



## Implementing Partners Progress Report 2020

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**we-fi**  
WOMEN ENTREPRENEURS  
FINANCE INITIATIVE

### IN PARTNERSHIP

African Development Bank  
Asian Development Bank  
European Bank for Reconstruction and Development  
Inter-American Development Bank  
Islamic Development Bank  
World Bank Group

## Contents

<b>WE-FI THIRD YEAR OVERVIEW .....</b>	<b>3</b>
<b>FIRST ROUND IPS IMPLEMENTATION PROGRESS .....</b>	<b>12</b>
Asian Development Bank – Sri Lanka .....	12
Islamic Development Bank .....	18
World Bank Group (WBG) .....	24
<b>SECOND ROUND IPS IMPLEMENTATION PROGRESS .....</b>	<b>36</b>
Asian Development Bank .....	36
Africa Development Bank .....	39
European Bank for Reconstruction and Development (EBRD) .....	42
Inter-American Development Bank Group (IDBG) .....	47
<b>Annex I: Mobilization of We-Fi Funds .....</b>	<b>50</b>
<b>Annex II: IDA and FCS Country List Mobilization of We-Fi Funds .....</b>	<b>51</b>
<b>Annex III: Results Framework .....</b>	<b>53</b>
<b>Annex IV: Risk Framework .....</b>	<b>55</b>
<b>Annex V: Proposals Approved during the 3rd round of Funding .....</b>	<b>58</b>

## WE-FI THIRD YEAR OVERVIEW

This report, prepared by the We-Fi Secretariat, covers We-Fi activities from July 2019 to June 2020 and includes portfolio level analyses and a summary of Implementing Partner (IP) activities. IPs have submitted individual reports, which are available to the Governing Committee (GC), that provide more in-depth overviews of their programs.







The bulk of this report summarizes the activities implemented by the IPs over the past year, their results, and the steps taken to continue supporting We-Fi's goals. These activities have taken place in the midst of a global pandemic and economic slowdown that is disproportionately affecting We-Fi's core beneficiaries. The challenges faced by women entrepreneurs during the COVID-19 pandemic — from connectivity challenges to accessible and affordable childcare — are amplifying the barriers women entrepreneurs in developing countries even before the crisis, making We-Fi's mission more important than ever.

Notwithstanding the crisis, We-Fi has had a productive third year. All Implementing Partners (IPs) have begun implementation of their We-Fi programs, an important milestone in We-Fi implementation where activities are now ramping up and IPs are scaling up their impact on WSMEs. Highlights for the reporting period including:

- 1st round programs ramping up project-level activities and results
- 2<sup>nd</sup> round programs launching new initiatives
- Introduction of Thematic Call and approval of the 3rd round proposals
- MENA Regional We-Fi Summit
- Enhanced communications and learning

The key accomplishments over the past year are summarized below:

*Figure 1. We-Fi Key Results from the Reporting Period*

We-Fi Key Results		
<b>3,340 Women Owned/led SMEs</b>  benefitted from We-Fi financial and non-financial support	<b>Over 2,303 WSMEs</b>  accessed finance facilitated by We-Fi partners	<b>\$77.6 Million in Loans &amp; Grants</b>  provided to WSMEs by We-Fi supported financial services providers
<b>73 Partner Institutions</b>  engaged to support WSMEs	<b>2,464 Direct Jobs</b>  created by the We-Fi beneficiary Women owned/led SMEs	<b>15 Legislations/Regulations</b>  aimed at removing constraints and supporting WSMEs

### Third Round of Funding Allocations

The We-Fi Governing Committee allocated a third round of funds totaling \$49.3 million in August 2020, bringing total We-Fi allocations to \$298.4M. Allocations were made to the World Bank Group (World Bank & IFC), IDB Group (IDBLabs and IDBInvest), EBRD and IsDB. The third-round allocations are expected to benefit over 15,000 women-led businesses and mobilize about \$350 million of additional public and private sector resources. Over 65 percent of the most recent allocations will benefit women entrepreneurs in low-income (IDA-eligible) countries and countries affected by fragility and conflict. In aggregate, We-Fi allocations to date are expected to benefit over 130,000 women in over 60 countries around the world and mobilize nearly \$3billion from public and private sector. The funded proposals focused on the following priority themes:

1. Women-led SMEs in Value Chains,
2. Disruptive Technologies and Digital Financial Inclusion for Women-led SMEs,
3. Scaling Early Stage Finance for Women-led SMEs.
4. COVID-19 Response

A summary of the approved proposals can be found in Annex V and the full final proposals can be found on [the We-Fi Website](#).

#### Funding Allocations to Implementing Partners: \$249 million total

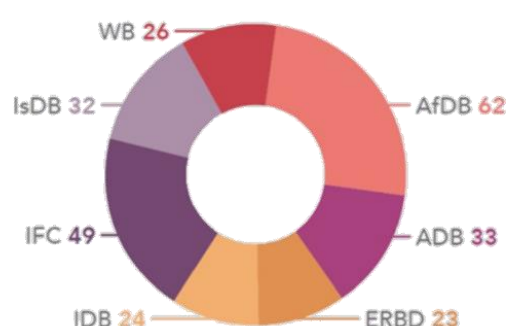


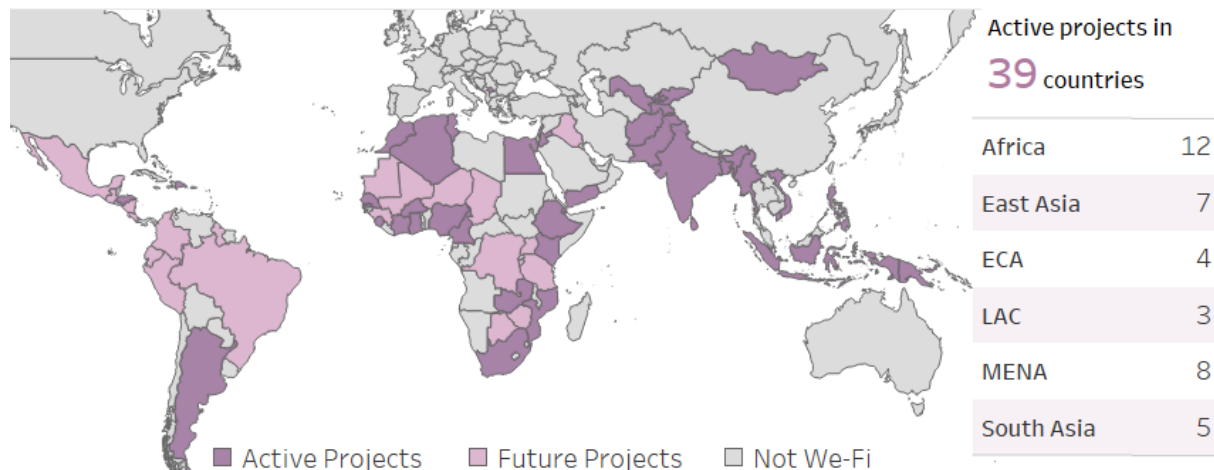
Figure 2. We-Fi Funding allocated to Implementing Partners

Round	IP	Project Name	We-Fi Funding
Round I	ADB	Enabling an Empowering Business Environment for Women Entrepreneurs in Sri Lanka	\$12.6M
	IsDB	Business Resilience Assistance for Adding Value Enterprises (BRAVE Women)	\$32.2M
	WBG	Creating Finance and Markets for All	\$75.1M
	Total Round I		\$119.9M
Round II	ADB	Women Accelerating Vibrant Enterprises in Southeast Asia and the Pacific (WAVES)	\$20.2M
	AfDB	Affirmative Finance Action for Women in Africa (AFAWA)	\$61.8M
	EBRD	Women of the Steppe	\$22.9M
	IDB	Women Entrepreneurs for Latin America and the Caribbean (WeForLac)	\$24.3M
	Total Round II		\$129.2M
Round III	EBRD	Stepping Up for Women	\$7.4M
	IDB	Women Entrepreneurs Aspire, Activate and Accelerate- We3A	\$14.7M
	IsDB	Empowering West African Women-Owned Small and Medium Enterprises in Rice Value Chains (EWASME)	\$11.3M
	WBG	Enhancing seed capital, technology and value chain solutions for WSMEs.	\$16.0M
	Total Round III		\$49.3M
Grand Total			\$298.4M

## Implementation progress

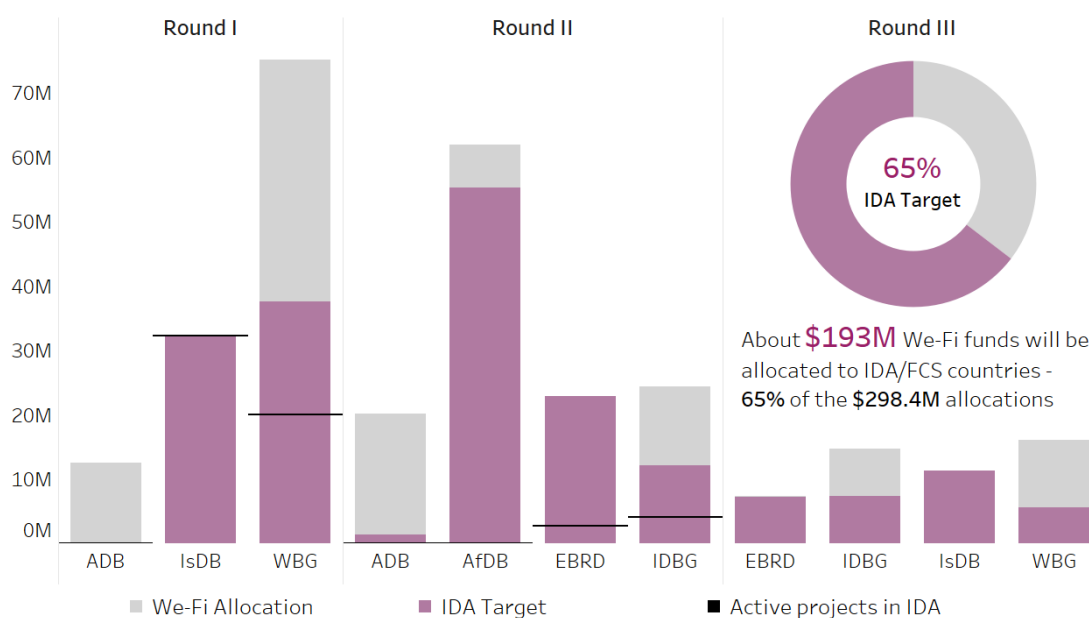
We-Fi has begun implementation in 39 countries, the majority of which are in Africa. The IPs are working with over 70 local, regional and global partners on activities that have already benefited over three thousand WSMs. As the We-Fi programs continue to roll-out, it is expected that more than 60 countries will benefit from We-Fi-funded activities, benefit close to 130,000 WSMs and leverage almost \$3 billion from the public and private sectors.

Figure 3. We-Fi Geographic Presence



**IDA/FCS We-Fi funding allocation:** We-Fi continues focusing on reaching WSMs in the most disadvantaged markets. Out of the total We-Fi funds allocated to IPs, 65% of all have been allocated to projects in low income (IDA-Eligible) countries, including many facing fragile, conflict and violence situations. This is in line with We-Fi's strategic goal of allocating at least half of its resources to activities in these underserved regions.

Figure 4. We-Fi Allocations to IDA/FCS



**The IPs are on track to deliver strong programs:** The metrics included in this report summarizing IPs' reach to WSMEs as of June 2020. Due to the staggered funding allocations, most of the results reported this year come from the 1<sup>st</sup> round IPs that started implementation earliest. The 1st round We-Fi projects continued to rapidly advance despite the challenges brought on by the COVID-19 pandemic, and the IPs reported results in line with the expectations given the structure of each program. Key highlights from the reporting period are listed below:

- *ADB's We-Fi Sri Lanka project exceed its targets for facilitating new lending to WSMEs.* The total number of WSMEs that received loans facilitated by We-Fi reached 647 WSMEs – a larger number than the original target of 616 WSMEs. The number of beneficiaries will continue to increase as ADB disburses the remaining \$2.95m allocated to the financing component in the upcoming year.
- *IsDB BRAVE WOMEN project in Yemen* is on track despite the difficult political and economic dynamics in Yemen. The program already facilitated trainings for 515 WSMEs, 414 entrepreneurs have completed a viable Business Continuity Plan -a requirement for accessing grant funding, and 342 MSMEs have already received a We-Fi matching grant. IsDB is expected to meet its remaining targets next year once it starts the 2<sup>nd</sup> batch of trainings and grants allocations.
- *The World Bank Group Project* has significantly expanded its activities and is currently implementing 42 projects in 30 countries, of which 17 countries are IDA and fragile markets. At the time of this report 16 of these projects have reported results. These are the projects that have started implementation the earliest. As of the end June 2020 the WBG program has facilitated 1,314 loans and investments to WSMEs, and a total of 1,715 WSMEs benefited from We-Fi financial and non-financial support. Next year the results are expected to significantly ramp up as all the currently active projects along with new ones starting in mid-2020 will be reporting their WSMEs reach.

Projects funded in the 2<sup>nd</sup> round are still in the early implementation phases, and accordingly have limited results. During this reporting period, some of the 2<sup>nd</sup> round IPs (EBRD and IDBG) have started reporting on mobilization and the number of WSMEs benefiting from non-financing activities - which typically are the first indicators projects start reporting on. Similar to the 1<sup>st</sup> round IP, the program funded in 2<sup>nd</sup> round are expected to ramp up their reporting after they fully operationalize their programs.

Notably, most of the projects reporting results this year started implementation pre-pandemic and were able to adapt to the changing environment during the COVID-19 crisis. At aggregate portfolio level, We-Fi expects the results to ramp up next year given the larger number of projects that will be reporting their WSME reach. However, it is possible that the delays in implementation during 2020 may lead to smaller than expected results in certain markets in short-term. In the medium term, given high demand for programs supporting WSMEs as the economies reopen, the pace of We-Fi activities is expected to increase, and the results will start coming in at an accelerated level.

*Figure 5. Key We-Fi Results over the last two reporting periods*

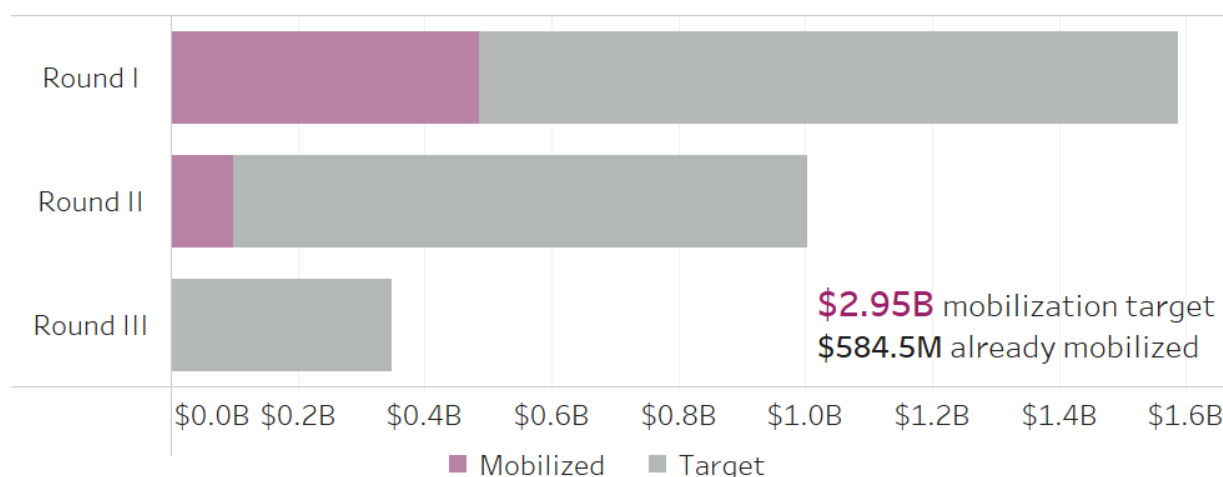
Selected We-Fi Results		
Reach	FY 19	FY20
Countries	29	39
Number partners supported by We-Fi	39	73
Total number of women owned/ led SMEs supported by We-Fi*	814	3,340
Number of WSMEs in entrepreneurship support programs	475	1,574
Number of WSMEs that accessed finance	339	2,303
Amount of financing provided to WSMEs.	\$13.9M	\$77.6M

