

OFFICIAL USE

2021



We-Fi Annual Progress Report

REPORTING PERIOD: 1 JULY 2020 – 30 JUNE 2021

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I. EXECUTIVE SUMMARY

The EBRD is the implementing partner (IP) of two We-Fi-funded programs. These include (i) *Women of the Steppe* (We-Fi round II), a USD 139.9 million program (We-Fi: USD 22.9 million) in Central Asia (IDA only) that aims to facilitate access to finance for WSMEs through partner banks in the region, provide capacity building support to WSMEs, and support the development of an enabling environment for women entrepreneurship through policy dialogue and engagement with private and public sector stakeholders; and (ii) *Stepping up for Women* (We-Fi round III), a USD 59.9 million program (We-Fi: USD 7.4 million) that introduces innovative measures to supporting women entrepreneurship, including results-based financial solutions with gender-linked targets (IDA Central Asia), a pilot digital-by-design advisory and know-how initiative (Uzbekistan), and the development of sex-disaggregated databases of SMEs to inform better gender-informed policymaking (Morocco and Egypt).

COVID-19 is still front and center in the regions relevant to both aforementioned We-Fi programs. Disruptions to commerce, as well as restrictions on travel and physical meetings (which impact the EBRD's business/pipeline development activities), have persisted throughout the reporting period, impacting the rollout of both We-Fi-funded programs. With vaccines unlikely to be rolled out in an impactful manner until late 2022 in the program countries, the EBRD anticipates that it will continue to face obstacles to program implementation that it would otherwise not encounter under normal operating conditions.

Notwithstanding the above, the EBRD has been able to adapt to the new reality of doing business, ramping up implementation of the *Women of the Steppe* program, which is now in its second year. Together with resources from other donor sources for first-loss risk cover (FLRC), the EBRD signed a total of USD 16 million in women in business (WiB) loans with 4 partner financial institutions (PFIs) in the current reporting period, bringing the total number of PFIs supported by the program to 5 and total amount in finance signed – and earmarked for WSME sub-borrowers – to USD 17 million (up from 1 PFI and USD 1 million, respectively, in the previous reporting period). There are now WiB credit lines supported by We-Fi-funded FLRC in the Kyrgyz Republic, Tajikistan, and Uzbekistan – with two additional, We-Fi-supported credit lines in the pipeline in Mongolia. Technical cooperation (TC) support also picked up in the current reporting period. The consultant engaged to support PFIs in the implementation of WiB credit lines extended to them by the EBRD (and supported by We-Fi and/or other donor FLRC) completed their diagnostic review and kick-started the design phase for 3 of the 5 beneficiary PFIs.¹ The investment and access to finance component of this program was also promoted through 3 different online events undertaken during the reporting period, ensuring program and donor visibility.

The EBRD also continued its policy dialogue activities during the reporting period, kickstarting the relevant policy-related activities under the new *Stepping up for Women* program in Egypt and Morocco. EBRD supported law and policy reforms through peer review to formalize and strengthen women's economic empowerment, and promoted gender-responsive regulatory governance and economic policies/programs development in Central Asia. EBRD is working with governments, financial sector regulators, business associations and civil society to review and design gender-responsive economic policies to support WSMEs. In addition to policy advisory and policy dialogue activities, EBRD also implemented awareness-raising and peer learning activities to share international best practices with governments, private sector representatives and civil society organizations (CSOs) for broader application in ongoing and future projects.

¹ The remaining 2 PFIs (both based in Tajikistan) had received TC support in the context of a separate EBRD WiB program in Tajikistan, which has now been completed, thereby limiting the need for additional TC support.

Despite restrictions to travel and meetings, the EBRD ramped up its access to know-how activities, leveraging widespread acceptance of online/digital solutions to deliver know-how and capacity building support to WSMEs in Central Asia (IDA only). In the current reporting period, the EBRD started 46 bespoke, one-to-one advisory projects with WSMEs, a significant portion of which constituted engagements with WSMEs seeking advice on re-orienting their respective businesses to adapt to the new realities of doing business. A further 510 women entrepreneurs benefited from training and network-building events (such as leadership seminars and sector support and/or networking opportunities), as well as mentoring initiatives. In Uzbekistan, the EBRD launched a digital-by-design advisory and access to know-how pilot program (Component 2 of the *Stepping up for Women* program), which is singularly targeted at supporting WSMEs in Uzbekistan leverage digital solutions that make their businesses more competitive and scalable. Seven advisory projects were started under this pilot program in the current reporting period, with a further 41 women entrepreneurs reached through a 'Going Digital' online workshop, training them on digital marketing and sales platforms while also providing participants with opportunities to network amongst another. As the pandemic situation slowly ameliorates in 2022 onwards, the EBRD anticipates that implementation of the access to know-how components under both We-Fi-funded programs to continue to accelerate.

Finally, under the *Stepping up for Women* program, the EBRD will deploy an outcome-based financial instrument in IDA Central Asia providing market-based incentives that facilitate an increase in the participation of WSMEs in local and regional supply. These incentives will be attached to EBRD loans to its corporate clients (referred to as "Aggregators") in the region, and will be paid out to them on the basis of their ability to meet ambitious targets as it relates to WSME participation in their respective supply chains – measured, for example, by an increase in the number of WSMEs in their supply chains and/or an increase in the local currency value of goods/services procured from WSME suppliers. The current reporting period was the first year of this initiative, with the EBRD undertaking (i) business/pipeline development activities; as well as (ii) foundational activities aimed at developing a methodology and cost-basis for pricing incentives for borrowers meeting targets linked to the gender intelligence and inclusivity of their respective supply chains. The EBRD is currently working with a potential borrower (in Mongolia) in its pipeline, aiming to sign its first deal involving this innovative instrument in 2022.

Going forward, the EBRD anticipates that implementation of both programmes will accelerate after their relatively slow starts owing to the difficulties of doing business and turning pipeline into deals in the midst of the ongoing pandemic. The *Women of the Steppe* program, which was midway into its first year (2019-2020) when the first lockdowns in the region were imposed, saw significant progress in the current reporting period, with more women entrepreneurs and WSMEs reached through know-how activities compared to the preceding reporting period and significantly more finance deployed for WSMEs. The *Stepping up for Women* program just finished its first year (2020-2021), in which it saw the EBRD undertake the necessary preparatory work for implementing the program at scale in subsequent years.

II. SUMMARY PROJECT INFORMATION

Table 1: Program Timeline

Round	Project/Program Name	Implementation Start Date	Commitment End Date	Supervision End Date	Countries (with active projects)
1	Women of the Steppe	7 June 2019	30 June 2024 ²	30 June 2029	Kyrgyz Republic Mongolia Tajikistan Uzbekistan
2	Stepping up for Women	1 September 2020	31 December 2025 ³	31 December 2030	Egypt Morocco Kyrgyz Republic Mongolia Tajikistan Uzbekistan

Commented [AB1]: Your commitment and supervision end dates are the same. I wanted to confirm that this is correct and if you can disaggregate. The GC is interested in two pieces of information, hence the need for the 2 categories.

1. When will IPs commit all We-Fi funding to specific projects (even if disbursements/ implementation continue for several more years) - **Commitment End Date**

2. When will the projects be fully completed (all funds disbursed and all results collected) - **Supervision End Date**

We are very clear when to expect all funds to be disbursed/results collected, but we don't have any information on when whether EBRD will be committing the funding to projects earlier. If you can update this it would be very useful

Table 2: Mobilization

		ROUND 2			ROUND 3		
		Approved Amount*	Committed Amount	Disbursed Amount	Approved Amount*	Committed Amount	Disbursed Amount
Status of We-Fi Funding							
We-Fi Financing	(A)	22,900,000	5,622,670	2,239,514	7,364,688	509,894	375,174
Of which IDA		22,900,000 (100%)	5,622,670 (100%)	2,239,514 (100%)	6,525,699 (88%)	400,524 (78.6%)	330,624 (88.1%)
Of which FCS**		n/a	n/a	n/a	n/a	n/a	n/a
Mobilization							
IP Contribution	(B)	80,000,000	17,000,000	17,000,000	35,000,000	-	-
Public sector	(C)	2,800,000	-	-	-	-	-
Private sector	(D)	34,800,000	78,000	78,000	17,500,000	-	-
Other funds	(E)	-	200,000	200,000	-	-	-
Total Mobilization (F)= (B+C+D+E)		117,600,000	17,278,000	17,278,000	52,500,000	-	-
Of which IDA			17,278,000 (100%)	17,278,000 (100%)	-	-	-
Of which FCS**			n/a	n/a	n/a	n/a	n/a
Total Project Cost (G)= (F+A)		140,500,000	22,900,670	19,517,514	59,864,688	509,894	375,174
Leverage (F/A)		5.14	3.07	7.72	8.12	-	-

² Program activities under the *Women of the Steppe* program will end after a period of 5 years (from the implementation start-date). Partner Banks, however, will be able to claim against First-Loss Risk Cover until Year 10 of the Program (i.e. 30 June 2029).

