



2024 ANNUAL PROGRESS REPORT
WOMEN ENTREPRENEURS FINANCE
INITIATIVE (WE-FI)

September 2024

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ABBREVIATIONS

BDS	Business Development Services
FI	Financial Intermediary
GBA	Global Banking Alliance for Woman
GC	Governing Committee (of the We-Fi)
GCM	Grants and Co-Financing Management Unit
IDA	International Development Association
IDB	Inter-American Development Bank
IDBG	Inter-American Development Group
LAC	Latin America and the Caribbean
LMIC	Lower middle-income countries
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
MIC	Middle Income Countries
ONCAE	Office of Contracting and Acquisitions of Honduras
ORP	Office of Outreach and Partnerships
PBI	Performance Based Incentive
SME	Small Medium Enterprises
TA	Technical Assistance
TC	Technical Cooperation Operation
UIS	Updated Institutional Strategy
UMIC	Upper middle-income countries
We-Fi	Women Entrepreneurs Finance Initiative
We3A	Women Entrepreneurs Aspire, Activate and Accelerate
WeForLAC	Women Entrepreneurs for Latin America and the Caribbean
WSME	Women-owned/led Small and Medium Enterprises

2024 ANNUAL PROGRESS REPORT

WOMEN ENTREPRENEURS FINANCE INITIATIVE (WE-FI)

Inter-American Development Bank Group

I. EXECUTIVE SUMMARY

The purpose of this report is to inform the We-Fi Secretariat of the activities of the **Women Entrepreneurs for Latin America and the Caribbean (WeForLac)**, **Women Entrepreneurs Aspire, Activate and Accelerate (We3A)**, **Leveraging Data and an Information Exchange Platform for WSME Productivity and Sustainability (WeCount)**, and the **WeCode Dominican Republic Pilot Programs** from July 1, 2023, through June 30, 2024. In doing so, it fulfills the reporting requirements in the Financial Procedures Agreement signed between the Inter-American Development Bank and the World Bank as Trustee of the Women Entrepreneurs Finance Initiative Trust Fund.

The general objective of the IDB Group **WeForLAC** program is to promote the growth of WSMEs by developing innovative and catalytic projects and programs, building the entrepreneurial ecosystem in challenging country environments, generating important data to fill knowledge gaps, and promoting intelligent public policy and private sector initiatives. The specific objectives of WeForLAC are to improve: i) WSMEs' access to finance; ii) WSMEs' access to markets; iii) women entrepreneurs' access to skills and networks; and iv) the entrepreneurship ecosystems for WSMEs. The WeForLAC target countries are Honduras, El Salvador, Guatemala, Mexico, Colombia, Brazil, Peru, Ecuador, and the Dominican Republic.

WeForLAC Program highlights during the reporting period include the approval of five blended finance transactions. With the approval now of a total of fourteen WeForLAC performance-based incentive transactions, and a robust portfolio of advisory activities, **IDB Invest is consolidating its leadership in WSME support through blended finance**, knowledge dissemination, and advisory support. In the last year, IDB Invest consolidated its WeForLac Access to Finance portfolio, by partnering with new clients and reaching women entrepreneurs in multiple sectors. To date, we've supported 10 Financial Institutions to improve their finance to WSMEs through advisory, blended finance and/or knowledge. This year, We-Fi resources resulted in a series of first-of-a-kind gender bonds, for example the first social bond in Guatemala and the first Gender Bond in Bolivia, both having over 50% use of funds for WSMEs. WeForLAC is not only developing capital markets and creating a demonstrative effect for gender lens investing but increasing access to finance for women in key LMIC and MIC countries. WeForLac is also supporting banks in smaller countries such as El Salvador, to increase access to finance for women entrepreneurs in green spaces. For example, Banco Agrícola is the first bank to develop a value proposition for entrepreneurs leading businesses that contribute to mitigation or adaptation.

The objective of the **IDB Lab We3A** program is to further scale the impact of the WeForLAC Program, and promote the growth and resilience of WSMEs, with a special focus on WSMEs that are tapping into value chains and STEM (Science, Technology, Engineering, and Math)-based WSMEs. The program's specific objectives will be to improve: **1) WSMEs' access to value chains, 2) WSMEs' access to disruptive technologies and digital financial inclusion, and 3) high-growth WSMEs' access to early-stage finance.** Two projects make up the program. The first project, Improving Access to Value Chains for Women Entrepreneurs, for **\$7,039,317**, project seeks to strengthen WSMEs by combining value chain integration

for women with high quality business training delivered through a range of innovative, digital means. Target countries are Guyana, Ecuador, El Salvador, Guatemala, Honduras and Nicaragua. The second project, for **\$6,748,725**, supports STEM-based WSMEs through technical assistance and investment. Target countries are Ecuador, Honduras, Nicaragua, Guatemala, Costa Rica, and El Salvador. A **We3A Program highlight during the reporting period** includes the training of 5,630 women entrepreneurs by the Activate component of the We3A Value Chains where in addition to training in value chains women deepen their understanding on areas such as marketing, finance, digital tools.

The objective of the **WeCount: Leveraging Data and an Information Exchange Platform for WSME Productivity and Sustainability** Program is to mobilize capacity building, market, and financing resources using a digital value chain development approach to increase the productivity and social/environmental sustainability of women-led SMEs (WSMEs) in Honduras, El Salvador, Guatemala, and Mexico. A first **capacity building component** is focusing on business acumen, financial management, social innovation marketplaces, ecommerce organizations, and corporations to diversify WSME sales channels, better position their brands, and digitize WSME transactional data. A second **market component** partners with marketplaces, ecommerce organizations, and corporations to diversify WSME sales channels, better position their brands, and digitize WSME transactional data. A third **financing component** capitalizes on the COVID-19-driven surge of digital financing to unlock funds of local FinTech's, microfinance institutions (MFIs), investors, banks, and nonbank financial partners. **WeCount Program** highlights during the reporting period include **606 women entrepreneurs joining the program by mid-2024**, with participants accessing to different learning opportunities, and fourteen partners had signed MOUs to support the initiative.

In September an IDB Group **WeCode Pilot Program in the Dominican Republic** was approved for funding. This \$1,730,500 program, which will be executed by IDB Invest and IDB Lab aims to create a sustainable shift in how women entrepreneurs are accounted for, perceived, and served by the financial sector in the DR by: (i) Building the capacity of financial institutions and the banking association to collect, generate, use and report on sex-disaggregated data for women's financial inclusion; (ii) Promoting the coordinated aggregation of private-sector gender portfolio-level and financial data for industry-level reporting; (iii) Piloting private-sector commitments and the leverage of a champion to promote data-disaggregation and increased financing opportunities for women entrepreneurs among financial intermediaries, and; (iv) Leading the learning agenda, developing and implementing diagnostic tools, strategies, new processes, products, services, or initiatives—as appropriate—associated with commitments made .

WeCode Program highlights during the reporting period include: (i) In November 2023, IDB Invest, together with the American Bankers Association (ABA), convened several Commercial Banks to inform and launch the WeCode Pilot in the Dominican Republic. This meeting, in the Banking Association's offices, Confirmation of the Association of Multiple Banks of the Dominican Republic (ABA) as the data aggregator and coordinator for the WeCode in the Dominican Republic; (ii) IDB Invest led the discussions to achieve an industry-wide definition of Women-owned SMEs, agreed upon by all the code signatories. The project will start by categorizing companies owned by women with a shareholding of 51% or more; and (iii) Fourteen financial institutions have become WeCode signatories: Banreservas, Banco Santa Cruz, Banco Popular, Banco Caribe, Promerica, Scotiabank, Banco LAFISE, Corporación de Crédito Monumental, ADOPEM, BHD, JMMB Bank, Ademi, Banesco, and Banco Vimenca, representing over 80% of market assets in the Dominican Republic.

A \$2,995,000 cash transfer request was made, for the WeForLAC, We3A, WeCount and WeCode Programs, in September 2024.