*\*Some WSMEs receive both training and financial support.*



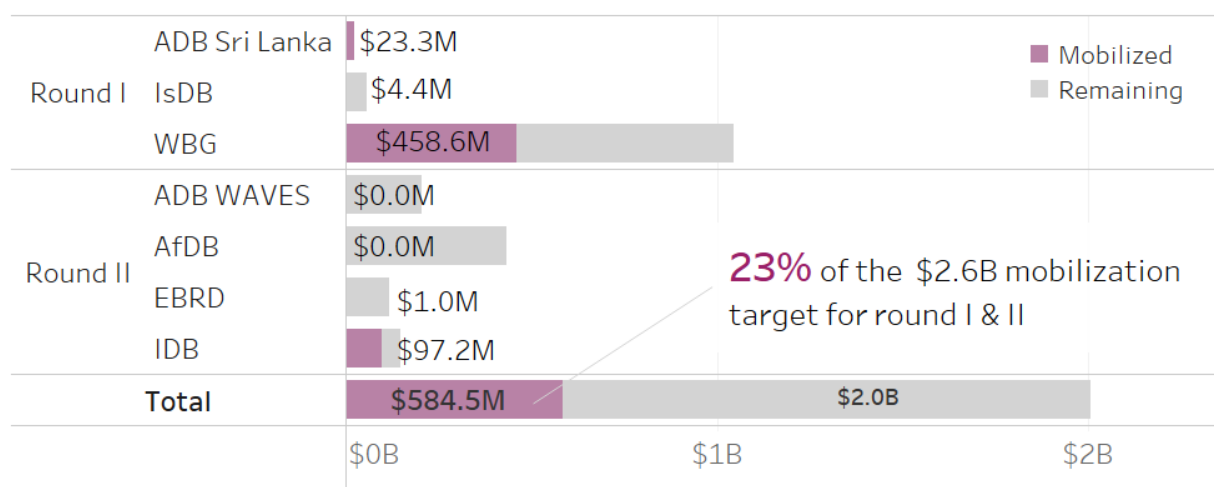
**Mobilization:** Total We-Fi allocations of \$ \$298.4M million are expected to mobilize an additional \$2.95 billion in public and private sector resources, or a 10:1 leverage ratio. This far exceeds We-Fi’s original leverage target of \$1 billion (3:1 leverage), demonstrating that with careful planning and the right partners, it is possible to leverage limited donor funding to crowd in billions towards critical programs focused on supporting women entrepreneurs. Figure 6 shows the mobilization of non-We-Fi funding against targets for all three rounds

*Figure 6. Mobilization of Non-We-Fi funding*



As project implementation ramps up, IPs are creating partnerships with public and private sector entities who bring additional funding to supplement We-Fi resources. As such, in just two years of implementation, ADB, IsDB, WBG, EBRD and IDBG have already jointly mobilized over \$584 million in additional funding towards We-Fi projects supporting women entrepreneurs. This represents 23% of the \$2.6 billion mobilization target set by the first and second round We-Fi programs. Once all IPs programs are operationalized, the mobilization of additional funds is also expected to accelerate. Figure 7 shows the mobilization of funds for Round I and Round II programs. See Annex I for a detailed mobilization table.

*Figure 7. Funds Mobilization for the Round 1 and Round II Programs*



The results reported this year are to be assessed as part of the broader progress of IPs' program implementation and should account for the following timing considerations that typically affect the rate at which IPs are able to report results.

- **Preparatory activities required at project start:** In the first year of implementation, IPs must focus on project design and set-up, receive internal approval for their overall We-Fi programs, gain approvals from local government agencies for any public-sector activities, and firm up partnerships with local or global partner organizations.
- **Product and pipeline development:** IPs also need to generate training content and run campaigns to enroll WSMEs in relevant programs. IPs with a programmatic implementation approach need to develop a pipeline of private sector clients, conduct due diligence and obtain internal approvals for any investment or advisory projects.
- **Staggered implementation:** Some components of We-Fi activities may not start implementation until the second year of the program. For example, IsDB first runs a training program for WSMEs, only after which the WSMEs become eligible for the matching grants scheme. IPs with a programmatic implementation approach approve projects on a rolling basis. This means that new projects are initiated throughout the IP We-Fi implementation period. Hence, the overall number of countries, partners and clients will continue to grow, but the results will come in slower in the early years for such programs.
- **Time needed by intermediaries to reach WSMEs:** Once funding is allocated by IPs to their partner intermediaries, those institutions require additional time to set-up and roll-out their implementation activities before results can be demonstrated. There are often significant operational and behavioral changes required to launch a new product or program before results can be demonstrated. For example, IFC's insurance projects required significant work with the client on market research, product design, actuarial testing, regulatory filings, product and gender-lens training for staff, and marketing before the new insurance product suites could be issued to women entrepreneurs in the market. Such an approach can take time to get to market but should result in sustained growth in results over the long run. In other cases where We-Fi activities are building on previous programs, timelines can be faster, for example ADB in Sri Lanka and IsDB in Yemen.
- **Evidence of Impact on firm profitability and employment has additional lag times:** Typically, from the time WSMEs receive training or finance at least one additional year is needed before seeing evidence of impact on firm profitability and growth in employment.
- **Reporting lags:** Most IPs collect results data on a periodic basis, often annually at the close of the calendar year. Clients typically will have 1-3 months after the reporting period ends to deliver reports and there is a review and validation process at the IP1 after which the results are available for reporting. Therefore, there can be up to a 6-month lag in the actual results reported by the IPs, meaning that in some cases the numbers for this report are as of December 2020. This is particularly the case with IFC, which per its annual reporting cycle collects data from all its financial institution clients as of December 31<sup>st</sup> of each year.

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<sup>11</sup> In the case of IFC, WSME numbers and loan volumes are audited annually as well.



The We-Fi Governing Committee and the We-Fi Secretariat has commissioned a Mid-Term Review (MTR) to assess the overall operational and development effectiveness of We-Fi, which will take place in FY2021. The MTR is expected to provide an independent assessment of the design and delivery of We-Fi. As few We-Fi projects have reached early operational maturity, it will focus on governance, processes, project management frameworks, Implementing Partners' processes for managing We-Fi programs and initial project commitments. The MTR's overall goal will be to draw lessons learned, assess progress towards the We-Fi Objectives, and recommend any changes to design and management.

### Communications Highlights

Over the course of 2019, the We-Fi Secretariat has made strides in implementing the new We-Fi communications strategy, including scaling up its online presence through an [updated website](#) and LinkedIn page. The website showcases results from current investments, profiles women entrepreneurs, and has a large emphasis on storytelling from beneficiaries. In November 2019, We-Fi launched a newsletter to inform donors and key stakeholders of relevant program updates.

**The We-Fi MENA Regional Summit**, organized in collaboration with the Dubai Women Establishment and supported by the government of the United Arab Emirates, was held on February 16th 2020 on the sidelines of the Global Women's Forum Dubai which attracted over 3,000 participants from 87 countries, including about 100 speakers. The two-day We-Fi MENA Regional Summit concluded on February 17th, spurring action to support women entrepreneurs in the Middle East and North Africa. Global leaders, private and public sector partner and entrepreneurs from around the region discussed new steps to lower policy and regulatory barriers, pave the way to accelerate bank lending to women, launch innovative partnerships with the private sector, and provide training and networking opportunities for invited women entrepreneurs from the region. Since the event, we have seen some of the policy issues discussed at the Ministerial Roundtable and workshops implemented around MENA, 3rd round proposals that incorporated learnings from the workshops, and ongoing discussions about collaboration among participants. A detailed overview of the summit sessions can be seen on the [We-Fi Website](#).

With the advent of the COVID19 induced lockdowns, We-Fi launched a series of online discussions called '**WE Talks**' to rapidly pull together development banks, governments, investors and donors, NGOs, women entrepreneurs and corporations to discuss the best ideas for supporting women entrepreneurs to survive and emerge stronger from the COVID-19 crisis. Over the course of three months, topics included: Accelerating Migration to Digital Finance for WSMEs, Ensuring Economic Emergency Programs Reach Women-led SMEs and What Works in Remote Training and Mentoring of Women Entrepreneurs. These discussions were organized in partnership with the DFI Gender Consortium (2X Challenge); ANDE and the Financial Alliance for Women. We-Fi's final WE Talk in the initial was organized in collaboration with Data 2X and focused on data and research showing the impact of the coronavirus crisis on women-led businesses, drawing attention the devastating impacts of the COVID19 crisis on women entrepreneurs.

### Program Risks

The We-Fi Implementing Partners have assessed risks associated with their individual programs based on the We-Fi Risk Framework approved by the Governing Committee. Below is a summary of the risk ratings approved by the IPs. A more detailed explanation for each organization can be found in the individual progress reports prepared by each IP. The first and second round IPs have highlighted several major risks

faced by their programs during the ongoing implementations as well as expected risks rising during the pandemic.

**The Aggregate Project Risk** has been rated by the IPs as “Medium.” Below is a summary of the key risks highlighted by the first and second round IPs based on the first and second full year of implementing We-Fi activities. **Note that these risks are self-reported by the IPs based on their internal risk assessments.**

The **Asian Development Bank** reported an overall risk rating of its projects in **Sri Lanka** as “Low.” Sri Lanka is currently in its third year and it has shown strong resilience despite several external challenges (terrorist attack, COVID-19, parliamentary elections). While there were delays in implementation, the program is overall on track to meet its targets. ADB reported the following changes in risk ratings:

- Decrease in its rating for the “Project Design and Implementation Arrangements” **from “Medium” to “Low”**.
- Decrease in rating for “Political, Social and Governance” risk **from “Medium” to “Low”**. after the Presidential Election in November 2019. The new government reconfirmed its strong commitment on women entrepreneurship development.

The **Asian Development Bank WAVES program** reported an overall risk rating of its projects in the **Pacific** as “Low.” It indicated that the Program design draws on ADB experience of the sector and countries and it is informed by ongoing We-Fi project in Sri Lanka. ADB is adapting its workplan to account for the delays caused by COVID-19 and the lengthy coordination with the Government of Vietnam during this reporting period. ADB is also adapting the scope of its training and financing for WSMEs to directly address the COVID-19 risks to business survival. ADB indicated “Fiduciary” risk is rated as “Medium” due to a divergence in opinion between ADB and government on the use of program funds and implementation arrangements. ADB is increasing its dialogue with government agencies (including procurement and monitoring) to eliminate any risk of program resources being directed to activities not falling under the We-Fi mandate.

The **Islamic Development Bank** has reported a “Medium” aggregated project risk based on its projects in Yemen and Nigeria. The BRAVE Women Program has been designed based on the previous successful experience of the IP with BRAVE project in Yemen and therefore benefits from its policies and procedures. In Nigeria, the IsDB has indicated that the “capacity of the local Project Management Unit (PMU)” may have a “High” risk. To address this risk, the IsDB will provide the local implementing agency in Nigeria with capacity building and will assign a Resident Technical Advisor to support the agency during the project's inception and operationalization.

Additionally, IsDB indicated a “Medium” risk level in Burkina Faso’s project given terrorist threats especially in the north region of country, close to the Mali and Niger borders. IsDB/ICD project team selected carefully, in close coordination with both the governments and Executing Agency, the four regions to implement the project considering the current conditions on the ground. In case one of the regions selected is not safe enough to implement the project then another region will be selected in close consultation the local stakeholders. IsDB also classified COVID19 as a “Medium” risk. The program execution, market access and participation from the local banks could be negatively impacted by the restrictive measures due to the COVID19. They highlighted that in case of a second wave of COVID19, IsDB’s local partners in each country are ready to take adaptive measures such as further shifts to online trainings and mentoring programs to ensure continuity, or extending training curricula to address measures and risks associated with the pandemics, etc.

The **World Bank Group** reported a “**Medium**” project risk based on its current portfolio. The WBG indicated that some of their projects are in countries that face some legal gender discrimination issues as well as challenging political situations. Specific project-related risk include: in Egypt, progress is pending formal government approval; in Lebanon, progress on the regional MENA ecommerce project has slowed due to the Beirut explosion; in Tanzania, the World Bank pipeline projects were dropped and all projects were cancelled in FY18–19, as a result the WB We-Fi team is reassessing the options carrying out the program in Tanzania; in Zambia, macroeconomic challenges, and government debt servicing are straining resources. This has a direct impact on private sector growth and a worsening operating environment for financial institutions and SMEs. As the We-Fi program continually strives to include IDA and FCV countries (those affected by fragility, conflict, violence) in its portfolio, World Bank Group teams maintain flexibility in implementation arrangements to operate in FCV and politically unstable contexts.

Additionally, the WBG recognizes the impact of COVID-19 on the program implementation largely depend on the spread of the virus across the countries in the portfolio and the length and scope of policy measures being adopted by the respective governments. They classified COVID19 as a “High” risk and are closely monitoring the health, economic and political situation in all countries. The World Bank We-Fi portfolio especially focuses on the power of digital tools in delivering entrepreneurship support programs, and on the provision of technical assistance which is in even more demand now than pre-crisis.

The **European Bank for Reconstruction and Development** reported the overall risk rating of its projects as “**Low**”. EBRD classified COVID19 as a “Medium” risk as the pandemic has caused governments across the world, including in their target countries, to perform lockdowns of their economies to prevent the spread of the virus. EBRD has transitioned well to remote working in March 2020, and would leverage digital communication tools, existing relationships, and its local offices to reach out to WSMEs.

The **Inter-American Development Bank** reported an overall risk rating of its projects as “**Medium.**” IDB highlighted that there is a risk that COVID-19 may induce changes in government priorities; however, this is counter-balanced by acknowledgment that SME support programs are now needed more than ever.

The following sections of this report include selected highlights from the IP’s operational reports.

The full progress reports submitted by the IPs are available to Governing Committee on the secure page of the We-Fi website.

## FIRST ROUND IPS IMPLEMENTATION PROGRESS

### Asian Development Bank – Sri Lanka Enabling an Empowering Business Environment for Women Entrepreneurs in Sri Lanka

#### ADB Program Overview

<b>Countries:</b>	Sri Lanka
<b>Timeline:</b>	June 2018-February 2021
<b>We-Fi Funding:</b>	\$12.6m
<b>Mobilization:</b>	\$23.3M (100.3% of \$23.2m target)
<b>WSMEs Reached:</b>	819 WSMEs (62% of 1,316 target)

The ADB Sri Lanka We-Fi program, which builds on an existing ADB line of credit channeled through commercial banks, includes a comprehensive ecosystem approach for supporting WSMEs. The program is designed to: (i) facilitate access to finance for underserved WSMEs and improve gender-inclusive financial services, (ii) improve the policy and regulatory framework to support WSMEs, (iii) build capacity of women enterprises, and (iv) foster increased access to knowledge for WSMEs through an online platform for training and mentoring. A summary of the ADB We-Fi activities in Sri Lanka is included below. For more information, please see the full ADB FY20 progress report on the We-Fi secure website page.

#### ADB Highlights from the reporting period

***The We-Fi Sri Lanka project has exceeded its targets for facilitating new lending to WSMEs.*** During the reporting period the We-Fi grant enabled 308 WSMEs to access loans, in addition to the previous years' 339 WSME beneficiaries. This brings the total number of WSMEs that received loans facilitated by We-Fi to the We-Fi blended finance grants facilitated lending to 647 WSMEs – a larger number than the original We-Fi target of increasing access to finance to 616 WSMEs. The number of the beneficiaries will continue to increase as ADB disburses the remaining funding allocated to the financing component. The beneficiary WSMEs operate in across various industries, including manufacturing, tourism, trade, healthcare, and agriculture.

These results were achieved despite the challenging environment the program operated under, namely (i) security concerns after the terrorist attack in April 2019, (ii) political uncertainty associated with the Presidential election held in November 2019 and Parliamentary election which was expected to be held in April 2020 but got postponed due to COVID-19, and (iii) government measures to contain a widespread outbreak of COVID-19 (March –May 2020) and the subsequent economic slowdown. The funding commitment to projects increased from \$4.6 million in 2019 to \$9.6 million in 2020, utilizing 76% of the total program budget. The We-Fi funding was utilized along an ADB credit line to facilitate a total of \$29.6 million in loans to WSMEs.

#### ADB Detailed Implementation Update

More details on the ADB Sri Lanka project are included below. For more information, please see the ADB Sri Lanka full progress report on the We-Fi secure website page.

