



# IFC WE-FI PROGRAM

## FY23 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 International Finance Corporation (IFC) Program “Creating Finance and Markets for All”, out of which US\$49.4 million was allocated to IFC. IFC We-Fi program committed to allocate US\$17 million (34%) to International Development Association (IDA)/Fragile and Conflict Affected Situation (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 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 9.9 times. IFC has started implementation of the program, several projects have been approved, and the “Fintech for Women: Establishing a Baseline and Market Opportunities” report has been delivered.

**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 specific deliverables in Mexico and Egypt.

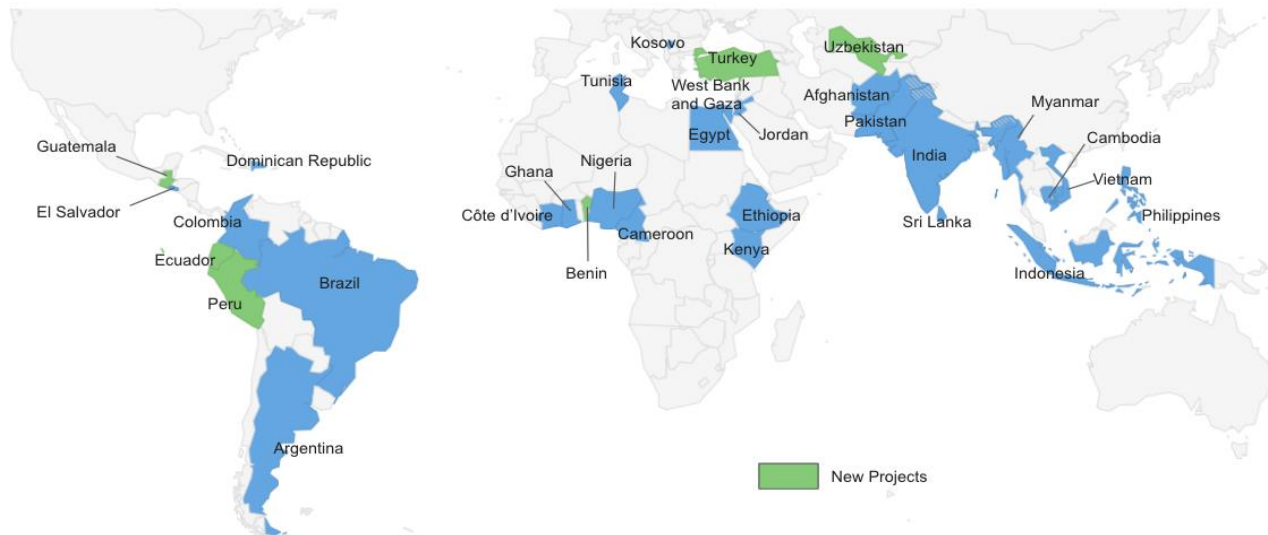
## II. PROGRAM DATASHEET

### Program Timeline

Round	Project/Program Name	Implementation Start Date	Commitment End Date	Supervision End Date	Countries with Active Projects
1	Creating finance and markets for all	May 2018	June 2025	December 2030	<p><b>43 countries, including 9 new countries since last year</b></p> <p><b>East Asia &amp; Pacific (EAP) – 7 countries, 2 new:</b> Cambodia, Indonesia, <a href="#">Mongolia</a>, Philippines, <a href="#">Samoa</a>, Vietnam, Mongolia</p> <p><b>Latin America &amp; the Caribbean (LAC) – 8 countries, 1 new:</b> Argentina, Brazil, Colombia, Dominican Republic, El Salvador, Ecuador, Guatemala, <a href="#">Peru</a></p> <p><b>Middle East and North Africa (MENA) – 4 countries:</b> Egypt, Jordan, Tunisia, West Bank and Gaza</p> <p><b>South Asia – 4 countries:</b> Afghanistan, India, Pakistan, Sri Lanka</p> <p><b>Europe and Central Asia (ECA) – 4 countries, 3 new:</b> <a href="#">Azerbaijan</a>, Kosovo, <a href="#">Moldova</a>, <a href="#">Uzbekistan</a></p>

					<b>Sub-Saharan Africa (SSA) – 16 countries, 3 new:</b> Benin, Burkina Faso, Cameroon, Congo DRC, Côte d'Ivoire, Ethiopia, Ghana, Guinea, Kenya, Nigeria, , Madagascar, Mali, Niger, Senegal, Tanzania, Togo
3	Enhancing seed capital, technology, and value chain solutions for WSMEs	September 2020	June 2025	June 2032	<b>2 countries and 2 regional projects (1 new country and 1 new regional project)</b> <b>Latin America &amp; the Caribbean (LAC):</b> Colombia, 1 new regional project in Central America <b>Middle East and North Africa (MENA):</b> Turkey <b>Sub-Saharan Africa (SSA):</b> 1 regional project in East Africa
4	Leveraging Finance, Data and Technology Solutions to Grow Women Entrepreneurs	June 30, 2022	June 30, 2027	June 30, 2033	For regulatory work in Mexico and Egypt or, alternatively, in Colombia, Ecuador, Tanzania. For sex disaggregated data (SDD) work: already started in West Bank. As of September 2023, also started in Colombia, Egypt, Cameroon, and Vietnam. Other countries could include Kenya, Nepal, Sri Lanka, Malaysia, Mauritania, El Salvador, Honduras.

\*Note: in blue are new countries that were added in FY23. Projects are being approved on a rolling basis. The first projects will be approved in the next fiscal year.



Partners	Round #1	Round #3
<b>Total number of partner institutions supported by We-Fi</b>	78	2
Out of which		
Financial services intermediaries	54	
PE/VC Funds	14	2
Accelerators, incubators	4	
Corporations	5	
Public sector	-	
NGOs (local and international)	1	
Other (specify)		

### Co-Funding

		ROUND #1 (USD Amounts)		
		Approved*	Committed/Signed	Disbursed/Actual
Status of We-Fi Funding				
We-Fi Financing	(A)	49,400,000	35,862,495	22,648,572
Of which IDA / FCS		n/a	9,529,754	5,519,753
Co-Funding***				
IP Contribution	(B)		1,069,269,010	1,069,269,010
Public sector	(C)		4,180,750	4,180,750
Private sector	(D)		259,706,122	259,706,122
Other funds [ <i>specify</i> ]	(E)		-	-
Total Co-Funding (F)= (B+C+D+E)			1,333,155,882	1,333,155,882
Of which IDA / FCS			189,678,557	189,678,557
Total Project Cost	(G)= (F+A)		1,369,018,377	1,355,918,705
Leverage	(F/A)		37.2	58.9

	ROUND #3			ROUND #4		
	Approved *	Committed/ Signed	Disbursed/A ctual	Approved *	Committed/Signed	Disbursed/ Actual
<b>Status of We-Fi Funding</b>						
We-Fi Financing (A)	8,774,000	5,310,095	1,453,088	10,951,555	2,191,609	422,575
Of which IDA / FCS		1,500,000	521,528		925,000	269,253
<b>Co-Funding***</b>						
IP Contribution (B)		11,500,000	11,500,000			
Public sector (C)		-	-			
Private sector (D)		-	-			
Other funds [specify] (E)		-	-			
<b>Total Co-Funding (F)= (B+C+D+E)</b>		11,500,000	11,500,000		n/a	n/a
Of which IDA / FCS		8,000,000	8,000,000			
<b>Total Project Cost (G)= (F+A)</b>		<b>16,810,095</b>	<b>12,953,088</b>		<b>2,191,609</b>	<b>422,575</b>
Leverage (F/A)		2.2	7.9		n/a	n/a

### III. IMPLEMENTATION PROGRESS

#### A. 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.
79 PROJECTS		
21 projects • 13 Investment	51 projects • 33 Investment	7 projects • 2 Investment

<ul style="list-style-type: none"> <li>• 7 Advisory</li> <li>• 1 Research</li> </ul>	<ul style="list-style-type: none"> <li>• 18 Advisory</li> </ul>	<ul style="list-style-type: none"> <li>• 4 Advisory</li> <li>• 1 Research</li> </ul>
+ 4 New Projects 2	+ 14 New Projects	No new Projects i
CUMULATIVE RESULTS THROUGH FY23		
19 Accelerators / incubators and funds supported	54 Financial institutions supported	7 MAS companies received investment and advisory support
\$142 million invested in WSMEs	\$2,211 million in financing provided to WSMEs	\$151 million in loans provided to agri-WSMEs
<p>\$13,215 WSMEs received investments</p> <p>2,916 WSMEs reached in entrepreneurship support programs in this pillar</p>	<p>72,450 loans, investments, and insurance policies provided to WSMEs in this pillar</p> <p>278 women entrepreneurs reached through the Insurance Program</p>	<p>4,811 WSMEs received agri-loans</p> <p>604 WSMEs received agri-entrepreneurship training in this pillar.</p> <p>4,938 agri-WSMEs had increased market linkages.</p>
11 Trainings, webinars and learning events	3 Trainings, webinars and learning events	67 Trainings, webinars and learning events
3 Reports and studies	6 Reports and studies	9 Reports and studies

### Pillar I: Strengthening Entrepreneurial Ecosystems

Continued efforts were made in increasing seed funding and equity investments in high-potential WSMEs, building their capacity and networks, and promoting a pipeline of high growth WSMEs. This year, four new commitments were made by IFC, bringing the cumulative committed portfolio to \$14.4 million of We-Fi funding leveraging \$66 million in financing dedicated to WSMEs. Moreover, with funding from the 3<sup>rd</sup> Call for Proposals, it became possible to expand both the Startup Catalyst Program and the Private Equity (PE) portfolio by supporting two new regional funds – EAW Fund II based in Colombia that invests in early-stage technology companies in Latin America, and Pomona Impact Fund II that targets companies in the pre-profit stage through venture debt investments. This year also saw the launch of two advisory projects: *She WINS Next* initiative, a follow-up to the successful *She Wins Arabia* Initiative to support the growth of existing female startups in MENA by strengthening the capacity incubators and accelerators so that they can better support female start-ups, and the *Invest2Equal* initiative that collaborates with 16 Private Equity (PE) and Venture Capital (VC) fund managers to help them fulfill their commitments to gender balance in both their organizations and investment processes. As of today, the investment envelope for Pillar I is almost fully allocated with little funding left to support advisory initiatives.

### Pillar II: Expanding Financial Services



In FY23, the IFC We-Fi Program achieved a significant expansion under this pillar and an increase in WSME lending. IFC We-Fi provided investment support to 13 new financial institutions, six of which are in IDA countries. Overall, the Pillar has undergone remarkable geographic expansion, extending its investment and advisory support which now spans 31 countries. This includes 7 new countries in Africa, Eastern Europe, and the East Asia Pacific region. New commitments made under this pillar brought the cumulative committed portfolio to \$15.1 million of We-Fi funding leveraging \$1.2 billion in financing dedicated to WSMEs. An important milestone was expansion of the gender bond portfolio by supporting Itau Unibanco Brazil, the first gender bond issued by a private bank in Brazil and signing 10 risk sharing facility (RSF) agreements with subsidiaries of Bank of Africa, all of which are IDA and includes five in FCS countries. Most financial institutions in the IFC We-Fi portfolio either created new or expanded their financial offerings and solutions dedicated to WSMEs. One example is SeABank's Customer Value Proposition (CVP) Pack and Program Guides for Credit and Liability Products, designed to cater to the unique needs of women-owned businesses. Leadway and APA Insurance in Côte d'Ivoire and Kenya, respectively, developed customized insurance solutions for women entrepreneurs, addressing their unique needs and enhancing their financial resilience. Several financial institutions were also recognized for their efforts in the financial inclusion space and received prestigious awards. Thus, Banco Itaú's received the "Best Bank for Women Entrepreneurs" award by the SME Finance Forum, and SeABank received the "Most Innovative Bank for Women Award Vietnam 2022".

As of today, the investment envelope for Pillar II is fully allocated (if we were to include projects currently in pipeline) with little funding remaining to provide advisory support to financial institutions. Under Round III, the IFC We-Fi program focuses on improving access to finance for women-led SMEs and female customers through global digital financial services. In this reporting period, a study of 114 fintech firms located across the globe was conducted to better understand the proportion of women customers and business volumes from women customers in the portfolio of DFS providers, as well as the key drivers for DFS providers to serve women customers and women-owned/led businesses. The study is a first step to enable IFC to work with the Fintech sector and build women and women business customers into the design of services and data production in emerging markets. The aim is to encourage fintech firms to adopt tailored practices to better serve women and emphasizes the importance of a supportive ecosystem to promote women's financial inclusion.

With the funding from the 4th call, IFC launched an initiative to boost gender diversity and inclusion in financial services. This effort includes providing short term support to 90 financial service providers worldwide to help them sex-disaggregate their SME portfolios as well as collaborating with regulators in Mexico and Egypt to develop guidelines, and promoting the WE Finance code, emphasizing leadership, data tracking, and support for women-led SMEs. In Mexico, IFC advocated for sex-disaggregated data (SDD) Baseline and Reporting, working towards comprehensive guidelines, while in Egypt, they supported improved data quality, and aligned efforts with the Central Bank of Egypt on reporting sex disaggregated data. IFC also fostered collaboration with EBRD to advance gender diversity in financial services at the regulator level.

### **Pillar III: Improving Market Access**

In FY23, no new projects were committed, primarily due to the strict definitions originally adopted for projects supporting financial institutions, which no longer align with the needs of women-owned businesses in the agriculture and manufacturing sectors. As of June 2023, We-Fi funding of \$15.1 million leveraged an additional \$50 million dedicated to WSMEs. Approximately 604 WSMEs received essential entrepreneurship support, in the form of agricultural entrepreneurship training to enhance their business capacities. Key milestones included the official launch of the *Sourcing2Equal* Program in Colombia, where an additional 15 corporate buyers joined the existing 10 in Kenya, all making specific, measurable, and

time-bound commitments to boost access to corporate procurement opportunities for WSMEs. Impressive results were achieved, with 65 contracts awarded to new WSMEs, and a new strategic partner for WSME financing solutions identified. *MaxAB* also initiated a pilot financing solution to address working capital needs, while *BLFA*'s specialized training for women Agri-Entrepreneurs expanded its reach through strategic partnerships, resulting in improved access to financial services. *McCormick* collaborated with suppliers to actively engage with women farmers, leading to increased participation, decision-making, and higher-quality produce.

