

2023 We-Fi Annual Progress Report

I. EXECUTIVE SUMMARY

Over the past reporting period, the two We-Fi programs in Sri Lanka (approved in 2018) and Viet Nam and the Pacific (approved in 2019) have navigated through difficult business and economic climates, leveraging partnerships and scaling-up investments to provide more opportunities for women-owned/led SMEs (WSME) to access finance, skills, networks and resources. ADB has partnered with key stakeholders across We-Fi program countries to embed strong WSME focus on national economic recovery strategies.

In Sri Lanka, which has been severely affected by compounding economic and pandemic-related crises, the We-Fi program is in its final stages, successfully ensuring that **1268 WSMEs** have access to finance over the program duration, well-above the original target. However, the insecure business climate saw the uptake of the We-Fi grant facility slow down significantly from Q3 2022 to early Q2 2023, leading to lower disbursement rates. During the reporting year, a total of 365 WSMEs benefited from the We-Fi grants in total of US \$0.96 million together with ADB's credit line of US\$ 7.6 million, working through 13 Participating Financial Institutions (PFIs). All the 13 PFIs have conducted gender gap assessments and developed their gender action plans. The program selectively supported 4 PFIs for the implementation of their action plans to demonstrate business cases and improve services to WSMEs.

As a sustainable mechanism in place, an online platform for training, mentoring, and networking for WSMEs was developed in partnership with the Ministry of Industry and National Enterprise Development Agency (NEDA). The platform was launched in October 2022. With the launch of new online platform, WSMEs have started receiving online training, networking, and mentorship. A total of 865 women entrepreneurs have already registered for online learning as of June 2023. The online platform has an open architecture so that other partners can utilize the platform to deliver their services or develop a new service jointly with NEDA. 11 partners representing chambers, professional institutes, and other private sector business incubators are already on board.

To strengthen the government's public service deliveries to WSMEs, the program supported three government agencies, namely NEDA, Industrial Development Board (IDB) and Industrial technology Institute (ITI), to undertake capacity building training on the developed gender gap assessments and gender action plans. A total of 216 staff were trained through the program. The program has supported the business development training program for women entrepreneurs in terms of business management skills including financial literacy and IT literacy. 470 WSMEs underwent the training program.

The rigorous impact evaluation on the effectiveness of the training program was completed by the end of December 2022 and published.

In the **Women Advancing Vibrant Enterprises in Southeast Asia and the Pacific (WAVES)** program in Viet Nam and the Pacific, there has been important progress in achieving key indicators, notably on access to finance, access to skills, and capacity development of financial institutions to better serve WSMEs.

In Viet Nam, the We-Fi program has concluded two new transactions to increase women's access to finance through performance-based lending mechanisms, and four gender gap assessments of financial institutions were completed. The We-Fi grant for COVID-19 affected WSMEs was also fully disbursed, directly benefiting 798 WSMEs through restructured loans or grants. Leverage and mobilization have already overachieved the original targets, and the strong interest in the We-Fi program from some of the country's leading commercial banks has had a positive domino effect on other banks' interest in expanding lending to WSMEs and taking part in the performance-based lending program. Advisory services and gender gap assessments have also been concluded as part of these transactions, building more sustainable structures for these PFIs to onlend to WSMEs, including through supporting sex-disaggregated data collection, and developing new financial products tailored to WSMEs. Other key achievements include completion of the analysis of the national WSME database and development of the White Book on WSME, and related advisory support to Viet Nam's government on strengthening the policy environment for women entrepreneurs, including at the provincial level. The business accelerator and other training programs have also accelerated progress during this period, and have now reached 2484 WSMEs with a range of skills building programs aiming to strengthen their financial resilience and innovation to overcome the current economic downturn. The randomized control trial (RCT) design was agreed with the partner financial institution, and baseline survey completed.

In the Pacific, ADB has been partnering with two financial institutions in Papua New Guinea and Fiji to strengthen their capacity to lend to WSMEs, through digital technologies, as well as sex-disaggregated data analysis. A pilot with Mibank in Papua New Guinea rolled out Ledger Pal, a data collection app designed to record business transactions, which won the Women's Finance Exchange (WFX) 2021 Technology Innovation Challenge. Surveyed WSME pilot participants found the app useful in automating their record keeping and expressed an interest in using the app post pilot. Half of the WSME pilot participants also obtained loans from Mibank aided by the alternative data collected. In Fiji, ADB conducted an institutional assessment and WSME market/gender assessment of a new partner financial institution, and began preparatory work for integrating sex-disaggregated data into their SME portfolio reporting and for a pilot lending program between the FI and a telco provider. In Fiji, Vanuatu and Solomon Islands, a training program developed in PNG (includes digital financial literacy, business planning, debt management and ecommerce) was rolled out, reaching over 200 new WSMEs. A comprehensive review of the evidence on key areas related to women's entrepreneurship and women's economic empowerment was published, with regional and in-country learning events conducted.

II. PROGRAM DATASHEET

Program Timeline

Round	Project/Program Name	Implementation Start Date	Commitment End Date	Supervision End Date	Countries (with active projects)
1	Enabling an empowering business environment for women entrepreneurs in Sri Lanka	8 June 2018	30 December 2023	30 June 2024	Sri Lanka
2	Women Accelerating Vibrant Enterprises in Southeast Asia and the Pacific (WAVES) ¹	16 September 2019	31 December 2024	30 June 2025	Viet Nam, PNG

Partners	Round # 1	Round # 2
Total number of partner institutions supported by We-Fi	18	3
Out of which		
- Financial services intermediaries	13	2
- PE/VC Funds		
- Accelerators, incubators		1
- Corporations		
- Public sector	3	
- NGOs (local and international)	2	
- Other (specify)		

Co-Funding

	ROUND #1 (USD Amounts)			ROUND #2 (USD Amounts)		
	Approved*	Committed/Signed	Disbursed/Actual	Approved*	Committed/Signed	Disbursed/Actual
Status of We-Fi Funding						
We-Fi Financing (A)	\$12,551,800	\$12,216,720	\$10,418,862	20,189,000	13,865,000 ^a	5,943,931
Of which IDA						
Of which FCS**				1,269,019	\$1,269,019	140,720
Co-Funding***						
IP Contribution (B)	\$23,000,000	\$55,396,144	\$39,000,627	147,000,000	127,100,000	127,100,000
Public sector (C)					750,000	750,000
Private sector (D)				58,500,000	349,493,497	349,493,497
Other funds [specify] (E)					25,000,000	25,000,000
Total Co-Funding (F)= (B+C+D+E)	\$23,000,000	\$55,396,144	\$39,000,627	205,500,000	502,343,497	502,343,497
Of which IDA						
Of which FCS**						
Total Project Cost (G)= (F+A)	\$35,551,800	67,612,864	\$49,419,489	225,689,000	516,208,497	508,287,428
Leverage (F/A)	1.83	4.5	3.74	10.18	36.23	84.51

*Excludes the approved amount of USD700,000 which is not yet effective as of the reporting period.

¹ As part of the fifth call, the Governing Committee agreed to a change in use of funds set for WAVES under the Pacific component to be transferred to the WE DATA pilot program in Fiji. This will be reflected in subsequent reporting periods.

III. IMPLEMENTATION PROGRESS

A. KEY ACTIVITIES DURING THE REPORTING PERIOD

Promoting Women's Entrepreneurship in Sri Lanka

The financial crisis in Sri Lanka has dominated the political and economic context of Sri Lanka during the reporting period, directly affecting the business environment for women entrepreneurs and the pace of implementation of ADB's program. The import restrictions, US dollar shortage, and long queues for key essentials (including oil), has led to a sharp decline in demand from all borrowers, including women entrepreneurs, for new lending from banks.

The comprehensive reform program agreed with the IMF in March 2023 has been accompanied by additional support from ADB and the World Bank aiming to restore macroeconomic stability and lay the foundations for economic recovery. The government has retained its commitment and focus to supporting WSMEs throughout the crisis; as business confidence begins to pick up, it is expected that the demand for the We-Fi grant facility promoting WSME access to finance will also resume and pick up.