### **Component 1: Improving gender-inclusive financial services for underserved WSMEs.**

The ADB financing component is structured as a blended finance mechanism where the We-Fi grant is blended with an ADB SME credit line, which is disbursed to 10 local commercial banks. During this reporting period, ADB has disbursed \$6.3 million of the We-Fi grant which was blended with \$23.3 million ADB's credit line. The remaining \$2.95 million of the We-Fi grant budgeted for this component will be disbursed to the participating banks as part of a new ADB credit line. The timeline of the new credit line has been postponed due to the COVID crisis. However, once disbursed, the new credit line is expected to benefit a larger number of WSMEs as the PFIs have already developed efficient service delivery mechanisms for the blended finance, as well as implemented processes and procedures for identifying women entrepreneurs and developed products that meet their business needs. The efficiencies put in place by PFIs are already noticeable and quantifiable - as demonstrated by the increase in the use of the ADB credit line for lending to WSMEs from 27.6% to 47.6%. Notably, in the most recent ADB credit line allocation to a bank, 73.3% of the sub borrowers were expected to be WSMEs, which indicates that PFIs are more proactively utilizing the We-Fi grant for their lending to WSMEs.

The We-Fi ADB financing component has had several additional impacts:

- **We-Fi encouraged PFIs to reach out to wider segments of women entrepreneurs and promote financial inclusion.** Out of 647 WSMEs that received We-Fi facilitated loans, 110 firms had not borrowed from the formal banking sector before. We-Fi has also expanded access for smaller WSMEs that face the most significant financing gap to access loans - 118 WSMEs or 18% of all loan beneficiaries, received blended finance of Rs. 750,000 – Rs. 1,500,000 (\$5,000 - \$10,000).
- **We-Fi promoted formalization of women's businesses.** 85 WSME beneficiaries (or 18% of all WSMEs receiving loans) have newly registered their businesses, helping them become eligible for the We-Fi blended finance. In the reporting period of 2019-2020, 50 women entrepreneurs formally registered their businesses, an increase from the 35 registrations in the previous reporting period of 2018-2019.
- **The facility empowered WSMEs in rural areas.** During the reporting period more than 93% of the blended finance (286 WSMEs) supported economic activities outside of the Colombo District, including 22% (68 WSMEs) were in the most economically disadvantaged regions (Uva, Sabaragamuwa, Northern and Eastern).
- **The linkage with the business development training was strengthened.** PFIs were able to nominate SMEs to participate in the ADB WSME business training through a "Special Track" approach. During the reporting period of 2019-2020, 29 women WSMEs who have completed the business training program have accessed loans from PFIs.

**Capacity development of participating banks to provide gender-inclusive business development services:** ADB has conducted gender gap assessments for all the 10 PFIs in late 2019. Through a combination of benchmarking, quantitative portfolio analyses and interviews with PFIs' management, a scorecard was developed for each institution. ADB capacity building, tailored to the findings of the gap assessments, will be provided to PFIs to help them expand their focus on the WSME market. The overall findings from the gap analysis highlight that there are wide differences between the PFIs regarding their ability to meet the needs of the WSMEs. While several PFIs stand out as most effective in reaching WSMEs, all PFIs are facing similar challenges driven by the lack of sex-disaggregated data. Without good quality data most PFIs cannot segment their customers by gender nor conduct portfolio analytics by gender,

without which it is difficult to build the business case for serving WSME customers. This leads the vicious circle where the inability to quantitatively show the performance of the WSME portfolio leads to PFIs to not seeing the value of collecting sex-disaggregated customer data and developing such analytics. Thus, not being able to develop tailored services that meet the needs of WSMEs. Please see the ADB report for more details on the findings of the gap analysis.

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### **ADB Entrepreneur Story: Pradeepa Nilanthi journey to growing her bag manufacturing business**

*In 2014, Pradeepa Nilanthi opened a business manufacturing and supplying bags to shops in the sacred city that are visited frequently by pilgrims. To become more competitive, she took a course in stitching bags to help her to improve her product and expand her business meet demand.*

*One of the major hurdles faced by Ms. Nilanthi is managing her cash flow given the delays in payments received from the vendors selling her bags. She obtained a Rs.750,000 loan and a Rs.250,000 We-Fi grant under the ADB project through the Bank of Ceylon.*

*This loan allowed her to double her production from 2,500 to 5,000 bags per month and expand her staff from 10 to 14 employees. Thankful for the support she has received, Ms. Nilanthi stated “Every woman has the ability to engage in business. It will help them to be independent.”*



*“THE LAG IN PAYMENTS MAKES IT DIFFICULT FOR US TO PURCHASE MORE RAW MATERIALS FOR PRODUCTION. CAPITAL IS MY BIGGEST NEED”. **PRADEEPA NILANTHI***

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### **Component 2: Gender-inclusive policy, regulatory framework, and network strengthening**

ADB conducted a gender gap assessment in late 2019 with five leading organizations serving WSMEs in Sri Lanka: (1) National Enterprise Development Agency (NEDA), (2) Industrial Development Board (IDB), (3) Industrial Technology Institute (ITI), (4) Federation of Chamber of Commerce and Industry of Sri Lanka (FCCISL), (5) National Chamber of Commerce of Sri Lanka (NCCSL). The gap analyses are intended inform the development of strategic action plans for these organizations that will enable them to more effectively support WSMEs. Please see the ADB report for the detailed findings of the gap assessment.

ADB has also supported a research project on women’s businesses in the tea industry, a critical sector in the Sri Lankan economy that accounts for 15% of exports and employs 10% of the workforce, majority of which are women. The research included a survey of various stakeholders along the value chain, including tea smallholders, tea factories and banks. This tea value chain sector was confirmed to have a strong potential for women entrepreneurs. Due to constraints in obtaining credit from banks, the sector is largely dependent on informal credit providers which leads to over-indebtedness. Access to finance is considered one of the key constraints by the tea smallholders irrespective of gender, and female tea smallholders face additional hurdles related to limited experience negotiating and interacting with bank officials indicating a strong need for tailored training. See more details in the ADB report.



### **Component 3: Building business capacity of women's enterprises.**

The program builds the capacity of WSMEs through two subcomponents, including business development training and the development of an online platform for training and mentoring.

***Business development training for women entrepreneurs:*** ADB has started the implementation of a training program tailored to WSMEs and it has established two tracks for implementing this training:

- 1) A “special track” for WSMEs nominated by banks to directly strengthen linkages between training and loan provision. Upon the successful completion of the training program, women entrepreneurs become eligible to access an additional 10% of the loan principle in the form of a We-Fi grant.
- 2) A “general track” program to provide training opportunities to a wider range of WSMEs. This will be open to any interested WSMEs and will be advertised through social media and local newspapers.

During the reporting period 201 WSMEs have participated in the training and 29 of them have received loans blended with We-Fi grants from several PFIs. ADB has structured an impact evaluation to measure the performance of the WSMEs participating in the training through the two tracks.

***Online Platform for Training and Mentoring.*** ADB is planning to create an online platform dedicated to women entrepreneurs in Sri Lanka, where women could access resources on legal and regulatory issues, information on financial products available to WSMEs, ongoing training, and serve as an online space to network with other women entrepreneurs. Consultations with key stakeholders were initiated on the governance and ownership structure for the new online platform. However, the government and ADB consider that any decision on the institutional framework should be postponed until the political environment is stabilized after the Presidential Election in August 2020. In the meantime, consultants have been developing content and training materials that will be posted on the online training platform. All the WSMEs benefiting from We-Fi will be invited to join the platform when it becomes operational.

### **Component 4: Strengthening the evidence base on women-owned/led SMEs.**

The ADB team has begun structuring an impact evaluation to rigorously measure the impact of business development trainings. The impact evaluation will rigorously measure the impact of We-Fi blended finance and business development trainings in line with the following hypotheses:

- #1: The training will lead to improved business practices;
- #2: The training and the improved business practices will lead to improved access to finance;
- #3: Improved business practices and improved access to finance will lead to improved business outcomes; and
- #4: the blended finance will lead to improved business outcomes.

### **ADB Plans for the Next Year**

Key strategic focus areas for the next year are: (i) Expanding ADB's credit line, (ii) completing gender gap assessments of 10 PFIs, 3 government organizations and 2 chambers of commerce, and developing gender action plans for each organizations, (iii) adapting the business development training program for women entrepreneurs and associated impact evaluation to reflect the impact of COVID-19, (iv) launching the online platform for training and mentoring, and (v) expanding awareness raising and promotional activities of the We-Fi project.

On (i) above, the ADB project team will request We-Fi Governance Committee for approval of the extension of the program to 30 September 2022 and minor changes in implementation arrangements to effectively utilize the remaining \$2.95 million We-Fi grant. ADB plans to lower the grant amount received

by WSMEs and expects to facilitate lending for an additional 303 WSMEs by blending the remaining \$2.95 million We-Fi grant with a new \$23.8 million ADB credit line.

### ADB COVID- 19 Response

The COVID-19 pandemic has significantly affected Sri Lanka. Sri Lanka promptly imposed social distancing and containment measures in March 2020, which helped curb the spread of the virus in the country—recording zero community transmission since 1 May 2020. Tourism and other export-oriented industries were the first to be severely affected since early 2020 because of the sharp decline in global demand and supply chain disruptions. The consequences led to an economic slowdown that spread across most sectors.

Recognizing the challenges faced by SMEs, banks are trying to ease SMEs' financial conditions by restructuring their SME loans and extending moratoriums for SME loan principal repayments until 31 December 2020, in line with the central bank's guidance. In late March 2020, the central bank announced a new SLRs50 billion (\$280 million) concessional refinancing scheme for all SMEs and large enterprises in tourism and other export-oriented sectors to cover 2 months of their core expenses, such as salaries.

The most recent semi-annual allocation of the blended finance scheme to PFIs was in end-September 2019. Most PFIs provided at least 80% of the allocated amount to WSME before the deadline of February 2020. Thus, the disbursement performance was not much affected by COVID-19 for the reporting period. However, the decreased financing demand for capital investments due to economic downturn indicates that there is a risk of low disbursement for the next reporting period of 2020-2021. The technical assistance activities and trainings have been delayed since consultants could not undertake field visits due to government's social distancing measures. For more details please see the ADB report.

### ADB Funding Summary

Status of funding disbursements.

Sources of financing	We-Fi Allocation	IP Approved Amount*	Committed Amount	Disbursed Amount
<b>Client-facing activities</b>	<b>\$ 9,900,000</b>	<b>\$ 33,100,000</b>	<b>\$ 30,203,119</b>	<b>\$ 29,665,482</b>
– Investment activities	\$ 9,500,000	\$ 32,700,000	\$ 29,827,205	\$ 29,562,918
– We-Fi Grant* <sup>2</sup>	\$ 9,500,000	\$ 9,500,000	\$ 6,555,000	\$ 6,290,713
– ADB Line of Credit* <sup>3</sup>	-	\$ 23,200,000	\$ 23,272,205	\$ 23,272,205
– Non-financing activities * <sup>4</sup>	\$ 400,000	\$ 400,000	\$ 375,914	\$ 102,564
<b>Technical Assistance/Advisory Activities, Research, and M&amp;E</b>	<b>\$ 1,640,000</b>	<b>\$ 1,640,000</b>	<b>\$ 1,593,398</b>	<b>\$ 295,393</b>
<b>Contingencies *<sup>5</sup></b>	<b>\$ 204,000</b>	<b>\$ 204,000</b>	<b>-</b>	<b>-</b>
<b>Fees</b>	<b>\$ 807,800</b>	<b>\$ 807,800</b>	<b>\$ 341,726</b>	<b>\$ 341,726</b>
<b>Total</b>	<b>\$ 12,551,800</b>	<b>\$ 35,751,800</b>	<b>\$ 32,138,243</b>	<b>\$ 30,302,601</b>

Notes:

\*1 ADB Loan and We-Fi Grant are allocated to 10 participating banks semi-annually in end-March and end-September. The funds are transferred to the banks in early-July and early-October, which can be used for (a) refinancing the subloans to women clients that were provided between a fund allocation date to a date of fund transfer or (b) directly financing future subloans to women clients after a fund transfer date.

\*2 \$6.55 million We-Fi grant was allocated through 10 participating banks, \$6.29 million was already disbursed to women-led/owned SMEs.

- \*3 ADB's line of credit can be blended with We-Fi grant as far as there is remaining balance. No amount under the line of credit is earmarked for the blend financing with We-Fi grant. ADB's line of credit has no ceiling on its use for being blended with We-Fi grant. Before its internal approval, ADB estimated that \$9.5 million We-Fi grant will be matched with \$23.2 million. As of 30 June 2020, \$23.27 million was actually disbursed to women-led/owned SMEs together with the \$6.29 million We-Fi grant (footnote 2).
- \*4 Out of 2.1 million TA (excluding administrative fees), the consultancy budget for TA component 3 (to enhance business capacity of women-led SMEs) is included in Client-facing activities, and the remaining TA budget is included in Non-client facing activities.
- \*5 Contingency is earmarked for additional activities for Non-financing activities and Technical Assistance/Advisory Activities, Research and Monitoring and Evaluations.

## Islamic Development Bank - Business Resilience Assistance for Value-adding Enterprises ("BRAVE") "BRAVE Women Program"

### IsDB Program Overview

<b>Countries:</b>	Yemen, Nigeria, Burkina Faso
<b>Timeline:</b>	June 2018-June 2023
<b>We-Fi Funding:</b>	\$32.24
<b>Mobilization:</b>	\$4.4 million (7% of the \$61 million target)
<b>WSMEs Reached:</b>	515 in Yemen (34% of total 1,500 target)

The BRAVE Women program aims to enhance the resilience of women-owned and led Micro, Small, and Medium Enterprises (MSMEs) in fragile contexts, recognizing their untapped economic potential. It will increase business growth opportunities for women entrepreneurs by boosting investment and providing capacity-building support. The aim of the program is to reach at least 1,500 women MSMEs with specialized business training and help for at least 1,200 of them to qualify for combined grant matching support and technical assistance across three countries, namely Yemen, Nigeria and Burkina Faso. Each country project is expected to last three years, with the possibility to run two training cycles for women MSMEs to maximize the number of beneficiaries.

The BRAVE Women program is comprised of the following key components:

- **Business Resilience Capacity Building** to WSMEs on business continuity planning in fragile and high-risk contexts;
- **Business Recovery Support (BRS)** that provides financing on a matching grant basis for WSMEs that complete the required training program;
- **Value Chain Resilience** to support lead firms that either sell inputs to WSMEs or buy products from WSMEs, women business associations, and sector specific cooperatives where WSMEs have a high presence;
- **BRAVE IT Platform and Project Management Unit (PMU):** Capacity building for the local PMU and the development of an online dashboard for monitoring the use of We-Fi grants to ensure effective oversight and quality control.

### IsDB Highlights from the Reporting Period

**The BRAVE WOMEN project in Yemen** is active and on track to meet its targets. A total of 515 women MSMEs received a Business Continuity Management (BCM) training in five targeted areas: Sanaa, Aden, Ibb, Hadramout and Taiz. Out of the WSMEs trained 414 entrepreneurs have completed a viable Business Continuity Plan-a requirement for accessing grant funding, and 342 MSMEs received financial support through the We-Fi matching grant. Given the COVID-19 context most of the WSMEs participating in the program this year operate in the health, education and service sectors. Over 98% of the WSMEs that accessed the We-Fi grant have completed their Capex acquisitions and are on the way to growing their business operations.

The implementation of the **BRAVE Women project in Nigeria**, planning to start in mid-2020, was delayed, in part due to the COVID-19 quarantine measures. IsDB has focused on building the capacity of the local implementing agency, and the full program implementation is now planned for Q1 2021, assuming the COVID-19 situation ameliorates.

**The Burkina Faso project** was approved in Q3 2020 and is planned to start its implementation in Q1 2021, after signing the necessary legal agreements and ensuring the local executing agency is trained and able to provide high quality program implementation. Due to the phased implementation of the BRAVE Women project in the three target countries, the timeline of activities in Burkina Faso has not been affected significantly by COVID-19.

### IsDB Implementation Update

More details on the BRAVE Women Program in each country is included below. For more information, please see the IsDB progress report on the We-Fi secure website page.

### IsDB BRAVE Women Project in Yemen

Despite the very challenging security, political, economic, and social conditions in Yemen, the project team is on track implementing its planned training, capacity building and financing activities for women MSMEs. In parallel, the project increased its partnerships with local stakeholders such as Chambers of Commerce, which played a critical role in organizing events for WMSMEs and facilitating their formalizations.

The unexpected COVID-19 pandemic has put additional pressure on Yemeni households, resulting in an increased need and demand for women to engage in economic activities. This pandemic has also presented an opportunity for some women entrepreneurs to expand their business activities and access previously untapped new markets to address the need of essential items like clothes and face masks for medical workers that have risen as a result of the COVID-19. The project team has adapted its approach and provided more focus to building the resilience of women MSMEs that provide vital activities in priority areas such as health, food, and education sectors.