II. PROGRAM DATASHEET

Program Timeline

Round	Project/Program Name	Implementation Start Date	Commitment End Date	Supervision End Date	Countries (with active projects)
2	Women Entrepreneurs for Latin America and the Caribbean (WeForLAC)	July 2019	December 2024	December 2029	Brazil, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico and Peru
3	Women Entrepreneurs Aspire, Activate and Accelerate (We3A)	June 2020	December 2025	December 2030	Guyana, Ecuador, El Salvador, Guatemala, Honduras, Costa Rica
4	We-Count	September 2022	July 2026	December 2032	El Salvador, Guatemala, Honduras, Mexico
5	WeCode				Dominican Republic

Partners	WeForLAC	We3A	WeCount
Total number of partner institutions supported by We-Fi	76	141	14
Out of which			
- Financial services intermediaries	6		
- PE/VC Funds	59	20	
- Accelerators, incubators	6	7	
- Corporations	4	48	14
- Public sector			

- NGOs (local and international)	1	13	
- Other (specify)		53	

We-Fi Funding

	ROUND #2 (USD Amounts)			ROUND #3 (USD Amounts)			ROUND #4 (USD Amounts)			ROUND #5 (USD Amounts)		
	Approved *	Committed/ Signed	Disbursed/Actual	Approved *	Committed/ Signed	Disbursed/ Actual	Approved *	Committed /Signed	Disbursed/ Actual	Approved *	Committed/ Signed	Disbursed/Actual
We-Fi Financing (no fees) (A)		18,626,000			12,681,810	7,378,958		4,528,500	2,552,052.53		1,617,290	171,447
Of which IDA		8,569,804			7,657,378			1,217,125				

* If the budget has changed, please include details in Annex I: Funding and Budget Information.

Co-Funding

This should include actual USD amount of co-funding mobilized, disbursed to clients.

	ROUND #2 (USD Amounts)	ROUND #3 (USD Amounts)	ROUND #4 (USD Amounts)	ROUND #5 (USD Amounts)
IP Contribution (B)	401,005,350	1,000,000	1,000,000	
Public sector (C)	264,650	108,588		
Private sector (D)	52,065,000		6,300,000	
Other funds [specify] (E)	52,000,000		859,500	
Total Co-Funding*** (F)= (B+C+D+E)	505,335,000	1,108,588	1,000,000	
Total Project Cost (no fees) (G)=(F+A)	523,961,000	13,790,398	5,528,500	1,617,290
Fees (H)	1,588,370	927,714	340,000	113,210
Total Project Cost (I)= (A+G+H)	525,549,370	14,718,112	5,868,500	1,730,500
Leverage (F/A)				

III. IMPLEMENTATION PROGRESS

A. KEY ACTIVITIES DURING THE REPORTING PERIOD

1) WOMEN ENTREPRENEURS FOR LATIN AMERICA AND THE CARIBBEAN (WeForLAC)

IDB

Business Development Services and Favorable Environment for Women Entrepreneurs in Honduras.
The objectives are to develop a business development services model specialized in the attention of women-led companies with an emphasis on the digitalization of services, and to promote a favorable and safe environment for women entrepreneurs.

In the reporting period, there was significant engagement and progress among women entrepreneurs in business development services. A total of 5,199 women have registered, with 4,113 deemed eligible for the program. Of these, 2,700 have completed the initial training. Furthermore, 1,031 action plans have been formulated, and a total of 5,820 services have been assigned. These businesswomen are part of the nine (9) cohorts of women who have received training and have developed their business assessments, business improvement plans, and action plans.

The certification process for Business Development Services (BDS) providers is also set to begin, with 80 public officials scheduled to be certified next quarter.

To support safe work environments, an online survey has been conducted, revealing critical insights into gender-based violence within enterprises. The next steps involve finalizing a comprehensive toolkit to tackle this violence scheduled for presentation in November 2024, to guide organizations in creating equitable and secure workplaces.

Support for the Promotion of Women in Public Procurement in Honduras– “Sello Empresa Mujer.”
The objective is to promote the participation of women-owned businesses in public procurement.

The *Sello Empresa Mujer* program seeks to address the gender gap in public contracting by providing women-led small and medium-sized enterprises with the tools, knowledge, and opportunities necessary to compete in the public procurement space. The project has been instrumental in advancing women’s participation in public procurement and supporting women entrepreneurs, and the Honduran Government requested an expansion of the original project in 2022, which was carried out with the accord of the We-Fi Secretariat. and now has submitted a second request for further continuation and expansion of the project. Key project initiatives and outcomes have included:

- **Round Table Technical Committee and Institutional Collaboration:** The program is supported by a technical committee formed in September 2022. This committee includes representatives from 12 institutions, with a primary role to coordinate efforts across government institutions to promote women’s participation in public procurement.

- **Diagnostic and Legal Assessments:** As part of the program, a diagnostic assessment was carried out in May 2022 to understand the barriers faced by WSMEs in public procurement. The evaluation identified several challenges:
 - **Legal Barriers:** Women entrepreneurs face legal obstacles, including complex bureaucratic procedures, lack of access to financial resources, and limited prior experience, making it difficult to meet procurement requirements.
 - **Information Gaps:** Many women-led businesses lack access to crucial information about procurement opportunities. This is compounded by a lack of outreach and dissemination of procurement opportunities.
 - **Structural Challenges:** Systemic issues, such as unequal access to resources and opportunities, exacerbate the difficulties faced by women in public procurement.

Additionally, an analysis of the demand side revealed that public institutions, particularly at the municipal level, often lack a structured approach to planning and executing procurement processes. This contributes to inefficiencies and missed opportunities to include WSMEs
- **Analysis of the Market and Supply Chain:** Subsequently a comprehensive analysis of the market and supply chain for women-led WSMEs was carried out as part of the program. Key findings include:
 - **High Concentration in Certain Sectors:** WSMEs are concentrated in sectors like healthcare services, pre-school education, and creative industries. These sectors often face limited competition, leading to inefficiencies.
 - **Visibility Challenges:** Many women-led businesses suffer from a lack of visibility in supply chains, which hampers their ability to connect with government procurement opportunities. Poor communication with suppliers and customers further exacerbates this issue.
 - **Alignment Gaps:** There is a significant misalignment between what the state demands and what WSMEs offer. For instance, sectors with high state demand, such as construction materials, technology, and medical supplies, see low participation from women-led businesses. Conversely, sectors like grocery stores and jewelry have high supply but low demand from the state.
- **Capacity Building and Certification:** A critical component and success factor of the *Sello Empresa Mujer* program is capacity building. In August 2023, a comprehensive training plan was developed for WSMEs. Training topics included becoming a state supplier, public procurement modalities, contract requirements, and preparing successful bids. **These training sessions were conducted both in-person and virtually, with a total of 250 women entrepreneurs participating by May 2024.** This capacity-building initiative also extended to government employees, ensuring that they are better equipped to engage with WSMEs. To further enhance the participation of women in public procurement, the program also introduced a certification process for women-led businesses. This certification, known as the *Sello Empresa Mujer*, is designed to identify and recognize businesses that meet specific quality standards and are ready to engage in public procurement. Finally, improvements to the virtual platform were carried out that enables women-owned businesses to register in the system.
- **Communication and Outreach:** Communication efforts played a vital role in promoting the program. A strategic communication plan was developed, including the redesign of the program's logo and the creation of promotional materials such as bags and banners. Digital strategies included launching social media profiles, creating content, and running campaigns to raise awareness. By May 2024, the program had achieved substantial organic reach on social media, particularly on Instagram. Media coverage and public relations efforts also helped raise the program's profile, with several interviews, press releases, and live event broadcasts.
- **Public Procurement Fair:** The program organized several fairs to promote WSMEs and connect them with government and private sector representatives. These fairs provided women entrepreneurs with a platform to showcase their products and services, with over 100 participants and 300 attendees

from various sectors. The fairs were held in Tegucigalpa, Cortés, and at the Secretariat of Transparency and Fight Against Corruption between December 2022 and April 2023.

Small and Medium Enterprises Financial Services Demand Survey with a Gender perspective. *The objective is to enable the collection and analysis of data on the need for, and use of financial products, services, and delivery channels by entrepreneurs and SMEs in Honduras. The data would allow to make a distinction in terms of preferences and needs of SMEs in the country, and to understand differences between those led or owned by women and by men. This information is scarce, and it is important for policy makers, financial service providers to design adequate programs, products, and services with a gender perspective.*

The project started implementation in May 2023, after several delays encountered related to two main factors: (i) institutional, given the transition of government authorities and, primarily, (ii) technical, given the lack of an existing database of enterprises in the country, in general and for those led or owned by women. Additionally, COVID and the related uncertainties prevented the planification of an in-situ survey between 2020 and 2022.