³ Program activities under the *Stepping up for Women* program will run up to Year 5 of the program, after which most activities will cease. Technical assistance activities (for aggregators and WSMEs) may continue thereafter, however, if the relevant budget commitments were made prior to the end of Year of the program.

III. IMPLEMENTATION PROGRESS

A. SUMMARY PORTFOLIO OVERVIEW

The EBRD is the implementing partner for two We-Fi-funded programmes: (i) *Women of the Steppe*, with a commencement date of 7 June 2019, and (ii) *Stepping up for Women*, with a commencement date of 1 September 2020. Both programmes aim to facilitate access to finance, opportunities to achieve scale, and access to know-how for WSMEs.

Under the *Women of the Steppe* programme, the EBRD aims to expand access to finance for WSMEs by providing dedicated credit lines to partner financial institutions (PFIs) in the target region (IDA Central Asia, which constitutes Kyrgyz Republic, Mongolia, Tajikistan and Uzbekistan) for on-lending to WSMEs. These credit lines are supported by (i) risk mitigation instruments for PFIs in the form of first-loss risk cover (FLRC), which facilitates on-lending to a portfolio of clients – in this case, WSMEs – that are traditionally viewed as higher risk by PFIs; and (ii) technical assistance to PFIs, leveraging the expertise of external experts to provide PFIs with best practice guidance and training on deploying financial products that cater to women entrepreneurs. This access to finance component is reinforced with know-how solutions for WSMEs taking the form of bespoke one-to-one advisory support, group trainings, mentoring opportunities, and network-building exercises. Finally, from the policy angle, the EBRD seeks to provide capacity building support to government agencies in the target region on enacting gender-supportive policy, working with public stakeholders to create an enabling environment for women entrepreneurship. All projects under this program are approved on a rolling basis by the EBRD. The following presents a snapshot of the program as of the end of the current reporting period:

- **USD 17 million** in credit lines signed with **5 PFIs** in the **Kyrgyz Republic, Uzbekistan and Tajikistan**
- **290 WSMEs** have received loans to-date from PFIs supported by the program⁴
- **Diagnostic reviews completed and design phases kick-started for 3 PFIs**
- **78 WSMEs** have started and/or completed one-to-one advisory projects
- **801 women entrepreneurs** have received training, mentoring support, or benefitted from a network-building activity
- **Task forces on women entrepreneurship** established in the **Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan**
- **Memorandum of Understanding (MoU)** signed with the National Commission on Gender Equality of Uzbekistan
- **Gender Responsive Investment Climate Assessments** conducted in **Mongolia and Uzbekistan**
- **Action Plans** on strengthening the national statistics system for **collecting sex-disaggregated data on entrepreneurship** signed with the **National Statistics Office of Mongolia and Statistics Agency under the President's Office of the Republic of Tajikistan**.
- The **Central Bank of Uzbekistan** approved undertaking a gender financial inclusion roadmap, which will involve collecting **sex-disaggregated data on SMEs** and promoting gender diversity in the banking sector

Commented [HN2]: Making consistent with cumulative programme figures presented in this list.

⁴ Figures on sub-loans accessed by WSMEs are normally reported with a one-year lag.

- **50 representatives** of the **Central Bank of Uzbekistan and commercial banks** in the country received training – organised together with Women World Banking and the Financial Alliance for Women – on **gender inclusive finance** and **promoting gender diversity**
- More than **150 government officials** participated in **capacity building activities** on **gender responsive policy instruments**

The *Stepping up for Women* program is structured differently and aims to introduce innovative solutions to address chronic issues precluding WSMEs in the IDA Central Asia region from achieving scale and sophistication, while also supporting public authorities in Egypt and Morocco to develop the tools to roll out more targeted policies and initiatives that support women entrepreneurship. The program is split into three separate components: (i) an outcome-based loan instrument that provides financial incentives to corporates (referred to as “Aggregators”) for adopting gender intelligent supplier selection and management practices leading to the incorporation of more active WSME suppliers in their supply chains, which is accompanied by technical assistance for Aggregators and training/advisory support for eligible WSME suppliers in their respective supply chains; (ii) a digital-by-design access to know-how initiative in Uzbekistan that aims to provide dedicated support to WSMEs in Uzbekistan on digitalizing their businesses and developing resilience crises that disrupt physical commerce; and (iii) support for the creation of sex-disaggregated national databases of SMEs in Egypt and Morocco. All projects under this program are approved on a rolling basis by the EBRD. Approved in August 2020, the program just finished its first year, with preparatory work to inform its implementation comprising a sizable portion of activities undertaken thus far. The following presents a snapshot of the program as of the end of the current reporting period:

- **Preliminary assessment** undertaken to **develop a methodology and model for ascertaining the cost basis for incentives** to be delivered to borrowers of **outcome-based loans** under the program
- **Baseline assessment of the digital landscape in Uzbekistan as it relates to WSMEs** undertaken, which has informed the implementation of the digital-by-design advisory initiative in Uzbekistan
- **More than 20 local IT consultants** in **Uzbekistan** briefed on the aforementioned assessment and engaged in a discussion to develop an approach to working with WSMEs to digitalize their respective businesses
- **7 WSMEs** in **Uzbekistan** supported on matters related to the digitalization of aspects of their businesses
- **41 women entrepreneurs** in **Uzbekistan** supported through training, mentoring and network-building exercises on **digital subject matters**
- Commenced **policy dialogue** activities with public sector stakeholders in **Egypt and Morocco**

B. KEY ACTIVITIES DURING THE REPORTING PERIOD

Activities under both programs can be segmented can be broken down as follows: (i) financing for women-led SMEs, which involves the extension by the EBRD of Women in Business (WiB) credit lines to PFIs for on-lending to WSMEs and the associated technical assistance and FLRC for PFIs; (ii) results-based financial instruments with gender-linked targets; (iii) know-how activities for WSMEs and women entrepreneurs; and (iv) policy dialogue/activities. The below is a summary of key developments across these lines of activities in the current reporting period (1 July 2020 – 30 June 2021):

- I. **Financing for women-led SMEs**
 - i. **Dedicated financing for women-led SMEs**

During the reporting period, the EBRD signed USD 16 million with 4 PFIs (Ipoteka Bank (Uzbekistan), Davr Bank (Uzbekistan), Eskhata Bank (Tajikistan), Arvand Bank (Tajikistan)) under the *Women of the Steppe* program. By the end of the reporting period, together with the resources from other donor sources for FLRC, the EBRD had signed a total of USD 17 million in loans with 5 PFIs (USD 15 million signed with 4 PFIs benefits from We-Fi-funded FLRC) under the program. Moreover, by the end of the reporting period, PFIs with active credit lines had on-lent 290 sub-loans to WSMEs, for a total value of USD 4.3 million. The performance of the on-lending operations of PFIs under the program was substantially affected by the COVID-19 pandemic. Nevertheless, interest in the program continues to be high and preliminary discussions with potential PFIs have continued, albeit mostly virtually. Table 3 below provides an overview of the current portfolio of active WiB credit lines under the *Women of the Steppe* program as of 30 June 2021.

Table 3: Dedicated financing portfolio overview

PFI name	Country	Signing date of EBRD Loan Agreement	Investment amount signed (USD)	Number of sub-loans on-lent to women-led MSMEs	Volume of sub-loans on-lent to women-led MSMEs (USD)
First MicroFinance Company	Kyrgyz Republic	27-Dec-19	1,000,000	245 ⁵	282,341
Ipoteka Bank	Uzbekistan	30-Sep-20	10,000,000	45	4,029,025
Davr Bank	Uzbekistan	02-Dec-20	2,000,000	Too early to assess	Too early to assess
Eskhata Bank	Tajikistan	23-Dec-20	2,000,000*	Too early to assess	Too early to assess
Arvand Bank	Tajikistan	13-Apr-21	2,000,000	Too early to assess	Too early to assess
TOTAL			17,000,000	290	4,311,366

*This WiB credit line to Eskhata Bank is supported by FLRC from other donor sources (i.e. not We-Fi).

ii. Risk mitigation instruments

During the reporting period, EBRD committed USD 1.4 million of We-Fi funding in FLRC allocations to support new signings under the *Women of the Steppe* program. Overall, by the end of the reporting period, USD 1.45 million of We-Fi funding has been committed for FLRC-use under the program, alongside USD 200,000 committed from other donor sources, for a grand total of USD 1.65 million committed for FLRC from all donor sources under the program. To date, no FLRC claims have been

⁵ Includes loans made to women-led micro-enterprises, as per the SME definition applicable to the *Women of the Steppe* program.

received, meaning that no disbursements have been made.⁶ Table 4 below provides an overview of the current FLRC portfolio under the *Women of the Steppe* program as of 30 June 2021.