The outreach efforts of the project team were outstanding as indicated by the 1,220 women entrepreneurs that attended 30 [introductory?] workshops across Yemen and 515 have been selected to participate in the full training program. During this reporting period, the focus was on working with the WSMEs to prepare business continuity plans and disburse the matching grants to the eligible WSMEs. Out of all trained WSMEs 414 completed their business continuity plans and were approved to receive We-Fi matching grants. However, due to the negative economic and financial impact of the COVID-19 pandemic, 72 women entrepreneurs withdrew from the project because they were unable to contribute their share of the matching grant. Thus, to date 342 WSMEs have received financial support through the We-Fi matching grant program.

During this period, the program organized five Business-to-business events across the country in coordination with local Chambers of Commerce (CoCs) to enhance women MSMEs market access and linkages with the local stakeholders of various sectors. Those events were instrumental in advocating the project and changing women mindset. As a result, 269 women MSMEs and 150 market/value chain players attended those events and following it, more than 30 MSMEs signed agreements with relevant market players. This enhanced partnership between the PMU and CoCs opened the discussion amongst government stakeholders regarding the challenges faced by women businesses in Yemen, including finding solutions to ease their formalization and registration processes. As a result of the BRAVE Women events, 32 MSMEs benefiting from the program were supported to formally register, and 75 women MSMEs became members of the CoCs with lowered rates for commercial record fees.

The project has also facilitated WSMEs' interactions with the local banking industry. As a result, 20 We-Fi beneficiaries received small bridge loans from local financial institutions to help the cover their portion of the matching grant. We-Fi beneficiary WSMEs received a total of \$59,723 in loans to date, in addition to more systemic outreach to women entrepreneurs across the country. For example, Al-Kuraimi bank organized 8 awareness workshops across the country (Sana'a, Aden, Taiz) for 280 women MSMEs in November 2019 to present their services and products, including the bridge finance product for We-Fi matching grants participants, to encourage more women entrepreneurs to access to finance. Furthermore, the partner banks reduced their interest mark-up for women entrepreneurs – with an average mark-up rate for women MSMEs of 13% versus the previous 16%.

**Increased focus on the women's market:** The higher awareness around the market opportunity presented by women entrepreneurs as a result of the BRAVE Women activities, contributed to Al-Kuraimi bank's hiring of 14 new women officers in August 2018 to support, advocate and serve women. It is notable that during the reporting period, Al-Kuraimi bank WMSME portfolio increased from 6% to 10%, indicating a significant shift towards assessing women entrepreneurs as a viable market segment.

As of Q2 2020, \$5.8m of We-Fi grant allocated to Yemen have been utilized accounting for 66% of overall Yemen's project budget. The grants allocated to WMSMEs reached \$3,493,043 representing 56% of the total grants budgeted for Yemen. During Q3 2020, the project started the marketing campaign for the second batch of women MSMEs trainings, mainly through online channels given the pandemic restrictions. To date, more than 1000 registrations have been received despite the challenging environment. The next series of training and matching grants will be implemented in 2021.

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### Rural Health Services in Yemen- Dr. Lubna Al-Khader

*Dr. Lubna graduated from the Department of Surgery, Governorate of Aden, in 2009 and had the ambition to provide health services to rural areas in Governorate of Hadramout. Together with her husband who is a laboratory specialist, she opened a small clinic in the Ayoun area, which is about 72 kilometers away from the city of Al-Mukalla. They also decided to open a small laboratory, since the people in this rural area do not have access to modern medical services and have limited income to travel to larger cities for needed care. "We faced difficulties, especially since the electricity supply was available only intermittently and this negatively affected the work of the laboratory. The challenges increased day by day and we had second thoughts of continuing, the idea of shutting down haunted us from time to time."*



*Lubna heard about the BRAVE Women project, implemented by the Islamic Development Bank with support from We-Fi, through a social media campaign, she soon submitted an application and was selected to enroll in the training.*

*Dr. Lubna added "For me, this is the first training course of its kind ... I learned many administrative skills to manage my project within a clear work plan.". During the training she met another doctor, an obstetrician and gynecologist, with whom she created a partnership program to provide health services to*



women in the center at designated times. This is especially important “since we live in a conservative area, where it is difficult for women to go to the city alone and the costs for transportation is very high”.

We are now running the Nabad AlAmal (Pulse of Hope) Medical Center, which includes a pediatric clinic, a dental clinic, a gynecology clinic, in addition to the laboratory around the clock. The patients were extremely satisfied to have all those health services nearby, with a high quality.”

In her business continuity plan, Dr. Lubna intended to purchase modern medical tools and equipment, in addition to an electrical generator, to sustain her services during long electricity cut offs. She was able to increase the number of patients in her center by 85%, as well as provide health services continuously to her community. Dr. Lubna has also made agreements with major companies in the neighboring areas, such as a cement factory, to cover and provide their staff with medical services. Her services are critical in a country with severe lack of public health services. According to Dr. Lubna: “Our experience in BRAVE Women taught us the meaning of true courage in looking for opportunities and that our risks can be calculated and overcome to serve the community. I am proud of our experience in the Pulse of Hope Center, which I personally consider a different experience especially considering the difficult circumstances that the simple citizen suffers from every day. Today my family and I live in the region of Oyoum and with so much respect and appreciation of the local community that we received- this is a worthwhile investment”.

### **IsDB BRAVE Women Project in Nigeria**

In January 2020, IsDB conducted a capacity assessment exercise of the Nigerian Bank of Industry (BOI), the project’s designated Local Execution Agency (EA), to highlight and address any challenges in managing a program of such complexity. Following this capacity assessment exercise, in February-March 2020, IsDB launched a procurement process (nationally and internationally) to recruit a Residential Technical Advisor (RTA) who will support BOI in creating a viable and effective project management unit to effectively implement the BRAVE Women Nigeria project. The subsequent project implementation process was slowed down following the outbreak of the COVID-19 epidemic. BOI, with the support from the IsDB, has proceeded with the final selection and contracting of the RTA in July 2020. Since then, the RTA started the first set of activities of the capacity building trajectory, which includes developing an appropriate Financial Management Framework, a Project Procurement framework and M&E framework. In parallel to this track the recruitment of the Project Manager has started and its appointment is expected to take place in September 2020.

Both the Framework Agreement with the Nigerian’s Ministry of Finance and the Implementation Agreement with BOI have been signed on April 1st and 19th, respectively. The track for the setting up of the PMU and its capacity building has started in July 2020 and the project is expected to start implementation in Q4 2020 or early Q1 2021. To ensure sufficient cross-learning among projects, the capacity development from the RTA will be augmented by technical support from the Yemeni local Executing Agency (Small and Micro Enterprise Promotion Service “SMEPS”) ahead of the commencement of the implementation activities.

### **IsDB BRAVE Women Project in Burkina Faso**

In December 2019 IsDB requested from the We-Fi GC the reallocation of the funding earmarked for Mali (\$9,164,251) to Burkina Faso. Following this approval, the IsDB received an official request from the Government of Burkina Faso to implement the BRAVE Women project and a fact-finding mission was undertaken in the country in January 2020. After a thorough selection process, IsDB has selected “Maison

*de l'Entreprise du Burkina Faso (MEBF)*” as the local project executing agency (“EA”). *MEBF* has a track record of implementing international donor funded programs with MDBs and DFIs, including the WBG.

All the internal approvals at IsDB have been obtained and the project team is currently working on the operationalization phase in close collaboration with the local EA, while the legal agreements are being finalized. The IsDB/ICD team kicked off the discussions and preparations with the local EA regarding the Randomized Control Trial evaluation methodology to be implemented in Burkina Faso.

### IsDB Plans for the next year

**Yemen:** The upcoming period will focus on supporting eligible firms participating in the second batch of trainings, unleashing market access/networking among the women entrepreneurs and other market players, as well as continuing to stimulate the financing appetite of the local banks. Also, IsDB will closely monitor the performance of the WSMEs that already received grants and capture their stories.

**Nigeria and Burkina Faso:** an intensive year of project take off and training is expected. The priority is to build the capacity of the local executing agencies to ensure they are fully ready to implement the BRAVE Women project. The operationalization phases for both Nigeria and Burkina Faso will benefit from the lessons learned and guidance from the local partners implementing the program in Yemen.

### IsDB COVID- 19 Response

Despite the challenging times, the project witnessed a remarkable commitment and resilience among women entrepreneurs in response to the COVID-19 pandemic. Some of them quickly adapted their activities by expanding the range of products offered or using online tools to conduct business activities despite the challenging context. Thus, the COVID-19 has been an opportunity for some to expand their business activities, access new markets and continue to provide necessary needs for the public.

The project has also focused on ensuring continuity and addressing the challenges brought by the COVID-19. It updated the training curriculum to address measures and risks associated with the pandemic. For that purpose, a 3-day training was performed by 38 business advisors in each region of the project. The team also increased its focus on the resilience of certain sectors with a higher portfolio allocation towards health, food, education and clothing sectors:

- 19 schools and institutes were trained in Sanaa and Aden on online teaching to encourage the Yemeni education sector to continue by using technology to ensure that children can keep learning despite the pandemic context.
- The project supported women businesses in the clothing sector, especially the ones able to expand their activities towards the medical sector to produce masks, medical suits, etc. given the urgent need of such items and the shortages for these items on the market. For more details see the [video portraying the story of Jana shop](#).

In Nigeria and Burkina Faso, whilst both projects are still at early stage, the IsDB/ICD project team coordinated closely with the respective local EA in order to prepare the mitigation strategies. Both local EAs are ready to take necessary measures such as online trainings/mentorship to ensure continuity, extend the training curriculum to address measures and risks associated with the pandemics, etc. Specific to Nigeria, while the procurement of the RTA was opened for international applications, the IsDB/ICD team opted for a recruitment of a local RTA already in the country in order to avoid any issues related to travel. The team also adapted the workplan and carried out training sessions remotely.

## Confronting COVID-19 - Nadia Ali Aldhara workshop to produce PPE

*In light of the spread of the COVID19 in Yemen amidst the ongoing military, it was necessary to think of alternative solutions to combat the pandemic. Yemen, like other fragile states, was not prepared to face the pandemic; the public health system had almost collapsed and there had been no quick response from authorities in trying to protect medical staff. The shortage of medical equipment and supplies in the country was dire. Yemeni hospitals witnessed a significant increase in the deaths of doctors throughout the country as they lacked the simplest protection tools, including masks, suits and virus protection equipment for medical teams.*



*Nadia Ali Aldhara, the owner of a small sewing company, was able to adapt to the emergency need of the medical sector and began with her team to produce medical facemasks as well as personal protection equipment (PPE) with high standards adopting all the requirements from the Ministry of Health. Her motivation was not only seeking profits but also her sense of social responsibility towards her society, which is facing a new threat maybe worse than the war itself. "I was encouraged to join the BRAVE Women project to develop my business focusing on increasing my workshop's production capacity, including purchasing additional sewing machines. Once I received the assets, I felt happy that yesterday's dream became a reality today and that I am able to develop my business better."*

*During the early stage of COVID-19 in Yemen, Nadia added new machines to her sewing workshop and hired additional workers. "We were in a real race against time, especially since the number of COVID-19 victims increased rapidly. The COVID-19 disease might knock on every house and we might lose a lot of people, so time was a decisive factor."*

*Nadia's workshop produced about 1,000-1,500 masks and 100-150 protective suits every day. She also signed contracts with 10 private hospitals in Yemen in four cities, four pharmacies, as well as seven medical suppliers to provide materials according to the production specifications approved by the Supreme Medicines Authority in Yemen. Her workshops continue to provide medical personnel with medical masks and protective suits as the demand continues to be high. "I feel very proud that I actively contributed to saving the lives of frontline medical staff during this pandemic as well as patients who need to protect and isolate themselves until their full recovery".*

## IsDB Funding Summary

Status of funding disbursements.

Sources of financing	We-Fi Allocation	IP Approved Amount*	Committed Amount	Disbursed Amount
Investment activities				
Technical Assistance/Advisory Activities	29,630,173	29,630,173	21,302,909	6,325,827
Research, M&E, Evaluations	602,500	602,500	335,000	-
Other (specify)				
Fees	2,007,327	2,007,327	1,437,840	250,000
<b>Total</b>	<b>32,240,000</b>	<b>32,240,000</b>	<b>23,075,749</b>	<b>6,575,827</b>

\* if applicable

## World Bank Group (WBG) – Joint World bank and IFC Program Creating Finance and Markets for All

### WBG Program Overview

<b>Countries:</b>	Projects in 30 countries; 50% of funding to be allocated to IDA and fragile markets
<b>Timeline:</b>	May 2018-June 2023
<b>We-Fi Funding:</b>	\$75.1m   \$49.4m allocated to IFC and \$25.7m to the World Bank
<b>Mobilization:</b>	\$458.6 million (31% of \$1.5 billion)
<b>WSMEs Reached:</b>	1,715 (4% of 43,000 target)

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 initiative tests innovations and scales up successful pilots under three thematic pillars, and includes research, investment, advice, partnerships, and peer-learning efforts:

- I. **Strengthening entrepreneurial ecosystems:** 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
- II. **Expanding financial services:** 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
- III. **Improving market access:** Integrating women-owned small and medium enterprises into domestic and international value chains and producer networks; increasing procurement opportunities for WSMEs

### WBG Highlights from the Reporting Period

In its second year of We-Fi implementation the World Bank Group facilitated a significant expansion of the program and an increase lending to WSMEs. IFC has a programmatic approach and added nine new investment and five new advisory projects, 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. Notably, to date WBG allocated 61.3% of We-Fi funding to activities reaching IDA beneficiaries. The funding commitment to projects increased from \$24 million in 2019 to \$32.7 million in 2020, utilizing 44% of the total We-Fi allocation.

**Geographic coverage:** The World Bank Group global We-Fi program is advancing access to markets and finance for WSMEs in 30 countries and six regions as follows:

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

**Visible impacts.** World Bank Group We-Fi started showing direct impact on women entrepreneurs in FY20, as projects moved from design, set-up, and diagnostics to product development, training, loans, investments and on-lending to women-owned firms. Of the World Bank Group's 42 We-Fi projects, 16 have started to report results. Through these projects, WSMEs have accessed \$44.5 million in financing 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.

#### 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)					
IFC-LED PROJECTS			WORLD BANK-LED PROJECTS		
16 Investment Projects	12 Advisory Projects	2 Partnership/Research Projects	8 Country Advisory Projects	3 Global Research Projects	1 Impact Evaluation Program
10 IDA and 4 FCS countries, 3 regional projects in SSA, 1 regional project in LAC, and 1 global project			9 IDA and 2 FCS countries, 1 multi-country project across MENA and 4 global projects		
Key Partnerships: Endeavor, Financial Access for Women (formerly GBA), International Trade Center (ITC), UN Women, United Parcel Service (UPS), Village Capital, WEConnect International					

**Partnerships.** WBG established about fifty partnerships with public institutions, nongovernmental organizations (NGOs), academia, and private sector companies. Some of the key global partnerships include organizations such as Endeavor (Africa) and UPS (MENA) and WEConnect. The We-Fi team has also collaborated across the Bank Group and with other multilateral development banks, including with the African Development Bank in the implementation of a value chain program in Côte d'Ivoire, and Asian Development Bank in Sri Lanka.

**Analytics and research directly support lending and investment operations.** With We-Fi support WBG broadened and deepened the analytical foundation informing WSME 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*. 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*.

### WBG Implementation Update

More details on the WBG We-Fi program are included below. For more information, please see the WBG full progress report on the We-Fi secure website page.

### Pillar I Highlights: Strengthening Entrepreneurial Ecosystems

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 We-Fi's contribution to \$6 million alongside IFC's investments totaling \$58.8 million. Three of the funds We-Fi funds were committed to last year — Flat6Labs, TIDE Africa, and Sarmayacar — closed in FY20, raising an additional \$50 million to be invested in WSMEs. Sixteen local incubators received capacity-building training and 23 WSMEs received the investment training in Pakistan. In FY20 the IFC We-Fi program expanded into more mainstream private equity funds— 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.