**In FY24** IFC will continue to focus on growing the portfolio across the three pillars (particularly where funding remains) and will start implementing projects under the 3<sup>rd</sup> and 4<sup>th</sup> rounds of funding. With many new WSME products and solutions launched by financial institutions and funds, IFC We-Fi team will also focus on scaling up and replicating good practices. IFC also looks forward to We-Fi replenishment that could allocate additional funding to continue this successful program that could be further expanded leveraging on the successes and lessons learnt.

## 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. Impact 4 summarizes activities under this pillar.

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

PILLAR I – STRENGTHENING ENTREPRENEURIAL ECOSYSTEMS: 21 PROJECTS	
KEY FOCUS AREAS	
INCREASING SEED FUNDING AND EQUITY INVESTMENTS IN HIGH-POTENTIAL WSMEs	
Startup Catalyst: incubators, accelerators and seed funds	PE and other Investments
<ol style="list-style-type: none"> <li>1. <b>Africa Region:</b> Savannah Fund</li> <li>2. <b>East Africa:</b> Antler EA Fund I</li> <li>3. <b>Central and Eastern Europe:</b> 500 Startups Istanbul Fund II</li> <li>4. <b>Latin America, Colombia:</b> EWA Fund II</li> <li>5. <b>Pakistan:</b> Sarmayacar</li> <li>6. <b>Tunisia:</b> Flat6Labs</li> <li>7. <b>Jordan:</b> Flat6Amman</li> <li>8. <b>West Bank and Gaza:</b> Ibtikar Fund II</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Africa Region:</b> Tide Africa fund</li> <li>2. <b>Africa Region:</b> Alta Semper fund</li> <li>3. <b>Nigeria:</b> Trade Depot</li> <li>4. <b>Latin America Region:</b> L Catterton</li> <li>5. <b>Central America:</b> Pomona</li> </ol>
BUILDING WSME CAPACITY AND NETWORKS AND PROMOTING A PIPELINE OF HIGH GROWTH WSMEs	



1. **Africa Region:** Seedstars, local networks (part of Startup Catalyst)
2. **Global:** ScaleX (initiative)
3. **Global:** Endeavor mentorship program
4. **Ethiopia:** Digital Gender Gebeya, an accelerator
5. **She Wins Arabia (initiative)**
6. **Village Capital, Accelerator** (IFC Research/Partnership)
7. **She Wins Next (initiative)**
8. **Invest2Equal (initiative)**

Light blue text references projects/activities added in FY23

FY2023 HIGHLIGHTS			
FY21	FY22	<b>2</b> new investments in VC and PE funds in Colombia and Central America  <b>2</b> new advisory projects	
<b>17</b>	<b>21</b>		
<b>11</b> Webinar, training, events and learning events		<b>1</b> 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	
<b>18</b>		<b>2,916</b>		<b>\$142m</b>	
<b>17</b>	FY23	<b>1,671</b>	FY23	<b>\$78.8m</b>	FY23
FY22		FY22		FY22	

## PORTFOLIO GROWTH AND TRENDS

IFC We-Fi program has continued to channel more funding to early-stage high growth start-ups in markets where there is a lack of pre-seed and seed capital. With funding under the 1<sup>st</sup> Call for Proposals exhausted, IFC made two new investments under the 3<sup>rd</sup> Call for Proposals bringing the total Pillar I portfolio to \$14.3 million of We-Fi funding (out of which \$8.5 million is blended finance) alongside IFC's investment of \$65.5 million. One of the funds that received IFC and We-Fi equity investment, *EWA Fund II*, is part of the *IFC's Startup Catalyst Program* and is supporting pre-seed and seed startups in Colombia. As of December 2022, Startup Catalyst has supported 19 seed funds and accelerators including 9 that received support from We-Fi, helping to raise over \$589 million by investees and enabling dedicated support to over 700 women entrepreneurs. We-Fi's investments have been critical to support the business case for gender balance through presenting tangible examples of women-led businesses across emerging markets. IFC and We-Fi participation in the early-stage funds is already creating the demonstration effect

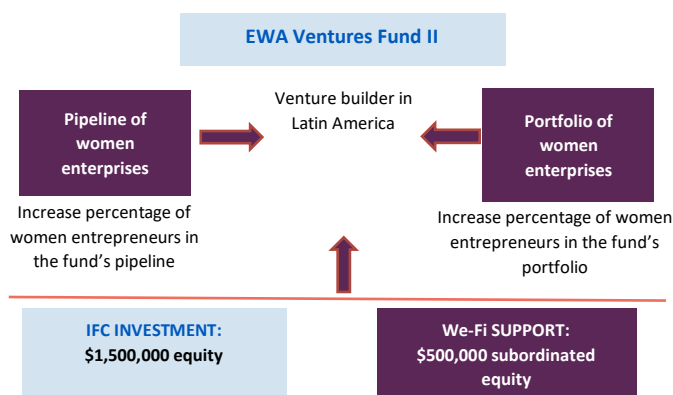
for other fund managers to include gender angles in their strategies. The other investment, in *Pomona Impact Fund II*, is part of the *SME Ventures Program* that invests in private equity (PE) funds often run by first-time or established local investment managers which focus on SMEs and operate in IDA-eligible countries and FCS states. The SME Ventures Program always provides advisory support in parallel to any investment, and in this case the IFC team will work with the Pomona team to strengthen their GP capabilities through the GP 100-Day Plan.

This year also earmarks the launch of the advisory project *She WINS Next initiative*, a follow-up to the successful *She Wins Arabia Initiative* to support the growth of existing female startups and enterprises in MENA 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, 2,916 WSMEs (up from 1,671 last year) received entrepreneurship support and funding totaling \$142 million (up from \$78.8 million last year) as of June 2023.

In summary, the Pillar has expanded geographically and deepened its impact, as demonstrated in the sections below.

## INVESTMENT

**We -Fi support has been essential to de-risk IFC and private sector investments in gender-focused funds which otherwise would have not been possible.** In FY23, We-Fi's junior equity participation in the *EWA*



*Fund I* mitigated IFC's and other senior investors participation constraints of investing in a fund management team with limited track record combined with inherent risk of investing in pre-seed and seed companies. In this case, We-Fi provided US\$500,000 in the form of subordinated equity investment ("blended finance co-investment"), de-risking all senior investors in the Fund. In addition, the project includes targets for the number of women-led companies in

its portfolio thus addressing behavioral constraints of not investing in women entrepreneurs. The Fund has also committed to conduct at least 4 workshops and seminars per year to support women entrepreneurs and to ensure a strong pipeline.

**In the VC space** IFC supported 9 funds with We-Fi support 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. **Sarmayacar**, a VC Fund in Pakistan and one of the earlier IFC's and We-Fi's investees, added three new companies this year. The fund now has 5 women-led SMEs (out of 15) in its portfolio, with a total investment of US\$4,690,324. These companies are Patari, a music streaming and entertainment platform, Dot and Line, a design and branding agency, Abhi Finance, a financial wellness platform, Oneload (Box 1), a digital payments platform

<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/)

and Roomy, a co-living platform. **Ibtikar** has made notable strides in advancing gender diversity and fostering women's entrepreneurship within its portfolio, with Vatrín being one of the women-led startups it supports. In the closing stages, Ibtikar is set to invest in 3 more companies, potentially bringing the total count of women-led companies in their portfolio to four out of nine. This underscores Ibtikar's dedication to supporting women entrepreneurs. Additionally, Ibtikar has actively engaged in ecosystem-building efforts, such as hosting the women-focused *WomeninCtrl hackathon* and providing mentorship to female-led startups. Furthermore, their commitment to gender diversity is evident through participation in gender lens investment training and collaboration with organizations like the *Dutch Good Growth Fund*, *TetraTech*, and *Value for Women*. These initiatives reflect Ibtikar's dedication to fostering a more inclusive venture capital ecosystem, ultimately contributing to economic growth and job creation in the region.

**Flat6Amman** implemented a female-only bootcamp with to identify promising women-led startups for accelerated entry into their seed program, resulting in one successful investment. They actively assess applications from women-led startups, interviewing potential candidates even if the initial application falls short of requirements in order to provide further support. Additionally, Flat6Amman enrolled in a comprehensive five-month training program facilitated by GIZ, that focused on expediting Gender Diversity within the Jordanian Ecosystem. This program employs targeted strategies to attract more women-led ventures, harnesses the power of impactful storytelling, and provides valuable resources to enhance the appeal of women's applications.

#### Box 1: In Pakistan, Sarmayacar Invests in a Fintech Platform



Sarmayacar invests in OneLoad, a flagship fintech platform developed by E-Processing Systems Pvt. Ltd., a subsidiary of Systems Limited in Pakistan. As one of the largest mass market financial access platforms in Pakistan, OneLoad enables its retailers to deliver telecom, digital payments and banking services to several million unbanked customers each month. OneLoad's vision is to fully digitize supplier payment settlements and digital payment acceptance for micro-retailers. The company aims to eventually become a full stack

bank for micro-retailers in the country, having expanded its network to 50,000+ retailers. "We are excited to bring new partners to the company like Sarmayacar and Shorooq Partners, working with them brings valuable tech and venture capital expertise to the company and pushes us to continue to innovate and evolve with the market around us. Our vision is to fully digitize the financial needs of the unbanked and the financially excluded masses in Pakistan. We appreciate the support of our investors to build on our success and scale up our portfolio of financial products for the unbanked," noted Muhammad Yar Hiraj, Founder and CEO of Oneload.

The company's OneLoad Women Empowerment Project aims to increase the number of both female retailers with access to financial services. Maria Umar, the Project Lead of OneLoad shares, "According to various studies, women financial services is a billion-dollar industry. This can be attributed to the fact that women are better at savings and returning loans. OneLoad is committed to making the platform more inclusive and bringing greater financial inclusion for the disenfranchised."

**We-Fi support has also been transformative in the way IFC works with the Private Equity Fund Managers and Limited Partners**, in particular, those run by first-time investment managers with a strong focus on women led/owned SMEs. This year marked We-Fi's first investment under the SME Ventures Program in Pomona Fund II which has a strong IDA-FCS focus with an aim to strengthen SMEs in frontier markets and to develop nascent private equity systems by directly investing in younger fund managers. Given potentially higher risk level driven by the Fund Manager's limited track record, as well as the inherent risk of investing in pre-seed and seed companies in these markets, We-Fi's US\$1 million equity co-investment is subordinated to IFC's. In doing so, We-Fi is providing the risk mitigation needed to enable IFC's \$6.5 million equity participation in the Fund. IFC and We-Fi investments provided a "stamp of approval" signal to potential new investors and helped the Fund reach its US\$30 million target. To date, IFC and We-Fi supported **5 funds in the PE space** including three in Africa and two in Latin America.



## ADVISORY

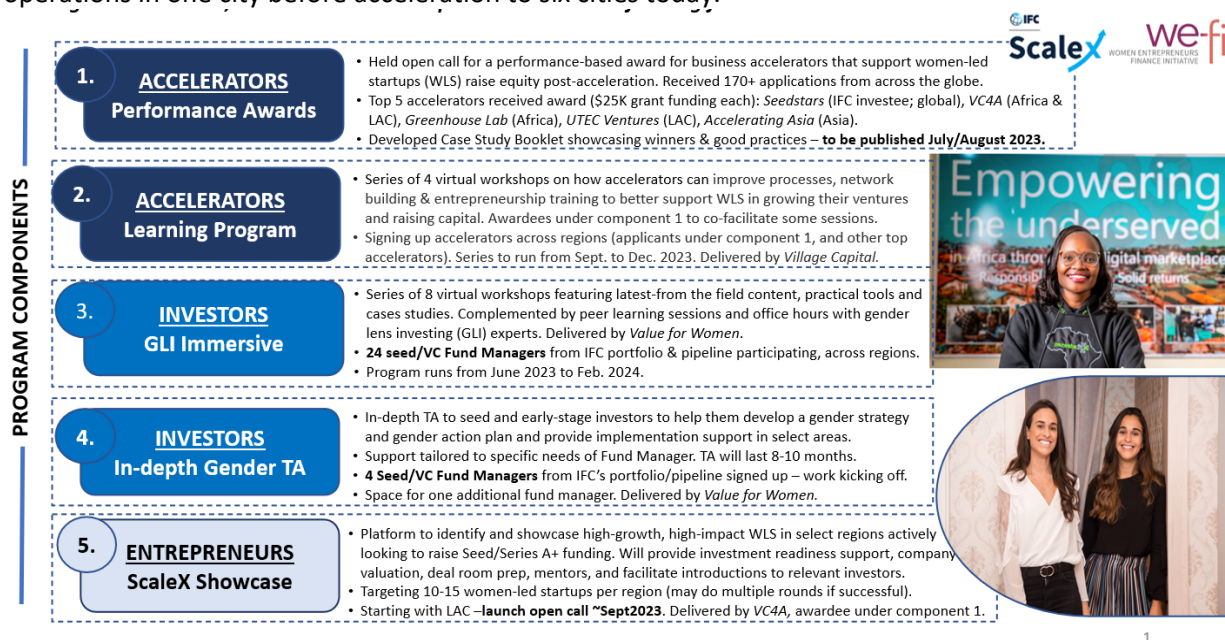
**ScaleX initial results and scope expansion.** Last year IFC launched ScaleX – an initiative to address the steep difference between women entrepreneurs who are accelerated, representing roughly half of all entrepreneurs who participate in accelerators, versus women entrepreneurs who get funded, representing only 13 percent of all entrepreneurs (Box 2). The initiative enables accelerators 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 capital from investors. Over 170 eligible<sup>2</sup> accelerators applied in 2022 through the ScaleX Open Call for Applications, and over 70 accelerators have submitted the Award Request Form. **Five winners were announced in September 2022** for their achievements in supporting women-led startups in raising equity financing – **VC4A, UTEC Ventures, Accelerating Asia, Greenhouse Capital** and Seedstars, an accelerator that received support from We-Fi. Over the next 8-10 months, ScaleX will provide **in-depth Technical Assistance (TA) to 5 fund managers** in IFC's portfolio. **ScaleX Immersive** was also launched in June 2022 with **23 VC and seed-stage fund managers from IFC's portfolio and pipeline** participating in a series of learning events targeted at increasing their capital allocations to women-led startups. In addition, IFC is developing a ScaleX Investor Coalition of like-minded investors and donors committed to addressing this gap to enable their public support for equity financing to startups led by women.