Component 1: Access to finance for underserved women-owned/ led SMEs and improving gender-inclusive financial services

The component is intended to reduce the gap in financial access by WSMEs through (i) the grant facility which is co-financed with the ongoing ADB's credit line and (ii) PFIs' behavioral changes for better banking practices for WSMEs. The grant facility provides a principal paydown of 10-25% for eligible WSMEs to undertake capital investments.

During the reporting period, 365 WSMEs covering all provinces of Sri Lanka accessed finance through the ADB We-Fi facility. \$0.96 million was blended with ADB's credit line of \$7.6 million. This increased the cumulative total to **1,268 WSMEs accessing finance** through We-Fi, which is more than double the original target of 616 WSME beneficiaries.

There was however a marked slowdown in demand for finance from WSMEs for the We-Fi grant facility, compared to earlier years and projections. This downward trend mirrors national trends for other segments of the economy. ADB's 13 PFIs have reported that many WSMEs delayed their investment plans until the end of the economic crisis. Since the IMF reform program was agreed, the PFIs have reported that demand for lending from WSMEs and others has been slowly picking up.

Component 2: Gender-inclusive policy and regulatory framework, and network strengthening to support women-owned/led SMEs

During the previous reporting period, gender gap assessments of the Federation of Chamber of Commerce and Industry of Sri Lanka (FCCISL) and National Chamber of Commerce of Sri Lanka (NCCSL) were completed. Awareness sessions and virtual discussions focusing on strategies to improve service delivery for WSME clients were carried out for 35 staff at both FCCSL and NCCS. The sessions had to be converted to virtual due to travel restrictions caused by the fuel crisis. Findings on the gender gap assessment were shared with the management of the FCCSL and NCCSL. Discussions topics included challenges faced by

women entrepreneurs in Sri Lanka, and good practices and successful strategies adopted in Sri Lanka and other countries.

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

A. Business Development Training

There are no updates on this component which was completed in the last reporting period, and all results included in the prior Annual Reports. The training program was designed to i) cover a wide range of subjects related to business management and entrepreneurship, ii) have a limited number of participants per session to ensure personalized support, and iii) ensure an opportunity for women participants to present their business plan to banks to obtain feedback and gain confidence. **470 WSMEs were trained by the program.** The impact of the training programs was evaluated during the period and discussed under evaluation, research, and knowledge section.

B. Online Platform – SME Connect

In October 2022, the government launched a new online platform, [SME Connect](#), which was designed to bridge the knowledge gap for WSMEs in Sri Lanka, providing vital access to resources, information, networking and training to women entrepreneurs across Sri Lanka. There was a high-level launch which gained significant media attention (see photo below).²



Image 1: SME Connect launch

[SME Connect](#) is a trilingual, mobile-friendly platform that provides one-stop services to SMEs, with a particular focus on WSMEs throughout the country. It focuses on 3 key aspects – Learning, Mentoring and Networking – towards sustainable women entrepreneurship development.

- Learning: content categorized based on learning materials, commonly used tools and formats, success stories, industry articles and reports, online lessons. Content is currently sourced through platform partners/ publicly available relevant and timely content.

² <https://www.ft.lk/business/SME-Connect-online-platform-launched-by-National-Enterprise-Development-Authority/34-742131>; http://www.colombopage.com/archive_22B/Oct22_1666456116CH.php; <https://www.facebook.com/smeconnect.neda/videos/808001823788522/>

- **Mentoring:** one-on-one personalized business mentoring function available through the platform. Registered users can apply as mentors or mentees. Service is currently restricted to WSMEs only.
- **Networking:** chat feature, forums, blogs, programs and events available through the platform.

The platform is owned and managed by the National Enterprise Development Authority (NEDA) and has enjoyed the participation of 11 partners from other government organizations, chambers of commerce, professional institutions and other private sector business incubators. The online platform can promote standardization of service deliveries by the partners and mentors enabling them to provide more capacity building and handholding support to WSMEs in a cost-efficient manner. Partner institutions have already started capacity building programs through the platform.

As of end June 2023, **865 WSMEs** have registered on the platform. This is close to two times higher than the original target. 23 volunteer mentors are supporting WSMEs through one-to-one sessions. The number of registered mentees is 82. As of end June, two PIs have conducted four training courses on entrepreneurship and financial management. The number of WSME trained was 57.

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

Please see below information on the impact evaluation (IV) B.

Women Accelerating Vibrant Enterprises in Southeast Asia and the Pacific (WAVES)

Component 1: Access to finance

Pacific

During the reporting period, ADB has worked with two financial institutions to expand their support and lending to women entrepreneurs: a) MiBank in Papua New Guinea and b) Merchant Finance Limited (MFL) in Fiji.

MiBank: The pilot of Ledger Pal, the technology solution selected from the 2021 Papua New Guinea Technology Innovation Challenge (TIC) was completed during the reporting period. This data collection application was designed to record business transactions of women-owned SMEs (WSMEs). By the end of the pilot, MiBank lent K181,709.67 (USD \$50,878.71) to 20 WSMEs. In February 2023, the project team conducted a review mission with two objectives: (i) to train MiBank staff to use the app on the backend for reviewing loan applications, and (ii) to conduct focus group discussions with the WSME participants in the pilot. The focus group discussions aimed to understand the level of acceptance of the solution and discuss the challenges encountered in this exercise. Thirteen out of the forty WSMEs from the pilot group participated in the closing survey. The WSMEs reported that they found the app useful for their business because they are able to record their transactions on the app rather than doing it manually. They said they would still use the app as part of their record tracking even after the pilot. Mibank requested support to run another cohort of WSMEs, larger ones, to test whether the app is also useful for larger SMEs. Based on the results of this exercise, refinements to the loan approval process and automation for this will be carried out. Mibank is now also in discussion with the software provider for integration of the solution into their loan processing system which will enable scaling.

MFL: A technical assistance agreement was signed in September 2022 followed by a review mission in November 2022 to complete the institutional assessment as well as the WSME market/ gender assessment. Preparatory work is underway to support MFL with (i) sex- disaggregated reporting of their

SME portfolio, and (ii) a pilot lending program that will use alternative data to assess the credit worthiness of WSMEs in cooperation with a telco provider.

Viet Nam

In Viet Nam, ADB has been accelerating the implementation of the COVID-19 relief grant to support COVID-19 affected WSMEs. By the end of Dec 2022, \$5 million (100% of the grant amount) was disbursed to participating financial institutions (PFIs). Subsequently, by 30 June 2023, PFIs have fully channeled the \$5 million to support **798 affected WSMEs**. \$248 million of the principal lending amount to eligible WSMEs were restructured and/or granted to affected WSMEs. The COVID-19 Relief Grant Project's timely support has helped women entrepreneurs lead their businesses through the COVID-19 pandemic.

To enhance access to finance of WSMEs, four financing forums have been successfully implemented for connecting WSMEs with commercial banks and discussing different financing options. A working paper on the financial access of WSMEs in Viet Nam has been completed and published in December 2022. A workshop on best practices and policy frameworks in lending to WSMEs was successfully organized in combination with roundtables with the concerned departments of the central bank in June 2023.

A loan of \$100 million and parallel loans of \$400 million were signed and disbursed, paired with the second performance-based grant of up to \$750,000 to support a partner bank in serving more women entrepreneurs. During the reporting year, three milestones for the first performance-based grant and one milestone for the second performance-based grant were completed to help the partner banks improve their capacity to serve WSMEs. Four more loans are being processed to be blended with We-fi in the next reporting period.

Gender gap assessments at two more financial institutions (FIs) were finalized during the fourth year of WAVES, which made cumulatively four FIs and one non-FI undertake the gender gap assessments. The findings of gender gap assessment helped identify the areas for improving the WSME portfolio and provided the basis for the development of milestones of performance-based grant to be blended with the fourth ADB's NSO loan to a partner bank. A gender gap assessment was initiated for the fifth FI, and technical assistance was initiated for non-FI with the implementation of a gender survey to strengthen their capacity to serve women entrepreneurs.

Component 2: Reduced non-financial barriers/ enabling environment

For the Pacific, ADB included policymakers from the Pacific in a capacity-building program focusing on fiscal policy reforms in favor of supporting women's entrepreneurship, as well as the care sector. High-level official from Solomon Islands and Fiji attended this two-day event; subsequent policy dialogue on macroeconomic policy reforms at the country and Pacific regional level are being pursued for the next reporting period.