### Pillar I Focus Areas and Activities, Project Highlights and Progress Towards Targets

 <b>PILLAR I – STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS</b>	
KEY FOCUS AREAS	FY2020 HIGHLIGHTS
<b>World Bank Group Projects &amp; Activities</b> <b>1. INCREASING SEED FUNDING AND EQUITY INVESTMENTS IN HIGH-POTENTIAL WSMEs</b> <ul style="list-style-type: none"> <li><b>Africa Region:</b> Tide Africa fund (IFC investment)</li> <li><b>Africa Region:</b> Alta Semper fund (IFC investment) *</li> <li><b>India:</b> India Alternatives Investment Advisors Private Limited (“India Alt” or “Fund Manager”), a fund (IFC investment) *</li> <li><b>Latin America Region:</b> L Catterton (IFC investment) *</li> <li><b>Nigeria:</b> Trade Depot (IFC investment) *</li> <li><b>Pakistan:</b> Sarmayacar, a seed fund (IFC Investment)</li> <li><b>Tunisia:</b> Flat6Labs, a seed fund (IFC Investment)</li> <li><b>Village Capital</b> (IFC Research/Partnership)</li> </ul>	<ul style="list-style-type: none"> <li><b>3</b> New investments in India, Nigeria, and Latin America;</li> <li><b>16</b> Accelerators and incubators trained on investment readiness and fundraising for WSMEs;</li> <li><b>23</b> WSMEs trained on investment readiness;</li> <li><b>12</b> Women Business and the Law reform memoranda developed; <b>1</b> reform enacted;</li> <li><b>7</b> Reports and studies on entrepreneurship, the startup ecosystem, and the role of accelerators;</li> </ul>



## 2. BUILDING WSME CAPACITY AND NETWORKS AND PROMOTING A PIPELINE OF HIGH GROWTH WSMEs

- **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)

## 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**

- 3** New datasets on female business ownership and directorship; and women in tourism; Partnerships with Amadeus, Endeavor, Invest2Innovate, GIZ, Global Economic Monitor, Village Capital, Seedstars, The Global Accelerators Learning Initiative (GALI), UNWomen, UNWTO

## PROGRESS TOWARDS TARGETS

- 16** accelerators/incubators and **6** funds supported (World Bank Group target: over a dozen funds and accelerators)
- 800** WSMEs reached in entrepreneurship support programs across three pillars (WBG target: 3,700)
- 1** reform enacted (World Bank Group target: 5)

### Dot & Line education startup adapting to COVID19

As they were expecting strict lock-down rules in their hometown of Karachi, Lina Ahmed and Maheen Adamjee moved swiftly to a fully virtual office setup weeks before the actual order was issued. Now, the two female founders of the fast-growing education startup Dot & Line, are working diligently to shift to a completely online business offering. "We rapidly shifted our way of disseminating information to students from learning centers with home-based teachers to online classes. We were planning to do this anyhow, but we accelerated the launch. It was the best time as many parents are confined to their homes and are looking for ways to keep their children engaged," says Ahmed. It also meant that the company had to train their 200 female home-based teachers to become skilled online teachers and presenters in a very short time. Lina Ahmed: "No an easy feat in Pakistan, where technology can be challenging. But our teacher partners have picked it up well and see this as an opportunity to flourish."



While revenues from their physical learning centers have slowed down, signups for online classes by existing and new students have soared. "The transition to online learning needed to be made quickly to keep children learning and for us to continue to grow. However, we aren't looking at online learning as a short-term solution, but rather as a long-term strategy. We were getting ready for a next round of investments; that has been delayed right now as there is so much economic uncertainty and possible new investors want to see how this goes."

*While a national stimulus package for small companies in her country remains uncertain, Ahmed says that grants would be tremendously helpful ‘to provide some breathing space while costs are still ongoing’. Amidst all uncertainty, the startup co-founder still finds very valuable life lessons: “In this very challenging time, you can still find the possibility to grow as a person. We are looking for ways to ride this turbulent wave as gracefully as possible. In the end, we are in this together and it can make us more whole and human.”*

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**Strengthening the regulatory environment:** The World Bank has funded technical assistance to implement legal reform memorandums with recommendations for improving the regulatory environment in Bangladesh, Côte d’Ivoire, Djibouti, the Arab Republic of Egypt, Jordan, Lebanon, Mozambique, Nigeria, Pakistan, Senegal, Tanzania, Tunisia, and Zambia Women, Business and the Law (WBL) Pakistan and Jordan. The memoranda highlight legislative gaps and legal restrictions on women’s ability to engage in income-generating activities as well as lack of legal protections for women at the workplace and within the household. Additionally, with support from We-Fi WBL team worked to implement those recommendations in Pakistan and Jordan.

The **government of Pakistan:** Despite the travel and work restrictions imposed around the world due to COVID-19, the government of Pakistan did not drop or postpone the reform agenda. Virtual meetings and discussions were held with government officials to discuss the gaps and the proposed legal reforms. The first reform soon followed. 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. Other reform recommendations currently discussed with the Pakistani government include non-discrimination based on gender in employment in the private sector; introducing the principle of equal remuneration for work of equal value, protecting pregnant women from dismissal, and introducing paternity and parental leave.

The **government of Jordan** has also requested collaboration with the World Bank’s Women, Business and the Law Advisory team in 2019 to address similar challenges. Within a few months, the WBL, with support from We-Fi, worked closely with local legal experts and key stakeholders in Jordan to identify reforms to be conducted and implemented in 2020. The first of the enacted reforms aimed to introduce greater equality in access to finance. The Central Bank of Jordan issued a **directive to explicitly prohibit gender-based discrimination in access to financial services**. Women now can file a complaint with a consumer protection entity within the Central Bank if they believe that they were treated differently than men or denied access to financial services due to their gender. Awareness campaigns support more familiarity with the reforms. This will be another step to promote equal access to finance and thus economic opportunities for women and men (following recent implementation of collateral registry for movable assets). The government of Jordan also **struck down any differences in the procedure of obtaining passports between women and men** to ensure equal mobility rights which is linked to greater entrepreneurship opportunities. Other reforms will be implemented in 2021.

## **Pillar II Highlights: Expanding Financial Services**

Teams fostered innovation and developed new financial products. The World Bank Group’s We-Fi program 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. 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 addressing supply chain finance and banking services. We-Fi funding of \$4.7 million supported IFC's own \$168 million investment dedicated to WSME lending.

## Pillar II Focus Areas and Activities, Project Highlights and Progress Towards Targets

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

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, 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 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 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.



FY20 saw increased use of performance-based incentives alongside risk-sharing facilities to promote lending under the IFC Small Loan Guarantee Program, with clients such as TEB Bank Kosovo, Union Bank Nigeria, and Yoma Bank Myanmar. 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.

In addition to directing more financing toward WSMEs through blended finance instruments, the World Bank Group **We-Fi teams also provided training and capacity-building support to financial institutions.** Ghazanfar Bank (Afghanistan), HSBC Bank (Argentina), 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

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 performance-based incentive 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.

**Access to Insurance.** 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. 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. 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. IFC delivered this program to several insurance companies.

### **Pillar III Highlights: Access to Markets**

In FY20, World Bank Group We-Fi teams mobilized \$119 million to support **increased access to markets for WSMEs** in MENA, India, Mozambique, and Vietnam. 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.

**Linking WSMEs to corporate clients 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 **WEConnect 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.

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### **WBG Entrepreneur Story: Bangladeshi Women Entrepreneurs on Managing Through COVID-19** (stories of We-Fi beneficiaries)

*The World Bank and IFC, with support from We-Fi, are leveraging public and private sector interventions to expand the network of corporates working with women entrepreneurs in Bangladesh. Before the onset of the COVID-19 pandemic 14 corporates have joined the program and committed to supplier diversity. All this forward momentum came to an abrupt halt in March 2020 with near total shutdown of business activity in Bangladesh, as in many other countries. The women entrepreneurs benefiting from the We-Fi program have seen sharp drops in revenues that tested their resilience, but these women leaders demonstrated an incredible ability to adapt and creativity in responding to the crisis.*



**Kohinoor Yeasmin**, who opened Tarango, her small handbag manufacturing enterprise in Bangladesh nine years ago, took a double hit from COVID-19, with the stoppage of new business activity and also the cancelation of orders already on the books and produced. “Due to the COVID lockdown, I’ve had to shut down my factory and office. Production is at a standstill. I can’t ship finished products due to the restriction on transportation,” she said. Tarango now has some \$100,000 worth of finished products on inventory that would have otherwise been shipped. Participating (in the World Bank Group We-Fi program) “opened my eyes” to the information gap that exists for women, while the training sessions “guided me on how to make a business plan,” and “how to deal with corporate buyers.” Yeasmin said. Now she and her peers need all those skills and then some to weather the COVID-19 crisis. Yeasmin is staying in constant touch with her artisans to make sure they are ready to work after this crisis is over. The pandemic also underscored the need to diversify her product line and to widen her network of buyers. She is also making a point of assuring her buyers that she is ready to work with them again and will be open to take orders when the crisis lifts.



UNSOLD INVENTORY FROM TARANGO, A WOMEN-OWNED HANDBAG MANUFACTURER, PILES UP AS A RESULT OF COVID-19 'GENERAL HOLIDAY' IN BANGLADESH. PHOTO: KOHINOOR YEASMIN

**Shafia Shama**, owner and founder of M/S Shama, sells eco-friendly office supplies, bags, baskets and home décor 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 25. “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.”

In the next several months, the World Bank plans to host webinars on accessing government SME financing to mitigate the impact of COVID-19 and on World Bank procurement guidelines, processes, and opportunities for contracts. In collaboration with the SME Foundation, the World Bank is developing a database linking women-owned businesses with financial institutions and corporations interested in sourcing from women-owned businesses that is expected to become operational within the next year. The program is also exploring new virtual tools to bring needed training and information to strengthen the capacity of WSMEs, and the project continues to advocate for the benefits of supplier diversity.

**Facilitating WSMEs’ access to procurement opportunities:** 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. The team is also exploring potential financial 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 Kenya will be the first country pilot.

***Leveraging cooperatives to increase WSMEs' access to markets.*** 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 will include agricultural e-extension services and a market information system that provides for real time sharing of market prices via SMS.

***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. 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

### 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.

### **WBG Plans for the next year**

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.

### **WBG COVID- 19 Response**

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 program has contributed additional funding support and performance-based incentives to enable uninterrupted investment in high-growth WSMEs (through its invested funds, such as TradeDepot), and to incentivize participant banks in IFC's global \$2 billion COVID working capital solution program to direct their funding toward WSMEs. The TEB Kosovo investment was supported by We-Fi through this platform.

## WBG Funding Summary

IFC We-Fi (\$ million):

SOURCES OF FINANCING	WE-FI ALLOCATION	REVISION	IP APPROVED AMOUNT	COMMITTED AMOUNT	DISBURSED AMOUNT
Investment activities	20.7	22.6	* 8,728,000	8,728,000	1,240,6630
Technical Assistance/ Advisory Activities	13.4	11.5	2,573,645	2,573,645	703,235
Research, M&E, Evaluations**	11.8	11.8	6,251,597	886,681	886,681
Other (specify)					
Fees	3.5	3.5	1,204,453	1,204,453	1,204,453
<b>Total</b>	<b>49.4</b>	<b>49.4</b>	<b>18,757,695</b>	<b>13,392,779</b>	<b>4,035,032</b>

\* Within the 1st pillar, Strengthening Entrepreneurial Ecosystems, \$1.9 million was transferred from the advisory to investment envelope to accommodate the rapidly growing pipeline. The investment envelope is at capacity.

\*\* This includes business development and upstream activities

World Bank We-Fi (\$ million):

SOURCES OF FINANCING	WE-FI ALLOCATION	COMMITTED AMOUNT	DISBURSED AMOUNT*
Investment activities			
Technical Assistance/Advisory Activities	18.7	17,780,655	4,984,605
Research, M&E, Evaluations	5.5	2,064,331	894,794
Other (specify)			
Fees	1.5	1,500,000	\$500,311
<b>Total</b>	<b>25.7</b>	<b>21,344,986</b>	<b>\$6,379,710</b>

\* Includes disbursed amounts and processed contracts by project teams.

## SECOND ROUND IPS IMPLEMENTATION PROGRESS

### Asian Development Bank – Women Accelerating Vibrant Enterprises in Southeast Asia and the Pacific (WAVES)

#### ADB Program Overview

<b>Countries:</b>	Vietnam, Fiji, Papua New Guinea
<b>Timeline:</b>	September 2019 – December 2024
<b>We-Fi Funding:</b>	\$20.189m
<b>Mobilization:</b>	Target – \$205.5m
<b>WSMEs Reached:</b>	too early to report (5,105 target)

The Women Accelerating Vibrant Enterprises in Southeast Asia and the Pacific (WAVES) program aims to support women’s businesses that remain trapped in the “missing middle.” WSMEs in the region lack access to specialized programs that respond to their needs. As a result, women entrepreneurs remain invisible and overlooked despite their high potential as economic actors. In response, WAVES is building capacity across the entrepreneurship ecosystem in the Pacific and Viet Nam with the objective to foster long-term behavior change among key stakeholders in the private and public sectors, and to strengthen WSME’s capacity and skills to run successful businesses.

The WAVES Program is built on three components, adapted to each national/regional context.

- **Component 1** focuses on **Access to Finance** through innovative financial approaches including performance-based lending (Viet Nam) and issuing a gender bond in Fiji. The program also aims to reach WSMEs from underdeveloped regions, ethnic minorities, and rural areas. The financing component will be accompanied by comprehensive capacity development of financial institution partners, including support to develop gender-responsive products and services tailored for the WSME market.
- **Component 2** addresses the **Enabling Environment**, which will work with national partners including government agencies, civil society organizations, and women’s business associations to develop stronger WSME-focused policies, regulations and action plans. In Viet Nam, WAVES will support the implementation of the gender provisions in the 2017 SME Law.
- **Component 3** will focus on the **Capacity development of WSMEs**, through financial literacy and business acceleration programs, mentorship and networking opportunities.

#### ADB WAVES Highlights from the reporting period

The first year of the WAVES Program in both the Pacific and Viet Nam have focused on program development, including setting up agreements with government counterparts, dialogue with financial institutions, and procurement and mobilization of consultants. Unforeseen delays in setting up the technical assistance program in Viet Nam and the inability to pursue a gender bond in Fiji has meant that there are no beneficiaries in the first year, which represents a change to the original expected projections submitted in the ADB proposal.

**Viet Nam:** The first year of implementation focused on policy dialogue with government counterparts to foster program ownership and engaging financial institutions to discuss how different blended finance models can facilitate increasing onlending to women entrepreneurs. During this reporting period, ADB

has established the formal implementation framework and agreements between ADB and the Government of Viet Nam. An important initial milestone is the approval of the technical assistant component by the Government of Viet Nam, signed by the Prime Minister (1 April 2020). The process for securing the Government's approval has been much lengthier than originally envisioned, causing delays in starting the project activities.

**Pacific:** The first year of implementation of the WAVES program in the Pacific has focused on identifying a financial institution to partner for the issuance of a gender bond. Consultations in Fiji with a potential partner were terminated following the institution's request to not pursue the gender bond given the COVID-19 pandemic context. Since May 2020, ADB has had ongoing engagements with financial institutions in Papua New Guinea (PNG), to identify the best avenues for supporting WSMEs in PNG. Additionally, ADB has engaged with government ministries and stakeholders in the Pacific to issue a research on women's entrepreneurship in the region, with a focus on COVID-19 challenges and regional cooperation.

### ADB WAVES Implementation Summary

More details on the ADB WAVES program activities are included below. For more information, please see the ADB WAVES full progress report on the We-Fi secure website page.

**Vietnam:** Once the project framework has been approved by the Government of Viet Nam, ADB has selected a firm to undertake the technical assistance activities- capacity development for PFIs and policy support. A firm has been mobilized in June 2020 and the activities will commence with a gender gap assessments for the partner financial institutions, and support to the Ministry for Planning and Investment (MPI) in the implementation of the SME Law which includes a focus on women's entrepreneurship. The firm will also support ADB in working with the State Bank of Viet Nam (SBV) to collect sex-disaggregated data from financial institutions.

Facing the economic challenges caused by the COVID-19 pandemic, ADB adapted its planned We-Fi transactions and training component to focus on emergency response. The project team plans to work with banks to restructure their existing loans or extend new loans to at least 500 WSMEs through various mechanisms - either deferring payment on principal for at least six months, or offsetting fees for new WSME clients for up to 2 years. Specialized business training services will also be provided for the 500 WSMEs to provide them with skills and new business strategies to overcome the crisis.

Negotiations are ongoing with three banks around the provision of an ADB loan blended with a We-Fi grant (\$750,000 or less for each bank) to support banks' onlending to WSMEs. All blended finance transactions require the partnering bank to agree to additional gender activities.

