

Women Entrepreneurs Finance Initiative (We-Fi)

**THEMATIC FUNDING REQUEST
ON A PROPOSED FINANCING
IN THE AMOUNT OF {6,130,319 USD}
TO THE**

{ISLAMIC DEVELOPMENT BANK}

FOR

{WOMEN IN SANITATION ENTERPRISES PROJECT - *WISE*}

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I. EXECUTIVE SUMMARY:

The 4-year USD 6.13 million investment in 'Women in Sanitation Enterprises' project (hereafter referred to as WISE) aims to support women entrepreneurs in Bangladesh to better engage in the sanitation value chain. Bangladesh is a hub of sanitation experimentation and model-building. Internationally recognized as the place where Community-Led Total Sanitation (CLTS) first succeeded in eliminating open defecation (OD) from whole villages along with commendable progress in near achievement of universal access to basic water supply Bangladesh stands at a unique point in time that could prove to be the next revolution in sanitation.

There is a significant scope of economic activity within the water, sanitation and hygiene (WASH) sector. The Sanitation Economy is estimated to be a multi-billion dollar a year marketplace with the potential to unlock 3.8 trillion liters of new resources. In addition to the economic returns generated by the WASH sector the social and environmental returns cannot be underestimated. The WASH sector has an important role in maintaining public health, including controlling the spread of disease like COVID-19, as well as environmental sustainability and economic prosperity.

Bangladesh is one of the most rapidly growing economies in the World. During 2017-2020, Bangladesh's real GDP growth rate was, on average, 6.8% per annum through sharply decelerated from 8.1% in 2019 due to COVID-19. It stands out as an emerging economy that is amiable to development aspirations. Based on the country's achievements in WASH, market potential and multi-folded benefit the sector has to broader economic development outcomes increased attention is being placed on the private sector for advancing the sector.

Women's involvement in the WASH sector has multiple effects, such as increasing equity by creating economic opportunity, bringing value chain efficiency, addressing diverse needs through increasing equal participation in decision making processes, and increasing product uptake.¹ Women and girls in Bangladesh bear 90 percent of the responsibility of WASH activities and services. As the primary users, providers and managers of water and sanitation needs in their households as well as community, women are a critical component of the sanitation supply chain. Although their unique role and relationship to WASH make women legitimate and significant stakeholders in the WASH economy the majority of WASH businesses are dominated by men, women owned and led enterprises (WSMEs) represent only 10% share in the sanitation market. In general, WSMEs tend to be smaller and mainly in low productivity, low-technology and low growth sectors, which lead to lower productivity and profits. Given the highly feminized and often poorly compensated engagement of women in the WASH economy and the potential economic return to be generated, promoting women entrepreneurship in the WASH economy could be an important platform for supporting women's entrepreneurship.

The project will help to improve WSMEs engagement in the WASH economy by helping to create an enabling and supportive environment. It will transform women engaged in (i) low skilled WASH activities into productive businesses and support (ii) existing WSMEs who are engaged within the WASH economy to expand and grow their businesses.

Through the support of the Women Entrepreneurs Finance Initiative (We-Fi), the proposed project will address:

1. Limited access to financing in sanitation business for women

¹ USAID Transform WASH: Women as Business Leaders-earning Note, September 2020.

2. Limited access to business skills, knowledge and tools/digital financing
3. Lack of enabling policies and environment

To address the COVID-19 response and build back better of WSMEs, the project shall provide financial support/grants to 250 very small, small, and medium women owned and led enterprises (WVSE/WSME) who are actively engaged in sanitation related businesses in 15 Municipalities across the country. In addition, 500 WSMEs will be strengthened through different capacity building activities covering business training, digital finance, networking, skills development and job opportunity creations support shall be extended to provide indirect benefit to approximately 2,000 beneficiaries including youth and adolescent girls.

The proposed WISE project will work in collaboration with on-going IsDB funded projects including:

- i. The **Inclusive and Integrated Sanitation and Hygiene project in 10 priority Towns in Bangladesh (BGD1066)** was approved in September 2021 for an amount of USD 66million. Under its capacity building component, it targets 33% coverage for WSMEs for which about USD 1.55 million will provide leverage to the Wi-Fi WISE project
- iii. The **Line to Finance (LoF) to Support SMEs Project in Bangladesh** under the “Restore” track of the IsDB Strategic Preparedness and Response Package (SPRP) Program for COVID-19, approved in December 2020 for the amount of USD 47 million stimulus package to support the Government of Bangladesh to restore the businesses affected by COVID-19 pandemic. The project which is implemented by Bangladesh Bank will leverage about USD 9.4 million to the WISE project in line with its target to reach at least 20% WSMEs of 378 SMEs under the project. Under this project, the Bangladesh Bank will charge a minimal fee from commercial local banks, and these banks will provide line of finance to WSMEs at very concessional rates in line with the existing government’s COVID-19 stimulus package. The **Urban Water Supply and Sanitation in 23 Pourashavas Project** in Bangladesh is funded by IsDB for the amount of USD 89.3 million. This project became effective in October 2019 and would provide further opportunities for WSMEs in sanitation sector. The WISE project would leverage resources from this project including capacity building and investments in public toilets etc.

We-Fi resources would allow the Bank to leverage the resources of these projects to significantly expand targeted support to promote the growth and resilience of WSMEs engaged in the sanitation economy and impacted by the pandemic thereby contributing to improving the overall landscape promoting better policies, financial services and support for WSMEs across the country.

The table below provides details on the targeted 500 WSMEs and the financial support to be directly provided and leveraged from on-going projects. The project will support two levels of entrepreneurs, the very small and the small and medium as per the IFC definitions.

1. Beneficiaries to Receive Grants, Loans and capacity building

We-Fi Definition	Number of workers	Number of SMEs
VSEs	5 to 10	100
SME	10 to 300	150

2. Beneficiaries to Receive Capacity Building Only

We-Fi Definition	Number of workers	Additional number of SMEs
VSEs	5 to 10	200
SME	10 to 300	50
TOTAL		250
Total Target WSMEs		500

IsDB as the Implementing partner would support the Department of Public Health Engineering, Government of Bangladesh (DPHE) as the implementing agency to implement the project within a period of 4 years from 2022 to 2026. The WISE project would follow IsDB implementation/procurement guidelines as applicable.

II. WE-FI THEMATIC REQUEST – DATA SHEET

BASIC INFORMATION

IP Name	Islamic Development Bank
Program/Project Name:	Women in Sanitation Enterprises Project (WISE)
COVID Sub-Thematic Focus Area (s)	Leveraging Finance & Data
Name of Top-up ² (i.e., original project name):	N/A
# of WSMEs benefiting from the program	500
Regions	South Asia
Countries	Bangladesh
Private Sector, Public Sector or Both	Public and Private
Implementation Start Date	01 August 2022
Commitment End Date	30 August 2026
Supervision End Date	30 August 2027
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WE-FI FUNDING REQUEST

² Refer to guidance note for the definition of a top-up.

USD	Total	Year 1	Year 2	Year 3	Year 4	% IDA ³ Estimate	% FCS ⁴ Estimate	Total IDA & FCS% Estimate ⁵
Total requested from We-Fi	6,130,319	1,226,064	1,839,096	1,839,096	1,226,064	100		100

TOTAL PROGRAM COST & LEVERAGE⁶:

Sources of Financing		Amount (do not round)
We-Fi financing requested	(A)	6,130,319
IP Contribution [1]	(B)	12,700,000
Public-sector contributions [2]	(C)	1,232,500
Private sector financing directly mobilized [3]	(D)	2,140,000
Additional funds mobilized [<i>specify</i>] ⁷	(E)	
Total Non-We-Fi Mobilized Funds	(F)= (B+C+D+E)	16,072,500
Total Activity Size	(G)= (F+A)	22,202,819
Of which % IDA and % FCS	(IDA+FCS / G)	100% IDA
Leverage	(F/A)	2.62

³ Including [IDA Blend but not IDA Gap or Transition](#)

⁴ [WBG Harmonized List of Fragile Situations](#)

⁵ Please ensure that IDA and FCS figures are not double counted in for the Total IDA and FCS %

⁶ See Attachment 1 for definitions and guidance on this table

⁷ *Inter alia*, parallel funding arrangements should be captured here.

WOMEN IN SANITATION ENTERPRISES PROJECT

WISE

WE-FI FUNDING PROPOSAL

III. PROGRAM/PROJECT DESCRIPTION

- A. Objectives:** Water, sanitation and health (WASH) services are recognized as basic human rights and essential for social and economic development. Clean drinking water, improved sanitation and good hygiene practices are life-sustaining and play an important role in maintaining public health and cannot be underestimated in controlling the spread of COVID-19 and other water borne diseases and in maintaining good hygiene practices. WASH is particularly essential for women as it helps them meet their biological hygiene and reproductive health needs and as the primary users, providers and managers of water and sanitation needs in households and communities having access to WASH services can help to increase women's security and gives them more time to engage in productive and income generating activities.

Resources and data show that sanitation alone can create new economic value. The Sanitation Economy has the potential to unlock 3.8 trillion liters of new resources from toilets and sanitation systems estimated to be a multi-billion dollar a year marketplace. A 2020 Sanitation Market analysis conducted by UNCIEF indicates that in Bangladesh the pour-flush toilet market alone is worth more than US\$1.8 billion. Although women have a unique role and relationship in the WASH economy as the primary users, providers and managers of water and sanitation needs in their households as well as community level sources of the SME foundation of Bangladesh show that women owned and led sanitation enterprises only have a 10% share in the sanitation market.

Women owned and led small and medium enterprises (WSMEs) face specific gendered challenges to start-up, maintain, and grow businesses in the sanitation economy. Women face mobility restrictions that limit their ability to travel to markets and engage in business activities and have access to networks. Discriminatory lending rules and regulations, also prevent women from having access to relevant business development services and finance that meet their needs to create, expand or scale up their businesses.

