



WORLD BANK GROUP WE-FI PROGRAM FY20 REPORT



WORLD BANK GROUP

2020 IMPLEMENTATION PROGRESS REPORT WOMEN ENTREPRENEURS FINANCE INITIATIVE (WE-FI)

Reporting Period: July 1, 2019 – June 30, 2020

Name of Implementing Partner: World Bank Group

Table of Contents

I. SUMMARY PROGRAM INFORMATION.....	2
II. EXECUTIVE SUMMARY	5
III. IMPLEMENTATION PROGRESS	9
Key Activities During the Reporting Period.....	10
• PILLAR I: STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS	10
• PILLAR II: EXPANDING FINANCIAL SERVICES	16
• PILLAR III: IMPROVING MARKET ACCESS	20
Plans for the Next Year	27
Key Challenges and Lessons Learned.....	28
COVID-19 Impact.....	29
IV. WE-FI IMPACT	31



I. SUMMARY PROGRAM INFORMATION

• PROGRAM NAME

Creating Finance and Markets for All

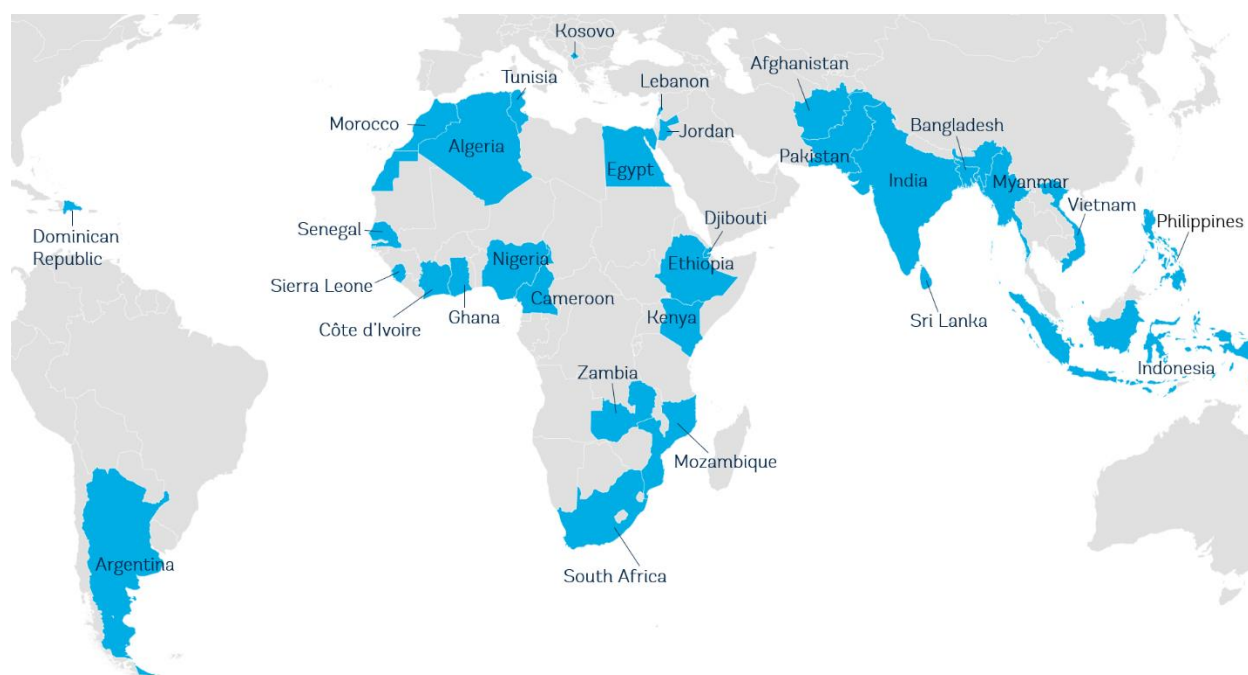
• PROGRAM TIMELINE

Governing Committee (GC) Approval Date	04/2018
Project Implementation Start Date	05/2018
Mid Term Review Date (if planned)	TBC
Project Closing Date	06/30/2023

• GEOGRAPHIC LOCATION(S)

The World Bank Group Women Entrepreneurs Finance Initiative (“World Bank Group We-Fi” or “the Program”) teams are advancing access to markets and finance for women-owned and -led small and medium enterprises (WSMEs) across 30 countries and six regions:

- East Asia and the Pacific (EAP): Indonesia, Myanmar, the Philippines, and Vietnam
- Europe and Central Asia (ECA): Kosovo
- Latin America and the Caribbean (LAC): Argentina, the Dominican Republic, and one regional fund
- Middle East and North Africa (MENA): Afghanistan, Algeria, Djibouti, the Arab Republic of Egypt, Jordan, Lebanon, Morocco, and Tunisia
- South Asia (SAR): Bangladesh, India, Pakistan, and Sri Lanka
- Sub-Saharan Africa (SSA): Cameroon, Côte d’Ivoire, Ethiopia, Ghana, Kenya, Mozambique, Nigeria, Senegal, Sierra Leone, South Africa, Zambia, and two regional funds



• **MOBILIZATION**

The We-Fi Secretariat granted a total of \$75 million to the World Bank Group program, “Creating Finance and Markets for All.” The Bank Group committed to deploy over 50 percent of the \$75 million to countries eligible for concessional funding from the International Development Association (IDA) and fragile markets. The Bank Group also committed to mobilize additional private and public sector funding: IFC committed to leverage the received We-Fi funding 26.4 times, and World Bank committed to leverage the received We-Fi funding 7.5 times. Table 1 (IFC) and Table 2 (World Bank) show the deployment of the received We-Fi grants as of June 30, 2020.

Table 1: IFC: We-Fi financing usage and leverage based on projects approved by June 30, 2020

Sources of Financing	Approved Amount (\$ in millions, from proposal)	Revised Amount (if applicable)	Committed Amount (\$ amounts not rounded as requested)
We-Fi Financing Approved (A)	49.4		11,311,645
Of which IDA			4,923,000
Of which FCS***			755,000
Implementing Partner (IP) Contribution (B)	225		312,646,314
Public sector contributions (C)	n/a		4,000,000
Private sector financing (D), of which:	1,085		106,811,314
Directly mobilized	215		49,551,314
Indirectly facilitated	870		57,260,000
Additional funds mobilized [<i>bilateral donor</i>] (E)	n/a		0
Total Non-We-Fi Mobilized Funds (F)= (B+C+D+E)	1,310		423,457,627
Total Program Size (G)= (F+A)	1,359.4		434,769,272
Leverage (F/A)	26.4 times		38.44 times

Table 2: WB: We-Fi financing usage and leverage based on projects approved by June 30, 2020

Sources of Financing	Approved Amount (\$ in millions, from proposal)	Revised Amount (if applicable)	Committed Amount (\$ amounts not rounded as requested)
We-Fi Financing Approved (A)	25.7		21,344,986
Of which IDA	18		15,105,686
Of which FCS*** Lebanon	3.28		3,719,936 428,983

IP Contribution (B)	0.2		0
Public sector contributions (C)	133		34,500,000 ¹ (122,525,000) ²
Private sector financing directly mobilized (D)	24.8		0
Additional funds mobilized [<i>bilateral donor</i>] (E)	34.5		650,000
Total Non-We-Fi Mobilized Funds (F)= (B+C+D+E)	192.5		35,150,000 (122,525,000)
Total Program Size (G)= (F+A)	218.2		56,494,986 (143,869,986)
Leverage (F/A)	7.5 times		1.65 times (5.7) times

Note: All dollar amounts are U.S. dollars unless otherwise indicated.

• **WE-FI TEAM**

KEY PROGRAM MANAGEMENT CONTACT PERSON(S)

Name	Jana Malinska	Title	WB We-Fi Program Manager
Email	jmalinska@worldbank.org	Phone	+1 (202) 384 9523
Name	Hanh Nam Nguyen	Title	IFC We-Fi Program Manager
Email	nham@ifc.org	Phone	+1 (202) 492 30 57
Name	Aleksandra Liaplina	Title	IFC We-Fi Program Lead
Email	aliaplina@ifc.org	Phone	+1 (202) 344 6349

KNOWLEDGE MANAGEMENT AND COMMUNICATIONS CONTACT PERSON

Name	Cansu Birce Gokalp	Title	Operations Analyst
Email	cgokalp@worldbank.org	Phone	+1 (203) 401 1607
Name	Neeli Shailesh Shah	Title	Communications Consultant
Email	nshah7@worldbank.org	Phone	+1 (202) 473 7150

M&E CONTACT PERSON

Name	Yehia Khedr Eldozdar	Title	M&E Specialist
Email	yeldozdar@ifc.org	Phone	+1 (202) 458 88 95
Name	Melina Laura Mirmulstein Moses	Title	M&E Consultant
Email	mmirmulstein@ifc.org	Phone	+1 (202) 458 9362

¹ Mobilization achieved in FY20 – based on approval by the Board of three World Bank Group lending operations to government per agreed We-Fi public sector leverage methodology.




² Mobilization to achieve – this figure only shows target mobilization of new operations in country pipelines, including emergency lending where information is already available. This target mobilization amount is expected to increase because there are many projects in the pipeline without budgets allocated, and thus, they are not counted in this calculation. The program is on track to achieve its mobilization targets.

II. EXECUTIVE SUMMARY

- Overview of Project/Program objective(s)

The World Bank Group We-Fi program, “Creating Finance and Markets for All,” brings together the World Bank and IFC to leverage public and private sector interventions to enable women entrepreneurs to start and grow firms. The global program tests innovations and scales up successful pilots across three thematic pillars. These efforts are enriched by research, data, policy reform advisory, and peer-learning efforts.

The program aims to benefit some 43,000 women-owned and women-led small and medium enterprises (WSMEs) and catalyze \$870 million in loans to WSMEs.

THE WORLD BANK GROUP WE-FI THREE PILLARS		
 <p>I. STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS</p> <p>Fostering an inclusive legal, regulatory, and policy framework for WSMEs; supporting women entrepreneurs at every stage of growth through training, mentoring, and peer networks; championing gender-lens investing through funds, incubators, and accelerators; and providing direct investments in high-potential women entrepreneurs</p>	 <p>II. EXPANDING FINANCIAL SERVICES</p> <p>Supporting banks, fintechs, and insurance companies with blended finance investments to reach more WSMEs; providing advisory services to design and deploy products and services for women entrepreneurs</p>	 <p>III. IMPROVING MARKET ACCESS</p> <p>Integrating women-owned small and medium enterprises into domestic and international value chains and producer networks; increasing procurement opportunities for WSMEs</p>

- Highlights and key achievements during the reporting period

Program implementation accelerates and expands scope. FY20 marked the second year of implementation, and the World Bank Group facilitated a significant expansion of the program and an increase in WSME lending and impact. IFC has a programmatic approach and added nine new investment and five new advisory projects in FY20, bringing its projects to 30 in total. The World Bank continued implementation of eight country advisory and three global research projects, added an impact evaluation program, and launched impact evaluations in two countries. The World Bank Group We-Fi portfolio reached 42 projects across 30 countries, of which 17 countries are IDA and fragile markets. The funding commitment to projects increased from \$24 million in 2019 to \$32.7 million in 2020, utilizing 44 percent of the total Program. Projects allocated 61.3 percent of We-Fi funding to IDA countries.

Mobilization of partner resources has increased. World Bank Group We-Fi ramped up its efforts to leverage other IFC and World Bank activities in each project country, directly mobilizing \$49.6 million from the Bank Group’s private sector engagements and \$39.1 million from public sector engagements in FY20. The projects over time also expect to indirectly facilitate an additional \$57.3 million from other Bank Group-supported financial service providers and intermediaries in lending to WSMEs. Each World Bank

Group We-Fi project has been designed to ensure leverage, scalability, and alignment with other country operations, and all are on track to achieve and exceed the leverage targets set at program inception. The overall leverage ratio, particularly with respect to the World Bank's operations, is increasing over time as new projects are approved (and now stands at 14 times), operational synergies are identified, and teams promote WSME activities across the World Bank Group country portfolio.