**Pacific:** COVID-19 pandemic has had devastating consequences for the economies in the Pacific. The Fijian economy is expected to contract by 21.7% in 2020 mainly due to poor tourism activity and its knock-on effects to the rest of the economy. Due to its large dependence on tourism, Fiji is expected to be the most affected country in the Pacific region. Banks in Fiji are currently focusing efforts in portfolio management dealing with large amounts of non-performing loans. The issuance of a gender bond in Fiji is very unlikely to happen in the next two years until the economy recovers. In this context, the ADB's efforts during Q4-2019 and Q1-2020 towards the issuance of the gender bond stalled when the pandemic hit. Once the consequences of COVID-19 in Fiji became apparent in May 2020, the partner financial institution already identified requested ADB to cancel the plans for the gender bond issuance until the economy would recover. Following this decision, ADB also canceled the market study which was intended to support the

bond issuance. Subsequently, the ADB's project team-initiated discussions with a partner financial institution in Papua New Guinea (PNG) to explore initiating a program to further support WSMEs in PNG.

### ADB WAVES Plans for the next year

**Vietnam:** ADB's priority areas for the next year will be to pursue four blended finance transactions, support the Government of Viet Nam in strengthening and implementing the gender provisions of the SME Law, and undertaking gender-gap assessments. ADB will also commence a randomized control trial to study to evaluate the impact that incentives for loan officers may have on increasing lending to women entrepreneurs. The study will start in in Q2 2021. ADB will also start the gender assessments for the participating institutions and the capacity building for a local accelerator to support early stage women entrepreneurs. Acknowledging the limited availability of gender disaggregated data, ADB will also work with the government to include WSME-related indicators into the Economic Census of 2021.

**Pacific:** ADB will continue its activities in PNG and scale them if the GC approves the funding reallocation.

### ADB Waves COVID- 19 Response

**Vietnam:** In July 2020, ADB management approved a COVID-19 response project using We-Fi funds which will support at least 500 WSMEs in Viet Nam to overcome the COVID-19 pandemic. Principal activities include restructuring of loans and loan holidays, complemented by a specialized business counseling program to enable these entrepreneurs to receive dedicated one-on-one business counselling. It is expected that the grant will be signed by the Government of Viet Nam in Q4 2020. The counselling program is set to begin in Q1 2021.

During this period ADB noticed a lack of coordination in the relief efforts for the Pacific island countries, leading to women entrepreneurs' survey/research fatigue around the impact of COVID-19. At the request of Government partners, ADB is focused on medium to longer term impact and recovery rather than on rapid assessments of the immediate impacts of COVID-19 on SMEs to avoid duplication of work.

In addition to We-Fi, ADB has also integrated gender targets into its COVID-19 emergency response packages for the Pacific. ADB approved in July 2020 a Policy-Based Loan (PBL) for the government of Fiji to sustain private sector-led growth reforms, with strong gender targets. The PBL includes policy actions that are expected to have a transformational impact on gender equality, women's economic empowerment, and women's access to resources and services.

### ADB WAVES Funding Summary

*Status of funding disbursements.*

Sources of financing	We-Fi Allocation	Approved Amount*	Committed Amount	Disbursed Amount
Investment activities	\$12,881,726			
Technical Assistance/Advisory Activities	\$5,086,500		\$1,879,026	-
Research, M&E, Evaluations	\$900,000			
Other (specify)				
Fees	\$1,320,776			
<b>Total</b>	<b>\$20,189,002</b>		<b>\$1,879,026</b>	<b>-</b>

\* if applicable



## Africa Development Bank - Affirmative Finance Action for Women in Africa (AFAWA)

### AfDB Program Overview

<b>Countries:</b>	21 countries throughout Africa
<b>Timeline:</b>	October 2019 – June 2024
<b>We-Fi Funding:</b>	\$61.8m
<b>Mobilization:</b>	too early to report (\$432.8m target)
<b>WSMEs Reached:</b>	too early to report (40,000 target)

AFAWA's overarching objective is to improve access to finance for WSMEs across the African continent using a unique risk sharing mechanism exclusively dedicated for WSMEs, as well as overcoming some of the institutional challenges constraining access to finance by women. The program will offer innovative and tailored financial products, including a credit enhancement instrument, specialized capacity building trainings to financial institutions and WSMEs, as well as targeted initiatives to transform the business-enabling environment for WSMEs. AFAWA will be implemented through several components:

**Component 1: Improving access to finance:** AfDB will provide lines of credit and trade finance to financial institutions, as well as the equity investments to non-banking financial institutions to address the financing gap faced by WSMEs. The We-Fi Funding will be blended with these investments to enhance FIs' comfort with lending to women.

**Component 2: Capacity building services to women entrepreneurs** in the portfolio of Bank investees, including access to mentoring, entrepreneurship training courses, and know-how to grow their businesses in collaboration with strategic partners implementing complementary projects. In addition, AfDB will build the capacity of FIs and NBFIs to address the specific needs of women-owned/led businesses through the internal strengthening of relevant functions and the development of financial and non-financial products tailored to women.

**Component 3: Improving the enabling environment:** AfDB will work with central banks and regulatory authorities to review and strengthen policies to support WSMEs. The component will allow for the revision of some of existing policies and challenges identified in the two UN Women affirmative procurement studies respectively as major impediments for women's access to finance.

**Component 4: Special Initiatives:** reinforce existing special initiatives funded by the AfDB and others, to improve access to finance, markets, and increase the number of bankable women entrepreneurs in sectors frequently overlooked by mainstream financiers.

### AfDB Highlights from the reporting period:

The AfDB AFAWA team has progressed in operationalizing the We-Fi program within the Bank by closely working with all internal stakeholders including the Financial Working Group and the Assets and Liabilities Committee on the development of operational guidelines and manual. We-Fi has been set up differently from other trust funds within AfDB, which required the establishment of its own governance structure. The required approvals by different committees, and the need to focus on COVID-19 emergency response has significantly impacted the team's ability to start project implementation. The

team is in the last step of the finalizing the internal processes, which should be finalized by the end of 2020.

### AfDB Implementation Summary

A summary of the activities is included below. For more information, please see the AfDB AFAWA full progress report on the We-Fi secure website page.

AfDB has developed a pipeline of several technical assistance projects, and it is considering deploying first loss capital guarantees to support Funds investing in WSMEs that are reconfiguring their businesses to respond to the COVID Impacts. AfDB is currently considering the following projects:

***Technical Assistance to Banco Comercial e de Investimentos (BCI) in Mozambique.*** The Project will complement an AfDB line of credit for onlending to SMEs. The technical assistance will support BCI in strengthening its portfolio of products and solutions geared towards women entrepreneurs.

***Technical assistance for WSMEs in the Oil and Gas Sector in Mozambique.*** The AFAWA program in collaboration with the Bank Fund for African Private Sector Assistance (FAPA) will participate in a supplier development program promoting women's economic empowerment and increasing women's access to market opportunities in the Oil and Gas sector. We-Fi will support 40 Women led SMEs in accessing training and contracts through the program and will create linkages between these WSMEs and BCI to facilitate their access to finance.

***Technical assistance to Fashionomics Africa*** to support the fashion industry in-Cote d'Ivoire, Nigeria, Ethiopia, Kenya and South Africa. The project will include the following four components: (1) Scaling up Fashionomics Africa digital marketplace and mobile app development, (2) Develop the capacity of 1,000 Fashion WSMEs through Fashionomics Africa masterclasses; (3) Facilitate access to finance to WSMEs in the fashion industry via commercial banks and equity funds.

***Research on improving the Business Enabling Environment for WSMEs in DRC, Zimbabwe, Zambia, Nigeria, Senegal, and Rwanda.*** In collaboration with the Alliance for Financial Inclusion AfDB will produce six in depth case studies on access to finance for WSMEs and will identify the gaps in regulations and systems need to be addressed to accelerate women's access to finance agenda. AfDB will also provide technical assistance to address the identified policy gaps hindering WSMEs' access to finance.

***Technical assistance to the joint IFC-AfDB Women-led staple food cooperatives advisory project in Cote D'Ivoire.*** The project will focus on improving the business environment to facilitate access to markets for women-led cooperatives in the staple food sector in Cote d'Ivoire. AfDB will undertake a diagnostic to reviews existing regulations, policies and standards that are impeding the growth and expansion of Women Cooperatives in the staple food sector. It will also support the government in enacting specific legislation to aid the staple crop sector, such as the reduction of border processing costs and times for women farmers. The project will also conduct an awareness campaign on the relevant norms and standards required by regional and international markets.

***Improving WSMEs access to procurement.*** In collaboration with UN Women AfDB will support reform and institutional strengthening to improve WSMEs' access to public procurement in 4 countries in West and Central Africa. The project will also support gender responsive arrangements by sourcing COVID-19 related goods and services from women led businesses in the region.

## AfDB Plans for the Next Year

AfDB plans to present the projects described above to the AfDB Technical review and Gender Department Senior Management and expects them to be approved by the end of 2020. Projects that would require board approval are expected to be approved by the end of Q1 2021. AfDB will also build a pipeline of investment projects to complement the We-Fi technical assistance support.

## AfDB COVID- 19 Response

AfDB's resources initially planned to be leveraged alongside We-Fi funds were redirected to support to existing clients. This led to the Bank deferring most of the investments to 2021. AfDB is providing up to US\$ 1.4B funding to support private sector operations in regional member countries. Under the AfDB's private sector operations, a *"Women vs COVID-19 challenge"* project is proposed to empower women-owned/led companies to reconfigure their operations to address COVID19 challenges. AfDB, through its partner Funds and ICT platforms, will support high impact women-owned/led companies that have reconfigured their operations or with a potential to effectively address the emergency at scale. AFAWA and the Financial Sector Department of the Bank is working on a pipeline of projects that will benefit from the COVID response funding.

### A. Status of funding disbursements.

Sources of financing	We-Fi Allocation	IP Approved Amount	Committed Amount	Disbursed Amount
Investment activities Access to finance	30,000,000	-	-	-
Technical Assistance/Advisory Activities	16,875,191	-	-	-
Research, M&E, Evaluations	-	-	-	-
Special Initiatives	10,881,818	-	-	-
Fees	4,042,991	-	-	-
<b>Total</b>	<b>61,800,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* No funds disbursed to projects at this stage

**European Bank for Reconstruction and Development (EBRD) –  
“Women of the Steppe” –Women in Business Program in Central Asia**

**EBRD Program Overview**

<b>Countries:</b>	Kyrgyz Republic, Mongolia, Tajikistan and Uzbekistan
<b>Timeline:</b>	June 2019 – June 2029
<b>We-Fi Funding:</b>	\$22.9m
<b>Mobilization:</b>	\$1 million (\$117.6m target)
<b>WSMEs Reached:</b>	291 (4% of the 7,041 target)

The objective of the EBRD We-Fi Program is to break down barriers that women entrepreneurs face in accessing finance. The EBRD seeks to maximize its impact by providing a unique mix of financing, advisory services and policy dialogue to create lasting systemic change. The Program offers a fully integrated product to respond to the multi-dimensional challenges faced by women-led SMEs.

The specific objectives of the Program are:

- **Provide access to finance for women entrepreneurs** through dedicated financing for partner financial institutions (PFIs) and/or directly for women-led businesses. This component will address the shortage of credit available to this segment and will leverage EBRD financing with the PFIs’ own funds.
- **Strengthen capacity of PFIs** to serve the needs of WSMEs so that the impact is sustainable.
- **Increase access to know-how for women entrepreneurs** by providing advisory services, training, mentoring and other non-financial services to build their business and managerial capacity.
- **Increase access to business networks and networking tools** to better integrate women entrepreneurs in existing business networks.
- **Strengthen the ecosystem through institutional strengthening** to support delivery of gender-intelligent policies and regulations. The component will encourage active dialogue between the public and private sectors to address country-specific non-financial barriers that affect women entrepreneurs.
- **Empower women entrepreneurs through advocacy, awareness raising** and featuring role models to address socio-cultural barriers and improve public perception of women’s entrepreneurship.

**EBRD Highlights from the Reporting Period**

During the reporting period, the EBRD completed the necessary internal procedures required to set up the financing facility for the Program. Further, missions were undertaken in Q3-Q4 2019 to the target countries to meet with all key stakeholders for the policy, financing and advisory activities under the Program, and develop a strong pipeline of activities.

EBRD signed its first credit line with a financial intermediary in the Kyrgyz Republic to support First MicroFinance Company (FMFC) for on-lending to WSMEs. EBRD organized a local Program launch in the Kyrgyz Republic in February 2020 to align with this signing of the first credit line in the country and the corresponding start of advisory activities.

Although the COVID-19 pandemic has delayed the rollout of the Access to Knowhow activities in the first half of 2020, the Program has nevertheless provided tailored advisory services to 41 WSMEs across the region (meeting the Program’s year 1 regional target), including 25 WSMEs in the Kyrgyz

Republic, 3 in Mongolia, 7 in Tajikistan and 6 in Uzbekistan. The advisory in large part helped these WSMEs address the challenges they are facing in the current economic climate, often delving into matters such as digitalization and e-commerce to build resiliency during lockdowns and take advantage of opportunities as economies re-open.

EBRD planned a formal regional launch of the We-Fi “Women of the Steppe” program and an awareness-raising event in May 2020. The event was postponed due to the unfolding COVID-19 health emergency. While the coronavirus pandemic has led to a series of setbacks in Program implementation as a result of lockdown and social distancing measures, the EBRD anticipates being able to deliver on the targets it set for the We-Fi program. EBRD assesses that its women entrepreneur clients remain engaged with the Program and are proactively seeking information and support that would help them adapt and plan for the new economic context. In order to adjust for delays, the Program workplan has been revised and adapted to consider current market/economic condition.

### Implementation Summary

More details on the EBRD program activities are included below. For more information, please see the EBRD’s full progress report on the We-Fi secure website page.

#### Component 1: Dedicated financing for women-led SMEs.

On 27 December 2019, the first credit line supported by EBRD’s We-Fi Program was signed with the **First MicroFinance Company (FMFC)** in the Kyrgyz Republic. This credit line comprised a loan of USD 1 million for on-lending to WSMEs. The disbursement of the EBRD loan to FMFC was planned for early 2020 but it was delayed due to the outbreak of the COVID-19 pandemic. Nevertheless, the FMFC used its own funds to on-lend to eligible WSMEs. With the support of the Program’s technical cooperation, FMFC has disbursed 861 sub-loans by the end of the reporting period. It is notable that while FMFC’s lending operations were briefly impacted at the onset of the COVID-19 pandemic (disbursing 50 sub-loans under in April 2020 compared to 321 in March 2020), its lending activity recovered quickly thereafter, with disbursement levels in June 2020 nearing pre-pandemic levels.

EBRD has also developed a methodology for **risk mitigation instruments** (specifically a First Loss Risk Cover) that will accompany financing projects under the Program. The initial First-Loss Risk Cover allocation in the amount of USD 100,000 (10% of the loan amount) was committed against the first signed transaction with FMFC in the Kyrgyz Republic.

During the reporting period, EBRD has selected a consortium of consulting firms to implement **technical assistance to partner financial institutions**. The Consultant completed a diagnostic review phase and Baseline Assessment for FMFC, which included an institutional assessment and a gender gap evaluation. The results of this Baseline Assessment will serve as the basis for designing together with the PFI’s management an appropriate strategy for enhancing the PFI’s offer to women entrepreneurs. Due to the lockdown imposed by the Kyrgyz government, the Consultant shared the results of the diagnostic review with FMFC’s management in a digital workshop. The Consultant is also conducting remote baseline assessments for new potential transactions with two banks in Uzbekistan and one MFI in Mongolia. The Consultant is also conducting a survey to understand the impact of the current crisis on WSMEs in the Kyrgyz Republic and Uzbekistan.

## **Component 2: Know-How for women entrepreneurs.**

EBRD's We-Fi program includes several types of know-how activities: (i) training and skills development, (ii) bespoke advisory projects, and (iii) network-building activities – commenced in early 2020.

Many of the **training and skills development activities** generally involve international experts/trainers travelling within the region to provide groups of entrepreneurs with in-person, interactive instruction. Such activities become more difficult to carry out due to the lockdowns caused by the COVID-19 pandemic. Notwithstanding, the EBRD has carried out trainings and other skills development activities over digital media. In Uzbekistan, for example, the EBRD carried out two Grow Your Consulting Business (GYCB) framework trainings online for local consultants advising WSMEs in the region over the course of the reporting period and is organizing a 'Leadership in Action' training for women entrepreneurs in Uzbekistan for Q4 2020.

While **bespoke advisory projects for WSMEs** have also been impacted by the disruption caused by the COVID-19 pandemic, the demand from WSMEs for such services remained high as WSMEs require tailored business advice more than ever to acclimate to the new realities of doing business. EBRD's network of local and international consultants have also quickly adapted to current circumstances and provided remote or hybrid (remote/in-person) advisory. As of the end of the current reporting period, We-Fi funding has helped support 41 advisory projects for WSMEs on matters such as branding, website development, and process automation, amongst others.