The project aims to support institutional strengthening, reducing equity gap in sanitation entrepreneurship between men and women in terms of access to finance and investment, help WSMEs integrate digital finance in their businesses, develop their leadership abilities, and increase WSMEs access to markets and networks to strengthen their engagement in the sanitation value chain. To help create an enabling environment for women to engage in entrepreneurial activities in the sanitation value chain the project will also address policy reforms in the areas of business deregulation, data collection, and strengthen institutional capacity in both the public and private sector to support for WSMEs. Specific attention will be given to helping women entrepreneurs navigate the economic turbulence generated by the COVID-19 pandemic linking them to stimulus and economic support packages supporting entrepreneurs and also

helping them to identify new business opportunities and fill gaps and disruptions in the sanitation market that have risen as a result of the pandemic.

The proposal builds upon the current initiatives that the IsDB is providing to the Government of Bangladesh to improve its sanitation and hygiene systems and to support vulnerable SMEs adversely affected by the COVID-19 pandemic. We-Fi funding will help to link these initiatives and provide targeted support to women entrepreneurs engaged in sanitation enterprises.

We-Fi resources would enable the Bank to provide targeted support to women owned and led entrepreneurs in the sanitation value chain. Financing and capacity development support will be provided to compliment the on-going operations in Bangladesh to support the WASH sector in the country. Capacity Development will be provided to WSMEs to help them access the lines of financing made available to support SMEs as part of the Bank's COVID-19 support to the country. In addition, We-Fi funding will enable the Bank to develop digital financing platform and help project beneficiaries to have increased access to digital financing. The funding will also help in generating data, knowledge and policy reforms to assess and address structural barriers to improve the ecosystem promoting better policies, financial services and support for women owned and led entrepreneurs across the country and in the sanitation sector specifically. Furthermore, social norms and perspective particularly related to women's compensation in providing and managing WASH services as well as the multiplier human development benefit and broader economic growth of the sanitation economy.

B. Country/Regional/Global Context:

Bangladesh has made significant progress in improving sanitation coverage in the last decade and a half. The country has emerged as a global reference point in experimenting with and implementing innovative approaches to sanitation.⁸¹ SMEs have played a crucial role not only in helping the country to achieve its Open Defecation Free status but also in developing Bangladesh's economy, particularly in the area of employment generation. SMEs contribute 25% to the GDP and have created employment for 7.8 million people directly and provided livelihood support for 31.2 million people but have the potential to contribute more while if it can recover the economic threats posed by Covid-19 pandemic.

The important role of private SMEs in the sanitation sector has been properly acknowledged by the Government of Bangladesh. However, due to lack of enabling policy environment & regulation, limited access to financing and capacity building supports, the sanitation businesses operated by private SMEs in Bangladesh have not been expanded to its potential. A 2013 BBS study showed that the per capita assets of SMEs in the sanitation business ranged from USD 5,800 to USD 117,000 in the case of small enterprises and USD 117,000 to USD 1,170,000 for medium enterprises, respectively.

WASH businesses mainly centre around the provision of services or as producers. Businesses include distribution of household water treatment products, localized bottled water production, retail shops with sanitation products, building and selling latrines, handwashing basins and

¹ Making sanitation marketing work: The Bangladesh story, published by WSP. <https://www.wsp.org/sites/wsp/files/publications/WSP-Sanitation-Marketing-Bangladesh-Story.pdf>

bathing chambers. Businesses also include management of public toilet which is another arena of WASH related business.

Though women in Bangladesh have progressed notably in terms of their participation in the labor force they remain a minority as owners in the SME space. In Bangladesh, women's ownership of formal small and medium-sized enterprises is low, at around 20%. Bangladeshi women face gender and social barriers that prevent them from growing in the entrepreneurial space of all SMEs. The majority of women enterprises are micro in size, based in rural areas and related to female labor-intensive work such as (i.e. sanitation, beauty parlor, tailoring), and most women business-owners struggle to transition away from informal micro-scale businesses, in part due to limited access to finance and lower business capacity of women entrepreneurs. As per a 2018 Asia Foundation study, women received a mere 3.5% of total loans in 2009.⁹ Social customs prevent women from putting collateral in their own name and often require women to have a male guarantor, impeding their access to credit/formal finance. A recent study by the BRAC Institute of Governance and Development (BIGD) finds that during the COVID 19 Pandemic, majority of small enterprises had to shut down, and during the early period of recovery, one-third of the enterprises were operating at limited capacity. Demand drop and the burden of fixed costs to run the businesses were the prominent reasons behind the drastic fall in profit. As a result, workers were losing jobs and the gender gap was widening.

Bangladesh Economic Survey data shows that in 2013 a total of 2,673 WASH and sanitation value chain related SMEs existed in the country which has now grown up to around 4,000 WASH SMEs as per the informal sources of the SME foundation of Bangladesh. Women in Bangladesh are mostly engaged in the retail shop with sanitation products, building and sales latrines, hand washing and women's bathing chamber, selling nutrition products, and public toilet management business among others. They are mostly small businesses with less than 10 employees which is the national definition of Micro enterprises. The percentage of WSMEs as per the national economic survey is estimated at 79% Micro, 20% Small and 1% Medium sized enterprises.

Through efforts to expand the WASH sector women are considered an essential stakeholder due to their role and responsibilities to provide WASH services for the home, but also for sustainability and advancement using women's ability to address sensitive issues related to WASH to drive uptake and increase demand from consumers.

C. Thematic Context:

The project will focus on We-Fi sub theme 1 - **Leveraging Finance & Data to drive the systemic changes needed to support WSMEs to build back better from the COVID crisis**. This sub theme put particular emphasis on the activities that would promote the systematic collection and use of sex-disaggregated data on SME finance, eliminating a key bottleneck to expanding WSMEs access to finance. Women face multiple barriers that impact their business opportunities, profit margins, customer base, scale of operations, etc. preventing them from benefitting from entrepreneurial activities in the WASH sector as expected. Adequate data will significantly contribute in the robust planning and resource allocation to support WSMEs. Second are activities that would more directly expand financing for WSMEs through financial intermediaries, using blended finance,

⁹ Emerging lessons on women's entrepreneurship in Asia and Pacific, Asian Development Bank, <https://www.adb.org/sites/default/files/publication/459551/women-entrepreneurship-lessons-asia-pacific.pdf>

capacity building and incentives. In both areas, research, policy and data elements shall be included.

The programme provision will create opportunities of connecting the WSMEs with the public institutions on SME financing, financial institutions, private sector off-takers, and having private sector entities to provide the collateral, banks require for lending will be explored where possible. These arrangements will increase the scope of the program to support the targeted WSMEs in a sustainable manner through creating the enabling environment. The WISE project will explore how market-based approaches can create lasting economic empowerment for women through a twin track approach of mainstreaming and targeted activities. Rather than focusing on women as a vulnerable population in need of WASH services, it will take a broader view and strives to engage women as agents of change within the WASH market system by promoting inclusiveness of women at all levels of the sanitation value chain. Furthermore, through directly engaging with women in the sanitation businesses, programs would be able to influence popular perception of acceptable roles for men and women in the workforce. Women may be engaged in everything from order management and customer financing through latrine production and installation as well as pit desludging services.

D. Program Description

i. Key Components:

The WISE Program mainly focuses on expanding the business latitudes of 500 women owned and led very small, small and medium sanitation related enterprises in 15 Municipalities across the country through five main components as detailed below:

1. Increasing WSMEs access to Finance: Through this component financial support will be provided to WSMEs to help them to improve their sales as well as create further business opportunities along WASH and sanitation value chain. Activities will also help to generate information and data on value creation, business opportunities as well as the economic and social benefits of investing in sanitation enterprises. Total budget for the activities under this component is US\$15,890,000 out of which US\$4,350,000 is proposed We-Fi budget and an expected US\$11,540,000 from mobilized funding.

a. The We-Fi grant support shall be utilized to provide direct financing to 250 WSMEs to expand their business as well as increase their assets to run the business. A revolving fund shall be created to provide financing for new innovative sanitation tools and technologies and/or new business ideas in sanitation value chain related to products diversifications etc. by the targeted WSMEs. The financial institutions working with the WSMEs and beyond will be engaged to serve as the custodians of the grants. The WSMEs will be selected by a committee comprising of Ministry of Finance, Ministry of Industries, Ministry of Women Affairs, Bangladesh Bank and DPHE as per terms of reference cleared by IsDB. Financial support will be provided as follows and funds will be required to be directly utilized to support for the business activities of the women entrepreneurs:

- i. 100 Women VSEs will receive an average of US\$10,000 grant each, totaling US\$1,000,000
- ii. 80 SMEs will be supported with soft loans of US\$40,000 each amounting to US\$3,200,000 which will attract additional investment of US\$2,140,000 from counterpart contributions for the loans

- iii. 70 WSMEs will be supported with financing under the Support to SME Project under the IsDB COVID Restore Program (BGD1074) leveraging the US\$9,400,000 of Line of Finance allocation under the project.

b. Digital financial platform linkages and development:

The project will undertake efforts to help WASH businesses utilize existing digital platforms. There are existing digital finance platforms such as bKash, DBBL (Rocket), Upay (UCBL) etc. which the project will support in increasing their accessibility to WSMEs. However, the baseline survey will identify relevant digital platforms and assess the ways of making them accessible to WSMEs. It is necessary to make digital platforms accessible to WSMEs mainly to expand their businesses by demand generation, to make transactions easy and transparent, to have updated information and knowledge on WASH businesses and new financing opportunities.

This digital financial platform will include online and mobile banking support and relevant knowledge products to potential WSMEs. In addition, a mobile application will be developed under this platform and will equip the WSMEs with relevant information and connect them with relevant business and financing institutions. The WSMEs can get engaged with different Commercial Banks/Financial Institutions/SME foundation etc., connect with government / non-government and private institutions for incentives etc. This digital financial platform will also connect the WSMEs with different capacity-building programs, different training programs and will provide information on WASH and sanitation business.

This is expected that the WSMEs will integrate digital finance in their businesses, better develop their leadership abilities, and increase access to markets and networks to strengthen their engagement in the sanitation value chain. The planned one-stop digital center in the municipality premises is necessary to provide all the financial products-related information from one place to the WSMEs.