### Box 2: IFC ScaleX: Accelerating equity financing to women-led start-ups through an ecosystem approach

ScaleX is a flagship initiative 100% funded by We-Fi and works with investors, accelerators and entrepreneurs to facilitate access to early-stage risk capital for women-led startups in emerging markets. In 2022, ScaleX awarded 5 accelerators for their achievements in supporting women-led startups in raising equity financing. One of these accelerators, **UTEC Ventures**, helped Larissa Arias, co-founder of online food delivery company **Manzana Verde**, raise \$1.8 million to grow its business in Peru, Mexico, and Colombia, and its annual revenues have now reached \$6 million. UTEC Ventures is

<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.

the startup accelerator of the University of Engineering and Technology in Peru which focuses on helping young Peruvian companies to expand nationally, regionally, and on a global level. Thirty-three of the 63 companies in its portfolio are led by women, and with support from UTEC Ventures, 15 of these startups succeeded in raising equity capital, for a total of \$11.5 million. UTEC Ventures helps women-led startups develop links with suppliers, conduct due diligence, and evaluate investment options. 35 percent of its mentors are women including successful founders and investors in Latin America, top executives from innovative organizations, and graduates from international startup programs such as YC, 500, and Techstars. Larissa Arias commented, “the accelerator provided us with access to other women within the ecosystem and mentoring on how to develop our company. Thanks to this, we changed our monetization model to monthly plans and began to grow steadily from operations in one city before acceleration to six cities today.”



This year, ScaleX has expanded its focus to offer hands on technical assistance to a select number of seed or series A+ funds to help them improve their gender lens investment practices and outcomes. IFC and its implementing partner, *Value for Women* will work with individual funds to assess their investment strategies, processes, and tools from a gender perspective and will support the funds to develop gender goals and an actionable strategy for pursuing those goals. The key themes will include gender-focused capital allocations and investment processes. Each collaboration is expected to last between 8-10 months and will be offered free of charge to select funds.

**Last year marked the launch of the SheWins Arabia initiative, and this year SheWins deepened and expanded its reach.** *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 3). The Initiative, which complements ScaleX, targets the growth of female enterprises in Arab countries by strengthening the capacity of start-up eco-system players, particularly focusing on incubators and accelerators rather than on VC and PE funds. 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 3: SheWins Initiative

**SheWins Arabia** is aiming to help women entrepreneurs access early-stage risk capital funding to tackle gender inequality in the startup space. A year on, the SheWins Arabia project has increased the awareness of 31 funds and entrepreneurial support organizations (ESOs) from 8 MENA countries so that they can better support and finance women-led startups. The project also trained 77 early-stage women-led startups on investment readiness. As a result, the participating women-led startups are now better positioned to access finance and the participating VC funds are more committed to provide it. The *first round* of SheWins Arabia helped raise over US\$10 million in funding for women-led startups. The project has helped to create over 1,000 jobs and helped to increase the visibility of women entrepreneurs in the MENA region. The *second round* of SheWins Arabia was launched in March 2023. It is expanding support to 100 additional women-led startups and over 30 additional fund managers across MENA. The pitch competition for the second round of SheWins Arabia was held in June 2023. The winner was *Abeer Al Muhairi*, the founder of a company that provides educational services for children with special needs. She received a package of in-kind prizes worth US\$ 100,000, including mentoring sessions, business strategy support, and credits with Amazon Web Services. In addition to the pitch competition, the second round of SheWins Arabia also includes a series of training workshops and networking events that are designed to help women entrepreneurs build their skills, connect with investors, and grow their businesses.

**SheWINS Next** builds on SheWINS Arabia, ambitiously expanding and deepening the results achieved. The project aims to facilitate direct investment from either IFC portfolio funds and / or mobilize external finance for at least 5% of 100 unique growth-gear women-led startups and enterprises from across the Arab region by building the capacity of these startups as well as of 24 ecosystem players so they can invest and support them. The project has an additional aim to ensure 6 of the 24 trained funds and accelerators increase their new investments in women-led startups by at least 10%. The project covers 17 countries across MENA with goals to:

1. Facilitate financing between IFC, funds and startups.
2. Mobilize more funds and offer funds/ start-ups deeper engagement and support.
3. Identify investable advanced, high-maturity women-led startups and position them for potential IFC and other investment through bespoke capacity building.



Between 10-14th February 2023– IFC kickstarted the implementation of the SheWins Next project, funded by We-Fi and the Dutch MENA PSD. The trainings and networking events were attended by more than 120 participants representing over 15 Arab countries. It also included a panel discussion at the World Government Summit (WGS) with the IFC Managing Director.

The main outcomes from the She Wins events are:



- **Gender-lens Investing Training:** Trained 20 entrepreneurship support organizations (ESO) on gender-lens investing, which lead to the development of gender-action plans.
- **She Wins Arabia Networking Event:** Connected more than 100 women-led startups with investors, IFC investment team and trained ESOs to enable financing opportunities for women entrepreneurs in MENA. The event has led to concrete next steps with ESOs to capacitate and potentially fund women-led startups.

**SheWins Africa** launched in June 2023 and will bring the SheWins model to Sub-Saharan Africa with the aim of reaching 400 women led companies and over 40 accelerators and fund managers to improve access to finance for women entrepreneurs. SheWins Africa is not supported by We-Fi.

**Invest2Equal (I2E)**, launched in September 2022, marks a pivotal initiative that has gathered 16 Private Equity (PE) and Venture Capital (VC) fund managers from the IFC's portfolio. This collaborative peer learning platform provides comprehensive training on gender lens investing's best practices and supports fund managers in fulfilling their commitments to gender balance in both their organizations and investment processes. The overarching goal of I2E is to amplify the gender-related impact within IFC's investments in PE and VC funds which it achieves through several initiatives. At present, sixteen funds actively engage with I2E and make concrete, time-bound commitments towards advancing gender equality. I2E has developed a well-structured support system that encompasses a Program Launch Party (PLP) event, comprising eight peer learning sessions, along with a potential allocation of up to sixteen one-on-one support hours for participating fund managers. It also increases awareness and understanding among fund managers about the business case for closing gender disparities, offering actionable insights on fostering gender diversity both internal and within their portfolio companies. I2E encourages adopting a gender-lens investing, with funds committing to ensure that 30% of their portfolio-level deals actively promote gender diversity in leadership, workforce, supply chains, and/or consumer bases. The goal is for 180% of fund managers to meet this commitment or show substantial progress during the 18-month program duration. The results will be detailed in a report featuring case studies and best practices, with lessons presented at a dedicated event. I2E will also recognize at least five fund managers by industry initiatives, such as 2x, inspiring other funds operating in emerging markets to follow suit.

**Raising awareness of the importance of gender equality in the digital economy.** *Digital Gender Gebeya*, an IFC project that aims to empower women in the digital economy in Ethiopia, is coming to an end this year. The project has trained over 1,000 women in digital skills, such as coding, data science, and cloud computing, connected women with job opportunities in the digital sector and provided mentorship and support to women entrepreneurs. One of the project's most notable achievements was the launch of the *Digital Gender Gebeya Academy* in December 2022. The academy provides free, high-quality digital skills training to over 500 women and girls from all over Ethiopia. Another major achievement of the project was the creation of the *Digital Gender Gebeya Accelerator Program*, which provides women entrepreneurs with mentorship, training, and access to funding. In its first year, the accelerator program helped 20 women-led businesses to grow and scale. Digital Gender Gebeya also organized a number of events in late 2022 and 2023 to raise awareness of the importance of gender equality in the digital economy, including a hackathon, a women's tech summit, and a series of workshops on digital entrepreneurship. The Digital Gender Gebeya project is a valuable initiative that is making a difference in the lives of women in Ethiopia, helping create a more inclusive digital economy and empowering women to reach their full potential.

**We-Fi continued playing a critical role in research.** In partnership with IFC, and supported by We-Fi, in February 2023 [Village Capital](#) published its research findings and toolkits on [Smarter Systems: How tweaking your diligence process can unlock overlooked opportunities](#) which presents practical ways that investors and accelerators can tackle the gender financing gap. Past research has shown differences in investors evaluations of men and women-led startups, which are sometimes driven by unconscious gender perceptions, limiting the funding available women-led startups. Small and unintentional differences such as type or framing of question can be critical in determining whether a founder receives enough funding to survive. A study aimed to ensure fair capital allocation between genders by addressing disparities in the investor evaluation process found that by integrating the following simple actions into the assessment process, discrepancies were reduced, and evaluations became more consistent, comprehensive, and data-driven:

- **Collect information** on each startup's risk and growth opportunities ensuring a comprehensive understanding of both;
- **Assess a team's potential** by evaluating how much they have demonstrated an ability to improve their startup; and
- **Predefine what criteria** will most heavily determine the assessment of a company.

These actions led to a statistically significant 5x improvement in women-led startups' scores. The toolkit includes action-oriented implementation guides for investors and accelerators both, focusing on concrete steps and tools to foster more consistent, comprehensive and data-drive evaluations. Online and in-person workshops to disseminate toolkit findings were delivered to 270 participants.

## PILLAR II: EXPANDING FINANCIAL SERVICES

The Expanding Financial Services 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.

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

 PILLAR II - EXPANDING FINANCIAL SERVICES: 51 PROJECTS	
KEY FOCUS AREAS	
PROVIDING ADVICE AND CAPITAL TO FINANCIAL INSTITUTIONS TO EXPAND LENDING AND FINANCIAL SERVICES TO WSMEs	
INVESTMENT (33)*	ADVISORY (18)
<b>GENDER BONDS</b> <ol style="list-style-type: none"> <li>1. <a href="#">Brazil: DCM Itau Social Bond</a></li> <li>2. <a href="#">Ecuador: DCM Pichincha GB</a></li> <li>3. <a href="#">Indonesia: OCBCNISP Tbk</a></li> </ol> <b>GENDER LOANS</b> <ol style="list-style-type: none"> <li>1. <a href="#">Azerbaijan: BOP Respublika</a></li> </ol>	<b>ADVISING FINANCIAL INSTITUTIONS</b> <ol style="list-style-type: none"> <li>1. <a href="#">Afghanistan: Ghazanfar Bank</a></li> <li>2. <a href="#">Argentina: HSBC</a></li> <li>3. <a href="#">Brazil: Sicredi</a></li> <li>4. <a href="#">Colombia: Bancamia</a></li> <li>5. <a href="#">Côte d'Ivoire: Staple Food Cooperatives</a></li> <li>6. <a href="#">Global: Digital NFS</a></li> </ol>

2. **Cambodia:** ACLEDA
3. **Cameroon:** CCA-Bank Senior Loan
4. **El Salvador:** Banco Agricola
5. **El Salvador:** Fedecredito
6. **Guatemala:** Genesis
7. **Moldova:** MAIB
8. **Mongolia:** XacBank
9. **Mongolia:** Khan Bank
10. **Peru:** Mibanco
11. **Philippines:** BOP Esquire
12. **Sri Lanka:** NTB Bank
13. **Vietnam:** OCB Bank
14. **Vietnam:** SeaBank
15. **Vietnam:** SHB Loan
16. **Uzbekistan:** Ipoteka Bank
17. **Uzbekistan:** Hamkor Bank

#### SMALL LOAN GUARANTEE PROGRAM (RSFs)

1. **Africa Region:** BOA SME RSF II
2. **Benin:** NSIA Bank
3. **Guinea:** SLGP NSIA
4. **Congo DRC:** SLGP Equity BCDC
5. **Côte d'Ivoire:** NSIA Bank
6. **Cote d'Ivoire:** SLGP BICICI
7. **Kosovo:** TEB RSF
8. **Samoa:** SLGP RSF NBS

**Canceled:** Nigeria, Union Bank PLC

#### WORKING CAPITAL SOLUTIONS PROGRAM

1. **Ecuador:** Produbanco
2. **Guatemala:** Banco Industrial
3. **Philippines:** WCS Card Bank
4. **Philippines:** WCS Card Bank SME
5. **Vietnam:** VPBank

**Canceled:** Kenya, Twiga digital food trading platform

7. **India:** Northern Arc Capital
8. **India:** EQUITAS SMALL FINANCE BANK
9. **Nigeria:** FCMB
10. **Philippines:** Union Bank
11. **Vietnam:** SeA Bank
12. **Global Baseline (4<sup>th</sup> Call for Proposals)**

#### DEVELOPING INSURANCE PRODUCTS FOR WSMEs

1. **Côte d'Ivoire:** Leadway
2. **Cameroon:** Activa, an insurance company
3. **Ghana:** Activa, an insurance company
4. **Kenya:** APA WomenInsure
5. **Philippines:** Malayan Insurance company
6. **Philippines:** Insular Life Insurance company

Note: only active projects are counted. *Light blue* text references projects/activities added in FY23, *red* text references those dropped due to macro/external factors

FY2023 HIGHLIGHTS		
FY22	FY23	<b>13</b> new investment projects <b>1</b> new advisory project
<b>39</b>	<b>51</b>	
<b>14</b> New countries (including BOA SME RSF II in Africa countries): Azerbaijan, Brazil,		<b>19</b> IDA / FCS

Burkina Faso, Congo DRC, Guinea,  
Madagascar, Mali, Moldova, Mongolia,  
Niger, Samoa, Senegal, Tanzania, Togo

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	
72,450		\$2,211m		278	
20,102	FY23	\$700m	FY23	171	FY23
FY22		FY22		FY22	

### Round I

**In FY23, the IFC We-Fi Program added 13 new investments under this pillar and significantly increased lending to WSMEs.** In the fiscal year 2023, the IFC We-Fi Program achieved significant milestones, notably through the addition of 13 new investments and a substantial increase in lending to WSMEs. Over the past year, the IFC We-Fi program has undergone remarkable geographic expansion, extending its investment and advisory support in 7 new countries in Africa, Eastern Europe, and the East Asia Pacific region. Additionally, the program expanded into Latin America with its second gender bond initiative. Six of the 13 new projects are located in IDA countries, exemplified by a partnership with the Bank of Africa (BOA), which included ten risk sharing facilities (RSFs) signed with subsidiaries of BOA in African countries all of which are IDA and five also FCS countries; a loan to CCA Bank in Cameroon; and four Small Loan Guarantee Program (SLGP) projects in Congo DRC, Samoa, Guinea, and Cote d'Ivoire. All the new investments have been strategically structured to incorporate performance-based incentives alongside IFC loans, risk sharing facilities, and bond issuances. With We-Fi funding at US\$3.6 million, these projects are poised to unlock \$600 million in financing for WSMEs. Cumulatively, the We-Fi funding of almost \$15 million under this pillar has facilitated over \$1.2 billion in investments specifically earmarked for WSME lending, furthering its mission to empower women entrepreneurs in emerging markets. It's important to note that the program has fully allocated its investment funding, including commitments from the 1st and 4th calls for proposals, totaling \$8.1 million in commitments, with projects in the pipeline exceeding the total allocation of \$10.6 million. Under this pillar, WSMEs received \$2.2 billion in financing from the 14 financial institutions that reported results for FY23 (up from 700 million in FY22).