Visible impacts. In FY19, the Program was largely dedicated to project startup activities. As projects moved from design, set-up, and diagnostics to product development, training, loans, investments and on-lending to women-owned firms, World Bank Group We-Fi started showing direct impacts on women entrepreneurs in FY20. Based on 16 projects from the World Bank Group We-Fi's 42-project portfolio that are starting to report results, WSMEs accessed additional finance of \$44.5 million through 1,314 loans, equity investments, and direct grants, all the WSME beneficiaries were in IDA. A total of 817 WSMEs benefited from We-Fi supported activities such as training and capacity building. Fourteen legislative reforms and regulations have been screened and/or drafted, aimed at removing constraints and supporting WSMEs, and one reform was enacted in Pakistan. In addition, 49 partner institutions started offering new/updated products, services, or approaches benefiting WSMEs. Overall, 1,715 WSMEs benefited from financial and non-financial support across 16 projects, and an additional 58,555 WSMEs are expected to be reached when World Bank Group projects that have not yet started reporting their results are included in the counts.

Response to COVID-19. The COVID-19 pandemic has had a significant impact on countries of We-Fi operations, program counterparts, beneficiaries, and project staff, but World Bank Group We-Fi teams successfully adapted their interventions to align with the Bank Group's three-stage framework for crisis response: relief, restructuring, and recovery. As COVID-19 threatens to erase years of progress in closing the gender gaps, World Bank Group We-Fi early on began restructuring and designing recovery efforts. Teams have maintained continuous communication with clients (financial institutions, intermediaries, corporations, and WSMEs) and partners, using digital tools to understand and assess their evolving needs while redesigning their activities to allow for social distancing. Project teams offered training on business survival and resilience to equip the WSMEs with the right tools and mindsets to cope with the setbacks and uncertainty caused by the pandemic and pivot their businesses to new opportunities (for example, MENA regional and Mozambique projects). Likewise, the teams engaged with corporations to assess the impact on their operations and convened virtual events to present and brainstorm ways to continue their work with WSME suppliers (such as IFC LAC virtual roundtables), including fintech, e-commerce and online tools, public procurement, and legal and regulatory reforms. As firm liquidity plummeted in the wake of the outbreak, IFC We-Fi has contributed additional funding support and performance-based incentives (PBIs) to enable undisrupted investment in high-growth WSMEs (through its invested funds, for example, TradeDepot) and to incentivize participant banks in IFC's global \$2 billion COVID working capital solution (WCS) program to direct their funding toward WSMEs.

Pillar I Highlights: The World Bank Group successfully promoted the early-stage and entrepreneurship ecosystem to build a pipeline of investment-ready WSME ventures. Three new investments were made by IFC, bringing the total portfolio to \$6 million of We-Fi funding alongside IFC's investment of \$58.8 million. Three of the funds — Flat6Labs, TIDE Africa, and Sarmayacar — closed in FY20, raising over \$50 million, and they have started investing in WSMEs. The team made significant progress in lifting the legal and regulatory barriers to women's entrepreneurship and prepared legal reform memoranda and

screened legislation in 14 countries. Sixteen local incubators received capacity-building training and 23 WSMEs received the investment training in Pakistan.

Pillar II Highlights: Teams fostered innovation and developed new financial products. World Bank Group We-Fi broke new ground in the financial sector in FY20, launching new WSME-tailored financial products, building the capacity of financial institutions to engage and support WSMEs, and piloting insurance products for women entrepreneurs in Africa and Asia. These efforts are helping to insulate WSMEs from external risks and disruptive events in the context of COVID-19. In Nigeria, the World Bank Group continued to support commercial banks in their efforts to develop and launch new technology-enabled products for WSMEs. The World Bank has been working with the Development Bank of Nigeria and Access Bank, Nigeria's largest bank in the country and a longstanding financial partner of the World Bank Group in Nigeria, and this partnership supported the launch of Access Bank's Digital Cashflow Loan product. FY20 saw increased use of PBIs alongside risk-sharing facilities to promote bank lending under the IFC Small Loan Guarantee Program, with clients such as TEB Bank Kosovo, Union Bank Nigeria, and Yoma Bank Myanmar, reaching a total portfolio of \$78 million targeting WSMEs.

Pillar III Highlights: Work on the supply chain is supporting WSMEs' increased access to procurement opportunities, including in higher value chains. FY20 activities set the stage for direct engagement in FY21, when WSMEs are expected to sell goods and services to larger market segments and compete for new private and public procurement contracts. World Bank Group We-Fi teams have conducted supply and demand assessments to determine the opportunities available for women entrepreneurs in nearly all countries of operation, collaborated with corporations to demonstrate the business case for working with WSMEs in Bangladesh, and worked with more than 600 WSMEs in MENA and Mozambique to strengthen their capacities as suppliers. Project teams have also designed solutions to foster market linkages for women in the agribusiness sector in Côte d'Ivoire, India, and Vietnam through support in the design of an online platform to link women farmers to transporters and markets and directly engaging with private sector companies to increase WSME participation in corporate supply chains.

Partnerships continued to be essential to program delivery and sustainability. For example, in Bangladesh, with implementation support from WEConnect International, World Bank Group teams organized the "Corporate Connect: Strengthening Market Access Conference" to improve business and networking practices of WSMEs and introduce them to 16 corporate partners that had committed to use WSMEs as suppliers. Notably, the World Bank We-Fi MENA project launched a new regional partnership with United Parcel Service (UPS) at the We-Fi MENA Regional Summit and jointly with UPS and International Trade Centre (ITC) delivered online e-commerce training to over 400 WSMEs across MENA. The partnership will provide discount codes to WSMEs and train a cadre of e-commerce advisors in each country who can deliver tailored assistance and coaching to businesses in Algeria, Djibouti, Egypt, Jordan, Lebanon, Morocco, and Tunisia.

Analytics and research directly support lending and investment operations. The World Bank Group We-Fi Team broadened and deepened the analytical foundation informing World Bank and IFC operations. In partnership with Village Capital, the Bank Group launched the *Venture Capital and the Gender Financing Gap: The Role of Accelerators* report, highlighting the need to focus on pre-seed and seed funding when addressing WSME financial needs. The WeTour team led a multi-institutional effort to publish the UNWTO *Global Report on Women and Tourism* with UNWTO, UNWomen, Amadeus (Spanish IT provider in global

travel and tourism), and GIZ (Gesellschaft für Internationale Zusammenarbeit; Germany's Society for International Cooperation). Taken together with Women in Tourism country datasets and methodology completed in Ghana and Sierra Leone, World Bank Group We-Fi is becoming a leading source of information in a sector where the role and contributions of women have traditionally been under recognized. The WeTour data have informed the design of two World Bank tourism operations in both countries, the IFC tourism strategy in Sierra Leone, and several IFC investments in Ghana. In the agricultural sector, findings from the Rapid Industry Structure Analytics (RISA), *Women Driven Value Chains for Fruits and Vegetables in Côte d'Ivoire*, will be used by the Bank Group's team in Côte d'Ivoire to address gender technology and finance gaps resulting from lack of access to adequate technology, finance, and extension services in the high-value horticulture sector. More than 20 analyses, case studies, and diagnostics were produced during FY20, including those specifically focused on the pandemic, such as the *COVID-19: Impact on Firms Enterprise Survey* in Zambia and *COVID-19 and the Insurance Industry: Why a Gender-Sensitive Response Matters*. To contribute to effective design of impactful future operations, the World Bank launched an impact evaluation program with up to four planned impact evaluations of individual projects to inform the broader policy dialogue associated with women's entrepreneurship. By the end of FY20, rigorous impact evaluations had started in Mozambique and Nigeria.

Growing emphasis was placed on communications and knowledge management to increase awareness of the program and disseminate lessons learned. World Bank Group We-Fi participated in more than a dozen events this year, including the We-Fi Facility's regional forum in Dubai, World Bank Group working sessions, and the annual meetings of key global partners, with teams promoting the business case for WSMEs, presenting lessons learned, published reports, and toolkits. The World Bank Group We-Fi team organized two focused learning events. In November 2019, the team led a session during the World Bank's Finance Competitiveness and Innovation Global Practice Learning Week for sharing best practices and identifying further collaboration opportunities. In February 2020, the team organized the World Bank Group We-Fi Regional Knowledge Sharing Day at IFC's Dubai office. This event took advantage of the availability of staff participating in the We-Fi MENA Regional Summit to connect their expertise with staff from Africa, MENA, and SAR country offices in an online forum.

- Strategy for FY21

Projects will continue to show increased direct impact on beneficiaries and report results in FY21. Based on the learnings during COVID-19, teams will ramp up their efforts to ensure that women entrepreneurs and other ecosystem players are equipped with the right tools to effectively respond to the ongoing crisis. As part of its efforts to build a supportive entrepreneurial ecosystem, World Bank Group We-Fi will continue to prioritize legal and regulatory analysis to identify and remove elements detrimental to the growth of WSMEs and continue capacity building of intermediaries and WSMEs to help build a pipeline of WSME ventures. IFC will focus on improving WSME access to early-stage capital with the launch of the ScaleX initiative and expansion of the IFC Startup Catalyst Program. Under the Access to Finance pillar, the Bank Group will undertake diagnostics and analysis to assess the changing needs of women-owned SMEs to help build the internal capability of financial institutions to serve this segment. Housing finance will be another area of focus as lack of collateral is among the most widely cited obstacles encountered by WSMEs in terms of their ability to apply for loans. Finally, World Bank Group We-Fi teams will continue capacity building and networking support activities to strengthen WSME links to corporations and public procurement opportunities.

III. IMPLEMENTATION PROGRESS

Portfolio summary. In designing of World Bank Group We-Fi, the World Bank and IFC have worked together to leverage the World Bank’s strength on public sector initiatives and IFC’s strength in engaging with the private sector through both investment and advisory work. FY20 saw significant progress in all three pillars. The program portfolio grew from 27 projects in FY19 to 42 projects either committed or approved across the Bank Group —16 investments, 20 country advisory, and six research/partnership projects, including an impact evaluation program— and expanded to a total of 30 countries, including 17 IDA and fragile economies. Through its programmatic approach, IFC approved nine new investment and five new advisory projects in FY20, and the World Bank added the impact evaluation program. Table 3 summarizes the Program’s progress in FY20.

Partnerships update. More than a dozen partnerships with public institutions, nongovernmental organizations (NGOs), academia, and companies were established that advance women entrepreneurs’ access to markets and finance; bilateral partnerships with 11 government, business associations and private sector were formed, including organizations such as Endeavor (Africa) and UPS (MENA), WEConnect International (global) and national governments. The We-Fi team has also collaborated across the Bank Group and with other multilateral development banks and international organizations, including with the African Development Bank, Asian Development Bank, Inter-American Development Bank and UN Women on implementing complementary We-Fi activities and sharing knowledge in countries such as Côte d’Ivoire, Senegal, and Sri Lanka.

Table 3: World Bank Group We-Fi Program FY20 Progress Summary

WORLD BANK GROUP WE-FI APPROACH: LEVERAGING PUBLIC AND PRIVATE SECTOR INTERVENTIONS FOR IMPACT					
42 Projects operationalized in 30 Countries (17 IDA/FCS) <ul style="list-style-type: none"> – IFC: 10 IDA and 4 FCS countries, 3 regional projects in SSA, 1 regional project in LAC, and 1 global project – World Bank: 9 IDA and 2 FCS countries, 1 multi-country project across MENA and 4 global projects <p>Key Partnerships: Endeavor, Financial Access for Women (formerly GBA), International Trade Center (ITC), UN Women, United Parcel Service (UPS), Village Capital, WEConnect International</p>					
IFC-LED PROJECTS			WORLD BANK-LED PROJECTS		
16	12	2	8	3	1
Investment Projects	Advisory Projects	Partnership/Research Projects	Country Advisory Projects	Global Research Projects	Impact Evaluation Program

World Bank Group We-Fi engagements take three primary forms. *Advisory services* leverage existing World Bank lending and technical assistance and IFC private-sector projects by targeting or enhancing the engagement of WSMEs. IFC is also supporting WSMEs through **investments** in financial institutions, firms, funds, and partnerships, mobilizing private sector financing and using blended finance mechanisms. Finally, both the World Bank and IFC are undertaking **research and analysis** to build data and evidence and increase support for WSMEs, engaging in efforts to promote the We-Fi agenda through policy advocacy and corporate partnerships.

