

**Women Entrepreneurs Finance Initiative (We-Fi)  
Second Governing Committee Meeting, Dubai, February 12-13, 2018**

**MEETING SUMMARY**

*March 12, 2018*

The Second Governing Committee (GC) meeting of We-Fi was held in Dubai on February 12-13, 2018. The meeting brought together representatives from the 14 We-Fi member country governments, Implementing Partners (IPs) who submitted proposals under the first call issued by We-Fi, and Observer representatives from the W20, UN Women and the private sector. The meeting was chaired by Geoffrey Okamoto, Deputy Assistant Secretary for Development Policy and Debt, US Treasury and facilitated by the We-Fi Secretariat. World Bank Group President Jim Yong Kim and Reem Al-Hashimy, Minister of International Cooperation, UAE met with the GC on the first day.

In their opening remarks, both the Chair and Hartwig Schafer, Vice President, Global Themes, World Bank expressed their appreciation to the UAE authorities for hosting the meeting. The main purpose of the GC meeting was to discuss the proposals submitted for funding under the first call and make funding allocations. Other topics included a financial status update; We-Fi policies, rules and procedures; communications and outreach, including agreement on the way forward for the Women's Enterprise Leadership Group; reflections from the first call; and the second call for proposals and third GC meeting. The Agenda and full list of participants are attached as [Annex 1](#).

**A. Update from the Secretariat:**

In its update to the GC, the Secretariat noted the key milestones achieved since the last meeting in October 2017, including: finalization of the Results Framework; issuance of the first call for proposals and its closure; technical review of proposals; agreement on Observer participation in the GC; preparation of the terms of reference of the Women's Enterprise Leadership Group and identification of Champions; progress on a new website for We-Fi, which will be launched shortly; and establishment of the We-Fi Secretariat, with recruitment of Secretariat staff nearly completed.

The Secretariat highlighted the priorities for the meeting. Noting that the key agenda item for the GC was to discuss and approve funding requests under the first call, the Secretariat outlined the guiding principles for funding by the We-Fi. At the portfolio level it was reiterated that the agreed goals included achieving leverage and allocating 50% of We-Fi funding to IDA/FCS countries over the lifetime of the Facility. At the project level, key criteria that were used by the technical reviewers to assess the proposals included: strength of project design, complementarity between public and private sectors, additionality, Implementing Partner track record, and partnerships.

**B. Financial Status of the We-Fi Trust Fund:**

Total pledged contributions to the We-Fi currently stand at US\$348 million. Contribution Agreements amounting to US\$298 million have been signed, with one Contribution Agreement pending signature.

The Trustee informed the GC that the amount of signed Contribution Agreements (net of operational reserve and funding decisions to date) determines the amount available for indicative program decisions; this amount was US\$295.96 million at January 31, 2018. Cash received (net of operational reserve and funding

decisions to date) determines the amount available for funding allocation decisions; this amount was US\$40.67 million at that date.

The Trustee outlined, based on the indicative payment schedules in the signed Contribution Agreements, that an estimated US\$ 150 million should be available for the second We-Fi call for proposals in 2019, and that information regarding contributions, allocations and transfers is available (in real time) on the trustee website ([fiftrustee.worldbank.org](http://fiftrustee.worldbank.org)). The Trustee also distributed a detailed table showing expected installment payments by year until 2022.

The meeting was informed that Financial Procedures Agreements (FPAs) had been signed with all IPs except one.

### **C. Funding Approvals:**

The agenda focused on approving projects of up to US\$150 million in available resources, following a December 2017 call for proposals, seven proposals were received with a total “ask” of US\$291 million. The GC met with each of the IPs individually on February 12 to discuss the details of their funding requests. Based on a thorough review of the seven funding requests submitted and on discussions with the IPs, and taking into account We-Fi’s overall portfolio level goals of leverage (target of \$1 billion mobilized from non-We-Fi sources) and IDA/FCS focus (target of allocating 50 percent of total We-Fi funding to IDA/FCS countries) over the lifetime of the Facility, and the tradeoffs involved, the GC reached an agreement on indicative funding approvals amounting to the total of US\$120 million for: the ADB’s funding request for Sri Lanka, the IsDB’s funding request for the BRAVE proposal, and the World Bank Group’s funding request as further set out in the decision below.

Decisions: The GC decided:

1. To indicatively approve an amount of USD \$12,551,800 to the Asian Development Bank in response to its Funding Request “Enabling an empowering business environment for women entrepreneurs in Sri Lanka” with the understanding that it will consider a Funding Allocation, under its two-week no-objection decision process, based on a revised Funding Request to be submitted to the Secretariat by March 12, 2018 that provides the following:

- a. revisions to the results framework based on the IFC definition of women-owned/led small and medium enterprises (SME); and
- b. necessary revisions based on principles to be provided by the Secretariat that further clarify leverage.