Table 4: FLRC Portfolio Overview

PFI name	Country	Signing date of EBRD Loan Agreement	Investment amount signed (USD)	FLRC committed amount (USD)	FLRC disbursed amount (USD)
First MicroFinance Company	Kyrgyz Republic	27-Dec-19	1,000,000	50,000*	-
Ipoteka Bank	Uzbekistan	30-Sep-20	10,000,000	1,000,000	-
Davr Bank	Uzbekistan	02-Dec-20	2,000,000	200,000	-
Eskhata Bank	Tajikistan	23-Dec-20	2,000,000	200,000**	-
Arvand Bank	Tajikistan	13-Apr-21	2,000,000	200,000	-
TOTAL			17,000,000	1,650,000	-

* Reduced from USD 100k to USD 50k during the reporting period reflecting amortized tranche.

**This loan is supported by FLRC funded from other donor sources.

iii. Technical Assistance to PFIs

During the current reporting period, the consultant⁷ undertaking technical cooperation (TC) (hereinafter referred to as the “Consultant”) with PFIs receiving WiB credit lines under the *Women of the Steppe* program worked on adopting training materials for PFIs (such as on interacting and banking with WSMEs) into an online format and supported all PFIs under the program with capacity-building assistance.

In particular, following the approval of the work plan by its management in Q3 2020, the Consultant continued supporting First MicroFinance Company in the Kyrgyz Republic on the design phase of its TC support, which included: i) support as it relates to improving the PFI’s capacity to collect gender-disaggregated data and create automated gender performance indicator reports; ii) the design and development of a marketing and customer acquisition strategy targeting WSMEs; iii) undertaking two training of trainers events on gender sensitization (these events took place online in Q4 2020 and Q2 2021); and iv) following a survey of 350 of the PFI’s women-led MSME clients conducted by the Consultant in Q3 and Q4 2020, the development of a concept for the rollout of non-financial services tailored to women-led MSMEs.

During the reporting period, the Consultant also finalized the diagnostic review for Ipoteka Bank in Uzbekistan (September 2020), and presented their recommendation to the PFI’s management during a subsequent strategic workshop. With the buy-in of Ipoteka Bank’s management, the Consultant

⁶ Disbursements of FLRC occur if PFIs suffer losses under the WiB credit lines extended to them under the auspices of the *Women of the Steppe* program.

⁷ IPC GmbH, a consulting company based in Germany

then developed a tailored work plan and initiated the design phase of its TC support, namely focusing on client segmentation to inform the marketing measures to be developed for Ipoteka Bank's WiB facility.

Additionally, the Consultant also worked on the diagnostic review for Davr Bank (Uzbekistan) and drafted the recommendations report to be presented to its management for discussion at a subsequent strategic workshop.

With regards to Eskhata Bank and Arvand Bank (both in Tajikistan), these two PFIs had previously received TC support from the same Consultant in the context of a separate EBRD Women in Business Program in Tajikistan, which has now been completed. In its current engagement with these two PFIs, the Consultant will focus on (i) providing support as it relates to their ongoing provision of non-financial services to WSMEs (e.g. seminars, trainings, etc.); and (ii) providing access to updated or new training materials for the PFIs' benefit (e.g. online versions of training modules). The Consultant will also remain in regular contact with these two PFIs to observe their implementation of gender-related internal policies and gender-sensitive practices.

A country-specific online launch event for the *Women of the Steppe* program in Uzbekistan was held by the EBRD with the Consultant's support on 2 December 2020 under the thematic focus of "*How can women-led businesses withstand the COVID-19 pandemic?*" Ms Wendy Teleki, Head of the We-Fi Secretariat, delivered a welcome address and presented the findings of a rapid survey on COVID-19's impact on MSMEs by gender in the country conducted in June/July 2020 by the Consultant. Program partners, women entrepreneurs, the Consultant, program donors and other stakeholders were invited to attend and discuss expectations for the program's implementation in Uzbekistan. The event was attended by a total of 167 participants.

Moreover, on 28 January 2021, the EBRD, jointly with the Consultant, organised an online webinar on the topic "*Digital transformation solutions for women-led SMEs*", with the objectives of (i) promoting the *Women of the Steppe* program in the Kyrgyz Republic, (ii) sharing key findings of a rapid survey on COVID-19's impact on MSMEs by gender in the Kyrgyz Republic, (iii) informing stakeholders about EBRD grants for the introduction of modern technologies in their businesses, and (iv) discussing solutions for the implementation of digital services for businesses. A total of 100 participants joined the event.

Lastly, as TC support was completed under the separate EBRD Women in Business Program in Tajikistan, the EBRD and the Consultant organised an online conference aimed at announcing that WSMEs in Tajikistan would benefit from continued support under the We-Fi-funded *Women of the Steppe* program. Ms Wendy Teleki delivered the welcome address for this event. The conference was held on 24 June 2021, attended by close to 100 participants, and received very positive feedback.

II. Results-based financial instruments

Under the *Stepping up for Women Program*, the EBRD is aiming to deploy an outcome-based financial instrument that provides financial incentives to borrowers (of the EBRD) comprising mature SMEs to larger corporates (also referred to as 'Aggregators') for improving the gender intelligence and inclusivity of their supply chains. Key targets in this respect include (i) increasing the number of new WSMEs that are incorporated into the supply chains of relevant borrowers, as well as (ii) increasing the local currency value of goods/services procured from WSMEs.

In the current reporting period, the EBRD undertook the preparatory work to deploy this new instrument. This included working with an external consultant, ConsumerCentrix, a strategy consulting firm based in Switzerland, to (i) understand better the costs that Aggregators face

incorporating WSMEs into their supply chains (with the idea being that there is a real cost to transitioning to a gender intelligent/inclusive supply chain, which would be compensated, in part, by the financial incentives provided under this program); and (ii) develop a framework for pricing the relevant incentives that would be delivered to Aggregators participating in the program. Parallel to this work-stream, the EBRD also engaged in business development activities to develop a pipeline of transactions to be supported by this new instrument. The first transaction involving this instrument will likely occur with a Mongolian agribusiness client of the EBRD in late 2021/early 2022.

III. Know-how for women entrepreneurs

Both We-Fi-funded programs – *Women of the Steppe* and *Stepping up for Women* – feature components involving the delivery of business know-how support – i.e. one-to-one advisory and other forms of capacity building – to WSMEs and women entrepreneurs.

Advisory and capacity building (which includes trainings and networking-building events) activities for WSMEs under the *Women of the Steppe* program picked up pace in 2020-2021 as the program entered its second year of implementation and businesses and the EBRD alike recovered from the initial disruption of the pandemic and the ensuing lockdowns that started in Q1/Q2 2020. In Mongolia, 8 projects were started compared to 3 in the previous reporting period, explained, in part, by the fact that the *Women of the Steppe* program only started in Mongolia in June 2020 (the last month of the previous reporting period). Nearly half of the advisory projects started in Mongolia in the current reporting period involved WSMEs engaged in food processing, with a third of the beneficiaries seeking targeted advice on building resilience to the conditions caused by the COVID-19 pandemic. In Tajikistan, 16 projects were started, with most oriented at working with beneficiaries to help them introduce digital solutions for their businesses – a trend that pre-dates COVID, but has since grown with commerce increasingly taking place online. In the Kyrgyz Republic, 10 projects were started, with nearly a third of them addressing ‘crisis management’. In Uzbekistan, 5 advisory projects were started under the *Women of the Steppe* program in the current reporting period, with a further 7 started under digital-by-design advisory pilot under the *Stepping up for Women* program (for a total of 12 advisory projects in 2020-2021).

Table 5: Summary of know-how activities across both We-Fi-funded programs (1 July 2020 – 30 June 2021)

Country of operation	# of advisory projects started	#women trained	#women mentored	# women reached through network-building activities
Kyrgyz Republic	10	85	45	150
Mongolia	8	61	-	-
Tajikistan	16	12	26	-
Uzbekistan	12 ⁸	64 ⁹	-	401
Total	46	222	71	551

The EBRD conducted/facilitated training activities, mentoring opportunities, and network-building events for women entrepreneurs mostly online given the prevailing pandemic conditions throughout the entirety of the current reporting period. Notwithstanding this, EBRD reached more than 290 women entrepreneurs through training and mentoring events aimed at improving their

⁸ Includes 7 advisory projects undertaken in Uzbekistan under Component 2 of the *Stepping up for Women* program.