In Viet Nam, ADB has completed the analysis of the WSME database and extensive consultation on the first White Book which provides an updated assessment of WSMEs, their characteristics, performance, barriers faced by WSMEs, and recommendations to strengthen the enabling environment for WSMEs. The White Book has been finalized as a joint publication of ADB and the Ministry of Planning and Investment (MPI). The report is to be published in Q4 2023 at a high-level event.

ADB provided advisory support to two selected provinces in reviewing, designing, and implementing WSME-supportive policies, plans, and measures. Two B2B events have been successfully implemented for supporting WSME growth and market access, development of the ecosystem for WSMEs engaged in the production of handicraft products, environment-friendly traditional trade and community tourism, and connecting WSMEs with other businesses in the value chains.

Component 3: Capacity development of WSMEs

Pacific

ADB expanded delivery of the WSME training sessions to new countries. In 2021, ADB developed training modules for WSMEs, with We-Fi support, in partnership with the Centre for Excellence in Financial Inclusion (CEFI) in Papua New Guinea. Training sessions covered the areas of digital financial literacy, business planning and debt management, and e-commerce. As the first batch of training was very well received by the WSMEs, especially the topics and type of delivery, it was expanded to Fiji, Vanuatu and Solomon Islands. The expanded delivery was conducted virtually between April and May 2023; **226 new WSMEs** have accessed these specialized trainings across the three countries.

Viet Nam

ADB has developed a range of capacity development programs for WSMEs, spanning different skill and technical requirements, which include: (i) specialized business counselling for WSMEs receiving grant support under the COVID-19 Relief Grant Project, (ii) a business accelerator program for select growth-oriented WSMEs, (iii) a provincial-level business training program for WSMEs, including targets to ensure participation of WSMEs from ethnic minorities, and (iv) training of WSMEs on financial literacy and loan products and procedures.

By end of the reporting year, cumulative **2484 WSMEs have received entrepreneurship skills development support**, of which (i) 518 WSMEs have completed the business counselling program under the COVID-19 Relief Grant, (ii) 920 WSMEs have completed online training modules, (iii) 404 WSMEs have completed provincial-level training courses; (iv) 605 WSMEs have participated in workshops on financial literacy and financial products, and (v) 37 WSMEs have participated in the business accelerator program, of which 20 WSMEs have graduated.

B. KEY CHALLENGES AND LESSONS LEARNED

Sri Lanka

The poor business climate caused by the economic crisis has stalled progress on the implementation of the program, notably for Component 1. There were limited opportunities for ADB to prevent or mitigate that impact on the program due to the significant extenuating factors. However, the strong and long-term partnerships with the 13 PFIs and the government agencies have provided a significant buffer for other program components, enabling other activities to be finalized on time. The EFF facility, approved in March, has already jumpstarted the economy, and it is widely anticipated that demand for finance will pick up as the business climate and confidence improves. There has been strong development partner coordination with the IMF and the World Bank at the country level: promoting gender equality and women's entrepreneurship will remain a priority for recovery strategies.

Indeed, ADB is working closely with the government on retaining a strong gender lens in subsequent budgetary support lending for the country. Two loans are currently being developed that have strong targets for women's entrepreneurship, building on and reflecting ADB's relationship with key government ministries. These frameworks for partnership will also support the WeFinance Code pilot in Sri Lanka, which was approved in September 2023. The government interest in pursuing the pilot further highlights the acknowledgment of the necessity of strengthening the WSME segment to bolster growth and economic recovery.

WAVES

The Pacific

Adapting We-Fi to the Pacific: There has been slow responsiveness to delivery of agreed action plans with financial institution partners, contributing to the challenges in pursuing transactions. Additionally, some countries, such as Fiji through the Fiji Development Bank, have launched subsidized SME sustainability packages in early 2022, which decreased additional lending appetite by banks.

The project team has ongoing discussions with FIs in the Pacific and internal discussions to determine an investment structure that will work for the Pacific to help build their capacity to increase their lending and other service delivery to WSME. Therefore, the program in the Pacific is behind in achieving WSME-related results such as additional financing provided to WSMEs but expects this to have picked up in the next reporting period. ADB also anticipates that the WeFinance Code pilot in Fiji, will have positive spillovers for raising the profile of investing in WSMEs across the rest of the region.

There are lessons learned from the pilot conducted in Papua New Guinea, which will help inform next step in the use of digital technologies. The selected solution from the technology innovation challenge conducted in 2021 was a data collection application which can be used by the WSMEs to input their business transactions and answer general information about their businesses. After several months of collecting data, the app will generate a credit score and if integrated to a financial institution's core banking system, the WSMEs can apply for a loan directly on the app. Inputting business transactions on the app requires consistency and this consistency requires adoption of the new technology. Some women found data entry burdensome for several reasons including the lack of digital financial literacy of women business owners and being used to handle transactions in cash without proper recording. Behavioral change will take time and needs continuous engagement over a longer period than expected.³ The app also lacked an offline version. The phones of the WSMEs in the pilot group needed to be connected to the internet to be able to save business transactions. Due to the small sample size, both ADB and MiBank propose testing the application with larger group of WSMEs incorporating lessons from the initial batch to enhance the credit score-based lending accuracy.

Viet Nam

COVID-19 impacts and economic slowdown: While Viet Nam was able to contain the COVID-19 pandemic, the recovery period has seen economic slowdown which continues to affect WSMEs business performance, with consequences for the implementation of certain program activities. These include the participation of WSMEs in business counselling and other business training programs, related surveys and

³ Marina Dimova, Jaclyn Berfond, Sonja Kelly & Whitney Mapes for Women's World Banking. 2021. [Empowering Women on a Journey Towards Digital Financial Capability](#). Web version.

impact video and stories development. Given the impacts of COVID-19 and the turbulence in the Viet Nam's financial market, the processing of ADB loan to be blended with we-fi grant/TA has taken more time than expected.

To mitigate the impacts of these challenges, several project activities including organization of consultation workshops and training courses for WSMEs, surveys of WSMEs have been conducted in close collaboration or with the support of the Viet Nam Women Business Council, business associations, and women unions.

IV. IMPACT AND PROGRESS TOWARDS MEETING WE-FI TARGETS

A. IMPACT AND PROGRESS TOWARDS MEETING TARGETS

Sri Lanka

Despite the challenges that prevailed in the reporting period and prior years, the majority of the original We-Fi targets have been met by the program, with some targets including access to finance and access to the WSME online platform over double the original target. The development impact has been substantial in both providing a critical opportunity for women SMEs to survive the multiple financial crises, bolstering their resilience; but also, in terms of setting the pathway for a WSME-inclusive economic recovery due to the strong engagement with both the 13 PFIs (who cover over 80% of the country) and the key government ministries.

Key achievements include the following:

- 1268 WSMEs received access to finance which exceeded the revised target by 37 percent and doubled the original target.
- 1069 women entrepreneurs received access to skills through We-Fi training and platforms which is 50 percent higher than the initial target of 700.

WAVES

Pacific

The pace of implementation of We-Fi targets has slowly picked up but remains slower than expected in terms of original projections. As described above, access to finance has been the slowest target to pick up at this stage despite comprehensive engagement with financial institutions across the region.

Through the WFX platform, ADB has been able to achieve innovative services and training for financial institutions to better serve WSME clients, which will hopefully translate into more lending in the subsequent reporting period. Indeed, following the technical assistance with ADB, in Papua New Guinea, MiBank has recorded lending to WSMEs amounting to K5,944,603.62 (\$1,664,489.01) reaching 1,287 WSMEs.