During 2024, for the coordination of the survey, a senior international expert was hired in 2023 to: (i) Design and create of a gender-focused survey questionnaire following international best practices and with a specific focus on the characteristics of Honduras to provide insights into the current situation, needs, and preferences of SMEs while ensuring that gender dimensions are incorporated both in the question structure and survey implementation, which includes using inclusive language and considering gender biases; (ii) Provide recommendations for survey implementation to optimize results during the implementation phase of the questionnaire; and (iii) Develop a prototype questionnaire model that can be adapted for implementing similar surveys in other countries. This work was finalized during Q4 2023.

A presentation was delivered to the national regulator (the National Commission of Banking and Insurance) on the questionnaire cycle, and the institution also provided feedback to the questionnaire. Regarding the implementation of the survey per se, a Request for Proposals for a firm to implement the survey in the field was published in Q1 2024, and a full competitive selection process finished in Q2 2024. A2F Consulting was selected as the consulting firm. The IDB team and A2F have regular meetings for the initial plan of the survey, which starts with database sample and minor adjustments to the questionnaire. The survey is expected to start in Q4 2024.

IDB Invest

WeForLAC follows a programmatic approach where the IDBG approves projects on a rolling basis. **The following five IDB Invest transactions were approved in the reporting period:**

- a transaction with a **blended finance component in the form of a performance-based incentive for the Sicredi, a cooperative financial institution in Brazil**, for up to US\$265,000, subject to the achievement of goals in relation to the WSME portfolio, prepared by IDB Invest.
- a transaction involving purchasing a **gender bond issued by Banco de Ahorro y Credito ADOPEM SA of the Dominican Republic** equivalent to up to US\$18 million, with a 5-year tenor. As part of this investment, We-Fi will provide ADOPEM with up to US\$280,000 through Performance-Based Incentive (PBI) of US\$280,000 to promote the growth of its WSMEs portfolio.
- a **blended finance performance grant will be provided to Banco Promerica of Guatemala** for up to US\$165,000 to promote the expansion of Promerica's lending portfolio to WSMEs.

- a performance-based Incentive for **Danper Trujillo S.A.C. (“Danper”)** an agro-industrial company in Peru of up to US\$230,000 subject to the achievement of annual targets for new WSME suppliers.
- A Performance-Based Incentive of up to US\$200,000 for **Banco Solidario S.A. (“Banco Sol”)** of Bolivia, subject to Banco Sol achieving of annual targets in its WSMEs portfolio

Annex VII provides details on these projects. With the approval of these performance-based incentive transactions, and a robust portfolio of advisory activities, IDB Invest is consolidating its leadership in WSME support through blended finance, knowledge dissemination, and advisory support.

In addition to these transaction approvals, Advisory activities, and performance-based incentive gains, are as follow:

Enabling the Growth of Women-Led SMEs Through Financial Institutions and Innovative Financial Instruments. *The main objective of this Advisory Service project is to support the growth of WSMEs in Honduras, LMIC and MIC by improving WSMEs’ access to finance.*

- **Advisory Services to increase access to finance for women**

During 2023, IDB Invest provided advisory services to enable 10 financial institutions to better reach WSMEs. Among the results were:

- **Davivienda Colombia** adopted all advisory recommendations to improve financial services for WSMEs, including a pilot with improved loan interest rates for WSMEs. Additionally, Davivienda is on track to partner with a state-owned guarantee fund that focuses on SMEs and WSMEs, which will enable them to confidently increase their SME.
- **Banco Agrícola El Salvador** is receiving advisory to develop a sex-disaggregated impact dashboard, which will help track the growth of these businesses in terms of annual sales and employees. Also, they’re strengthening their value proposition for WSMEs, including women with green lines. Banco Agrícola will be the first bank to offer a differentiated offering for women entrepreneurs who are leading green businesses. The advisory will be concluded during 2024.
- **Finanzauto**, a leasing company in Colombia, partnered with IDB Invest and Accion to reach more WSMEs with their leasing products. They will be the first leasing Fintech to develop a program focusing on increasing product uptake by women. Results are on track to be reviewed during 2024.
- **Banco Sol** received technical assistance to enhance the value proposition for women-led businesses, improve impact metrics, and develop an investment framework. Banco Sol is now starting the next phase of technical assistance for an impact dashboard, to be concluded in 2025.
- **Cooperativa Jardín Azuayo** in Peru is also receiving advisory to develop a sex-disaggregated impact dashboard to collect business growth data. The dashboard will include metrics on race and ethnicity, allowing the cooperative to track outcomes for Indigenous and Afro-descendant women, while also learning about the growth of their client WSMEs by tracking sales and employment data.

- **Technical Assistance to structure Gender or Social Bonds**

During the design phase of the WeForLAC program, IDB Invest anticipated that bonds would be deployed in UMICs due to these countries’ stronger financial infrastructure. However, during 2023, IDB Invest supported clients issue bonds in 3 LMIC countries, which resulted in 1) attracting more FIs interested in on-lending to WSMEs, 2) attracting more capital to client banks, allowing them to reach more financially

underserved WSMEs and 3) supporting the overall capital market development of that country, by advancing their capability to issue capital market instruments – a spillover effect of gender lens investing.

- **Banco Sol**, supported by IDB Invest and We-Fi through the WeForLAC program, issued the first gender bond in Bolivia.
- In 2023, **Adopem** received advisory services and blended finance to structure the Dominican Republic's first Gender Bond, set to be issued in 2024. The technical assistance focused on WSMEs, particularly those led by young women. We-Fi funds also supported a study on loan differences based on skin color in the DR, considering intersectionalities for women in the value proposition.
- IDB Invest and We-Fi supported the structuring and issuance of El Salvador's first social bond, through a network of “cajas” with **Fedecrédito**. The bond will finance loans for SMEs, including women-led businesses, as well as home loans for women in vulnerable situations.
- IDB Invest is advising **Banco de Bogotá** to enhance its value proposition for women and WSMEs, including the use of IDB Invest's gender-bias tool to identify bias among loan officers and strategies to mitigate it. To date, the advisory has completed the institutional diagnosis and portfolio analysis. The final report is expected by September 2024.
- **Banco Promerica Guatemala** received advisory services and blended finance to structure the Guatemala's first Social Bond. IDB Invest and We-Fi assisted Promerica Guatemala in creating a framework to finance social projects, including women-owned SMEs. The WeForLAC advisory helped identify and characterize WSMEs and set KPIs to measure growth. During 2024, Promerica will receive advisory services to enhance the value proposition for WSMEs.
- **Caja Cusco** – IDB Invest concluded the delivery of advisory services to improve the value proposition for WSMEs, including rural and indigenous WSMEs. As a result of the advisory, Caja Cusco has a top-management approved strategy to scale their agricultural finance product (MYPER Agropecuario) to reach more WSMEs and WSMEs owned by indigenous women.

- **Blended Finance Results to increase access to finance for WSMEs**

WeForLAC partners are on track to meet the blended finance target increases to reach more women-led/owned SMEs. With the exception of two clients, all financial institutions reached their voluntary targets and worked to serve and reach new or existing clients.

- **BAC El Salvador** has reported 770 WSMEs in their portfolio, as of December 2023, reaching their FY2023 results. BAC El Salvador has already received incentive payments for FY2021, FY2022, and FY2023, accumulating a total payment of US\$270,000
- As of December 2023, **Banco Promerica** in the Dominican Republic has reported 269 WSME loans in their portfolio, reaching their targets for both FY 2022 and 2023.
- **Banco Agricola** El Salvador reported 770 outstanding loans to new WSMEs, achieving their first WeForLAC target.
- This was the first reporting period for **Cooperativa Jardin Azuayo** in Ecuador, and they reported reaching 9,966 outstanding loans to WSMEs and 49 loans to migrant WSMEs in their portfolio. This project is particularly interesting because they're able to collect data on the intersectionality of WSMEs led by migrant women.
- During 2023, **Banco Sol** is expected to reach 47,180 WSME clients, including 6,898 Rural WSME clients and 19,134 WSMEs operating in the Bolivian Amazon by the end of 2028.
- IDB Invest structured PBIs for **Adopem's** Gender Bond: beginning in 2025, the portfolio is expected to reach 7,945 WSMEs, including at least 18 WSMEs led by migrant women from Haiti or Venezuela by the end of 2027.