A preliminary assessment revealed two major bottlenecks in making digital finance platforms accessible for WSMEs:

- Most of the WSMEs don't know how to use the digital finance platforms for providing sanitation services, expanding their business (mainly through demand generation), and payment for services.
- The existing digital finance platform service providers may not be aware that their platforms can be used by WSMEs in the sanitation sector. As such existing platforms may not have online features that can support WASH businesses

The project will address both issues by building the capacity of WSMEs on digital financing to the WSMEs and by advocating for the inclusion of WASH digital financing.

- c. **Engagement with financial services providers (institutional arrangements, capacity development, etc.):** Relevant knowledge and capacity building support shall be provided to the WSMEs to access various available benefits from the financial service

providers. A knowledge repository website shall be established where WSMEs can access any available information regarding products, market or loan support. Risk profiles will also be reviewed and updated to improve how financial institutions assess Sanitation Economy business models to include new evidence of value creation, business opportunities as well as the economic and social benefits of investing in sanitation enterprises.

2. **Creating Enabling Environment for women businesses:** This component will focus on addressing the regulatory and socio-cultural factors that serve as barriers for WSMEs in sanitation at the micro, meso and macro levels. This will help to create a supportive environment for WSMEs to facilitate and improve the entrepreneurial ecosystem to be more relevant and responsive to the needs of women entrepreneurs. Total budget for the activities under this component is US\$880,000 out of which US\$330,000 to be funded by We-Fi funding and remaining US\$550,000 will be value of estimated contribution from other partners and DPHE.
 - a. **Data collection** on constraints /strengthening and policy influencing: A sanitation business hub targeting women shall be established at DPHE to provide all relevant information to support women engaged in sanitation businesses at national level.
 - b. **Gender responsive monitoring indicators** shall be developed which will be aligned with the Integrated Management Information System (IMIS) and Sex Age Disability Disaggregated Data (SADDD) guidelines of the country.
 - c. **Advocacy:** This component will focus to identify the institutional and policy barriers and conduct lobby advocacy (meeting, dialogue) with financial authorities to remove the barriers (with Bangladesh Bank, Micro Regulatory Authority, DPHE, SME Foundation, Local government, PKSf etc.). The project will also strengthen evidence based on WSMEs' needs, constraints & building finance and market linkages.
 - d. **Policy Reform:** A consultancy firm will be hired to undertake an assessment of the existing policies and legal frameworks that prevent women in starting and running a business and identify appropriate measures which will help increase women's participation in business and greater access to financial resources. The findings will be disseminated to policy makers at both national and local levels to galvanize support and action to address the issues highlighted by the assessment. Advocacy and other interventions will be conducted by the project as proactive measures to address the problems identified through the assessment.
3. **Improved Business Practices:** This component will strengthen the capacity of 500 WSMEs to improve their productivity and business skills, with the aim of increasing their profits, improving business connections and engagement in the larger supply chains. Total budget for the activities under this component is US\$ 2,300,000 out of which US\$550,000 is proposed under We-Fi funding and an expected US\$1,750,00 will be covered by DPHE 23 town projects and additional funding from other sources.
 - a. **Capacity Building of WSMEs:** A baseline survey and capacity needs assessment will be conducted of the WSMEs to identify the capacity gaps and possible potentiality of WSMEs. Activities of this component include but are not limited to: (i) targeted training, coaching, and mentoring, including exchange visits and short-term incubation in more mature sanitation and WASH; (ii) provision of training and facilitation of the preparation of sound business plans and/or certification; (iii) WSMEs engaged in trade and retail will receive training and advisory support in

business development and social capacity development, partnership development, networking etc. Capacity development activities will be provided for all 500 SMEs and relevant institutions at National and local levels as per terms of reference developed by the PMU consultant and cleared by IsDB. In addition, this activity will compliment and leverage additional funds from IsDB related projects. This activity will provide complimentary support to funding opportunities helping to develop the capacity and skills of women entrepreneurs to improve their access to available funding resources under IsDB financing and among other opportunities.

- b. **Leadership training:** Women Entrepreneurs at Upazila (sub-district) and district level will be provided with leadership training to enhance their negotiation skill with different financial associations.
- c. **Digital transformation and market linkage:** This component will focus on strengthening business linkages and developing internal networks. The project will also help strengthen the resiliency of the WASH and sanitation value chain and mitigate disruptions in the supply chain. It will also ensure uninterrupted access to markets in times of crisis, especially in addressing the effects of COVID-19 crisis for WSMEs. Various knowledge products shall be developed to disseminate information on digital transformation and market linkages, supporting existing women entrepreneurs to scale up their businesses and to become financially sustainable whilst diversifying their product and searching for entry points to respond to sanitation gaps.

4. Increasing WSMEs access to markets: This component will help to enhance WVSE and WSMEs access to markets to increase their productivity and market linkages to help them expand and grow their businesses and increase their productivity and income. Total budget for the activities under this component is US\$ 2,382,500 out of which US\$150,000 is proposed under We-Fi funding and an expected US\$2,232,500 from funding to be mobilized from DPHE and other donors.

- a. **Networking:** Value chain will be developed at different levels to interconnect WSMEs & foster backward forward linkages within national and regional networks and platforms. Match-making fair will be organized for WSMEs with the participations of the financial institutions, private bodies or banks and exposure visits to larger companies or horizontal learning sharing in between the WSMEs and their factories and visit can be promoted to neighbouring countries on how WSMEs are thriving in the sanitation businesses.
- b. **Supply Chain:** Initiative shall be taken to improve leadership skills and a more inclusive supply chains both upstream and downstream with the participation of the WSMEs in sanitation business. Steps shall be taken to address non-financial challenges through the support of the municipalities and other key stakeholders. Mobilizing more flexible and supportive procurement processes to help bridge the gap between women business owners and large-scale companies through organizing inception and introductory meeting, getting them acquainted with match-making fair etc. as well as encouraging firms to enhance the participation of WSMEs. Support will also be provided to help WSMEs create downstream networks with supplier of raw materials, etc.
- c. **Market Analysis to identify the demand and create supply linkages:** The project will perform a comprehensive market analysis throughout the entire sanitation value chain and will identify business opportunities for WSMEs. The analysis will also

identify specific bottlenecks that impede the expansion of sanitation business and will recommend viable and equitable service expansion strategies including business models. This activity will support WSMEs to assess demand and supply linkages as well as to have access to financial resources (grants, loans, equity funds etc..) from financial institutions.

ii. **Strategic Partnerships¹⁰:** The WISE project shall work in strategic partnership with number of public and private institutions described below with whom DPHE already have different levels of engagement:

1. **PKSF:** Palli Karma-Sahayak Foundation (PKSF), an apex development organisation, was established by the Government of Bangladesh (GoB) in May 1990, for sustainable poverty reduction through employment generation. The principal objective of PKSF is **to provide funds to various organizations for their microcredit programme** with a view to helping the poor who have no land or any credible material possession. Funds enable them to gain access to resources that lead to employment opportunities and enhancement of their livelihood. The project will closely work with PKSF in mobilization of financial resources that would support the sanitation businesses.
2. **SME Foundation:** The Small & Medium Enterprise Foundation, widely known as SME Foundation, is a company limited by guarantee and licensed by the Ministry of Commerce as a not-for-profit organization and registered under the Companies Act (Act XXVIII) of 1994. It is running under the guideline as stated in the Memorandum and Articles of Association. SME Foundation is established by the Government of Bangladesh through Ministry of Industries as an apex institution for SME development in the country. The major activities of SME Foundation are implementation of SME Policy Strategies adopted by the Bangladesh Government, policy advocacy and intervention for the growth of SMEs, facilitating financial supports for SMEs, providing skill development and capacity building training, facilitating adaptation with appropriate technologies and access to ICT, providing business support services, etc. Besides the general supports to the development of SMEs and entrepreneurs the Foundation is providing diversified supports to the existing and potential women entrepreneurs to position them into the mainstream business community. The project will mainly work with SME foundation on policy advocacy, awareness raising and capacity development activities.
3. **Municipality Authority:** Roles and functions of Municipality are significant to **make the benefits of urbanization available to its citizens**. Therefore, the issue of strengthening and empowering Municipality is vital. In Bangladesh, the need for administrative decentralization is necessary to achieve good governance. The project will coordinate and work together with municipality authorities to ensure the targeted WSMEs will have access to the institutional services and financial resources provided by the municipalities.
4. **Bill and Melinda Gates Foundation (BMGF):** Bill and Melinda Gates Foundation is a charity foundation based in the US. The Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty. The Foundation has already supported several Sanitation and FSM projects in Bangladesh (Khulna, Kushtia, Jhenaidah and Faridpur) and has been providing support to DPHE in the areas of urban sanitation including sanitation innovations (both technologies and

¹⁰ Strategic partnerships are those which demonstrate potential to be transformational or scale impact, contribute a material level of We-Fi resources across the strategic partners, and are formed (or near formation).

approaches). The organization is also a founding contributor in establishing the Lives and Livelihoods Fund (LLF) of the IsDB which pools grant resources from donors to provide concessional financing resources with ordinary (market-based) lending capital from the Islamic Development Bank, for essential development projects in low-income member countries. BMGF has supported IsDB and DPHE to develop the LLF Sanitation Project in 10 towns in Bangladesh. The WISE project will coordinate with BMGF in fund leveraging, capacity building, advocacy & dissemination, institutional reforms, and networking so that the WSMEs can expand their sanitation businesses. In addition, BMGF has a plan to introduce and pilot several new and innovative sanitation technologies through private-public partnership models, in which WSMEs can be actively engaged in demand generation including operation and maintenance (O&M) of those technologies. For this, specialized capacity development activities will be done to build capacity of WSMEs on demand generation and O&M.