In Fiji, at the time of signing the agreement, Merchant Finance Limited (MFL) only collected sex-disaggregated data on their retail portfolio. They also did not segment their SME customers, rather, they were embedded in both their corporate and retail portfolios. Since working with ADB on the We-Fi program, MFL began to consistently collect sex-disaggregated data on their corporate and retail portfolios. The project team is supporting MFL so they can segregate SME data and later sex-disaggregate this data. This will also help MFL collect data according to the revised definition of MSMEs which was

released by the Reserve Bank of Fiji in March 2022⁴. To give a snapshot of the lending MFL has for women, their portfolio as of September 2022, at the time of signing the technical assistance agreement is 22% or F\$12 million (\$5.2 million) out of the F\$54.5 million (US\$24 million) retail portfolio. As of June 2023, MFL was able to sex-disaggregate their data and reported 9% of their total loan portfolio was lent to women. This is equivalent to FJ\$12.2 million (~\$ 5.4 million) out of FJ\$143.6 million (\$63.2 million) total loan portfolio.

Components 3 and 4 are on track, with new knowledge products published and initiated, covering a range of macroeconomic policy areas that directly support women's entrepreneurship (see below).

Viet Nam

Despite the twin challenges of the economic crisis and the prolonged impacts of COVID-19 during the reporting period, program implementation is still progressing towards We-Fi targets.

Although current access to finance transactions has taken longer than expected to be finalized in prior reporting years, the number of new transactions has accelerated considerably in the current reporting period. This has to do with the market awareness of the program, and the domino awareness effect of leading Vietnamese banks signing on to the ADB We-Fi program incentivizing other banks. Four transactions are expected to be approved during 2023-2024, and it is expected that all of the We-Fi blended finance grant will be fully committed by the end of 2024. The supervision period will need to be revised to accommodate the milestones for the disbursement of the performance-based grants.

However, given the business climate and economic challenges, and the delayed capacity-building activities in the first two years due to COVID-19, number of WSMEs in entrepreneurship support programs that report increased sales or profits and number of direct jobs created by WSMEs did not meet their final target. Progress on Component 2 indicators is well on track and is set to be fully completed by the end of 2024.

Some key achievements in Viet Nam include:

- Leverage exceeded: the total committed non-We-Fi financing to WSMEs has reached US \$423.5 million in 2023, exceeding the final 2024 target of US\$168 million.
- Access to finance exceeded: US\$498 million of financing has been extended to WSMEs, compared with the final target of \$182 million.
- Additionally, 2484 WSMEs have received entrepreneurship support under the program, as compared with the final target of 1,030 WSMEs.
- WSME White Book developed and finalized, including new WSME data in the Economic Census.

B. EVALUATIONS, RESEARCH AND KNOWLEDGE

Sri Lanka

A. Rigorous Impact Evaluation measuring impact of business development trainings for WSMEs

⁴ Reserve Bank of Fiji. March 2022. [Micro, Small and Medium Enterprise Credit Guarantee Scheme Guidelines](#). Web Upload

The impact evaluation is intended to assess the effectiveness of We-Fi grant and business development training on WSMEs.

As communicated during the last reporting period, the original research was modified due to the pandemic and the economic crisis. First, the delivery of training became different between Group 1 and Group 2A or 2B. Group 1 was trained in person before the pandemic while Group 2A or 2B were trained online, which makes the comparison between Group 1 and Group 2A or 2B complex. Second, the proposed staggered delivery of training courses to Group 2A and Group 2B turned out to be difficult. Under the pandemic, it was difficult for the government to randomly assign half of the WSMEs who were interested in training to cope with the financial challenges to Group 2B and ask them to wait for one year for training. The government preferred the provision of training to WSMEs on a first-come and first-serve basis to ensure level-playing field for all the interested WSMEs.

The baseline survey was carried out for all the WSMEs who took part in the training; this was one of the preconditions for participating in the training programs.

Focus group discussions and endline survey was conducted in 2022 and results were disseminated by a final report to the government and within ADB by an online webinar. It is expected the findings will assist when formulating new training programs for WSMEs both by the government and the ADB.

The key findings of this evaluation are as follows:

- The online business training did have a statistically significant positive effect on the preparation of business growth plans, which is important for both business outcomes and improving access to finance.
- Online business training did have a statistically significant positive effect on operations-related business practices, which included business registration.
- There is no quantitative evidence that the online business training contributed to improved profitability of businesses that completed the training. (During the evaluation period, businesses in Sri Lanka suffered from multiple crises.)
- There were some indications that the training had a positively significant effect on sales.
- There was qualitative evidence that both the in-person training (of bank-nominated trainees) and the online business training (of general trainees) were useful for WSMEs – Overall, respondents expressed strong satisfaction and recommended the training program to their peers.
- There is no quantitative evidence that the online business training had a statistically significant impact on improving aggregate business practices of the general trainee group.
- The level of self-reported business practices, summarized in an aggregated score, remained relatively stable from base- to endline.

Media focus on We-Fi program in Sri Lanka

ADB Sri Lanka resident mission conducted a media briefing and a media tour in southern province, for the local print media. This elaborated We-Fi and ADB's contribution to support SMEs sector including women entrepreneurs. Journalists appreciated the support delivered by We-Fi and the ADB, to Sri Lankan SMEs including WSMEs.

We-Fi beneficiary Ms. Supuli Karunaratha's Nature Healing Ayur (Pvt) Limited was visited by the media officials. She received LKR 1 million We-Fi grant and LKR 4 million ADB loan to purchase a capsule machine. The facility has improved business efficiency and helped her expand into export markets.



Image 3: Meeting between We-Fi beneficiary and media



Image 4: Media visit to Nature Healing Ayur (Pvt) Ltd

The articles about the visit can be accessed below:

- [ADB loans serve as big push for SMEs in the hinterland of Sri Lanka – The Island](#)
- [ADB provides USD 20.5 Mn financing to SME sector | Daily News](#)

Pacific

Limited digital and financial literacy among women hinders their ability to use digital technology. In March 2023, ADB published a case study entitled, 'In Papua New Guinea, Financial Literacy Trainings are Helping Women-Owned Businesses to Thrive⁵.' The case study offers information and insights on how the We-Fi funded trainings bridge the literacy gap and empower women entrepreneurs to take control of their finances and businesses.



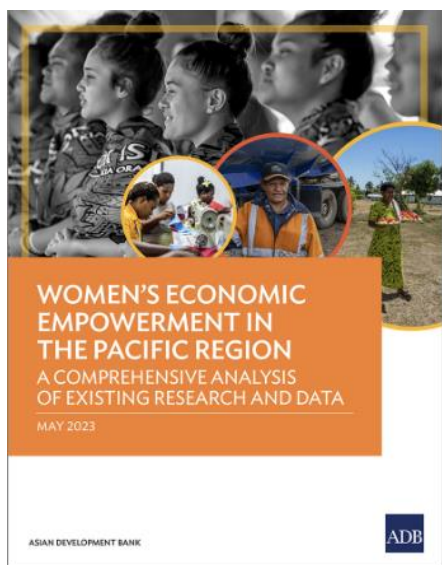
Image 5: Cecilia Pepson in front of her real estate business



The Women's Finance Exchange (WFX) held six learning events within this reporting period. The first webinar brought experts from various financial institutions to share what they are doing to achieve the twin goals of gender equality and climate action through finance. The second webinar is invite-only, tailored for financial institutions and provided an overview of climate risks and opportunities and how they might impact the portfolios of financial institutions. The speakers have provided insights on how climate risks can be quantified,

and opportunities identified. Case studies were presented to explain what bankable "green" projects are

⁵ ADB. March 2023. [In Papua New Guinea, Financial Literacy Trainings are Helping Women-Owned Businesses to Thrive](#). Web Upload



in terms of mitigation, adaptation, and resilience and the increased pressure from stakeholders including regulators, shareholders, and the international community to direct financial flow towards climate aware projects. International discourse on disclosure guidelines and questions from the audience were also discussed. Two webinars were held to promote gender bonds in Asia and the Pacific following the first certified⁶ gender bond issuance in Georgia. One was done for external audience and second for ADB internal audience. Both webinars encouraged replication of issuance and subscription to social bonds. As part of the Women's Month celebration in March, WFX invited two women executives in the technology space dive into the reasons behind the scarcity of women in leadership roles and the boardrooms within the start-up technology space. Finally, the last webinar was exclusively for FIs. It highlighted the benefits for FIs

when they migrate to the cloud. Cloud Services providers (AWS, Microsoft, and Google) were invited to present their cloud solutions. The learning event was held to help FIs transition to the cloud and answer questions from FIs. All of the webinars were conducted as part of the Women's Finance Exchange's mandate to provide knowledge events and resources for financial institutions in ADB developing member countries to help them achieve their gender-inclusive and sustainable finance goals. There was a total of 285 participants across all events, 72 (25%) of which were from financial institutions.

