



# **IFC We-Fi PROGRAM:**

# **FY22 REPORTING**



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# 2022 WE-FI ANNUAL PROGRESS REPORT

## I. PROGRAM SUMMARY

**Round 1:** The We-Fi Secretariat granted a total of US\$75.1 million to the joint World Bank and IFC Program “Creating Finance and Markets for All”, out of which US\$49.4 million was allocation to IFC. IFC We-Fi program committed to allocate US\$17 million (34%) to IDA/FCS countries and leverage the received We-Fi funding 26.4 times. The program is in full implementation with a strong portfolio and good results.

**Round 3:** The We-Fi Secretariat granted a total of \$16.02 million to the joint World Bank and IFC Program “Enhancing Seed Capital, Technology, And Value Chain Solutions for WSMEs”, out of which US\$8.8 million was allocated to IFC. Jointly, World Bank and IFC committed to allocate 35 percent of funding to IDA countries, and 18.6 percent to FCS, and leverage the received We-Fi funding 9.86 times. IFC has started implementation of the program, several projects were approved.

**Round 4:** The We-Fi Secretariat granted a total of \$10.95 million to the IFC Program “Leveraging Finance, Data and Technology Solutions to Grow Women Entrepreneurs”. The proposed program has a global scope including significant activities in IDA and FCS markets (40 percent of We-Fi funding will be allocated to IDA and FCS countries) and leverage We-Fi funding 31 times. IFC has started implementation of the program with the first projects expected to be approved in the next fiscal year.

Table 1: Program Timeline

Round	Project/Program Name	Implementation Start Date	Commitment End Date	Supervision End Date
1	Creating finance and markets for all	May 2018	June 2023	December 2030
3	Enhancing seed capital, technology, and value chain solutions for WSMEs	September 2020	June 2025	June 2032
4	Leveraging Finance, Data and Technology Solutions to Grow Women Entrepreneurs	June 30, 2022	June 30, 2027	June 30, 2033

\*Projects are being approved on a rolling basis. The first projects will be approved in the next fiscal year.

Table 2 (a): Mobilization

	Amount for ROUND #1		Amount for ROUND #3		Amount for ROUND #4	
	Committed	Disbursed *	Committed	Disbursed*	Committed	Disbursed
We-Fi Financing (A)	32,703,658.85	16,542,287.25	3,714,000.00	273,545.00	0	
Of which IDA	7,953,210.00	4,633,810.64	500,000.00	100,000.00	0	

Of which FCS	2,979,592.00	1,828,254.41	n/a	n/a	n/a	n/a
IP Contribution (B)	654,552,375.96	654,552,375.96	3,500,000.00	3,500,000.00	0	
Public sector (C)	4,658,250.00	4,658,250.00	n/a	n/a	n/a	n/a
Private sector (D)	264,763,251.65	264,763,251.65	n/a	n/a	0	n/a
Other funds [specify] (E)	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Mobilization (F)= (B+C+D+E)</b>	<b>923,973,878.00</b>	<b>923,973,878.00</b>	<b>3,500,000.00</b>	<b>3,500,000.00</b>	<b>0</b>	
Of which IDA	177,968,377.00	177,968,377.00	1,500,000.00	1,500,000.00		
Of which FCS**	29,207,027.00	29,207,027.00	n/a	n/a	n/a	n/a
<b>Total Project Cost (G)= (F+A)</b>	<b>956,677,536.85</b>	<b>940,516,165.25</b>	<b>7,214,000.00</b>	<b>3,690,740.00</b>	<b>0</b>	
Leverage (F/A)	28.3	55.9	0.94	18.3	n/a	

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

\*Disbursed amount: for all projects it is assumed that all the committed amounts are disbursed. If a cancellation happens of any project or any component of a project, this will be reflected in the next reporting period.

Table 2 (b): Number of Partner Institutions Supported by We-Fi

Partners	Round 1	Round 3
<b>Total number of partner institutions supported by We-Fi</b>	<b>58</b>	<b>2</b>
Out of which		
- Financial services intermediaries	39	0
- PE/VC Funds	9	2
- Accelerators, incubators	4	0
- Corporations	5*	0
- Public sector	0	0
- NGOs (local and international)	1	0
- Other (specify)	0	n/a

\* The Sourcing2Equal Program will have a number of partners which are not included in the count.

## II. IMPLEMENTATION PROGRESS

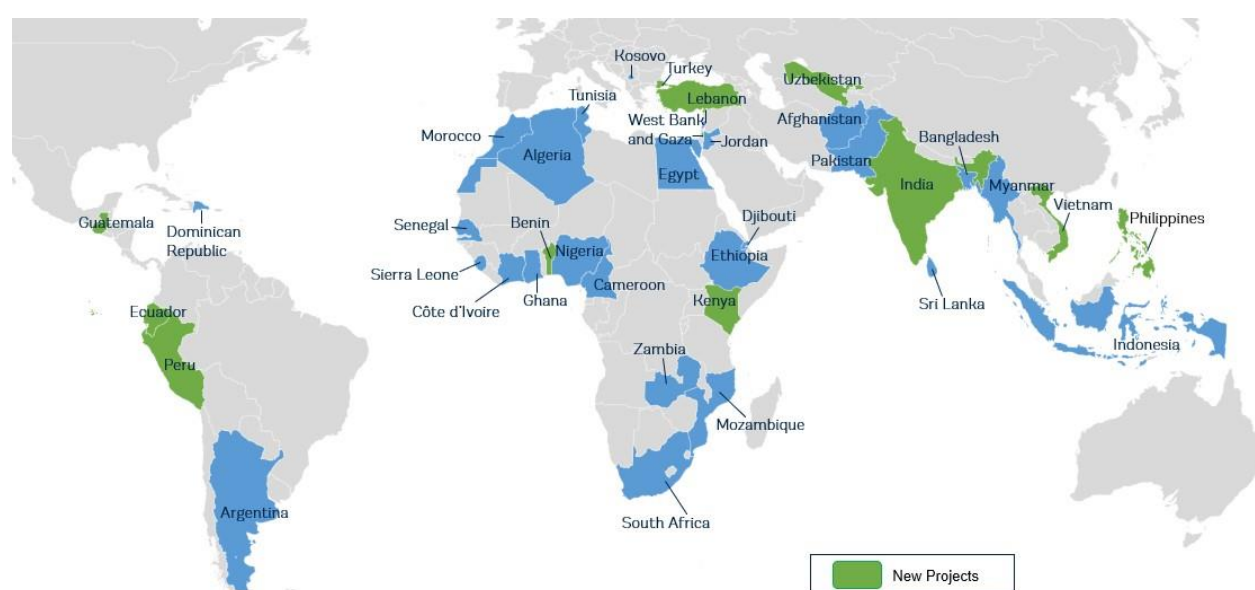
IFC We-Fi engagements take three primary forms: investment, advisory services and research and analysis. IFC has a programmatic approach and added 17 new projects in 7 new countries in FY22. As of June 2022, the IFC We-Fi portfolio reached cumulatively 63 investment, advisory and research projects across 31 countries, out of which 26 projects in IDA and 7 projects are in FCV countries (Table 3).

IFC leveraged cumulatively \$778 million (176% of the \$440 million target), with 27 percent of funds allocated to IDA and FCS countries. Approximately 30,358 WSMEs (from 2,680 last year) received a total

of \$785 million (from \$141.7 million last year) in financing. Additionally, more than 1,938 WSMEs benefitted from entrepreneurial support and training activities.

Table 3: IFC We-Fi Program FY22 Portfolio Summary

IFC WE-FI APPROACH: LEVERAGING PRIVATE SECTOR INTERVENTIONS FOR IMPACT			
KEY PARTNERSHIPS		GEOGRAPHICAL LOCATIONS	
63	Projects	East Asia & Pacific (5)	Cambodia, Indonesia, Myanmar, Philippines, Vietnam
	<ul style="list-style-type: none"><li>- 35 Investment Projects</li><li>- 26 Advisory Projects</li><li>- 2 Partnership/Research Projects</li></ul>		
31	Countries	Latin America & the Caribbean (LAC) (8)	Argentina, Brazil, Colombia, Dominican Republic, Ecuador, Peru, Guatemala, El Salvador
	Projects in IDA and FCS countries including	Middle East and North Africa (MENA) (4)	Egypt, Jordan, Tunisia, West Bank and Gaza
26	<ul style="list-style-type: none"><li>- 5 regional projects in SSA</li><li>- 14 projects in Africa</li><li>- 3 projects in Asia</li><li>- 3 projects in ECA</li><li>- 1 project in MENA</li></ul>	South Asia (4)	Afghanistan, India, Pakistan, Sri Lanka
		Europe and Central Asia (ECA) (3)	Kosovo, Turkey, Uzbekistan
		Sub-Saharan Africa (SSA) (7)	Benin, Cameroon, Côte d'Ivoire, Ethiopia, Ghana, Kenya, Nigeria



### III. KEY ACTIVITIES DURING THE REPORTING PERIOD

IFC We-Fi program is implemented under three pillars with projects supporting four different sectors, including the Financial Sector; Manufacturing, Agribusiness and Services; Insurance, and Funds. The following sections provide a snapshot of activities and progress under each of the three pillars and highlight IFC We-Fi activities of note, our findings, and the partners and entrepreneurs with whom we worked in executing the work program.

IFC WE-FI THREE PILLARS		
I. STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS	II. EXPANDING FINANCIAL SERVICES	III. IMPROVING MARKET ACCESS
Championing gender-lens investing through funds, incubators, and accelerators; and providing direct investments in high-potential women entrepreneurs	Supporting banks, fintechs, and insurance companies with blended finance investments to reach more WSMEs; providing advisory services to design and deploy products and services for women entrepreneurs	Integrating WSMEs into domestic and international value chains and producer networks; increasing procurement opportunities for WSMEs
63 PROJECTS		
<b>17 projects</b> <ul style="list-style-type: none"> <li>• 11 Investment</li> <li>• 5 Advisory</li> <li>• 1 Research</li> </ul>	<b>39 projects</b> <ul style="list-style-type: none"> <li>• 22 Investment</li> <li>• 17 Advisory</li> </ul>	<b>7 projects</b> <ul style="list-style-type: none"> <li>• 2 Investment</li> <li>• 4 Advisory</li> <li>• 1 Research</li> </ul>
<b>+ 4</b> New Projects in 2022	<b>+ 13</b> New Projects in 2022	<b>No</b> new Projects in 2022
CUMULATIVE RESULTS THROUGH FY22		
<b>13</b> Accelerators / incubators and funds supported	<b>28</b> Financial institutions supported	<b>6</b> Companies received investment and advisory support
<b>\$79 million</b> invested in WSMEs	<b>\$700 million</b> in financing provided to WSMEs	
<b>1,671</b> WSMEs reached in entrepreneurship support programs in this pillar	<b>20,102</b> loans, investments, and insurance policies provided to WSMEs in this pillar  <b>205</b> women entrepreneurs reached through the Insurance Program	<b>267</b> WSMEs received agri-entrepreneurship training in this pillar.
<b>7</b> Trainings, webinars and learning events	<b>3</b> Trainings, webinars and learning events	<b>67</b> Trainings, webinars and learning events



	6 Reports and studies	5 Reports and studies

### Pillar I: Strengthening Entrepreneurial Ecosystems

Continued efforts were made in increasing seed funding and equity investments in high-potential WSMEs and building WSME capacity and networks and promoting a pipeline of high growth WSMEs. This year, 4 new commitments were made by IFC, bringing the total portfolio to \$12.6 million of We-Fi funding alongside IFC's investment of \$57.8 million. With funding from the 3<sup>rd</sup> Call for Proposals it became possible to expand the Startup Catalyst Program, in particular, two new regional funds in Africa and MENA were supported with this funding. Overall, the program supported 17 funds and accelerators that invested more than \$78 million in WSMEs. We-Fi funds are critical in being able to de-risk IFC and private sector investment, as well we address behavioral constraints to enable bankable investments in WSMEs or incentivize funds to direct more investments towards WSMEs. Most funds have either introduced gender-focused strategies or developed programs and solutions such as [L Catterton's](#) board development program, to wholistically address market gaps and support WSMEs. Besides direct investments, advisory programs are promoting more investments in WSMEs – for example [ScaleX](#) has finalized its Open Call for Applications with over 160 submissions from eligible accelerators and will announce the winners this Fall. This year also earmarks launch of the [She WINS Arabia](#), an initiative to support the growth of existing female startups and enterprises in Arab countries by strengthening the capacity incubators and accelerators so that they can better support female start-ups.