Key Activities During the Reporting Period

The following sections provide a snapshot of activities and progress under each pillar and highlight World Bank Group We-Fi's activities of note, our findings, and the partners and entrepreneurs with whom we worked in executing the work program.

PILLAR I: STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS

Activities in the Strengthening Entrepreneurial Ecosystems pillar are intended to establish the requisite legal/regulatory and business development frameworks, provide complementary tools and support networks to foster women's entrepreneurship, and promote private investment in women-owned and led firms. The overall goal is to have a demonstration effect across the ecosystem that will expand the number of women considering and pursuing entrepreneurship. Table 4 summarizes activities under this pillar (light blue are projects/activities added in FY20).

Table 4: Pillar I Focus Areas and Activities, Project Highlights and Progress Towards Targets

PILLAR I – STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS	
KEY FOCUS AREAS	FY2020 HIGHLIGHTS
<p>World Bank Group Projects & Activities</p> <p>1. INCREASING SEED FUNDING AND EQUITY INVESTMENTS IN HIGH-POTENTIAL WSMES</p> <ul style="list-style-type: none"> – Africa Region: Tide Africa fund (IFC investment) – Africa Region: Alta Semper fund (IFC investment) * – India: India Alternatives Investment Advisors Private Limited ("India Alt" or "Fund Manager"), a fund (IFC investment) * – Latin America Region: L Catterton (IFC investment) * – Nigeria: Trade Depot (IFC investment) * – Pakistan: Sarmayacar, a seed fund (IFC Investment) – Tunisia: Flat6Labs, a seed fund (IFC Investment) – Village Capital (IFC Research/Partnership) <p>2. BUILDING WSME CAPACITY AND NETWORKS AND PROMOTING A PIPELINE OF HIGH GROWTH WSMES</p> <ul style="list-style-type: none"> – Africa Region: Seedstars, local networks (IFC Research/Partnership) * – Endeavor: mentorship program (IFC Research/Partnership) – Ethiopia: Digital Gender Gebeya, an accelerator (IFC Advisory) – Pakistan: Integrating Women into the Entrepreneurship Ecosystem (World Bank Country Advisory) 	<p>3 New investments in India, Nigeria, and Latin America</p> <p>16 Accelerators and incubators trained on investment readiness and fund-raising for WSMES</p> <p>23 WSMES trained on investment readiness</p> <p>12 Women Business and the Law reform memoranda developed; 1 reform enacted</p> <p>7 Reports and studies on entrepreneurship, the startup ecosystem, and the role of accelerators</p> <p>3 New datasets on female business ownership and directorship; and women in tourism</p> <p>10 Partnerships with Amadeus, Endeavor, Invest2Innovate, GIZ, Global Economic Monitor, Village Capital, Seedstars, The Global Accelerators Learning Initiative (GALI), UN-Women, UNWTO</p> <p>PROGRESS TOWARDS TARGETS</p> <p>16 accelerators/incubators and 6 funds supported (World Bank Group target: over a dozen funds and accelerators)</p>

3. FOSTERING AN INCLUSIVE LEGAL, REGULATORY AND POLICY FRAMEWORK AND DATA

- **Women, Business and the Law (WBL) Reform Memoranda** (World Bank Global Research/Country Advisory)
- **WeData** (World Bank Global Research)
- **WeTour** (World Bank Global Research/Country Advisory)

* New Projects – committed/approved in FY20

800 WSMEs reached in entrepreneurship support programs across three pillars (World Bank Group target: 3,700)

1 reform enacted (World Bank Group target: 5)

Portfolio growth and trends

More WSMEs gained access to early- and growth-stage capital, and the results achieved had an impact on the early- stage ecosystem. In FY20, three new investments were made by IFC, bringing the total portfolio to \$6 million of We-Fi funding alongside IFC's investment of \$58.8 million, which together are expected to mobilize an additional \$433 million from private investors. Three funds — Flat6Labs, TIDE Africa and Sarmayacar — closed in FY20, raising over \$50 million, and they have started investing in WSMEs. Results achieved include training on investment readiness provided to over 16 incubators and accelerators and 23 WSMEs.

Investments expand into mainstream private equity (PE) and new sectors. In FY20 the IFC We-Fi program expanded into the mainstream private equity sector— Alta Semper, an African focused PE fund, India Alt, an India growth fund, and L Catterton, a U.S.-based global fund manager and PE funds player, as a result, managing much greater capital for allocation. The original focus on the technology sector has been expanded to include healthcare and consumer goods and to prioritize funds with women in their leadership. In fact, each of the three new investments has strong female leadership: Alta Semper is one of the few funds in the PE industry that is majority-owned by a woman and has a woman as the founder and CEO; India Alt is one of the two PE funds in India founded and led by a woman (*Box 1*); and L Catterton is also one of a few women-led PE funds in LAC.

Box 1. Demonstrating the economic case for women in the top-tier PE funds: New Investment in India Alt II

A new IFC We-Fi project launched in FY20 comprises a \$10 million IFC equity investment and a \$0.5 million equity investment from We-Fi in **India Alt II**, a target \$70 million fund managed by India Alternatives Investment Advisors Private Limited. The Fund is **one of two PE funds in India founded and led by a woman**, and it is one of a few local fund managers providing growth capital to **small health, consumer, technology, and women-oriented companies** who otherwise would not have access to public markets and need to expand and scale. The project requires the fund manager to commit to investing at least 30 percent of its portfolio (\$15 million to \$20 million of equity capital investment) in women-owned/-led companies. We-Fi's investment will contribute to establishing the business case for investing in women-led businesses. If successful, the fund should have a demonstration effect, encouraging other fund managers in India to include a gender dimension in their strategies. The case will be featured in the ***Fund Manager's Guide to Gender-Smart Investing "How Private Equity Can Advance Gender Equality"*** to be published later in FY21.

Demonstrated impacts and rapid COVID-19 adjustments to pillar activities

Across all activities under the pillar, the World Bank Group We-Fi program showed concrete country impact. In Pakistan, World Bank and IFC teams collaborated to support WSMEs through complementary public and private sector interventions at three different levels: identifying and lifting upstream policy and regulatory restrictions; providing capacity building to local intermediaries such as incubators and accelerators; and investing in those intermediaries that hold the most promise in supporting final beneficiaries.

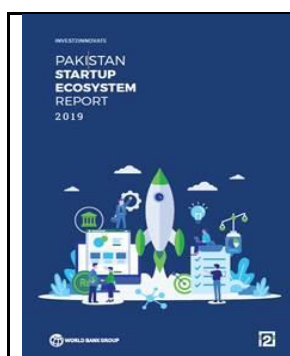


Syeda Maria Naseer, General Manager, Innovation District 92, incubation space in Pakistan

“As a representative of an Entrepreneur Support Organization, I strongly believe that such [World Bank We-Fi supported] knowledge sharing can actually lead to giving a formal structure to the investment ecosystem, give startups a better chance of raising investment, and can help set a benchmark for investment practices.”

With regard to the enabling environment, Pakistan continued to pursue the reform agenda as one of its priority areas and with We-Fi support received technical assistance from the Women, Business and the Law (WBL) Advisory team to implement recommendations in the **Pakistan WBL Reform Memoranda**. In July 2020, the government of Pakistan passed an amendment to the Companies Act, eliminating discriminatory procedural elements for women opening businesses. The amendment lifted the requirement for a woman entrepreneur to provide the name of her father or husband during the company incorporation process. The World Bank also provided analytic input to intermediaries and training development in publishing the **Pakistan Startup Ecosystem Report** detailing the landscape for early-stage financing and entrepreneurship support in Pakistan, with a focus on understanding differences between male and female entrepreneurs (*Box 2*). The report was launched at **021 Disrupt**, Pakistan’s premier entrepreneurship conference, and it was featured in a session at the Digital Youth Summit in Peshawar. In partnership with the **Global Entrepreneurship Monitor (GEM)**, a Pakistan section was included in the annual report published in April 2020. The findings from these studies and early-stage ecosystem activities are being leveraged in the investment readiness training to intermediaries and women entrepreneurs and also in planned World Bank Group recovery and entrepreneurship operations in Pakistan to WSMEs.

With regard to the enabling environment, Pakistan continued to pursue the reform agenda as one of its priority areas and with We-Fi support received technical assistance from the Women, Business and the Law (WBL) Advisory team to implement recommendations in the **Pakistan WBL Reform Memoranda**. In July 2020, the government of Pakistan passed an amendment to the Companies Act, eliminating discriminatory procedural elements for women opening businesses. The amendment lifted the requirement for a woman entrepreneur to provide the name of her father or husband during the company incorporation process. The World Bank also provided analytic input to intermediaries and training development in publishing the **Pakistan Startup Ecosystem Report** detailing the landscape for early-stage financing and entrepreneurship support in Pakistan, with a focus on understanding differences between male and female entrepreneurs (*Box 2*). The report was launched at **021 Disrupt**, Pakistan’s premier entrepreneurship conference, and it was featured in a session at the Digital Youth Summit in Peshawar. In partnership with the **Global Entrepreneurship Monitor (GEM)**, a Pakistan section was included in the annual report published in April 2020. The findings from these studies and early-stage ecosystem activities are being leveraged in the investment readiness training to intermediaries and women entrepreneurs and also in planned World Bank Group recovery and entrepreneurship operations in Pakistan to WSMEs.



Box 2. Pakistan Startup Ecosystem Report -- Ecosystem, yes. For women, not yet

- In 2019, there are over 24 incubators and accelerators, 80 coworking spaces, and approximately 20 formal investors in Pakistan. This ecosystem was virtually absent in 2012.
- Of \$154 million raised in the 2015–19 period, only about \$6 million (4 percent) was invested in women-led businesses.
- 75 percent of investors interviewed said there was no difference in quality between female-led companies and those led by men, but they see fewer female-led firms.

At the beneficiary level, the World Bank has provided **investment readiness training** to 16 incubators, accelerators, and other intermediaries, and to 23 early-stage women entrepreneurs. The investment readiness modules were developed and delivered in partnership with **Village Capital** and **Invest2Innovate** and



co-financed by IFC MENA, which plans to scale up the training across the MENA region. The COVID-adjusted online delivery allowed for trainers from across the globe to participate. Women entrepreneurship training will continue from August 2020, and it will be conducted with batches of 20 to 30 entrepreneurs, engaging a total of 170 women entrepreneurs by February 2021.

IFC and We-Fi-supported fund **Sarmayacar** invested in Patari, a woman-led company that operates a streaming and content generation platform. The startup moved quickly to a work-from-home environment and hiring of new remote team members also took place from different locations. Sarmayacar's engagement with Patari has been extensive, from guiding the overhaul of the governance framework, to serving as Board chair, to supporting business development and hiring efforts. "The ecosystem is beginning to bubble with opportunities and these tech businesses can now be built without needing to make sales pitches at corporate head offices that are usually led by men. Women can now build companies in niche set-ups, but we still need more women mentors that can be looked up towards and more broadly, better access to capital for women will accelerate the movement," says Zarlasht Faisal, CEO of Patari.