New Report: Women's Economic Empowerment in the Pacific Region: A Comprehensive Analysis of Existing Research and Data

A literature review on women's economic empowerment in the Pacific was finalized and the full report was published and disseminated in the region in May-June 2023.⁷ Summary knowledge products were also produced, including a summary brief, a thematic brief on women's economic empowerment and gender-based violence, and an infographic on climate change and women's economic empowerment. An animated video is also in production. A blog on gender-based violence and women's economic empowerment was published on the ADB website.⁸

The literature review report was launched at two key regional events. Key findings were presented during the quarterly Women's Economic Empowerment Roundtable convened by Pacific Women Lead, Human Rights and Social Development Division, SPC, on 26 May 2023. The report was also presented in a keynote address at the Australian National University and University of the South Pacific annual Pacific Update Conference on 14 June 2023. The report received media coverage including TV and print stories run by the Fiji Broadcasting Commission from 26-31 May 2023, and by the Fiji Times on 27th May 2023.⁹

⁶ ADB. February 2023. [ADB Supports Georgia's Capital Market with Subscription to Country's First Certified Gender Bond](#). Web Press Release

⁷ <https://www.adb.org/publications/women-economic-empowerment-pacific-region>

⁸ <https://blogs.adb.org/blog/how-economic-empowerment-reduces-violence-against-pacific-women>

⁹ <https://www.fbcnews.com.fj/news/closing-gender-gap-is-critical-fitzgerald/>
<https://www.fbcnews.com.fj/news/adb-commends-governments-effort/>
<https://www.fbcnews.com.fj/news/womens-economic-empowerment-is-vital-fitzgerald/>
<https://www.fijitimes.com/labour-force-participation-low-for-women-in-fiji/>

Viet Nam

A survey on the impacts of the COVID-19 Relief grant and associated business counselling with the first batch of 250 WSMEs showed 127 WSMEs saw an increase in sales, with a total of 2285 jobs generated with an average of 18 jobs per enterprise. The follow up surveys on the impacts of business accelerator program on the women entrepreneurs graduating from business accelerator program were conducted in December 2022. Among the 16 WSMEs responded, 6 had increased revenues, with 142 jobs generated with an average of 8.9 jobs per enterprise. Nine focus group discussions were held during the reporting year to make assessment of the impacts of capacity development programs with We-Fi support on WSMEs. Subsequent impact evaluations will be conducted during 2023-2024.

The [working paper](#) on WSMEs' access to finance in Viet Nam was uploaded on ADB's website in December 2022, which identifies the challenges from demand and supply-side and provides recommendations. Analysis of WSMEs has been completed, the findings of which have been incorporated in a White Book, which has gone through extensive consultation and is being edited for publishing in Q4 of 2023.

The RCT design was agreed with the partner financial institution. The randomized control trial will test the approaches of increased access to finance by WSMEs. Baseline survey was completed by Q2 2023.

Two videos showcasing the impact of We-Fi support on women in Viet Nam were produced and published. Four more impact videos are currently in production.

V. PLANS FOR NEXT YEAR

Sri Lanka

The program is set to be fully committed by the end of 2023, with all activities under Components 2-4 already finalized. However, as part of subsequent engagement with the government to support its recovery, ADB will support the government in a range of WSME policies (including by setting targets for WSMEs), including ongoing support for the SME Connect platform.

While ADB has already committed the grant to the 13 PFIs in Q4 2023, there may be slower than expected disbursement depending on level of demand for finance from WSMEs. For this reason, ADB requests an extension in the supervision period from December 2023 to December 2025 in order to fully disburse the remaining resources.

WAVES

Component 1: Access to Finance

In order to complete all transactions and deliverables under this Component, the program will need to extend its supervision period to end December 2028. This is to ensure that all performance-based indicators in the transactions with the financial institutions can be fully carried out and disbursed. The commitment period will remain the same.

Pacific

- In Papua New Guinea, although the pilot has concluded, it was agreed with Mibank that this phase did not generate enough data points and that the loan recipients were mostly small enterprises. ADB and MiBank agreed to pilot a second batch with bigger WSMEs in Papua New Guinea, with a minimum loan amount of K18,000 (\$5,000). The second pilot will also address areas of improvement identified in the first pilot. Mobilized funding from DFC will be used to share the risk of the loans disbursed between MiBank and DFC.
- In Fiji, the ADB project team will continue to provide technical assistance to MFL. Pipeline activities include: (i) capacity building of staff required e.g., how to service WSME clients better and (ii) integrate non-financial services e.g., digital literacy for WSME clients. There is also need for continued support to MFL on its efforts on collecting sex-disaggregated SME portfolio data and to implement the potential collaboration between MFL and a telco provider in Fiji to provide working capital loans to the WSME telco agents. ADB is assessing a potential investment in MFL that will include a WeFi-funded blended finance component.
- Originally, a gender bond for Fiji was on the pipeline, but in 2021, a revision was approved to replace the Fiji gender bond with other blended finance transactions across other countries in the Pacific. The project team is exploring with potential financial institution partners from Samoa, Papua New Guinea, Tonga, Fiji and the Federated States of Micronesia to support them, through potential investment and technical assistance, in improving their financial services delivery to WSMEs.
- WFX will hold two knowledge events in 2023. In September 2023, a webinar on sustainable finance was held. The webinar provided an overview of the drivers and approaches for integrating climate risks in financial institutions from a regulator's as well as from a financial institution's perspectives. It also provided insights on how regulators and central banks maintain financial sector stability by addressing climate change and how financial institutions can manage climate risks by applying existing frameworks and standards. At the ADB Gender Forum in November 2023, WFX will organize a session on gender-responsive climate finance to demonstrate the different approaches to gender-responsive climate finance projects with financial institutions to raise awareness and encourage replication. Further knowledge sharing events in gender and green finance are planned for 2024.

Viet Nam

- ADB expects to approve and sign the fourth and fifth transaction with We-Fi support during the next year. Two more transactions combined with We-Fi support are expected to be approved and signed by the end of 2024.
- Additional two gender gap assessments will be completed and related advisory support will be extended to the partner banks.
- The financial closing for COVID-19 relief grant project will be completed and project evaluation will be conducted, and the business counselling program support will be completed for remaining WSMEs benefiting from COVID 19 Relief Grant.

Component 2: Reduced non-financial barriers/ enabling environment

Viet Nam

- As a joint ADB-Ministry of Planning and Investment (MPI) publication, the White Book with updated analysis on WSMEs and related policy recommendations will be disseminated through a high-level workshop and uploaded on ADB and MPI websites. The copies of the publication could

also be circulated to selected representatives of the Viet Nam's Government, local authorities, etc. for WSME policy development.

- Two more B2B events and participatory sharing workshops will be organized for the remaining two selected provinces.

Component 3: Capacity development of WSMEs

- In 2021, the WSME training attendees from Papua New Guinea were introduced to Business Link Pacific (BLP). BLP¹⁰ is a program funded by the New Zealand Ministry of Foreign Affairs and Trade. BLP connects small and medium sized businesses in the Pacific to local advisory services. The project team is exploring the possibility of replicating the provision of advisory services for WSMEs. Work is underway to hire consultant(s) who will potentially deliver these services to WSMEs in Papua New Guinea, Fiji, Samoa and Tonga. The advisory services will be practical in nature, such as providing advice on marketing, sales and business planning/financial management, will the ultimate goal to make these WSMEs bankable. Six months after first engagement with a business advisory service provider, the project team will conduct an evaluation study to assess how the advisory services helped the women in running and growing their business as well as accessing formal financial services. The WSMEs reached through business advisory services will be referred to the FI partners to serve as a pipeline of potential future borrowers. Feedback will be collected from these WSMEs to help FIs find innovative financing solutions to support WSMEs.
- Pacific Private Sector Development Initiative (PSDI) is helping organize Women Rejuvenating Pacific Economies Conference 2023 with the theme, 'Harnessing the Tides to Lift all Boats: Creating Enabling Ecosystems for Businesswomen to Thrive.' The project team is partnering with PSDI and CEFI on developing bite-sized versions of the digital financial literacy, business planning and debt management and e-commerce training sessions previously delivered under the WAVES program. The abridged version will be offered on the sidelines of the conference for the women entrepreneur conference participants.