### Pillar II: Access to Finance

In FY22, the IFC We-Fi Program achieved a significant expansion under this pillar and an increase in WSME lending. IFC provided investment support to 8 new financial institutions in Benin, Ecuador, Guatemala, Peru, Philippines, Uzbekistan, and supported 4 additional financial institutions in India, Philippines and Vietnam as part of its advisory program. IFC also launched a new engagement with APA WomenInsure, to help the insurer develop an insurance strategy and products tailored to Kenyan women entrepreneurs. Most IFC and We-Fi supported institutions developed new gender strategies, and launched special programs and initiatives directed at WSMEs. For example, MiBanco designed the "[Emancipation Loan](#)" to be accessible to all women in the country, eliminating the signature of the husband from the mandatory requirements. Digitalization is another important aspect of banks and financial institutions' proposition to women owned business. [Banco Pichincha's](#) conducted a market study on the digitization needs of WSMEs in Ecuador while [Genesis Bank](#) introduced solutions to reduce the use of cash by its clients. Overall, gender finance is becoming more mainstream, and the IFC We-Fi program continues seeing scale-up and replication of successful programs and initiatives.

### Pillar III: Access to Markets

No new projects have been added this year. Work continued in integrating WSMEs into domestic and international value chains and producer networks and developing inclusive sourcing and supply chain finance. Key highlights included expansion of the [Sourcing2Equal Program](#) into Colombia - the second country project under the [Sourcing2Equal](#) Global Program, while the existing portfolio clients [MaxAB](#), [Bayer](#) and [McCormick- Sustainable Pepper](#) Vietnam reporting key achievements. IFC is working to strengthen agricultural value chains, as well as providing access to markets and finance by addressing barriers at several levels: creating an enabling environment, building capacity of cooperatives and financial institutions to fill the gaps in product offering and meeting the requirement, and providing access



to finance. Scale-up of e-commerce platforms such as TradeDepot and MaxAB, seem to be promising in bringing more women-owned businesses into supply chains and helping them grow. E-supply chain actors are often uniquely placed to advance gender equality as many have a direct relationship and frequent interactions with retailers. In addition, they can leverage digital transaction data to facilitate access to working capital and improve the procurement process for retailers. IFC will continue scaling-up successful initiatives and solutions under this pillar going forward.

**In FY23** IFC will continue to focus on growing the portfolio across the three pillars and will start implementing projects under the 4th round of funding. Now that many new WSME products and services are emerging, IFC We-Fi team will also focus on scaling up and replicating good practices, pilots and solutions and will work with clients to strengthen business resilience and post-pandemic economic recovery.

## IV. PILLAR I: STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS

Activities in the Strengthening Entrepreneurial Ecosystems pillar are intended to promote private investment in women-owned and -led firms. The overall goal is to have a demonstration effect across the ecosystem that will expand the number of women considering and pursuing entrepreneurship. Table 4 summarizes activities under this pillar (light blue are projects/activities added in FY22).

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

PILLAR I – STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS: 17 PROJECTS	
KEY FOCUS AREAS	
INCREASING SEED FUNDING AND EQUITY INVESTMENTS IN HIGH-POTENTIAL WSMEs	
1.	<b>Africa Region:</b> Tide Africa fund
2.	<b>Africa Region:</b> Alta Semper fund
3.	<b>Africa Region:</b> Savannah Fund
4.	<b>Central and Eastern Europe, 500 Startups Istanbul Fund II</b>
5.	<b>East Africa, Antler EA Fund I</b>
6.	<b>Jordan:</b> Flat6Amman
7.	<b>Latin America Region:</b> L Catterton
8.	<b>Nigeria:</b> Trade Depot
9.	<b>Pakistan:</b> Sarmayacar, a seed fund
10.	<b>Tunisia:</b> Flat6Labs, a seed fund
11.	<b>West Bank and Gaza, Ibtikar Fund II</b>
12.	<b>Village Capital, Accelerator</b> (IFC Research/Partnership)
BUILDING WSME CAPACITY AND NETWORKS AND PROMOTING A PIPELINE OF HIGH GROWTH WSMEs	
1.	<b>Global:</b> ScaleX (initiative)
2.	<b>Africa Region:</b> Seedstars, local networks
3.	<b>Global:</b> Endeavor mentorship program
4.	<b>Ethiopia:</b> Digital Gender Gebeya, an accelerator
5.	<b>She Wins Arabia (initiative)</b>

FY2022 HIGHLIGHTS		
FY21	FY22	
13	17	4 new AS and IS projects: 3 new IS projects 1 new AS projects
3	New investment projects in Africa, Turkey and West Bank and Gaza	
	1	New advisory project
11	Webinar, training, events and learning events	
	1	Partnership with Village Capital

CUMULATIVE PROGRESS - PILLAR I					
Accelerators / incubators and funds supported		WSMEs reached in entrepreneurship support programs in this pillar		Invested in WSMEs	
	17		1,671		\$78.8m
13	FY22	1,507	FY22	\$71.6m	FY22
FY21		FY21		FY21	

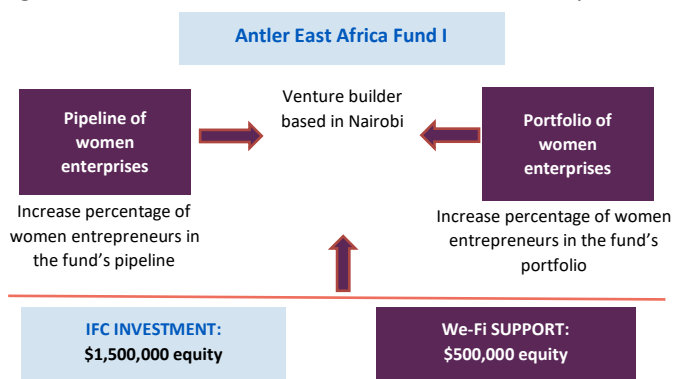
#### PORTFOLIO GROWTH AND TRENDS

IFC We-Fi program has grown significantly to channel more funding to early-stage high growth start-ups in markets where there is a lack of pre-seed and seed capital. This year, 4 new investment and advisory projects were made by IFC, bringing the total portfolio to \$12.6 million of We-Fi funding alongside IFC's investment of \$57.8 million. The **three new funds** that received IFC and We-Fi equity investments are part of the *IFC's Startup Catalyst Program* and are supporting pre-seed and seed startups in East Africa (*Antler East Africa Fund I*), Central and Eastern Europe (*500 Startups Istanbul Fund II*) and West Bank and Gaza (*Ibtikar Fund II*). All three funds have made specific and measurable commitments related to the percentage of women-led companies in their portfolios which will ensure that We-Fi is providing funding to address the financing gap for women starting or leading a business. IFC's and We-Fi's investments will also support the business case for gender balance through presenting tangible examples of women-led businesses. If successful, IFC and We-Fi participation will create the demonstration effect for other fund managers to include gender angles in their strategies. This year also earmarks launch of the advisory project *She WINS Arabia initiative* to support the growth of existing female startups and enterprises in Arab countries by strengthening the capacity incubators and accelerators so that they can better support female start-ups. The project draws from the content and implementation experience of the World Bank We-Fi Pakistan program and covers eight Arab countries including Morocco, Tunisia, Algeria, Egypt, Palestine, Jordan, Yemen and UAE. Under this pillar, 10,398 WSMEs received entrepreneurship support and funding totaling \$78.8 million as of June, 2022.

## INCREASING SEED FUNDING AND EQUITY INVESTMENTS IN HIGH-POTENTIAL WSMES

Further expansion of the Startup Catalyst Program to help women-led companies and their ecosystems by addressing issues of insufficient seed capital, and often, business know-how. This year IFC supported three more funds under the *Startup Catalyst Program*<sup>1</sup> to increase the supply of equity financing at the pre-seed and seed stages, and to help develop local and inclusive venture capital ecosystems that will result in sustained entrepreneurship. The new investments will complement the already existing portfolio clients - *Flat6Labs Tunis*, *Flat6Labs Amman*, *Sarmayacar* and *Savannah Fund*. With We-Fi's \$1 million co-investment, the two regional funds, *Antler East Africa Fund I* and *500 Startups Istanbul Fund II*, are expected to invest in 29 companies for the total volume of 4.25 million at the minimum. Importantly, IFC's and We-Fi's support will go beyond the funding provided to initial investee companies. The Antler Fund, for example, is aiming to reserve 60 percent of the capital for follow-on investments in successful startups.

**We-Fi support has been essential to de-risk IFC and private sector investment in gender-focused funds which otherwise would have not been possible.** Through the use of blended finance instruments alongside IFC's investments, We-Fi investments helped funds better reach and support women-led start-



ups. For example, We-Fi's junior equity participation in the *Antler East Africa Fund I* mitigated IFC's and other senior investors *participation constraints* of investing in a first-time fund management team focused on the pre-seed stage of VC, a stage considered of high risk by many investors. In this case, We-Fi provided US\$500,000 in the form of subordinate equity investment ("blended finance co-investment"), de-risking all senior

investors in the Fund. In addition, the project included targets for the Fund related to the number of women-led companies in its pipeline and portfolio, as well as the level of funding that these companies will receive thus addressing *behavioral constraints* of not investing in women entrepreneurs. The Fund's strategy envisions creating cohorts of entrepreneurs that are put through a 2 phase/6-month program, with the first phase intensely focused on startup design and customer acquisition, followed by company growth plans and entrepreneur matching, and finalizing with a demo day where the top companies receive an initial investment of approximately US\$100,000. Similarly, We-Fi's has committed US\$500,000 equity co-investment to *Ibtikar Fund II* in the West Bank and Gaza which was subordinate to IFC, providing the risk mitigation needed to enable IFC's \$2.5 million equity participation in the Fund. IFC and We-Fi investments provided a "stamp of approval" signal to potential new investors and were aimed to help the Fund reach its US\$25 million target size goal.

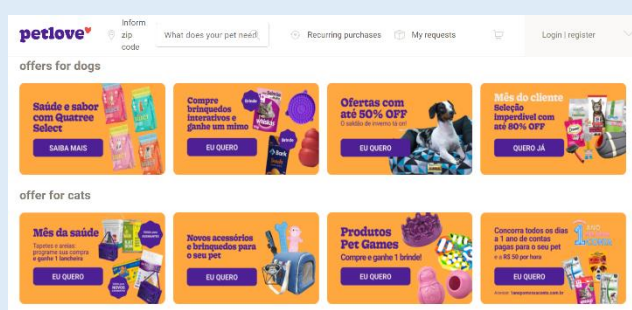
**IFC's and We-Fi's support has helped to channel more funding to women-led companies while making sure that this effort is sustained through introduction of comprehensive gender strategies at the fund level, as well as targeted programs and solutions.** Across emerging markets, lack of access to private equity remains a key barrier for women-led companies, and the gender gaps in the representation of women as allocators and recipients of capital results in access to private equity financing being extremely limited for female entrepreneurs. In Latin America, for example, the regional market average of the deals

<sup>1</sup> More information about the Startup Catalyst Program is available here:

[https://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/venture+capital/special+initiatives/startup+catalyst/](https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/venture+capital/special+initiatives/startup+catalyst/)

with women-led companies is around 5 percent. **L Catterton** became the first IFC's and We-Fi's investee fund with a target for investments in women-led businesses at the portfolio level which set a precedent for subsequent investments. In addition, **L Catterton** created a special board development program called **PRISM** (Box 1) to empower women business leaders and improve diversity and inclusion at the board of directors' level. In **South Asia**, according to research carried out by **Sarmayacar**, of all Series Seed and Series A equity investments in the Pakistani VC space between January 2018 and March 2019, only 14 percent of the companies were either led by a female founder or had a business model cantered around creating income generating opportunities for women. IFC's and We-Fi's support to Sarmayacar led to the development of a **gender-focused strategy** targeting three of the most pressing challenges faced by female-led businesses: (i) inadequate early-stage support and tailored mentoring, (ii) insufficient inclusion in pipelines and portfolio support, and (iii) the lack of inclusive networks and business connections. As a result, **Sarmayacar** was able to access a larger investment-ready pipeline of women-led opportunities. At its inception in 2018, **Sarmayacar's** pipeline of women-owned companies was less than 10 percent. In 2022, the Fund's due diligence pipeline has more than tripled to 42 percent, surpassing the target of 20 percent. According to **Sarmayacar** female led startups tend to focus on social impact, as opposed to purely commercial inclinations and tend to gravitate towards the health-tech and ed-tech spaces. More recently, there are also more female-led start-ups emerging in the sustainable fashion space, ranging from preloved clothing to rental solutions. Several female-led companies have received additional support in the form of grants for their work, which speaks of their capabilities.