- During 2024, IDB Invest structured PBIs with **Promerica Guatemala**: review period starts 2025. The portfolio is expected to achieve 220 outstanding loans to WSMEs between 2024 and 2027.
- Sicredi Brazil: review period starts 2025. The portfolio is expected to reach 95,625 WSMEs with outstanding loans through cooperatives in the Amazonian region by the end of 2027.

- **Sustainability and Innovation**

The pilot with **Davivienda Colombia** is piloting better loan interest rates for WSMEs, and evaluating if that segment grows as a result. This innovation will yield results in 2024, providing IDB Invest with further evidence of WSMEs portfolio growth patterns.

Enabling the Growth of Women-Led SMEs by Accelerating their Access to Markets. *The objective of this Advisory Service project is to increase WSMEs access to markets. To achieve this objective, the funds will be used to: (i) build capacity and sensitize anchor companies and corporates to source from WSMEs, (ii) develop specific solutions and support private sector in increasing their sourcing from WSMEs, (iii) connecting WSMEs and developing their capacity to take advantage of procurement opportunities.*

- **Technical assistance to increase women's access to corporate and government value chains**
- IDB Invest provided advisory services to **Equirent**, a company regulated and supervised by the Colombian Business Associations Regulatory Agency (*Superintendencia de Sociedades*) specialized in the operating lease of vehicles and machinery for small businesses. Through its WeForLac program, IDB Invest will support Equirent in assessing and landing the commercial opportunity for Electric Vehicles related services in the WSMEs market segment in Colombia. The main objective of this project is to promote the use of Electric Vehicles in the MSME and WSME operations in Colombia, contributing to the just transition to a greener economy. Implementation is expected to start between Q4 2024 and Q1 2025.
- **Danper Trujillo** is a Peruvian agro-industrial company offering quality jobs to over 6,500 workers and providing ongoing development opportunities for its human capital, farmers, suppliers and nearby communities. In partnership with We-Fi, IDB Invest is delivering advisory services to (i) develop an inclusive procurement strategy that enables the integration of a larger number of WSMEs in Danper's value chain, covering small farmers and logistics suppliers, and including the implementation and adoption of supply chain finance tools like the reverse factoring credit line; (ii) strengthen WSMEs soft and hard skills as well as knowledge regarding technical and business management topics; and (iii) build a cooperative for women small and medium farmers to increase their access to Danper's value chain. The implementation of the advisory started on Q2 2024 with the initial diagnostic phase. Interviews to Danper employees have been completed and the baseline questionnaire is expected to be deployed with 300+ productive units during August. The design of the training material (including ToT material) as well as the recommendations for Danper inclusive value chain strategy will be done once the data collection process has been completed (from sept to Dec 2024). Finally, IDB Invest will deliver trainings for WSMEs during Q1 and Q2 2025.
- **Adelca** is Ecuador's leading steel company and a pioneer in recycling and steel manufacturing. In September 2023, IDB Invest, through its Advisory Services, partnered with Adelca to develop a robust and actionable sustainability growth strategy to expand the company's scrap supplier base, focusing on women-owned SMEs. The strategy includes an in-depth market study on WSME scrap suppliers, and a national and international benchmark of best practices, trends, and lessons learned. An actionable and time-bound implementation plan will ensure continuity and systematic change in Adelca's scrap supplier management. Also, this initiative aims to support Adelca in building internal

capacity to integrate women-owned SMEs and other diverse businesses, where feasible, into its value chain as scrap suppliers. IDB Invest is currently: (i) Providing a diagnose and analysis of Adelca's procurement processes; (ii) guiding the client in strengthening and refining their onboarding and tracking system for SME providers, including women and diverse-owned or led businesses, to align with industry best practices; (iii) suggesting metrics and targets to incorporate, monitor, and analyze progress; (iv) providing recommendations for improving the onboarding process and internal policies for inclusive procurement; and, (v) training the procurement team and top management on inclusive procurement practices. This project is expected to be completed by end of 2024.

- **Supply chain Blended Finance Results**

- **Elcatex** Honduras continues to deliver results by generating more access to markets for women suppliers. Elcatex reported to IDB Invest the target achievement results for FY2023. After reviewing the evidence, IDB Invest approved and disbursed the We-Fi incentive payment. To date, Elcatex has incorporated into their value chain 79 new women-led SME suppliers, some of them in non-traditional sectors such as engineering services, software technology; auditing and compliance.
- **Danper Perú:** Danper committed to integrating WSMEs into their value chain. The technical assistance currently in progress aims to enhance Danper's ability to capture gender data from its suppliers. This technical assistance will enable Danper to better reach new WSME suppliers and report on blended finance targets accordingly.
- **Meet the member events.** At end-2023, IDB Invest partnered with SIECA, the Secretariat of Integration for Central America and ConnectAmericas Mujer, to implement a series of workshops that will culminate in a large Meet the member event in Guatemala City during August 2024. 80 female entrepreneurs and 20 Latin American anchor companies will come together in a business forum to connect. This forum will specialize in the beverage and grocery sector and is focusing on WSMEs who have capability to export goods. To date, WSMEs from Honduras, Guatemala, Panama, El Salvador and Mexico received their registration confirmation. Also, important anchor companies from Central America, such as Pantaleon, CMI Alimentos and Flor de Cana are sending buyers to connect with entrepreneurs in the forum.
- **Sustainability and Innovation:** IDB Invest structured an innovative project with Danper Peru that integrates a senior loan; technical assistance, and a reverse factoring line for SMEs and WSMEs. The blended finance incentive contributed to setting targets to deliver the reverse factoring line for WSMEs. By pairing these instruments, IDB Invest hopes to address both barriers faced by WSMEs at the same time: access to finance and access to markets. Results will be assessed during FY2024.

Enabling the Environment for the Growth of Women-Led SMEs Through Capacity Building and Dissemination. *Support the growth of WSMEs in Honduras, LMIC and MIC by improving the environment for growth. For this, IDB will provide advisory services to clients, including financial institutions and corporates, to design new financial products targeting WSMEs and promote the creation of a new asset class – gender bonds – to facilitate access to finance to WSMEs*

During 2024, IDB Invest continued a series of activities to strengthen the ability of private sector entrepreneurial ecosystem actors in LAC to develop effective and sustainable practices and programs in support of WSME growth, these include:

- **White Labels Study** - IDB Invest partnered with Accenture to conduct a comprehensive study on the impact of white label products¹ sold by supermarkets and grocery retail companies in Latin America and the Caribbean applying a gender perspective. The study focused on assessing the influence of these products on the growth and development of local small, and medium enterprises and WSME suppliers, as well as their effects on consumers from low-income segments. The objective of this knowledge product is to generate practical and actionable insights to increase the participation of white label SMEs, including those led by women, in the value chains of grocery stores and large retailers in the LAC region. The study is expected to be published in Q4 2024. Its results will equip women-owned SMEs in the food and beverage industry with the necessary elements and knowledge to become white label suppliers of groceries in the LAC region. Additionally, the study aims to raise awareness among anchor companies about the benefits of having a diverse value chain and to build the capacity to ensure procurement processes include a gender diversity perspective. Once the study is completed, IDB Invest plans to create workshops and share this know-how with women entrepreneurs in the food and beverage sectors.
- **“Women Rising: A study of the growing financial power of the women’s market in LAC, and what this means for financial institutions”** Research (descriptive): A supply-side survey study, with financial data from over 140 institutions in 13 countries, that shows the growing attention to women's banking as a key business differentiator and also what is missing in the offering from Financial Institutions to women. This publication is this year’s IDB Invest most downloaded publication to date. The report was published in 2023 and can be accessed here:
<https://www.idbinvest.org/en/publications/women-rising-study-growing-financial-power-womens-market-lac-and-what-means-financial>

IDB Lab

Supporting Women Entrepreneurs in STEM Areas in Central America. *The objective of this project was to support women entrepreneurs of Central America in STEM fields to expand and diversify their networks in the greater Latin America and the Caribbean (LAC) region and beyond, deepen their learning and mentorship opportunities, and get access to regional and global early-stage seed and VC investors.*

IDB Lab has disbursed almost all the \$450,000 from WeForLAC that they executed for this project. The funds were fundamental in carrying out several editions of WeXchange, the main platform for women entrepreneurs in STEM in LAC. They also financed WeXInsights, a study of the challenges facing women entrepreneurs. The study is being published this year. Since its first edition in 2013, WeXchange Annual Forum has grown to be the LAC regions cornerstone event for women entrepreneurs in STEM, venture capital investors, key ecosystem players and relevant organizations working towards the advancement of women in entrepreneurship women-led startups from Latin America. Women-led start-ups pitch their businesses in front of all the audience, which include innovators, venture capital investors, innovation agencies, accelerators, NGOs, corporates and other key actors of the entrepreneurial ecosystems of Latin America and the Caribbean. The event also includes panels on Leadership, group mentoring sessions for women entrepreneurs, and dedicated networking sessions between women entrepreneurs and female investors.