**Empowering Finance Through Gender Bonds in LAC: We-Fi's Transformative Impact:** In the Latin America and Caribbean (LAC) region, the IFC We-Fi program has made significant strides in promoting gender equality and financial inclusion. Eight projects with financial institutions have been supported in LAC,

including the issuance of two innovative gender bonds in Ecuador and Brazil. We-Fi support contributed significantly to IFC's substantial gender commitments in the LAC region which totaled US\$618 million representing a remarkable 72% of the total global gender commitments within the IFC's Financial Institutions Group. Key initiatives included the collaboration with **Banco Pichincha** in Ecuador, marking the issuance of the first gender bond by the largest bank in the country, and **Itau** in Brazil, which introduced the first gender bond issued by a private bank in Brazil in the form of Letras Financeiras (LFs), an exclusive debt security instrument for local financial institutions. The IFC's Gender Advisory services played a pivotal role in facilitating the successful implementation of these gender bonds. Furthermore, IFC served as an anchor investor, mobilizing up to \$200 million to attract other investors. The achievements of Banco Itaú were acknowledged as it celebrated the ten-year anniversary of "Itaú Mulher Empreendedora," a capacity-building program developed and launched jointly by IFC and Itaú, with a renewed focus on empowering Afro-descendent female-led businesses in North and Northeast Brazil. Over 350,000 women have already benefited from the program, leading to Itaú's recognition as the "Best Bank for Women Entrepreneurs" by the SME Finance Forum. These endeavors underscore the program's commitment to advancing gender equality and financial inclusion in the region.

**Elevating Women Entrepreneurs with Tailored Financial Products and Solutions** has been a key focus for many financial institutions and organizations in the We-Fi portfolio. To name a few, **SeABank**, in partnership with IFC and We-Fi, embarked on a remarkable journey in Vietnam, beginning with comprehensive market research and consultations with women entrepreneurs. This initiative led to the development of the *Customer Value Proposition (CVP) Pack* and draft *Program Guides for Credit and Liability Products*, designed to cater to the unique needs of women-owned businesses. These guides were refined with invaluable feedback from clients and subsequently approved, enabling SeABank to craft a *Cashflow-Based Lending Product Policy* tailored to Vietnam's market conditions. The project outlined plans for *Non-Financial Services (NFS)* in partnership with WSME clubs that aim to enhance their entrepreneurial skills and provide valuable resources for business growth. SeABank's dedication to sustainable development strategies and its commitment to women's economic empowerment have earned it recognition as a leading bank for women entrepreneurs. In October 2022, the project enhanced SeABank's image through its participation in the "Sweet Aura" event series tailored to women entrepreneurs. In November 2022, SeABank received the "Most Innovative Bank for Women Award Vietnam 2022," underscoring its tireless efforts in providing women access to professional financial services. Building on IFC's support, **HSBC** launched the *Female Entrepreneur Fund* which has provided \$400 million in lending to WSME in Argentina, Mexico, and Uruguay while the *Mujeres al Mundo program*, which supports women entrepreneurs through training, mentoring, and differentiated financial services, has supported over 1,000 women entrepreneurs in these countries. Similarly, **Mibanco's Emancipation Loan program** has helped over 140,000 women entrepreneurs in Peru by providing them with access to credit without the need for a cosigner (Box 4).

**Box 4: IFC and We-Fi promote market inclusiveness for WSMEs in Peru**



MARITZA LLANOS  
25 years old. Entrepreneur

IFC's loan with support from We-Fi to Banco de la Microempresa S.A. (also known as Mibanco) has resulted in the bank strengthening its lending operations for women-owned businesses in the underserved regions of Peru. These businesses face constraints that restrict their access to finance from commercial banks and other non-bank financial institutions due to their limited credit histories, lack of collateral, and lower financial literacy. *By expanding gender finance and fostering financial inclusion in Peru, has successfully supported WSMEs with or without credit experience.* Maritza Llanos, a 25-year-old Peruvian who started her clothing business six years ago, has

expanded her business thanks to a loan from Mibanco. Llanos shared: "It was really hard initially. I arrived in Lima from my countryside, and like most people, started a job. That's when I got an idea to start my business. I thought that I would take out a loan and build my credit record. However, no bank wanted to give me money. Mibanco first believed in and helped me reach my goal. I am happy now with what I have achieved."

**Digital Transformation Driving Financial Inclusion:** In July 2022, **Union Digital (UD)** achieved a significant milestone by successfully passing the 3rd stage of its license application and securing approval from the Central Bank of the Philippines (BSP) to commence commercial operations. With IFC We-Fi Program's steadfast support throughout 2023, UD transitioned from a project to a fully operational entity, introducing eight deposit and loan products. This significant achievement underscores the power of digital technologies in expanding financial access for WSMEs. Meanwhile, in India, **Equitas** has harnessed the potential of digital banking, guided by insights from a comprehensive "Insights on India's Underbanked Customers" Bottom of the Pyramid (BoP) Research report, which was jointly prepared by IFC, Equitas and CRISIL. With over 18,000 survey participants comprising small business owners, commercial vehicle owners, and microfinance recipients, this study informs the creation of innovative digital products and services tailored to the needs of underserved customers. Equitas is also championing gender diversity through initiatives like the Gender Dashboard and Gender Sensitivity workshops, aligning with the broader mission of promoting financial equality. **Genesis** in Guatemala continued its digital journey and has introduced a digital savings platform designed to empower women to save, invest, and grow their businesses. **SeABank** too is using digital channels and platforms to enhance the banking experience for women entrepreneurs.

**Empowering Finance and Equality: Northern Arc Capital's Successful Journey in Gender Lens Investing.** Northern Arc Capital (NAC), an Indian-based platform in the financial services sector set up for catering to the diverse credit requirements of under-served businesses by providing efficient and reliable access to debt finance, achieved resounding success as it completed the project's implementation period in January 2023. The project's strategic approach was divided into three key components. First, a robust *Gender Lens Investing Framework* was developed to evaluate investee companies' performance on gender-focused indicators, furthering NAC's commitment to gender equality. Second, a self-rating tool, the *Corporate Gender Dashboard*, was crafted to identify, measure, and monitor NAC's performance on gender indicators. Finally, capacity-building modules on gender sensitivity and managing unconscious bias were created and delivered to NAC's portfolio clients across various employee levels to boost lending to women-owned SMEs. It significantly surpassed its objectives, bolstering NAC's gender portfolio among



investee clients and successfully integrating gender considerations into investment processes (Box 5). Despite the challenges posed by the COVID-19 pandemic, the project adapted by revising indicators and extending timelines, all while remaining aligned with India's development priorities and IFC's strategy. A notable outcome of this collaboration was the introduction of Gender Lens Investing (GLI) tools, enabling NAC to effectively monitor and benchmark its gender-focused investments. The project demonstrated remarkable efficiency, achieving its goals within budget constraints.

#### Box 5: IFC's Advisory Services Highlight Gender-Related Issues in WSMEs in India



IFC, with the support of We-Fi, has partnered with Northern Arc for a gender advisory program to support the client to profitably and sustainably serve women-owned businesses by making gender considerations an important part of their investment screening and due diligence process. **Bama Balakrishnan, COO of Northern Arc**, praised IFC's commitment and results-oriented approach: "We have enjoyed building the 'Corporate Gender Dashboard' tool and learnt a lot in that process. The testament to the outcome is we can relate to the scoring framework. It has quantified the fact that we have distance to go when it comes to thinking about women borrowers and wider ecosystem and what we can do for the community. These are clearly areas where we need to make greater investments on time, people and resources." Under IFC's Advisory program, Northern Arc has conducted several training sessions, which helped the firm highlight gender-related issues. Rupa Venkatgiri, Director and Head-Small Business Loans at Northern Arc shared: "I wanted to thank the IFC team for an extremely insightful, informative and engaging delivery and completion of our Gender Finance Advisory project. All of the participants, both internal and external found the exercises, training sessions etc. very impactful and we hope to create more gender parity and awareness of unconscious biases with this collective initiative." Sanjay Sharma, Managing Director of Aye Finance Private Limited, and an investee Client of Northern Arc further added: "IFC's Gender training program helped in giving us a deep insight into the challenges women face in the MSME sector when applying for loans. It helped us bring more focus to our program of lending to the female gender. While 83% of our loans have women as co-applicant, we are now focused on increasing facilities to businesses where women are the primary managers of business. This has introduced us to a new approach of servicing women-led businesses."

**Empowering Women Entrepreneurs: Tailored Insurance Solutions for Success.** Leadway has actively pursued partnerships with organizations such as Ecobank for bancassurance coverage and agricultural cooperatives to enhance the value proposition for women entrepreneurs in the agriculture sector. These strategic collaborations aim to offer comprehensive insurance solutions that align with the distinct requirements of women entrepreneurs, contributing to their financial resilience and business continuity. As part of their commitment, Leadway has also conducted targeted social media awareness campaigns to educate and inform women entrepreneurs about the availability and benefits of these tailored insurance offerings and used women entrepreneurs as ambassadors to provide testimonials as to how insurance has helped them be more resilient. Additionally, Non-Financial Services (NFS) like car clinics, financial wellness webinars, and social media tools aim to boost women entrepreneurs' businesses. Leadway recently won an award as digital insurer of the year, for their end-to-end 100% fully digital automobile purchase process. This solution is welcomed by women entrepreneurs who appreciate the convenience

of this innovative solution. Similarly, **APA Insurance** is dedicated to designing specialized solutions for women entrepreneurs in Kenya, such as wealth-building tools and pension plans. These initiatives empower women, improve access to financial services, and enhance their entrepreneurial skills, fostering economic growth and prosperity in Kenya.

#### Box 6: Insuring Women in Cameroon for a Better Future



In Cameroon, the insurance penetration rate is very low at less than 2 percent, far behind regional leaders such as South Africa (69 percent) and Morocco (7.2 percent) in 2021. There is a pressing need for insurance to provide risk protection for Cameroon's working women and female entrepreneurs, both formal and informal, as they have little access to formal finance and would typically redeploy earnings to cope with socioeconomic shocks. With the support of IFC and We-Fi, **Activa Group** developed bespoke insurance offerings and strengthened its sales approach by training its agents to become trusted advisors to women. In March 2021, Activ'Lady rolled out the *Lady Start-Up* solution to give women entrepreneurs financing over the short, medium and long-term. *Lady Start-Up* acts as a savings platform that allows women to build up capital, which they use to access credit through Activa's financial partners. Activa also offers to support them through training via business incubators and is committed to supporting them in the financing phase with its bancassurance partners. Activ'Lady team developed an Activ'Lady web portal and assigned dedicated advisors to meet with potential clients connecting to the platform. The project team also launched a social media marketing campaign to support the launch of the Activ'Lady Program and to inform and educate Cameroonian women on the importance of insurance and other essential topics. Through this campaign, Activa reached over 800,000 women. In addition to Lady Start-Up, Activa has introduced Activa Insurance Assistance Juridique, a solution that covers the risks faced by women entrepreneurs. By subscribing to Activa Insurance Assistance Juridique, they can benefit from legal assistance on all their contracts in case of litigation affecting their professional or private life.

### Round III

Under Round III, the IFC We-Fi program focuses on improving access to finance for WSMEs and women customers through global digital financial services, including fintechs, and other financial intermediaries that are IFC clients. Efforts to identify and develop partnerships with fintech companies are underway so results have been limited for this reporting period. The team is recently working with Dalberg to deliver the draft "Fintech for Women: Establishing a Baseline and Market Opportunities" report, which serves as the starting ground for Program's specific actions in the future. This report is important since there is limited research that quantifies the degree to which fintech firms are delivering on women's economic empowerment and that illustrates the specific practices or characteristics of fintech firms that lead to success. The study draws on a survey of 114 fintech firms and interviews with leaders from 25 fintech firms to fill these knowledge gaps. The aim of the study is to better understand the proportion of women customers and business volumes from women customers in the portfolio of DFS providers, as well as the key drivers for digital financial services (DFS) providers to serve women customers and women-owned/led businesses. Preliminary findings from the report highlight the rapid growth of DFS worldwide, particularly in low- and middle-income economies, with mobile money accounts contributing significantly to increased

account ownership. The adoption of DFS has risen, driven partly by the impact of COVID-19. However, gender disparities persist in digital access and literacy. The study explores how fintech firms specializing in DFS can address these disparities and strategically target women customers and WSMEs. The study is undergoing IFC Editorial Board Review. Once published, the IFC team will use the insights to engage potential fintechs and DFS providers on the business case to finance women entrepreneurs.

## Round IV

Following the 4th call for funds, IFC embarked on a comprehensive initiative aimed at enhancing gender diversity and inclusion in the financial services sector. This multifaceted effort encompasses short term capacity building to track, monitor, collect, report and ultimately utilize sex-disaggregated data (SDD) of SME portfolios in 90 IFC financial services providers (FSPs) globally, in conjunction with collaborative work with regulatory bodies in Mexico and Egypt to formulate guidelines for SDD implementation. The overarching strategy, known as the **WE Finance code**, goes beyond SDD, urging FSPs to proactively support women entrepreneurs across three key dimensions: leadership, data tracking, and taking actionable steps to foster the growth of WSMEs. At the time of the 4th call, IFC proposed work on the second pillar (SDD for WSME portfolios) only. However, the concept and implementation approach of the WE Finance code has evolved. In response, IFC introduced the concept of the WE Finance code to relevant regulators and associations. In terms of engaging with banks on sex disaggregating their SME portfolios, the project has been launched and well underway with a global pilot of 12 financial institutions implementing in a six-month period, followed by regional rollouts covering the remaining FIs across the globe.