5. **Dutch Bangla Bank Bangladesh:** Dutch-Bangla Bank started operation in Bangladesh as the first joint venture bank. From the onset, the focus of the bank has been financing high-growth manufacturing industries in Bangladesh. The rationale being that the manufacturing sector exports Bangladeshi products worldwide. Thereby financing and concentrating on this sector allows Bangladesh to achieve the desired growth. Dutch Bangla Bank other focus is Corporate Social Responsibility (CSR). Even though CSR is now a cliché, Dutch Bangla Bank is the pioneer in this sector and termed the contribution simply as 'social responsibility'. Due to its investment in this sector, Dutch Bangla Bank has become one of the largest donors and the largest bank donor in Bangladesh. The project will work together with the Bank to fund for the growth of sanitation WSMEs through their CSR funding and other funding channels.
6. **Unilever Bangladesh:** Unilever Bangladesh Limited is a consumer goods company based in Dhaka, Bangladesh and founded in 1964, engaged in the manufacture and distribution of home care products, personal care products, and foods. It is a joint venture of the Government of Bangladesh and Unilever. Unilever is one of the world's largest consumer goods companies actively working in Bangladesh. Unilever is known for great brands, a global footprint and in doing business the right way. The project will seek support from Unilever Bangladesh to support WSMEs in innovative business planning, marketing, and business expansion.
7. **Kimberly-Clark:** Kimberly-Clark Corporation is an American multinational personal care corporation that produces mostly paper-based consumer products. The company manufactures sanitary paper products and surgical & medical instruments. They have worked in Bangladesh on several sanitation related projects with various organizations. The project will coordinate with them to learn from their sanitation business ideas and replicate in the WISE project.
8. Where possible synergies will be made with existing programs supporting WSMEs particularly those providing capacity development support on business skills and increasing access to markets through networking platforms mainly related to components 3(Improved Business Practices) and 4(Increasing Access to Markets). This will allow increased focused on technical skilling support for WSMEs and identification and integration of water and sanitation corporations into existing networking initiatives for WSMEs.

iii. **Blended Finance & Results Based Mechanisms (RBMs):**

Blended Finance: The WISE project is a blended finance project which pulls together different modes and sources of finance in order to create synergy and maximize project objectives. To achieve this, the We-Fi grant of USD 6.13 million will be blended with a total of USD 16million comprising of USD 9.4 million ordinary financing from on-going LoF Project (BGD1074); USD 1.55 million of blended finance (65% ordinary financing and 35% LLF grant) under the LLF 10 Towns Project (BGD1066); USD1.23 million will be counterpart contribution from government of Bangladesh; USD1.7 million will be contributed from other partners such as BMGF & others and the sum of USD 2.14 million is estimated for matching grants (say 10%) from benefitting WSMES.

Specifically, key components of the project that will be blended include:

- **Access to Finance:** USD 4.2 million grant from WeFi funds will be blended with the sum of USD 9.4 million ordinary financing from Line of finance for SMEs in Bangladesh Project (LoF project) to provide a line of finance to 150 WSMES as well USD 2.14 million will be counterpart contribution from all the benefitting WSMES and VSEs. The DPHE will manage the WeFi funds while Bangladesh Bank will manage the LoF project funds. Both will work together to mobilize and provide finance to WSMES through the participating commercial banks.
- **Capacity Building:** USD 550,000 grant from WeFi funds will be blended with USD 1.55 million (ordinary finance blended with 35% LLF grant) from the LLF 10 Towns project to support capacity building activities for 500 WSMES and women in general.
- **Increasing WSMES access to Markets:** USD 150,000 grant from WeFi funds will be blended with USD 2.23 million as counterpart contribution from the government sources to support activities related to networking, partnership development, supply chain and market linkages. These funds will be managed by DPHE.

In addition, the project will also coordinate with BMGF for potential additional funding, particularly in capacity development, advocacy and supporting WSMES with better tools and equipment for expanding sanitation businesses.

Results-based Mechanism: The project will adopt the following results-based mechanisms and approaches in this project:

- **Pay for success contract (Grant or loan):** As indicated in the above section, the project will build capacity of the selected WSMES on sanitation business planning, demand generation, business expansion mechanisms, leadership development, digital financing. After completion of these trainings, the project will request the trained WSMES to submit their business expansion plans and proposals. The project team will review the proposals and will award grant and/or loans to the WSMES with good business proposals. The legal contracts will be made between DPHE and the selected WSMES and the payments will be made based on the delivery of key outputs/outcomes mentioned in the contract.
- **Social Impact Incentives:** The project will also have provisions for Social Impact Incentives rewarding the high-impact enterprises with premium payments for achieving social impact. WISE project will create an enabling environment for the women-led SMEs to conduct business and link them with potential suitable partners and collaborators leveraging income based on the performance monitored by the project implementation team. Based on the results achieved by the SMEs supported by the project, they'll be

provided with access to new markets, networking and training facilities for new partnerships and growth. This will also open doors for the SMEs to other funding sources and partnership for development of innovative solutions to the WASH business landscape.

- **Challenge funds, awards and prizes:** The project will organize regular competitions on innovative business solutions targeted at providing sustainable sanitation services at the community level. The WSMEs may present their innovative ideas to solve complex sanitation issues or may present how they have implemented the innovative interventions that have provided the targeted households and communities with better sanitation services. The awards and prizes can be cash, recognition at social events, linking with new grants that will enable expanding their sanitation businesses.

The general overview of financing sources and RBM is presented in the figure below:



E. Program/Project Beneficiaries:

To address the COVID response and build back better, the project shall target 500 WSMEs who are actively engaged in sanitation business from the 15 Municipalities in the country. Informal sources from the Municipalities reveals that the per WSMEs in sanitation value chain employ 5-7 persons as human resources to operate their businesses. The project will also provide indirect support to more than 2,500 persons including women, youth and marginalised groups (60% women) who are involved in the sanitation business at municipality level and are staff of the WSMEs beneficiaries under WISE. They will receive capacity building, various level of business training, job opportunity creations and skills development support. A more accurate calculation of indirect beneficiaries shall be finalised after collection of baseline data during the inception phase. The Municipalities shall be selected based on the emergence of the sanitation business

and WSMEs engaged in those businesses, the scale of loss and damages occurred due to the economic and public health related threats since the COVID-19 pandemic started spreading.

The primary beneficiaries of the project will include, but not be limited to, low-middle income women entrepreneurs who are willing to scale up to formal and sustainable level and that are majority owned (more than 50%) or managed by women, have a sound business development plan or are willing to expand their business periphery.

We-Fi Definition	Number of workers	Number of SMEs	Average financing in US\$*
VSEs	5 to 10	100	10,000
SME	10 to 300	150	98,267
TOTAL		250	

WeFi Definition	Number of workers	Additional number of SMEs
VSEs	5 to 10	200
SME	10 to 300	50
TOTAL		250
Total Target WSMEs		500

Total amount for capacity building is USD 6,462,500 as per budget breakdown in Annex 3

Note: Based on We-Fi, SMEs with 5-10 employees are VSEs while 10 to 300 are SMEs. This aligns with Government of Bangladesh (GOB) definitions where Cottage Industries are VSEs and Micro, Small and Medium Industries are SMEs as per IFC definition.

Definition of SME / VSE: The IFC SME and VSE definitions are as follows:

For SMEs: Two of the following three for shall apply:

- Employees: SME Between 10 and 300 employees
 1. Sales: Sales between \$100,000 and \$15 million
 2. Assets: Assets between \$100,000 and \$15 million

Or,

Loan size Proxy: In lieu of the above, a loan size proxy definition can also be used, when loans of between \$10,000 and \$1 million are provided (\$2 million in the case of selected large economies)

For Very Small Enterprises (VSEs): firms with 5-10 employees or firms receiving loans between \$5,000 and \$10,000.

Criteria for Selection of WSMEs

Beneficiaries will be selected based on the existing criteria under the Government's COVID-19 Response package including the following that will be further developed and finalized by the Steering Committee:

- The Eligible SME's must be led by women as well majority share ownership of the entity.
- The Eligible WSMEs must be a formal business officially registered and operating prior to the Covid-19 crisis, providing and preserving jobs,
- The results of the Eligible SME's work and financial flows in the last year should be credit score accepted, and SME must not be a defaulter before the crisis,
- The Eligible Project Companies should not be operating in the tourism or defense sectors,
- The main business does not violate the principles of Islamic Shariah (as determined in accordance with any guidance provided by the Shariah Committee of IsDB),
- Women entrepreneurs who were forced to close their businesses as of adverse effect of COVID 19.
- Women entrepreneurs whose businesses affected by COVID 19 that are no longer viable but not officially closed.
- Any other criteria as agreed by DPHE and Bangladesh Bank with the approval of IsDB.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements: The Regional Hub Dhaka office of the IsDB will be responsible for overall project implementation and management of the project. DPHE will be the main implementing agency. Together with IsDB, DPHE will coordinate and collaborate with sector stakeholders, implement and monitor the project interventions. The project activities will be implemented by the existing DPHE's project implementation set-up. A 4th grade Engineer will be deputed from DPHE to work as full-time Project Director. A PMU will be established with a set of workforces including a social/cooperatives officer, business/market development officer, Monitoring and Evaluation officer and a consultant to support Project Director. In addition, an Executive Engineer, Assistant Engineer & Sub Assistant Engineer /Estimator will be deputed from DPHE. Territorial Executive Officers will be responsible for project activities in their respective jurisdiction. The Project Director will be responsible for the overall implementation of the Project.

Project Management, Monitoring and Follow-up/ Evaluation/Audit: To ensure timely and effective implementation of the project the following activities will be performed:

- a. **Project Management:** A PMU will be established with a set of workforces including a social/cooperatives officer, business/market development officer, Monitoring and Evaluation officer and a consultant to support Project Director. In addition, an

Executive Engineer, Assistant Engineer & Sub Assistant Engineer /Estimator will be deputed from DPHE. Territorial Executive Officers will be responsible for project activities in their respective jurisdiction. The Project Director will be responsible for the overall implementation of the Project.

