



# Progress Report on We-Fi-funded Programmes

**Presentation to the We-Fi Governing Committee**

06 October 2021



# Introducing EBRD's We-Fi-funded programmes

The EBRD is the implementing partner of two We-Fi-funded programmes: (i) *Women of the Steppe*, approved in 2019; and (ii) *Stepping up for Women*, approved in 2020.

While the aforementioned programmes are different in many respects, they are nevertheless similar in that they aim to **facilitate opportunities to achieve scale** and **access to know-how for WSMEs**. They are also both complemented by **policy dialogue activities**, in which the EBRD engages with public and private sector stakeholders to push and facilitate policy/regulatory reform that creates an enabling environment women entrepreneurship.

The *Women of the Steppe* programme is now in its **second year of** implementation, with the first year marked by slower-than-expected progress owing to the onset of the COVID pandemic. While the persistence of the pandemic continues to impact the programme, implementation on all fronts accelerated in 2020-2021 and is expected to accelerate further going into the programme's third year.

The *Stepping up for Women* programme introduces innovative new instruments for addressing the underlying issues that have made WSMEs particularly more exposed to the economic/financial and public health crises caused by the pandemic. This first year involved a significant amount of preparatory work to inform implementation going forward, with results relatively muted as finance activities have not yet picked up.



# Introducing EBRD's We-Fi-funded programmes

## Women of the Steppe (We-Fi: USD 22.9 million | Other: USD 117 million)

### Financial solutions for WSMEs

Credit lines to partner banks for on-lending to WSMEs **(IDA Central Asia)**

**We-Fi:** USD 0 | **Other:** USD 114 million

Risk mitigation instruments **(IDA Central Asia)**

**We-Fi:** USD 10.5 million | **Other:** USD 500,000

Technical assistance to partner banks **(IDA Central Asia)**

**We-Fi:** USD 5 million | **Other:** USD 1.7 million

### Dedicated WSME support

Training, skills development, network-building and advisory for WSMEs **(IDA Central Asia)**

**We-Fi:** USD 4.5 million | **Other:** USD 800,000

### Policy Dialogue

Policy and advocacy activities to enable a more conducive environment for women entrepreneurship **(IDA Central Asia)**

**We-Fi:** USD 1.2 million

## Stepping up for Women (We-Fi: USD 7.36 million | Other: USD 52.5 million)

Outcome-based loans facilitating the active participation of WSMEs in regional supply chains **(IDA Central Asia)**

**We-Fi:** USD 2.5 million | **Other:** USD 52.5 million

Capacity building for corporates to facilitate the rollout of gender-intelligent supply chain management practices that increase the participation of WSMEs in supply chains **(IDA Central Asia)**

**We-Fi:** USD 1.175 million

Training, skills development, network building and advisory for WSME suppliers **(IDA Central Asia)**

**We-Fi:** USD 1 million

Digital-by-design know-how pilot **(Uzbekistan)**

**We-Fi:** USD 1.5 million

Establishment of sex-disaggregated databases to facilitate financial inclusion of women entrepreneurs **(Egypt and Morocco)**

**We-Fi:** USD 838,989

Component 1

Component 2

Component 3



# Financial solutions for WSMEs

IDA Central Asia



# Financial solutions for WSMEs

The *Women of the Steppe* programme aims to facilitate access to finance for WSMEs in the Central Asia region (Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan) by **lending to partner banks** that then **on-lend to eligible WSMEs**. These credit lines are referred to ***Women in Business (WiB)*** loans.

WiB loans, including those under the *Women of the Steppe* programme, are often buttressed by donor-funded (in this case, We-Fi) support measures that are critical to their ability to create change and have a lasting impact, including:

- (i) **first-loss risk cover (FLRC)**, which provides partner banks with a degree of credit enhancement that facilitates their lending to a demographic – i.e. WSMEs – that are considered risky; and
- (ii) **Technical cooperation (TC)**, wherein an external consultant provides bespoke and long-term support to partner banks, working with them to, among other things, (a) improve how they engage and bank with women entrepreneurs; (b) improve their data collection and monitoring processes, including as it relates to collecting better sex-disaggregated data; and (c) market and promote their WiB loans.