¹ White labeling is when a generic product made by a manufacturer is sold by multiple retailers. Each retailer can choose how to package and label their “version” to appeal to their audience, but the fundamentals of the product — size, weight, color, etc. — remain the same.

B. KEY CHALLENGES AND LESSONS LEARNED

A challenge has been that the WeForLAC program has disbursed relatively slowly.

For IDB (public sector) WeForLac projects:

- **COVID-19** delayed the start of several activities (especially linked to the Business Development Services project and the Financial Services Demand survey) and the **change of Honduran Government in January 2022** further delayed the execution of these technical cooperations throughout 2022 and early 2023, when there was significant turnover in personnel.
- Multiple challenges with executing agencies having low **institutional capacity** led to slower procurement and budget allocation processes.
- Delays in the approval of two investment grants explain one-third of the undisbursed funds from IDB and relate to the factors listed above.
 - The \$1.4 million Investment grant **Adoption of Climate-Smart Technologies in Agricultural MSMEs Led by Women** was first approved in 2020 but had to be canceled (due to delays in a disbursement required from a related loan). In late 2021, the corresponding sectoral division started processing a new investment grant, with the same objective and components. The change of government delayed its processing. Moreover INVEST-H, the initially appointed executing entity, was dissolved. The Ministry of Agriculture was identified as executing agency in the first semester of 2023, and on August 4, 2023, the investment grant was approved. Disbursements have not yet begun.
 - The \$1.4 million investment grant **Empowerment of Women Participation in Energization with Clean Energy** has not yet been approved. While this operation underwent QRR committee review in 2023, final approval was delayed as difficulties arose in finalizing the executing mechanism. This executing mechanism has now been defined; the executing agency will be the National Electric Energy Company. The project is slated to be approved in October this year.
 - IDB is closely monitoring these projects to seek to ensure that those investment grants that are disbursing more slowly have actions in place to remediate this situation. In the case of the energy investment grant, we believe that the change in executing structure is likely to help resolve the problems that caused the original delays.

For IDB Invest WeForLAC projects:

- Blended and TA funding is negotiated/committed at the time of the origination of an operation with a client; but disbursement of We-Fi technical assistance and performance-based incentive grants, occur over a period following the financial close of the financing:
 - For blended finance, IDB Invest provides We-Fi resources as performance-based incentive grants to IDB Invest clients for achieving contractually defined WSMEs targets. These are typically structured as annual targets over a 4-6 year period.
 - For CBAs detailing the scope of technical assistance that will be provided to clients, these are signed at the approval stage of the transaction, and generally begin implementation after the financial closing of the transaction. Implementation of a technical assistance (advisory) to a client may last up to 12 months. Overall, the period from CBA signature/commitment of funds to disbursement of a given transaction can reach 24 months.
 - In addition, Impact measurement research funds take longer to be executed as they are tied to project execution. This means, interventions need to be delivered and sufficient time needs to elapse before we can observe and measure impacts.

- For all three components of the funding (blended, TA and Impact evaluations) IDB Invest, continues to develop a strong pipeline to ensure the efficient and impactful use of We-Fi funds. However, **Honduras**, which has a large envelope of funding, requires more patience to be able to commit and disburse the funds, due to a more limited pipeline and in some instances the private sector relationship with the government.

2) WOMEN ENTREPRENEURS ASPIRE, ACTIVATE AND ACCELERATE (WE3A)

Improving Access to Value Chains for Women Entrepreneurs

The three components, Aspire, Activate, and Accelerate, are well underway.

- The **Aspire** component aimed to reduce gender biases and improve the perception of women as successful entrepreneurs or businesswomen. This was done through the dissemination of videos of real businesswomen who have succeeded in creating or managing their business. It also offered capacity building to companies that wished to include more WSMEs in their value chains. All Aspire activities have been completed. However, partners will continue to disseminate videos of successful businesswomen to continue reducing gender biases.
- The **Activate** component created new training material that complements the already existing Dreambuilder training platform, and a two-hour online course Financing your Dream. These two courses are also complemented with a two-hour course on Value Chains, and a workshop on resiliency, both developed with We-Fi support. Additionally, women are offered multiple webinars to deepen their understanding on areas such as marketing, finance, digital tools. Women receive a certificate when they finish the Dreambuilder and Financing your Dream programs. If they also finish the two additional courses on value chains and resiliency, they are considered WE3A Activate graduates.

Local partners have organized graduation events to celebrate achievements of participants and motivate new women to register. In Ecuador, in March 2024, the local partner held a second annual "Women in Action" Congress for WE3A participants and other women entrepreneurs, with the participation of delegates from the IDB, the Thunderbird School of Global Management (virtually), and the Quito Chamber of Commerce. Two speakers talked about female banking and insurance for entrepreneurs, and more than 300 people attended the event, and more than 50 additional participants connected through Zoom.

The Activate component will continue until April 2025. So far, 5,360 women have registered and accessed training. Local partners are focusing on reaching new geographic areas to provide training opportunities to a diverse set of women. For instance, in Guyana, the project has reached five regions, and new regions are being evaluated. When connectivity is an issue, the project is offered in its offline version. This is more costly, as materials must be printed, and there is the need for a physical place for women to gather and take the course with the support of a trainer. However, the impact is already visible, being the first time many women get an opportunity to learn business management.

- The **Accelerate** component consists of a six-month accelerator program, with We-Fi support, that teaches businesswomen how to elaborate an expansion plan for their businesses. The component is selecting its final cohorts for Spanish speaking countries, with five cohorts in Spanish, and two cohorts

in Guyana. Women have created 228 new jobs (part and full time) during the 6 months of the Accelerator, and 60% have seen their sales grow.

Participant **impact result** surveys show that so far 91% of participants answering that they have the tools to overcome the challenges their business faced before starting the program.

Constant support to participants is essential to increasing graduation rates and facilitating the creation of networks between women. For instance, in Costa Rica, every week, the local partner provides a digital space called "Wednesdays' Coffee." This space is a weekly session of at least one hour via Zoom, where women enrolled in the program can participate on a voluntary basis. During this time, a dynamic similar to that of a meeting between friends over coffee is generated: different topics are discussed, challenges and solutions are shared, and everyone is willing to support each other.

Partnerships are also vital to reach more participants. For example, in Honduras the local partner (Voces Vitales) has established alliances with important banking institutions, companies and organizations to continue strengthening women entrepreneurs. Examples include alliances with Banco Atlantida to support businesswomen who are starting out as clients of the bank; with Banrural to strengthen the entrepreneurial skills of the women who are its clients, and with CDE Mipyme Comayagua to initiate an empowerment process with women entrepreneurs in the municipality of Comayagua.