- b. **Monitoring and Evaluation:** Gender-responsive, climate and context specific, and risk reduction relevant indicators will be developed for measuring project progress. In addition, initiatives will be undertaken to align the gender-responsive indicators with IMIS and Sex and age Disaggregated Data will be promoted in all MIS. Software will be developed to ensure 'real-time data' and digital MIS system for the project Regular field visit and project progress review. The Project will be monitored through the dedicated results framework that is informed and set within the broader monitoring and evaluation process of WISE. Being anchored in the WISE, the Program will capitalize on the partnerships, innovation and sustainability stemming from the WISE ICT application (especially mobile phones) will be deployed to increase access WSMEs to markets. The Project will work with financial institutions (the commercial banks and MFIs) to develop appropriate financial products for WSME and screening tools to capture sex disaggregated data. They will also be sensitized on the importance of reaching out to WSMEs. Finally, the outcomes and impacts the Program is generating linked digitally to the DPHE's and SME foundation's dashboard, and to the extent possible, in real time.

Progress and performance will be evaluated against project milestones in line with the results framework. Baseline, mid-line and end-line evaluation will be conducted to progress project achievements and also to revise the project plans to meet the stipulated targets and engaging a M&E expert.

- c. **Audit:** An independent financial audit firm will be engaged to examine and review the conformity of all financial or management activities to predetermined standards or criteria, to report on the extent of conformity, and makes recommendations on improving systems/methods to increase conformity. Yearly reports (both narrative and financial) will be evaluated by an independent financial audit firm that will report to We-Fi through the IP.

B. Track Record of the IP and Other Partners:

IsDB has 40 years' experience in Bangladesh, dated back from 1977, with overall project financing interventions amounting to US\$ 2.4 billion; part of it has been US\$ 135.2 million for urban water and sanitation sector.

The Executing Agency, Department of Public Health Engineering (DPHE), has good experience in implementing donor funded projects with UNICEF, World Bank, ADB and IsDB. Amongst which, in 2015, it successfully implemented the IsDB Assisted Water supply facilities in the Coastal belt of Bangladesh.

Currently, the EA is managing the on-going Urban Water Supply and Sanitation in 23 Pourashava which is being funded by IsDB for an amount of USD 98.3 million. In addition, the EA is also the implementing agency for the COVID-19 WASH project estimated at USD 33.66 million which is under approval by IsDB.

The on-going IsDB projects portfolio stand at USD 543.7 million with disbursement of 22.4%. This low percentage of disbursement is generally because of the young country portfolio as majority of on-going projects are aged less than 5 years. The country portfolio is now gaining its momentum and progressing well upon the presence of IsDB Hub in the country.

Main issues in the past mostly are related to low readiness for implementation. The presence of IsDB Hub will enable the IsDB to work closely with the GoB to monitor and support in expediting the signing, preparation of legal effectiveness and other preparatory works in terms of procurement documents. The first LLF project pipeline in Bangladesh is the LLF Agriculture Mechanization project estimated at \$80 million currently under preparation by the Regional Hub of Dhaka for submission to the impact committee. The LLF Sanitation project in 10 towns has been approved by the Bank and the project will be effective by first quarter of 2022.

Project Steering Committee (PSC) will co-ordinate and guide the project implementation in the national level. A Project Implementation Committee (PIC) will be formed which will be responsible for overall monitoring of project activities. Project Director will liaise with the PIC and PSC. The PIC will review the financial and liquidation status of the project activities and will take necessary measures for smooth implementation. The Local Project Advisory Committee (LPAC) chaired by Mayor of Pourashava/ Municipality, will provide necessary advice and support for smooth implementation of the project.

- C. Sustainability and Scale:** The sustainability of the proposed project interventions is crucial to ensure the sanitation and hygiene services and infrastructures are sustained even after the completion of the project. For this, the project should be sustainable in terms of the components viz. **Financial, Institutional, Environmental, Technical and Social (FIETS)**. The sustainability assessment will be done by following FIETS sustainability approach developed by WASH Alliance International² and empowerment approach in WASH. An empowerment approach in WASH will focus on the four key elements of women's empowerment and its intrinsic which related with FSM and sanitation value chain. The empowerment approach consists of social and cultural, economic, political and physical empowerment. Through the economic and social restoration, women will have further access to resources, their increased income will foster their decision-making power and confidence which will contribute on their overall wellbeing. These integrated approaches present the key components, aspects and criteria of sustainability for the project to be sustainable.

Overall, the engagement and participation of key players such as local government institutions, targeted communities, private sectors, local cooperatives and microfinance institutions is very important to ensure sustainability of the project interventions. This aspect should be duly considered from the design and planning of the project and later the involvement of these stakeholders should be ensured in all phases of the project cycle. The project should develop the strong coordination and monitoring mechanisms to perform sustainability assessment on a regular basis.

D. Theory of Change, Research, Learning and Knowledge Sharing:

The key constraints of women's access to sanitation business:

² <https://wash-alliance.org/our-approach/sustainability/>

1. **Limited access to financing in sanitation business for women:** In Bangladesh, women's ownership of formal small and medium-sized enterprises is low, at around 20 percent of all SMEs, and most women business-owners struggle to transition away from informal micro-scale businesses, in part due to limited access to finance and lower business capacity of women entrepreneurs. In terms of the primary challenges facing the women led WSMES in coping with the exigencies of the new normal, the women entrepreneurs have reported the lack of financing as the single most important barrier in the sanitation value chain. The project will provide funds to WSMES to improve their essential assets and working materials to overcome their business challenges as well as leverage substantial funds from three other IsDB funded projects.
2. **Limited access to business skills, knowledge and tools/digital financing:** WSMES has been suffering a lack of capacity building initiatives, proper business skills and access to digital financing systems as well as access to digital platform to expand their business. In terms of the capacity for adaptation, one third of the WSMES owners had a dismal view of their businesses in the long run as they believed that the performance of their enterprises would never return to the pre-COVID-19 level as per the BRAC study. There are other socio-economic factors too, most notably women's low financial management skills and ability to develop and manage the growth of their business. The project would provide necessary training and other capacity building initiatives to enable the WSMES to possess the necessary skills to access finance from the project as well as other sources including revolving fund initiatives as feasible.
3. **Lack of enabling policies and environment:** Lack of enabling policy and environment in practice are another set of key detrimental factors that affect women's access to sanitation economy. There are very limited level of government and private sectors supports and funding are available particularly targeting women in sanitation business. Moreover, a number of supply side constraints exist for women entrepreneurs' access to resources. The supply side problems include absence of a proper policy framework and a prevailing negative attitude among lending agencies toward women entrepreneurs. Moreover, in absence of reliable guarantors or collateral, the formal lending agencies remain reluctant to provide loans to women MSME owners who usually fail to satisfy such requirements.

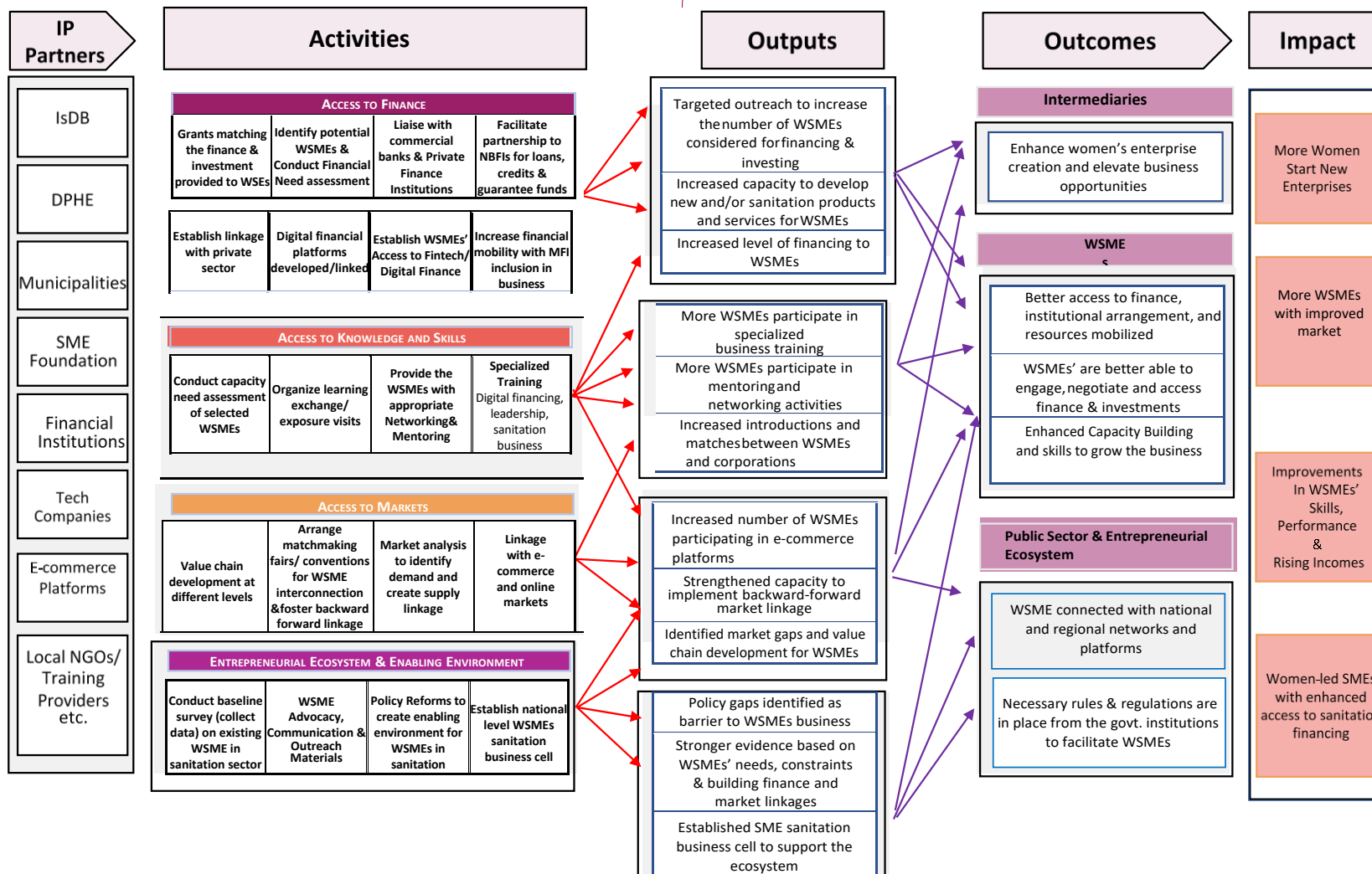
The theory of change: (ToC) of this project therefore outlines three conditions necessary for genuine and sustainable economic empowerment for women in sanitation business grounded on the key constraints WSMES are facing in sanitation economy. The key conditions those are necessary for the theory of change to address are WSMES increased access to financing, enhanced capabilities and skills to deal the business, informed decision-making power, and access to digital financing platforms as well as networking and creating enabling environment. An integrated approach across all three conditions is required to achieve genuine and sustainable change. Increasing WSMES capabilities can lead to increases in their economic opportunities and income. However, women's economic empowerment can only be achieved through also transforming unequal power relations and discriminatory structures at policy and practice level. The theory of change is that if women are constantly provided with economic incentives, relevant knowledge and tools and capacity building support then women are better able to become the change-makers and contribute to the family and social level leading to the national level economic growth and economic empowerment of women. The WISE Theory of Change diagram is presented below in the figure.