## Partner Banks under *Women of the Steppe*

### Kyrgyz Republic



### Tajikistan



### Uzbekistan



# Financial solutions for WSMEs: Progress to-date

Although this component of the *Women of the Steppe* programme suffered a slow start in the first reporting period (2019-2020) owing to the difficulties of doing business under COVID, its **implementation has accelerated over the second reporting period (2020-2021)**, with a further **USD 16 million in WiB credit lines** signed with **4 new partner banks** during the reporting period.

**Cumulative results by Year 2** of the program's implementation include:

Partner banks  
with WiB loans

5

# WSMEs  
borrowers

290

Amount of EBRD finance signed with partner  
banks

\$17 mln

Volume of finance accessed by WSME  
borrowers

\$4.31 mln

FLRC committed

\$1.65 mln

of which \$1.45 mln We-Fi funded



# Dedicated WSME Support

IDA Central Asia

# Dedicated WSME support

Both We-Fi-funded programs feature 'access to know-how' components that deliver dedicated, non-financial support to WSMEs and women entrepreneurs, with the express aim of **addressing the gaps in their business knowledge, capabilities, and networks** that **impact the scalability and competitiveness** of their respective enterprises.

## Advisory

A consultant provides a bespoke, one-to-one advisory service to a WSME on a relevant business matter (i.e. marketing, strategy, IT/digital, environmental, amongst many other subject areas).

## Training

A subject matter expert is retained to build the capacity of a group of women entrepreneurs on a particular subject matter. Popular trainings under We-Fi-funded programs include trainings on leadership and digitalization.

## Mentoring

Comprises events and/or programs wherein women entrepreneurs are matched with seasoned professionals who provide them with advice and networking opportunities.

