

Annex IV Summary of changes in the PUM Programme (2023 – 2030)

February 2025

1. Overview of Key Documents

The evolution of the PUM programme from 2023 to 2030 is shaped by several documents:

- **Subsidy proposal (22 May 2022)**
- **Addendum (3 October 2022)**
- **Approval MoFA (28 November 2022)**
- **Approval annual plan 2024 (4 March 2024)**

2. Changes in the Theory of Change

The **Theory of Change** has been refined based on the [Baseline Evaluation](#) (SEO, 2023):

- **Previous focus:** Two pillars—improving (M)SME operations and enhancing the business environment.
- **Updated focus:** Three pathways—supporting SMEs, strengthening organizations, and fostering business ecosystems.
- **Reason for the refinement:** The adjusted Theory of Change includes the pathway of working in business ecosystems as an overarching strategy. Since PUM's approach for working in business ecosystems and the underlying assumptions are still under development, the Theory of Change will still be subject to adjustments in the coming period.

3. Strategic Changes

While the original proposal included three strategies, namely *Vibrant Business Systems*, *Cluster Focus* and *Programmatic Approach*, the shift that is also reflected in the Theory of Change is the focus on **Business Ecosystems**, pulling these three strategies together into one core strategy. This strategy is defined as a longer-term collaboration between at least one supporting organisation and multiple SMEs, to address the shared challenges of SMEs in a structural way, and to create more economic, social and ecological impact. Instead of working with 10 pilot programmes aiming at 'Vibrant Business Systems', PUM has chosen to work with a maximum of three **business ecosystems** per country by 2025, as a bottom-up, agile approach to work with different ecosystems and adapt our approach based on the learnings.

4. Cross-Cutting Themes

The cross-cutting themes *gender equality*, *youth employment*, *climate change* and *social dialogue* will remain central. **Social dialogue** will be a key topic in half of the countries and important selection criteria for clients and projects are **social** and **ecological** ambitions.

The cross-cutting topic '*digitalisation and innovation*' will be covered by the focus sector **ICT & Incubators**, and **Finance & IT** as enabling sector to stimulate digitalisation in 12 other focus sectors.

The cross-cutting topic '*addressing the informal economy*' is not an explicit focus, but PUM does work with informal start-ups or micro enterprises through projects with incubators or train-the-trainers that include smaller and informal businesses. We do not actively address the informal economy, which has been discussed and agreed upon with DDE.

Three other envisioned cross-cutting strategies will take a less prominent place in our programme:

- *South-South exchange*: Through working in Business Ecosystems PUM aims at facilitating the exchange of knowledge among different businesses and strengthening relationships between different actors that play a role in improving the business environment. This will not be referred to as south-south exchange but will be inherent to working in business ecosystems.
- *Trade Promotion*: The intention to work in trade promotion through digital trade platforms will not be a specific approach at PUM, since this will be implemented by other PSD organisations. We still organise non-digital trade promotion (Trade Promotion Visits) and to increase the effectiveness we use more strict criteria for the selection and quality of these visits. The focus is on realising concrete trade relations with Dutch companies.
- *Decentralisation*: PUM is increasingly working with country managers that are from, and or live in, the countries of their work scope. The Country Impact Plans are based on an analysis of the local situation, trends and developments in the country, and assessing critically where PUM could have an added value.