Viet Nam

- The business accelerator program for the third cohort of 17 WSMEs will be completed, which will make for a total of 37 WSMEs graduating from the program.
- At least cumulative 500 WSMEs of which at least 200 women entrepreneurs from ethnic minorities will complete provincial-level training courses by 30 June 2024.
- All of the 798 WSMEs benefiting from COVID 19 grant will complete the business counselling program and the required follow-up surveys.

Component 4: Research and Knowledge

Pacific

- WFX will publish 'Women-owned Micro, Small and Medium-Sized Enterprises in Fiji,' a publication which shares insights on how private sector financial institutions in Fiji can help women who own micro, small, and medium-sized enterprises to access credit, estimating unmet demand at US\$111 million.¹¹ Another knowledge product, 'Steps for Implementing Sex-Disaggregated Data at a Financial Institution¹²' will be published. This is a guidance note developed to support financial institutions in collecting and using sex-disaggregated data because it drives the business case for, and is essential in,

¹⁰ See <https://businesslinkpacific.com/> for more details.

¹¹ [IFC MSME Finance Gap Database](#)

¹² Web page pending

targeting the women's market, a globally recognized profitable yet untapped business segment for financial service providers.

- *New research on taxation and women entrepreneurship in the Pacific.* To generate a better understanding of the impact of taxation on gender equality in the Pacific, with a specific focus on women-led MSMEs and individual entrepreneurs a new study “Advancing Gender Equality through Taxation Policies in Pacific Island Countries” was initiated in 2023. This research will help inform recommendations for policy makers in the Pacific Island Countries to undertake tax policy reforms with a gender lens to promote women's entrepreneurship and economic empowerment. The research will specifically focus on the Pacific Island Countries within the ADB's operational areas, including but not limited to Cook Islands, Fiji, Papua New Guinea, Samoa, Tonga, Solomon Islands, FSM and Vanuatu.
- *New research on insurance products for women entrepreneurs in the Pacific.* To generate a greater understanding of the demand, availability, risks, constraints and opportunities for Pacific Women entrepreneurs in accessing insurance another study covering Solomon Islands, PNG, Vanuatu, Fiji, Samoa, Tonga, and two smaller PIC ADB members was initiated in 2023. This research will inform recommendations to strengthen Pacific Island Countries' capacity to deliver insurance products that build women's resilience to external shocks, support women's entrepreneurship and promote women's economic empowerment.

Viet Nam

- In Viet Nam, at least 5 more impact videos/stories will be developed in the next reporting period. The draft report on randomized control trial will also be completed.

ANNEX I. FUNDING AND BUDGET INFORMATION

A. Status of We-Fi Funding

Budget Categories (per proposal)	Amount per ROUND 1		
	Revised Budget (if applicable)	Committed*	Disbursed*
Component 1: Access to finance for underserved women-owned/led SMEs and improving gender-inclusive financial services		\$9,939,309	\$8,258,483
-We- Fi Grant ¹		\$9,500,000	\$7,901,971
-Capacity Building for PFIs		\$439,309	\$356,512
Component 2: Gender inclusive policy and regulatory framework, and network strengthening to support women-owned/led SMEs		\$495,391	\$493,648
Component 3: Building business capacity of women's enterprises		\$455,718	\$454,115
Component 4: Strengthening the evidence base on women-owned/led SMEs		\$518,502	\$516,678
Contingencies²			
Fees		\$807,800	\$695,938
Total Budget		\$12,216,720	\$10,418,862

**Commitment and disbursement figures have been adjusted/corrected to conform with ADB Trust Fund reports as of 30 June 2023.*

Budget Categories (per proposal)		Amount per ROUND 2		
		Revised Budget (if applicable)	Committed*	Disbursed*
Component 1: Improved access to finance		N/A		
The Pacific			1,500,000	177,415
Viet Nam			7,468,000	4,496,913
Component 2: Reduced non-financial barriers/Improved enabling environment		N/A		
The Pacific			500,000	12,304
Viet Nam			1,001,000	336,588
Component 3: Capacity development of WSMEs		N/A		
The Pacific			250,000	44,761
Viet Nam			1,168,000	413,254
Monitoring and Evaluation		N/A		
The Pacific			250,000	72,932
Viet Nam			650,000	84,914
Subtotal: Pacific and Viet Nam			12,787,000	5,639,081
Fees*		N/A	1,078,000	304,849
Total Budget			\$13,865,000	\$5,943,931

B. Types of Activities Funded

Funding Categories	Committed Amount	
	Round 1	Round 2
Investment Activities	\$9,500,000	\$500,000
Technical Assistance/Advisory Activities	\$934,700	\$4,069,000
WSME Capacity Building	\$455,718	\$1,518,000
Grants to WSMEs	-	\$5,800,000
Knowledge and Evidence	\$518,502	\$900,000
IP Fees	\$807,800	\$1,078,000
Total	\$12,216,720	\$13,865,000

C. Summary Focus Areas Funded

Funding Categories	Committed Amount	
	Round 1	Round 2
Access to Finance	\$9,939,309	\$10,954,140
Access to Markets	-	\$151,840
Access to Skills	\$974,220	\$630,320
Enabling Environment	\$495,391	\$1,050,700
IP Fees	\$807,800	\$1,078,000
Total	\$12,216,720	\$13,865,000

ANNEX II. EXAMPLES OF IMPACT ON WSMEs

Story Headline:

“Cultivating Growth: How We-Fi Helped a Woman-owned Enterprise Thrive in Sri Lanka”

I. Background information to be submitted with every story

- Name of the firm: HMK Plant Nursery
- Full name of entrepreneur: Ms. HMD Champika
- Country: Sri Lanka
- Year when firm was established: 2007
- Entrepreneur’s Contact information:
 - phone, email – 0094777718896
- Which We-Fi projects did the entrepreneur benefit from? Which IP provided support?
Enabling an empowering business environment for women entrepreneurs in Sri Lanka

Details for internal use

- Champika has done numerous interviews and is well-positioned to speak at public events. ADB featured her in a video for SME Connect.

II. Key Story Components.

What is the business?

Champika operates a plant nursery in Colombo, Sri Lanka where she grows anthuriums, orchids and other foliage plants. With support from the We-Fi program, her enterprise has grown considerably. She has invested in a tissue culture laboratory where she is propagating orchids and pomegranate plants. In the future, she hopes to export her orchid plants after conducting market research.

How did We-Fi benefit the business/entrepreneur?

Champika participated in the business development training facilitated by ADB and improved her proficiency in all aspects of business management including financial management, marketing, and business planning. She noted that the training equipped her with the skills and tools necessary to manage and scale up her business.

Leveraging the knowledge and skills gained from the training, Champika secured LKR 3,000,000 in We-Fi grant and LKR 12,000,000 in ADB Loan through RDB Bank. To scale up the business using the loan funding, Champika established a tissue culture laboratory with necessary equipment. The lab commenced operations in April 2023 and has started producing orchid plants. She's on track to ramp up production and sales for next year.

Investing in a tissue culture laboratory was crucial in expanding her business, however Champika lacked the capital needed to establish the laboratory. With the support from ADB and We-Fi program, she was finally able to build the laboratory and increase her revenue.

Interesting details from the Q&A with the entrepreneurs

When her children started school, Champika left her stable career in the IT sector to support her children's education. While her children were at school, she experimented with her plant nursery on a small scale. Her husband was supportive which motivated her further. Now that her children are in university, she has more time to dedicate to her business.

Training and learning opportunities were crucial for her business. She improved her technical knowledge from the training at the Botanical Gardens in Peradeniya and We-Fi training helped her hone her business skills. She has been sharing her knowledge and experience with other entrepreneurs in the same field to give back. It's been challenging with the ongoing economic crisis in Sri Lanka, but she hopes to hire more staff once the economy recovers.

