEs in the face of potential new crises. The institutional, human and financial capacities of the actors involved – from the target group to the implementing institutions – remain largely expandable. The successor structures to the FSPME and MSMEs as a target group need to be further strengthened to be able to adequately respond to future crisis situations. Systematic capacity building could make a decisive difference to the efficiency and sustainability of future projects.

17. Contribution to supporting sustainable capacities

The project deliberately drew on existing structures such as the BNI, thereby minimising administrative overheads. The institutions and partners involved at the time, FSPME, BNI and FGPME, were able to demonstrate ownership at short notice. However, the project design left no room for systematic institutional, personnel and financial capacity building, meaning that the project had little impact on the long-term ability to promote the MSME sector after its conclusion. The new focus on developing a fund to guarantee MSME loans (SGPME), which is currently also supported by KfW, and the establishment of a central contact point for MSMEs, *Guichet Unique de Développement des PME* (GUDE-PME) with the successor structure to the FSPME, the *Société d'État Côte d'Ivoire PME* (CI PME), were able to benefit indirectly and in part in terms of personnel from the experience gained. In particular, the low repayment rate of MSME loans is one aspect where there is a considerable need for further development of the institutions involved.

18. Durability of impacts over time

No lasting effects can be expected at either the MSME level or the level of the funding institutions in Côte d'Ivoire. As already described, the measure focused on providing short-term liquidity support for MSMEs during the pandemic. Long-term prospects for structural change and the sustainable safeguarding of the effects achieved are questionable. The context – characterised by dynamic developments during the coronavirus pandemic and rapid changes in the local economic environment – had a considerable impact on the project and represented a special situation.

However, as further crises, possibly also health-related, are to be expected in the future, the project offers some lessons that can benefit future measures (see above, General conclusions/lessons learned).

Rating summary of sustainability: moderately successful (3)

The project had a short-term impact during the crisis, as it provided MSMEs with the liquidity they needed and helped companies to maintain their economic activity. The focus was exclusively on acute measures; long-term capacity building and institutional strengthening were not addressed. The resilience of MSMEs to future crises remains at risk, and the Ivorian support landscape is still in the process of establishing sustainable structures. Overall, the project can therefore be assessed as having had limited success.

Overall assessment: moderately unsuccessful (4)

Overall, the project is rated 4, 'moderately unsuccessful'. Although liquidity support was provided for the MSME sector in the short term, the impact on employment remains unclear due to methodological weaknesses. The very low repayment rate implies high costs for the national budget and a weakening of the credibility of the FSPME. It also has a negative impact on the financial culture and payment behaviour of the actors involved. Significant residual funds cause opportunity costs. Overall, the deficits in efficiency and impact outweigh the positives, leading to the assessment that the project is moderately unsuccessful.

Contribution to Agenda 2030

The project's contribution to Agenda 2030 was evident in its approach to addressing key sustainable development goals such as decent work, economic growth and poverty reduction (SDGs 1 and 8). In a time of crisis, the project helped to secure jobs by providing rapid liquidity, thereby strengthening social and economic cohesion in the short term. Ecological criteria for the promotion of MSMEs were formulated, but played only a minor role in the acute crisis situation and for the selected target group of firms. Existing national structures and international partners were used, in line with the principles of shared responsibility and accountability (SDG 17). At the same time, it is clear that although the measure provided important economic stimulus, there is still room for improvement in terms of inclusiveness and the long-term support of vulnerable groups, as smaller and less well-organised firms often failed to meet the administrative requirements. The project thus contributed to the implementation of the SDGs by mitigating the acute effects of the crisis. However, with a view to contributing to sustainable and inclusive development, additional mechanisms would have been necessary.

Methodology

Evaluation methodology

The ex-post evaluation follows the methodology of a rapid appraisal, i.e. a data-based, qualitative contribution analysis, and represents an expert opinion. The project is attributed effects based on plausibility considerations, which are based on a careful analysis of documents, data, facts and impressions. Where possible, this also includes the use of digital data sources and modern techniques (e.g. satellite data, online surveys, geocoding). The causes of any contradictory information are investigated, attempts are made to resolve them, and the assessment is based on statements that are confirmed by several sources of information (triangulation), where possible.