Research, Learning and Knowledge Sharing: The key learning generated from this project will be properly documented and shared among the sector stakeholders within the country and at the international level. The project team will ensure proper documentation and consolidation of evidence generated from the project specifically on the following elements:

- How can the comprehensive data help the authorities to plan for supporting the WSMEs?
- How can sanitation business uplift lives and livelihoods of women?
- What are the key learnings and outcomes of increased access to financial resources, skills and knowledge and enabling market environments?
- How can advocacy help to formulate or revise policies that will support WSMEs expand their business?
- What learning can be applied to other businesses?

The stories from the field and voices of WSMEs will be published regularly in the newsletters of IsDB and DPHE. In addition, these will also be disseminated through websites and social media outlets on a regular basis. The footage (photos and video clips) of field level project activities will be collected and stored for the use of publication and dissemination. The project team will take opportunities of presenting and sharing project learning in different national and international forums, conferences, and workshops.

We-Fi Results Framework



E. Monitoring and Evaluation:

The M&E Framework has two components: (i) the Results Matrix, and (ii) the Monitoring and Evaluation System. Based on the ToC, the results-based logical framework (Annex 1) captures the development objectives and intermediate results of the WISE Project. It follows a classic results-based management (RBM) approach in identifying the causal chain from input to output to outcome and impact. On a quarterly basis, the project implementation team will develop a monitoring report to highlight the key results and issues. The Project's M&E officers will have the responsibility to develop a comprehensive Monitoring System with processes, responsibilities and tools to ensure regular data collection, analysis and dissemination in each target country. The IP, IsDB, through its Regional Hubs and HQ in Jeddah will oversee this task. Informal/internal assessments will be undertaken on an annual basis, for the purpose of reviewing progress against baselines and benchmarks and any changes in operational context that might require an adjustment to the Project.

The evaluation of the Project will be undertaken in two phases: A mid-term review planned 24 months after the effective start date of the project and the final evaluation - one month after the closing of the Project activities. The IP will recruit an independent consultant to undertake both evaluations in collaboration with PMUs to provide an impartial assessment of the Project's performance.

Mainly two types of evaluations would be undertaken to ensure that the project deliverables and targets are on track inflicting the desired impacts. First, rigorous quantitative evaluations using experimental or quasi-experimental methodologies will be undertaken where sufficiently large sample sizes (number of beneficiaries) are available, the possibility of identifying a causal relationship, and a sufficiently important public policy issue at stake. For example, through the use of behavioral approaches to train women entrepreneurs and nudge them to adopt good business practices, the implementation by financial intermediaries of psychometric tools or alternative screening approaches to make access to finance more inclusive towards women, the implementation of new integrated training toolkits, or leveraging of innovative technologies to benefit women entrepreneurs.

Second, non-causal—both quantitative and qualitative studies (e.g., case studies, focus groups, semi-structured interviews, pre-post surveys of beneficiaries) will be conducted to generate evidence in innovative areas where small sample sizes, high costs associated with RCTs or quasi-experimental studies, or the impossibility of creating a credible control group preclude the first type of studies. The inability to create a credible control group will be the case, for example, for gender bonds and blended finance. Mixed quantitative/qualitative approaches will be used wherever appropriate. The table below summarizes the key deliverables of the M&E framework:

Report Type	Due Date	Overall Focus	Dissemination
Baseline Study	01 month after the effective start date of the project	Ensure that all indicators have accurate baselines and targets	Electronic Hard Copy
Quarterly Monitoring Report	Quarterly	Indicator status Issues	Electronic Hard Copy
Mid-term Review	24 months after the project inception	OECD DAC Evaluation Criteria Lessons learned to improve during next phase	Electronic Hard Copy Workshop
Final Independent Evaluation	01 month after the completion of project activities	OECD DAC Evaluation Criteria Lessons learned for scaling up	Electronic Hard Copy Workshop

The evaluation timeline planned for the project is summarized below:

Milestones	Expected Dates
Start of project implementation	1 August 2022
Mid-term review	1 August 2024
Project closing	30 August 2026
End/completion evaluation	30 September 2026

V. RESULTS FRAMEWORK

Three Mandatory Indicators

- Fund Mobilization - **Indicator 1:** Amount of additional USD 16,072,500 financing mobilized for We-Fi supported activities.
- Number of WSMEs reached- **Indicator 12:** Total 500 number of women owned/ led SMEs supported by We-Fi.
- At least one impact indicator - **Indicator 13:** Altogether 250 of We-Fi supported women-owned/led SMEs reporting an increase in annual revenues.

Core Indicators:

- **Indicator 3:** 250 women-owned/led SMEs accessing new financing from We-Fi supported institutions.
- **Indicator 4:** 500 women-owned/led SMEs accessing entrepreneurial support activities from We-Fi supported institutions.
- **Indicator 5:** 500 WSMEs that increase their use of digital tools and services.
- **Indicator 7:** 250 WSMEs with enhanced market linkages.
- **Indicator 14:** 1 legal and regulatory reforms to remove constraints and support to women entrepreneurship is endorsed by relevant ministry

VI. KEY RISKS IDENTIFIED AND MITIGATION MEASURES

The identified risks and mitigation measures are in Annex 2. The Environmental and Safeguard Policy of the IsDB can be located in this web link: ⁸ [IsDB Environmental and Social Safeguards Policy 2020](#)

A. Risks Identified and Proposed Action Plans

During Project kick off and implementation, detailed due diligence will be undertaken in Bangladesh to further enhance the risk management framework of this Project. In addition to the risk and mitigation measures outlined below, the IP will adhere to its Environmental and Social Safeguard Policy (ESSP) approved in 2020.⁸ In this regard, the IsDB seeks to ensure that the projects

its finances are environmentally and socially sustainable, thereby assisting its member countries in managing their physical and human resources for the universal common good. Accordingly, IsDB ESS is considered as an important tool for enhanced development effectiveness, with an overarching goal to facilitate achievement of the environment and social soundness and sustainability of the projects it supports and implements. On the social front, the Project will provide safeguards to ensure marginalized communities, for one reason or another, are included in the Project. It will also put measures to safeguard the Project from elites' capture (including both men and women) that is typical in many donors funded projects.

Risk 1: Sustainability and Projectization

In a situation where matching grants are used only to fund operating costs for (sub)projects not lasting for a prolonged time, there exists a significant risk of compromising the institutional and financial sustainability of the entire project after donor funding reaches its end. There is a possibility to experience lack of ability on the WSMEs' part to optimally utilize the grant and sustain the business to cover its operation cost and generate profits. This risk is possible due to many exogenous factors that can affect the financial sustainability of the targeted businesses including the price fluctuation in local markets, effects of disasters and climate change, distraction of the business owners by other social issues related to health, education, water, etc.

The Project components namely matching grant, value chain linkages, enabling environment, capacity development are ways to ensure the Project's sustainability after its closure. Through these activities the Project will help to strengthen the capacity of WSMEs to engage in the sanitation business value chain thereby contributing to stronger enterprises with greater potential and access to resources for sustainability and future growth. Moreover, strengthening the capacity of the financial sector to serve women by implementing new screening procedures or new financial products for WSMEs will make the Project remain sustainable.

In similar fashion to the above, the risk of projectization and the accompanying failure to build capacity can be significant in grant schemes. This is especially the case in those instances where matching grants are used as a 'stopgap measure' to gain resources that otherwise could not be obtained via a more conventional financial channel.

Mitigation:

In order to maximize the long-term sustainability of the WISE project and extend its lifetime beyond the project's defined lifecycle, the funding will prioritize investments that target long term capital rather than funding for operating costs. Furthermore, grant recipients will be expected to make their contribution to build ownership. This insures buy-in from the beneficiary as well as a high degree of commitment to the effective use of the funding for its intended purpose for the long term.

- The inclusion of a broad representative set of stakeholders and regular monitoring on the ground is also meant to ensure that funding will not assume an ad hoc nature but rather, seek a long-term impact and self-financial sustainability of the recipients. By the same token, a broad range of stakeholder representation will also serve in preventing any misalignment between the project and national priorities.
- The technical support and the capacity development component designed under this Project are intended to address and mitigate the business sustainability risk through capacitating the WSMEs to prepare solid business plans that investigate the business conditions carefully and plan for the different financial sustainability risks. It will also train the beneficiaries on the best practices to run the business and manage the associated risks properly.

Risk 2: Participation, Political Buy-in and Coordination

Limited engagement of stakeholders could hinder the effective implementation of the Project and achievement of its objectives. Not having enough political buy-in would impact responsiveness and openness of the Project.