In February 2020, IFC's invested **TIDE Africa Fund** closed the second round of funding with an additional \$31 million. IFC supported TIDE through a \$1 million equity contribution funded by We-Fi, including a \$125,000 performance-based incentive to increase the number of female-led technology companies in the fund's portfolio, alongside a \$5 million IFC equity investment. In FY20, TIDE met most agreed-upon targets and requested the first PBI payout. Two WSMEs in the TIDE portfolio received \$6 million in funding. IFC and We-Fi's investment in TIDE helped to bring in other international investors including U.K.-based CDC, South Africa's Sango Capital, and Belgium's BIO with additional financial resources to expand its investment to WSMEs in Africa.

Building WSME capacity and networks and promoting a pipeline of high growth WSMEs through the advisory work continued as a core priority for the pillar. **Endeavor**, an IFC-supported mentorship and acceleration network aiming to reach 1,880 high-impact entrepreneurs in 34 markets, completed Phase 1 of the five-phase program. Endeavor finalized a study of its entrepreneurship network, which showed that women currently make up 13 percent of the entire network. Among the reasons for this disproportionately low percentage is that women make up a smaller number of candidates, and they tend to be eliminated early in the selection process. The study's recommendations will be used to design a set of initiatives to better support women at all stages of the program and increase their numbers in the network.

Seedstars, a non-profit supported by IFC, works to support high-growth tech entrepreneurs, particularly in underserved markets in countries such as Bolivia, Cambodia, The Gambia, and Mali. Seedstars launched the Gender Equality Track, a new initiative to increase the number of female-led start-ups that compete to receive capacity building through bootcamps, investment readiness programs, and connections to a network of around 1,200 mentors and more than 4,000 early-stage investors worldwide. We-Fi will be providing funding for Seedstars to test and implement a new set of approaches for sourcing women entrepreneurs.


Fostering an inclusive legal, regulatory, and policy framework

The World Bank We-Fi-funded **Women Business and the Law (WBL) Reform Memoranda** project identifies opportunities to increase women's participation through changes in national laws and regulations supported by reform advisory assistance to We-Fi priority countries. In FY20, the WBL Advisory team prepared and delivered 12 WBL reform memoranda for Bangladesh, Côte d'Ivoire, Djibouti, Egypt, Lebanon, Mozambique, Nigeria, Pakistan (see more on Pakistan in previous section), Senegal, Tanzania, Tunisia, and Zambia. As countries face economic hardships amid the COVID-19 crisis, there is robust momentum to implement regulatory reforms fostering women's economic participation, thus supporting faster economic recovery. For each country, the memoranda highlight the legislative gaps and legal restrictions on women's entrepreneurship, propose legal reforms, and recommend adoption of relevant good practices and international standards.

The We-Fi seeded reform memoranda findings are being operationalized in 5 of the 12 client countries, leveraging a wider range of World Bank Group instruments, thus promoting better regulatory project quality across We-Fi countries. As noted, Pakistan was first to enact one of the recommended reforms. In Côte d'Ivoire, Egypt, and Tunisia, IFC and the World Bank are coordinating efforts in providing technical assistance to implement regulatory reforms. In Senegal, World Bank We-Fi helped inform one of the triggers relating to access of WSMEs to public procurement under a planned emergency development policy operation. In Jordan, the World Bank is supporting a set of reform implementation support activities similar to the Pakistan reform advisory pilot. Two reforms were enacted in August 2020, introducing non-discrimination based on gender in access to credit for all banks and financial institutions and equalizing the process for obtaining passports for men and women. These will be counted toward FY21 results.

Deepening the analytic base, translating research into a programmatic approach to operations

A highlight of FY20 was the launch of the report, **Venture Capital and the Gender Financing Gap: The Role of Accelerators** by **Village Capital**, **GALI**, the World Bank Africa Gender Innovation Lab, and IFC with We-Fi funding (Box 3). The report showed that despite women leading half the startups that participate in accelerators, they continue to face unequal access to capital: "Only 11 percent of seed funding capital in emerging markets goes to companies with a woman on their founding team, and the figures are even lower for later-stage funding, despite the overwhelming evidence that investing in gender-diverse teams leads to stronger business outcomes." This report enabled IFC to launch the ScaleX initiative in FY21 with new We-Fi funding. ScaleX will incentivize accelerators supporting women entrepreneurs with a bonus payment of \$25,000 for every women-led business that an accelerator helps to raise at least \$1 million from investors. The initiative expects to catalyze a total of \$40 million into women-led startups in its pilot phase.



Box 3. Venture Capital and the Gender Financing Gap: The Role of Accelerators

- Acceleration exacerbates the gender financing gap in equity financing.
- Acceleration removes the financing disadvantage female-led startups face when raising debt.
- The persistent gender financing gap cannot be easily attributed to differences in the quality of the startups, suggesting that investor bias and risk perception may play a role.
- There are no clear accelerator program design elements that overcome the gender financing gap.

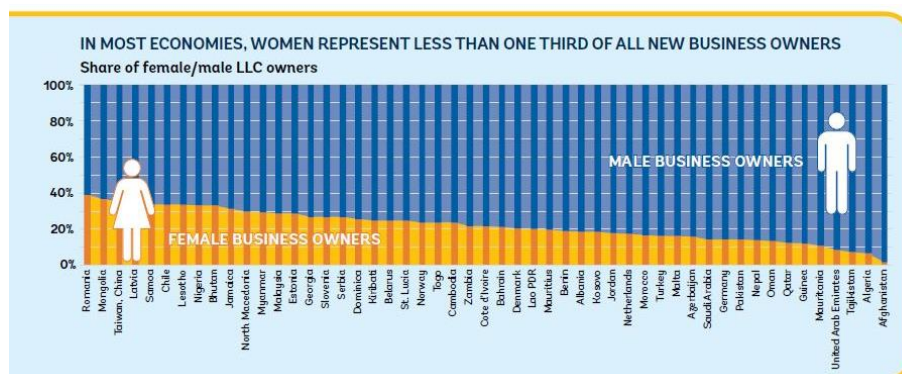
Venture Capital and the Gender Financing Gap: The Role of Accelerators
RESEARCH SUMMARY | FEBRUARY 2020

we-fi VillageCapital IFC

A second prominent set of knowledge products launched in FY20 is the **UNWTO Global Report on Women and Tourism**, produced in collaboration with **Amadeus**, **GIZ** and **UN Women**, together with Women in Tourism enterprise surveys in Ghana and Sierra Leone as part of the WeTour project. The global report and the country datasets and methodology notes were presented and discussed at the First Africa Congress on Women in Tourism, held in Accra, Ghana, and at the Freetown Forum on Women's Entrepreneurship in Tourism in November 2019. The Freetown Forum was the first event of its kind in Sierra Leone, bringing together and celebrating women entrepreneurs in tourism. The forum included interactive training sessions on law, safety, networking, and access to finance for its 175 participants. The country findings are being put to use to promote WSMEs in the sector particularly affected by COVID-19. With We-Fi funding, WeTour is informing the design of SME support services and matching grants to ensure that WSMEs receive support under two new World Bank country operations: the Ghana Tourism Development Project and the Sierra Leone Economic Diversification Project. Care is being taken to ensure women-owned and led businesses are informed about crisis support opportunities through women's associations and have the support needed to apply for these funds. The WeTour findings also informed the development of IFC's country strategy for Sierra Leone and several IFC tourism investments in Ghana.



Finally, in this pillar, the World Bank WeData project worked with government business registrars worldwide to develop a new approach to measuring entrepreneurial activity that covers female business ownership and directorship. In FY20, the project published sex-disaggregated data on female and male entrepreneurship for the first time. The data were published at the Gender Data Portal of the World Bank. Of the 155 economies participating in the project, 73 economies provided sex-disaggregated data on female and male entrepreneurship, along three main indicators: the share of female business owners; the share of female business directors; and, the share of female sole proprietors.



PILLAR II: EXPANDING FINANCIAL SERVICES

The Access to Finance (A2F) pillar focuses on strengthening the ability of commercial banks, non-bank financial institutions, fintech providers, and insurance companies through investment and advisory services to better design products and services for WSMES, supported by reforms in the legal and regulatory framework. Pillar II also aims to address WSMES' low uptake of insurance, savings, and transaction accounts, products that are particularly critical for WSMES. Table 5 summarizes activities under this pillar (light blue are projects/activities added in FY20).

Table 5: Pillar II Focus Areas and Activities, Project Highlights and Progress Towards Targets

PILLAR II - EXPANDING FINANCIAL SERVICES	
KEY FOCUS AREAS	FY2020 HIGHLIGHTS
World Bank Group Projects & Activities 1. PROVIDING ADVICE AND CAPITAL TO FINANCIAL INSTITUTIONS TO EXPAND LENDING AND FINANCIAL SERVICES TO WSMES <ul style="list-style-type: none">– A2F components under Bangladesh, Côte d’Ivoire, and Mozambique (World Bank Advisory) projects presented under Pillar III.– Afghanistan: Ghazanfar Bank (IFC Advisory) *– Argentina: HSBC (IFC Advisory) *– Côte d’Ivoire: NSIA Bank (IFC Investment)– Côte d’Ivoire: Staple Food Cooperatives (IFC Advisory) *– Indonesia: OCBCNISP Tbk (IFC Investment) *– Kosovo: SLGP TEB Risk Sharing Facility (IFC Investment) *– Myanmar: Yoma Bank Risk Sharing Facility (IFC Investment) *– Nigeria: Developing Innovative Solutions to Improve Access to Finance for WSMES (World Bank Advisory)– Nigeria: Union Bank PLC (IFC Investment) *– Sri Lanka: NTB Bank (IFC Investment)– Vietnam: OCB Bank (IFC Investment)– Zambia: Supporting Women-Led SMEs in Zambia—Access to Finance and Capacity-Building Pilot (World Bank Advisory) 2. DEVELOPING INSURANCE PRODUCTS FOR WSMES <ul style="list-style-type: none">– Cameroon & Ghana: Activa, an insurance company (IFC Advisory)– Philippines: Malayan and Insular Life Insurance companies (IFC Advisory) 3. INVESTING IN FINANCIAL INSTITUTIONS, FINTECHS, AND HIGH GROWTH WSMES <ul style="list-style-type: none">– India: CoverFox (IFC Investment)	<div><div>4</div><div>New investments to financing institutions in Indonesia, Kosovo, Myanmar and Nigeria</div></div> <div><div>3</div><div>New advisory projects to build the capacity of financial institutions to serve WSMES and co-operatives in Afghanistan, Argentina, and Côte d’Ivoire</div></div> <div><div>1</div><div>Digital lending product for WSMES launched in Nigeria</div></div> <div><div>1</div><div>New insurance report, “COVID-19 and the Insurance Industry: Why a Gender-Sensitive Response Matters”; launch of new programs, platforms and solutions by IFC clients Activa, MICO and Insular Life</div></div> <div><div>5</div><div>Strategic partnerships with DBN, Access Bank Nigeria, Sterling Bank, the government of Zambia</div></div>
PROGRESS TOWARDS TARGETS	
<div><div>1,310</div><div>loans, investments, and insurance policies provided to WSMES (World Bank Group target: 40,000)</div></div>	
* New Projects – committed/approved in FY20	

Portfolio growth and trends

In FY20, World Bank Group We-Fi achieved a significant expansion of the program under this pillar and an increase in WSME lending. IFC provided investment support to four financial institutions in Indonesia, Kosovo, Myanmar, and Nigeria, adding to previous year investments in Côte d'Ivoire, India, Sri Lanka, and Vietnam. IFC also launched three advisory projects in the supply chain finance market and traditional banking. We-Fi funding of \$4.7 million supported IFC's own \$168 million investment dedicated to WSME lending. OCB Vietnam and NTB Sri Lanka made 1,310 new WSME loans, which created an outstanding portfolio of 3,659 WSME loans (from a baseline of 2,349) worth a total of \$168,410,847 (from a baseline of \$110,260,000).