She believes dedication and motivation are key to successful entrepreneurship. She is proud to be a woman entrepreneur and she has been highlighted in publications, won awards and was featured in TV programs to motivate other women entrepreneurs with her journey.

Key Highlights to be featured in public stories

- *"I am proud to be an entrepreneur and my commitment has made me to become a successful entrepreneur."* - HMD Champika
- [Success story H M D Champika - YouTube](#)



Photo description: Champika in her plant nursery

Story Headline: “Farms to Facebook: How Women Entrepreneurs Are Shaping The Rural Economy”

I. Background information to be submitted with every story

- Name of the firm: Bukawa Online Marketing
- Full name of entrepreneur: Joycelyn Kekeao
- Country: Papua New Guinea
- Year when firm was established: 2022
- Entrepreneur’s Contact information:
 - phone, email: +65 79221747, kekeaojoycelynn@gmail.com
 - business website: www.facebook.com/people/Bukawa-Online-Marketing/100064129325368/
- Which We-Fi projects did the entrepreneur benefit from? Women's Financing Marketplace- Capacity Building
- Which IP provided support? ADB

Details for internal use

We don’t recommend contacting the WSMEs until after they have accessed formal finance. This will allow for a more impacting story. The recommended engagement is attending We-Fi events or features in videos.

II. Key Story Components.

What is the business?

Joycelyn's marketing business focuses on supporting local suppliers, particularly those from the nearby villages, with selling and marketing their products online. She established partnerships with three suppliers who wanted to market their products on Facebook but lacked the necessary expertise or resources to do so effectively. For every sale initiated through her marketing efforts, Joycelyn earns a 10% commission.

She has been partnering with suppliers from three villages within the Bukawa village. The Bukawa Village consists of 22 smaller villages and it's Joycelyn's goal to expand her services and serve the remaining villages.

How did We-Fi benefit the business/entrepreneur?

Through her participation in the We-Fi training, Joycelyn improved her understanding of e-commerce business and honed her marketing skills. She grew her business page following to 1600 utilizing the social media techniques and skills she acquired from the training.

Joycelyn noted that the business planning and debt management training improved her financial management skills. As a result, she has opened a dedicated business bank account. Joycelyn said "The training taught me that I should be disciplined in managing my funds in separate accounts for and use it as intended.

Interesting details from the Q&A with the entrepreneurs

Joycelyn Kekeao is from Bukawa Village in the Morobe province. A single mother of two young children aged 9 and 5, she lives in Port Moresby. She runs an online marketing company that connects suppliers of *bilums*, traditional hand-woven bags, arts and crafts, and food products from her village to potential buyers using social media marketing.

Joycelyn was working as a health extension officer in at a hospital in PNG when she decided to quit her job and follow her passion of entrepreneurship. She got in touch with an online entrepreneur who referred her to the virtual SME Resource Center for guidance. They advised her to think of a business that aligned with her interest and passion. When Joycelyn told them about her passion for photography and interest in helping people in her village, the SME Resource Center team did a tour of the village and noted the abundance of natural resources. Bukawa has a beautiful coastline and serves as getaway sites or tourist hubs, an abundance of food crops such as taro, sweet potatoes, bananas, and vanilla, and crafts such as traditional handbags and baskets. Together with the team, Joycelyn realized that the biggest issue was the lack of access to markets. The villagers were struggling to sell their products.

She also realized that the local producers did not own smartphones or could not operate them and identified a business opportunity there. In early 2022, she started a marketing business that would help suppliers from her village sell their products online. Joycelyn entered into partnerships with suppliers from three villages to market their products on Facebook and earn 10 percent commission for every sale from the seller. She quickly succeeded in connecting several buyers and sellers.

She started the business on Facebook but later moved her business to ShopSmart PNG, a large e-commerce platform. It was there she heard about the online training provided by the Centre for Excellence in Financial Inclusion (CEFI). CEFI is the implementing partner of the Asian Development Bank's

(ADB) Women Finance Exchange (WFX) and is supported by ADB and the Women Entrepreneurs Finance Initiative (We-Fi) to train women small- and medium-sized enterprises (WSMEs) on digital finance in PNG. The training includes digital financial literacy, business planning and debt management, and e-commerce.

Key Highlights to be featured in public stories



Photo description: Joycelyn attending a fair to showcase her products

Story Headline: “Turning challenges into opportunities: Cecilia’s entrepreneurship journey”

I. Background information to be submitted with every story

- Name of the firm: Abidav Ltd
- Full name of entrepreneur: Cecilia Pepson
- Country: Papua New Guinea
- Year when firm was established: 2006
- Details on any business partners (e.g., co-founders, husband etc.)
- Entrepreneur’s Contact information:
 - phone, email +65 72120723 / 76863445, upepson@gmail.com
 - business website
- Which We-Fi projects did the entrepreneur benefit from? Women's Financing Marketplace- Capacity Building
- Which IP provided support? ADB

Details for internal use

We don’t recommend contacting the WSMEs until after they have accessed formal finance. This will allow for a more impacting story. The recommended engagement is attending We-Fi events or features in videos.

II. Key Story Components.

What is the business?

Cecilia Pepson is from Bougainville in Papua New Guinea (PNG). She owns and runs serviced rental properties in Port Moresby as its Managing Director. After overcoming difficulties of the COVID-19 pandemic, she hopes to grow and expand her hospitality service business.

How did We-Fi benefit the business/entrepreneur?

Cecilia's husband was a diplomat and served as PNG's Ambassador to the EU from 1996 to 2003. Upon returning to PNG with their 5 children, they found that the education system was great. To offer better educational opportunities for their children, the couple sent their oldest children abroad for study. This meant significant expense and she decided to offset it by starting a real estate business.

In 2006, they bought a six-unit run-down property in town, renovated it and put it out for rent. Since the business was doing well, they bought adjoining property in 2010 and added four units. By 2015, she rented all 10 units on long-term leases.

However, in 2017 due to a downturn in the economy, the expatriate tenants started moving out of the country and Cecilia decided to change her business strategy. "Drawing from our experience of traveling, we decided to turn our units into serviced apartments for short term rentals," said Cecilia. "We registered them online, and almost immediately got a booking. I knew then this was the right direction."

Then COVID-19 struck and severely affected her business. She did not know what to do or where to pick it up. In 2021, a friend informed her about the online training for women entrepreneurs offered by the ADB's initiative the Women's Finance Exchange. Cecilia knew she could gain knowledge and acquire skills to manage her business better if she attended the training. "I applied for the training as I desperately needed learning and coaching to maintain my business and attract customers," she said. Cecilia was one of the five women entrepreneurs who also received one-on-one debt counseling provided by WFX's partner bank. During her session with the bank, she was inspired to help other women open bank accounts to encourage savings.

In her capacity as the President of Lenoke Women's Association (LWA), Cecilia liaised with the bank to take the financial services right to the villager's doorsteps. They managed to get 73 people to open personal savings accounts on the first visit. Excited at the prospect of digital banking, many villagers bought basic mobile phones and signed up for SMS banking.

The outcome of the training has been highly positive for Cecilia and her business is booming again as a result of the marketing skills she acquired. "The trainers encouraged me to advertise my business online and that helped us to break through," she said. "It made us visible to the outside world. Now we have people ringing every day inquiring about room availability. There are days when we have full occupancy."

Key Highlights to be featured in public stories



Photo description: Cecilia in front of her rental property

Story Headline: “In Papua New Guinea, Financial Literacy Trainings are Helping Women-Owned Businesses Thrive”

I. Background information to be submitted with every story

- Name of the firm: Kema’s Haven
- Full name of entrepreneur: Bepi Kema
- Country: Papua New Guinea
- Year when firm was established: 2019
- Entrepreneur’s Contact information:
 - phone, email +65 72344132, kemahaven@gmail.com
 - business website
- Which We-Fi projects did the entrepreneur benefit from? Women's Financing Marketplace-Capacity Building
- Which IP provided support? ADB

Details for internal use

We don't recommend contacting the WSMEs until after they have accessed formal finance. This will allow for a more impacting story. The recommended engagement is attending We-Fi events or features in videos.