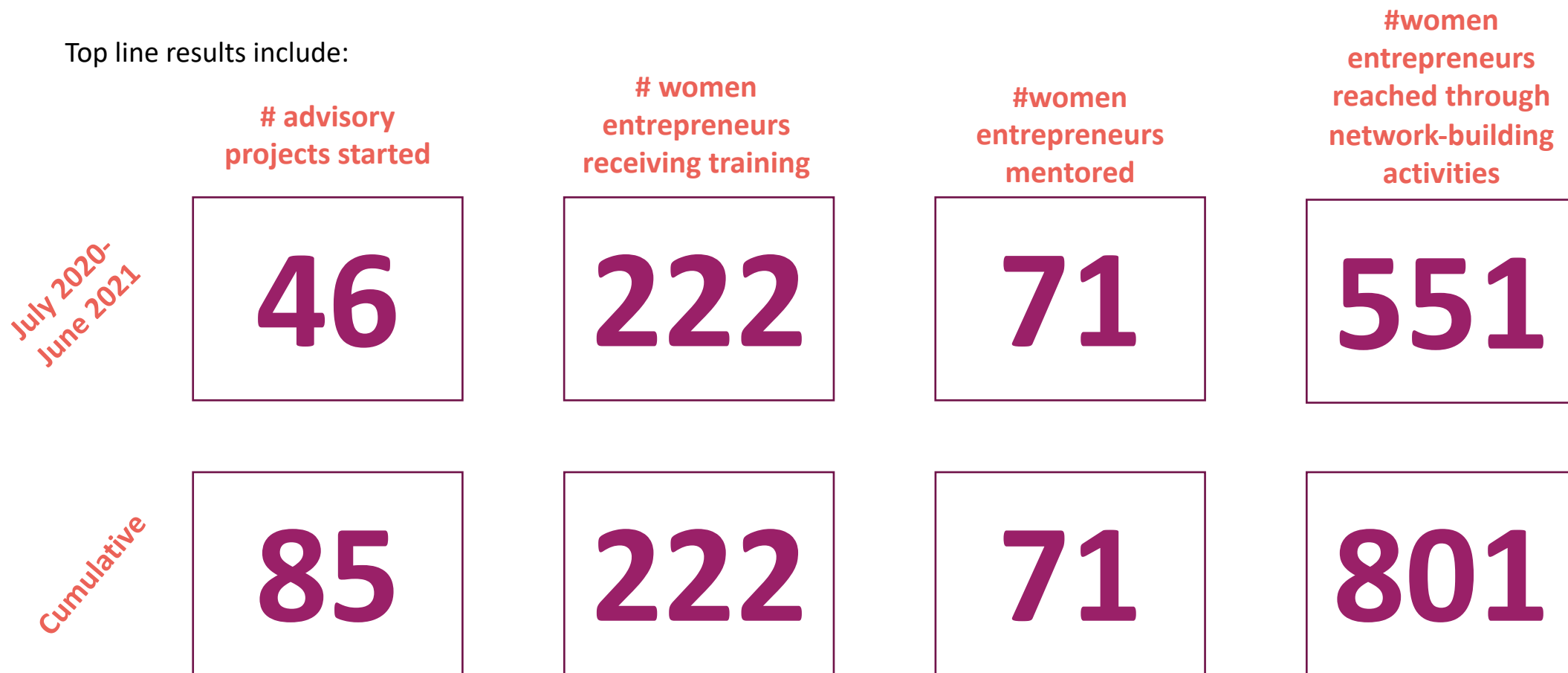
## Network-Building

Larger events that provide women entrepreneurs with the opportunity to become acquainted with other women entrepreneurs in their region/sector, as well as with the program(s) generally.

# Dedicated WSME support: Progress to-date

With the EBRD rapidly adopting a **digital** or (when circumstances allow) **hybrid** approach to delivering know-how solutions, implementation of the know-how components of both We-Fi-funded programmes suffered fewer setbacks in the current reporting period and accelerated compared to Year 1 (for the *Women of the Steppe* programme). A **plurality of WSMEs and women entrepreneurs sought and received support on digitalizing aspects of their businesses** as a means to building resilience to prevailing COVID conditions and improving competitiveness as the digital economy grabs hold in the region.

Top line results include:



# Dedicated WSME support: case studies



## **Advisory:** Teodora Goods LLC, Uzbekistan, *Stepping up for Women*

- Advisory project with **Teodora Goods LLC**, a WSME in Uzbekistan that exports fresh, frozen, and dried vegetables, fruits and nuts.
- The company has faced significant issues managing its supply chain, including as it relates to procuring raw goods from farms/smallholders that meet product standards
- Support involved working with the company to promote their new supply chain platform – ‘Dalatek’ – that digitalises aspects of her supply chain, while also promoting compliance with product standards.



## **Advisory:** PE Zhunusova, Kyrgyz Republic, *Women of the Steppe*

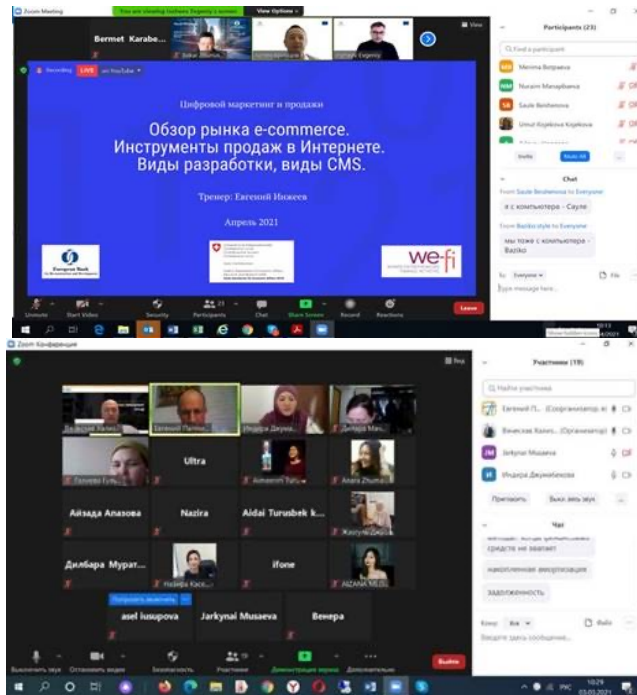
- Advisory project with **PE Zhunusova**, a chain of 21 pharmacies in the remote Naryn Region managed by Yrys Zhunusova.
- Since its founding in 2001, the enterprise recorded all of its sales and stocks manually, which had become increasingly unsustainable as it expands.
- Support involved working with Ms. Zhunusova to digitalise her accounting records, as well as introduce an automated accounting and control system.
- The project has contributed to an increase in the enterprise’s turnover y-o-y, as well as in profitability.