In Mexico, IFC collaborated closely with local authorities and presented the importance of SDD Baseline and Reporting as a top priority, substantiated by extensive research. The ongoing work in Mexico aims to develop comprehensive guidelines encompassing SDD, gender-tailored financial products and services, financial education, and reporting. Despite encountering challenges such as shifting government priorities, IFC remains committed to this endeavor, considering alternative avenues in the region, such as Ecuador or Colombia. Concurrently, Banco Pichincha, one of IFC's client financial institutions in Ecuador, has already committed to signing onto the WE-Finance Code, demonstrating its dedication to promoting gender diversity.

In Egypt, IFC has been collaborating with the Central Bank of Egypt (CBE) to implement SDD reporting guidelines issued by CBE in 2018, with IFC's invaluable support. IFC had suggested the adoption of the WBG/IFC definition of Women-Led Micro, Small, and Medium Enterprises (WMSMEs), which CBE subsequently endorsed and disseminated to banks for portfolio reporting. Banks in Egypt have made significant progress in adopting this definition and updating their systems accordingly. However, challenges persist in sharing the reported data with CBE. To bridge this gap, IFC is actively assisting CBE in enhancing the quality of Financial Inclusion Data while also providing training to banks for the implementation of SDD in their SME portfolios.

IFC has initiated constructive dialogues with CBE officials overseeing the Financial Inclusion Division to outline a collaborative scope for aligning SDD reporting efforts. The initial step involves designing a Financial Inclusion Demand-side survey aimed at harmonizing the methodology with Findex to capture data on financing levels for women and women entrepreneurs. To facilitate this process, IFC has coordinated discussions with IBRD and Findex teams, facilitating workshops for survey questionnaire design and field surveyor training. Subsequent workshops with banks will address the challenges they encounter in meeting CBE's SDD reporting requirements.

Additionally, IFC has engaged in discussions with EBRD to streamline activities, ensuring that efforts are complementary rather than duplicative. The overarching goal is to facilitate the implementation of SDD reporting by banks and the adoption of the WE Finance code, recognizing the importance of collaboration in advancing gender diversity and inclusion in the financial services sector.

## 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 Improving Market Access 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.

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

	PILLAR III – IMPROVING MARKET ACCESS: 7 PROJECTS
KEY FOCUS AREAS	
<b>INTEGRATING WSMEs INTO DOMESTIC AND INTERNATIONAL VALUE CHAINS AND PRODUCER NETWORKS</b> <ol style="list-style-type: none"> <li>1. Egypt: MaxAB</li> <li>2. India: Suguna</li> </ol>	
<b>DEVELOPING INCLUSIVE SOURCING AND SUPPLY CHAIN FINANCE</b> <ol style="list-style-type: none"> <li>1. Daraju: WSMEs in the company's distributor network (IFC Research)</li> <li>2. Egypt: MaxAB</li> <li>3. India: Bayer, Better Life Farming Alliance</li> <li>4. Kenya and <b>Colombia</b>: Sourcing2Equal</li> <li>5. Vietnam: Sustainable Pepper, McCormick</li> </ol>	

Note: Only active projects are reflected. **Light blue** text references projects/activities added in FY23

FY2023 HIGHLIGHTS		
Sourcing2Equal expanded to Colombia		
<b>9</b> Reports and studies	<b>1</b>	Strategic partnership with WEConnect International

CUMULATIVE PROGRESS - PILLAR III		
<b>Number of WSMEs that received agri-loans</b>  <b>4,811</b>	<b>WSMEs that received agri-entrepreneurship training</b>  <b>604</b>	<b>WSMEs with increased market linkages</b>  <b>4,938</b>

-	FY23	267	FY23	22	FY23
FY22		FY22		FY22	

**Existing program delivery has been the focus under the pillar.** Since the previous reporting period, there has been no change in the number of projects or investment amounts committed. As of June 2023, approximately 604 WSMs (up from 267 last year) received entrepreneurship support through training in agricultural entrepreneurship. While no new projects were committed, the *Sourcing2Equal Program* **expanded into Colombia in April 2023.** The launch event brought together 15 corporate buyers to make specific, measurable, and time-bound commitments to increase access to corporate procurement opportunities for WSMs. The launch event was attended by 140 people, including 15 corporate project participants (such as Bancamia – an IFC investment client that received support from We-Fi), 4 project partners (Chamber of Commerce of Bogota, Chamber of Commerce of Cali, UN Global Compact and UN Women), a representative of the Government of Norway, business support organizations, and women business owners, including from diverse groups.

**MaxAB: Empowering Women-Led Retailers and Pioneering a Financing Solution.** MaxAB has undertaken a strategic shift in its project direction, aimed at advancing the empowerment of Women-Led Small and Medium Enterprises (WSMEs) within value chains and facilitating their access to supply chain finance. Originally, We-Fi funding was allocated to support three project components (described below), with \$145,000 earmarked for Component 3. However, in response to changing needs and priorities, the funding originally designated for Component 3 has been returned to We-Fi. The company preferred to extend eligibility for participation in its retailer coaching and training program to all the retailers and not just the ones that fit the We-Fi definitions. In the meantime, Components 1 and 2 have already been successfully completed, and We-Fi funding has been completely utilized. **Component 1** involved conducting a survey with approximately 500 retailers using the MaxAB platform. This survey confirmed MaxAB's estimate that 5% of their retailer users are women, with 10% out of which fall under the We-Fi definition of Very Small Enterprises (VSEs) or SMEs. As of December 2022, the platform has seen a substantial increase, with 325 active women-owned VSE/SME retailers, in line with the project's original target. Under **Component 2**, the project team recommended five firm-level practices for improvement to MaxAB, based on the survey results. These recommendations encompass leveraging data, accommodating specific needs of retailers, addressing knowledge gaps on various business management topics, enhancing digital literacy, and addressing liquidity issues. It is noteworthy that digital literacy, business skills, and working capital emerged as areas where women-led businesses are disadvantaged compared to men-led businesses and require additional support. Responding to these identified challenges, particularly those faced by women retailers, the project proposed a retailer training program, which MaxAB readily embraced. Additionally, MaxAB has launched a **pilot financing solution** to address working capital needs, initially targeting long-term customer retailers who will gain extended payment terms for their orders, ranging from 7 to 30 days depending on their purchase history. Currently, IFC and MaxAB are in the final stages of designing the retailer training and coaching program for Component 3 without the original We-Fi funding. Although this component is expected to have a relatively high cost per training due to its predominantly in-person nature and focus on specific neighborhoods in Cairo, MaxAB remains steadfast in its commitment to its objectives. As mentioned above, there will be no business size requirement for participants, ensuring inclusivity. In essence, this strategic shift signifies a comprehensive



effort to empower women retailers, aligning with MaxAB's core mission of supporting WSMEs within the supply chain ecosystem. Notably, two in-person training pilot sessions were conducted in May and June 2023, respectively, in the Bulaq El Dakroul and El Basateen neighborhoods of Cairo.

**Box 7: MaxAB, an Egyptian Startup, with We-Fi Support, Improves Lives and Livelihoods of Women in Cairo Through Improving Access to Markets**



It is midday in Shubra, the largest Coptic Christian district in Cairo. Brightly painted religious icons dangle on a wire over a busy thoroughfare of cafes, workshops, and steel doors adorned with crosses. Shubra means ‘village’ in Coptic, and for 31-year-old shopkeeper Zinab Mahmoud, it’s her close neighbors that make this street feel like one. “My family has been right here since the early 90s,” she says, standing in front of a narrow storefront of potato chips, cooking oil, and toiletries. “Being connected to people of all kinds—people I’ve known my whole life—is what keeps me here.” The other reason is more pragmatic. Zinab is the family’s single breadwinner, looking after three children between the ages of one and five. With her home just upstairs, shopkeeping allows

her to tend to family as well as its income.

Three years ago, Zinab started using MaxAB to help replenish the store’s inventory. Restocking once meant a long walk to multiple wholesalers, and she remembers “carrying everything back by hand, really it was such an exhausting struggle.” MaxAB, two years after its founding in 2018, received a \$4 million investment from IFC to help scale its business and provide pathways to boost women’s entrepreneurship. The financing, which was made in partnership with the Women Entrepreneurs Finance Initiative (We-Fi), has helped MaxAB build a customer base of over 50,000 retailers across Egypt and Morocco, enabling their clients like Zinab, to access to the supply chain with affordable prices and much less logistic costs and constraints.

Recent interviews suggest that MaxAB has indeed made real and swift improvements to the lives of shopkeepers who use its services, especially women. They also suggest that MaxAB has built up a level of trust with its risk-averse customers—one that will allow it to serve as a trusted outlet for skills and business training, as well as for shop insurance and loans. Egypt is the largest consumer market in the Middle East. Its retail food market is dominated by more than 115,000 small privately-owned grocery stores, with some estimates as high as 400,000. Traditional family-run grocers and wet markets make up 97 percent of retail grocery firms in the country and generate 70 percent of total sales in this sector. However, the distribution of fast-moving consumer goods (FMCG) to these informal retailers is complex, fragmented, and inefficient. Relative to their male counterparts, Egypt’s women shopkeepers are more likely to lack these formal business skills, and have far more burdens on their time, especially childcare.

For now, Zinab remains somewhat skeptical of outside help. “It’s not at all common to have women shopkeepers around here, and people think they can pull one over on me because I’m a woman,” adding with a wry smile, “but I’m tough, I have to be.”



**Suguna Group: Taking Action for Gender Empowerment in Poultry Farming Success.** Suguna Group, a prominent player in India's poultry industry, boasts a comprehensive presence spanning broiler and layer farming, hatcheries, feed mills, and processing plants. Their commitment to growth and excellence has found a strong ally in IFC's investment, which seeks to enhance their competitive edge. This strategic infusion of capital will facilitate an expansive reach into northern and eastern India, particularly in regions like Uttar Pradesh, Odisha, and West Bengal. Furthermore, Suguna is poised for international expansion in countries like Kenya and Bangladesh. Suguna Group is not just about business; it's about empowerment. Through its innovative poultry farming contracts, Suguna equips farmers with essential training and resources. This empowerment extends its reach, particularly to female farmers. Notably, in 2023, Suguna has achieved remarkable milestones, with over 640 additional female farmers joining their ranks. The Women's Entrepreneurship Finance Initiative (We-Fi) program acts as a catalyst, encouraging Suguna to further amplify its engagement with female farmers nationwide. This dedication is evident in the impressive statistics: Suguna now supports a total of 4,486 female farmers, a notable increase from 3,845 in FY2022, and the total contract volume with these farmers stands at an impressive US\$150.9 million, a significant leap from the previous year's US\$72.2 million. These figures underscore Suguna's unwavering commitment to empowering female farmers and fostering sustainable growth in the poultry industry.

**Sourcing2Equal** program has advanced in expanding access to corporate procurement opportunities for **Women-owned and led Small and Medium Enterprises (WSMEs) in Kenya**. Efforts for this year have focused on finalizing the Sourcing2Equal Global Research, advancing Sourcing2Equal Kenya country program, exploring a new pilot for a supply chain finance solution for WSMEs in Kenya, and expanding the program's geographical reach to Latin America.

- A. Sourcing2Equal Global Research: Harnessing Procurement Opportunities to Create Markets for Women Entrepreneurs in Emerging Markets.** In this reporting cycle, IFC has advanced in the implementation of a global research on the business case for private sector procurement from WSMEs. The research covers four sectors (agribusiness, financial services, manufacturing, retail and distribution) across six countries in emerging markets (Bangladesh, Colombia, Indonesia, Mexico, Nigeria and Türkiye). It demonstrates how purchasing from WSMEs can yield business benefits in emerging markets and encourages corporate Buyers to make more inclusive procurement decisions. It also explores the roles financial intermediaries and governments can play to incentivize private sector companies to procure from WSMEs as suppliers. Accenture Development Partnership and WEConnect International were contracted to implement the research with the IFC Sourcing2Equal Program team. The research will contribute to expanding the business case evidence on gender-inclusive sourcing, especially in emerging markets, where research on this topic is very limited; identifying and sharing best practices through surveyed gathered data from 240 Buyers and case studies with 9 Buyers, 4 financial intermediaries (FIs), and 3 government agencies; documenting and sharing public policy practices implemented in Bangladesh, Colombia, Dominican Republic, Indonesia, Kenya, South Africa and United States; and creating a network of global and local partners committed to gender-inclusive sourcing. The research will be launched in FY2024.
- B. Country Programs (Box 8).** Sourcing2Equal country programs aim to address barriers faced by both corporate Buyers and WSME suppliers in a specific country context, through 2 main activities (1) building corporate capacity through a peer learning platform that brings together corporate Buyers to make specific, measurable, and time- bound commitments to increase access to procurement opportunities for WSMEs; (2) building WSME procurement readiness through

training and mentoring solutions and facilitating buyer-supplier introductions through matchmaking activities.

#### Box 8: Elevating WSMEs in Kenya



On the **supply side**, the project worked with private sector buyers to champion and advance the business case and facilitate best practice exchanges on gender-inclusive sourcing. This work was implemented through peer learning sessions. To date, the pilot project in Kenya has successfully brought together 10 corporate buyers, with East African Breweries (EABL) joining in February 2023. Efforts taken in the previous reporting cycle contributed to new contracts for WSME suppliers - buyers have reported to have awarded a total of 71 contracts to new WSMEs (suppliers they have never worked with in the past). As part of the peer learning sessions, the project organized an in-person workshop on Supply Chain Financing (SCF). This event, and a road show with several leading financial institutions in Kenya have led to the identification of two WSME access to finance solutions that are under exploration for potential piloting with a global bank and the companies participating in Sourcing2Equal. On the **demand side**, the project delivered eight procurement readiness training sessions to create awareness and increase WSME knowledge on corporate procurement opportunities, processes, and requirements. In overcoming challenges related to accessing corporate procurement contracts. Additionally, the team organized the two Buyer-Supplier Matchmaking events in October 2022 and May 2023. As of June 2023, 356 women entrepreneurs representing 149 unique WSMEs have benefited from capacity building activities under Sourcing2Equal Kenya.