Likewise, the Program has imposed difficulties on hosting **network-building and other outreach activities** due to current circumstances, although several were undertaken in the Kyrgyz Republic and Tajikistan prior to the development of community spread of the COVID-19 virus in both countries. The EBRD has been working with its consultants to develop online programming for the latter half of 2020.

**Component 3: Policy engagement.** During the reporting period, EBRD worked on laying the foundations for the creation of a gender responsive policies across the region. **In the Kyrgyz Republic**, the EBRD project team facilitated the creation of an inter-agency task force to guide the development and implementation of a gender responsive SME Development Strategy in the country. The EBRD project team also prepared a Gender Responsive Investment Climate Assessment (GRICA), assessing how the Kyrgyz Republic's legislative and regulatory frameworks affect women entrepreneurship.

**In Tajikistan**, the EBRD project team contributed to a review of the Tajik tax policy and business registration practices, which, after public consultation, led to the passage of revised legislation that supports women entrepreneurship by providing tax incentives for women entrepreneurs on maternity leave and a streamlined business registration process for home-based individual entrepreneurs. The EBRD project team is also reviewing a draft law laying out the government's gender policy, as well as supporting the incorporation of a gender lens into regulatory impact assessments. Finally, **in Uzbekistan**, the EBRD project team has commenced preparatory work on Uzbekistan-focused GRICA and has been invited by the National Commission for Gender Equality (NCGE) to comment on the draft National Gender Equality Strategy.

The EBRD has also engaged in several policy consultations with the National Commission for Gender Equality Commission (NCGE) in **Uzbekistan** and other national partners. This resulted in the EBRD being invited by the NCGE to comment on the Draft National Gender Equality Strategy. In addition, the EBRD project team conducted preparatory work on the gender responsive Investment Climate Assessment.



Due to the Parliamentary Elections and the COVID-19 outbreak, policy dialogue activities in **Mongolia** have been postponed until lockdown is lifted.

### EBRD Plans for the Next Year

Going forward, the Program will prioritize aiding the recovery of WSMEs in the region and building their resilience to both the ongoing crisis, as well as to future potential events that disrupt commerce. Women entrepreneurs in the region have already identified topics such as human resource management, digital outreach, and financial management as critically important to the resilience of their businesses, and the Program will seek to support this trend with activities such as webinars, advisory, and trainings on relevant subject matter. Access to finance will also be critically important to prevent previously positive trends of women entrepreneurship in the region from reversing themselves. In this respect, the EBRD is in discussions with two PFIs in Uzbekistan and another in Mongolia on potential projects that would facilitate access to finance for WSMEs. On policy work, the EBRD project team will build off of progress made in year 1 of the Program, working with governments and other stakeholders to address institutional obstacles that women entrepreneurs face and improve the enabling environment for women entrepreneurship as the region eventually exits from the ongoing crisis.

### EBRD COVID- 19 Response

MSMEs across the region were not only disproportionately affected by COVID-19 during the lockdown, but they are also more likely to be pessimistic about recovery in the short and medium run. Results from a recent EBRD survey show that:

- 26% of MSMEs in Central Asia reported a reduction in sales of at least 50% in Q1 2020 (as compared to Q1 2019). Prospects appear negative also in the short run: 38% and 43% of MSMEs expect their sales and exports, respectively, to decline by at least 50% in the coming three months;
- One in four firms believes the shock will have a strong impact on the number of hours worked, quality of supplies, capacity utilization, capacity to retain employees, investment and purchase plans.
- 47% of MSMEs believe that sales will remain below pre-COVID- 19 level in the next 6 to 12 months; at the same time, only 20% of them have moved their sales online.

Importantly, the survey shows that measures of support enacted by governments have failed to reach those impacted by COVID-19 the most, with **71% of SMEs in Central Asia claiming to lack information on how to access government support**. Only 10% of interviewed firms received government-supported loans; similarly, as low as 10% of respondents benefitted from government wage subsidies, and 6% received cash grants.

The EBRD is conscious of the disproportionate impact that this crisis is likely to have on women entrepreneurs, who, as primary caregivers for both children and the elderly, face additional obstacles in managing both a business during a crisis while simultaneously managing a household. Furthermore, WSMEs tend to be smaller, services-based and concentrated in hard-hit sectors such as tourism, hospitality and trade. **As a result, the economic shutdowns are likely to have an outsized impact on WSMEs and may contribute to falling levels of women entrepreneurship.**

The EBRD anticipates that the COVID-19 pandemic may affect the composition of SMEs that apply for advisory support or participate in other access to know-how activities. WSMEs in rural regions tend to have more limited access to the internet or mobile data and capacity to implement and identify digital solutions that would allow them to attend webinars, online networking events, or receive one-on-one advisory remotely. As a result, the Program anticipates needing to take a differentiated approach, with WSMEs supported in rural regions with advisory support and other forms of know-how likely to be less than anticipated until normal operating conditions return. In the meantime, the EBRD will collaborate with program partners, including PFIs, to extend the Program's reach into rural locales.

As it relates to policy engagement under the Program, travel restrictions imposed due to COVID-19 have been a major constraint on the implementation of capacity building activities in Tajikistan and Uzbekistan and on the implementation of surveys under the gender responsive impact assessment in Mongolia. While dialogue with national agencies has continued during the lockdown, it has been difficult to consult with government officials or gather the data required to implement the gender responsive Investment Climate Assessments. Requests have been made for socio-economic and financial inclusion data, but these have only been partially received. With the lifting of lockdown in August, national agencies and government returned to work. The EBRD project team made amendments to the implementation plan in order to continue to work towards achieving the objectives of the project with minimum delay and maximum effectiveness possible.

## EBRD Funding Summary

### Status of funding disbursements

Sources of financing	We-Fi Allocation (USD)	Committed Amount (USD)	Disbursed Amount (USD)
Investment activities	10,500,000	100,000	-
Technical Assistance for PFIs	5,000,000	2,269,720	108,818
Advisory/Know-How for WSMEs	4,500,000	224,715	36,169.80
Research, M&E, Evaluations, Program Visibility	600,000	-	-
Policy reform	1,200,000	132,387	34,000
Fees	1,100,000	693,094	693,094
<b>Total</b>	<b>22,900,000</b>	<b>3,419,915</b>	<b>872,081</b>

## Inter-American Development Bank Group (IDBG) - “Women Entrepreneurs for Latin America and the Caribbean (WeForLAC)”

### IDBG Program Overview

<b>Countries:</b>	Honduras (main focus), Brazil, Colombia, El Salvador, Guatemala, Mexico, Peru
<b>Timeline:</b>	July 2019 – December 2024
<b>We-Fi Funding:</b>	\$24.28m
<b>Mobilization:</b>	\$97.2 million (39 of the \$246.6m target)
<b>WSMEs Reached:</b>	too early to report (19,252 target)

IDBG’s WeForLAC Program promotes the growth of WSMEs by developing innovative and catalytic projects, building the entrepreneurial ecosystem in challenging country environments, generating important data to fill knowledge gaps, and promoting intelligent public policy and private sector initiatives. The specific objectives of WeForLAC are to improve: (i) WSMEs’ access to finance; (ii) WSMEs’ access to markets; (iii) WSMEs’ access to skills and networks; and (iv) the entrepreneurship ecosystems for WSMEs.

The WeForLAC target countries are Honduras, El Salvador, Guatemala, Mexico, Colombia, Brazil, Ecuador, Dominican Republic, and Peru. Honduras, an IDA country, will be the principal country in which a series of coordinated public and private sector initiatives will be implemented to support the growth of WSMEs. Lessons learned in Honduras will be applied to the rest of the region, with a focus on lower middle-income countries (LMICs) (e.g. Guatemala and El Salvador). Upper middle-income countries (UMICs) such as Mexico, Colombia, Brazil, Ecuador, and Peru and the Dominican Republic will be eligible to receive WeForLAC resources for the development of innovative financial instruments, which can be replicated in LMICs in the medium term.

WeForLAC builds on the comparative advantage and strengths of all parts of the IDBG, including IDB Invest (private sector arm), IDB Lab (innovation hub, focus on STEM entrepreneurs) and the IDB (public sector).

### IDBG Highlights from the Reporting Period

IDBG approved four projects in support of WSMEs for a total of **\$6,116,000**, including:

- **Business Development Services and Favorable Environment for Women Entrepreneurs** in Honduras, prepared by the IDB,
- **WeXchange: Unleashing the Growth Potential of Women STEMpreneurs** in Latin American and the Caribbean, prepared by IDB LAB,
- A transaction that includes **Advisory Services and a Performance-Based Incentive grant for Elcatex**, a textile company in Honduras prepared by IDB Invest, and
- **Advisory Service Technical Assistance to Support the Growth of WSMEs** in Honduras, Lower-Middle Income Countries, and Middle-Income Countries by Improving their Access to Finance, also prepared by IDB Invest.

Furthermore, pipeline development has been robust, and IDBG expects to approve **\$8,875,000** for additional projects by the end of the calendar year 2020.

During this reporting period, IDBG has submitted a request to the We-Fi Governing Committee to approve adjustments in the Program budget and adding Ecuador and the Dominican Republic as eligible countries for the WeForLAC program.

Internally, the team developed and published in the IDB Intranet the IDB WeForLAC internal Operational Guidelines to support project preparation and execution. It also developed a We-Fi WSME definition and tracking tool to guide project teams in using We-Fi approved definitions, identifying and reporting on women owned/led SMEs, and in working with clients to obtain responses to survey questions outlined in the Guidelines. These tools will help project teams establish baseline data and track progress towards meeting targets.

### **IDBG Implementation Summary**

More details on the IDBG WeForLAC activities are included below. For more information, please see the IDBG WeForLAC full progress report on the We-Fi secure website page.

During the reporting period IDBG approved four projects for a total of \$6,116,000. Below are more detailed on the project scope.

***Business Development Services and Favorable Environment for Women Entrepreneurs in Honduras.*** The project will provide business development services to WSMEs in Honduras and will promote a favorable and safe environment for businesswomen. IDB will develop specialized business development services tailored to the needs of women-owned/led companies, with an emphasis on the digitalization of services. **(US\$2,900,000. Approved December 26, 2019).**

***WeXchange: Unleashing the Growth Potential of Women STEMpreneurs in LAC.*** This project is implemented by IDB LAB to support women entrepreneurs of Central America operating in STEM fields to expand and diversify their networks throughout the LAC region and beyond. The project will deepen their learning and mentorship opportunities and facilitate entrepreneurs’ access to regional and global early-stage seed and VC investors. **(\$450,000. Approved March 9, 2020).**

***Advisory Services and a Performance-Based Incentive grant for Elcatex,*** a textile company in Honduras. The advisory services will create capacity for Elcatex to incorporate and maintain women- owned SMEs in the value chain. We-Fi Incentive Payments of up to US\$30,000 annually will be provided to Elcatex, if it meets the preset annual targets for number of WSMEs incorporated in its supply chain. The transaction also includes a \$64 million IDB Invest A Loan, and a \$32 million China Co-financing for Latin American and the Caribbean loan. **(\$210,000. Approved April 28, 2020).**

***Enabling the Growth of Women-Led SMEs Through Financial Institutions and Innovative Financial Instruments.*** The main objective of this IDB Invest advisory service is to support the growth of WSMEs by improving WSMEs’ access to finance. For this IDB Invest will provide advisory services to clients, including financial institutions and corporates, to design new financial products targeting WSMEs and promote the creation of a new asset class – gender bonds – to facilitate access to finance to WSMEs. **(\$ 2,556,000. Approved May 7, 2020)**

## IDBG Plans for the Next Year

The focus in the year ahead will be on the quality of the design and execution of projects approved and on building new pipeline, as these operations undergo internal quality control and Bank approval before projects can begin implementation.

**Forward looking priorities in the year ahead** will include focusing on the quality of design and execution of projects approved and in pipeline, as these operations undergo internal quality control and Bank approval and begin to execute. Additionally, given the reality of COVID-19 the design of some projects (for example technical assistance delivery mechanisms) will need to be reassessed to be adapted to the new reality.

## IDBG COVID- 19 Response

Latin America is now the part of the world most affected by COVID-19, both by confirmed cases and by deaths. The region is reeling from overburdened health systems, worsening economic conditions, and increasingly, popular unrest. The emergency context of COVID-19 has slowed implementation of We-Fi activities in some countries (e.g. Honduras) given the changing government priorities, as well as the mobility restrictions during quarantine.

To address the slowdown in implementation through the COVID-19 context, WeforLAC support will be adjusted to consider the needs of women-led SMEs. The strong existing in-country presence of WeForLAC project teams will help execution be less affected by travel restrictions.

## IDBG Funding Summary

Status of funding disbursements.

Sources of financing	We-Fi Allocation	IP Approved Amount*	Committed Amount	Disbursed Amount
Investment activities	\$4,750,000	\$210,000		
Technical Assistance/Advisory Activities	\$14,041,000	\$5,906,000	\$101,308	\$16,648
Research, M&E, Evaluations	\$3,900,000			
Other (specify)				
Fees	\$1,588,370			
<b>Total</b>	<b>\$24,279,370</b>	<b>\$6,116,000</b>	<b>\$101,308</b>	<b>\$16,648</b>

\* if applicable

## Annex I: Mobilization of We-Fi Funds

Round	IP Name	We-Fi Allocation	Mobilization Targets					Mobilized as of June 2020	% Mobilized
			Implementing Partners	Public Sector	Private Sector	Bilateral & Other Sources	Total Mobilization Target		
Round I	ADB Sri Lanka	\$12.6M	\$23.2M	\$0.0M	\$0.0M	\$0.0M	\$23.2M	\$23.3M	100%
	IsDB	\$32.2M	\$4.0M	\$0.0M	\$42.0M	\$0.0M	\$61.0M	\$4.4M	7%
	WBG	\$75.1M	\$225.2M	\$133.0M	\$1,109.8M	\$133.0M	\$1,502.4M	\$458.6M	31%
	<b>Total Round I</b>	<b>\$119.9M</b>	<b>\$252.4M</b>	<b>\$133.0M</b>	<b>\$1,151.8M</b>	<b>\$133.0M</b>	<b>\$1,586.6M</b>	<b>\$486.3M</b>	<b>31%</b>
Round II	ADB WAVES	\$20.2M	\$147.0M	\$0.0M	\$58.5M	\$0.0M	\$205.5M	\$0.0M	0%
	AfDB	\$61.8M	\$337.0M	\$20.8M	\$75.0M	\$20.8M	\$432.8M	\$0.0M	0%
	EBRD	\$22.9M	\$80.0M	\$2.8M	\$34.8M	\$2.8M	\$117.6M	\$1.0M	1%
	IDB	\$24.3M	\$110.4M	\$2.5M	\$131.5M	\$4.7M	\$246.6M	\$97.2M	39%
	<b>Total Round II</b>	<b>\$129.2M</b>	<b>\$674.4M</b>	<b>\$26.1M</b>	<b>\$299.8M</b>	<b>\$28.3M</b>	<b>\$1,002.5M</b>	<b>\$98.2M</b>	<b>10%</b>
	<b>Total Round I &amp; II</b>	<b>\$249.1M</b>	<b>\$926.8M</b>	<b>\$159.1M</b>	<b>\$1,451.6M</b>	<b>\$161.3M</b>	<b>\$2,589.2M</b>	<b>\$584.5M</b>	<b>23%</b>
Round III	EBRD	\$7.4M	\$35.0M		\$17.5M	\$0.0M	\$52.5M		
	IDBG	\$14.7M	\$22.5M		\$24.7M	\$0.0M	\$47.2M		
	IsDB	\$11.3M	\$53.4M	\$9.7M	\$0.0M	\$37.5M	\$90.9M		
	WBG	\$16.0M	\$33.0M	\$24.4M	\$100.5M		\$157.9M		
	<b>Total Round III</b>	<b>\$49.3M</b>	<b>\$143.9M</b>	<b>\$34.1M</b>	<b>\$142.7M</b>	<b>\$37.5M</b>	<b>\$348.5M</b>	<b>\$0.0M</b>	
<b>Grand Total</b>		<b>\$298.4M</b>	<b>\$1,070.7M</b>	<b>\$193.2M</b>	<b>\$1,594.3M</b>	<b>\$198.8M</b>	<b>\$2,937.6M</b>	<b>\$584.5M</b>	<b>20%</b>