# Dedicated WSME support: case studies

## Training

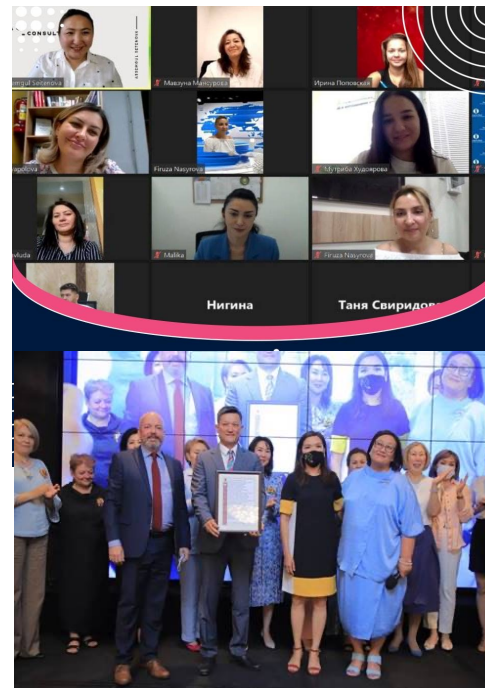
*Going Digital and Financial  
Management*  
Kyrgyz Republic, Uzbekistan



- Online trainings on digital solutions for business and financial management for WSMEs.
- Attended by over 120 women entrepreneurs.

## Mentoring

*Mentoring for women entrepreneurs*  
Tajikistan, Kyrgyz Republic



- Mentoring programmes matching more than 70 women entrepreneur mentees with mentors who provide them guidance on a wide range of business matters.

## Network-building

*Women in Tourism Forum*  
Uzbekistan



- Organised jointly with the Businesswomen's Association (BWA) of Uzbekistan.
- Opportunities for WSMEs in the sector to network as well as learn from sector experts.



# Innovative measures: *Stepping up for Women*

*Stepping up for Women*, approved in **August 2020**, is a COVID-response program that seeks to leverage the economic transformation hastened by the pandemic to address chronic underlying conditions and circumstances that keep WSMEs in the Central Asia region from achieving meaningful scale and sophistication.

The program features two innovative components in this respect:

## Accessing economic opportunities at scale through supply chains

### Outcome-based loans with gender-linked targets

- A blended finance solution in the form of outcome-based loans to primarily local and regional corporates (also referred to as “Aggregators”), tying financial incentives to meeting targets linked to the gender inclusivity of their supply chains.
- Accompanied by technical assistance to borrowers to facilitate their implementation of gender-intelligent supply chain management practices that foster inclusivity and improve resilience.
- Access to know-how activities are also available for WSMEs, helping them improve their capacity to manage the complex requirements of operating within a supply chain

## Improving competitiveness and resilience through digitalization

### Digital-by-design advisory and know-how

- Pilot programme in Uzbekistan that is solely dedicated to providing eligible WSMEs and women entrepreneurs with the tools and capacity they need to (i) build resilience to the ongoing and persistent COVID-linked crises; and (ii) participate fully and competitively in the emerging digital economy.
- Support includes advisory, training, network-building activities, and mentoring initiatives.
- The programme is designed acknowledging that women entrepreneurs, particularly in Uzbekistan, face additional hurdles to leveraging digital solutions than their male counterparts.

# Innovative measures: Outcome-based loans deep dive

## 1 Outcome-based loans to aggregators with interest rebates linked to gender targets for their supply chains



EBRD credit facility proceeds

Interest and principal payments

rebates / milestone payments



Aggregator

Upon meeting pre-agreed milestones related to the gender inclusivity of their supply chains, the aggregator will be eligible to receive a grant-based milestone payment.

With the help of an external consultant, the EBRD is developing a methodology and model for pricing financial incentives to aggregators, with the understanding that aggregators face opportunity and actual costs associated with transitioning to a gender-intelligent supply chain that will be compensated, in part, by the incentives under this programme.

## 2 Technical assistance to aggregators to:

- Set appropriate benchmarks/milestones for the rebate
- Provide support for any internal changes needed to achieve those goals
- Verify successful achievement to trigger rebate

Technical assistance to aggregators to embed inclusive and sustainable procurement and supply chain practices



## 3 ASB services for women-owned SME suppliers

Payment for goods and services

Provision of goods and services



WSME suppliers

Advisory services, training and masterclasses for WSME suppliers to aggregators in key areas like quality management, packaging, marketing and tendering  
Services can be closely tailored to the specific needs of the sector.