⁹ Includes 41 women trained under a ‘Going Digital’ online training under Component 2 of the *Stepping up for Women* program.

entrepreneurial skills, as well as more than 550 women entrepreneurs through network-building events that provided a platform for WSMEs, including those operating in similar sectors, to develop linkages with one another, as well as with other relevant stakeholders. Amongst others, such events and trainings included a “Women in Tourism” forum organized in collaboration with the Business Women’s Association (BWA) of Uzbekistan, a ‘Women in Leadership’ event organised jointly with the Uzbekistan Senate and United Nations, and a mentoring program in the Kyrgyz Republic for women entrepreneurs engaged in various sectors (e.g. education, services, tourism, manufacturing) and aimed at providing them with critical know-how on topics such as taxation, digital transformation, financial literacy, and marketing. In Uzbekistan, the EBRD further hosted an online workshop on “Going Digital” for eligible WSMEs (under the *Stepping up for Women* program), training them on digital marketing and sales platforms while also providing participants with valuable opportunities to network amongst another

IV. Policy Activities

The EBRD provided extensive support to policymakers over the current reporting period on developing and rolling out gender-responsive legal and regulatory reforms aimed at creating an enabling environment for women entrepreneurship. This work can be segmented as follows:

i. Supporting the development of the economic policies/strategies aimed at expanding economic opportunities for women and promoting WSMEs

In Tajikistan, the EBRD supported the drafting of the “*National Strategy for Enhancing the Role of Women in the Republic of Tajikistan for 2021-2030*”, which was enacted with EBRD support in accordance with the Decree of the Government of the Republic of Tajikistan dated 30 April 2021. Similarly, the Parliament of Uzbekistan approved a Strategy on Gender Equality in the Republic of Uzbekistan on 29 May 2021. All of these documents included specific measures (i) promoting the economic empowerment of women by encouraging their full participation in the labor market, (ii) addressing occupational discrimination, (iii) supporting female entrepreneurship and access to finance, and (iv) improving sex-disaggregated statistics-gathering for evidence-based policy planning and implementation.

ii. Legal, regulatory and policy screening to support women entrepreneurship and expand economic opportunities for women

The EBRD helped the working group under the Ministry of Economy and Finance of the Kyrgyz Republic conduct a gender-responsive inventory of the legal and regulatory documents on business licensing and hold public dialogues and consultation sessions with all the relevant stakeholders. The gender-responsive review of the business licensing system will help to simplify and streamline the licensing system, which will in turn reduce the cost of doing business for WSMEs and improve the regulatory oversight of government authorities.

In addition to the above, in order to help in identifying and removing potential gender biases from policies and regulations in the target region (i.e. IDA Central Asia), the EBRD engaged in peer review processes and regulatory screenings of the following policies/regulations :

- Draft Private Sector Strategy of the Republic of Tajikistan, implemented jointly with Investment Council;

- Draft National Financial inclusion Strategies of the Kyrgyz Republic, Tajikistan and Uzbekistan;
- Draft regulations on entrepreneurship development, jointly with the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan

Further to the list above, the EBRD worked jointly with the International Labor Organization (ILO) to eliminate the list of prohibited occupations for women in the Kyrgyz Republic.

iii. Designing tools to mainstream gender-inclusive perspectives into policy-making and regulatory governance

In Tajikistan, the EBRD helped to design the Gender-Responsive Regulatory Impact Assessment (GR-RIA) toolkit, which provides guidelines on how to effectively perform a Regulatory Impact Assessment (RIA) with a gender lens, and describes the key steps to implement one within Tajikistan's policy and regulation development processes.

In addition to the above, the EBRD organized a capacity building session for the Task Force on women entrepreneurship in Tajikistan on the GR-RIA process in February 2021. Approximately 60 representatives of government agencies, private sector representatives, academia and CSOs participated in the workshop, organized jointly with the State Committee of Investment and State Property Management of the Republic of Tajikistan. The learning programme provided a step-by-step methodology on how to produce and analyze gender-responsive impact assessments leveraging guidance from the GR-RIA toolkit and international case studies.

The EBRD is launching a similar initiative for the Ministry of Justice of the Republic of Uzbekistan, which will involve (i) reviewing the existing RIA framework, (ii) integrating gender approaches into the process of developing and adopting legislation, (iii) implementing pilot projects to test the methodology for the GR-RIA; and (iv) creating a system to monitor the implementation of GR-RIA. In the current reporting period, the EBRD undertook the baseline assessment on incorporating gender dimensions in the RIA system – the work for which was undertaken by external consultant Jacobs, Cordova and Associates. The external consultant presented the findings of the baseline study and recommendations for mainstreaming gender within the RIA system during the Second International Legal Forum “*Tashkent Law Spring*” on 23 April 2021. The preparatory work to launch the gender responsive RIA system is ongoing. This project is being implemented jointly with the USAID Regional Program *Future for Growth*.

iv. Promoting a gender-inclusive financial system and gender diversity in the financial sector

During the reporting period, EBRD commenced working with financial sector regulators to design and implement gender responsive financial inclusion strategies.

In this respect, the EBRD helped to conduct peer review processes of the draft National Financial inclusion Strategies of Kyrgyz Republic and Tajikistan, which were first developed with IFC's assistance.

The EBRD also supported financial sector regulators in Mongolia, Tajikistan, and Uzbekistan as they commenced acting on their commitments as members of the Alliance for Financial Inclusion (AFI), which aims to bridge the financial inclusion gender gap. A first initiative in this respect – an

Action Plan – was implemented with the Central Bank of Uzbekistan in March 2021. The Action Plan outlines 9 core initiatives, which are aligned with the AFI Network’s Denarau Action Plan (DAP) for women’s financial inclusion.

Furthermore, during the reporting period, the EBRD partnered with Women World Banking (WWB) and the Financial Alliance for Women (FAW) to organize a training workshop in Uzbekistan for financial institutions on best practices as it relates to (i) gender inclusive strategies and promoting a gender-inclusive organizational culture; and (ii) approaches for targeting the women demographic. Fifty participants attended the workshop, including various Heads of Department of the Central Bank of Uzbekistan and Deputy CEOs of commercial banks in Uzbekistan. In addition to this and with EBRD support under the auspices of the *Women of the Steppe* program, 6 professionals working at the Central Bank of Uzbekistan took part in a Leadership and Diversity training program organised by WWB.

Under the *Stepping up for Women* program, which is in its first year of implementation, the EBRD commenced its policy dialogue with Bank Al Maghrib (BAM), the Central Bank of Morocco. BAM has expressed an interest in working with the EBRD under the auspices of the program to design and inclusive and comprehensive policy framework to facilitate the financial inclusion of rural women in the country. To this end, the EBRD is in the process of engaging an external consultant to kick-start this work, beginning with a diagnostic study to identify the obstacles rural women face in accessing modern financial services.

The EBRD is also engaging in productive policy dialogue with the Central Bank of Egypt (CBE), with the aim of fostering the development of a financial system that is inclusive for all. With EBRD’s support, 30 female professionals working at CBE took part in the “Women in Leadership” training (organised by WWB) in May-June 2021. This training, spread over 5 weeks, highlighted the business case for building an inclusive workplace culture, and sought to strengthen the leadership competencies of participants.

C. KNOWLEDGE AND THOUGHT LEADERSHIP

The *Stepping up for Women* program (We-Fi round III funding), approved in August 2020, features two new, innovative components, namely: (i) a results-based mechanism accompanying loans made by the EBRD to borrowers comprising corporates with large supply chains (i.e. Aggregators), incentivizing them to incorporate more active WSME suppliers into their supply, and (ii) a digital-by-design know-how program for WSMEs in Uzbekistan. The EBRD undertook a series of exercises in order to better inform the implementation of both of these components, which included: (1) a baseline assessment of the digital landscape in Uzbekistan as it pertains to WSMEs; and (2) a preliminary assessment of supply chains in select sectors in Central Asia, modelling and identifying the costs – incurred by Aggregators – that may be associated with the transition to a gender inclusive approach to supplier selection and supply chain management.