## Annex II: IDA and FCS Country List Mobilization of We-Fi Funds

**IDA Borrowing Countries** - 761 countries are currently eligible to receive IDA resources.

<b>AFRICA</b>	Rwanda	<b>EAST ASIA</b>	<b>EUROPE AND CENTRAL ASIA</b>
Benin	Sao Tome and Pr. <sup>4</sup>	Cambodia	Kosovo <sup>5</sup>
Burkina Faso	Senegal	Fiji <sup>3 &amp; 4</sup>	Kyrgyz Republic
Burundi	Sierra Leone	Kiribati <sup>4</sup>	Moldova <sup>3 &amp; 5</sup>
Cameroon <sup>3 &amp; 5</sup>	Somalia <sup>2</sup>	Lao, PDR <sup>5</sup>	Tajikistan
Cape Verde <sup>3 &amp; 4</sup>	South Sudan	Marshall Islands <sup>4</sup>	Uzbekistan <sup>3 &amp; 5</sup>
C.A.R.	Sudan <sup>2</sup>	Micronesia, FS <sup>4</sup>	
Chad	Tanzania	Mongolia <sup>3 &amp; 5</sup>	
Comoros <sup>4</sup>	Togo	Myanmar <sup>5</sup>	<b>LATIN AMERICA AND CARIBBEAN</b>
Congo, Democratic Republic of	Uganda	Papua New Guinea <sup>3 &amp; 5</sup>	Dominica <sup>3 &amp; 4</sup>
Congo, Republic of <sup>3 &amp; 5</sup>	Zambia <sup>5</sup>	Samoa <sup>4</sup>	St Vincent <sup>3 &amp; 4</sup>
Cote d'Ivoire <sup>5</sup>	Zimbabwe <sup>2 &amp; 3</sup>	Solomon Islands <sup>4</sup>	Grenada <sup>3 &amp; 4</sup>
Eritrea <sup>2</sup>		Timor-Leste <sup>3 &amp; 4</sup>	Guyana <sup>4</sup>
Ethiopia		Tonga <sup>4</sup>	Haiti
Gambia, The		Tuvalu <sup>4</sup>	Honduras <sup>5</sup>
Ghana <sup>5</sup>		Vanuatu <sup>4</sup>	Nicaragua <sup>5</sup>
Guinea			St Lucia <sup>3 &amp; 4</sup>
Guinea-Bissau		<b>SOUTH ASIA</b>	
Kenya <sup>3 &amp; 5</sup>		Afghanistan	<b>MIDDLE EAST AND NORTH AFRICA</b>
Lesotho <sup>5</sup>		Bangladesh <sup>5</sup>	Djibouti <sup>4</sup>
Liberia		Bhutan <sup>4</sup>	Syrian Arab Republic <sup>2</sup>
Madagascar		Maldives <sup>4</sup>	
Malawi		Nepal	
Mali		Pakistan <sup>3 &amp; 5</sup>	Yemen, Republic of
Mauritania			
Mozambique			
Niger			
Nigeria <sup>3 &amp; 5</sup>			

<sup>1</sup> Bolivia, Sri Lanka, and Vietnam graduated from IDA at the end of FY17, but will receive transitional support on an exceptional basis through the IDA18 period (FY18-20).

<sup>2</sup> Inactive countries: no active IDA financing due to protracted non-accrual status.

<sup>3</sup> Blend countries: IDA-eligible but also creditworthy for some IBRD borrowing.

<sup>4</sup> Borrowing on small economy terms.

<sup>5</sup> Borrowing on blend credit terms.

## Harmonized List of Fragile Situations

Harmonized List of Fragile Situations FY 19 a/						
Country	WBG CIA	ADB CIA	AFDB CIA	Hamonized Average	Peacekeeping Missions b/	Political & Peacebuilding Missions c/
<b>IDA Eligible</b>						
Afghanistan	2.68	2.78		2.73		P
Burundi	2.91		3.11	3.01		
Central African Republic	2.48		2.48	2.48		P
Chad	2.66		3.23	2.94		
Comoros	2.81		2.12	2.46		
Congo, Dem. Rep.	2.83		3.25	3.04	PK	
Congo, Rep	2.70		3.28	2.99		
Côte d'Ivoire	3.38		3.71	3.54	PK	
Djibouti	2.97		3.30	3.13		
Eritrea	1.85		2.13	1.99		
Gambia, The	2.97		2.94	2.95	PK	
Guinea-Bissau	2.45		2.63	2.54		P
Haiti	2.88			2.88	PK	
Kiribati	2.99	2.94		2.97		
Kosovo	3.57			3.57	PK	
Liberia	3.13		3.36	3.24	PK	
Mali	3.40		3.74	3.57	PK	
Marshall Islands	2.60	2.88		2.74		
Micronesia, Fed. Sts	2.75	2.88		2.82		
Mozambique	3.17		3.16	3.16		
Myanmar	3.00	3.31		3.15		
Solomon Islands	2.93	3.23		3.08		
Somalia						P
South Sudan	1.53		1.86	1.69	PK	
Sudan	2.38		2.56	2.47	PK	
Syria						
Togo	3.13		3.19	3.16		
Tuvalu	2.90	3.02		2.96		
Yemen, Rep.	2.11			2.11		
<b>Territories</b>						
West Bank and Gaza						P
<b>Blend</b>						
Papua New Guinea	2.96	2.86		2.91		
Timor-Leste	2.85	3.46		3.15		
Zimbabwe	2.78		2.66	2.72		
<b>IBRD Only</b>						
Iraq						P
Lebanon						P
Libya						P

a/ "Fragile Situations" have: either a) a harmonized average CIA country rating of 3.2 or less, or b) the presence of a UN and/or regional peace-keeping or peace-building mission during the past three years. This list includes only IDA eligible countries and non-member or inactive territories/countries without CIA data. IBRD countries with CIA ratings below 3.200 do not qualify on this list due to non disclosure of CIA ratings; IBRD countries that are included here qualify only by the presence of a peacekeeping, political or peace-building mission - and their CIA ratings are thus not quoted here

b/ Specifically defined as the presence of a UN and/or regional (eg: AU, EU, OAS, NATO) peace-keeping operation in this country in the last three years, with the exclusion of border monitoring operations [sources: UN DPKO, AU, EC, websites] For additional information regarding this list, please read the FCS Information Note and FAQ found on our website: [www.worldbank.org/fragilityandconflict](http://www.worldbank.org/fragilityandconflict)

c/ Specifically defined as the presence of a UN and/or regional (eg: AU, EU, OAS) peace-building and political mission in this country in the last three years [sources: UN DPKO, AU, EU websites]

## Annex III: Results Framework

### Summary Results and Targets

Component	We-Fi Objective	Indicator	Target Round I	Target Round II	Total Targets Round I & II	TOTAL RESULTS
We-Fi Program Inputs	Mobilize resources from private and public sources that leverage We-Fi funding and augment the number of interventions supporting WSMEs	Indicator 1: Amount of additional financing mobilized for We-Fi supported activities.	\$1.59B	\$1.00B	\$2.59B	<b>\$584.5M</b>
Increased Access to Finance	Reduced gap in the level of financing & investing in SMEs owned by women and men	Indicator 2: Amount of financing provided to WSMEs by We-Fi supported financial service providers.	\$902.7M	\$652.2M	\$1.55B	<b>\$77.6M</b>
	WSMEs' are better able to engage, negotiate and access finance & investments	Indicator 3: Number of WSMEs that accessed new financing from We-Fi supported institutions.	41,816	16,147	57,963	<b>2,303</b>
Access to skills	Improved business practices and management skills among WSMEs	Indicator 4: Number of WSMEs accessing entrepreneurial support activities from We-Fi supported institutions.	5,900	15,251	21,151	<b>1,824</b>
	WSMEs increase access to digital services and tools	Indicator 5: Number of WSMEs that increase their use of digital tools and services.	4,500	0	4,500	<b>0</b>
Access to Markets	More WSMEs enter and thrive in new markets as suppliers, distributors, and producers	Indicator 6: Value of payments made to or by WSMEs with enhanced market linkages.				<b>0</b>
		Indicator 7: Number of WSMEs with increased market linkages.	4,300	0	4,300	<b>0</b>
Entrepreneurial Ecosystem & Enabling Environment	Increased focus on identifying and addressing WSME regulatory constraints	Indicator 8: Number of legislations and/or regulations screened, drafted, revised by We-Fi IPs and/or their partners to remove constraints and support WSMEs.	5	111	116	<b>15</b>

Component	We-Fi Objective	Indicator	Target Round I	Target Round II	Total Targets Round I & II	TOTAL RESULTS
	Stronger evidence base on WSMEs' needs, constraints & building finance and market linkages	Indicator 9: Number of institutions supported by We-Fi that have put in place a system for capturing and reporting data on WSMEs.	10	24	34	
	Stronger evidence on the impact of WSMEs-support programs	Indicator 10: Number of rigorous impact evaluations commissioned by We-Fi Implementing Partners.	6	10	16	<b>3</b>
Overall, We-Fi Results and Impact	Business case for financing & investing in WSMEs embraced by FIs, investors, corporates and other stakeholders	Indicator 11: Total number of partner institutions supported by We-Fi that offer new /updated products, services or approaches benefiting WSMEs.	140	50	190	<b>73</b>
	More WSMEs Thrive & Grow	Indicator 12: Total number of WSMEs supported by We-Fi.	45,816	71,398	117,214	<b>3,340</b>
	Improvements in WSMEs' Performance & Rising Incomes	Indicator 13: Number of We-Fi supported WSMEs reporting an increase in annual revenues.	2,622	8,642	11,264	<b>50</b>
	Reduced gender biases in laws and policies	Indicator 14. Number of legal and regulatory reforms to remove constraints and support WSMEs that are formally enacted.	0	14	14	<b>2</b>
	Increased Number of Jobs Created by WMSEs	Indicator 15 A: Number of additional direct jobs created by the We-Fi beneficiary WSMEs.	57,400	38,185	95,585	<b>2,464</b>

## Targets and Results by IP

	Type	ADB Sri Lanka	IsDB	WBG	ADB WAVES	AfDB	EBRD	IDBG	Total Results FY20
<b>Indicator 1:</b> Amount of additional financing mobilized for We-Fi supported activities.	Target	\$23.2M	\$61.0M	\$1.50B	\$205.5M	\$432.8M	\$117.6M	\$246.6M	<b>\$2.59B</b>
	Result	\$23.3M	\$4.4M	\$458.6M	\$0.0M	-	\$1.0M	\$97.2M	<b>\$584.5M</b>
<b>Indicator 2:</b> Amount of financing provided to WSMEs by We-Fi supported financial service providers.	Target	\$32.7M	-	\$870.0M	\$204.0M	\$75.0M	\$139.9M	\$233.3M	<b>\$1.55B</b>
	Result	\$29.6M	\$3.5M	\$44.5M	-	-	-	-	<b>\$77.6M</b>
<b>Indicator 3:</b> Number of WSMEs that accessed new financing from We-Fi supported institutions.	Target	616	1,200	40,000	2,875	0	4,200	9,072	<b>57,963</b>
	Result	647	342	1,314	-	-	-	-	<b>2,303</b>
<b>Indicator 4:</b> Number of WSMEs accessing entrepreneurial support activities from We-Fi supported institutions.	Target	700	1,500	3,700	2,230	-	2,841	10,180	<b>21,151</b>
	Result	201	515	817	-	-	291	-	<b>1,824</b>
<b>Indicator 5:</b> Number of WSMEs that increase their use of digital tools and services.	Target	-	-	4,500	-	-	-	-	<b>4,500</b>
	Result	-	-	-	-	-	-	-	<b>0</b>
<b>Indicator 6:</b> Value of payments made to or by WSMEs with enhanced market linkages.	Target	-	-	-	-	-	-	-	
	Result	-	-	-	-	-	-	-	<b>0</b>
<b>Indicator 7:</b> Number of WSMEs with increased market linkages.	Target	-	-	4,300	-	-	-	-	<b>4,300</b>
	Result	-	-	0	-	-	-	-	<b>0</b>
<b>Indicator 8:</b> Number of legislations and/or regulations screened, drafted, revised by We-Fi IPs and/or their partners to remove constraints and support women's entrepreneurship.	Target	-	-	5	1	5	105	-	<b>116</b>
	Result	-	-	14	-	-	1	-	<b>15</b>
<b>Indicator 9:</b> Number of institutions supported by We-Fi that have put in place a system for capturing and reporting data on WSMEs.	Target	-	-	10	6	-	16	2	<b>34</b>
	Result	-	-	2	0	-	1	-	<b>3</b>

	Type	ADB Sri Lanka	IsDB	WBG	ADB WAVES	AfDB	EBRD	IDBG	Total Results FY20
Indicator 10: Number of rigorous impact evaluations commissioned by We-Fi Implementing Partners.	Target	1	1	4	1	3	1	5	16
	Result	1	0	2	-	-	-	-	3
Indicator 11: Total number of partner institutions supported by We-Fi that offer new /updated products, services or approaches benefiting WSMEs.	Target	15	40	85	10	14	16	10	190
	Result	15	8	49	-	-	1	-	73
Indicator 12: Total number of women owned/ led SMEs supported by We-Fi.	Target	1,316	1,500	43,000	5,105	40,000	7,041	19,252	117,214
	Result	819	515	1,715	0		291		3,340
Indicator 13: Number of We-Fi supported WSMEs reporting an increase in annual revenues.	Target	62	960	1,600	1,487	1,200	120	5,835	11,264
	Result	-	50	-	-	-	-	-	50
Indicator 14. Number of legal and regulatory reforms to remove constraints and support to women's entrepreneurship that are formally enacted.	Target	-	-	-	-	-	14		14
	Result	-	-	1	-	-	1	-	2
Indicator 15 A: Number of additional direct jobs created by the We-Fi beneficiary WSMEs.	Target	-	2,400	55,000	5,750	28,000	80	4,355	95,585
	Result	-	210	2,254	-	-	-	-	2,464



#### Annex IV: Risk Framework

	Level 1 Risk	Strategic	Financial			
	Level 2 Risk	Governance and Management Risk	Contributor Non-Payment	Basis of Commitment	Market and Interest Rate	Foreign Exchange
	We-Fi Overall Strategic and Financial Risk	Low	Low	Low	Low	Low
	Level 1 Risk	Project/Portfolio				
Level 2 Risk	Level 2 Risk	Program/ Project Design and Implementation Arrangements	Political, Social and Governance	Fiduciary (FM-Financial Management, Procurement, Disbursement, Fraud and Corruption)	Environment and Social Safeguards	Aggregate Project Risk
IPs	We-Fi Funded Program/Project(s)					
ADB	ADB Sri Lanka	Low	Low	Low	Low	Low
IsDB	BRAVE Women	Medium	Medium	Medium	Medium	Medium
WBG	Creating Finance and Markets for All	Medium	Medium	Low	Low	Medium
ADB	WAVES	Low	Low	Medium	Low	Low
AfDB	AFAWA	Medium	Medium	Medium	Medium	Medium
EBRD	Women of the Steppe	Low	Medium	Medium	Low	Low
IADB	WeForLac	Medium	Medium	Medium	Medium	Medium
Average Probability Rating of All Projects		Medium	Medium	Medium	Low	Medium

## Annex V: Proposals Approved during the 3rd round of Funding

**The European Bank for Reconstruction and Development (EBRD)** was granted \$7.36 million for its “Stepping Up for Women” Women in Business Program. The program will deploy innovative solutions for WSMEs that will contribute to (a) improving access to markets through more inclusive supply chains; (b) enhancing competitiveness, growth potential, and access to finance by strengthening their ability to leverage digital technologies and (c) leveraging sex-disaggregated data to inform more effective public and private sector interventions.

**The Inter-American Development Bank (IDB)** received \$14.71 million for its program to support access to finance, markets, skills and networks for women-led businesses primarily in technology and science-supported sectors. The program will prioritize helping women entrepreneurs navigate the ongoing economic crisis, and also to identify new business opportunities that may arise as a result of the pandemic. The program will provide acceleration support as well as seed and venture capital to high-potential STEM women entrepreneurs.

**The Islamic Development Bank (IsDB)** received \$11.25 million for its program which supports women in West Africa engaging in entrepreneurial activities in the rice value chain. The program will aim to support upgrading and advancing women-owned SMEs within the rice value chain in West Africa through capacity development and grant matching, as well as increased access local and regional markets.

**The World Bank Group (World Bank and IFC)** received \$16.01 million for a digitally enabled access to finance and markets program for women-led business in the Sahel region and globally, and an early-stage finance program supporting women entrepreneurs in several regions. The first program will foster market linkages between suppliers and buyers across the Sahel. It will provide services and training to women-led shea butter cooperatives on know-how, managerial capacity, networks, and marketing tools as well as support the digitization of payment systems. The second program seeks to create an inclusive entrepreneurial ecosystem, addresses financing gaps, and assists with skills-building and mentoring of women entrepreneurs.