Launching financial products for WSMEs, expanding the use of performance-based incentives to direct financing support toward WSMEs



In Nigeria, the World Bank Group continued to support commercial banks in their efforts to develop and launch technology-enabled financial products for WSMEs. The World Bank, in collaboration with local partner [Access Bank](#) and the [Development Bank of Nigeria](#), launched a new credit product to

increase access to finance for WSMEs. The 'Digital Cashflow based lending product', supported by the World Bank and the We-Fi, addresses longstanding collateral constraints faced by women entrepreneurs by using data on business cashflows by WSMEs to determine their credit worthiness. A capacity-building component is also part of the project to help enhance WSME financial management skills. The design of the new product and services was informed by a diagnostic mapping WSMEs' experiences accessing financial services in Nigeria. Based on the findings and advisory by the Bank Group team, the product was launched by Access Bank in a pilot phase in June 2020 — a timely offer in the context of lockdowns and social distancing restrictions. The innovative credit solution has already generated 500 applications by women entrepreneurs since its launch. The effectiveness of the Digital Cashflow Loan product will be assessed through a rigorous impact evaluation.



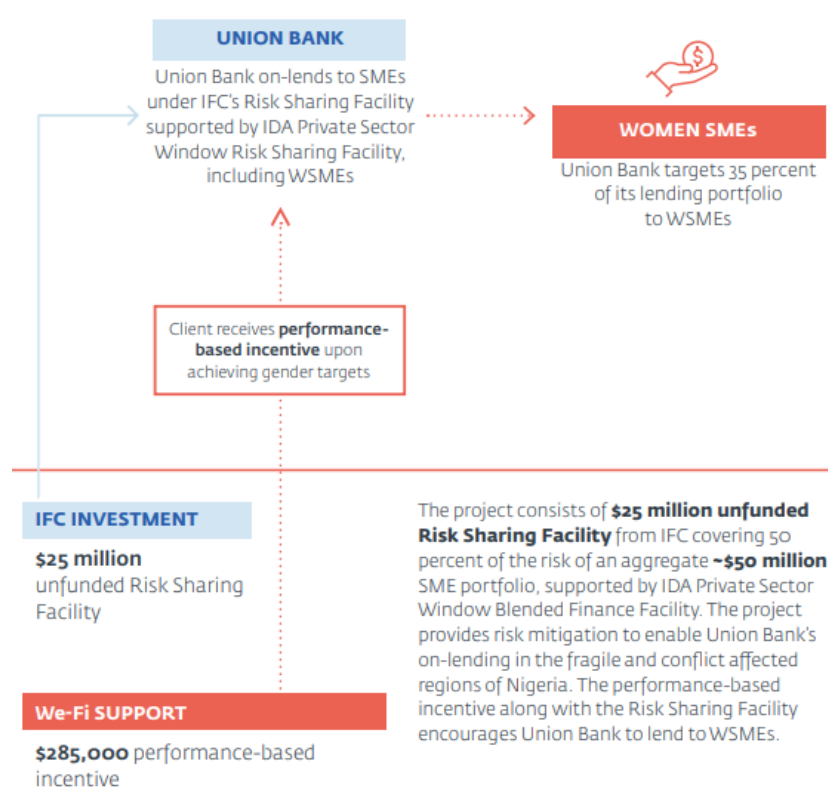
Photo from a focus group discussion in Lagos, Nigeria.

The diagnostic conducted by the WBG team included focus group discussions, in-depth interviews and phone-based surveys with WSMEs across eight locations, interviews with commercial banks and fintech players, and the collation of performance data on loans.

The team provided capacity building to the Development Bank of Nigeria to collect sex-disaggregated data and develop a monitoring and evaluation framework and tools to track its lending to WSMEs, as well as that of its partner financial institutions. The next steps for the project are to include further automation

and COVID-19 adjustments to reduce human interactions required to validate loan application information. The team is planning gender-sensitivity training for loan officers and expects to reach 500 WSMEs with the digital cash flow product.

The World Bank project also successfully raised an additional \$250,000 of funding from the **French Development Agency** to support further fintech diagnostics that will inform project interventions. Finally, the World Bank team launched a new partnership with **Sterling Bank** to refine its Spectra Xtreme product to increase outreach to WSMEs. This innovative credit product is a digitized loan that entails a five-minute phone/online loan application process. It allows businesses to borrow against their financial assets (such as savings, cash deposits, treasury bills, and other investments) to meet urgent business needs.



The use of PBIs to direct more financing support to WSMEs has expanded to other programmatic platforms, such as the IFC Small Loan Guarantee Program (SLGP)³. **Union Bank** (Nigeria), **TEB Bank** (Kosovo), and **Yoma Bank** (Myanmar) are three leading SME banks and often the only ones pursuing gender financing in their respective countries. Performance-based incentives provided by We-Fi in the amount of \$685,000 were used along with the \$78 million in risk-sharing facilities by IFC to further encourage lending to WSMEs (see example). In Myanmar, the project with Yoma Bank is the first risk-sharing facility in the country and, as such, will help introduce a new, innovative structure in the SME financing space.

Another highlight of new financial products We-Fi supported this year is the first ever gender bond in Indonesia, and second in Asia-Pacific, issued by **PT Bank OCBC NISP Tbk**, the eighth largest commercial bank in Indonesia. We-Fi provided a PBI of up to \$1.25 million alongside IFC's \$100 million investment in this gender bond, directing the use of the bond's proceeds toward on-lending to WSMEs and doubling the Bank's WSMEs portfolio in the next five years. The project is expected to increase NISP's WSME portfolio from around \$105 million to \$210 million and increase its reach from 860 to 1,180 WSMEs. Beyond that, the team anticipates the investment will contribute to market creation by improving financial sector integration through product innovation, including demonstrating the viability of gender bonds as investment instruments.

³ IFC Small Loan Guarantee Program provides risk-sharing instruments to client banks looking to expand small and medium enterprise lending in difficult-to-serve markets.

In addition to directing more financing support toward WSMEs through the use of various blended finance instruments, the World Bank Group We-Fi teams also provided training and capacity-building support to financial institutions. **HSBC Bank** (Argentina), **Ghazanfar Bank** (Afghanistan), and multiple banks in Côte d'Ivoire (in collaboration with AfDB AFAWA program), are receiving capacity-building support for serving WSMEs, including how to better reach out to WSMEs with financial and non-financial services. These activities are complementing the World Bank Group We-Fi Access to Market project, which supports cooperatives in the Bouake and San Pedro regions in Côte d'Ivoire (see Pillar III).

Developing insurance products for WSMEs

IFC continued supporting insurance products for women entrepreneurs in Africa and Asia to provide protection to WSMEs from external risks and disruptive events, especially important in the context of COVID-19. With IFC We-Fi advisory support, **Insular Life/InLife (the Philippines)** obtained an **Economic Dividends for Gender Equality (EDGE)** ASSESS level certification in 2019, making it the first local insurer in the Philippines to be EDGE certified, which enables the firm to better serve WSMEs. To help women business owners manage their businesses better during COVID-19, InLife published resources on its InLife Sherioes web platform, as well as launched She Cares, a 3-in-1 women-centric insurance policy that combines health and life insurance, and investment funds to support WSME business and personal needs. Malayan Insurance (MICO) is another example: in September 2019, MICO officially launched its Women's Insurance program ("We Women"), including Stela Biz, a solution targeting women-owned businesses. These products protect women and their families in case of accidents, as well as their homes, cars, and businesses. The WeWomen virtual platform was publicly launched to provide **Filipina entrepreneurs access** to resources and networks to help them advance their personal, family, and career goals.



Similarly, with IFC We-Fi support, in October 2019, **Activa International Insurance Ghana (AIIG)** publicly launched the **AIIG Activ'Lady program**, which raises awareness among women about the role of insurance and risk mitigation and **Activ'Lady Biz Protect**. **Activ'Lady Biz Protect** is a tiered insurance package bundled with business protection, a maternity allowance, and access to Ghana Health Services' national health cards for women entrepreneurs and their employees. In addition to insurance coverage, **Activ'Lady** includes access to a **web platform**, which provides women entrepreneurs with access to resources on financial, tax, and legal services, and a platform to promote their services. In Cameroon, along with the launch of its women's insurance program ("Activ'Lady"), Activa launched a new solution, **Mon Asso**, that provides market traders access to bundled insurance coverage for life and personal accident, as well as secure mobile stalls with umbrellas for protection against weather.

Across the insurance program, the **Gender Sensitivity Training (GST)**⁴ facilitators trained more than 500 staff, agents, and advisors about the role of insurance in risk mitigation through more than 80 face-to-

⁴ IFC developed a two-day, gender-sensitivity program that equips male and female agents with the knowledge and skills needed to become effective advisers in helping firms create long-lasting relationships with women customers.

face and virtual awareness raising and educational events with partners, reaching over 45,000 women and women entrepreneurs in Cameroon, Ghana, and the Philippines.

Tackling the global COVID-19 crisis through dedicated investment facilities and research

We-Fi has become a key contributor to IFC's \$2 billion COVID-19 Working Capital Solutions Response Facility. Up to \$2.4 million (\$900,000 from We-Fi) will be provided as PBIs to financial institutions that agree to earmark at least 20 percent of their working capital loan proceeds for lending to women customers and women-owned/-led enterprises. Through this new initiative, We-Fi encourages banks to direct a minimum of \$220 million in working-capital loans to WSMEs in critical need of short-term liquidity during the pandemic and will thus help bring more capital to women-owned enterprises that have been disproportionately impacted by the crisis.



The IFC Women's Insurance team stepped in to help understand better the impact of the pandemic on the industry and inform the response. In June 2020, the team published a new report, ***COVID-19 and the Insurance Industry: Why a Gender-Sensitive Response Matters***. The guidance note reiterates the women's insurance business case and highlights best practices from insurance companies on how they can support female employees, customers, and agents during the pandemic. The report was translated into French and launched at one of the SME Finance Forum's Virtual Roundtable Series on COVID-19.




World Bank Group We-Fi beneficiaries have introduced measures to cope with the crisis. In addition to humanitarian donations and support to vulnerable populations and frontline workers, InLife expanded its digital sales and payment channels to continue servicing customers and

extended the policy payment grace period to 91 days, instead of the IC required 30 days. To support WSMEs, the team organized virtual webinars, such as the "Financial Quotient Workshop for SMEs." InLife was the first client to test out the new virtual gender-sensitivity training program developed by the IFC team.

PILLAR III: IMPROVING MARKET ACCESS

World Bank Group We-Fi is promoting WSME growth and productivity by linking women entrepreneurs to global, regional, and domestic markets under the Access to Markets (A2M) pillar. Innovative approaches such as e-commerce platforms are being tested to help WSMEs overcome specific constraints to market entry. Training is helping WSMEs to become procurement ready and ensure they meet the qualifications to become value chain partners. Table 6 summarizes activities under this pillar (light blue are projects/activities added in FY20).