While the EBRD regularly supports SMEs in Uzbekistan and the wider region on matters concerning the digitalization of aspects of their respective businesses, it understands that WSMEs have specific needs on this subject owing to the unique challenges they face accessing know-how, networks, and finance. In this respect, the objective of the baseline assessment for the digital-by-design know-how component in Uzbekistan was twofold: to (i) understand the digital landscape in Uzbekistan as it relates to WSMEs; and (ii) identify the specific knowledge and capacity building needs of WSMEs around digitalization. As part of this study, the external consultant retained to undertake this assignment – IPC GmbH, a consulting

company based in Germany – performed (a) desktop research, as well as interviews with key stakeholders (32 in total) in the private and public sectors in Uzbekistan (including other donors) to understand current areas of support for WSMEs, as well as baseline statistics providing a picture of the overall digital landscape in the country (including as it relates to WSMEs); and (b) individual interviews with 40 SMEs in Uzbekistan (75% women-owned, 25% men-owned) to obtain an understanding of their specific needs as it relates to digital matters concerning their businesses. Men-led SMEs were interviewed as part of this assignment in order to determine whether there are any trends as it relates to the uptake and implementation of digital solutions that are gender-influenced. This assignment was completed in April 2021 and has informed the EBRD’s rollout of the digital-by-design component of the *Stepping up for Women* program, with the EBRD reinforcing its roster of local consultants with those holding the expertise that is likely to be needed by WSME beneficiaries the most. The assessment also highlighted the need to design trainings and/or mentoring programs that provide women entrepreneurs with the networks, skills, and confidence to identify the right digital solutions for their businesses.

In addition to the above, the EBRD also retained an external consultant, ConsumerCentrix, a Swiss strategy consulting firm, to assist the EBRD in developing a preliminary methodology for determining the costs Aggregators may incur by effectively sourcing more goods/services from WSMEs. This involved the consultant performing deep dive interviews with 14 Aggregators operating in the agribusiness, hospitality/services, and manufacturing sectors in the (IDA) Central Asian region, working with them to understand the various cost factors associated with adopting more gender inclusive supplier selection and procurement strategies. While the consultant identified the time and money costs an Aggregator would incur searching for and certifying qualified WSME suppliers, it also noted that the most substantial and relevant costs would come from (i) higher prices (in certain sectors) for goods procured from WSMEs owing to their smaller sizes (and lack of economies of scale) and the potential substitution effect of procuring goods from local WSMEs where cheaper alternatives exist abroad; (ii) shorter payment terms from WSMEs due to their stricter working capital needs and reduced capacity to tap into financial markets for working capital liquidity. The findings/insights from this assignment will inform part of the methodology for how the EBRD prices the total amount in incentives for which an Aggregator participating the program may be eligible.

D. KEY CHALLENGES AND LESSONS LEARNED

I. Financing for women-led SMEs

While the ongoing Covid-19 situation has delayed some pipeline development work as it relates to the Program’s financing activities, the EBRD has not seen a drop in interest amongst potential PFIs for credit lines directed at WSMEs.

II. Results-based financial instruments

Results-based financial instruments for supporting the inclusion of WSMEs into Aggregator supply chains in the Central Asia region are relatively novel and without a highly visible precedent. Under normal conditions, the EBRD would have had the opportunity to undertake business and pipeline development activities in-person, liaising directly with Aggregators constituting existing or new clients of the EBRD to discuss this new product and determine whether it fits their respective corporate strategies. However, with COVID conditions persisting for the entirety of the reporting period, the EBRD has faced delays in developing pipeline, especially as it relates to reaching out to new clients (i.e. clients that have not banked with the EBRD previously). Likewise, some of the preparatory work associated with this product encountered logistical delays as the external consultant that is supporting the development of a methodology for pricing incentives could not travel and meet with Aggregators

in-person to conduct the highly technical interviews that informed the modelling for their assignment. However, this was anticipated; and while this component of the *Stepping up for Women* program has faced delays, the EBRD continues to work towards undertaking the first transaction and expects that pipeline development activities will pick up speed as (and if) COVID conditions ease and once a precedent for the product has been established.

III. Know-how for women entrepreneurs

While the EBRD faced certain challenges early in the pandemic as it relates to rolling out know-how activities, it has now mostly adapted to the new realities of doing business and has been able to rollout its various know-how solutions (advisory, training, mentoring, and network-building activities) leveraging a digital and/or hybrid approach. If conditions improve in the next reporting period, the EBRD will likely attempt to undertake more know-how activities in-person as certain activities, such as trainings and network-building activities, often have much higher levels of engagement when performed in physical settings.

IV. Policy

The pandemic and persistent lockdowns all over continued to be a challenge for the policy work under both We-Fi-funded programs, especially as many of the activities are collaborative in nature and generally benefit from an in-person approach. Moreover, government officials remained pre-occupied with the crisis situations that continue to grip most countries in the relevant regions/countries, which led to the postponement of certain number of policy activities that would have otherwise likely occurred under normal conditions.

Political developments, particularly in Central Asia, also impacted policy dialogue activities. Presidential elections in the Kyrgyz Republic, Mongolia and Tajikistan during the reporting period put certain activities on hold in the aforementioned countries until after the respective elections. This naturally affected project timelines and the ability of consultants and/or other partners to produce deliverables according to previously agreed-to deadlines.

IV. IMPACT AND PROGRESS TOWARDS MEETING WE-FI TARGETS

Now in its second year of implementation, the *Women of the Steppe* program is making more material progress towards meeting its targets on key indicators, with a cumulative total of **1,398 WSMEs/women entrepreneurs** reached through program activities at the end of the current reporting period, including (i) at least 290 sub-borrowers of We-Fi supported WiB credit lines (for a total of USD 4.3 million in finance accessed by WSMEs), (ii) 78 WSMEs through bespoke advisory projects, (iii) 229 women entrepreneurs through training events and mentoring initiatives; and (iv) a further 801 women entrepreneurs through network-building and outreach events. While this target falls short of the **EBRD's target by Year 2 of 2,061 WSMEs/women entrepreneurs reached by the program (through We-Fi-funded activities)**, it is nevertheless a significant improvement from approximately 300 WSMEs/women entrepreneurs reached in Year 1.¹⁰ As the dedicated financing activities for WSMEs under the program continue to accelerate (with 3 PFIs in the pipeline for We-Fi-supported WiB credit lines in 2022) and delivery of know-how solutions remains strong, the EBRD anticipates that it will be on track to reach its target of 7,041 WSMEs/women entrepreneurs by Year 7 of the program.

¹⁰ It should be noted, however, that given the normally one year lag in reporting on sub-loans accessed by WSMEs, sub-loans accessed by WSMEs in Year 1 are reported in Year 2 results.

The *Stepping up for Women* program is in its first year of implementation, with many of the activities undertaken in the reporting period constituting preparatory work that will facilitate program implementation in Year 2 onwards. As a result, Year 1 results against targets are relatively muted, especially given that activities associated with Component 1 of the program (i.e. outcome-based loans for Aggregators with gender-linked targets) have not yet commenced, which means that the associated capacity building for WSME suppliers (i.e. advisory, training, and network-building) has also not yet started. The digital-by-design advisory pilot in Uzbekistan did commence in Year 1; however, only **7 advisory projects** were started against a target of 13, and **41 WSMEs reached through training activities** against a target 50. In total, **48 WSMEs had been reached by the program** by the end of the reporting period. The team implementing this initiative on the ground in Uzbekistan spent a considerable portion of Year 1 identifying the specific needs of WSMEs in the country as it relates to the digitalization of their businesses, as well building up its roster of local consultants that can provide the requisite training and advisory to WSME beneficiaries. The EBRD anticipates that activity under this component will accelerate in Year 2 and onwards, with results thereafter aligning more closely with targets.

V. PLANS FOR NEXT YEAR

I. Financing for women-led SMEs

i. Dedicated financing for women-led SMEs

In terms of the intermediated finance component of the *Women of the Steppe* program, the EBRD has one financing project (i.e. WiB credit lines to PFIs for on-lending to WSMEs) in Tajikistan, one in Uzbekistan and one project in Mongolia under consideration for its pipeline as of the end of this reporting period. The exact amounts of each proposed credit line and timeframe for execution are currently being discussed with the potential PFIs.

ii. Risk Mitigation instruments

The EBRD presented the methodology behind the risk mitigation instrument (First Loss Risk Cover) that will support the financing projects under the *Women of the Steppe* program to potential PFIs in all four target countries.

iii. Technical assistance to PFIs

The Consultant will further develop and detail gender training plans for all 4 PFIs under the Program and continue to facilitate staff gender training and training of trainers. In addition, the Consultant will follow-up on discussions with Davr Bank's management on the workplan for the capacity building and design phases of the TC support.