### Box 1: L Catterton



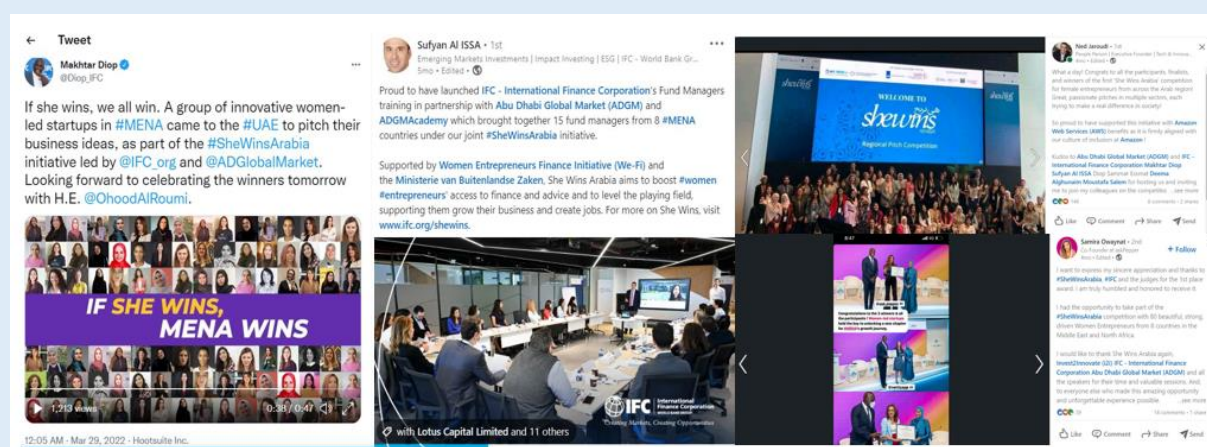
To empower women business leaders and improve diversity and inclusion at the board of directors' level, **L Catterton** developed **PRISM**, a board development program, for diverse executive leaders across the consumer sector. The program includes 17 executives, early in their board journey, and a select number of **L Catterton's** portfolio executives. The purpose of the **PRISM program** is to deliver curated content and

networking and relationship-building opportunities to prepare executives for their board candidacies. Through webinars and dinners, a platform is created for these women executives to learn more about how to get placed on boards by discussing the purposes of boards, how they operate, what different committees look like, how to write bios, etc. "There is an inherent need to change the course of the conversation in the boardroom and across the executive teams. Our **PRISM program** is an effort to bring women voices and balanced and diverse perspectives into the boardroom," said Amanda Roberts, Operating Partner – Talent, **L Catterton**. Talita Lacerda, CEO of Petlove, the leading online pet shop and ecosystem in Brazil, agrees with Roberts. As a CEO in a women-led company, Lacerda, she shares: "The barrier I face as a woman entrepreneur is that many businessmen don't take me seriously. I have attended meetings where everyone is a man and older than me. **L Catterton** has been a key supporter and enabler. They helped me with a 100 day plan as I started as a CEO. Their support and frequent touchpoints have helped me with my personal development."

**Emphasis on supporting incubators and accelerators to develop strong pipelines of women-led start-ups and create sustainable entrepreneurial ecosystems.** Last year IFC launched **ScaleX** – an initiative to address the steep difference between women entrepreneurs who are accelerated, representing roughly

half of all entrepreneurs who participate in accelerators, versus women entrepreneurs who get funded, representing only 13 percent of all entrepreneurs. The initiative will enable an accelerator to receive a performance grant of \$25,000 when they help a woman entrepreneur or a startup supporting women, they have accelerated to access \$1 million from investors. The *ScaleX Open Call for Applications* was launched in January 2022 – over 160 eligible<sup>2</sup> accelerators applied, and over 70 accelerators have submitted the Award Request Form. The selected winners will be announced in September 2022. In addition, IFC is developing a *ScaleX Investor Coalition* of like-minded investors and donors committed to addressing this gap and enable them to publicly support the flow of equity financing to startups led by women and supporting women. Additionally, this year the *SheWins Arabia* initiative was launched. *SheWins Arabia* model draws from the content and implementation experience of the *World Bank We-Fi Pakistan program* and is led by IFC and Abu Dhabi Global Market (ADGM) in partnership with We-Fi and the Kingdom of the Netherlands (Box 2). It is aiming to support growth of existing female startups and enterprises in Arab countries by strengthening the capacity of start-up eco-system players with a focus on incubators and accelerators rather than on VC and PE funds so that they can better support female startups. The project is currently working with three institutions to develop sessions that enable a connection between We-Fi supported institutions and women-led startups in the MENA region. These connections will be created through virtual sessions whereby the We-Fi supported institutions will be linked to *SheWins Arabia* women-led startup beneficiaries.

## Box 2: SheWins Arabia



*SheWins Arabia*, an initiative led by IFC and Abu Dhabi Global Market (ADGM) in partnership with the We-Fi and the Kingdom of the Netherlands, is aiming to help women entrepreneurs access early-stage risk capital funding to tackle gender inequality in the startup space. The program has provided training to women entrepreneurs and connected them with mentors and with investors. It worked primarily with accelerators and incubators, helping them to better support women-led startups. Its ultimate goal is to create what organizers call an “entrepreneurial ecosystem” that allows women-led startups to grow and thrive.

*SheWins Arabia* also included a pitch competition. The award includes a package of in-kind prizes, including mentoring sessions, business strategy support, and credits with Amazon Web Services. Some

<sup>2</sup> Eligible accelerators include accelerators that support women-led companies fundraise post-acceleration, and that they are operating in an emerging market within IFC member countries.



80 entrepreneurs in total participated in [SheWins Arabia](#), receiving training in how to pitch to investors, how to gauge the size of a market, and how to develop a business plan. In the pitch competition, Samira Owaynat (Jordan) won first place for her business, askPepper, an online ordering system for restaurants. Dina Shoman (Jordan), co-founder of financial literacy platform Verity placed second, and Hela Jelassi (Tunisia), whose company El-Business connects smaller firms with buyers, came in third. [Click here](#) to read one minute business pitches by the finalists.

**Creating a pipeline of high growth women-led businesses requires innovative approaches designed to support women in all stages of their journey.** During the unprecedented COVID-19 crisis, IFC, We-Fi, and [Endeavor](#) —an entrepreneur support organization (ESO) that works with later-stage startups— launched a project to support women entrepreneurs. The project used the [Endeavor](#) recruitment model to gather information and develop insights into better practices for ESOs seeking to source and support women founders of later-stage startups in emerging markets. The COVID-19 pandemic saw many entrepreneurs shift from scaling to surviving, and as a result [Endeavor](#) had to allocate more resources towards servicing and supporting existing members, while resources previously devoted to selecting new members were pared back. The [Endeavor](#) selection process, which has been iterated over 23 years, was modified to a virtual format—ten online International Selection Panels (ISP), along with one in-person ISP in Saudi Arabia. The virtual format only allowed for eight candidates per session versus 25 previously. To focus on high-quality candidates, the number of entrepreneurs selected to proceed to ISPs was reduced by 60 percent.

#### [Endeavor](#) Mentorship Program, Global



From 2019-2021, [Endeavor](#) marked International Women’s Day with week-long campaigns highlighting the expertise and experience of its women entrepreneurs, mentors, investors, and partners. Eighteen local [Endeavor](#) offices participated in the campaign, including those in Brazil, Nigeria, Lebanon, and Indonesia. The campaigns included a series of video interviews, blogs, conferences, and workshops showcasing women in leadership positions at companies led by [Endeavor](#) Entrepreneurs.

Endeavor also launched a series of *EndeavHer talks*. These online discussions brought together key stakeholders to share ideas on prioritizing support for women entrepreneurs during the COVID-19 pandemic. The series was devoted to elevating the voices, sharing the perspectives, and showcasing the professional expertise of women in [Endeavor](#)’s global network. Social media posts used #EndeavHer and #HerImpact hashtags to gain traction and support. “Investing in women supports stronger, more diverse pipelines for investors, and equal participation is, ultimately, a catalyst for greater economic prosperity. There is a massive opportunity for investors that consciously back female-led founders.” - Eloho Gihan-Mbelu, Managing Director & CEO, [Endeavor](#) Nigeria.

Elizabeth Rossiello, Founder & CEO, AZA, benefited from [Endeavor](#)’s efforts. Rossiello, is a female fintech founder/CEO of a global fintech that is support economic growth in Africa through its best-in-class foreign exchange, payments, settlement and treasury services. With 220 employees, over 26,000 clients and a presence in over 115 markets, AZA empowers companies to speed up their operations in frontier markets through better foreign exchange, treasury services, payments, and last-mile

settlement through their platform. Highlighting the challenges that women entrepreneurs face, Rossiello shares, “Even in 2020, female entrepreneurs continue to face discrimination at every stage of founding, funding, and growing their businesses. The few women who do succeed in entrepreneurship are therefore more resilient and resourceful than the average entrepreneur.”

**Developing guides and practical step-by-step road maps for incubators, accelerators and other organizations supporting entrepreneurs on how to incorporate a gender focus into their operations has been a continued focus.** Following on the last year’s “Private Equity and Value Creation: A Fund Manager’s Guide to Gender-smart Investing” a new Toolkit has been developed this year under the **Village Capital** project. The Toolkit includes implementation guides for investor organizations and accelerators that outlines ways to reduce the influence of gender bias in their activities, including certain aspects to incorporate into their evaluation processes to consistently evaluate all startups more accurately, regardless of the gender composition of the founding team. The Toolkit is being finalized and will be launched in late September or early October. This Toolkit will be used to train all accelerators and investors engaged in the ScaleX Investor Coalition.

## V. PILLAR II: EXPANDING FINANCIAL SERVICES

The Access to Finance (A2F) pillar focuses on strengthening the ability of commercial banks, non-bank financial institutions, fintech providers, and insurance companies through investment and advisory services to better design products and services for WSMEs. Pillar II also aims to address WSME’s low uptake of insurance, savings, and transaction accounts, products that are particularly critical for them. Table 5 summarizes activities under this pillar (light blue are projects/activities added in FY22, red one are those dropped due to macro/external factors).

