

Ensuring Economic Emergency Programs Reach 2X SMEs:

SEAF COVID-19 Global Emergency Loan SME Facility



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SEAF - Global Platform, Local Networks, Long Term Partnerships

30

Years of EM/FM Impact Investing \$1B+

Cumulative Committed Capital 40

Funds Structured & Managed 14

Centers of Entrepreneurship and Executive Development 30+

Country & Rep Offices

150+

Global Professionals









1991 Long term partnership since SEAF's 1st fund in Poland

2006 1st Gender Lens Investing discussion regarding West Africa Women's Fund (Nigeria-based)

2008 Afghanistan partnership - SME debt fund

2009 1st Global SME facility (invested in 5 countries)

2019 Global Women's SME facility as part of 2X Challenge

2020 COVID-19 emergency loan facility mobilized

SEAF's Women's Economic Empowerment Programs

Equity

Funds

- Dedicated gender lens equity funds
 - SEAF Women's Opportunity Fund
 - SEAF Women's Economic Empowerment Fund
 - **SEAF Bangladesh Ventures**
 - Plus 5+ Gender-Focused Funds (Jordan, Algeria, Caribbean, Central America etc.)

Dedicated gender lens debt funds

- SEAF Women's Global Finance (expansion capital)
- COVID-19 Global Emergency SME Loan Facility (emergency loans)

Debt **Funds**

Targeting 2X SMEs



- Women's Economic **Empowerment** Framework
 - Women Entrepreneurs
 - Women Employees
 - **Women Consumers**
 - Role model that **Equality**

WEE Frwk

Impact Mgmt.

Tool

Entrepreneurship

- Gender Equality Scorecard© (GES)
 - Assess & guide gender improvement plans in value creation phase
 - Track progress across 6 vectors to build genderbased value in portfolio

Dev't commits to Gender Center for Entrepreneurship and Executive Development (CEED) Peer-to-peer business networks combined with programs targeting women entrepreneurs

DFC/SEAF's COVID Response - Speed of the Essence

WHY Gender Lens matters even more so during the crisis

2X & GES© Adoption

DFC SEAF COVID Emergency Loan Facility



Technical Assistance [Foundations]

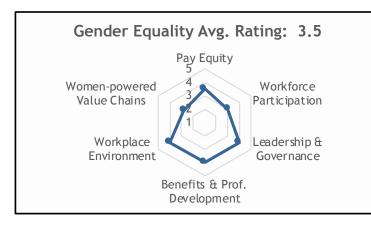
SEAF COVID-19 Global Emergency SME Loan Facility

- \$25 MM Facility + technical assistance
- DFC Eligible/SEAF & CEED Countries
- 2X Challenge criteria and SMEs adopting the GES© methodology
- Attractive terms:
 - Loan size from U\$\$50,000 up to U\$\$\$3 MM
 - Long grace period up to 2 yr on principal/4 yr term
 - Preferential pricing given local market conditions
 - Underwritten by SEAF
- Existing pipeline 39 2X SMEs in 16 DFC-eligible countries

How?

- Existing equity investments
 & mentorship valuable for
 quick response
- ✓ Long-term relationships funders, donors & SMEs
- ✓ Local presence
- ✓ Technical assistance
- ✓ Strategic & operational support
- ✓ Peer-to-peer entrepreneur networks

Delivering Outcomes For Women - Entrepreneur Commitment Critical



Better Business Performance. How?

- ✓ Attracting & retaining talents
- ✓ Increase productivity

✓ Innovation & creativity

✓ Better morale

✓ Positive reputation

✓ Satisfied customers

✓ Lowering turnover

✓ Cost reduction

- ✓ Higher participation
- ✓ Motivated, positive & productive workforce



Bakery Products

- Payroll adjustment leads to greater women workforce participation
- Moved to larger production facility to ensure capacity to supply staple bread products while much F&B closed



Maternal Healthcare

- Security protocols established for patient and employee wellbeing
- Procurement of PPE and disinfecting activities prioritized
- Considering home services for routine monitoring



EdTech

- Flexible working arrangement for employees
- Services reducing care responsibilities for working mothers while children learning from home
- Offering discount for outof-school girls and boys during COVID-19 lockdown

Executing on 2X SMEs COVID Response Strategies

Repurpose

Manila based 2X SME started manufacturing essential goods for business continuity & leveraged logistics for food delivery vs existing personal care distribution

Retool

Indonesian F&B quickly leveraged team to finalize move to central bakehouse and renovate existing location closed during lockdown

Redeploy

Kenyan garment manufacturer rapidly converted its production line to supply full PPE kit and reusable face masks for the local market.

Industry Collab.

Food retailers in Georgia collaborated on employee transportation to ensure supermarkets kept open and stocked with food

Disruptive Opp.

Manila headquartered cloud-based solutions for business continuity for SMEs; proved even more critical during lockdown

Proactive

Healthcare providers across Vietnam, Albania & Kosovo rapidly ensured necessary PPE in place and readjusted medical workflow to ensure continued delivery of routine services

Avail of Govt programs

Food retailer in Serbia leveraging government's stimulus package to defer payment until 2021, freeing up €1+ MM in cash flow for payroll and suppliers



DFC's 2X Initiative

DFC's 2X Women's Initiative has mobilized more than \$2 billion in capital to businesses and funds owned by, led by, or supporting women.

Gender Lens

- Gender lens/smart investing is one of the core missions of DFC
- DFC has adopted a gender lens to its portfolio to exemplify how it is actively valuing women in its investments
- DFC works across the various business lines (SMEs, structured finance, funds) and with its products (equity, debt, political risk insurance) to ensure gender lens investing is integrated into the holistic investment strategy of the agency
- DFC seeks to understand gender considerations in every project

COVID Response

- DFC knows that women are disproportionately impacted by crises, especially when they seek to access capital
- DFC is working to stabilize its existing portfolio, prioritize new projects that will help developing countries bolster their health services and resilience, and inject desperately needed liquidity
- DFC is working to expedite deals as part of its robust COVID response and is continuing to apply a strong gender lens in these investments.

DFC prioritizes women's economic empowerment and is doubling down on its effort to empower women.



Thank you

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