Table 6: Pillar III Focus Areas and Activities, Project Highlights and Progress Towards Targets

	PILLAR III – IMPROVING MARKET ACCESS
---	--------------------------------------

KEY FOCUS AREAS	FY2020 HIGHLIGHTS
WBG Projects & Activities <ol style="list-style-type: none"> 1. INTEGRATING WSMES INTO DOMESTIC AND INTERNATIONAL VALUE CHAINS AND PRODUCER NETWORKS <ul style="list-style-type: none"> – Bangladesh: Creating Market Opportunities for WSMES (World Bank Advisory) – Côte d'Ivoire: Increasing Access to Markets and Finance for Women-Led Cooperatives and Enterprises (World Bank Advisory) – India: Suguna (IFC Investment)* – MENA: E-Commerce and WSMES in MENA (World Bank Advisory) – Mozambique: Increasing Women-owned SMEs' Access to Markets and Finance (World Bank Advisory) 2. DEVELOPING INCLUSIVE SOURCING AND SUPPLY CHAIN FINANCE <ul style="list-style-type: none"> – Dominican Republic: Tropicalia, a hotel (IFC Advisory) – Daraju: WSMES in the company's distributor network (IFC Research) – India: Bayer, Better Life Farming Alliance (IFC Advisory) – Vietnam: Sustainable Pepper, McCormick (IFC Advisory)* 3. FOSTERING GOVERNMENT PROCUREMENT FOR WSMES <ul style="list-style-type: none"> – Senegal: Connecting National Procurement Needs with Women-owned SMEs (World Bank Advisory) <p>* New Projects – committed/approved in FY20</p>	<p>\$119 million mobilized to increase WSME access to markets</p> <p>1 New investment and 8 advisory projects</p> <p>600 WSMES trained to become better suppliers (sales pitches and e-commerce)</p> <p>5 A2M events organized</p> <p>5 Strategic partnerships: International Trade Centre, Sourcing2Equal, UN Women, UPS, WE-Connect International</p>
	PROGRESS TOWARDS TARGETS <p>416 WSMES trained on e-commerce in FY20 (World Bank Group target: 4,300 WSMES with improved access to markets)</p>

Program Growth and Trends

In FY20, World Bank Group We-Fi teams mobilized \$119 million to support increased WSME access to markets in MENA, India, Mozambique, and Vietnam toward the program target of \$122.3 million across the A2M portfolio. IFC invested in Suguna Limited, a fully integrated poultry producer in India, and formed a partnership with McCormick to build a 100-percent sustainable, traceable, certified, and quality-compliant pepper supply chain in Vietnam by 2025. In Mozambique, the World Bank team with We-Fi support designed a component within the *Harnessing the Demographic Dividend* project and mobilized \$13.5 million for WSMES. In MENA, the World Bank team influenced the design of three new projects in Jordan, Morocco, and Tunisia, mobilizing \$21 million for WSMES.

We-Fi supports data gathering on sector opportunities and women suppliers, and development of business case studies to promote integrating WSMES in supply chains. In FY20, World Bank Group We-Fi

teams conducted supply and demand assessments to determine the opportunities available for women entrepreneurs in almost all countries of operation, collaborated with corporations to demonstrate the business case for working with WSMEs, and worked with more than 600 WSMEs to strengthen their capacities as suppliers. FY20 activities set the stage for direct engagement in FY21, when WSMEs are expected to sell goods and services to larger market segments and compete for private and public procurement contracts.

Building the business case for procuring from WSMEs

The World Bank and IFC are implementing activities with corporate clients and WSMEs to create more inclusive supply chains. In FY20, World Bank Group teams made significant progress in demonstrating the business case for corporations to buy from WSMEs in Bangladesh in partnership with **WE-Connect International**. The teams launched the **Supplier Diversity Advisory Committee** with representatives from Apex Footwear, BRAC Bank, DBL Group, Gemcon Group, and Knit Asia Group to advocate for supplier diversity among private sector actors. In addition to the committee, 16 corporations signed letters pledging to diversify their supplier bases.



The WBG teams organized a conference on supplier diversity, the **Corporate Connect: Strengthening Market Access Conference** in Dhaka. The event brought together WSMEs, senior corporate representatives from the Advisory Committee and other sourcing professionals and executives from across Bangladesh to further explore strategies for increasing gender-inclusive sourcing and supply chain financing. The conference included a meet-the-buyer session with procurement and supply chain professionals, sharing information on their procurement processes and local business opportunities.



World Bank Group teams also developed and delivered a Masterclass to strengthen WSMEs' capacity to articulate their business strategies, negotiate with buyers, and pitch to investors. The top five participants among the initial masterclass session of 25 participants were invited to join a pitch competition at the Corporate Connect conference. The Corporate Connect session facilitated over 200 WSME connections with corporate sourcing representatives. A number of new deals originated, but their materialization was interrupted by COVID-19

(Box 4). WEConnect International will continue to work with the network to determine the impact of these connections. Based upon the promising results of the Masterclass pilot, 700 women will be receiving the general supplier development training and 200 will be selected to join the master class training.

The Bangladesh team launched a **business pulse survey** to determine the impact of COVID on the WSME community and is adjusting project advisory offerings to help mitigate the severity of the shock based on its findings.

Box 4. COVID-19 impact on We-Fi beneficiaries in Bangladesh

Shafia Shama, owner and founder of M/S Shama, sells eco-friendly office supplies, bags, baskets, and home decor items. Much of her annual business income depends on gift giving around the Bengali New Year (April 14) and the Eid al-Fitr festival, marking the end of the holy month of Ramadan, which this year fell on May 25th.

“With lockdown in place, these occasions took a blow and no sales took place,” she said. “Factories are closed; raw material is scarce, as many products come from abroad. People are saving more and fearing the future. No luxury buying is taking place except for bare necessities.”

The We-Fi project continues to advocate the benefits of supplier diversity with corporate partners and financial institutions, and it is exploring measures to help mitigate the impact of the pandemic on WSMEs. To offer needed training and information that can strengthen the capacity of WSMEs, the Bangladesh We-Fi team is evaluating new virtual tools, such as learning modules on aspects of business resilience. The World Bank We-Fi team is also developing a database linking WSMEs with corporations interested in sourcing from WSMEs and with financial institutions. This database is expected to become operational within the next year. The database will enable mapping of suppliers and promote access to additional funding.



Shafia Shama, owner and founder of M/S Shama. Photo: World Bank Group

Facilitating WSMEs' access to new sector procurement opportunities

World Bank Group We-Fi teams have designed activities for women to enter new sectors — agribusiness, non-traditional markets, and public procurement opportunities. Jointly implemented by the World Bank and IFC, the Côte d'Ivoire project is improving access to markets and financial products and services for both WSMEs and women-led cooperatives, especially in fruit and vegetable production and distribution. In FY20, the team supported the design of an online platform to link women farmers to transporters and markets, improving access to urban retail markets for smallholder women farmers in Côte d'Ivoire. The platform also includes agricultural e-extension services and a market information system that provides for real time sharing of market prices via SMS. The online platform will be launched under the World Bank Infrastructure for Urban Development and Competitiveness of Secondary Cities Project (PIDUCAS) project, thereby mobilizing an additional \$1 million in support to WSMEs. With the additional PIDUCAS funding, the team will be able to use We-Fi funds originally earmarked for developing the platform to instead provide more training on effective cooperative management. In addition, the team finalized the Rapid Industry Structure Analytics report, *Women-Driven Value Chains for Fruits and Vegetables in Côte d'Ivoire*, which includes a detailed stakeholder mapping and analysis of a broad set of local and international actors in the horticulture value chains. A new World Bank agri-sector support project in Côte d'Ivoire (indicative amount of \$500 million) will build on the findings of this report to address gender gaps resulting from lack of access to adequate technology, finance, and extension services, providing We-Fi activity scale-up opportunities.

Access to market activities are complemented by access to finance work in Côte d'Ivoire. The World Bank Group We-Fi team completed an assessment of the horticulture sector and existing financing products for WSMEs in FY20. Based on the assessment's insights and conclusions, a new set of products (including product factsheets) were designed. The team is preparing a workshop with financial institutions to present the products, and it plans to launch them working with financial institution partners.

Complementary to the agribusiness sectoral work, direct engagement with private sector companies facilitates WSMEs' access to their corporate supply chains. IFC and We-Fi made an investment in [Suguna Holdings Private Limited](#), a pioneer in contract farming in India, which incentivizes Suguna to strategically increase the participation of women entrepreneurs in its value chain. Alongside IFC's \$54 million loan to Suguna to introduce best practices in poultry operations to Kenya and Bangladesh, up to \$0.77 million in PBI is being provided by We-Fi to incentivize the company to increase sourcing from WSMEs. Another direct engagement with a private company was [McCormick & Co.](#) in Vietnam. The project targets women-led households and farms to help them move from low-value produce and reap the benefit of higher income from value-added products. It aims to reach 1,700 farmers (30 percent women) in the pilot phase and up to 10,000 farmers (3,000 women-led/-owned firms) in four years. A diagnostic study of the pepper sector in Vietnam was commissioned, and McCormick separately engaged CARE to conduct gender mapping of the pepper supply chain in Vietnam. The results of this study indicated that women perform most pepper farm-level activities, but they are not included in technical trainings to improve farming practices. The results of this survey were used as a basis to design project activities and select training topics for project participants.



The We-Fi project in Mozambique aims to expand WSMEs' access to markets and finance in non-traditional sectors. Two of its core capacity-building interventions are the Gender-Centered Design Program (MUVA PAM) and Social Gender Role Training (*Box 5*). The MUVA PAM acceleration program supports women entrepreneurs in Mozambique in becoming more innovative and efficient, while developing opportunities for other women as suppliers, workers, and clients. Shortly after the country embraced lockdown measures, the project team adapted the program to prioritize business resilience and survival. Focusing on changes brought by the pandemic, the program now offers practical tools to help women entrepreneurs identify business opportunities to help keep them in business, modify their financials and operations, and define new needs. Some 100 WSMEs attended the initial business acceleration training, and 20 companies were selected as the first cohort of the intensive online bootcamps. In addition to the virtual classes, the entrepreneurs have participated in online workshops with external guests who share their experiences, successes, and failures. These sessions are broadcasted via Facebook and YouTube to attract an even greater number of women.



Box 5. Empowering female entrepreneurs through social gender role training and coaching

The World Bank We-Fi in Mozambique is building on the latest evidence to develop a training that addresses social gender norms to support WSMEs' entry into stereotypical male-dominated areas.

The recent World Bank report, *Profiting from Parity: Unlocking the potential of women's businesses in Africa*, finds that training programs that adopt lessons from psychology to address socio-economic skills can lead to high levels of impact on business performance. With We-Fi support, the World Bank team partnered with a team of psychologists from the University of Warwick and Leuphana University to develop the **Social Gender Role Training and Coaching** aimed at empowering female entrepreneurs to overcome social gender roles and reduce perceived internal gender barriers. The approach is based on the social gender role theory. It uses an action-oriented training approach fostering proactive behavior (such as a proactive network and image-building) and role models (interviews of husbands to create acceptance, invited guest speakers, trainers as role models). A total of 700 women entrepreneurs are expected to participate in this training under the We-Fi project, which if successful can be expanded to various pipeline World Bank operations.

World Bank Group teams promote WSME access to public procurement through capacity building in



Photo from the project launch in Dakar in January 2020. From left to right: Secretary General of the Ministry of Commerce and SMEs; Director General of the Public Procurement Regulatory Authority; former World Bank HD Program Leader for Senegal CMU; Regional Director for UN Women, West and Central Africa; President of the Union of Women Business Owners.

Senegal and to corporate procurement through a newly established global program — Sourcing2Equal.

Public procurement offers an important opportunity to enhance firms' access to markets, especially in developing countries where governments are significant consumers of goods and services during the pandemic. In Senegal, the Bank Group seeks to address some of the key supply and demand constraints to contribute to the growth of WSMEs by promoting their access to public procurement and capacity building. The project, which seeks to raise awareness among government officials about the capabilities and obstacles faced by potential WSME bidders, launched a series of technical sessions

for public officials in collaboration with **UN Women**. The team also initiated a survey of over 1,000 firms to assess supply opportunities. The survey was extended and adjusted to reflect COVID-19 impact on WSMEs. In redesigning project activities, the team exchanged lessons with the Inter-American Development Bank public procurement team. The team is also working closely with the IFC Banking on Women program to explore potential products that could help WSMEs cope with the longer payment periods under public sector contracts.

A new global IFC advisory program, Sourcing2Equal, has been developed to increase women's participation in corporate supply chains and inform IFC's value chain financing products for WSMEs. Sourcing2Equal aims to expand the business case evidence on sourcing from women-owned firms; identify and share best practices from leading global companies, and accelerate their implementation; build the capacity of WSMEs to become procurement ready; document public policy practices that enable private sector procurement opportunities for WSMEs; and establish linkages between sourcing and access to finance solutions for WSMEs. The program has plans to support three pilots in new markets in FY21 – FY23 with the goal of reaching 5,000 WSMEs globally. Sourcing2Equal Kenya⁵ will be the first country pilot.