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

 PILLAR II - EXPANDING FINANCIAL SERVICES: 39 PROJECTS	
KEY FOCUS AREAS	
PROVIDING ADVICE AND CAPITAL TO FINANCIAL INSTITUTIONS TO EXPAND LENDING AND FINANCIAL SERVICES TO WSMEs	
INVESTMENT (22)	ADVISORY (17)
<b>GENDER BONDS</b> 1. <b>Indonesia:</b> OCBCNISP Tbk 2. <b>Ecuador:</b> DCM Pichincha GB <b>GENDER LOANS</b> 1. <b>Sri Lanka:</b> NTB Bank 2. <b>Vietnam:</b> OCB Bank 3. <b>Cambodia:</b> ACLEDA 4. <b>Vietnam:</b> SeaBank 5. <b>El Salvador:</b> Banco Agrícola 6. <b>El Salvador:</b> Fedecredito 7. <b>Guatemala:</b> Genesis	<b>ADVISING FINANCIAL INSTITUTIONS</b> 1. <b>Afghanistan:</b> Ghazanfar Bank 2. <b>Argentina:</b> HSBC 3. <b>Brazil,</b> Sicredi 4. <b>Colombia:</b> Bancamia 5. <b>Côte d’Ivoire:</b> Staple Food Cooperatives 6. <b>India:</b> Northern Arc Capital 7. <b>India:</b> <b>EQUITAS SMALL FINANCE BANK</b> 8. <b>Nigeria:</b> FCMB 9. <b>Global:</b> Digital NFS 10. <b>Philippines:</b> Union Bank 11. <b>Vietnam:</b> SeA Bank



8. Peru: Mibanco 9. Philippines: BOP Esquire 10. Uzbekistan: Ipoteka Bank 11. Uzbekistan: Hamkor Bank  <b>SMALL LOAN GUARANTEE PROGRAM (RSFs)</b>  1. Benin: NSIA Bank 2. Côte d'Ivoire: NSIA Bank 3. Kosovo: TEB Risk Sharing Facility 4. Myanmar: Yoma Bank Risk Sharing Facility 5. Nigeria: Union Bank PLC  <b>WORKING CAPITAL SOLUTIONS PROGRAM</b>  1. Ecuador: Produbanco 2. Kenya: Twiga digital food trading platform 3. Philippines: WCS Card Bank 4. Philippines: WCS Card Bank SME 5. Vietnam: VPBank	<b>DEVELOPING INSURANCE PRODUCTS FOR WSMEs</b>  1. Kenya, APA WomenInsure* 2. Côte d'Ivoire: Leadway 3. Cameroon: Activa, an insurance company 4. Ghana: Activa, an insurance company 5. Philippines: Malayan Insurance company 6. Philippines: Insular Life Insurance company 7. India: CoverFox
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FY2022 HIGHLIGHTS			
FY21	FY22		
26	39	13 new AS and IS projects: 8 new IS projects 4 new AS projects	
8	New investments to financing institutions in Benin, Ecuador, Guatemala, Peru, Philippines and Uzbekistan		5 New advisory projects to build the capacity of financial institutions to serve WSMEs and co-operatives in Kenya, India, Philippines and Vietnam
4	Case studies on how various insurers have created women's insurance market programs <sup>3</sup>		7 Webinars and learning events
			1 Partnership with ILO

CUMULATIVE PROGRESS- PILLAR II		
Loans, investments, and insurance policies provided to WSMEs in this Pillar	In financing provided to WSMEs	Women entrepreneurs reached through the Insurance Program
20,102	\$700m	171

<sup>3</sup> The program in Cameroon provides women, including entrepreneurs and traders, insurance to protect against disruptive events in life or business operations.

2,333	FY22	\$108 m	FY22	123	FY22
FY21		FY21		FY21	

## PORTFOLIO GROWTH AND TRENDS

**In FY22, the IFC We-Fi Program almost doubled under this pillar and significantly increased lending to WSMEs.** In the last one year, IFC We-Fi program has significantly expanded geographically providing investment and advisory support to 13 new financial institutions in 6 new countries across Africa, Asia and Latin America including one new gender bond in Ecuador – the first gender bond to be issued in the country. To date, We-Fi funding of \$12.2 million supported over \$819 million investment dedicated to WSME lending including \$550 million from IFC. Under this pillar, WSMEs received \$700 million in financing from the 14 financial institutions that reported results for FY22 (up from 108 million in FY21).

## TRENDS AND LESSONS IN GENDER LOANS

**Financial institutions are taking a strategic focus in developing their women-focused portfolios.** These financial institutions are recognizing the gaps in financing based on gender and are seeing opportunities in focusing on supporting women access financing. **Northern Arc Capital**, a wholesale debt provider in India, has realized the importance of facilitating access to traditional finance for women entrepreneurs and decided to lead by example by establishing a comprehensive gender-lens strategy with IFC's and We-Fi's support (Box 3). **Equitas** in India is developing a framework to quantify its interventions as well as to track, tag, and measure the indicators – and to sustainably serve women consumers of WSMEs, and women in staff and management, by collecting gender disaggregated data and making gender considerations an important part of the sourcing and servicing process. **Mibanco** introduced an initiative known as the “*Emancipation Loan*”. In the Peruvian financial system, banks have as a risk policy that for married woman to access a loan, they would need their husband's signature as a requirement. The “*Emancipation Loan*” was designed to be accessible to all women in the country, eliminating the signature of the husband from the mandatory requirements and in this way, **Mibanco** physically erased the space for the husband's signature, from all the contracts. Through this action, **MiBanco** has been able to create a portfolio of loan to women led companies. **SeABank** in Vietnam has developed a strategic roadmap to support women-owned businesses. The institution has now adopted preferential policies to support women-owned businesses.

**More financial institutions who initially did not have specific and dedicated gender products are refocusing their product offerings to target women.** IFC We-Fi has support a shift in which financial institutions who otherwise did not have specific credit programs for women now have launched such targeted initiatives for women. For example, **Ipoteka** in Uzbekistan developed the ‘*Unique<sup>4</sup> credit program*’ for women entrepreneurs to access loans in foreign currency. As a requirement for a business to access credit through the program, the head of the business entity must be a woman (the decision-maker who signs the loan agreement) who has held this position for the last 6 months. In addition, **Ipoteka** launched the *Business Impact Fund<sup>5</sup>* to promote women's entrepreneurship and participation in business by assisting with access to finance, know-how, and technical advice. Another example of an institution

<sup>4</sup> <https://www.ipotekabank.uz/en/business/financing/>

<sup>5</sup> [https://www.ipotekabank.uz/en/news/ebrd\\_woman/](https://www.ipotekabank.uz/en/news/ebrd_woman/)

working in the same vein is **Hamkorbank**, which has previously done exploratory lending to women borrowers, is seeking to scale up its gender program with IFC. Hamkorbank continues to develop a strategy, targeted products, and marketing tools to increase its gender finance portfolio<sup>6</sup>.

### **Box 3: Northern Arc Capital, India**

**Northern Arc Capital** is a wholesale financial institution that enable finance to microfinance institutions which lend predominantly to under-served households and businesses, including women borrowers. As a bridge between originators serving traditionally financially excluded customer segments and debt capital market in India with the use of technology, **Northern Arc Capital**, aims to provide **differentiated credit solutions** to women entrepreneurs both directly and through partners. To further **Northern Arc Capital's** goal of bring more women entrepreneurs under the ambit of formal finance, IFC, with the support of We-Fi, advised **Northern Arc Capital** by (i) providing a gender lens to their debt framework; (ii) creating a gender disaggregated dashboard; (iii) delivering gender sensitivity workshops to its financial institution clients. This advisory support has helped **Northern Arc Capital** to (i) define, tag and track the gender performance of its investees; (ii) measure its own performance on gender indicators as compared to global best practices and (iii) implement an action plan for improving the gender metrics. As a wholesale debt provider, the primary challenge for **Northern Arc Capital** was in tracking the gender disaggregated data. After determining their own baseline and the performance of gender portfolio vs. non-gender portfolio, **Northern Arc Capital** with IFC's advisory services was able to create a clear action plan. **Northern Arc Capital** and IFC are now working on a specific gender credit line which they can now utilize effectively. . From **Northern Arc Capital's** experience in working on a specific gender credit line, the wholesale debt provider realized it is important to lead by example as they were not able to establish gender targets for their investee clients until they themselves created a gender disaggregated portfolio and had an action plan.

**More utilization of technology to reach women.** Most recently, financial institutions have been putting a focus in utilizing technology to reach women. For example, **Genesis Bank** in Guatemala has been putting a strong focus in developing technology and digitization to make it easier to provide financial access and reduce the use of cash to rural communities and women-owned businesses. Women represent 62% of **Genesis** clientele and today the bank can already originate credit online, make payments, transfers, and even create a network to bring this technology to rural communities and women<sup>7</sup>. Genesis has been monitoring these solutions through "*Ruta de Desarrollo*" (Development Pathway), a unique methodology that measures the quantitative and qualitative evolution of clients with the main objective of pulling them out of poverty. In an interview with Edgardo Pérez, the General Manager of **Genesis**, if a product does not generate an impact on development, the Bank does not launch it. **Union Bank** in the Philippines, too, is establishing one of the first digital banks that is able to offer low-cost and scalable digital banking to the un/underbanked communities, including women owned businesses. Another example of digital utilization to reach and support women is **Banco Pichincha's** efforts in exploring the development of digital non-financial services (NFS) by conducting a market study on the digitization needs of SME and WSMEs in Ecuador. In addition, **Banco Pichincha** has initiatives such as the *Sustainable Finance program*<sup>8</sup> which

<sup>6</sup> <http://tashkenttimes.uz/finances/9272-ifc-supports-hamkorbank-to-expand-lending-to-small-businesses-and-women-entrepreneurs-in-uzbekistan>

<sup>7</sup>

[https://www.ifc.org/wps/wcm/connect/news\\_ext\\_content/ifc\\_external\\_corporate\\_site/news+and+events/news/fundacion-genesis-empresarial-en?deliveryName=FCP\\_1\\_DM115210](https://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/fundacion-genesis-empresarial-en?deliveryName=FCP_1_DM115210)

<sup>8</sup> <https://www.pichincha.com/portal/Portals/0/Transparencia/memoria-de-sostenibilidad-2021-ingles.pdf>

promotes the closing of gender gaps with financing, digital financial literacy and entrepreneurial skills among the Bank's female customers. **SeABank** has been developing several platforms that allow it to utilize gender smart interventions and action plans that allows the Bank to implement its long-term strategy to implement a corporate gender dashboard and sustainability framework.

**TABLE 6: EXAMPLES OF PLATFORMS AND PRODUCTS BANKS ARE USING TO SUPPORT WOMEN**

<b>Union Bank,</b> Philippines	<ul style="list-style-type: none"> <li>Developed <u>UBX</u>, an open finance platform that is partnering with women in business, specifically partnering with Women's Business Council Philippines (WomenBizPH) to build a Women-to-Women (W2W) investment and lending portfolio, a basket of financial assets that will help empower Filipino women to become successful entrepreneurs.</li> <li>Utilizes Kaleido's enterprise blockchain platform to provide financial inclusion to millions of Filipinos through Project i2i, which facilitates financial transactions in remote areas of the Philippines by providing banks with the infrastructure to access the domestic financial system.</li> </ul>
<b>SeABank,</b> Vietnam	<ul style="list-style-type: none"> <li>Created the <u>"Loans for Women-owned Businesses" program</u> to promote financial inclusion and develop a loan portfolio framework for women-owned businesses</li> <li>Launched the <u>SeAMobile digital banking platform</u>, designed for women with several advanced features such as AI application, QR payments, bill payments, online gold purchases, and eKYC identity technology.</li> <li>Designed financial packages with products and services exclusively for female customers who particularly need special services, including SeALady Credit Card (designed exclusively for women and offers a maximum cashback of up to 2% of all transactions), Vietnam Women's Union loans (SeAWomen), and a version of SeAMobile digital banking application for women.</li> </ul>
<b>Northern Arc Capital,</b> India	<ul style="list-style-type: none"> <li>Differentiated credit solutions to women entrepreneurs both directly and through partners.</li> <li>Comprehensive gender-lens strategy for their debt framework</li> </ul>
<b>Equitas,</b> India	<ul style="list-style-type: none"> <li>Launched <u>Eva</u>, a dedicated savings accounts for women offering 7% interest rate for a loan above \$6,000 and up to \$245,000. The platform also offers free health check-up and unlimited tele-consultation with women doctors, gynecologists, and mental health experts. Additionally, women lenders can avail to preferential rates on gold loan, dedicated relationship manager and a comprehensive wealth management system.</li> </ul>
<b>Fedecredito,</b> El Salvador	<ul style="list-style-type: none"> <li>launched the <u>CRECE MUJER SAVINGS ACCOUNT</u>, specifically catering to the financial growth of Salvadoran women.</li> <li>Women accountholders, including entrepreneurs, will also receive financial training and benefits from the Health at Your Reach Program.</li> </ul>

**Financial institutions are open to training and capacity building.** These efforts can be seen by institutions such as SeABank who have participated in study tours and trainings to systematically track performance by gender in small and medium enterprises. Other institutions including **Staple Foods Cooperatives** who have a program for capacity building, which has reached 197 cooperatives. COVID-19 impacted **SeABank's WMSEs'** business performance resulting in potential borrowers failing to meet the Bank's credit

requirements. To that end, the WSME portfolio expansion was challenging, especially in the 2H2021 as the fourth wave of COVID-19 hit hard in Vietnam. IFC has encouraged [SeABank](#) to engage women business associations to sourcing quality customers as well as develop customer segmentations for WSMEs. This process has helped expand the outreach of [SeABank](#) to WSME borrowers. To ensure the successful implementation of gender finance at [SeABank](#), IFC supported the Bank with gender tagging to monitor gender loans. IFC conducted an extensive qualitative market research to understand the needs and the requirements of different women's market segments and identify the position of [SeABank](#) in the market as a bank of women's choice. A market research brief and research questionnaires were developed, and two workshops were organized to share lessons with [SeABank](#). [SeABank](#) staff participated in a study tour, which showcased best practices in WSME banking, organized with BRAC Bank in Bangladesh.