II. Key Story Components

What is the business?

Bepi Kema is from Lalibu, a small township in the Southern Highlands Province of Papua New Guinea (PNG) that is famous for its weaving. She owns a small-scale retail business of art and crafts—selling the famous crafted baskets and *bilums*, handwoven bags she buys from her village.

How did We-Fi benefit the business/entrepreneur?

Bepi Kema used to work for an oil company and rented her property to supplement her income. While she was planning to borrow from a bank to develop her property further, she was struck by an idea to start her own business. She resigned from her job in 2017 and in 2019 her business was born.

However, running her own business was new to her. She had never engaged in retail business and did not possess business management skills. The only training, she had ever received was a basic bookkeeping skills course conducted by her former employer. She felt the need to strengthen her entrepreneurial skills and enrolled in an online course on women's entrepreneurship, where she first heard about the capacity development initiative of the Asian Development Bank. Executed by the Women's Finance Exchange, the program trains women entrepreneurs on digital finance.

Bepi was interested in the training because in addition to the digital financial literacy program, the training also had a component on e-commerce. In the e-commerce module, they teach women entrepreneurs ways to conduct their business online, including creating business accounts in social media. They also introduce trainees to e-commerce platforms that are becoming increasingly popular among vendors and buyers in PNG.

"The e-commerce module of the training captured my attention because my business depends on the marketing of products on online platforms," said Kema. "I wanted to learn new skills about online marketing and work with like-minded WSMEs."

Bepi feels she has better management and marketing skills now because of the training. Her business is doing better, and she is also able to budget and save. She receives inquiries daily from customers interested in buying her products. "The training helped me sell my products by helping me promote my business," said Bepi. "Because of the training I know how to explore other opportunities," she said. "I own some property and I have an idea on how to get a loan to expand my business."

Bepi's company was one of the WSMEs who joined the pilot in Papua New Guinea for a data collection app which aims to help financial institutions make more informed lending decisions for WSMEs.

Interesting details from the Q&A with the entrepreneurs

"I was the first entrepreneur to receive a loan of K5000.00 from the pilot project. I also got an additional K10,000.00 by paying off the outstanding balance of the previous loan. That was a great achievement for me. Thank you CEFI and ADB for the great initiative which has helped me to grow in my business. With this help, I can give back to my community in the village."

Key Highlights to be featured in public stories

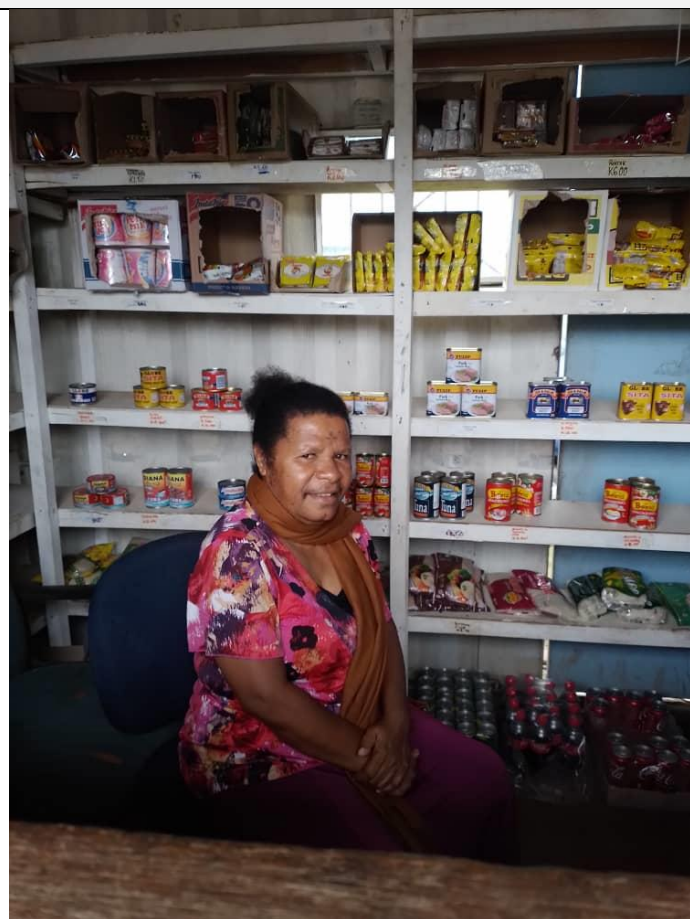


Photo description: Bepi inside her newly stocked store

ANNEX III. WSME DEFINITIONS

ADB programs in Sri Lanka, Viet Nam and the Pacific have been using IFC's definition of women-owned businesses and SMEs.

ANNEX IV. IP METHODOLOGY FOR RESULTS MEASUREMENT

Collection of data on disbursed or outstanding loans

In Sri Lanka, the MOF reports are compiled every three months and then published on ADB's website as the MOF quarterly report. MOF also publishes the portfolio-level data in its annual report. The ADB subloan database is periodically reviewed and used for policy dialogues with the government. Every six months, the project performance is reviewed at an interagency steering committee based on the analysis of the subloan database.

In Viet Nam, data is collected on disbursements to align with the framework of the We-Fi KPIs. The program tracks lending facilitated by We-Fi funding, but not the whole portfolio of the financial institutions. Loans are also tracked but not the guarantees.

In the Pacific, ADB and the FIs have agreed to monitor data on a quarterly basis, however ADB also takes into consideration that data reporting may not capture the actual number depending on the time of the month loan proceeds have been credited (i.e., data is not yet available at a certain reporting period). The data will come from the FI's core banking system. ADB has a cross-validation process that involves additional validation from internal ADB and external stakeholders.

Tracking of data

In Sri Lanka, project-related data is tracked by the IP. FIs publish audited annual financial reports on their websites. ADB reviews the Annual Audited Financial Statements of the project and the entity.

In Viet Nam, ADB only tracks lending facilitated by We-Fi funding, but not the entire portfolio of the financial institutions.

In the Pacific, on-lending under the WAVES program is slowly starting. There is one FI partner under the agreement and in the process of implementation. The agreement with the FI requires them to report certain indicators such as the number of WSMEs reached by the financial product, total loan account holders, portfolio value, NPL ratio (total and WSMEs segment), among others. FI has been requested to report sex-disaggregated baseline data and is considering additional support on that.

On determining baseline data, the process is stock-taking from the time the agreement begins. The project team uses the latest available data (annual or quarter), and then adds targets from there. This will then be discussed with the FI until both parties agree on the KPI targets. These targets will be stipulated in the legal agreement.

Co-Funding (mobilization)

In Sri Lanka, WSMEs receive We-Fi grants blended with the ADB loan component. As per the design We-Fi grant is a principal pay down percentage of the loan amount. The maximum We-Fi grant amount for a WSME is 25 percent of the loan amount. To receive a maximum, We-Fi grant amount of 25 percent, WSME needs to be in the lagging region and must have completed the ADB business development training. In such a scenario the mobilization amount will be 75 percent. PFI assesses the project fund requirement and approves the loan amount. Each application is screened and verified by the MOF. Mobilization funds and We-Fi funds are released by MOF after the screening process.

The private sector operations of ADB handles activities of the WAVES program in the Pacific. The team calculates mobilized fund in terms of amount (in US\$) of non-We-Fi financing mobilized to support We-Fi activities benefiting women owned/led SMEs. ADB has mobilized over US\$2.8M from its own funding and from public sector funds managed by ADB. The financial institution partner in Papua New Guinea, MiBank, in partnership with the USAID for a \$5 million-risk share facility for WSMEs which will cover up to 50% of the loan principal. MiBank has also spent more than \$40,000 of their own resources in terms of staff time and participation fee for piloting the bookkeeping app.

In Viet Nam, ADB loans committed to partner banks for financing WSMEs, funds/loans that partner banks extend to WSMEs and the B-loans committed to partner banks for financing WSMEs.

ANNEX V. LIST OF COMMITTED PROJECTS

Please see Annex V.

ANNEX VI. PROJECT SUMMARIES

None.

ANNEX VII. RESULTS FRAMEWORK

Please see Annex VII.

ANNEX VIII. RISK FRAMEWORK

Please see Annex VIII.