Supporting Women Entrepreneurs in STEM Areas in Emerging Ecosystems

Advances In Execution: Component I: “Activate” incubation programs for STEM-based startups. Nascent ecosystems, such as the economies of Central America and other C&D countries, are witnessing the emergence of a new generation of aspiring STEM-based women entrepreneurs. For these early entrepreneurs to successfully conceptualize and launch scalable businesses, it is critical that they access capacity-building support and hands-on involvement. Thus, this component is financing and supporting local and regional incubation programs for aspiring women entrepreneurs in STEM with the desire to create a scalable technology or tech-enabled company to address key challenges in high-impact sectors such as healthtech, fintech, edtech, mobility/transportation/logistics, SaaS² for SMEs, agtech, cleantech, among others. Towards this end, during the first six months of 2024, three out of the total of six Startup Weekends took place.

1. Startup Weekend Costa Rica: April 19-21 at Lead University (San Jose de Costa Rica). The edition was a three day in-person program, and 46 participants (out of 94 registered) completed the program. The event: During the first evening 32 ideas were pitched and out of these 8 ideas were selected to be carried out during the weekend forming 8 teams. A total of 19 allies contributed with promotion of the event in Costa Rica. This edition counted with the participation of 27 mentors throughout the weekend and 5 judges. The vast majority expressed this was the first event of the kind they participated in and the main rationale behind their participation was to get the necessary tools and support to start a project as well as to learn more about entrepreneurship. It was satisfying to find out that after completing the program over 65% expressed willingness to continue with their project/idea.

2. Startup Weekend Honduras: April 24-26 at Universidad Jose Cecilio del Valle, Tegucigalpa. Sample of participants: this was a three day in-person program, and 46 participants completed the program (out of 166 that registered). The event: During the first evening 35 ideas were pitched and out of these 10 were

² Software as a Service

selected to be carried out during the weekend forming one team per idea. A total of 19 mentors and 3 judges participate in the event. In terms of promotion of the event 20 allies from the ecosystem contributed. Over 57% of participants mentioned that, after completing the program, they were going to continue pursuing with their project/idea.

3. Startup Weekend Ecuador: June 7-9, Hotel Quito, Ecuador. This three-day in-person program gathered 84 participants out of a total of 184 registrations. The number of participants allowed to have 54 ideas pitched and during the first evening 15 teams were formed. During the weekend the participants counted with the help of 17 mentors and 3 judges. In terms of promotion 16 allies contributed. Of the total participants over 94% mentioned this was the first event of the kind they attended. After completing the program near 44% expressed they were willing to continue pursuing their idea.

Advances In Execution: Component II: Acceleration and seed capital program for STEM-based WSMEs

According to the original program design, it was expected that an **accelerator** implementing the acceleration component would be in charge of channeling seed capital to the WSMEs participating in the acceleration program. However, in practice the IDB Lab project team found two main key challenges for the execution of this channeling of seed capital: (i) High transactional cost for seed capital management: Techstars, an accelerator that had been identified for acceleration of WSMEs, does not currently have systems and processes in place to manage the provision, monitoring and recovery of seed capital as we are proposing with the program. To do so, it would be necessary for Techstars to create processes, systems, legal contracts and dedicate human resources, which would imply significantly high transactional costs, and (ii) Low amount of seed capital for WSMEs with STEM profile: Although the original spirit was to provide a low amount of seed capital (USD30K) to a high volume of WSMEs (80) that graduate from the acceleration program, talking with relevant entrepreneurs and investors in the ecosystem it was concluded that the amount is too low to support the validation of the product-market-fit and drive real growth of this type of companies.

After an exhaustive reflection on the most effective way to provide access to funding by WSMEs, the following adjustment was made: Instead of channeling USD2.4M through the identified accelerator (Techstars), it would be done through an existing venture capital fund whose investment thesis aligns very well to the same objectives. Proposed use of We3A resources: USD2M in equity investment in the fund (in addition to USD500K in equity investment from IDB Lab). The fund has been identified by IDB Lab through a competitive selection process (IDB Lab Call for Proposals for VC Funds) that took into account the following criteria: (1) management team, (2) financial and operational track record, (3) investment thesis of the fund, (4) terms and governance of the fund, (5) potential for development impact and additionality of and for IDB Lab, and (6) alignment with We3A. This program revision request was approved on an absence of objection basis, on May 31st, 2024. IDB Lab will proceed with a formal due diligence process of the candidate fund (Innogen Delta I Fund) in Q3 2024, for a potential approval in Q4, 2024.

C. KEY CHALLENGES AND LESSONS LEARNED

The **WE3A Value Chains** project is facing three main challenges:

- **Obtaining information from corporations and financial institutions** that attended capacity building sessions on why and who to include a gender lens in their value chains. WeConnect International offered several sessions on this topic. The number of participants decreased in each session, with many representatives not completing the three sessions. Additionally,

- those who attended were reached out to understand if there had been changes following the commitment participants were asked to take toward gender inclusion. However, local partners have informed that most contacts did not respond to emails or phone calls to understand, so little follow-up has been possible. Local partners have tried to reach out to other contacts in those participating organizations, with little success. Additionally, some local partners are offering additional sessions for other corporations and financial institutions, to increase the reach and potential impact on these organizations.
- Similarly, with women participants, **the number of respondents to impact surveys is low**. To boost the number of responses, it was decided to ask participants whenever they are available (such as in events), instead of waiting 6 or 12 months as specified by the indicators. Additionally, local partners are considering offering incentives such as small prizes to participants that complete the surveys.
 - **The project in Guatemala has been very slow** in reaching participants. The local partner explained that the low level of digital literacy, weak connectivity, and high number of programs directed at WSMEs, has made it difficult to attract and retain participants. A new methodology has been considered in the form of boot camps. Women gathered in spaces offered by other local organizations, and the program was offered offline in intense sessions. This enabled to graduate over 150 women in 3 months, compared to 90 women in the previous year. However, this is not the methodology that will be predominant, as the project wants to ensure that learning and impact are the priority, before the indicator numbers. There is no evidence that offering the program in a few days instead of in several months provides women with the expected knowledge. However, these women develop a business plan that otherwise they might not have had.

3) LEVERAGING DATA AND AN INFORMATION EXCHANGE PLATFORM FOR WSME PRODUCTIVITY AND SUSTAINABILITY (WeCount)

IDB Lab is supporting the integration of WSMEs in value chains through two We-Fi projects of two different rounds: WE3A Value Chains (Round 3) and WeCount (Round 4). Both projects provide capacity building to WSMEs and work with corporations to strengthen their gender lenses and create links, opening real opportunities for WSMEs to become part of their value chains. The differences between these projects are: (i) the level of development of the WSMEs, and thus the training content. In the WE3A Value Chains project most of the beneficiaries are early-stage entrepreneurs; thus, the training is focused on creating and strengthening their business plan, marketing, access to finance know-how, and a first approach to digital tools. WeCount, however, targets more advanced WSMEs, offering tailored business training that incorporates digital tools and business practices toward sustainability, looking for short-term and long-term changes in the participants' behavior; (ii) WeCount is also developing a mechanism to create, store, and share data from and by WSMEs, to increase their negotiating power with markets and financial institutions; and (iii) WeCount has alliances as a critical element of success, including big and traditional corporations and also fintechs and online marketplaces.

Advances In Execution: Capacity Building: During 2023 a total of fourteen partners signed MOUs to support the initiative: nine access to finance partners (i.e. Drip Capital, Cenpromype, Kueski, Viwala, Oikocredit, Lendera/Pretmex, Ficohsa Honduras, Davivienda El Salvador, and Diimo in El Salvador) and five access to market partners (i.e. DHL, Mastercard, MercadoLibre, Walmart Central America, and Pricemart). These partners ranged from large traditional wholesalers and retailers to online marketplaces, logistic companies, fintechs, impact investors, and traditional banks, among others. Their engagement between 2023 and mid 2024 focused primarily on supporting recruitment efforts,

participating in reverse pitch and small group discussions to present their product offer, obtaining training to ideate initial ways to implement a gender lens as they incorporate more SMEs in their value chains, and some initial efforts to facilitate financing/access to market to enterprises.