#### [SeABank](#), Vietnam



With IFC and We-Fi's support, [SeABank](#) has been developing a banking on women strategy to help bridge the \$4.9 billion financing gap of WSMEs, accounting for more than one-fifth of the SME financing gap in Vietnam. "Supporting SMEs and women-owned businesses has always been a part of [SeABank](#)'s development strategy. Given the COVID-19 pandemic, [SeABank](#) takes this as one of its responsibilities in order to contribute to the general economic recovery. Receiving additional fund from IFC and major international lending institutions demonstrated [SeABank](#)'s ability to access international capital to support businesses, especially SMEs and WSMEs. The additional capital will assist [SeABank](#) to strengthen its capability to support the growth of women-owned businesses as well as develop gender-smart action plans and intervention in line with the Bank strategy," said Ms. Le Thu Thuy - General Director of [SeABank](#).

One such company to benefit from [SeABank](#)'s support is Hien Le Commercial and Service Co., Ltd., an Agricultural Product Processing factory in Hanoi, Vietnam. Co-founded by a woman entrepreneur, Hien Le's products are exported to Japan, the United Kingdom, Germany and Belgium. During the pandemic, even though annual sales dropped 30 percent (from VND 320 billion in 2019 to VND 224 billion in 2020), Hien Le was able to secure a credit limit of VND60 billion from [SeABank](#). With the support from [SeABank](#) at this critical time, Hien Le recovered with an increase in annual sales from VND224 billion (2020) to VND422 billion (2021); VND70 billion (Q12021) to VND90 billion (Q12022), expansion of customer base with plans to open a new factory in Haiphong to process and export agricultural products in 2022 and added 100 more employees.

**Several portfolio financial institutions are scaling up their gender programs and have encouraged others to follow suit.** Financial institutions are seeing their gender business approaches and products being picked-up by other institutions. For example, the *Mujeres al Mundo program* by [HSBC](#), which supports women entrepreneurs through training, mentoring, and differentiated financial services has been exported to places such as Uruguay and Mexico and has already had an impact. [HSBC](#) has also announced

launch of a Female Entrepreneur Fund, which will provide US\$1bn in lending to female-owned businesses over the next 12 months in May. Also, in Latin America, IFC has been working with **Banco Agricola** in El Salvador to support the gender business line of the Bank. **Fedecredito**, also in El Salvador, has a similar on-lending component to **Banco Agricola**. Banco Industrial, the largest bank in Guatemala, is replicating efforts on the gender component and similar projects in Mexico are taking form. Additionally, trends can also be observed with the largest commercial banks as well as savings and credit cooperatives in the region venturing into women's issues with a focus on financial and non-financial products. Finally, we see many IFC clients are launching non-financial services products targets at WSMEs – such as BHD Leon's in Dominican Republic launched their product “Dr PYME”, VP Bank in Vietnam launched “SME Health Diagnostic” and KCB IN Kenya are adopting digital productivity tools.

**Sicredi, Brazil**

To provide customized support to aspiring women entrepreneurs, IFC has collaborated with **Sicredi** to develop an innovative project, Donas do Negócio (business owners). This program stimulates and supports female entrepreneurship through training, information, inspiration and networking opportunities, in addition to a customized attention model. Helene Meurisse from IFC shares, “we did research, interviewed women entrepreneurs and listened to their pains and needs in order to create a program that makes sense to them. A program for women, by women.”

Goret Portinelly, who always dreamed of owning her own business, has benefitted from Sicredi’s innovative project. At a very young age Goret sold colored pens and, at the age of 14, she started selling clothes. Today, with the support of the Donas de Negócio project, Goret has her own business, Studio Goret Portinelly, where she hires 4 employees and a few freelance hairdressers. This growth was possible for Goret because of the support she received from Sicredi.

Despite the success of her beauty salon, Goret does not rule out the possibility of medicine, and recognizes that it is possible to be a doctor and makeup artist. “Women accumulate functions. We are mothers, providers and helpers. I had to learn to deal with entrepreneurship at the same time I learnt to be a mother. I always had this side focusing on entrepreneurship, and I saw that through my hands, my willpower, I can conquer whatever I want.”

**VI. PILLAR III: IMPROVING MARKET ACCESS**

IFC We-Fi is promoting WSME growth and productivity by linking women entrepreneurs to global, regional, and domestic markets under the Access to Markets (A2M) pillar. Innovative approaches such as e-commerce platforms are being tested to help WSMEs overcome specific constraints to market entry. Trainings aim to support WSMEs to become procurement ready and ensure they meet the qualifications to become value chain partners. Table 7 summarizes activities under this pillar (light blue are projects/activities added in FY22).

*Table 7: Pillar III Focus Areas and Activities, Project Highlights and Progress Towards Targets*

	<b>PILLAR III – IMPROVING MARKET ACCESS: 7 PROJECTS</b>
<b>KEY FOCUS AREAS</b>	



## INTEGRATING WSMEs INTO DOMESTIC AND INTERNATIONAL VALUE CHAINS AND PRODUCER NETWORKS

1. Egypt: MaxAB
2. India: Suguna

## DEVELOPING INCLUSIVE SOURCING AND SUPPLY CHAIN FINANCE

1. Daraju: WSMEs in the company's distributor network (IFC Research)
2. Egypt: MaxAB
3. India: Bayer, Better Life Farming Alliance
4. Kenya: Sourcing2Equal
5. Vietnam: Sustainable Pepper, McCormick

## FY2022 HIGHLIGHTS

**\$49.9**

New investment projects

**1**

Strategic partnership with WEConnect International

**9**

Reports and studies

**267**

WSMEs received agri-entrepreneurship training through FY22

**Existing program delivery has been the main focus under the pillar.** To date, We-Fi funding of \$6 million supported over \$49 million investment dedicated to WSME lending in India, Egypt, Kenya, Nigeria, and Vietnam. Within this diverse set of countries, as of June 2022, approximately 267 WSMEs (up from 184 last year) received entrepreneurship support, in the form of business capacity training in agricultural entrepreneurship. While no new projects were committed, the *Sourcing2Equal Program* is expanding into Colombia, as there is an increasing demand from companies to do more on gender and sustainability, as demonstrated by signatories to Women Empowerment Principals (WEPs), UN Global Compact and over 35 companies that participated in IFC's Colombia roundtable on gender-inclusive sourcing in March 2022.

**Supporting e-commerce platforms proves promising in bringing women-owned businesses into supply chains and helping them grow.** Among actors addressing the challenges associated with complex emerging market distribution chains are digital business-to-business (B2B) distribution platforms such as IFC and We-Fi supported investees [TradeDepot](#) in Nigeria (see section I) and [MaxAB](#) in Egypt. [Sarmayacar](#), IFC's and We-Fi's portfolio fund, also invested in a company that supports women retailers on its platform (Box 4). B2B platforms, financial intermediaries, and other supply chain actors can leverage digital transaction data to facilitate access to working capital for retailers and distributors. This is particularly beneficial for women as they often face larger gaps in accessing finance. Further, by streamlining and digitizing the ordering of FMCG products, digital B2B distribution platforms can improve the procurement process for retailers. Both [MaxAB](#) and [Trade Depot](#) are committed to reporting on the number of women entrepreneurs that use their platforms and have established targets. Insights from [MaxAB](#) and [Trade Depot](#) indicate that e-supply chain actors are often uniquely placed to advance gender equality as many have a direct relationship and frequent interactions with retailers. Specific to women entrepreneurs, these insights suggest following actions: (i). Disaggregating retailer data by gender and tracking this from



the time of retailers' on-boarding; (ii). Leveraging data and retailer relationships to identify and address the barriers that disproportionally impact female retailers' growth, as well as the factors that lead female retailers to stop using the platform; and (iii). Engaging stakeholders with data-driven insights about the inclusiveness of their distribution networks. Digitization and access to e-commerce platforms is empowering women to be more efficient, successful and profitable with their business.



**Box 4: Indirect beneficiaries as IFC We-Fi investee supporting companies that serves women businesses.**

Jiye Technologies, is an agri supply chain platform based in Pakistan and founded by Ali Amin, Ahmad Bilal and Osama Salman. Although not a women led company, as a beneficiary of [Sarmayacar](#), Jiye Technologies launched the *Jiye Aurat (Live Woman) Program*, a B2B Tech based marketplace *Jiye Aurat*, connects women entrepreneurs with businesses through technology, lean supply chain and fin tech to empower female retailers in the agricultural sector by providing them with access to financing and equipment to run their businesses effectively and relevant training. The *Jiye Aurat program* focuses on (i). technology inclusion where the women are

teaching women micro businesses how to use the Jiye app; (ii). financial literacy and inclusion which will allow female retailers to access credit; (iii). refurbishment of stores with brand signage, racks and storage shelves and uplifting of retail outlets by providing them with equipment such as digital weighing scales, water coolers, and cash registers; and (iv). enabling women entrepreneurs increase their access to customers through digital mileage. Through technology inclusion women retailers are benefiting from using the Jiye app to access fresh produce inventory at fair prices, retail-friendly [SKU](#) varieties, and small tools like calculator, shopping cart, and order times. The app also provides historical records of retailers' purchases, along with total transparency through push notifications for real-time updates on order status. . Suraiya, a beneficiary of this program, shares that after her husband passed away seven months ago, she had to tend to her children, including her youngest one who is still a baby. Sairaya said, "Before the support from *Jiye Aurat*, we would spend Rs. 300 to 400 daily to transport our produce from the mandi (market). Paying this amount on a daily basis was not sustainable for my business. Jiye has given me a smart phone and training on how to use it. With the app, I actually have savings. I save on transportation cost and get my produce at cheaper rates. I order everything online which saves me time. I can now spend more time at my shop which will result in more customers."

**Training and capacity building has been a key feature in supporting WSMEs integration into value chains including their access to supply chain finance.** For example, to address retailer knowledge gaps, [MaxAB](#) has agreed to develop retailer coaching and training that will have an emphasis on women retailers through the [MaxAB](#) platform. The project is building on the *Last Mile Retailer Program* and is customizing materials from previous modules to use them as learning resources. [Sourcing2Equal](#) has been focusing on both the demand and supply side. On the supply side, the project is working with Buyers and implementing capacity building solutions to promote the business case for sourcing from WSMEs. One of

the main activities was assessing Buyer's procurement operations to identify gaps and opportunities to increase procurement spend and contracts with WSMEs and to create an action plan to advance gender-inclusive sourcing. This was complemented with a supplier development workshop dedicated to onboarding and designing the future in which participants developed supplier development solutions for WSMEs. The project also developed an advocacy campaign to increase awareness of the business case and profile project and participants. Two Buyers (Safaricom and Stanbic) were featured in Standard Newspaper article on tackling gender gaps in corporates' supply chains. On the demand side, the project implemented procurement readiness training to support WSMEs overcome challenges in accessing corporate procurement contracts. Finally, the team facilitated Buyer-Supplier Matchmaking closed event with 21 participants from 19 WSMEs, and 26 attendees from 7 Buyers. Team shared Buyer contacts with WSMEs and collected feedback on any linkages made. One women-led company reported closing a Buyer contract. **McCormick**, too, continued delivering training to female farmers on good farming practices, and on how to use the *Vietpepper mobile application*. The case study conducted by the company showed that failing to include women in delivery of training on latest agricultural practices leads to the overuse of pesticides and chemical fertilizers which ultimate results in poor-quality harvests and inability to meet export market standards. Both **McCormick** and the **Better Life Farming Alliance (BLFA)** have e-learning modules aimed at helping women farmers learn and grow.

**Emphasis on research and case studies to understand distributors and suppliers' needs and how meeting these needs affects their sales performance.** IFC research focusing on **Daraju** in Nigeria provides a case study on how the fast-moving consumer goods (FMCG) sector can support women entrepreneurs and help them capture growth opportunities (Box 5). **McCormick** also conducted a case study on the business case for closing gender gaps which showed that a) There are gender gaps in access to agricultural information and training, and b) Closing these gender gaps can lead to better harvests and improved revenue. The study also found, for example, that women do in fact attend the trainings, and that they are better at retaining and applying the content and learning than their male counterparts. The project team has worked with **McCormick's** Vietnamese suppliers (PEARL, Haprosimex and Vietspice/Phuc Sinh Corp) to develop innovative solutions such as *Women's Pepper Clubs* to promote more equal integration of female farmers into **McCormick's** supply chain.