⁵ Please see the project overview [here](#).

Testing innovative approaches through e-commerce



Across seven MENA countries, World Bank Group teams are testing innovative approaches to provide WSMEs improved access to markets through e-commerce platforms and improvements to related business environment and infrastructure. In FY20, the team delivered training sessions and launched a regional partnership with **UPS** at the We-Fi MENA Regional Summit. The UPS program was successfully adapted to the exigencies of COVID-19, pivoting to online delivery of its training program and training 416 WSMEs through an extensive online series (*Box 6*). In a

complementary Pillar I effort, the WBL reform memoranda in Jordan influenced recommendations for legal and administrative reforms to formalize home-based businesses through the World Bank Economic Opportunities for Jordanians and Syrian Refugees Project; and the team provided technical advice to Tunisia's customs authority and Ministry of Trade to streamline e-commerce export procedures.

Box 6. MENA e-commerce entrepreneur knowledge series in partnership with UPS and ITC

In response to the COVID-19 pandemic and resulting increased interest in e-commerce to reach customers, the World Bank and UPS adapted their training delivery plan to jointly provide a three-week knowledge series with the **International Trade Centre** (ITC). The revised delivery used ITC's ecomConnect — a community engagement platform for e-commerce entrepreneurs with a special focus on developing and least developed countries. The series



consisted of six master webinars and nine deep dive clinics offered in English, French, and Arabic, covering a range of e-commerce *how-to's*, including shipping solutions, building customer loyalty, creating an e-commerce site, and social media advertising. The team found that delivering the content in French and Arabic brought on extra financial and logistical costs but also set the series apart from the plethora of pandemic-induced webinars on offer, contributing to its success. Over 400 participants joined the online discussion forum and engaged in expert Q&A.

The next step for the project is to train local e-commerce advisors to support women entrepreneurs in seven MENA countries.

Plans for the Next Year

Based on the learnings of the COVID-19 experience, teams will ramp up their efforts to ensure that women entrepreneurs and other ecosystem players are equipped with the right tools to effectively respond to the ongoing crisis in FY21.

Pillar I: Strengthening Entrepreneurship Ecosystems

The World Bank Group will continue its work to improve entrepreneurship ecosystems by increasing access to early-stage capital, training key intermediaries, and conducting policy advocacy and outreach. IFC activities include launch of the ScaleX initiative (described earlier), and expansion of the IFC Startup Catalyst Program. Through ScaleX, IFC aims to invest in a portfolio of seed-stage funds that make equity and quasi-equity investments in early-stage companies. Those investments will continue to use effective blended finance instruments (such as fee subsidies, incentive programs, target structures), and the adoption of principles for finance (such as gender balance in the board and senior management). The World Bank will continue its online women entrepreneurship training and commence coaching angel investors in its Pakistan project. To improve the reform environment, the WBL reform project will continue providing technical assistance to Pakistan and Jordan as two pilot countries to operationalize their reform memoranda.

Pillar II: Access to Finance

IFC's Banking on Women (BOW) program will focus on assessing the changing needs of women-owned SMEs and very small enterprises and building the internal capability of financial institutions to address them. BOW will expand its diagnostic and scoping work to size the market opportunity for WSMEs and assess the internal capability of financial institutions to serve this segment in Colombia and develop financial services for WSMEs, including among displaced populations. In Nigeria, the World Bank team will promote further automation and COVID-adjustments to its digital cash flow lending product, expecting to reach 500 WSMEs. The team will also advance the impact evaluation project and develop a monitoring and evaluation framework and tools for the Development Bank of Nigeria and its partnering financial institutions to track lending to WSMEs. In Zambia, the World Bank team will work on enhancing the regulatory environment for fintechs in order to leverage take-up of digital financial services in a time of social distancing and self-isolation.

Pillar III: Access to Markets

To increase access to markets, World Bank Group teams will continue to help WSMEs become suppliers, through capacity building activities, and connect them with corporations and public procurement opportunities. In Bangladesh, the team will train 200 WSMEs next year with 75 projected to create linkages to corporations and secure new contracts. In MENA, the team will start training of e-commerce advisers to deliver firm-level advisory services to WSMEs in five countries. The project in Senegal will provide technical assistance to the public procurement authority and other procurement stakeholders, and the Bank Group We-Fi team will deliver technical capacity building to WSMEs, including on the managerial and psycho-social skills empowering women to interact and perform as suppliers. Sourcing2Equal will introduce one new country pilot in the new year, test its diagnostic tool with private sector companies, and launch research on the business case and drivers for gender-inclusive sources. In collaboration with WE-

Connect International, the World Bank Group will publish learning briefs for the Bangladesh and LAC Andean roundtables and convene events on gender-inclusive sourcing with the Chartered Institute of Procurement Supply.

Key Challenges and Lessons Learned

Effective implementation at both program and project levels requires flexibility. As the World Bank Group portfolio evolved and the political situation in some project countries continues to be challenging, the program needs to maintain its flexibility. In MENA, the project has slowed down in Lebanon due to the recent tragedy, and in Egypt, formal government approval is pending. In addition, the COVID-19 crisis, curtailing in-person gatherings, took a toll on many dimensions of project implementation and forced teams to think creatively of how to deliver key project offerings. In a short span of time, teams adapted their training, provided technical advice to emergency development policy operations, offered new products for flexible repayment of WSME loans, and contributed to business pulse surveys to address gaps in data on how WSMEs reacted to the crisis.

The World Bank Group's strategic relationships with global, regional, and country partners are key to the implementation of the We-Fi portfolio. In MENA, the webinar series was launched in coordination with two key partners, ITC and UPS. The webinar series took place through ITC's ecomConnect platform, which allowed the program to be rolled out quickly. UPS was integral in bringing know-how in logistics and freight forwarding to the series. World Bank and UPS teams learned how to coordinate their priorities at short notice, and the fruitful collaboration allowed real life business experience to be incorporated into the content. In addition, Bank Group teams are implementing projects in the same countries as other We-Fi Implementing Partners, presenting opportunities for collaboration and leverage.

COVID-19 caused some Program implementation delays but also increased the needs for We-Fi resources. IFC We-Fi's investment budget for Pillar I was fully consumed by the third year of the Program (instead of five years as originally anticipated) due to high demand and absence of private investor interest during the crisis, prompting IFC We-Fi to lean in with additional resources. As a result, the IFC We-Fi program needed to reallocate \$1.9 million from advisory activities to the investment budget to address this immediate need. Similarly, Pillar II also saw an increasing need for resources as a consequence of both financial institutions and WSMEs needing additional financing to cope with the crisis.

The shift to online delivery worldwide with COVID-19 has provided new learning opportunities but also prompted a saturation of online sessions, and some fatigue, which requires further differentiation from the World Bank We-Fi teams when designing online programs. We-Fi teams quickly recognized the substantial differences between online and in-person delivery— training content sequencing and modes of delivery need to be tailored specifically for online and in-person programs. In some cases, new offerings of online programs increased the number of viewers, trainers, and participants, especially given the ability to record and post sessions, providing women more options and flexibility to take part in learning opportunities. Amid a growing number of online training offerings, it is critical that the branding and messaging around the We-Fi program is clear and sustained, and the value proposition is fully explained. For example, delivering the content in different languages in the World Bank We-Fi MENA's webinars was one element that set the series apart from numerous webinars. Project adaptations under the e-learning shift

will continue as teams decipher the most effective delivery strategies using a tailored approach to planning each virtual resource.

Communicating the achievements of the World Bank Group We-Fi portfolio is important to raise awareness and pass on best practices that can create long-lasting impact on WSMEs. A key lesson over the last year has been the importance of proactive dissemination of project updates, content, and findings to effectively communicate the project achievements. Strategic and deliberate coordination among World Bank Group communications teams, the We-Fi Secretariat, and partners to utilize online and traditional channels proved to be an effective outreach mechanism. Events showcasing project findings and successes are crucial for shifting public perceptions, increasing awareness, and sharing lessons learned. Media presence will continue to play a key role in expanding stakeholder outreach and increasing content visibility.

COVID-19 Impact

The COVID-19 pandemic had a significant impact on all countries of operations, program counterparts, beneficiaries, and project teams, and the We-Fi World Bank Group team responded and adapted effectively. The teams successfully modified their interventions across all three pillars to address the new implementation environment and aligned the program with the World Bank Group's three-stage institutional crisis response: relief, restructuring, and recovery. World Bank Group We-Fi's role is becoming more prominent during the restructuring and recovery phase in each country. In shaping their responses to challenges posed by the pandemic, teams benefited from the World Bank guidance note about dealing with the COVID impact on SMEs, which indicates that while maintaining access to finance for firms is a priority to face the initial shock, creating SME support programs, promoting firm growth, and reactivating trade flows and value chain participation will be key to SMEs' long-term survival.

While all SMEs are hard hit by the pandemic, WSMEs are disproportionately impacted. Globally, WSMEs are about 6 percentage points more likely to close their businesses than male-owned businesses, according to recent World Bank-led research on COVID impact.⁶ As COVID-19 is threatening to erase years of progress in closing the gender gap, teams especially emphasize fintech, e-commerce and online tools, public procurement, and legal and regulatory reform as areas of focus for the next steps. Despite successful adaptation to the crisis, COVID-19 continues to pose a risk to the World Bank Group We-Fi portfolio, potentially resulting in delays in reaching the targets set for the projects at program inception.

Table 7 below lists a series of challenges posed by the pandemic and the mitigation measures adopted by World Bank Group We-Fi teams.

Table 7: COVID-19 Challenges and Mitigation Measures

CHALLENGES	MITIGATION MEASURES
Social Distancing. Due to severe public health repercussions of the COVID-19 pandemic, many World Bank Group We-Fi countries enforced	Teams have kept in touch with clients (financial institutions, intermediaries, companies), project partners and WSMEs via digital tools to understand and assess their evolving needs,

⁶ In a collaboration between Facebook, OECD, and the World Bank, data from 26,000 business owners and managers collected between May 28th and 31st in 50 countries was analyzed. Data are from the first analysis of a series of six Facebook Future of Business COVID-19 Surveys, as presented by the Africa Gender Innovation Lab.

<p>lockdown measures, which prevented teams from traveling and meeting counterparts, and necessitated adjustments in program delivery due to delays in the original planning.</p>	<p>and capacity, as well as to discuss new proposed modalities and models that can be leveraged.</p> <p>Activities have been redesigned to allow for social distancing. Projects now include online content, virtual classes, ongoing telephone support, and workbooks for WSMEs.</p>
<p>Uncertainty. In the immediate aftermath of the COVID-19 outbreak, both the project teams and beneficiary WSMEs faced increasing uncertainty in terms of the next steps, and some had to freeze their operations. There is a limited appetite for risk and entrepreneurship, and firms shifted their focus from growth to survival.</p>	<ul style="list-style-type: none"> • The Bank Group has developed a database of information on COVID-19 SME impact and policy responses that can be leveraged to inform design of interventions. • Teams ran surveys to get information on the impact on WSMEs. Teams contributed to business pulse surveys to collect information on the impact of WSMEs. • In a short span of time, project teams successfully pivoted their project activities. Almost all teams have a plan in place outlining next steps in project implementation. • Teams have introduced new modules in trainings on business survival and resilience to equip the WSMEs with the right tools and mindset to cope with uncertainty caused by the ongoing crisis (examples: MENA and Mozambique projects). • On the demand side, teams assessed the impact of the crisis on corporations and are organizing virtual events to continue making the case for working with WSME suppliers (example: IFC LAC virtual roundtables). Through these events, teams increased engagement with clients and provided one-on-one consultation to ensure clients that World Bank Group We-Fi support is available.
<p>Liquidity. Firm-level liquidity risks were high due to repercussions of the outbreak. Reduced liquidity amid rising uncertainty and higher volatility in financial markets impacted SME access to working capital, potentially delaying investments, and causing increased bankruptcy/default risk in the short term and weaker growth projections over the long term. WSMEs are even more proportionately impacted due to their limited size and connections.</p>	<p>World Bank Group teams created links to programs that may provide grants and/or working capital for the recovery phase. All projects have country-based staff involved in Bank Group emergency operations that can be leveraged to build WSME resilience. Teams prepared a list of WSME measures that can be included in emergency DPOs.</p> <p>IFC We-Fi actively leaned in to direct the corporate global COVID-19 response liquidity financing package to WSMEs. IFC's \$2 billion COVID Working Capital Solutions utilizing PBI in part from We-Fi to encourage financial institutions to direct the proceeds of this package toward WSMEs.</p>
<p>Declining Willingness for Gender Focus by Banks. For banks, the portfolio may remain static or even decline. Given that one of We-Fi's key targets is loans to WSMEs outstanding, it would be challenging for clients to meet the targets in light of the potential COVID-19 impact on their portfolios.</p>	<p>There is a need to increase the amount of PBIs provided to clients or more flexible targets and PBI payment mechanism to help maintain continued focus on gender.</p>

Operational Delays. There were other challenges related to procurement processes and staffing in country offices considering competing demands from COVID-19 operations. Partners and clients had other priorities and became less available.