2. To encourage the Islamic Development Bank to resubmit its Funding Request “Business Resilience Assistance for Value-adding Enterprises for Women ‘BRAVE Women’ Program” without Somalia to the Secretariat by March 12, 2018 in an amount not greater than USD \$32,240,000 with the understanding that it will consider, under its two-week no-objection decision process, a Funding Allocation for a revised Funding Request limited to application in Yemen and Mali, at the same or potentially increased scale, and/or with the potential inclusion of an additional country or countries if appropriate, and which provides the following:

- a. revisions to the results framework based on the IFC definition of women-owned/led small and medium enterprises (SME);
- b. necessary revisions based on principles to be provided by the Secretariat that further clarify leverage; and

- c. recognizing the increased implementation risks that arise in states affected by conflict, greater detail on how the Funding Request will address those implementation risks, including with respect to the application of environmental and social safeguards.

3. To encourage the World Bank Group in response to the Funding Request “IFC Women Entrepreneurs Finance Initiative (We-Fi): Creating Finance and Markets for All” from the International Finance Corporation and the Funding Request “World Bank Women Entrepreneurs Finance Initiative” from the World Bank to resubmit to the Secretariat by March 12, 2018, in an amount no greater than USD \$75 million, a single restructured consolidated Funding Request with the understanding that it will consider, under its two-week no-objection decision process, and that provides the following:

- a. at least 50 percent of funding to be proposed for projects/activities in countries eligible for financing from the International Development Association and/or in FCS states, which may include projects/activities across all regions;
- b. a more integrated approach that maximizes the combined activities of the IFC and the World Bank.

4. To encourage all Implementing Partners to ensure that implementation of Funding Proposals is appropriately coordinated with other entities active in the same sectors to minimize duplication and maximize partnerships where appropriate.

#### **D. We-Fi Policies, Rules and Procedures:**

The GC discussed the following items related to policies, rules and procedures: Funding approval procedures (based on a note prepared by the Secretariat and circulated prior to the meeting); ODA eligibility; Conflicts of Interest for GC Members (based on a note prepared by one of the GC members and circulated prior to the meeting); the inclusion of OECD as an Observer on the GC; the inclusion of new IPs (based on a note prepared by the Trustee and Secretariat and circulated prior to the meeting); risk management (based on a presentation by the Secretariat); and clarification on the principles guiding leverage.

#### Decisions:

- The GC agreed that only those IBRD-IDA eligible countries/territories that are ODA-eligible should benefit from We-Fi funding, and decided to amend paragraph 5 of the Operations Manual to read as follows:  
*“Beneficiaries: Projects, programs or activities that advance the objective of the We-Fi, particularly those targeting women entrepreneurs and women-led SMEs, in a We-Fi Eligible Country **that is an Official Development Assistance (ODA) eligible country or territory**<sup>1</sup>, may benefit from the We-Fi.”*
- The GC decided to amend paragraph 36 of the Operations Manual to replace the date “January 30, 2018” with “June 30, 2018.”
- The GC decided to adopt the Policy on Conflicts of Interest for Members of the We-Fi and their Advisers, as circulated by the US. This is found in Annex 2.

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<sup>1</sup> From the list of IBRD-IDA eligible countries/territories, the following are not ODA-eligible: Bulgaria, Chile, Croatia, Poland, Romania, Russian Federation, St. Kitts and Nevis, Trinidad and Tobago, Uruguay.

- The GC agreed that the decision adopted on January 26, 2018 with regards to Observers would not be amended at this time to include any additional Observers.
- The GC agreed that, taking into account the costs vs. benefits of accrediting new partners, no new IP would be included; this could be a topic of discussion at a later stage. Members highlighted that similar benefits could be expected from partnerships and that a stronger emphasis on partnerships is needed in future calls for proposals.
- The GC requested the Secretariat, working together with IPs and the Trustee, to develop a risk management policy by the next GC meeting. It was proposed that the risk management policy would include: a risk appetite statement, roles and responsibilities, risk management process, and a risk register. It was also noted that such policies are common for financial intermediary funds (FIFs).
- The GC agreed that all IPs should use the IFC's definition of women-owned/led small and medium enterprises (SME), going forward.
- The GC requested the Secretariat to prepare a note to clarify how "leverage" should be defined in the context of We-Fi funded programs/projects (this has been prepared and shared with the GC, and is attached as [Annex 3](#)).