**Box 5. **Daraju****

In the fast-moving consumer goods (FMCG) sector, female distributors are seen as vital to sales, often reaching unserved or underserved last-mile consumer markets. Yet, women entrepreneurs face many

challenges that restrict the growth potential of their businesses, including limited access to finance, poor infrastructure, limited access to and use of technology, and smaller business networks.



In response to this market challenge and with the support of the We-Fi, IFC partnered with **Daraju** Industries, Ltd. (Daraju) to research how the FMCG sector in Nigeria can support women entrepreneurs and capture untapped growth opportunities. The

research activities included: (i). conducting desk research on the FMCG segment in Nigeria; (ii). reviewing distributor data, including selection criteria, demographics, locations, and sales performance; (iii). designed survey tools to assess distributor needs and gender gaps and trained 20 **Daraju** staff across the country to administer surveys; (iv). surveyed 250 male and female distributors on factors affecting their performance, including access to finance, logistics, technology, and networks; (v). analyzed survey data to identify statistically significant gender differences and how they impact distributor sales performance; and (vi). interviewed **Daraju** senior management, operational staff, sales executives, and distributors to obtain qualitative insights to supplement survey data. ***Six business priorities were identified as the main barriers to their business growth: access to finance, inadequate infrastructure, access to and use of technology, smaller networks, manpower, and business management skills.***

The research found that stakeholders in the FMCG sector, such as financial institutions and capacity building and business support service providers, can unlock the potential of women entrepreneurs through **six measures**: (i). increase access to finance solutions to help distributors navigate poor infrastructure, especially for increasing inventory and accessing vehicles and storage facilities; (ii). offer access to mobile phones, computers, and data, complementing access with training on the use of technology solutions to support business management activities; (iii). target women sales agents to help female distributors reach underserved markets and increase market penetration; (iv). provide logistics support, including access to vehicles and efficient product delivery to ensure that distributors have adequate inventory to meet customer demand; (v). create opportunities for networking among distributors and with external representatives from financial institutions and local businesses; and (vi) provide training in financial management, inventory management, customer acquisition, sales and marketing, technology and product training.

## VII. KEY CHALLENGES AND LESSONS LEARNED

**The importance of blended finance instruments in transforming entrepreneurial ecosystems.** The availability of seed capital in the emerging markets remains low, and blended finance instruments remain key when it comes to supporting SSFMs to increase the supply of equity financing at the pre-seed and seed stages. To date, IFC and We-Fi supported a number of funds and accelerators, and some of them are already setting new precedents in terms of innovation in the gender space as well as the level of adoption of the gender-smart strategies. In most cases within the IFC We-Fi Program, support from We-Fi came in a form of equity co-investments with various terms (sometimes, complemented by a grant element), i.e., in a form of a returnable investment capital. This is a relatively new approach for the provision of concessional capital for use by development finance institutions in emerging markets, and We-Fi made it possible to test in the gender space. It is important to note that with this new model, fees, dividends and other reflows can be returned to the original contributor of the concessional finance. The original contributor can then reinvest the funds in various ways—e.g., back into the same concessional finance facility for additional investments, into alternative facilities or use for domestic activities. In other words, this model can reduce the impact on donor government budgets, and hence more government funds could become available for collaboration with the private sector. Going forward, it would be worth exploring how this approach could be scaled up and used in conjunction with grant-like consumable capital allowing for complementary instruments to be used (e.g. equity investments alongside performance-based incentives). It will also be important to keep the momentum and to capitalize on what has been achieved by continuously working with the Private Equity (PE) industry to help fund managers drive the adoption of gender-smart investing at both firm and portfolio level.

**As more and more institutions realize the importance of tailoring their solutions for WSMEs clients and start experimenting with new products and services, it will be important to learn from best practices and share the knowledge.** Many IFC clients across all the three pillars piloted new solutions and programs for WSMEs. Some came-up with new loan, line of credit and inventory financing products, introduced temporary features such as flexible repayment plans, some developed comprehensive programs that go beyond finance, and some focused on training, mentorship and partnerships. IFC We-Fi team will watch closely the evolution of these initiatives, and make sure that there is a constant exchange of best practices and lessons learned across the board.

**Flexible project timelines when necessary to ensure that there was adequate time available for implementation and to close gaps.** Even though they had met some of their project objectives, both [Sourcing2Equal](#) and [MaxAB](#) are extending their project timelines to ensure that implementation activities are completed appropriately. For example, Source2Equal WSME training and mentoring activities did not start in this cycle because the approach to identify solutions took more time than originally anticipated. The approaches entailed design workshops and consultations with stakeholders (Buyers, WSMEs, service providers, etc..) across the ecosystem. As a result, the implementation timeline has been extended by 6 months to allow for sufficient time to complete capacity building activities. [MaxAB](#) is the first project focusing on women entrepreneurs in the segment of B2B e-commerce platform aimed at better targeting women-retailers, by identifying which of the women-retailers that use the platform are VSEs or SMEs and may have the potential to grow and support the growth of women-owned/led retailers using the platform by improving their professionalization. The project has finalized the baseline analysis and identified key areas of work that should be done for the remainder of the project. The project faced some delays but is using the grace-period stage to mitigate any challenges in terms of the timeline. Some of the lessons learned relate to training solutions and to put forth a strategy that focuses on women entrepreneurs so



that these strategies can be used for follow-on projects. Additionally, other lessons learned relate to how indicators should be revised and how to better inform We-Fi definitions that are used across all projects. **Suguna**, given the effects of the pandemic, has faced challenges in reaching WSMEs, in various regions of India, who have had trouble in participating in activities such as virtual interviews. The team has also faced challenges in collecting data on implementation efforts of We-Fi programs from Suguna and the team continues to follow up on ways to support **Suguna** in updating its progress on measuring its efforts on WSME progress.

**Financial institutions, corporates and women entrepreneurs still face challenges post COVID-19 pandemic, which can delay the implementation.** In several cases such as **Suguna (India)** operations were severely affected which resulted in the slow implementation to increase the number of women-led farms in their supply chains. Efforts are being made to support recovery from the pandemic and to continue operations. For example, the team has processed its third tranche of disbursement to its Indian subsidiary to help in the recovery efforts from the pandemic. Also, some financial institutions continue taking precautionary measures such as applying stricter selection process when providing loans WSMEs or focusing on supporting their existing clients as opposed to expanding their portfolios. While loan disbursements are on the rise, several banks were still not able to meet their yearly targets. IFC will continue monitoring the situation and working closely with financial institutions to help them navigate through the uncertainty and make sure that the effort is sustained.

**Finally, in the Access to Markets pillar, the IFC We-Fi Program is facing challenges related to the use of existing We-Fi definitions which were originally designed for financial institutions but do not fit realities of the manufacturing, agribusiness and services sectors.** At the moment, two projects in the portfolio are affected, namely, Suguna and MaxAB, and several projects in the pipeline including Agrofertil.<sup>9</sup> The definitions both on ownership/leadership and size aspects, need to be updated based on lessons learned and need to reflect industry and/or sub-sector specifics. Companies such as Agrofertil, for example, might not be able to report on either sales because farms would only partially order from the company, or assets because this data is confidential. Similarly, employment is usually seasonal. In addition, in retail and e-commerce projects, most WSMEs are too small to fit in the definition of WSME. E-commerce platforms generally work with SME retailers which are too small to be serviced directly by large manufacturers and distributors. These retailers benefit significantly from using e-commerce platforms which level the playing field and offer increased access to markets and information. Hence, a more flexible approach is needed to enable large corporates make their supply chain more inclusive, i.e. increasing the participation of the WSMEs in the supply chains. The IFC We-Fi team is preparing a detailed Note which will outline all the issues with specific examples on a project-by-project bases which will be shared with the Secretariat. In the meantime, the team anticipates that the existing definitions will continue to obscure IFC's efforts in working with large corporates in the manufacturing and agriculture sectors to make their supply chain more inclusive.

## VIII. IMPACT AND PROGRESS TOWARDS MEETING WE-FI TARGETS

### A. IMPACT AND PROGRESS TOWARDS MEETING TARGETS

The IFC We-Fi team has continued to build a pipeline of investment and advisory projects under the IFC programmatic approach. In terms of results for FY22, the team is pleased to note that for various reasons

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<sup>9</sup> The IFC We-Fi team has shared a Note with the Secretariat on the Agrofertil project which outlines specific issues. The project hasn't been committed, and the client is awaiting a decision.

- including improvements in client experience with reporting on gender disaggregated data, an increase in the number of reporting projects in the portfolio, and allowing for the initial lag period in the life cycle of a typical project before results can be realized and reported by the client, - a substantial improvement was observed in progress achieved over the last fiscal year.

### IFC progress toward Program targets as of FY22

Of 60 partner institutions in IFC's We-Fi portfolio, results were expected from 44 projects that were committed in FY21 or prior. Of these, results were received for 25 projects. This includes 14 projects in the Financial Institutions Group, Funds, 4 projects in Funds, 4 projects in the Insurance sector, and 3 projects in Manufacturing, Agribusiness & Services.

Progress towards overall program targets accelerated in FY22, particularly with two key indicators: the number of WSMEs that accessed new financing grew from 10% in FY21 to 80% in FY22, and the volume of financing extended to WSMEs grew from 21% in FY21 to 90% in FY22. The total number of clients in the We-Fi portfolio also grew from 46 in FY21 to 60 in FY22, and \$924 million in additional financing was mobilized cumulatively as of FY22, almost double from FY21.

IFC CUMULATIVE RESULTS – ACHIEVEMENTS FOR WSMEs				
<b>FY22: 30,358 (76%)</b> <b>FY21: 3,861 (10%)</b> Number of WSMEs that accessed new financing from We-Fi supported institutions (i)		<b>FY22: \$779m (90%)</b> <b>FY21: \$180m (21%)</b> Financing in Loans & Equity Investments provided to WSMEs by We-Fi supported institutions		
<b>FY22: 27,420 (80%)</b> <b>FY21: 3,637 (11%)</b> Number of WSMEs supported by We-Fi (ii)	<b>FY22: 1,938 (125%)</b> <b>FY21: 1,691 (109%)</b> Number of WSMEs that accessed entrepreneurial support activities from We-Fi supported institutions	<b>FY22: 30 (60%)</b> <b>FY21: 18 (36%)</b> Partner institutions offered products, services or approaches benefitting WSMEs	<b>FY22: \$924m (210%)</b> <b>FY21: \$524m (119%)</b> Additional financing mobilized for We-Fi supported activities	<b>FY22: 60</b> <b>FY21: 46</b> Number of total partners in We-Fi Portfolio (iii)

- (i) This number is based on Indicator #3, which is the number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions. For the financial sector, this includes the results received from IFC's Reach survey of client Financial Institutions on the number and value of outstanding loans to WSMEs at the end of each Calendar Year.
- (ii) This number is based on indicator #12, which includes the number of women that received any entrepreneurship support and financing. In cases where the project involved both financing and entrepreneurship support, the larger number was considered to avoid double counting. Additionally, for the financial sector, the calculation for WSMEs that received financing is based on the assumption that one WSME receives more than one loan, and is calculated by dividing the number of loans by a factor of 1.2.
- (iii) This number is based on indicator #11 which represents the total number of partners that the IFC We-Fi program has engaged with through FY22. Note that the number of total projects is 63, while the number of total partners is 60. This is because we are engaging on both the Investment and Advisory

side with one partner (MaxAB, Egypt), and the other two are projects where we are working with existing IFC partners (She Wins Arabia, and ScaleX).

*Source of data:* For the financial sector, IFC administers the annual Reach Survey to its financial institution clients, thereby collecting information about their outstanding loan portfolios, deposits, other business-related data, and outreach to their customers, including to WSMEs. The We-Fi team primarily uses this audited and verified data to report on financial sector client outreach to WSMEs. The IFC tracks this data based on the change in the overall client portfolio from the baseline year to the reporting year, and the data collection methodology does not differ by financial instrument utilized by the project. When needed, the We-Fi team collect additional data from financial sector clients to better explain the results.