5. Changes in KPIs and Reporting

We agreed with DDE on an adapted set of indicators, based on the above-mentioned adaptations and on the relevance of the indicators for our monitoring and evaluation of the programme. The following list shows the indicators that we decided not to keep for our monitoring and evaluation:

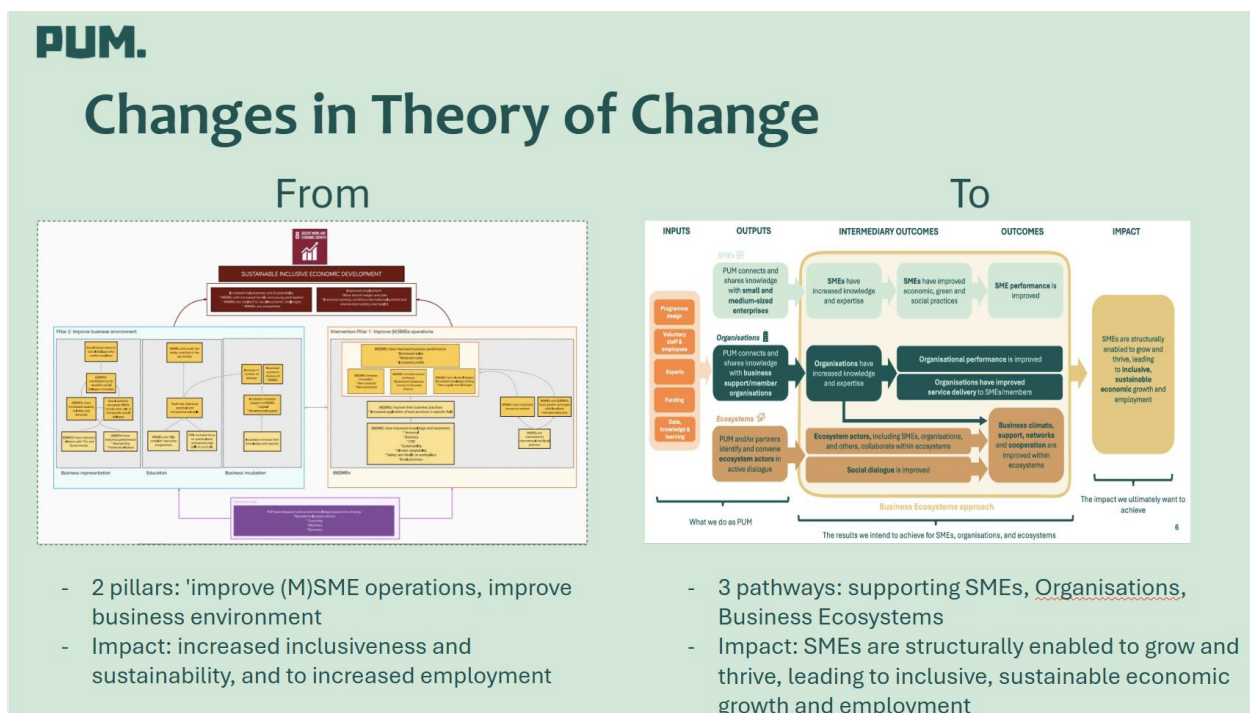
- **Removed indicators**

- % of (M)SMEs with increased resilience;
- # of companies (including (M)SMEs) that meet firm-specific, national, or international sustainability standards business development/enabling environment;
- Number of (M)SMEs supported on digitalisation
- Number of (M)SMEs supported on aspects related to climate change adaptation and mitigation

- # of Dutch Businesses facilitated
- % of Activities dealing with Food Security
- # of Missions Seminars and Business Links
- % of new customers matched with appropriate PUM expert
- % cases in programmes
- % Commercially active volunteers
- % follow-up missions
- # of firms or individuals that utilize business development services
- # of partnerships at national level

- **Modified targets:** See annual plan 2025

6. Summary of changes



Changes in overall strategy

From

- **Vibrant Business Systems**

A business system is a group of businesses, employers' organisations, other institutions, and their business environment. Making them vibrant means that the capacities of these business and institutions, and the relationship between them are strengthened, and form an enabling environment for SMEs to flourish.

- **Cluster Focus**

A cluster is a group of (M)SMEs in the same market sector, or different market sectors in the same value chain. Attuned with employers' organisations, embassies, government and others, we select clusters with a high growth potential and relevance for sustainable development in the country.