II. Results-based financial instruments

Under Component 1 of the *Stepping up for Women* program (supported through We-Fi round 3 funding), the EBRD seeks to implement an incentive framework that facilitates the inclusion of WSME suppliers into corporate supply chains in the (IDA) Central Asian region. Over the current reporting period, the EBRD undertook the preparatory work required to implement this initiative, which included preliminary studies to better understand the mechanics of Aggregator supply chains in the region and baseline indications of their receptiveness to procuring more from WSMEs, as well as the cost factors involved in making a supply chain more 'gender intelligent' and inclusive. In the next reporting period, the EBRD intends to – and is generally on track to – engage in actual transactions where this novel (for the region) results-based instrument will be implemented.

III. Know-How for women entrepreneurs

With crisis conditions caused by the COVID-19 pandemic continuing to persist in the region, the EBRD anticipates that the advisory and other know-how solutions it provides under both We-Fi-funded programs will focus on supporting WSME beneficiaries adapt to and thrive in the new 'normal' of doing business. This will include further support on matters concerning digitalizing internal and client-facing systems and processes (especially under the digital-by-design advisory component in Uzbekistan), which, in any case, has become a growing priority amongst WSME beneficiaries of advisory support. Support as it relates to re-orientating businesses to cater to markets that have grown notwithstanding – or been resilient to – the ongoing crisis conditions has seen a notable uptick in the current reporting period and the EBRD envisages that this trend will continue going into the next reporting period. Advisory activities (for WSMEs) that accompany the aforementioned result-based instrument will commence once a transaction has been identified.

As it relates to the mode of delivery for know-how solutions, the EBRD anticipates that a digital and/or hybrid (i.e. involving elements of digital and physical delivery) approach will likely remain the norm into the next reporting period. The vaccination rates in the target countries for know-how support (i.e. Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan) remain low and the prevalence of new variants that diminish the effectiveness of the current vaccines may suggest that restrictions on, difficulties with, or reluctance to engage in, travel and physical meetings will continue into the next reporting period. The EBRD, however, adapted to this reality in the current reporting period, and is able to deliver the full suite of know-how solutions – including advisory solutions, network-building activities, and trainings/mentoring – digitally or through a hybrid approach.

IV. Policy

In the next reporting period, the EBRD will accelerate its support to national statistics agencies – in Central Asia under the *Women of the Steppe* program and Egypt and Morocco under the *Stepping up for Women* program – as it relates to developing comprehensive and coherent strategies for systemically collecting sex disaggregated data on SMEs and entrepreneurship. Building off work accomplished in the current reporting period, the EBRD will also work with financial sector regulators in Mongolia, Tajikistan, and Uzbekistan to implement their respective road maps for building sex-disaggregated databases and promoting gender diversity in the financial sector.

VI. ANNEXES**ANNEX I. IMPLEMENTING PARTNER WE-Fi TEAM****Key Program Management Contact Person(s)**

Name	Adrian Keler	Title	Principal Manager, Donor Co-Financing
Email	kelera@ebrd.com	Phone	+44 2073 38 6862

Name	Holger Wiefel	Title	Associate Director, SME F&D Group
Email	WiefelH@ebrd.com	Phone	+44 2073 38 1462

Communications Contact Person

Name	Nigina Mirbabaeva	Title	Associate, Communications
Email	MirbabaN@ebrd.com	Phone	+44 2073 38 8191

M&E and Results Contact Person

Name	Sevinj Rustamova	Title	Associate Manager Donor Co-Financing
Email	RustamoS@ebrd.com	Phone	+44 7881 013455

ANNEX II. FUNDING AND BUDGET INFORMATION

A. Status of We-Fi Funding

Women of the Steppe: We-Fi Round II

Cost and Budgeting Table				
Budget Categories	ROUND 2			
	Approved Amount (USD)	Revised Amount (if applicable)	Committed Amount (USD)	Disbursed Amount (USD)
<i>Include all items as listed in the approved proposals (e.g. by component, by country etc.)</i>				
Risk mitigation instruments (FLRC for PFIs and risk-sharing)	10,500,000		1,450,000	-
Technical Assistance for PFIs	5,000,000		2,269,720	956,816
Advisory services for women-led SMEs & networking and other opportunities	4,500,000		432,459	226,334
Policy reform	1,200,000		452,003	255,856
Programme visibility	300,000		-	-
Programme evaluation	300,000		-	-
Management fee	1,100,000		1,018,488	800,508
Total Budget	22,900,000		5,622,670	2,239,514

Stepping up for Women: We-Fi Round III

Cost and Budgeting Table				
Budget Categories	ROUND 3			
	Approved Amount	Revised Amount (if applicable)	Committed Amount	Disbursed Amount
Component 1.1: Outcome-based loans to regional and local aggregators with gender-linked targets	2,500,000		-	-
Component 1.2: Capacity building to sustainably embed inclusive procurement and supply chain management practices among aggregators	1,175,000		83,596	-

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Component 1.3: Access to know-how to strengthen women entrepreneurs' capacity to be effective suppliers	1,000,000		-	-
Component 2: Pilot advisory product on digital solutions for WSMEs in Uzbekistan	1,500,000		130,759	120,205
Component 3.1: Establishment of sex disaggregated national databases in 2 countries.	838,989		85,120	44,550
Management fee	350,699		210,419	210,419
Total Budget	7,364,688		509,894	375,174

B. Types of Activities Funded

Funding Categories	Committed Amount	
	Round 2	Round 3
Investment Activities	1,450,000	-
Technical Assistance/Advisory Activities	2,269,720	-
WSME Capacity Building	432,459	71,392
Grants to WSMEs	-	-
Research, M&E and Evaluations	-	142,963
Policy Reform	452,003	85,120
IP Fees	1,018,488	210,419
Total	5,622,670	509,894

ANNEX III. EXAMPLES OF IMPACT ON WSMEs

1. Publications of EBRD press releases, WSMEs accessing finance

- 20.04.2021, Press Release: [EBRD and donors organise US\\$4 million package to Arvand Bank in Tajikistan](#)

The WiB component of the package will help promote women's entrepreneurship and business activity by assisting with access to finance, know-how and technical advice. The initiative also provides technical support to financial institutions to enhance the services they offer to women-led businesses. The Women of the Steppe Programme is supported by the [Women Entrepreneurs Finance Initiative \(We-Fi\)](#), and [Switzerland](#) through the [Small Business Impact Fund \(SBIF\)](#).

- 02.12.2020, Press Release: [Davir Bank joins EBRD's Women in Business programme](#)

Women entrepreneurs in [Uzbekistan](#) will benefit from [Davir Bank](#) becoming one of the first banks in the country and in Central Asia to join the Women in Business (WiB) initiative of the [European Bank for Reconstruction and Development \(EBRD\)](#).

The programme promotes women's entrepreneurship and participation in business by assisting with access to finance, know-how and technical advice. The Women in Business in [Uzbekistan](#) is supported by donor funding from the [Women Entrepreneurs Finance Initiative \(We-Fi\)](#) and the [EBRD's Small Business Impact Fund](#) ([Italy](#), [Japan](#), [Korea](#), [Luxembourg](#), [Norway](#), [Sweden](#), [Switzerland](#), [Taipei China](#) and the [USA](#)).

- 30.09.2020, Press Release: [EBRD pledges US\\$ 40 million in support of Uzbek SMEs](#)

The package will consist of a US\$ 30 million loan to SMEs and a US\$ 10 million loan for women entrepreneurs under the EBRD's Central Asian [Women in Business \(WiB\)](#) programme.

The WiB loan will be supported by grant funding from the [World Bank](#)-managed [Women Entrepreneurs Finance Initiative](#), which will help women entrepreneurs receive professional training and provide them with the knowledge and confidence to take the next step.

- 16.01.2020, Press Release: “ [EBRD mobilises over €750 million in donor support in 2019](#)”
- 15.07.2019, Press Release: “[Financing under the EBRD Women in Business programme now exceeds €500 million](#)”

Governments and other public and private entities provided €183.5 million in 2019, including funding from EBRD countries of operations ([Azerbaijan](#) and [Poland](#)), a new donor contribution from [Spain](#) and the very first one from the [Women Entrepreneurs Finance Initiative](#).