This challenge was more imminent in the aftermath of the crisis with the number of emergency packages deployed at an all-time high and stakeholders struggling to adapt. World Bank Group teams have put in place measures to ensure staff can allocate enough time to implement the We-Fi program.

- **IMPLEMENTATION PROGRESS ASSESSMENT:** Please select the option most in line with the current expectations regarding the progress toward achieving the We-Fi objectives.

✓ *The project is likely to achieve all/exceed its major outcomes/outputs without any significant shortcomings*

IV. WE-FI IMPACT





OVERVIEW OF OVERALL IMPACT TARGETED

The World Bank Group We-Fi Program is on track to achieve its targets.

Progress toward Program targets as of FY20

World Bank Group We-Fi has started reporting on results while continuing to build a pipeline of investment and advisory projects under the IFC programmatic approach. Of 42 projects in its portfolio, 16 projects have results in FY20. Note that for IFC investment projects, results are from four active projects with data collected as of end of December 2019, hence a lag, while World Bank project results are collected and reported as of end June 2020. Specific results include:

- \$44.5 million additional financing provided to WSMEs (5 percent of Program's target)
- 1,314 loans/financial products and equity investments were provided to WSMEs, all of this in IDA; and 1,715 WSMEs benefited from financial and non-financial support across projects (7 percent of Program's target)
- 14 legislations/regulations screened aimed at removing constraints and supporting WSMEs
- 49 partner institutions that offered new/updated products, services, or approaches benefiting WSMEs
- Two impact evaluations initiated
- One regulatory reform enacted

WOMEN OWNED/LED SMEs RESULTS		
 14 Legislations/regulations drafted aimed at removing constraints and supporting women's entrepreneurship	 1,715 Women led/owned SMEs that received financial and non-financial support	 49 Partner institutions offered new/updated products, services or approaches benefitting women-owned/led SMEs
 1,314 Loans; \$44.5 Million Loans provided to women-owned/led SMEs by partner financial service providers		

Targets anticipated to be achieved by the current project portfolio

While the results presented above are modest, the growing World Bank Group We-Fi portfolio is nonetheless expected to achieve and/or overachieve against the majority of Program targets. Of the Program's 15 indicators, only 4 indicators are lagging: indicator 2 on the amount of financing provided to women, indicator 5 on the number of WSMEs that increase their use of digital tools and services, indicator 13 on the number of We-Fi supported women-owned/-led SMEs reporting an increase in annual revenues, and indicator 15A on the number of additional direct jobs created by the We-Fi beneficiary woman-owned/-led SMEs. These indicators are expected to improve as additional projects are approved.

Specifically:

- IDA obligations are being met: Projects allocated 61.3 percent of We-Fi funding to IDA beneficiaries.
- Expected mobilization of additional financing has increased: \$546 million has been committed to We-Fi projects from public and private resources (of the \$465 million target)
- Significant funds to be on-lent: \$788.2 million is expected in new financing to WSMEs (91 percent of the \$870 million target)
- Planned outreach is effective: 60,270 WSMEs are expected to benefit from We-Fi support based on currently approved project projects (140 percent of the 43,000 WSME program target). Financial products have a clear market: 56,573 loans/financial products and equity investments are projected to WSMEs based on currently approved projects (141 percent of 40,000 target). It is important to note that these are the expected results if all the projects in the portfolio achieve the targets as planned. While the COVID pandemic may cause implementation delays in some projects, the Program is expected to fully meet, if not exceed, its intended targets by the end of implementation.

• CHALLENGES MEASURING IMPACT

- **Client capacity.** Even in those cases in which the client has existing products targeting women, they do not always have the ability to produce reports disaggregated by sex.
- **Jobs extrapolations for financial intermediaries.** IFC has developed a methodology to measure jobs created by SMEs that obtained loans from its financial institution clients. This methodology is based on SMEs in general. More specific research on woman-owned SMEs and the jobs created by them could help to refine the methodology, allowing for a more accurate measurement of the jobs created by this segment.
- **Other areas of research.** More robust research is needed on these two claims mentioned in current literature: i) women-owned SMEs have lower non-performing loan rates than male-owned SMEs; and ii) women-owned SMEs create more jobs for women. Research on these two topics could benefit the promotion of WSME financial products in the private sector.

• RESEARCH AND EVALUATIONS

World Bank Group We-Fi's country-facing interventions were designed to feed into an overarching research agenda that will collectively contribute to evidence-based WSME policy interventions. At the concept stage, Bank Group We-Fi teams in each country identified the gaps their projects are designed to address, and designed interventions that reflect WBG's understanding of what works to increase the growth and productivity of WSMEs.

Impact Evaluations. The World Bank We-Fi team launched an impact evaluation program that will conduct up to four impact evaluations to extract lessons and learnings from individual projects that can inform the

broader policy dialogue associated with women's entrepreneurship and contribute to effective design of impactful future operations. The central project led by the Competitive Policy Evaluation Lab (ComPEL) oversees and coordinates the implementation of impact evaluations to measure the effectiveness of interventions under the World Bank Group We-Fi umbrella, and it aims to synthesize findings and lessons from impact evaluations in a final report targeted to policymakers. Impact evaluations follow a rigorous technical design and leverage the processes, expertise, and research networks of relevant World Bank initiatives, including the Africa Gender Innovation Lab and the Development Impact Evaluation unit.

Over the last year, five teams expressed interest in embedding an impact evaluation in their projects: Côte d'Ivoire, Mozambique, Nigeria, Senegal, and MENA (in Tunisia and Lebanon). The teams were a part of a structured impact evaluation design process that included a capacity-building workshop, country visits, and technical reviews of teams' proposals. As a result, **the Mozambique and Nigeria projects were endorsed and allocated funds for impact evaluations**. The remaining proposals (Côte d'Ivoire, Senegal, Lebanon-Tunisia) were encouraged to pilot their interventions and resubmit the methodology with a demonstrated proof of concept for their innovations.

At the end of FY20, both Mozambique and Nigeria initiated the baseline data collection. The impact evaluations are expected to take four to five years. In Mozambique, the impact evaluation is assessing the effectiveness of the Social Gender Role Training and the Finance, Network, and Markets intervention. In Nigeria, the impact evaluation aims to assess the impact of cash flow loans on business performance and welfare of WSMEs.

Research. The World Bank and IFC continued to conduct research initiatives, informing operations to support WSMEs. Published research pieces were covered under the relevant pillars. Over the next year, IFC and World Bank will continue to prioritize research. Table 8 highlights published and forthcoming research.

Table 8: Published and Forthcoming Research Highlights

PILLAR I	PILLAR II	PILLAR III
<i>Pakistan Startup Ecosystem Report (WBG and Invest2Innovate)</i>	Diagnostic mapping of WSME experiences with accessing financial services [World Bank, Access Bank, Development Bank of Nigeria (DBN)]	Rapid Industry Structure Analytics report, <i>Women Driven Value Chains for Fruits and Vegetables in Côte d'Ivoire</i> [World Bank]
<i>Global Entrepreneurship Monitor 2020 Report</i> – [World Bank and Global Entrepreneurship Monitor Global Team]	[Forthcoming] Market Assessment Report and fintech landscaping study [World Bank Nigeria team, Sterling Bank, French development agency]	Research on the challenges WSMEs face doing business and in public procurement [World Bank Senegal Team and UN Women]
<i>UNWTO Global Report on Women and Tourism</i> [World Bank WeTour team, Amadeus, GIZ and UN Women]	[Forthcoming] <ul style="list-style-type: none"> Market research study on moveable collateral [World Bank Zambia team and the Bank of Zambia] Firm survey of WSMEs [World Bank Zambia team] 	Supply and demand assessment of Mozambique's entrepreneurial ecosystem [World Bank]

	<ul style="list-style-type: none"> COVID-19: Impact on Firms Enterprise Survey”? (We-Fi Zambia team, Enterprise Survey team, and Poverty Global Practice team) 	
<i>Venture Capital and the Gender Financing Gap: The Role of Accelerators</i> [IFC, Village Capital, World Bank Africa Gender Innovation Lab, and GALI]	<i>COVID-19 and the Insurance Industry: Why a Gender-Sensitive Response Matters</i> [IFC]	Gender mapping of the pepper supply study [IFC, McCormick and CARE]
[Forthcoming] Case study of Endeavor women entrepreneurs [IFC and Endeavor]	Case study of insurance offerings in Bangladesh, South Africa, and Nigeria [IFC Global Insurance team, AXA Mansard, Green]	[Forthcoming] Case Study: Investing in Women in Supply Chains [IFC and Sourcing2Equal]
[Forthcoming] Study to increase seed funding and equity investments into higher potential WSMEs [IFC and Village Capital]	[Forthcoming] Research on supply chain financing for women-led suppliers [IFC]	[Forthcoming] WSME impact of COVID study [IFC and WEConnect International]
[Forthcoming] Research on local markets to scale the gender Equality Track [IFC and Seedstar]	[Forthcoming] InLife Sheroes Landmark Study on Filipinas [IFC and In-sular Life (InLife – the Philippines)]	[Forthcoming] Research study to identify gender gaps in the distribution chains of companies operating in the Fast Moving and Consumer Goods (FMCG) sector [IFC]

• **KNOWLEDGE MANAGEMENT/LEARNING**

World Bank Group We-Fi emphasizes knowledge sharing across Bank Group teams and other Implementing Partners. World Bank Group We-Fi participated in more than a dozen events this year, including the We-Fi Facility’s regional forum in Dubai, Bank Group working sessions, and the annual meetings of key global partners, with teams presenting lessons learned, published reports, and toolkits. The World Bank Group We-Fi team organized two focused learning events. In November 2019, the team led a session during the World Bank’s Finance Competitiveness and Innovation Global Practice Learning Week for sharing best practices and identifying further collaboration opportunities. In February 2020, the team organized the World Bank Group We-Fi Regional Knowledge Sharing Day at IFC’s Dubai office. This event took advantage of the availability of staff participating in the We-Fi MENA Regional Summit to connect their expertise with staff from the Africa, MENA, and SAR country offices in an online forum.

In FY20, program teams organized regular monthly meetings with project staff to discuss new findings and lessons learned to promote operational efficiency. The teams were asked to present published reports and toolkits at several brown bag lunches and major conferences (for example, WeData presented its findings to 80 participants at a BBL and presented the latest Global Tourism Report at the Freetown Forum). In addition, the program team created a shared folder and an internal website to facilitate storing and sharing of relevant information. *(See Annex II for the full list of events and a brief compilation of all the knowledge materials put together by teams in FY20.)*