By mid-2024, 606 women entrepreneurs had joined WeCount. Participants had access to different learning opportunities that included thematic events and bootcamps and full learning routes. The program offers different learning paths, depending on the level of growth of the company. The learning path can last 3 months or 6 months. The time to dedicate per week is approximately 2.5 hours. The format of the program is semi-customized. Once participants are part of the program, they make a diagnosis that allows them to choose the best sustainable growth path for their company. Topics include channels to sell more, digital sales, business intelligence, process management, sustainability for business efficiency, leadership, among others. In addition to business training, all participants had access to environmental training that could range from one hands-on workshop to create awareness on their environmental impact to defining a project and applying for non-reimbursable funding to implement ecoinnovations aligned to their business model. A total of 65 enterprises have joined the Eco Challenge and 23 had been selected for funding by mid-2024 with early evidence of impact from implementation already being gathered. The ecoinnovations implemented by these enterprises will serve as input for the ecoinnovation repository that the partner organization Agora is currently building to allow entrepreneurs and other interested stakeholders to independently create their own action plans for environmental sustainability.

Advances In Execution: Marketing and Financing Components: between May and November 2023, Agora partnered with the gender expert consulting firm Value for Women to conduct a series of activities that aimed to support access-to-market and access-to-finance plans and ways to include a gender lens as they engage more WSMEs in their value chains. Five of the 14 key partners (2 commercial banks, 1 fintech, 1 online marketplace and 1 logistics company) participated in at least two of the key activities planned which included: 1) a quick assessment in the form of an interview to identify common gaps when serving or engaging SMES, 2) training sessions reinforcing best practices and the business case of working with WSMEs and 3) a final action-planning session where participating partners could review opportunities by sector (either market or finance) and select specific actions that they could implement in their companies.

Advances In Execution: the Information Exchange Platform, focuses on creating all the conditions for WSMEs to make data driven business decisions, either for better business management or to engage in more fruitful negotiations with outside partners. By the end of 2023, the first iterations of the low-fidelity version of this information exchange mechanism were created which tested features that facilitate data capture, including bulk information upload, cash flow management, as well as the creation and editing of stores, contact directories, products and transactions - functionalities that allow entrepreneurs to more easily gather data that they can later use for decision-making. Three additional functionalities that have/will be tested include: recording of data through voice recognition; recording of data from paper through image recognition and recording of data by importing an Excel file. During 2024, the team focused on improving and fixing bugs in the transactional module, which is fundamental for data centralization in the Information Exchange Platform ecosystem. Agora completed the design flows for developing machine learning functionalities that will allow transactional registration through voice and images, as well as integrating gamified models³ as challenges to attract and retain users, based on feedback from businesswomen and financial experts. Additionally, it has optimized the user experience by reducing the number of clicks needed to create transactions, products, and contacts in the directory, and improved the

³ Gamified models use game design elements to create engaging and motivational experiences through an iterative process and make non-game activities more engaging and fun.

platform's appearance and usability as part of an ongoing communications campaign aimed at attracting more businesswomen, which is expected to conclude in September.

D. KEY CHALLENGES AND LESSONS LEARNED

The WeCount project presents the following challenges and lessons learned:

- **Gender biases:** to reduce gender biases in the implementing organization, the partner organization Agora hired working gender experts to train its consultants and create content adaptations. It also involved facilitating spaces to build awareness and to allow private sector partners who had joined as anchor partners of the program to design concise and simple actions to integrate a gender lens in their companies. 5 of the 11 anchor partners sent management team members to join the training and drafted short term implementation plans.
- **Weak soft skills in participants:** which have an impact in business results. Thus, Agora included **training to improve women's agency and self-efficacy**. These training ranged from topics such as time management which from our impact surveys was the number 1 reason cited for not being able to implement the tools learned in the program, as well as negotiation skills, mindset management, among others.
- **Flexibility in Content Delivery:** Providing multiformat sessions (synchronous and asynchronous content, individual and group) enriches participants and increases engagement. Agora has provided hands-on learning that provides multiple opportunities for companies to apply tools while participating in the learning process. It is also relevant to enable the integration of team members to specific sessions in the learning process, to strengthen knowledge appropriation within the WSME.
- **Level of commitment:** Not all women have the same level of commitment. Some register but are not sure about their participation. Testing commitment from the start is a way of concentrating efforts on those participants that will value it and continue with the program. To tackle this challenge, Agora combined, in the selection process, automatic filters such as nationality, sales volume, women leadership with personal interactions (short videos, audios or 15 mins interviews) to validate the level of commitment to the program.
- **Rate of survey answers:** Women need motivation to answer surveys after participating in the program. One of the ways Agora has mitigated this challenge is by using the data collected to create value for the enterprises (e.g. creating a catalogue of companies using information from applications, sharing the current status of enterprises in the region based on aggregate baseline data.)

E. WE FINANCE CODE SUMMARY

In September 2023, a joint \$1,730,500 the IDB Invest and IDB Lab WE Finance Code Pilot in the Dominican Republic project was approved for funding by We-Fi. The general objective of the project is to create a sustainable shift in how women entrepreneurs are accounted for, perceived, and served by the financial sector in the DR by: (i) Building the capacity of financial institutions and the banking association to collect, generate, use and report on sex-disaggregated data for women's financial inclusion; (ii) Promoting the coordinated aggregation of private-sector gender portfolio-level and financial data for industry-level reporting; (iii) Piloting private-sector commitments and the leverage of a champion to promote data-disaggregation and increased financing opportunities for women entrepreneurs among financial intermediaries, and; (iv) Leading the learning agenda, developing and implementing diagnostic tools, strategies, new processes, products, services, or initiatives—as appropriate—associated with commitments made.

The **IDB Invest portion of the project**, for \$1,167,290, was approved in December 2023, consisting of the following activities:

Component 1. Building Capacity for Sex-Disaggregated Data Collection and Usage

This component is comprised of providing technical assistance for the purposes of:

- i) Conducting a diagnostic on the current state of sex-disaggregated data among financial institutions and their capacity for aggregation and reporting of sex-disaggregated data
- ii) Building capacity for disaggregation, reporting of sex-disaggregated data, and designing financial and non-financial strategies to serve the WMSMEs segment of financial institutions
- iii) Managing data systems and digital technology to accelerate the systematic collection and reporting of portfolio-level sex-disaggregated financial data

Component 2. Building Consensus for WeCode Commitments among Public-Private Sector Stakeholders

Targeted to public and private sector stakeholders (i.e. Superintendency of Banks, Central Bank, Women's Ministry, National Statistics Office, Ministry of Industry and Commerce), this component includes:

- i) Organizing forums, trainings, dialogues, business-case discussions, and peer learning exchange programs (i.e. UK Code) among the public and private sectors on the best practices for women's banking, sex-disaggregated data, and harmonization of indicators and definitions
- ii) Establishing one industry-level data aggregation committee or similar body to facilitate commitments to promote data-disaggregation and increased financing opportunities
- iii) Communications, knowledge, and outreach activities for awareness raising and increased participation of the public sector and financial institutions

Component 3. Generating a Learning Environment for Sustainability of the WeCode

This component seeks to highlight the importance of sex-disaggregated data collection in understanding the existing gender gaps in credit markets and of financing WSMES through the following activities:

- i) Conducting a study or impact evaluation that leverages on the use of sex-disaggregated data to showcase gender gaps in credit markets, the role of data collection practices with a gender perspective on increasing access to finance for WSMES, and potentially, the impacts of increasing access to finance on the WSMES segment
- ii) Developing a methodology for measuring the direct and indirect impact of the WeCode
- iii) Documenting the lessons learned from this pilot program for replication by other pilot programs through templates, guidelines, toolkits, and knowledge-sharing events

The **IDB Lab portion of the project**, for \$481,500, was approved in April 2024, consisting of the following activities below.

Component I. Capacity-Building

- Launch an awareness campaign in the Dominican Republic to capture the interest of WSMES and potential partners not previously identified
- Launch a call for applications and select WSMES to participate in a pilot capacity-building program (with focus on business acumen, data collection and use, digitization, sales, and impact generation)
- Connect WSMES from the capacity-building pilot to financial institutions and commercial actors based on their financing needs, market access, and level of readiness

There will be 85 WSMES trained.