Mitigation:

- With the purpose of minimizing political risk thus guaranteeing broad (political) support for the WISE Project and maximizing efficient coordination at all concerned levels, the Project will utilize the Project Steering Committees at the national and local level.
- Prior to the Project's implementation, a startup workshop will be organized (online where the Covid-19 restrictions prevail) to undertake a detailed due diligence in each country to further review and enhance the implementation and operational modalities and risk management framework of the Project.

Risk 3: Fiduciary Risk

- The Project will undergo procurement activities and financial transactions which might entail moderate type of risk that normally associates with the project activities and processes. The agreed IP's procurement and financial management guideless will be also applied for the WISE Project.
- When operating in rural communities, the degree of government oversight and control is relatively limited, thus rendering potential for fraud and the misuse of funds.

Mitigation:

- IsDB has a good set of procurement and financial management guidelines developed according to best international practices. IsDB manages the procurement and financial aspects of its portfolio through adequate resources and competent system.
- The Project will deploy funds on a granular basis whereby each beneficiary of the Project has a dedicated sub-account that captures all fund flows in and out of the approved budget. Using bank account movements collected in each bank, the IsDB would be able to consolidate regularly financial data at different levels.

Other Financial Control measures will include:

- Distributed fund flows and allocation of fund management risks between various parties in line with their capabilities and focus.
- Rigorous selection and qualification of eligible WSMEs with closer geographical reach.
- Open and transparent review of business plans, budgets and grants.
- 2-3 supervision missions per year on each supported project including random visits by the relevant officials from IsDB Headquarters/Regional Hubs to ensure proper use of assets.

Risk 4: Environment, Climate Change and Social Risk

- The Project being focused on WSMEs engaged in the sanitation business makes it at risk of some environmental and climate related risks, such as recurring and sudden disasters and other related risks.

- Women may face multiple barriers that impact their business opportunities, profit margins, customer base, and scale of operations. Some of the key risk we anticipated are - limited access to low-interest loans/finance when they entering in new business and/or expansion of the business, and customers not paying on time due to women in sanitation business may result in negative impacts on their businesses, which might affect the sustainability of their business.

Mitigation:

- The Project will adhere to IsDB's ESS Policy that will be deployed to mitigate both environmental and social risks associated with the Project. As part of the capacity building, there will be sessions on how to sustainably manage the businesses related to sanitation.
- The Project will consider these risks while designing the interventions and will engage with local community, the local government representatives, religious leaders and relevant government officials to mitigate the risk.

Risk 5: COVID-19 Risks

While the unfolding economic crisis affects almost everyone, emerging evidence suggests that women are disproportionately impacted with regards to livelihoods and work. Supporting women's entrepreneurship is more crucial than ever for recovery and post-COVID-19 scenario given women entrepreneurs.

The impact of COVID-19 on project implementation will largely depend on the spread of the virus across the country and the length and scope of policy measures being adopted by the respective governments. Some possible risks affecting this project are:

- The liquidity risks are high due to repercussions of the COVID-19 outbreak. Reduced liquidity amid rising uncertainty and higher volatility in financial markets could impact SMEs' access to working capital, potentially delay investments, and cause increasing bankruptcy/default risk in the short term and weaker growth projections over the long term. Angel financing may contract as a result of the economic downturn brought on by the outbreak. However, the project also comes at a crucial time to boost this asset class.
- Exports and supply chains may be disrupted as economies slide into recession due to public health measures
- Some project partners may have limited implementation capacity due to increased demands to address COVID related emergencies. Governments and banks may be overwhelmed by emergency response.
- Uncertainty can cause lower appetite for risk associated with innovation and entrepreneurship.
- In some cases, cooperatives are dependent on social networks and community-based financing and are likely to be more exposed to the negative impacts of public health measures that restrict movement. Social distancing measures could also prevent project team's mobility, necessitating adjustments in project implementation. Where

possible, the teams will begin all diagnostic work remotely, starting with literature reviews and conducting virtual interviews and via text messages. Given that beneficiaries may be worse off as a result of the pandemic, the teams may recalibrate the capacity-building project to reflect and attempt to mitigate the negative impacts of the crisis. Teams might also develop virtual trainings.

- While maintaining access to finance for firms is the priority to face the initial shock, it is noted that creating SME support projects, promoting firm growth, and reactivating trade flows and value chain participation will be key to SMEs weathering the storm. Tools to be considered for SMEs include fintech (mobile payments, factoring), public procurement, and legal and regulatory reform. This proposal especially focuses on fintech as a mitigation technique for COVID's impact on financing and business advisory support, and on the provision of technical assistance which is in even more demand now than pre-crisis.

Mitigation:

- Accelerate implementation of digital financial services/technologies: the COVID-19 pandemic clearly demonstrates the importance of digital services, including digital payments. Simplified loan application processes and use of alternative data for credit decision-making could be leveraged to reduce turnaround times for loans to beneficiaries. Customer data on mobile banking transactions can also help to more effectively target payments and design relief strategies for beneficiaries impacted by the pandemic. These could include measures such as facilitating online systems for account enrollment, lifting restrictions on mobile money and e-wallet transactions, facilitating partnerships between banks and mobile network operators and reinforcing community-based financing, upon which women's cooperatives typically operate, by ensuring they stay open and directing financial flows through these channels.
- Leverage diagnostic work to gather data on the impact of COVID-19 on WSMEs: The projects will conduct initial diagnostics to tailor trainings on management and production best practices for beneficiary WSMEs and cooperatives to boost their overall performance and bankability. The project team will also use this diagnostic work to analyze the specific impact of COVID-19 on beneficiaries and the target sectors, including availability of raw materials, trade restrictions, productivity and access to markets and finance.
- Facilitate beneficiaries' access to critical information and networks: Timely and accessible information is vital for both affected communities and the businesses serving them, and it is especially important that smaller firms be aware of public and other support projects that they may be eligible for. The project could therefore facilitate beneficiaries' access to information by leveraging and reinforcing existing information channels and networks used by women and/or women entrepreneurs or where they do not exist. Existing channels may include mobile technology and tailored social media accounts such as WhatsApp and Facebook, etc. A stronger network among beneficiaries could also foster more formal partnerships and collaborations with other actors along the value chain, not only to ensure for both survival and eventual growth. Information and network activities can also be used to combat misinformation surrounding the virus or to build awareness of other issues affecting women that may impair their ability to pursue economic activity such as gender-based violence.

VII. ANNEXES

ANNEX 1: WISE Results Framework

				Targets				
Component	We-Fi Objective	Type	INDICATOR	Annual (add additional columns as needed)				Total
				YR1	YR2	YR3	YR4	
We-Fi Program Inputs	Mobilize resources from private and public sources that leverage We-Fi funding and augment the number of interventions supporting WSMEs	Input	Total size of We-Fi programs & projects (US\$, M)	4,440,564	6,660,846	6,660,846	4,440,564	22,202,819
		Input	Size of We-Fi funding allocation (US\$, M)	1,226,064	1,839,096	1,839,096	1,226,06	6,130,319
		Input	Indicator 1: Amount of additional financing mobilized for We-Fi supported activities (US\$, M) Out of which:	3,214,500	4,821,750	4,821,750	3,214,500	16,072,500
			- IP Contribution	2,540,000	3,810,000	3,810,000	2,540,000	12,700,000
			- Public-sector contributions	246,500	369,750	369,750	246,500	1,232,500
			- Private sector financing directly mobilized	428,000	642,000	642,000	428,000	2,140,000
- Other funds mobilized (specify)								

Increased Access to Finance	WSMEs' are better able to engage, negotiate and access finance & investments	Outcome	Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions. (Nos. of WSMEs) Out of which:	50	75	75	50	250
			- Loans	14	21	21	14	70
			- Equity Investments	16	24	24	16	80
			- Grants	20	30	30	20	100
			- Digital financial services	50	75	75	50	250
Access to skills	Improved business practices and management skills among WSMEs	Outcome	Indicator 4: Number of women-owned/led SMEs accessing entrepreneurial support activities from We-Fi supported institutions. (Nos. of WSMEs) Out of which:	150	200	150		500
			- Business capacity training	150	200	150		500
			- Leadership Development	150	200	150		500
			- Learning Exchange exposure visits		100	100	50	250
	WSMEs increase access to digital services and tools	Outcome	Indicator 5: Number of WSMEs that increase their use of digital tools and services. (Nos. of WSMEs)	100	200	200		500

Access to Markets	More WSMEs enter and thrive in new markets as suppliers, distributors, and producers	Outcome	Indicator 7: Number of WSMEs with enhanced market linkages, including: WSMEs who sold goods and services to larger firms/corporates/new market segments, and/or WSMEs who purchase goods and services from smaller firms/individuals, and/or WSMEs who won public procurement contracts. Out of which:	50	75	75	50	250
			- WSMEs with linkages to private firms	30	45	45	30	150
			- WSMEs with linkages to public entities	20	30	30	20	100
Overall We-Fi Results and Impact	More WSMEs Thrive & Grow	Outcome	Indicator 12: Total number of women owned/ led SMEs supported by We-Fi. (Nos. of WSMEs)	50	150	150	100	500
	Improvements In WSMEs' Performance & Rising Incomes	Impact	Indicator 13: Number of We-Fi supported women-owned/led SMEs reporting an increase in annual revenues. (Nos. of WSMEs)	50	75	75	50	250
	Reduced gender biases in laws and policies	Impact	Indicator 14. Number of legal and regulatory reforms to remove constraints and support to women's entrepreneurship that are formally enacted. (Nos.)			1		1