Mary Thuo is a small business owner who participated in IFC's Sourcing2Equal Kenya matchmaking held in October 2022. The event helped her to connect with Buyer and she is working on three new contracts thanks to this. In this interview, Mary talks about the importance of networking, the value in bridging gender gaps, and how her grandfather's influence led her to launch a highly successful cleaning business. Link to interview: <https://www.ifc.org/en/stories/2023/elevating-women-small-business-owners-in-kenya>

**In April 2023, the program expanded to Colombia bringing together 15 corporate buyers<sup>3</sup> to make specific, measurable, and time-bound commitments to increase access to corporate procurement opportunities for WSMEs.** Sourcing2Equal Colombia will also work on identifying and enhancing the capacities of women-owned suppliers, enabling them to surmount barriers in meeting the requirements of corporate buyers. The project kicked-off with a public launch that was attended by over 140 people, including 15 corporate project participants, 4 project partners (Chamber of Commerce of Bogota, Chamber of Commerce of Cali, UN Global Compact and UN Women), a representative of the Government of Norway, business support organizations, and women business owners, including from diverse groups (e.g. afro descendant and from rural communities). The event featured 2 panel discussions from corporate Buyers and women SME suppliers, who shared lessons learned, challenges and opportunities to advance

<sup>3</sup> Corporate buyers participating in Sourcing2Equal Colombia include: Alpina, Bacao, Bancamia, Bancolombia, Coca-Cola FEMSA, Diageo, Empacor, Grupo Argos, Grupo Éxito, Libero Cobre, Juan Valdez, Pavimientos Colombia, Postobon, Sunshine Bouquet, Unilever

gender-inclusive sourcing in Colombia. The event closed with a signing ceremony where all project partners and corporate Buyers signed a banner, to express their commitment to collectively increase gender-inclusive sourcing. Two corporate peer learning events were delivered in May and June 2023, focusing on establishing a supplier diversity and inclusion initiative and conducting supplier base mapping, which includes collecting and analyzing sex-disaggregated data and other supplier characteristics. Sourcing2Equal Colombia project is also conducting a market study which aims to examine the WSME market in the country, in order to provide strategic guidelines to inform the implementation of the project. This will allow that the methodologies, approaches and solutions offered by the program meet the needs of both WSMEs and anchor or corporate buyers and close the gender gaps in corporate supply chains. The study will be finalized in the next fiscal year. Discussions are underway with WB and IFC to potentially evaluate the impact of the WSME capacity-building solutions implemented through Sourcing2Equal Colombia. This knowledge will contribute to strengthening the literature and data on effective approaches to promote procurement readiness for WSMEs and linkages to corporate procurement opportunities. Discussion will continue in the next fiscal year.

**Empowering Women Farmers: Training, Collaboration, and Impact in Agriculture.** Both [McCormick](#) and the [Better Life Farming Alliance \(BLFA\)](#) have e-learning modules and specialized training and capacity building programs aimed at helping women farmers learn and grow. The Better Life Farming Alliance (BLFA) India project conducted specialized training for 58 women Agri-Entrepreneurs (AEs) on Gender Awareness, Agribusiness Business Leadership, Financial Literacy, and Access to Finance. It expanded its reach by partnering with programs like JEEVIKA in Bihar and attracted interest from other World Bank initiatives in India. Collaboration with Bayer enabled an assessment of women AEs' access to financial services. A majority accessed financial support, with an average volume ranging from \$5,000 to \$100,000, totaling approximately \$340,000. Tailored training modules in Women Leadership, Financial Literacy, and Access to Finance were developed based on feedback. Household participation in training encouraged knowledge sharing and sustainability. Key documents included training modules and three case studies highlighting the entrepreneurial success of women AEs. Despite challenges like lower-than-expected women's participation, geographic dispersion, and the digital divide, the project remains committed to overcoming obstacles through partner collaboration. Results include support for 92 WSMEs (out of a target of 150) and reaching 34 WSMEs with financial services (out of 50). Future plans involve an endline assessment, expansion into new geographies, and training at least 60 women AEs under the Agribusiness Leadership Program in FY24. The project will continue collaborating with the client to facilitate financial services for more women AEs, aiming to reach its target of at least 50 Women AEs availing financial services. Additionally, the project has reached out to 6,220 women farmers (against a target of 5,000) as well through climate smart agronomy training and capacity building. The project received the top award by Government of India (end of last year) in 2022 for exemplary work in sustainable agriculture. [McCormick](#), jointly with IFC, continued working with its suppliers to help them engage more with women farmers. In particular, suppliers' field teams were requested to directly contact women farmers who are leading farming activities, even though they may not be registered as the primary contact with them. This approach resulted in empowerment of women farmers, as seen in the increase in the share of women making decisions in endline (i.e. men and women equally deciding on buying fertilizers to 50 percent from 26.9 percent; selling peppercorn to 70 percent from 44.5 percent) and better quality pepper (field teams reported that agreed upon actions were actually implemented on farm following the female farmer engagement). The engagement made the women farmers feel more respected and confident in making decisions on farm. This led to women increasing participation from 9 percent in 2019 to 51 percent in

2022. Last year, **McCormick** conducted a **case study** on the business case for closing gender gaps, and worked with **three** suppliers (PEARL, Haprosimex and Vietspice/Phuc Sinh Corp) to organize *Women's Pepper Clubs* to promote more equal integration of female farmers into **McCormick's** supply chain. To date, **customized trainings** on technical topics and financial literacy were designed and delivered for 11 women farmer clubs in 15 separate sessions. Trainings in financial literacy and Farming as a Business were especially important for women owned/led farming SMEs, as they helped increase their ability to better understand and manage farming and household finances. Finally, McCormick's Suppliers reported data on farmer adoption of recommended practices for the crop cycle 2021/22. The recommendations included 23 practices (6 critical) that align with certification requirements and aim to reduce pesticide residues in pepper. In total 1,087 farms adopted more than 50 percent of the recommended practices. IFC reached 2,033 (target 1,700) farmers, of which 37 percent were women and 166 (target 142) of whom are women operated farming enterprises (WSMEs).

#### Box 9: Planting Seeds of Success for Agri Entrepreneurs in India



With We-Fi's support, the Better Life Farming Alliance (BLFA), led by Bayer, has scaled up its agri-entrepreneurial model to support women AEs in India. BLFA, is pilot program supported by IFC's initiatives to empower Women in Agribusiness Value Chains, in collaboration with private sector agri-input companies—Bayer Crop Science. Tailored training modules in Women Leadership, Financial Literacy, and Access to Finance, have resulted in increasing women AE participation and empowering them to grow their businesses. Deventi Devi, a smallholder tomato farmer

from Jharkhand, has benefited from IFC-BLFA trainings. According to Devi: "Earlier I used to work on my own farm and that of others. Today I run a business, manage my farm, home and Self-Help Group." Prior to the trainings, Devi's farmland gave low yields with low quality agri-inputs, there was irregularity in market off takers, negligible extension services/farm advisory and no mechanism to determine the right sale price for their farm produce. After the training, Devi adopted/applied the practices they were taught at the training – agronomy, cash flow and inventory and business management, marketing, and gender awareness. Today, Deventi uses Bayer seeds, pesticides and drip irrigation, and her annual product sales revenue is \$22,000, and they make a profit of \$4,896.

Another woman AE, Chitrlekha Devi, and her husband ran an agri-inputs shop, with negligible extension services/product advisory to improve the quality of the products they stocked. They had low earnings from their shop and a small customer base, due to the poor quality of the products they sold. In 2020 Chitrlekha registered her BLFA Center, trained at IFC-BLFA Good Agriculture Practices capacity building initiative, and with an investment of \$4,900 set up the BLF Center and a Model Farm behind her home, and conducted demonstrations for farmers from nearby villages. In 2022, Chitrlekha completed the ALP trainings and adopted/applied the practices they were taught at the training – agronomy, cash flow and inventory and business management, marketing, and gender awareness. Today, Chitrlekha's BLF Center has a yearly sales revenue of \$14,664 with a profit of \$3,672, a customer base of 1,000 farmers across 10 villages, most of whom are women, as men have migrated to the city, and they are the sole decision-makers, at their farms and household. Running the BLF center

has empowered Chitralekha and she says, “By participating in the ALP training I have overcome my fear of moving outside my village to access training. At the trainings we met representatives of big companies and voiced our needs. Today I am very proud of myself.”

## **B. KEY CHALLENGES AND LESSONS LEARNED**

**Delivery under all the three Calls for Proposals is progressing as planned, with the majority of unallocated funding concentrated within the "Access to Markets" pillar in the 1st Call for Proposals.** Currently, the "Access to Markets" pillar stands as the only segment with remaining funding that has yet to be allocated to the pipeline under the 1<sup>st</sup> Call for Proposals. This challenge primarily stems from the application of We-Fi definitions, as elaborated below. With the extension of the timeline for the 1st Call for Proposals until June 2025, the team is actively working to allocate the remaining \$3.3 million in investment capital and \$0.5 million in advisory support. Notably, there are three prospective projects under consideration, including one project with a focus on tourism in Jordan and healthcare in South Africa.

**The IFC We-Fi Program continues to grapple with challenges related to the application of existing We-Fi definitions originally designed for financial institutions.** While these definitions were crafted primarily for the access-to-finance pillar and financial institutions, they do not seamlessly align with the diverse realities of other sectors such as fintech, manufacturing, agribusiness, and services. For instance, MaxAB, an e-commerce retail platform, was obliged to return We-Fi funding initially allocated to its third component. The reason behind this decision was MaxAB's reluctance to confine its retailer coaching and training program solely to businesses that rigidly adhered to the defined size criteria. This limitation would have imposed significant, unnecessary costs, considering that the training sessions are conducted in person across various neighborhoods nationwide. Expecting businesses to meet specific size thresholds is often impractical. In general, many retailers in emerging markets may initially fall short of the prescribed definitions. However, they can derive substantial benefits from utilizing e-commerce platforms, which can level the playing field and provide enhanced access to markets, information, and even financing. Projects of this nature hold significant potential for empowering women, boosting employment, fostering economic growth, and necessitate a more adaptable approach to facilitate large corporations in diversifying their supply chains by involving WSMEs. Take Agrofertil, for example, a company supplying agricultural inputs to Paraguayan farmers, cooperatives, and small distributors. While highly motivated to integrate WSMEs into its value chain and collaborate with IFC and We-Fi on gender strategy, it ultimately refrained from accepting funding due to disagreements over the application of proxy definitions. The team has submitted a comprehensive "Proposed Exceptions from the We-Fi Definitions" Note to the Secretariat. The IFC We-Fi team foresees that these challenges will persist, potentially hindering efforts to engage with large corporations in the manufacturing sector and make their supply chains more inclusive, including greater participation of WWSMEs.

**Innovations in Tailoring Solutions for WSMEs: Sharing Best Practices and Knowledge.** As an increasing number of institutions recognize the significance of customizing their offerings for WSME clients and embark on innovative ventures with fresh products and services, the imperative lies in gleaning insights from successful approaches and disseminating this knowledge widely. Within the realm of IFC clients spanning all three pillars, a multitude have embarked on pioneering solutions and initiatives aimed at WSMEs. These endeavors encompass the introduction of tailored WSMEs lending options through instruments such as loans, lines of credit, and inventory financing. Some clients have incorporated temporary enhancements such as flexible repayment arrangements, while others have forged comprehensive programs that transcend mere financial assistance, delving into areas like training,

mentorship, and strategic partnerships. The IFC We-Fi team is diligently monitoring the progression of these endeavors and ensuring an ongoing exchange of best practices and invaluable lessons learned to help foster a collaborative environment for shared growth and innovation.



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

### C. IMPACT AND PROGRESS TOWARDS MEETING TARGETS

The IFC We-Fi team has continued to make steady progress towards building the pipeline of investment and advisory projects under the IFC programmatic approach, and the result of this progress is evident in the growth of IFC's development impact portfolio for FY23, particularly in the financial sector.

While some projects have closed during FY23, the increase in results can be attributed to several factors, including an increase in the number of reporting projects (from 25 in FY22 to 39 in FY23), as well as a better understanding from clients on how to report on their gender portfolio along the parameters that have been specified by the We-Fi Secretariat.