#### **E. Women's Enterprise Leadership Group and Champions**

The terms of reference for the Leadership Group Champions were agreed along with matters related to next steps in finalizing the list and engaging the Champions.

##### Decisions:

- The GC agreed that each We-Fi member country would be allowed to suggest a maximum of two Champions with the option of a recipient country nominee as the second Champion. Countries that have nominated more than two champions agreed to shorten their list to a maximum of two and send those details to the Secretariat as soon as possible.
- Once the list of Champions has been finalized, this will be announced and posted on the We-Fi's Website. A footnote will be included, as needed, indicating that nominations from some Contributor countries are forthcoming.
- Further, it was agreed that the Secretariat would send formal invitations to the Champions and work with them in the coming weeks to prepare and identify appropriate advocacy opportunities. The Secretariat will inform GC Members before their nominees are approached.
- The Secretariat will do further work to develop a proposal for engaging the Champions, outlining options for feedback.
- Noting a strong interest expressed by some Members in holding an event that would bring together all Champions, it was agreed that the UNGA in September or the W20 meetings in Argentina in early October could provide a good opportunity.

#### **F. Update on Outreach and Communications**

An update on the Communications and Outreach plan was presented to the GC along with a list of potential events that could serve as opportunities to highlight the We-Fi. Participants welcomed the new We-Fi website, which will go live by the end of the month. It was noted that the Secretariat would consult Members on the usage of logos and flags.

#### **G. Reflections/Feedback from the Governing Committee**

GC Members were very appreciative of the hard work done by the Bank that has enabled the We-Fi to move so quickly from inception to operationalization, in less than six months. Members shared constructive suggestions on the design of subsequent calls for proposals and the technical review process, based on lessons learned from this round. Further, they emphasized the benefits of sharing information across IPs. Members expressed interest in sharing further lessons-learned with the Secretariat in written form, which the Secretariat would welcome. In particular, the following were noted:

##### 1. Call for Proposals:

- The GC expressed a desire to revisit the criteria for Funding Requests, and to consider enhancements that could be incorporated into the next funding round, including, for example, a more explicit and deeper focus on partnerships.
- There was discussion about allowing IPs more time to submit requests in the next round to ensure that the GC receives sufficiently granular proposals.
- Several GC members noted that the volume of information contained in the proposals and technical review comments was overwhelming yet not sufficiently detailed in a number of cases. Some members suggested the potential to adjust the funding request template and reduce the maximum length of the proposal submissions to 30 pages. Members expressed a range of opinions concerning a funding ceiling for proposals submitted under the next call.

##### 2. Technical review:

Members suggested revisiting the process for independent technical review and incorporating the following improvements into the next funding round. Possible improvements could include:

- Shortening of the technical expert feedback and improving the quality and standardization of scoring.
- Utilizing a technical expert panel, with strong gender expertise, which would produce a single assessment per proposal rather than a roster, to ensure high levels of comparability and gender awareness across expert reviews.
- Integrating a moderation process led by the Secretariat to ensure consistency of technical scores between panels.
- Integrating into the technical review a risk management process to evaluate risks identified in the technical assessment and agree appropriate risk mitigation measures in partnership with the relevant IP.

Members suggested the following adjustments to the format and procedures for future Governing Committee meetings:

- More time for a robust discussion among GC Members on proposals submitted by IPs.
- The inclusion of IPs and other Observers in discussions, except on confidential topics, to promote transparency and coordination.
- Future calls for proposals could benefit from more clarity and guidance for prospective IPs upfront around the priorities of the Governing Committee and the proposals it expects to receive.

IP Observer representatives emphasized their commitment to the We-Fi and its goals and provided helpful feedback based on the first call for proposals. Specifically, they noted that, in future rounds, they would appreciate:

- a) upfront guidance on the GC's priorities and criteria for reviewing funding requests (particularly on the balance between the two stated goals of the We-Fi, namely, leverage and focus on IDA/FCS countries);
- b) more time to prepare funding requests under the call for proposals process;
- c) information sharing across IPs, ahead of GC meetings and during implementation;
- d) more time during GC meetings to present and discuss funding requests; and
- e) fuller participation in GC meetings, noting that in this meeting, the confidentiality of one of the proposals submitted by an IP precluded a more open discussion on funding requests during the meeting.

#### **H. Timing of the third Governing Committee meeting and Second Call for Proposals**

On the timing of the next GC meeting, there was broad agreement that it would take place on the margins of the Bank-Fund Annual Meetings in October 2018. It was agreed that the second call for proposals would be issued later in 2018 or early 2019, taking into account the work that needs to precede the call.