- **Programmatic, in Partnership**

Building sustainable, long-term results through multiannual engagements with a coherent group of clients and partners.

10 pilot programmes, aiming at Vibrant Business Systems

To

- **Business Ecosystems**

A business ecosystem is a longer-term collaboration between at least one supporting organisation and multiple SMEs, to address the shared challenges of SMEs in a structural way, and to create more economic, social and ecological impact.

3 Business Ecosystems per country, as of 2025

Cross-cutting themes

From

- Gender equality and women's empowerment
- Youth entrepreneurship and employment
- Climate change mitigation and adaptation
- **Digitalisation and innovation**
- Intensifying social dialogue
- **Addressing the informal economy**

To

- Gender equality and women's empowerment
- Youth entrepreneurship and employment
- Social Dialogue in half of the countries, embedded in business ecosystems
- Creating social and environmental impact

Other topics in the submitted proposal:

- **South-south exchange:** *"Sharing Dutch expertise as well as facilitating circulation of locally available knowledge and experience through South South exchange"*
- **Trade promotion:** *"Trade promotion increasingly with multiple partners and through digital trade platforms implemented by partner organisations"*
- **Decentralisation:** *"Decentralised where possible"*

PUM. Changes in KPIs and IATI indicators

Indicators included in subsidy proposal, not included anymore

- % of (M)SMEs with increased resilience;
- # of companies (including (M)SMEs) that meet firm-specific, national, or international sustainability standards business development/enabling environment;
- Number of (M)SMEs supported on digitalisation
- Number of (M)SMEs supported on aspects related to climate change adaptation and mitigation

IATI indicators reported in 2023, not reported anymore in IATI

- # of Dutch Businesses facilitated
- % of Activities dealing with Food Security
- # Missions Seminars and Business Links
- % of new customers matched with appropriate PUM expert
- % cases in programmes
- % midcareer volunteers (36- 55 years)
- % Commercially active volunteers
- % follow-up missions
- Number of firms or individuals that utilize business development services
- Number of partnerships at national level

PUM.

KPIs and targets 2023 - 2025

Summary of KPIs for reporting in IATI	Reported 2023	Target 2024	Target 2025	New target 2025 (April 2025)
(Outcome) 1.b. Average compound annual growth rate of SMEs PSD framework B	new	No target*	No target*	No target*
(Outcome) 1.c. # of direct jobs supported in SMEs PSD framework F	30.718	22.000	25.000	40.000
(Outcome) 2.a. % growth of direct members BSO/EBMOs (PSD M)	new	1.25%	1.25%	1.25%
(Outcome) 4.a. # of countries with improved social dialogue	3	6	8	15
(Output) 1.2.b.: # of SMEs supported with plans to invest, trade or provide services PSD framework A	810	850	933	933
(Output) 1.2.f. % of young SME owners supported	9%	22%	25%	22%
(Output) 1.2.g. % of women owned SME supported	28%	33%	40%	35%
(Output) 2.2.a. # of strengthened organisations contributing to a sustainable local business climate (PSD framework L) :	105 (A)	80 (A)	90 (A)	130 (A)
1. # of business member organisations	137 (B)	120 (B)	130 (B)	130 (B)
2. # of business support organisations				
(Process) % of overhead	15%	15%	15%	15%
(Process) % Non DGIS funds- other funders	5%	7.2%	8.5%	16%
(Process) # of projects funded by DGIS		1173	1350	1350
(Output) % of projects in LDC/fragile	17%	39%	40%	45%
Other KPIs to report to DDE	Reported 2023	Target 2024	Target 2025	New target 2025
(Output) Total # of projects and type (remote advice, AOL, etc)	1293	1180	1500	1650
(Output) % of projects supported as part of an ecosystem	new	60%	80%	65%
(Process) Total # of active experts	1235	1200	1200	1200
(Process) % of young experts	1%	5%	10%	8%
(Process) % of female experts	21%	26%	33%	33%