#### IFC progress toward Program targets as of FY23

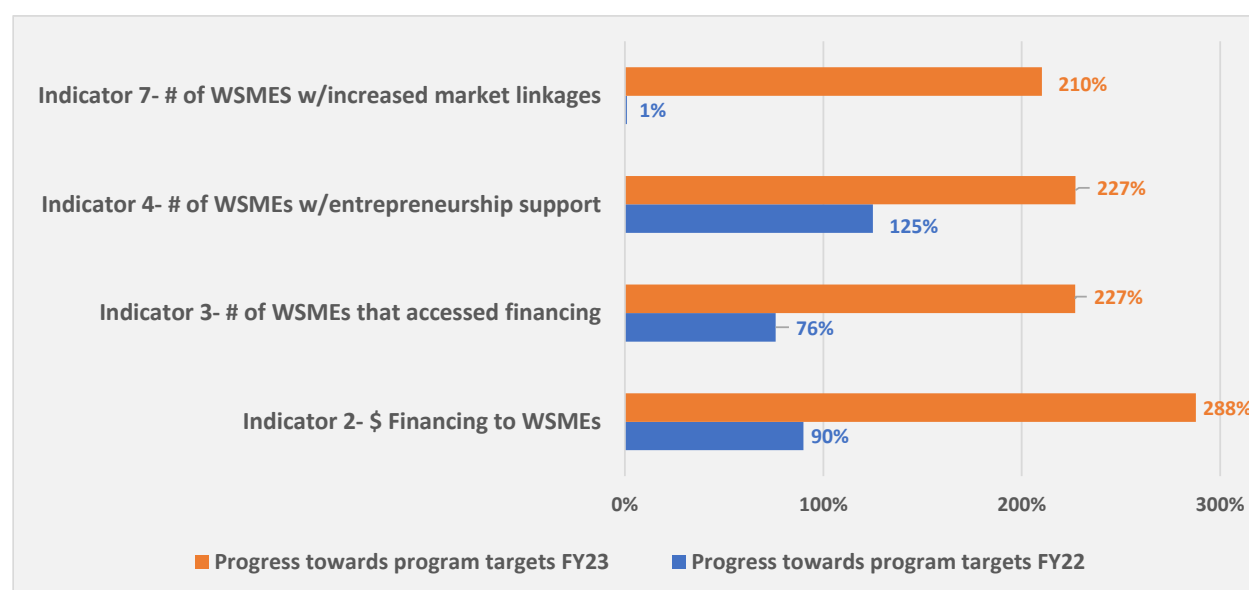
Of the total number of projects in the We-Fi portfolio, results were received for 36 projects, an increase of 14 reporting projects from FY22. This includes 21 projects in the Financial Institutions Group, 10 projects in Funds, 5 in the Insurance sector, and 3 projects in Manufacturing, Agribusiness & Services. See below for Cumulative Results in FY23:

**Figure 1: Cumulative Results FY23**

CUMULATIVE RESULTS THROUGH FY23		
<b>19</b> Accelerators / incubators and funds supported	<b>54</b> Financial institutions supported	<b>7</b> MAS companies received investment and advisory support
<b>\$142 million</b> invested in WSMEs	<b>\$2,211 million</b> in financing provided to WSMEs	<b>\$151 million</b> in loans provided to agri-WSMEs
<b>\$13,215</b> WSMEs received investments  <b>2,916</b> WSMEs reached in entrepreneurship support programs in this pillar	<b>72,450</b> loans, investments, and insurance policies provided to WSMEs in this pillar  <b>278</b> women entrepreneurs reached through the Insurance Program	<b>4,811</b> WSMEs received agri-loans  <b>604</b> WSMEs received agri-entrepreneurship training in this pillar.  <b>4,938</b> agri-WSMEs had increased market linkages.
<b>11</b> Trainings, webinars and learning events	<b>3</b> Trainings, webinars and learning events	<b>67</b> Trainings, webinars and learning events
<b>3</b> Reports and studies	<b>6</b> Reports and studies	<b>9</b> Reports and studies

In FY23, cumulative results along several key indicators show that results have significantly exceeded overall program targets, particularly along the indicators below:

**Figure 2: Cumulative results exceeded program targets in FY23**



The two indicators that are particularly notable are the following: the number of WSMEs that accessed new financing grew from 76% in FY22 to 227% in FY23, and the volume of financing extended to WSMEs grew from 90% in FY22 to 288% in FY23. The total number of clients in the We-Fi portfolio also grew from 63 in FY22 to 80 in FY23, and \$635 million amount of additional financing was mobilized in FY23.

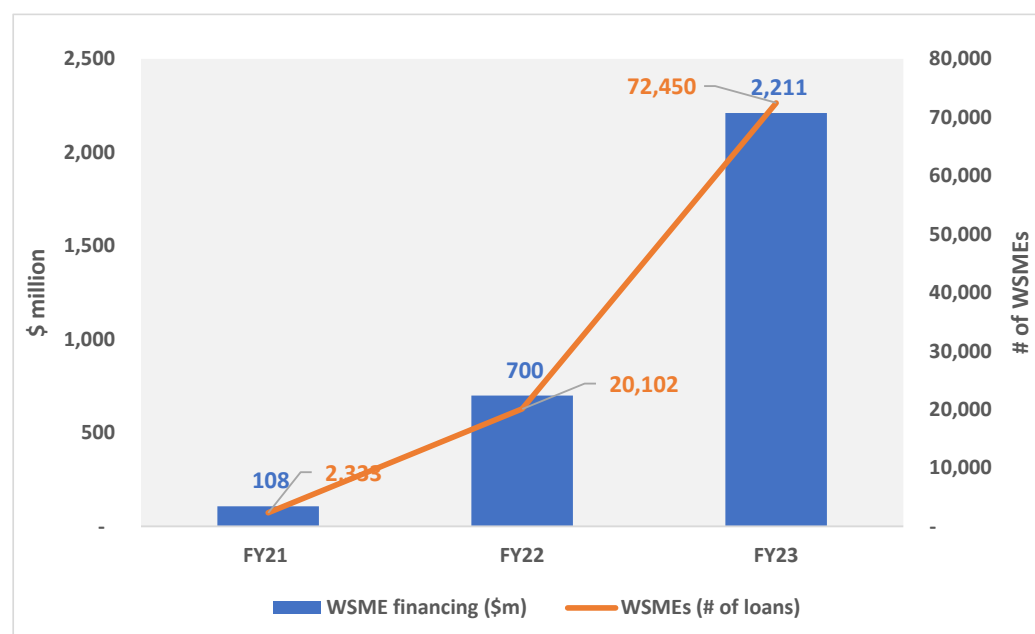
### **We-Fi Sectors- contribution to results**

#### Financial Sector

This growth was driven mainly by projects in the Financial Sector. The financial sector had the highest number of reporting clients in FY23, and accounts for 80 percent of the total achievement from all sectors on number of WSMEs that accessed new financing, and 88 percent of the overall results on volume of financing extended to WSMEs. From the set of clients in the FIG portfolio, there was one outlier driving the results for FY23, which is a large client in Cambodia that accounted for 38 percent of the results in terms of volume of financing to WSMEs. There is also one client in Ecuador for which IFC only reported 50 percent of the impact results as another We-Fi implementing partner had invested in the same Gender Bond with the client. While most clients in the financial sector portfolio reported increases in lending from baseline figures, there were a few clients that reported decreases in their reach to WSMEs for a number of different reasons, including exchange rate issues, economic situation in their countries, and ability of the client to accurately set baselines before having a system to report on their WSME portfolio.

Overall, there was a substantial increase in the cumulative results for the financial sector. While an increase in the number of reporting clients in the financial sector contributes to the results, the results also point towards a portfolio that is starting to mature with the progression of the We-Fi program. Financial sector clients have also had experience with reporting on gender disaggregated indicators, and much of the initial friction around reporting has gone down as efficiency around data reporting and collection has improved. See **Figure 3** below which shows the cumulative growth of development impact results from the IFC We-Fi FIG portfolio over the last three years.

**Figure 3: Growth of FIG We-Fi portfolio (FY21-FY23)**



However, there were about 11 projects in FY23 for which results were either not reported by the client or were excluded by the team for a number of reasons. For example, one recently committed client in the Philippines had results for number and volume of outstanding loans to WSMEs but could not separate out their micro portfolio from their SME portfolio in time for the results reporting exercise. Another two clients were facing challenges with the political environment where their operations, and subsequently any We-Fi funded projects, had to be paused or terminated. One client in Nigeria restructured operations during a merger with another bank, and another four clients in Colombia, Vietnam and the Philippines had short-term projects that were completed. One client in Vietnam is both an advisory and investment client, so only results from the investment project were counted to avoid double counting, and one project is still in pre-implementation stage, hence not yet reporting results.

### Insurance

The Insurance sector portfolio made nominal contributions to results in FY23 relative to the other sectors, but results were in line with expectations from the portfolio from last year and results were received from all five projects that were expected to report in FY23. The challenges faced in the insurance sector on how to meet We-Fi definitions in the insurance policy context continue to persist in FY23. For example, one insurance client in Ghana reported that 56 WSMEs received access to finance in the last year based on the We-Fi size criteria of 5 employees or more, however the actual number of WSMEs covered according to their own definition, which is more accurate for the Ghanaian context, is closer to 800 WSMEs. Despite these challenges, the team expects the WSME insurance portfolio to grow in the next year.

### Funds

On the Funds side, the team both anticipated and realized significantly greater development impact from the portfolio in FY23 as compared to FY22. This is partly due to the increase in the number of reporting projects, as well as greater reach to WSME investees. While the contribution to the total achievement on volume and number of WSMEs reached comprised of 6 percent and 15 percent respectively from all sectors, it is notable that the Funds portfolio contributed towards 83 percent of the number of WSMEs that received entrepreneurship support from all sectors. It is also worth noting that one trade platform

client in Nigeria accounts for over 90 percent of the results on the number of WSMEs that received financing, but only 30 percent of the amount of financing provided to WSMEs. This pattern was observed through previous years as well within the CDF portfolio.

During the FY23 reporting cycle, the team was unable to include results for one project in Ethiopia that incubates entrepreneurs. This is because the entrepreneurs were not 'legal entities' yet due to the challenges with registering a business in Ethiopia, which is a lengthy and cumbersome process. Additionally, about three advisory projects were completed and had no results under supervision, and two projects were delayed and will only have results next year.

### Manufacturing, Agriculture and Services

While most of the MAS portfolio reported results in FY23, achievements in this sector were heavily driven by one client in India that is a prominent player in India's poultry industry. As a result, MAS projects contributed to about 6 percent of overall results on volume of financing to WSMEs, and 5 percent to overall results on number of WSMEs reached. The MAS portfolio also contributed to 17 percent of the overall results on the number of WSMEs that received entrepreneurship support from all sectors.

While this is a significant increase from FY22, it is important to note that many projects in the MAS portfolio are unable to reflect their full achievements due to on-going challenges with trying to meet the We-Fi standard definitions for WSMEs in non-standard settings. The team recommends revisiting the discussions around tweaking the definition to better capture all the development impact created through We-Fi funded projects to women entrepreneurs.

### **M&E Highlights**

**SME Study:** IFC is working on a study to empirically examine the impact of financing, particularly blended finance, on SME and WSME outcomes using a quasi-experimental identification strategy. This study is expected to shed light on key questions about the impact of IFC's financing on end beneficiaries, including how financing affects growth, productivity, and employment creation. Importantly, the study will also provide more color about the end-beneficiaries, their characteristics, as well as sectors of concentration. The study is currently in progress with a financial institution client in Bangladesh, and the team expects to be able to present some initial findings that would be of interest to We-Fi donors, the Secretariat and other Ips, potentially at the next We-Fi learning/knowledge management event.

**Job Creation estimates:** As noted in previous years, 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.

### **M&E Challenges**

As noted in previous years, IFC's portfolio comprises of a substantial number of clients. This means that results need to be confirmed with every single portfolio team within the timeframe provided. This year, the deadline for the report was September 22<sup>nd</sup>, 2023. Most portfolio teams return from their summer break by the end of August, giving the IFC We-Fi team less than three weeks to compile the report, results and check on the results. A thorough check, including portfolio reviews from data available and consultations with each project team is simply not possible for a portfolio of 79 projects on scope, baselines, targets, and results within this timeframe. As a result, the team currently has ongoing checks

with clients and portfolio teams to confirm results as this report has gone to publication. Note that as we double check and confirm every result, baseline and target, there may be changes to be stated for the next years report. We also urge the Secretariat and donors to reconsider the timeline for reporting. We would prefer accuracy over rushing to produce a report with results that may need to be restated in the next report.

### Looking forward

From a M&E perspective, the We-Fi team notes progress made in smoothing out some of the data challenges that were presented last year, including the ability to collect both more and better-quality data in terms of gender-disaggregation and refined job-creation estimates for the financial sector. The team would like to see the development impact of some of the more innovative and challenging projects conducted in other sectors (particularly MAS and Insurance) to be reflected in the numbers and hopes to engage and work closely with the Secretariat over the next few months to ensure that the progress from all sectors can be well reflected in the data.

## D. EVALUATIONS, 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 its emphasis on research and gender data across the portfolio and developed and published several analytical studies and reports. See the list of reports by pillar below:

PILLAR I
ScaleX: Gender Lens Investing Immersive Program
Village Capital: Smarter Systems: How tweaking your diligence process can unlock overlooked opportunities
ScaleX: In-depth Technical Assistance (TA)
PILLAR II
Equitas: completion and approval of the 'Insights on India's Underbanked Customers' BoP Research Report.
Fintech for Women: Establishing a Baseline and Market Opportunities
Activa: Insuring Women in Ghana with Activa International Insurance Company
PILLAR III
MaxAB: Inclusive Distribution & Retail: Women Entrepreneurs using E-Commerce in Egypt. <a href="https://www.ifc.org/content/dam/ifc/doc/2023-delta/inclusive-distribution-and-retail-egypt.pdf">https://www.ifc.org/content/dam/ifc/doc/2023-delta/inclusive-distribution-and-retail-egypt.pdf</a> 3 case studies of women AEs who have shown tremendous enterprise in running and managing business of their BLF Centers
Bayer: Women Leadership, Financial Literacy and Access to Finance training modules

Bayer: 3 case studies of women AEs who have shown tremendous enterprise in running and managing business of their BLF Centers

McCormick: Closing Gender Gaps and Triggering the Gender Flag: Project Case Study

McCormick: Gender-Based Violence and Harassment Assessment in Vietnam's Pepper Supply Chain

**Advocacy and Events:** The WB teams participated in several workshops, trainings, and other initiatives, and also 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:

PILLAR I	PILLAR II	PILLAR III
ScaleX The Program consists of a series of virtual workshops that feature latest-from-the-field content, practical tools, and case studies that demonstrate how investors can support women-led companies. The workshops will be complemented by peer-learning sessions and office hours with gender lens investing experts. There are <b>24 seed/VC fund managers</b> in the portfolio and pipeline that are signed up for this program.	Knowledge sessions were organized on Gender Sensitivity with MANCO and Senior management of Equitas in January 23. The MANCO session was attended by 14 participants while the Senior Management session had 25 participants in attendance. The objective of the sessions was to increase the level of awareness on gender, build understanding of the opportunity, share IFC's approach and global best practices on women's banking and explain the gender baseline and scorecard developed for Equitas.	Sourcing2Equal delivered two PLP events:  In-person: Supply Chain Financing for WSMEs (March 23, 2023). Two guest speakers from Citibank and Absa Bank Kenya participated and discussed their SCF programs and shared best practices for supporting WSME suppliers. The event was held at IFC offices in Nairobi and attended by 16 participants from all 10 PLP Buyers. All participants that provided feedback reported to be satisfied or very satisfied and to have increased their knowledge on the topic. Event led to discussions between Citibank and IFC on pilot WSME access to finance solution.
	A 2-day 'Train the Trainers' workshop on Gender Sensitivity was delivered on March 30 and 31, 2023 at the Equitas HQ and was attended by 23 participants. The objective to help prepare the team to deliver workshops & training to support the internal staff to improve gender balance within Equitas SFB through policies, inclusive	Sourcing2Equal Delivered two PLP events:  Virtual: Strategies and Considerations to Increase Sourcing with Suppliers Owned/led by Persons Living with Disabilities (PWD) (May 25, 2023). This event responded to Buyer demand for more information on how to engage with other underserved groups of suppliers. IFC's Disability expert from the Economic Inclusion team presented on international best



hiring, & employee engagement.

practices and EABL shared their experience and program supporting PWDs. The event was attended by 9 participants from 5 PLP Buyers. All participants that provided feedback reported to be satisfied or very satisfied and to have increased their knowledge on the topic.