# Policy Dialogue

IDA Central Asia

Egypt

Morocco

# Policy dialogue activities under We-Fi-funded programs



# Gender Responsive Investment Climate Assessment (GRICA)

The objective of undertaking a GRICA is to identify legal and policy-related obstacles that WSMEs encounter when starting and operating their businesses, with a particular focus on those operating in the informal sector.

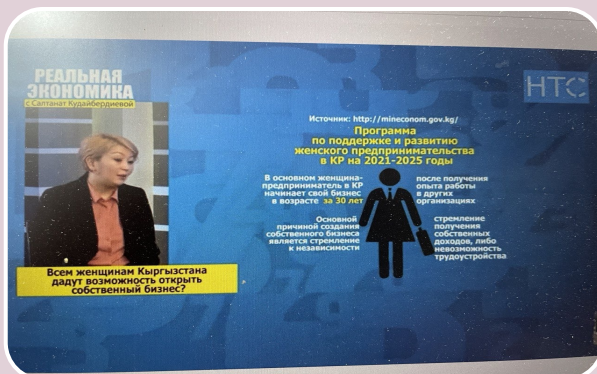
Findings from these incentives are leveraged to help build capacity the strategic actors and policy-makers on gender-responsive investment climate reform.

## Activities undertaken as part of Gender Assessment of Investment Climate

- Inventory of Laws and regulations and Literature review
- Survey of 400 SMEs
- Focus Group Discussions & Key Informant Interviews
- Analysis of Survey data and qualitative data
- Analysis of legal and regulatory framework
- GRICA completed in Kyrgyz Republic and Mongolia
- GRICA Uzbekistan report will be finalized in November 2021



# Case studies of inclusive policy engagement: Kyrgyz Republic



## Driving multi-stakeholder collaboration on women economic empowerment

- (i) Support to the Task Force on women entrepreneurship under the Ministry of Economy and Finance
- (ii) Developed the National Strategy Women Entrepreneurship based on the findings of the GRICA study
- (iii) Cooperation with ILO on eliminating the list of banned occupations for women
- (iv) Participation in the drafting of the National Strategy on Gender Equality jointly with UN Women



## Creating an enabling business environment for reforming the business licensing system

- (i) Reform of the business licensing system
- (ii) Support of the Business Ombudsman
- (iii) Introducing the modern online shopping in public procurement through e-catalogue for low value contracts of interest to local SMEs

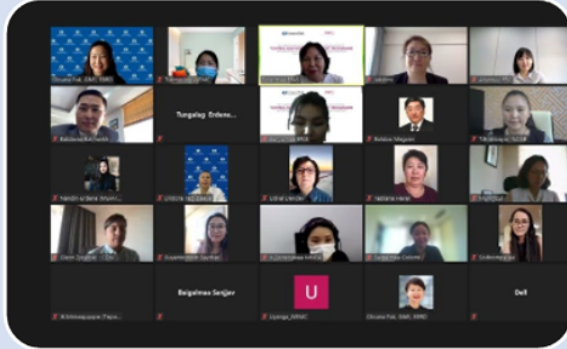


## Promoting gender inclusive finance system

- (i) Participation in the drafting of the National Financial Inclusion Strategy
- (ii) Piloting the client remote identification guidelines for the digital finance system
- (iii) Facilitated the participation of the National Bank of Kyrgyz Republic staff in Cambridge University's Cambridge Centre for Alternative Finance Fintech & Regulatory Innovation



# Case studies of inclusive policy engagement: Mongolia



## Driving multi-stakeholder collaboration on women economic empowerment

- (i) Establishment of the Steering Committee on women entrepreneurship by Resolution of the Prime Minister of Mongolia Oyun-Erdene L. (Chair of the Steering Committee Minister of Labor and Social Protection Mrs. A.Ariunzaya)
- (ii) The 4-year General action plan and working procedure of the Steering Committee were approved
- (ii) The EBRD's "Central Asia Women in Business Programme" project officially launched in Mongolia on a multi-stakeholder policy event on July 6th, 2021.