2. Advisory Case Studies

Uzbekistan: Promoting the *Dalatek* agricultural value chain platform through the implementation of e-marketing tools | Advisory support for **Teodora Goods LLC**, Navoi region



Dildora Atajanova is a young woman entrepreneur and founder of the company **Teodora Goods LLC**, which has been exporting fresh, frozen, dried vegetables and fruits, as well as nuts and dried fruits from Uzbekistan since 2018. While the company has successfully shipped its products to buyers in France, Oman, the United Arab Emirates (UAE), China, and Mongolia, it has nevertheless faced chronic quality control issues (attributed to the absence of product standards amongst many suppliers of raw food materials in Uzbekistan) along its supply chain that has, at times, negatively impacted the company's export activities. In order to address this, Ms. Atajanova, with the support of an IT consultancy firm, developed 'Dalatek', a mobile application that aims to digitalize the agricultural value chain, connecting farms and smallholders with retailers, insurance companies, banks, and exporters, among other stakeholders, while also facilitating their compliance with best practice product standards for agricultural goods. The EBRD is currently supporting the company promote Dalatek among important stakeholders in Uzbekistan, including through the development of an e-marketing strategy to popularize and encourage uptake of the application.

Uzbekistan: Supporting the transition to online learning | Advisory support for **Profi Training**, Tashkent

Profi Training is a private business school in Tashkent that is owned and managed by Tatyana Shalunova. The school, which has to-date trained more than 30,000 people from 8 countries, offers a wide range of courses from accounting and financial management to instruction on using Microsoft Office products. Leading up to the onset of the COVID-19 pandemic, Ms. Shalunova had identified the strategic need for the school to refine its online instruction capabilities as a means to increasing its client base and scaling up the school more generally. However, in addition to developing these capabilities, Ms. Shalunova identified the need to digitalise the school's internal processes, the manual nature of which had been a drag on efficiency and a contributor to time and money costs. With support from the EBRD under the auspices of the *Stepping up for Women* program, Ms. Shalunova retained the services of an external consultant who helped her automate a number of the school's internal processes, including as it relates to course scheduling and client management. With these time-intensive processes now automated, Ms. Shalunova has been able to devote more time and investment to expanding its course offering in Uzbekistan and abroad (through its online presence).

Tajikistan: Introducing online learning at a medical college in Tajikistan | Advisory support for **Gafurov College**, Sughd region



Gafurov College is a private medical college established in 2014 and led by Shohida Abdurafova, providing accredited educational services in the specialties of obstetrics, pharmacy, nursing, and nursing in cosmetology. Nearly 90% of its students are female. With COVID-19 impacting the ability to consistently hold in-person instruction, Gafurov College, with support from the EBRD under the auspices of the *Women of the Steppe* program, retained the services of a consultant to develop a bespoke, online teaching platform providing an immersive, virtual classroom for students unable to attend the physical classroom (whether due to illness or lockdown measures). Once logged in, students can access their classes, take quizzes, and engage with their instructors and peers. The platform also cuts down on administrative costs and streamlines communication between students and management, which allows for management to respond to student concerns/needs on a more timely and effective basis. As the situation with COVID-19 ameliorates over time, Gafurov College intends to leverage its new capabilities to extend learning programs – entirely online – to students living in rural regions in Tajikistan, who would otherwise not have had the opportunity to attend a medical college.

Kyrgyz Republic: Digitalising a pharmaceutical network | Advisory support for **PE Zhunusova**, Naryn region



PE Zhunusova, managed by Yrys Zhunusova, is a chain of 21 pharmacies in the remote Naryn region of the Kyrgyz Republic. Since the business was founded in 2001, it has recorded all its sales and stocks in paper journals, which had become increasingly unsustainable as the business continues to grow (including in the midst of the COVID-19 pandemic). With support from the EBRD under the auspices of the We-Fi-funded *Women of the Steppe* program, Ms. Zhunusova was able to retain an external consultant to help digitalize her accounting records, as well as introduce an automated accounting and control system. This has helped her better run her business while also reducing the time and money costs of doing so. The project has contributed to an increase in the company's turnover and profits year-on-year.

Mongolia: Improving the market position of a syrup and juice producer | Advisory support for **Golden Plum**, Ulaanbaatar



Golden Plum Mongolia, established in 2015 and managed by Ms. Otgon, is a producer of 14 types of syrups and diluted juices, selling its products to more than 2,000 retailers in Ulaanbaatar and in Mongolia's rural provinces. The company, with support from the EBRD under the auspices of the We-Fi-funded *Women of the Steppe* program, sought the services of an external consultant – Brandmark LLC, a well-known marketing firm in Mongolia – to help it improve its market position and increase customer awareness of its products. With the help of the consultant, the company developed and rolled out a new label and packaging design, and further strengthened its brand awareness through social media promotions.

ANNEX IV. WSME DEFINITIONS

The **Women of the Steppe** program applies the following WSME definition across all activities:

The primary beneficiaries of the Program will be **women-led small (including micro) and medium-sized enterprises**, defined as:

- Enterprises where the overall operational management responsibility is held by a woman (or women); or
- Enterprises where a woman (or women) holds overall operational management responsibility for the company, and a woman (or women) also owns all or part of the equity.

This definition seeks to encourage a focus on women as managers and those with real decision-making power within the business, recognizing that management responsibility and ownership are not always held by the same individuals. The definition is operationalized with specific guidelines for each country on how 'women-led' can be ascertained and verified for different legal entities.

The Program's definition is fully aligned with the European Union (EU)'s definition of SME, which includes microbusinesses in the small category (see [EU recommendation 2003/361](#)).

Women-led SMEs shall be considered as enterprises engaged in economic activity as fitting the above definition, with **fewer than 250 employees** and either with an **annual turnover not exceeding EUR 50 million (USD 58.7 million)** or with a **balance sheet value not exceeding EUR 43 million (USD 50.4 million)**. On an exceptional basis, beneficiary women-led enterprises may have **up to 499 employees**, recognizing that enterprises in the Central Asian region exhibit high levels of labor intensity, driven both by cheap labor and limited access to technologies. These enterprises would still fall within the EU definition in terms of turnover and asset size. The same eligibility criteria are applied across all components, ensuring a coherent focus on the same target group at the market level.

The EU definition of SMEs, as applied above, is broadly aligned in its upper limits with the IFC's definition of a small and medium enterprise, looking at parameters of turnover (sales) and employee numbers. In terms of thresholds, the EU definition turnover threshold is broader (IFC threshold: up to US\$ 10 million; EU threshold: up to US\$ 58.7 million) and lower in terms of number of employees (IFC threshold definition up to 300; EU threshold: up to 250).

At the request of the Governing Committee at funding approval in August 2020, the **Stepping up for Women** program applies the We-Fi definition of WSME. As per the We-Fi clarification note on definitions for women-owned/led SMEs, dated 27 November 2019, the following definition applies to the program:

For an enterprise to be classified as an SME, two of the following three shall apply:

- Employees: between 10 and 300 employees
- Sales: between USD 100,000 and USD 15 million
- Assets: between USD 100,000 and USD 15 million

For an SME to be classified as a WSME, the SME must be:

- ≥ 51% owned by a woman / women; or

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- $\geq 20\%$ owned by a woman / women; and have ≥ 1 woman as CEO/COO (President/Vice-President); and have $\geq 30\%$ of the board of directors comprised of women, where a board exists.

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ANNEX V. LIST OF COMMITTED PROJECTS

The list of committed projects is attached as a separate document.

ANNEX VI. PROJECT-LEVEL SUMMARIES**WOMEN OF THE STEPPE - EBRD WOMEN IN BUSINESS LOAN – IPOTEKA BANK**

Project Type: Investment

Project Start Date: 30/09/2020

Geographical Focus: Uzbekistan

Completion Date: 31/12/2023

We-Fi Funding: \$1,000,000

Total project size: \$11,000,000

CONTEXT:

The EBRD has provided Ipoteka Bank in Uzbekistan with a USD 10 million loan for on-lending to micro-, small-, and medium-sized enterprises led by women entrepreneurs.

PROJECT OBJECTIVES:

The key objective of this project is to improve access to finance for women-led MSMEs in Uzbekistan, leveraging Ipoteka Bank's network, particularly in rural regions.

CLIENT/PARTNER DESCRIPTION

Ipoteka Bank is the 4th largest bank in Uzbekistan by total assets with market share of around 9%. Currently, the bank is undergoing a transformation process, led by IFC, which envisions commercialization of its business model and ultimate privatization.

PROJECT DESCRIPTION

We-Fi funding is being used as First-Loss Risk Cover (FLRC), which can be used to cover a portion of Ipoteka Bank's losses on sub-loans to eligible WSME clients. This provides Ipoteka Bank with a degree of comfort as it engages with WSMEs (who are perceived as a riskier client group) and helps creditworthy WSMEs obtain finance when they otherwise may have been refused.

IMPACT:

Impact for this project will be measured by the number of WSMEs that obtain finance through proceeds lent by the EBRD to Ipoteka Bank.