ANNEX 2: WISE Project Risk Framework

Risk Description	Rating			Assessment	Response Measures
	Probability	Impact	Overall		
Activity Design and Implementation Arrangements					
Sustainability: This is mainly related to the ability of the WSMEs to optimally utilize the grant and sustain the business to cover its operation cost and generate profits	Possible	Medium	Low	There are many internal and external factors that can affect the financial sustainability of the targeted businesses including the price fluctuation in local markets, disasters/hazards as a result of climate change, distraction of the business owners by other social issues related to health, education, water, etc.	The technical support and the capacity development components designed under this intervention (WISE) are intended to address and mitigate the business sustainability risk through capacitating the WSMEs to prepare solid business plans that investigate the business conditions carefully and plan for the different financial sustainability risks. It will also train the beneficiaries on the best practices to run the business and manage the associated risks properly
Project Oversight and Implementation	Unlikely	Substantial	Substantial	Since the Project is focused on WSMEs located at different parts of the country, not having dedicated staff responsible for project can significantly impact project implementation.	A fully dedicated Country Project Coordinator will be embedded in the Project Management team established. IsDB staff at regional offices will provide technical backstopping and oversight to the Country Project Coordinators on the Project's implementation and performance in the target locations. DPHE is perfectly placed with the outreach with local offices at all parts of the country, and experience of working nationwide to handle the issues that arise with

					implementation. With decades of experience of working with beneficiaries at all levels specially focusing on women and children, they should be well placed to implement the project.
Political, Social and Governance Risks					
Political Buy-In and Coordination	Unlikely	Low	Low	Limited engagement of stakeholders can hinder the effective implementation of the Project and achievement of its objectives. Not having enough political buy-in would impact responsiveness and openness of the Project	With the purpose of minimizing political risk, thus guaranteeing broad (political) support for the WISE Project and maximizing efficient coordination at all concerned levels, the Project will utilize the Steering Committees at the national and local level. Prior to implementation, a startup workshop will be organized to undertake a detailed due diligence in the country to further review and enhance the implementation and operational modalities and risk management framework of the Project.

Relevance of the Executive Agency	Unlikely	Low	Low	Although local capacity is readily available for WISE project in Bangladesh, the core mandate of the partner organization from the government, DPHE, doesn't include the SME and WSME sector. This is compounded by the fact that while the IsDB policies and experiences are well aligned for the SME development; they are also geared towards their economic empowerment, which can sometimes be prolonged for the bureaucratic procedures in the country the project is being implemented in.	In order to mitigate the risks associated with limited capacity, a due diligence and partner-selection approach shall be employed in establishing the partner's capacity gaps in terms of its ability to implement and draw up an action plan to build the required capacity in line with the project's objectives. Furthermore, IsDB will explore the possibility of recruiting where possible locally present and capable service providers which have been procured for comparable assignments through a transparent and competitive process.
Fiduciary Risks					
Procurement	Possible	Low	Low	It is possible that executing agencies do not use the money with integrity or for their intended outcomes, but this is a rare occurrence within the IsDB, given the strict implementation of procurement policies.	The Project will utilize the agreed procurement, disbursement, and financial management guidelines of IsDB. ⁹ IsDB has a good set of procurement and financial management guidelines developed according to best international practices. IsDB will manage the procurement, disbursement and financial aspects of the portfolios through adequate resources and competent system.

Financial Disbursements	Possible	Medium	Low	The project might experience time-overrun and stalled implementation if the disbursement of the grants are not made in a timely manner. In extreme cases delayed disbursements might even lead to the withdrawal of some beneficiaries and lead to complaints.	IsDB shall open a Master Account in the country of implementation to allow for the upfront replenishment of funds in line with the designated authority's approvals and signed beneficiary agreements. Also, IP shall be linked to the speed of processing disbursements cleared by the project management team. The project shall adopt a set of simplified and transparent mechanisms in order to avoid any delays. The local implementing parties through which the disbursements are set to take place shall be selected, in part, because of their proven ability to guarantee such an efficient and timely process. The project's CRM shall also allow all stakeholders to monitor, in live fashion, the current state of disbursements and determine whether some disbursements are delayed (and if then by whom)
Oversight and control	Possible	Medium	Medium	The Project is focused in rural communities where government oversight and control is relatively limited thus rendering the potential for fraud and the misuse of funds substantial.	The Project will deploy funds on a granular basis whereby each beneficiary project has a dedicated subaccount that captures all fund flows in and out of the approved budget. The IsDB technical teams at Regional Offices, and at the HQ in Jeddah, will provide this oversight.
Environment and Social Safeguards/Standards					

Climate change effects on the sanitation business value chain.	Likely	Substantial	Substantial	WISE utilizes the environmental and social assessment undertaken by IsDB	<p>The Project will adhere to IsDB's ESS Policy that will be deployed to mitigate both environmental and social risks associated with the Project.</p> <p>There would be thorough assessments and tailor-made ESS management plans developed for this project to ensure that the climate change effects are addressed while implementing the project.</p> <p>DPHE with decades of experience of working on climate change adaptation, will utilize its experience and expertise on handling resilient programmatic approaches to ensure sustainable implementation of the project interventions.</p>
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ANNEX 3: Cost and Financing Plan

We-Fi Proposal Budget											
		We-Fi Resources				Leverage / Expected Mobilized Resources					
Budget Categories/Components	Activities	Investment Activities	Advisory/ Technical Assistance Activities	Grants to WSMEs	Total We-Fi Funding Requested	IP	Public	Private	Total Expected mobilized funds (Leverage)	Total funds (WeFi + Leverage)	# of WSMEs Reached
1. Increasing WSMEs access to Finance.	a. Finance and investment provided to WSMEs in sanitation	3,200,000		1,000,000	4,200,000	9,400,000		2,140,000	11,540,000	15,740,000	250
	b. Digital financial platforms developed		100,000		100,000					100,000	
	c. Engagement with financial services providers (institutional arrangements, capacity development, etc)		50,000		50,000					50,000	
Sub-total 1:					4,350,000	9,400,000		2,140,000	11,540,000	15,890,000	
2. Creating Enabling Environment for women entrepreneurs	a. Data collection on constraints /strengthening and policy influencing		200,000		200,000	300,000			300,000	500,000	500
	b. Advocacy		80,000		80,000	150,000			150,000	230,000	
	c. Revision of Policies		50,000		50,000	100,000			100,000	150,000	
Sub-total 2:					330,000	550,000			550,000	880,000	
	a. Capacity Building of WSMEs		400,000		400,000	1,550,000			1,550,000	1,950,000	500

3. Improved Business Practices	b. Leadership training		75,000		75,000	100,000			100,000	175,000	
	c. Digital Transformation and inclusion		75,000		75,000	100,000			100,000	175,000	
Sub-total 3:					550,000	1,750,000			1,750,000	2,300,000	
4. Increasing WSMEs Access to Markets	a. Networking and partnership development		50,000		50,000	350,000			350,000	400,000	500
	b. Supply Chain assessment and increase market access		50,000		50,000	450,000	1,232,500		1,682,500	1,732,500	500
	c. Market analysis to identify the demand and create supply linkages etc)		50,000		50,000	200,000			200,000	250,000	500
Sub-total 4:					150,000	1,000,000	1,232,500		2,232,500	2,382,500	
Support activities, Research, M&E	Project management unit expenses		300,000		300,000					300,000	
	Monitoring and evaluation		100,000		100,000					100,000	
	Audit		50,000		50,000					50,000	
Sub-total 5:					450,000					450,000	
IP Administration fees			300,319		300,319					300,319	
TOTAL		3,200,000	1,930,319	1,000,000	6,130,319	12,700,000	1,232,500	2,140,000	16,072,500	22,202,819	

Budget notes:

1. All the above amounts are expressed in US\$
2. The total budget of WISE project is US\$ 22,022,819 out of which US\$ 6,130,319 is requested for We-Fi funding and remaining US\$ 16,072,500 (72.4%) will be the leverage funds.
3. Component 1 includes the budget to support WSMEs for increased access to the financing. Total budget for this component is US\$15,890,000 out of which US\$4,350,000 is proposed We-Fi budget and US\$11,540,000 is expected mobilized finds. This component includes three main activities and activity # 1 (Finance and investment provided to WSMEs) includes investment activities amounting to US\$ 3,200,000 and grants to WVSEs is US\$1,000,000. US\$11,540,000 is expected to be mobilized from leverage funds for this activity.
4. Component 2 is related to data collection & management, advocacy, and policy related activities in creating enabling environment for sanitation business. A total of US\$880,000 has been estimated for this component out of which US\$330,000 is requested from We-Fi and US\$550,000 will be mobilized funds for this component.
5. Component 3 includes capacity development activities to establish improved business environment. A total of US\$ 2,300,000 is proposed for this component of which US\$550,000 will be We-Fi funding and US\$ 1,750,000 will be expected mobilized funds which will be mainly used to build capacity of WSMEs.
6. Component 4 applies for activities that will enable WSMEs improved access to the markets. Altogether US\$2,382,500 is allocated for this component of which US\$150,000 is proposed as We-Fi funding and US\$ 2,232,500 will be mobilized from leverage funds mainly to strengthen supply chain and increase market access.
7. Support activities will cover the costs related to project management such as expenses for PMU, M&E and financial audit costs. A total of US\$450,000 is proposed for this component from We-Fi funds. Project Management unit will be established in Bangladesh to directly manage and carry out the day-to-day operation and implementation the project: Project Management expenses are associated with the set of workforces including a social/cooperatives officer, business/market development officer, Monitoring and Evaluation officer and a consultant to support Project Director. In addition, an Executive Engineer, Assistant Engineer & Sub Assistant Engineer /Estimator will be deputed from DPHE. Territorial Executive Officers will be responsible for project activities in their respective jurisdiction. The Project Director will be responsible for the overall implementation of the Project.
8. IP administrative fees of US\$300,319 have been proposed to cover the additional expenses incurred by the IP in managing the project. The funds will be used to backstopping and support on certain activities at the program level. This includes start-up/launch workshop, undertaking program supervision and oversight by IsDB (HQ and Regional Hub), technical and managerial backstopping support, partner/donor engagement, meetings & workshops and the development of knowledge products. The component covers reporting back to the donor and engaging with other program stakeholders including the respective governments of each country and other bi-and multilateral development partners.
9. Total number of beneficiaries is 500 WSMEs. In order to avoid double counting, it is to be noted that out of 500 WSMEs, 250 will also benefit from direct financing in addition to capacity building that will be provided to all WSMEs under the project.