## Creating gender disaggregated statistics on entrepreneurship

- (i) The Gender Responsive Investment Climate Environment Assessment (GRICA) has been performed.
- (ii) Action plan between the National Statistical Office of Mongolia and the EBRD to improve gender statistics of entrepreneurship in Mongolia
- (iii) Support to the disaggregation of gender statistics of entrepreneurship in Enterprise Census 2021 and Business register database



## Promoting gender inclusive finance system

- (i) Drafting the Action plan between the Bank of Mongolia and the European Bank for Reconstruction and Development to promote gender inclusive finance system in Mongolia



# Case studies of inclusive policy engagement: Tajikistan



## Driving multi-stakeholder collaboration on gender strategy

- (i) Supporting the implementation of the National Strategy for the Advancement of the Role of Women 2021-2030
- (ii) Building the gendered public private dialogue – Working Group on women entrepreneurship under the State Committee on Investment and State Property Management



## Promoting gender inclusive finance and sex-disaggregated data collection

- (i) Co-operation with the National Bank of Tajikistan (NBT) jointly with AFI on building the system for the collection and analysis of SME supply side sex disaggregated data (SDD) and promoting gender diversity in banking sector
- (ii) Action Plan signed with the National Statistics Agency under the President Office on the SDD SME supply data
- (iii) Peer review of the draft National Financial Inclusion Strategy



## Creating an enabling business environment for women entrepreneurship

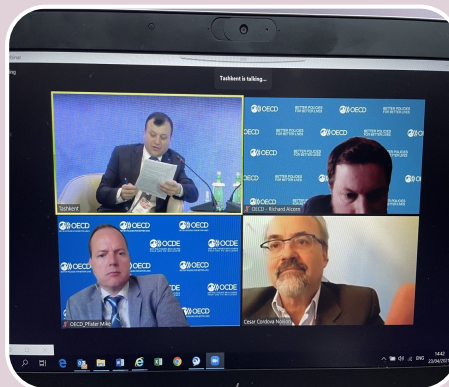
- (I) Supporting the revision of the Tax Code
- (II) E-procurement system development
- (III) Peer review of the draft Private Sector Development Strategy

# Case studies of inclusive policy engagement: **Uzbekistan**



## Driving multi-stakeholder collaboration on gender strategy

- (i) Signed MoU with the National Commission on Gender Equality under the Parliament of Uzbekistan
- (ii) Established Advisory Council for the Development of Women Entrepreneurship
- (iii) Creating women entrepreneurship ecosystem and introducing gender dimension in economic policies formulation



## Shaping a conducive legal and regulatory environment

- (i) Cooperation with the Ministry of Justice on Gender-Responsive Regulatory Impact Assessment (GR-RIA) including setting up an e-learning platform
- (ii) Introduction of the unified definition of women-led SMEs in the draft new Entrepreneurship Code through multi-stakeholders engagements.



## Reforming financial regulation and sex-disaggregated data collection

- (i) Action Plan signed with the Central Bank of the Republic of Uzbekistan (2021-23) on gender-inclusive finance and gender-KPIs in the financial sector
- (ii) Peer review of the National Financial inclusion Strategy of the Republic of Uzbekistan



## Leading capacity-building and knowledge-sharing

- (i) Central Asia Women in Business Regional Webinar on International Women Entrepreneurship Day
- (II) WWB L&D training of the financial regulator
- (III) Partnerships with international organizations (UN agencies, USAID, WBG, AFI, WWB, FAW, Data2X)

# Case studies of inclusive policy engagement: Morocco and Egypt

The bank has recently entered into policy dialogue with both Bank Al-Maghrib (the central bank of Morocco) and the Central Bank of Egypt.



- Designing an inclusive and comprehensive policy framework to facilitate financial inclusion of rural women.
- Engaged external consultants to help us with this work.
- Begun to carry out a diagnostic study to identify obstacles rural women face in accessing finance.



- Helping the CBE to build a financial system that is inclusive for all.
- Provided “Women in Leadership” training for 30 female CBE employees.
- This training was spread over 5 weeks, highlighting importance of inclusive workplace and strengthening their leadership competencies.



# Case studies of inclusive policy engagement

International business forum "Economic empowerment of women in Central Asia and Afghanistan on the path of sustainable development, June 2021