Press release:

- [EBRD pledges US\\$ 40 million in support of Uzbek SMEs](#)

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY	
We-Fi Indicator	Target (Program level)
Indicator 2: Amount of financing provided to women-owned/led SMEs by We-Fi supported financial service providers.	USD 114 million

OFFICIAL USE

Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions.	4,200
Intermediate Result Indicator C: Percentage of sub-loans extended to first time borrowers/start-up women-led SMEs by local banks.	At least 35%
Intermediate Result Indicator D: Percentage of outstanding sub-loans outside of main urban centers	At least 30%

WOMEN OF THE STEPPE - EBRD WOMEN IN BUSINESS LOAN – DAVR BANK

Project Type: Investment

Project Start Date: 02/12/2020

Geographical Focus: Uzbekistan

Completion Date: 31/12/2024

We-Fi Funding: \$200,000

Total project size: \$2,200,000

CONTEXT:

The EBRD has provided Davr Bank in Uzbekistan with a USD 2 million loan for on-lending to micro-, small- and medium-sized enterprises led by women entrepreneurs.

PROJECT OBJECTIVES:

The key objective of this project is to improve access to finance for women-led MSMEs in Uzbekistan, leveraging Davr Bank's network, particularly in rural regions.

CLIENT/PARTNER DESCRIPTION

Davr Bank is a private commercial bank in Uzbekistan, which has a primary focus on MSME financing and a strategy of regional expansion.

PROJECT DESCRIPTION

We-Fi funding is being used as First-Loss Risk Cover (FLRC), which can be used to cover a portion of Davr Bank's losses on sub-loans to eligible WSME clients. This provides Davr Bank with a degree of comfort as it engages with WSMEs (who are perceived as a riskier client group) and helps creditworthy WSMEs obtain finance when they otherwise may have been refused.

IMPACT:

Impact for this project will be measured by the number of WSMEs that obtain finance through proceeds lent by the EBRD to Davr Bank.

Press release:

- [DavR Bank joins EBRD's Women in Business programme](#)

OFFICIAL USE

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY	
We-Fi Indicator	Target (Program level)
Indicator 2: Amount of financing provided to women-owned/led SMEs by We-Fi supported financial service providers.	USD 114 million
Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions.	4,200
Intermediate Result Indicator C: Percentage of sub-loans extended to first time borrowers/start-up women-led SMEs by local banks.	At least 35%
Intermediate Result Indicator D: Percentage of outstanding sub-loans outside of main urban centers	At least 30%

WOMEN OF THE STEPPE - EBRD WOMEN IN BUSINESS LOAN – ESKHATA BANK

Project Type: Investment	Project Start Date: 23/12/2020
Geographical Focus: Tajikistan	Completion Date: 31/12/2023
We-Fi Funding: \$0	
Total project size: \$2,000,000	

CONTEXT:

The EBRD has provided Eshkata Bank in Tajikistan with a USD 2 million loan for on-lending to micro-, small, and medium-sized enterprises led by women entrepreneurs.

PROJECT OBJECTIVES:

The key objective of this project is to improve access to finance for women-led MSMEs in Tajikistan, leveraging Eshkata Bank's network, particularly in rural regions.

CLIENT/PARTNER DESCRIPTION

Eshkata Bank is a regional privately-owned bank with headquarters in Khujand, Northern Tajikistan. The bank is primarily focused on servicing MSE clients and has been providing a strong competition to larger rivals operating in the region.

PROJECT DESCRIPTION

First-Loss Risk Cover (FLRC) is supported by other donor sources under the Program, which can be used to cover a portion of Eshkata Bank's losses on sub-loans to eligible WSME clients. This provides Eshkata Bank with a degree of comfort as it engages with WSMEs (who are perceived as a riskier client group) and helps creditworthy WSMEs obtain finance when they otherwise may have been refused.

IMPACT:

Impact for this project will be measured by the number of WSMEs that obtain finance through proceeds lent by the EBRD to Eshkata Bank.

OFFICIAL USE

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY	
We-Fi Indicator	Target (Program level)
Indicator 2: Amount of financing provided to women-owned/led SMEs by We-Fi supported financial service providers.	USD 114 million
Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions.	4,200
Intermediate Result Indicator C: Percentage of sub-loans extended to first time borrowers/start-up women-led SMEs by local banks.	At least 35%
Intermediate Result Indicator D: Percentage of outstanding sub-loans outside of main urban centers	At least 30%

WOMEN OF THE STEPPE - EBRD WOMEN IN BUSINESS LOAN – ARVAND BANK

Project Type: Investment	Project Start Date: 13/04/2021
Geographical Focus: Tajikistan	Completion Date: 30/06/2024
We-Fi Funding: \$200,000	
Total project size: \$2,200,000	

CONTEXT:

The EBRD has provided Arvand Bank in Tajikistan with a USD 2 million loan for on-lending to micro-, small-, and medium-sized enterprises led by women entrepreneurs.

PROJECT OBJECTIVES:

The key objective of this project is to improve access to finance for women-led MSMEs in Tajikistan, leveraging Arvand Bank's network, particularly in rural regions.

CLIENT/PARTNER DESCRIPTION

Arvand Bank is a private commercial bank offering a full range of banking services, primarily retail and MSME financing through 8 branches and 63 customer service outlets across Tajikistan.

PROJECT DESCRIPTION

We-Fi funding is being used as First-Loss Risk Cover (FLRC), which can be used to cover a portion of Arvand Bank's losses on sub-loans to eligible WSME clients. This provides Arvand Bank with a degree of comfort as it engages with WSMEs (who are perceived as a riskier client group) and helps creditworthy WSMEs obtain finance when they otherwise may have been refused.

IMPACT:

Impact for this project will be measured by the number of WSMEs that obtain finance through proceeds lent by the EBRD to Arvand Bank.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY	
We-Fi Indicator	Target (Program level)
Indicator 2: Amount of financing provided to women-owned/led SMEs by We-Fi supported financial service providers.	USD 114 million
Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions.	4,200
Intermediate Result Indicator C: Percentage of sub-loans extended to first time borrowers/start-up women-led SMEs by local banks.	At least 35%
Intermediate Result Indicator D: Percentage of outstanding sub-loans outside of main urban centers	At least 30%

WOMEN OF THE STEPPE –TECHNICAL CO-OPERATION PROGRAM FOR CAPACITY BUILDING TO PFIS

Project Type: Advisory

Project Start Date: 16/01/2020

Geographical Focus: All Target Countries

Completion Date: 15/08/2026

We-Fi Funding: \$2,269,720

Total project size: \$2,269,720

CONTEXT:

In September 2019, the EBRD launched a competitive procurement process to engage a Program Consultant implement the technical assistance to local banks component of the Program (the 'TC Assignment'). In January 2020, the EBRD awarded the contract an international consortium of experts from Sparkassenstiftung für internationale Kooperation e.V., in consortium with Internationale Projekt Consult GmbH (together, the "Consultant").

PROJECT OBJECTIVES:

Through the TC Assignment, the EBRD seeks to support the capacity-building of local financial institutions so that they are able to adjust their internal processes and product offering to better serve women entrepreneurs.

CLIENT/PARTNER DESCRIPTION

Sparkassenstiftung für internationale Kooperation e.V. is a German organization that provides support to financial institutions that foster economic and social development through financial services to SMEs and poor/marginalized groups. Internationale Projekt Consult GmbH is a Frankfurt-based international consultancy that works primarily with financial institutions on areas such as SME and inclusive finance, green finance, and training & skill development, among other areas.

PROJECT DESCRIPTION

The TC Assignment is instrumental to ensuring that PFIs that work with the EBRD under the Program are properly geared to service and engage WSMEs. This includes working with PFIs to i) improve their offering

of financial products for women entrepreneurs, (ii) understand the financial and non-financial needs of women-led SMEs, (iii) deliver the financial products and services envisaged under the Program, and (iv) introduce internal changes to systems and procedures to better service the WSME segment.

IMPACT:

Impact for this project will be measured by the number of financial service providers that make internal changes to their processes that result in their higher capacity to service WSME clients.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY	
We-Fi Indicator	Target (Program level)
Indicator 9: Number of institutions supported by We-Fi that have put in place a system for capturing and reporting data on women-owned/led SMEs.	16
Indicator 11: Total number of partner institutions supported by We-Fi that offer new /updated products, services or approaches benefiting women-owned/led SMEs.	16

ANNEX VII. RESULTS FRAMEWORK

The results framework is attached as a separate document.

ANNEX VIII. RISK FRAMEWORK

Overall Risk Rating	Medium
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