### **We-Fi Sectors- contribution to results**

This growth was driven mainly by projects in the Financial Sector. The financial sector had the highest number of reporting clients in FY22, and accounts for 66 percent of the achievement on number of WSMEs that accessed new financing, and almost 90 percent of the overall results on volume of financing extended to WSMEs. This upward trend is also evident on a client-by-client basis (as compared to a cumulative achievement), as all the reporting clients in the financial sector portfolio reported increases in lending from baseline figures.

While an increase in the number of reporting clients in the financial sector contributes to the results, it is also likely that the IFC financial sector clients have improved their systems for gender-disaggregated reporting (as required by the IFC Reach survey for collecting results), to be able to report separately on their WSME portfolios. The upward trend in results also suggests that the financial sector is starting to recover from initial Covid-related disruptions towards a more business as usual scenario.

In comparison to the previous year, we note that for Funds that delivered most of their results in the previous FY21, fewer additional results were observed in FY22 for the same projects. We note that if a fund deploys the majority of its capital in a given year, it is unlikely that there will be more results in the following years. However, there may also be irregular distribution of the investments across the investment period of the fund as Funds typically operate on the basis of opportunities presented and investing in those opportunities. Looking ahead, we expect Funds projects to contribute more towards results in their next year.

The Insurance and MAS sectors made nominal contributions to results in FY22. This is because both sectors have faced on-going challenges with trying to meet the We-Fi standard definitions for WSMEs in non-standard settings. These challenges are more evident in the MAS sector, and a separate analysis is currently underway to highlight the challenges and propose solutions on how to best capture the development impact of these projects for We-Fi purposes.

### **M&E Highlights**

**Job Creation estimates:** As most financial institutions do not have the ability to report on jobs created by SMEs that receive loans, IFC has continued to refine their methodology to estimate jobs created by SMEs that obtained loans from its financial institution clients, based on the report “Small Business, Big Growth: How Investing in SMEs Creates Jobs” (2021). Amongst other metrics, the model captures the direct permanent jobs created by SMEs as compared to similar SMEs which do not have access to financing.



These estimates are calculated using expected additional SME financing that is proportional to the amount of the IFC's financing and mobilization for the Project.<sup>10</sup>

**Financial Sector data collection:** While the results for the financial sector are primarily based on IFC's Reach Survey, Financial Institution clients have been willing to provide additional data as needed to further explain and substantiate the data collected through the Reach survey. These data include information on actual disbursements at the time of project commitment and during the current year as well as information on average loan tenors for WSME loans.

**Client capacity to disaggregate data by gender:** It is often a learning process for clients to start reporting on data disaggregated by gender, even when they already have products targeting women and an existing WSME client base. For FY22, we note improvements in client capacity to report on gender disaggregated metrics. This is likely due to the experience that IFC clients have gained with IFC's reporting requirements, as well as the advisory services offered alongside investment operations to assist the client financial institution with setting up gender disaggregated reporting systems.

### M&E Challenges

**Assessment against Annual Targets:** This was the first year that the We-Fi program required setting up and reporting against annual targets. Due to the differing nature of projects in each of the sectors and timeline of delivery and results reporting, it may be more useful to report progress against overall program targets rather than annual targets. This year, the annual targets were exceeded for both the number of WSMEs reached (139%), and volume of financing extended to WSMEs (159%), but this process and targets might need to be refined based on future expected results.

**Projects that were unable to report results in FY22:** Out of 44 projects that were expected to report results in FY22, 25 projects managed to report results. There are a number of reasons for why results were not reported for the remaining projects. These include the following: (i) Data issues, where results reported seemed implausible due to rate fluctuations between USD and the local currency (Argentina) and where baselines needed to be re-assessed due to WSME definition-related issues (Egypt); (ii) Political issues over the last year (e.g. in Afghanistan); (iii) Projects that were in early-stage operations, had delayed starts due to differing client priorities, or where the client was undergoing internal restructuring of operations.

### Looking forward

From a M&E perspective, the We-Fi team notes progress made in addressing some of the data challenges that were presented last year, including the ability to collect better quality data both in terms of gender-disaggregation, additional financial sector information, and refined job-creation estimates for the financial sector. While some challenges still remain on a sector level, the team expects to engage and work closely with the Secretariat over the next few months to ensure continued delivery towards program targets.

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<sup>10</sup> The model also provides several different Job estimation metrics, including Indirect and induced jobs that are created in the SMEs supply chain as the beneficiary SMEs demand more intermediate inputs and via a consumption multiplier effect, where employees of the SMEs and their supply chain spend a share of their higher income on consumption. These indirect and induced impacts are estimated using a SAM multiplier approach as part of IFC's Economic Impact Estimation Framework. As indirect and induced economic activity cannot be monitored directly, economy-wide claims are assessed using realized client/project performance.

## B. RESEARCH AND KNOWLEDGE

IFC We-Fi is implementing activities on impact evaluations, research, and policy advocacy at the global level to amplify the results of clients and partners at the regional and country level, and bring attention to women's entrepreneurship, build and share knowledge and learn from its experiences.

**Research:** IFC We-Fi continues continued its emphasis on research and gender data across the portfolio and developed and published over 5 analytical studies and reports. See the list of reports by pillar below:

PILLAR II
Malayan Insurance, Philippines, <a href="#">The Case For Insuring Women For A Better Tomorrow</a> Insurance Efforts in South Africa: <a href="#">Building Resilience for West Africa's Women Entrepreneurs</a> Twiga (USAID): <i>Achieving Social &amp; Business Impacts Through Gender-Smart Strategies</i> <i>A Case for SMEs, Investors, and Donors</i>
PILLAR III
Learning Brief: <a href="#">Inclusive Distribution: Advancing Gender Equality in the Fast-moving Consumer Goods Sector</a> Case Study (McCormick): "GENDER-BASED VIOLENCE AND HARASSMENT ASSESSMENT IN VIETNAM'S PEPPER SUPPLY CHAIN" Case Study (McCormick): "Closing Gender Gaps and Triggering the Gender Flag: Project Case Study"

**Advocacy and Events:** The WB teams participated in two dozen workshops, trainings, and other events. They presented findings at various knowledge events. The program and project teams also organized a series of successful events during the WBG Gender week. See examples below:

**Table 8: Advocacy Activities and Events**

PILLAR I	PILLAR II	PILLAR III
Nuts and Bolts of working with fund managers, incubators and ecosystem players to increase investment inar [IFC, World Bank] into WSMEs: Lessons from WBG We-Fi Program Web	Côte d'Ivoire Event in Abidjan in collaboration with AfDB to launch Staple Foods (IFC)	Virtual Best Practice Exchange (BPE) workshop with a financial institution in Brazil, April 22, 2021 (IFC)
	FAW Annual Summit, October 2020, Shifting the Paradigm: The Female Economy 2020 and Beyond <a href="https://financialallianceforwomen.org/summit/2020-annual-summit/">https://financialallianceforwomen.org/summit/2020-annual-summit/</a>	Virtual Best Practice Exchange (BPE) workshop for Kenyan Corporates on Sustainable Procurement Strategies: Increasing Sourcing from Women-Owned Businesses, October 1, 2020 (IFC)
	Video: <a href="#">Banco Agricola Testimonies</a>	Virtual Best Practice Exchange (BPE) workshop with IFC investment client in global agriculture and food systems based in Singapore but operating in

		several emerging markets in Asia, Africa and Latin America, December 16, 2020 (IFC).
		Columbia - Building Sustainable Supply Chains through Gender-Inclusive Sourcing Virtual Roundtable by invitation only (Sourcing2Equal - IFC).
		MaxAb's Co-founder & CEO Belal El-Megharbel Conversation with IFC – <a href="#">Video</a>

## IX. PLANS FOR NEXT YEAR

Priorities for FY23 will be to continue project implementation and support women entrepreneurs and other ecosystem players with the relevant tools as they rebuild after COVID-19.

### Pillar I: Strengthening Entrepreneurship Ecosystems

The IFC We-Fi Program will continue deploying funding from the 3<sup>rd</sup> Call for Proposals given that the first allocation is already exhausted. In particular, IFC will continue to support the development of more equitable ecosystems by supporting SSFMs that make investments in entrepreneurs and their early-stage companies through equity and quasi-equity instruments. IFC will continue to implement ScaleX – a program that will use performance grants to influence equity flows. In particular, the IFC ScaleX team will continue the social media outreach campaign to reach more accelerators and inform them about the IFC ScaleX program. At least two more informational Q&A (webinars) will be held - giving accelerators an opportunity to ask 'live' questions to the IFC ScaleX team. The IFC ScaleX team will also attend events to promote knowledge on the IFC ScaleX program and its mandate to increase access to capital for women.

The team will continue implementation of the SheWINS Next which aims to help women-led startups across the MENA get the advice, mentorship, and finance they need to grow. To capture a larger pool of women entrepreneurs, the initiative is sector agnostic. In doing so, the initiative will however pay special attention to mobilizing women entrepreneurs who have climate focus to participate and benefit more broadly and to showcase their businesses at COP28. This will allow the project to increase women entrepreneurs' ability to action climate smart solutions, thereby mitigating climate impact on vulnerable communities, including (but not limited to) women. The She Wins Next project will target a cohort of more mature startups and adjust the training curriculum accordingly, in order to enhance the prospects of facilitating access to financing from ecosystem players post training completion (this was a key learning from She Wins Arabia project). She Wins Next will also work with ecosystem players (Funds, Accelerators / Incubators) on gender sensitization support.

Finally, the team is planning to launch Invest2Equal - an IFC-led program that brings together IFC portfolio fund managers to make specific, measurable, and time-bound commitments to increase gender diversity within their firm and/or investment processes.

### Pillar II: Access to Finance

Under the 1<sup>st</sup> Call for Proposals, the team will continue scaling-up the use of performance-based incentives alongside IFC's own capital to incentivize financial institutions develop tailored programs and solutions, as well as help direct more financing to WSMEs. The team will also continue working with clients to ensure

smooth recovery post COVID-19 pandemic. For example, some of the potential borrowers of [SeABank](#) in Vietnam failed short of the Bank's credit requirements because of the pandemic. As a result, [SeABank](#)'s women entrepreneurs portfolio expansion was affected. However, with IFC support, [SeABank](#) plans to work with businesswomen associations in sourcing women borrowers and to continue building the Bank's outreach programs. Implementation of the advisory project with [Fedecredito](#) will begin in September 2022. In Mexico, [Banco Agricola](#) plans to work on the first project for digital mortgages for women.

Under the 4th Call for Proposals, the IFC's Banking on Women (BOW) program will focus on assessing the changing needs of WSMEs and very small enterprises and building the internal capability of financial institutions to address them.

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

As outlined above, IFC We-Fi Program is facing challenges related to the use of existing We-Fi definitions which were originally designed for financial institutions but do not fit realities of the clients in the manufacturing, agribusiness and services sectors. The IFC We-Fi team is currently working with other Implementing Partners and with the We-Fi Secretariat to outline all the issues and lessons learned from the existing portfolio clients and will be sharing a Note in the near future. In the meantime, the team anticipates that the existing definitions will continue to obscure IFC's efforts in working with large corporates in the manufacturing and agriculture sectors to make their supply chain more inclusive.

For the upcoming fiscal year, the [Sourcing2Equal](#) Program will focus on the implementation of the following activities: (1) Sourcing2Equal Kenya - focus will be on capacity building of buyers via learning events and implementation of WSME capacity building activities. In addition, in collaboration with FIG team, it will explore supply chain finance solutions for WSMEs that could potentially lead to a future IFC investment leveraging We-Fi concessional finance. (2) Sourcing2Equal Colombia - focus will be on conducting a corporate and WSME needs assessment, including access to finance, to ensure that the solutions offered are targeted to both WSMEs and corporate buyers in Colombia. Program will kick-off with the onboarding of corporate buyers to the peer learning platform. (3) Sourcing2Equal Global Research on the business case for gender-inclusive sourcing will be finalized and launched.

The [MaxAB](#) work under the Retailer Baseline Assessment and Market Research has been completed. For the future activities under the Platform Recommendations component, the team will provide an update on [MaxAB's](#) implementation of the other recommendations in the next reporting period. Finally, under the Retailer Capacity Building and External Communication component, the team identified an external firm to interview, photograph, and draft the stories, as well as a potential internal option. The team aims to finalize/contract the writer and to complete the retailer profiles by October 2022. Additionally, the team aims to agree on the scope of the capacity building work with [MaxAB](#) and between September – November 2022, the team plans to hire a firm, finalize the training content, and decide on the delivery method. The team aims to begin retailer training by December 2022.