The analysis of the effects is based on assumed causal relationships, documented in the impact matrix developed during the project appraisal and updated during the ex-post evaluation, if necessary. The evaluation report sets out arguments as to why certain influencing factors were identified for the effects observed and why the project under review probably made a certain contribution (contribution analysis). The context of the development measure is taken into account in terms of its influence on the results. The conclusions are put into relation to the availability and quality of the data basis. An evaluation concept serves as the reference framework for the evaluation.

The method offers a balanced cost-benefit ratio for project evaluations, on average, with a balance between knowledge gain and evaluation effort, and allows for a systematic assessment of the effectiveness of DFG projects across all project evaluations. Individual ex-post evaluations cannot therefore meet the requirements of a scientific assessment in the sense of a clear causal analysis.

The main objective of the evaluations (knowledge interest) is to measure impacts, provide accountability, promote transparency and enable institutional learning.

Type of evaluation:

Mission to the project area.

Key questions of the evaluation according to the evaluation concept:

- **Timing:** To what extent was the FC able to contribute sufficiently quickly and efficiently to mitigating the economic consequences of the coronavirus pandemic in the acute crisis situation at the time?
- **Needs orientation:** How well do the objectives of the FSPME reflect the specific needs and capacities of MSMEs in Côte d'Ivoire, particularly with regard to the impact of the coronavirus pandemic? Was it possible to support those MSMEs that were profitable in the long term but had acute liquidity problems during the crisis?
- **Design and implementation:** Was the design of the FSPME appropriate, both technically and financially, to address the core problems identified for MSMEs and achieve the desired effects? What about transparency and costs/effort involved in the application process?
- **Achievement and appropriateness of objectives:** To what extent were the objectives set for the FSPME achieved, how ambitious were they, and what factors had a positive or negative impact on the achievement of objectives?
- **Sustainability:** Taking into account the level of ambition: Were there any learning effects, or were measures taken to ensure the sustainability of the positive effects of the FSPME? How resilient are the supported MSMEs and the current structures for promoting MSMEs to future economic challenges and crises?

Non-public (internal) documents

Confidential project documents were consulted.

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Data sources and analysis tools

Data from the World Bank and the IMF on the macroeconomic situation during the COVID-19 pandemic were used in the production of this report. Data on the stringency of policy measures to contain the spread of infection (lockdowns, travel restrictions, school closures and bans on gatherings) are from the University of Oxford (Hale et al., 2021). Financial data on the FSPME come from FSPME reporting. A small survey was conducted among the companies participating in the focus group discussions.

Project sites visited

Abidjan, Côte d'Ivoire

Interview partners and modality (in person, virtual/by telephone, in writing)

Ministère des Finances et du Budget; the FSPME fund and its successor structures CI PME and SGPME; representatives of companies, also represented by the Fédération ivoirienne des PME; other donors (EU, GIZ); participating bank Banque National d'Investissement (all in person).

The following aspects limited the evaluation

It was not possible to conduct a representative survey of MSMEs benefiting from the FSPME, so two focus group discussions with a smaller selection of firms were conducted instead. In general, the data available and access to data were limited.

Assessment methodology

A six-point scale is used to assess the project according to OECD DAC criteria, with the exception of the sustainability criterion. The scale values are as follows:

Level 1 Very successful: results significantly above expectations

Level 2 Successful: results fully in line with expectations, without significant shortcomings

Level 3 Moderately successful: results below expectations, but positive results predominate

Level 4 Moderately unsuccessful: significantly below expectations and negative results dominate despite recognisable positive results

Level 5 Unsuccessful: despite some positive partial results, the negative results clearly dominate

Level 6 Highly unsuccessful: the project is useless or the situation has deteriorated

The overall rating on the six-point scale is based on a project-specific weighting of the six individual criteria. Levels 1–3 of the overall rating indicate a ‘successful’ project, while levels 4–6 indicate an ‘unsuccessful’ project. It should be noted that a project can generally only be classified as "successful" in terms of development policy if both the achievement of objectives at the outcome level (effectiveness) and impact level, as well as sustainability, are rated at least as "moderately successful " (level 3).

Imprint

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