		S2E Kenya project team participated in WEC's International Annual Conference (16-17 May 2023) to promote the S2E program and network with PLP Buyers that attended the event. All Buyers in the PLP were invited to participate. A training and matchmaking event was delivered as well (more information under Component 3).
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Held a second meeting with Cherie Blair Foundation, Safaricom and representatives from their Women in Business Program to discuss ways to collaborate on mentoring to meet needs of WSMEs at different stages of growth.

## V. PLANS FOR NEXT YEAR

### Pillar I: Strengthening Entrepreneurial Ecosystems

The IFC We-Fi Program has nearly depleted its investment allocation under both the 1st and 3rd Calls for Proposals, leaving less than \$500,000 available, possibly sufficient for just one or, at most, two additional projects. Looking forward, the program's primary focus revolves around expanding its highly successful advisory program, incorporating initiatives such as Invest2Equal and SheWins Next, all while ensuring that existing portfolio funds can fully meet their commitments.

Moreover, the program will continue its efforts to implement ScaleX, which has undergone slight adjustments to encompass collaboration with fund managers, extending its reach beyond accelerators. Additionally, early-stage development of a matchmaking platform is underway in partnership with Village Capital, designed to facilitate valuable connections. Furthermore, the program aims to directly support

WSMEs, with initial pilot programs likely to launch in the LAC region. These pilots will assist WSMEs in fundraising and connect them with potential investors.

## **Pillar II: Expanding Financial Services**

**1st Call for Proposals:** Under the 1st Call for Proposals, the allocation of investment funding has been fully committed. The primary focus now is on allocating the remaining advisory portion. Some financial institutions within the portfolio may require additional support to enhance their capacity for tracking and reporting results. The team is also diligently monitoring the project's delivery progress. In cases where reporting has lagged or remains incomplete, visits to these institutions may be necessary. These visits serve a dual purpose: to compile comprehensive narratives regarding the products and solutions employed, identify the most successful ones, and explore opportunities for replication. Moreover, these visits will play a crucial role in capturing beneficiary stories.

**3rd Call for Proposals:** Within the framework of the 3rd Call for Proposals, the team aims to secure approval and publication for the Fintech report while initiating collaborative efforts with pre-identified fintech companies. On the investment front, once the report has been published the IFC team will use the insights to engage potential fintechs and DFS providers on the business case to finance women entrepreneurs.

**4th Call for Proposals:** Under the 4th Call for Proposals, the team will continue to collaborate with regulatory bodies in Egypt and Mexico. For the remaining program components, the team has engaged the services of Andafin, commencing a pilot initiative covering 10 to 12 financial institutions before the full-scale rollout. Some site visits have already been completed, with an additional five expected to conclude in August - September and the remainder anticipated by the end of December.

## **Pillar III: Improving Market Access**

On the investment side, the primary emphasis will be on engaging with select clients who have expressed a strong commitment to developing gender strategies and are keen on promoting inclusive sourcing practices. Prior to potential investments, some of these clients may require advisory support to gain a comprehensive understanding of the gender composition within their existing supply chains. This understanding is essential for accurate reporting in alignment with the stringent We-Fi definitions. Additionally, the team will dedicate efforts to distill valuable insights and lessons learned from the existing investments. On the advisory front, the primary focus lies in ensuring that clients are progressing satisfactorily in terms of delivery. For projects like MaxAB and Sourcing2Equal, the team will direct attention towards piloting and launching specific financial solutions tailored to WSMEs, contributing to their growth and empowerment.

## ANNEXES

### ANNEXES TO BE SUBMITTED WITH THE NARRATIVE REPORT

- Annex I. Funding and Budget Information
- Annex II. Examples of Impact on WSMEs
- Annex III. WSME Definitions
- Annex IV. IP Methodology for Results Measurement
- Annex VI. Project-Level Summaries

### ANNEXES TO BE SUBMITTED AS SEPARATE EXCEL FILES

- Annex V. List of Committed projects
- Annex VII. Results Framework
- Annex VIII. Risk Framework

## ANNEX I. FUNDING AND BUDGET INFORMATION

### A. Status of We-Fi Funding

#### Round 1

Budget Categories (per proposal)	Amount per ROUND # 1		
	Revised Budget (if applicable)	Committed*	Disbursed*
Investment Services	22,625,000	16,869,284	8,087,058
Upstream & Advisory	22,175,000	14,393,212	9,677,838
Advocacy, Data Collection, Monitoring & Evaluation	1,100,000	1,100,000	325,348
Program Management	3,500,000	3,500,000	3,500,000
<b>Total Budget</b>	<b>49,400,000</b>	<b>35,862,496</b>	<b>22,648,572</b>

\*Note: Incorporated under Upstream & Advisory

#### Round 3

Budget Categories (per proposal)	Amount per ROUND # 3		
	Revised Budget (if applicable)	Committed	Disbursed*
Investment Services	6,060,000	2,596,095	983,119
Upstream & Advisory	1,540,000	1,540,000	240,369
Advocacy, Data Collection, Business Development & Research	600,000	600,000	-
Program Management	574,000	574,000	229,600
<b>Total Budget</b>	<b>8,774,000</b>	<b>5,310,095</b>	<b>1,453,088</b>

#### Round 4

Budget Categories (per proposal)	Amount per ROUND # 4		
	Revised Budget (if applicable)	Committed	Disbursed*
Investment Services	1,936,989	0	0
Upstream & Advisory	7,747,956	925,000	269,253
Advocacy, Data Collection, Business Development & Research	500,000	500,000	0
Program Management	766,609	766,609	153,322
<b>Total Budget</b>	<b>10,951,554</b>	<b>2,191,609</b>	<b>422,575</b>

### B. Types of Activities Funded

Funding Categories	Committed Amount
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	Round 1	Round 3	Round 4
Investment Activities	16,869,284	2,596,095	-
Technical Assistance/Advisory Activities	14,393,212	1,540,000	925,000
WSME Capacity Building	n/a	n/a	n/a
Grants to WSMEs	n/a	n/a	n/a
Research, M&E and Evaluations	1,100,000	600,000	500,000
IP Fees	3,500,000	574,000	766,609
<b>Total</b>	<b>35,862,496</b>	<b>5,310,095</b>	<b>2,191,609</b>

### C. Summary Focus Areas Funded

*C.1. Based on Column U in the Project List file. Doesn't reflect classification in the main report.*

Funding Categories	Committed Amount		
	Round 1	Round 3	Round 4
Access to Finance	23,635,105	3,136,095	925,000
Access to Markets	5,862,876		
Access to Skills	n/a		
Enabling Environment	2,864,514	1,600,000	500,000
Research, M&E and Evaluations (BF)			
IP Fees	3,500,000	574,000	766,609
<b>Total</b>	<b>35,862,496</b>	<b>5,310,095</b>	<b>2,191,609</b>

*\* The amounts listed in this table must match with sum of all projects in the project list excel file.*

*C.2. Based on Column AD in the Project List file and follows classification in the main report.*

Funding Categories	Committed Amount		
	Round 1	Round 3	Round 4
Access to Finance (FIG)	14,702,395	540,000	925,000
Access to Markets (MAS)	5,862,876		
Access to Skills (n/a)			
Enabling Environment (CDF)	10,697,224	3,596,095	
Research, M&E and Evaluations (BF)	1,100,000	600,000	500,000
IP Fees (BF)	3,500,000	574,000	766,609
<b>Total</b>	<b>35,862,496</b>	<b>5,310,095</b>	<b>2,191,609</b>

## ANNEX II. EXAMPLES OF IMPACT ON WSMEs

### IFC and We-Fi promote market inclusiveness for WSMEs in Peru



IFC's loan with support from We-Fi to Banco de la Microempresa S.A. (also known as Mibanco) has resulted in the bank strengthening its lending operations for women-owned businesses in the underserved regions of Peru. This is timely and critical as women-owned businesses face constraints that restrict their access to finance from commercial banks and other non-bank financial institutions due to factors such as limited credit histories, lack of collateral, and lower financial literacy. By expanding gender finance and fostering financial inclusion in Peru, Mibanco is successfully supporting WSMEs with or without credit experience.

IFC's financing package will further contribute to a more inclusive financial sector in Peru through products that are targeted toward women. As Mibanco looks to expand its lending to women-owned businesses in Peru, they value IFC's partnership. Carlos Sotelo, CFO of Mibanco, stated: "Given the challenges of a post-pandemic economy, IFC's long-term financing will help Mibanco diversify its funding base to support both formal and informal WMSMEs. We will be able to show the viability of underwriting specific women-owned enterprises, particularly those outside the capital city of Lima and those with larger financial needs—SMEs, as opposed to microenterprises. With IFC's assistance, we hope to continue narrowing the gap in access to finance in Peru with stability and resolve."

One such beneficiary of Mibanco lending practices is Maritza Llanos who would have never imagined starting her own business if she didn't have Mibanco's support. A 25-year-old Peruvian entrepreneur, Llanos has expanded her business thanks to a loan from Mibanco. Llanos started her retail clothing business when she was 19 years old. Llanos shared: "It was really hard initially. I arrived in Lima from my countryside, and like most people, started a job. That's when I got an idea to start my business. I thought that I would take out a loan and build my credit record. However, no bank wanted to give me money." Sharing her relationship with Mibanco, Llanos said: "Mibanco first believed in and helped me reach my goal. I am happy now with what I have achieved."

### An Egyptian Startup, with We-Fi Support, Improves Lives and Livelihoods of Women in Cairo



It is midday in Shubra, the largest Coptic Christian district in Cairo. Brightly painted religious icons dangle on a wire over a busy thoroughfare of cafes, workshops, and steel doors adorned with crosses. Shubra means 'village' in Coptic, and for 31-year-old shopkeeper Zinab Mahmoud, it is her close neighbors that make this street feel like one. "My family has been right here since the early 90s," she says, standing in front of a narrow storefront of potato chips, cooking oil, and toiletries. "Being connected to people of all kinds—people I've known my whole life—is what keeps me here." The other reason is more pragmatic. Zinab is the family's single breadwinner, looking after three children between the ages of one and five. With her home just upstairs, shopkeeping allows her to tend to family as well as earn an income. "Every day it feels like you start over, it's the same set of duties, and always a new challenge here and there," says Zinab. "It's a lot of weight to carry on your own." Three years ago,



Zinab started using MaxAB to help replenish the store's inventory. Restocking once meant a long walk to multiple wholesalers, and she remembers "carrying everything back by hand, really it was such an exhausting struggle."

MaxAB, two years after its founding in 2018, received a \$4 million investment from IFC to help scale its business and provide pathways to boost women's entrepreneurship. The financing, which was made in partnership with the Women Entrepreneurs Finance Initiative (We-Fi), has helped MaxAB build a customer base of over 50,000 retailers across Egypt and Morocco.

Recent interviews suggest that MaxAB has indeed made real and swift improvements to the lives of shopkeepers who use its services, especially women. They also suggest that MaxAB has built up a level of trust with its risk-averse customers—one that will allow it to serve as a trusted outlet for skills and business training, as well as for shop insurance and loans.

Egypt is the largest consumer market in the Middle East. Its retail food market is dominated by more than 115,000 small privately-owned grocery stores, with some estimates as high as 400,000. Traditional family-run grocers and wet markets make up 97 percent of retail grocery firms in the country and generate 70 percent of total sales in this sector. However, the distribution of fast-moving consumer goods (FMCG) to these informal retailers is complex, fragmented, and inefficient.

Relative to their male counterparts, Egypt's women shopkeepers are more likely to lack formal business skills, and have far more burdens on their time, especially childcare. The World Bank estimates that only eight percent of Egyptian men help care for family members at home, while just a fourth help with broader household duties.

For now, Zinab remains somewhat skeptical of outside help. "It's not at all common to have women shopkeepers around here, and people think they can pull one over on me because I'm a woman," adding with a wry smile, "but I'm tough, I have to be."

"Banks and financial institutions have come around my shop... they ask if I need financial assistance," she says. "I don't feel I can trust people like this." Nevertheless, Zinab suggests that MaxAB might be an exception. Asked if a skills program offered by the company would appeal, she replies that it would. "I'd still like help getting skills—any kind of advice that could help me increase my business."

## ANNEX III. WSME DEFINITIONS

The following criteria will be used to identify We-Fi's beneficiaries. This definition is generally used across all IFC industries implementing We-Fi supported projects.

### **Women-Owned/Women-Led Firm**

- $\geq 51\%$  owned by a woman/women; or
- $\geq 20\%$  owned by a woman/women; and have  $\geq 1$  woman as CEO/COO (President/Vice-President); and have  $\geq 30\%$  of the board of directors comprised of women, where a board exists;

**For finance projects:** the IFC definition should be used as-is including the loan (financing) proxy Financing between \$5,000 and \$1 million (\$2 m in selected large economies)

**For non-finance projects:** the IPs may choose a proxy indicator from the following:

- Employees: Between 5 and 300 employees
- Sales: Sales between \$50,000<sup>4</sup> and \$15 million
- Assets: Assets between \$50,000<sup>3</sup> and \$15 million

## 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.

### ***Co-Funding***

In projects involving financial institutions, co-funding is determined by the carve-out amount, which represents the portion of the IFC loan or bond dedicated to specific segments, such as WSMEs. In projects involving funds, only IFC's co-investment in the fund is taken into account.

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<sup>4</sup> Reduced from the IFC definition to be in line with the VSE approach which is half the size of the smallest SME.

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

*A separate Excel spreadsheet has been shared*

## **ANNEX VI. PROJECT SUMMARIES**

*A separate file has been shared*

## **ANNEX VII. RESULTS FRAMEWORK**

*A separate file has been shared*

## **ANNEX VIII. RISK FRAMEWORK**

*A separate file has been shared*