## ANNEX I. FUNDING AND BUDGET INFORMATION

### A. Status of We-Fi Funding

#### Round 1: Budget as Approved

Program Components	Sub-components	IFC
Pillar I: Strengthening Entrepreneurial Ecosystems	<i>Investment Services</i>	5,900,000
	<i>Upstream and Advisory</i>	6,631,000
	<b>Total</b>	<b>12,531,000</b>
Pillar II: Expanding Financial Services	<i>Investment Services</i>	10,625,000
	<i>Upstream and Advisory</i>	9,170,000
	<b>Total</b>	<b>19,795,000</b>
Pillar III: Increasing Market Access	<i>Investment Services</i>	6,100,000
	<i>Upstream and Advisory</i>	2,629,000
	<b>Total</b>	<b>8,729,000</b>
<b>Subtotal for Country-level Activities</b>		<b>41,055,000</b>
Research*	<i>Research</i>	3,745,000
Advocacy, Data Collection and M&E	<i>Advocacy, Research, Data Collection, Monitoring &amp; Evaluations</i>	1,100,000
Program Management		3,500,000
<b>Total Budget</b>		<b>49,400,000</b>

\*Note: included as part of "Technical Assistance, Advisory and Research Activities" in the table below

#### Round 3: Budget as Approved

Program Components	Sub-components	IFC
Pillar II: Disruptive Technologies and Digital Financial Inclusion for Women-led SMEs	<i>Investment Services (Sahel &amp; Global)</i>	\$3,060,000
	<i>Advisory, WB (Sahel) / Business Development &amp; Upstream, IFC</i>	\$540,000
	<b>Total</b>	<b>\$3,600,000</b>
Pillar III: Scaling Early-Stage Finance for Women-led SMEs	<i>Investment Services (MENA, Kenya and Global)</i>	\$3,000,000

	<i>Advisory, WB / Business Development &amp; Upstream, IFC</i>	\$1,000,000
	<b>Total</b>	<b>\$4,000,000</b>
<b>Subtotal for Country-level Activities</b>		<b>\$7,600,000</b>
<b>Advocacy, Data Collection &amp; Research</b>	<i>Advocacy, Research, Data Collection, Monitoring &amp; Evaluations</i>	\$500,000
<b>Business Development</b>		\$100,000
<b>Program Management</b>		574,000.00
<b>Total Budget</b>		<b>\$8,774,000</b>

## B. Types of Activities Funded

Budget Categories (per proposal)	Amount per ROUND # 1		
	Revised Budget (if applicable)	Committed*	Disbursed*
Investment Services	22,625,000.00	14,048,171.85	6,473,285.18
Upstream & Advisory	18,430,000.00	12,199,395.00	4,896,086.10
Research	3,745,000.00	1,856,092.00	1,572,791.00
Advocacy, Data Collection, Monitoring & Evaluation	1,100,000.00	1,100,000.00	100,124.97
Program Management	3,500,000.00	3,500,000.00	3,500,000.00
<b>Total Budget</b>	<b>49,400,000.00</b>	<b>32,703,658.85</b>	<b>16,542,287.25</b>

Budget Categories (per proposal)	Amount per ROUND # 3		
	Revised Budget (if applicable)	Committed*	Disbursed*
Investment Services	6,060,000.00	1,000,000.00	273,545.00
Upstream & Advisory	1,540,000.00	1,540,000.00	-
Advocacy, Data Collection, Business Development & Research	600,000.00	600,000.00	-
Program Management	574,000.00	574,000.00	-

<b>Total Budget</b>	<b>8,774,000.00</b>	<b>3,714,000.00</b>	<b>273,545.00</b>
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### C. Summary Focus Areas Funded

Funding Categories	Committed Amount	
	Round #1	Round #3
Access to Finance	11,623,008.85	540,000.00
Access to Markets	5,808,970.00	
Access to Skills		
Entrepreneurial Ecosystem	10,671,680.00	2,000,000.00
Other	4,600,000.00	1,174,000.00
<b>Total</b>	<b>32,703,658.85</b>	<b>3,714,000.00</b>

\* Note: Other includes advocacy, data collection, research (at the IFC program level) and program management fees



## Adding Women Voices to Boardrooms across Latin America



Driven by the lack of affordable and stylish prescription glasses in her home country, Mariana Castillo co-founded Ben & Frank in 2015, a leading direct-to-consumer and omnichannel eyewear brand in Mexico offering high quality prescription glasses and sunglasses at value-oriented prices. Starting the business with three other co-founders was not without challenges. Even though Ben & Frank was born digital, and its first online store was launched in 2015, their model was not viable because regulations in Mexico didn't allow individuals to access their prescriptions online. So, stores were opened in 2017, where people did their eye exams and picked up their glasses. Currently Ben & Frank operates 64 stores in Mexico with team of 600 people and are working on a new eyewear brand that will target lower socio-economic levels and expanding to in Chile.

Ben & Frank's growth required support. As Ben & Frank was conceptualized as an ecommerce platform, it was for them to attract customers virtually. This was especially true during the pandemic – traditional retailers couldn't compete with Ben & Frank, who grew 30 percent in 2020 and online sales quadrupled. For a business like Mariana's, having a strong investor is critical in growing and running a successful business. Mariana and her co-founders found that partner in [L Catterton](#), a women-led global fund manager focused supporting women-led companies to receive growth stage funding in the consumer sector. Marianna shares that "[L Catterton's](#) support has been vital to our growth. In addition to fundraising, they have operational experience with direct-to-consumer brands. Also, with [L Catterton](#), we now have three female board members on our seven-person board."

[L Catterton](#) has been very deliberate in its efforts to back businesses that are women-led, women-founded, or targets women customers. The company's entire portfolio has either a woman founder, woman C-Suite member, or woman board member. In addition to funding, [L Catterton](#) help executive women set up for business by providing training, mentorship and leadership support. To assist entrepreneurs like Mariana, IFC, with the support of We-Fi, has invested in [L Catterton](#), one of the few women-led private equity funds in Latin America. IFC funding is supported by technical support to the Fund to catalyze the inclusion of more women-led businesses by increasing its investment pipeline of women-led businesses and finding opportunities with other partners to increase the number of women in leadership. Highlighting the synergies of the partnership with IFC, Farah Khan, Partner at [L Catterton](#), said, "IFC as an investor in our fund is a tremendous voice for our fund. IFC has been proactive in helping

us find financing solutions for our middle market businesses in Latin America. Further, IFC provides training and seminars which help us create a community and network of information sharing.”

**L Catterton** recognizes that executive women entrepreneurs face increased scrutiny and heightened pressure to perform in a male-dominated boardrooms, and often time don’t know what successful female leadership looks like. To support women in executive positions, **L Catterton** has developed PRISM, a board development program, for diverse executive leaders across the consumer sector. The purpose of this program is to deliver curated content and networking and relationship-building opportunities to prepare executives for their board candidacies. This platform is an opportunity for women executives to learn more about how to get placed on boards by discussing the purposes of boards, how they operate, what different committees look like and how to write bios. Amanda Roberts, Operating Partner at **L Catterton** shares, “There is an inherent need to change the course of the conversation in the boardroom and across the executive teams. Our PRISM program is an effort to bring women voices and balanced and diverse perspectives into the boardroom.”

Mariana has benefitted from **L Catterton’s** focus on executive women entrepreneurs. For Mariana, the “the biggest challenges for me and other entrepreneurs is that you have to force yourself to grow when the company grows. It's definitely a journey that's pretty alone, where you kind of have to figure out how to be a manager indirectly of 600 people, when before founding Ben and Frank I had never managed anyone, maybe myself, but that's it.”

Looking back at Ben & Frank’s growth over the past few years, Mariana is proud of her journey. She is particularly happy that “there are two women founders in the company” and in her capacity as co-CEO, the company “has attracted diverse talent. I think that's an advantage.”

## Supporting Entrepreneurs in Brazil Realize their Dreams

While Ranaya Soares was pursuing her degree in Pharmacy in the city of Paraíso do Tocantins (Tocantins State) – a city that is 63 km from the capital Palmas, she always dreamed of owning her own business. After graduating in 2011, Ranaya saved every penny from her first job at Botipharma with the goal of becoming an entrepreneur. Ranaya took the leap in 2015 and started Bioflora a compounding pharmacy, from scratch. Four years later, driving on the success of her business, Ranaya bought Botipharma, the company she started her career with.

Ranaya’s professional journey benefited from the support of **Sicredi**, a Brazilian cooperative bank. IFC, with the support of We-Fi, has partnered with Sicredi to leverage the women-owned micro and small entrepreneurs (MSME) segment and fully integrate it into its business model. This collaboration is aimed at providing customized financial services and support to women entrepreneurs like Ranaya to strengthen their capacities, spur the growth of their businesses, and unleash their power of

transformation.



At present, Bioflora has three employees and Botipharma has five, and the collective annual revenue of both companies is up to BRL 360 thousand. Renaya attributes her success to being “very cautious and careful and only making commitments that I can pay without being in debt.” Renaya emphasizes that is important to her because “I was afraid to grow as I do not come from a business family, nor do I have business experience.” Further, Renaya shares that “men find it easier to be an entrepreneur” and stresses that she “still needs to improve herself in people management and administrative matters.”

Similar to Ranaya, Goret Portinelly, always dreamed of owning her own business. At a very young age Goret sold colored pens and, at the age of 14, she started selling clothes. While Goret was a medical student in Bolivia, she became pregnant, and decided to return to Brazil and pursue makeup as a business opportunity. It was challenging for Goret to manage a newborn and start a business at the same time. However, she started with humble beginnings in her apartment, where she started a makeup course and attended to clients. In late 2020, Goret had established a name and started Studio Goret Portinelly.

To provide customized support to aspiring women entrepreneurs like Ranya and Goret, IFC has collaborated with [Sicredi](#) to develop an innovative project, Donas do Negócio (business owners). This program stimulates and supports female entrepreneurship through training, information, inspiration and networking opportunities, in addition to a customized attention model. Helene Meurisse from IFC shares, “we did research, interviewed women entrepreneurs and listened to their pains and needs in order to create a program that makes sense to them. A program for women, by women.”

Goret is optimistic about the future of her salon – at present she has 4 employees and a few freelance hairdressers. Despite the success of her beauty salon, Goret does not rule out the possibility of medicine, and recognizes that it is possible to be a doctor and makeup artist. “Women accumulate functions. We are mothers, providers and helpers. I had to learn to deal with entrepreneurship at the same time I learnt to be a mother. I always had this side focusing on entrepreneurship, and I saw that through my hands, my willpower, I can conquer whatever I want.”

### **ANNEX III. WSME DEFINITIONS**

*Please list the definition of WSMEs that the IP is utilizing for implementing We-Fi projects and any exceptions to the We-Fi formal WSME definition that it applies.*

### **ANNEX IV. IP METHODOLOGY FOR RESULTS MEASUREMENT**

For the financial sector, IFC administers the annual Reach Survey to its financial institution clients, thereby collecting information about their outstanding loan portfolios, deposits, other business-related data, and outreach to their customers, including to WSMEs. The We-Fi team primarily uses this audited and verified data to report on financial sector client outreach to WSMEs. The IFC tracks this data based on the change in the overall client portfolio from the baseline year to the reporting year, and the data collection methodology does not differ by financial instrument utilized by the project. When needed, the We-Fi team collects additional data (for example, disbursement data, average loan tenor for WSMEs) from financial sector clients to better explain the results.

For all other sectors (Funds, Insurance, Manufacturing, Agribusiness & Services), the We-Fi team works closely with project teams to understand the volume of financing that has been disbursed to WSMEs and the number of WSMEs that have been impacted by this financing, in accordance with the We-Fi definitions. The project teams are also required to report on the full set of We-Fi indicators in IFC's internal reporting systems.

### **ANNEX V. LIST OF COMMITTED PROJECTS**

*A separate Excel spreadsheet has been shared*

### **ANNEX VI. PROJECT SUMMARIES**

*A separate Word document has been shared*

### **ANNEX VII. RESULTS FRAMEWORK**

*A separate Excel spreadsheet has been shared*

### **ANNEX VIII. RISK FRAMEWORK**

*A separate Word document has been shared*