Component III. Financing

- Identify innovation industry (accelerators, company builders, incubators, seed/angel investors, and venture capitalists) and commercial actors (retailers, wholesalers, distributors, e-commerce platforms) that may increase the number of WSMES in their portfolios, communities, or value chains

- Virtually convene the selected innovation and commercial actors to understand their current maturity level regarding gender-disaggregated data, WSME-tailored products/services, associated pain points, commitment levels to all or part of WeCode, best practices for gender-disaggregated data collection and reporting, and timelines
- Select and train innovation industry and commercial actors in the implementation and use of gender-disaggregated data collection tools
- Monitor gender-disaggregated data collection and reporting efforts; adjust/create products/services to meet the WSMEs needs of innovation industry and commercial actor partners; establish recommendations for next steps

Indirectly, this is expected to result in 500 WSMEs accessing new financing.

Component IV. Information Exchange Platform (IEP)

- Identify and interview innovation sector financial institutions (ISFIs), fintechs, non-bank financial institutions, microfinance institutions, angels, and private equity/venture capitals in the Dominican Republic to assess their engagement with gender-disaggregated data, commitment to compiling and using this type of data, and associated pain points
- Select key ISFIs for involvement in the remainder of the pilot and determine the level of their involvement, including securing commitments to the WeCode
- Adapt the WeCount IEP to enable ISFIs to report gender-disaggregated portfolio data and/or build a simple digital mechanism that allows for gender-disaggregated reporting by the ISFIs
- Implement the adapted or created gender-disaggregated reporting mechanism with selected ISFIs

IDB Invest

Achievements and key milestones

- Confirmation of the Association of Multiple Banks of the Dominican Republic (ABA) as the data aggregator and coordinator.
- An industry-wide definition of Women-owned SMEs was agreed upon, coordinated by ABA and BID Invest. The project will start by categorizing companies owned by women with a shareholding of 51% or more.
- Fourteen financial institutions (14) have become signatories: Banreservas, Banco Santa Cruz, Banco Popular, Banco Caribe, Promerica, Scotiabank, Banco LAFISE, Corporación de Crédito Monumental, ADOPEM, BHD, JMMB Bank, Ademi, Banesco, and Banco Vimenca, representing close to 80% of market assets in the Dominican Republic.
- The commitment of Banco Central and the Superintendency of Banks of the Dominican Republic to participate in the WE Code, establishing a strong public-private partnership.
- Identification of 11 banks for the data collection and reporting pilot.
- Designation of champions by each signatory financial institution.
- Development of a communication plan to create more awareness about the benefits of the WE Finance Code and invite other institutions to join, including microfinance institutions, credit unions, cooperatives, etc.
- International and National Peer Learning: Participation in the We Code Study Tour from June 4-7, a UK Knowledge Exchange program involving four institutions, including the ABA. Additionally, the ABA and signatories participated in The Community of Champions (CoC), which convenes senior stakeholders from the public and private sectors across more than 20 countries where the Code is

being piloted. This initiative aims to share experiences, identify, codify, and share best practices among implementing countries, positioning its members as global references. At the national level, three working groups were created focusing on: 1. Definitions and indicators of Women-Owned MSMEs, 2. Data analysis, and 3. Building the value proposition for Women-Owned MSMEs, to strengthen the capacities of financial service providers through workshops to better collect data on Women-Owned MSMEs and use this information to develop holistic proposals for women entrepreneurs.

Key upcoming implementation timelines

- During 2024, as next steps for the WeCode DR Pilot, IDB Invest will align on data reporting processes (API development). Test pilot with the 14 signatories and finetune reporting process. Then, we'll review the first round of collected data, diagnosing the WSME data ecosystem.
- Set up the updated data reporting process.
- Scale the data pilot to include all market players, produce a market insights report, and consider additional data attributes. Continue to refine data collection, reporting, and dissemination processes.
- IDB Invest will also deliver 5 technical assistance projects to strengthen aggregators and other FSPs who are signatories, to improve data collection and analytics capabilities. To date, IDB Invest has signed Client Beneficiary Agreements to deliver technical assistance to two financial institutions: ADOPEM and BHD and is currently negotiating terms for other two financial institutions.
- Finally, the pilot will focus on recruiting new signatory cohorts, especially those served by IDB Lab such as Fintech and Cooperatives.

Structure of the national coalition:

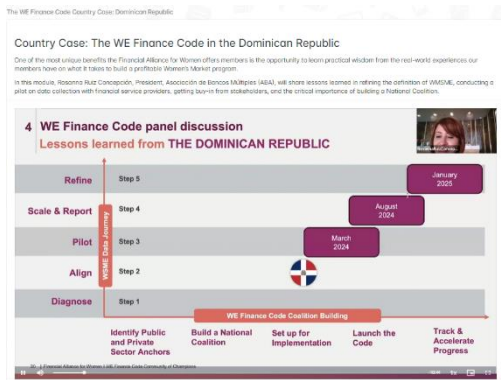
National coordinator and aggregator	Association of Multiple Banks of the Dominican Republic (ABA)
FSPs	Banreservas, Banco Santa Cruz, Banco Popular, Banco Caribe, Promerica, Scotiabank, Banco LAFISE, Corporación de Crédito Monumental, ADOPEM, BHD, JMMB Bank, Banco Múltiple Ademi, Banesco, and Banco Vimenca.
Anchors	Banco BHD ADOPEM ADEMI
Supporting partners	Superintendency of Banks Central Bank
Potential supporting partners	Ministry of Industry, Commerce, and MSMEs, Santo Domingo Chamber of Commerce, Ministry of Women, universities.
Technical assistance	BID Invest / CCX & FAW BID Lab/ Agora

Challenges, lessons learned and the next steps.

- **Data Sharing and Compliance:** IDB Invest identified some early-on challenges, related to compliance and data sharing regulations. Specifically, a lesson learned was to consult with banking regulators to discuss data structure and feasibility for sharing information while complying with banking secrecy regulations. The objective of this is to identify potential workarounds and solutions to banking secrecy regulations.
- **Internal Awareness and Communication:** Although having a single touchpoint person per Fis is key to ensure efficient coordination of the WeCode, these point persons need support to socialize WeCode learning internally within each FI team. It is key to increase awareness among financial institution representatives by sharing information and creating forums to address concerns from internal teams, such as the data team and the business team. For this, IDB Invest developed a comprehensive communication plan to enhance coordination and engagement among and within each FI.
- **Informal Sector and Regulation:** A key challenge found during the WeCode pilot is that regulated Fis tend to offer fewer financial products to informal businesses. To expand the scope to include informal businesses and sole women proprietorships, IDB Invest had to assess additional attributes, but will also have to expand the reach of the pilot to invite Fis who serve these markets.
- **Leadership stories and publications of Senior Executives championing the Code in the Dominican Republic**

Publications/ activities	
ABA's magazine	https://aba.org.do/revista/enero-marzo-2024/ https://aba.org.do/revista/mayo-septiembre-2024/
<i>This module showcases the WE Finance Code case in the Dominican Republic and its unique implementation journey.</i>	Dashboard - My Courses - Start Course Financial Alliance for Women - WE Finance Code Peer Learning hub (learnupon.com)
<i>BID Invest Lanza WeCode, Código de Financiamiento para la Mujer Empresaria [IDB Invest launches WeCode for women entrepreneurs]</i>	<ul style="list-style-type: none"> - https://www.idbinvest.org/es/medios-y-prensa/bid-invest-lanza-wecode-codigo-de-financiamiento-para-la-mujer-empresaria - https://robertocavada.com/sociales/2023/11/09/bid-invest-lanza-wecode-codigo-de-financiamiento-para-la-mujer-empresaria/ - https://www.elcaribe.com.do/panorama/dinero/bid-invest-lanza-wecode-codigo-de-financiamiento-para-la-mujer-empresaria/ - https://teleradioamerica.com/2023/11/bid-invest-lanza-wecode-un-codigo-de-financiamiento-para-mujeres-emprendedoras/ - https://resumenturismo.com/tag/financiamiento-de-mujeres-emprendedoras/ - https://economaiybanca.com/bid-invest-lanza-wecode-codigo-de-financiamiento-para-mujer-empresaria/ - https://www.diariolibre.com/economia/finanzas/2024/03/10/inicia-piloto-del-codigo-we-fi-para-impulsar-mipymes-de-mujeres/2638473

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IDB Lab

The implementation of the We Finance Code Initiative in partnership with IDB Lab kicked off in Q2 2024. The partner organization Agora is currently building the team that will support the implementation of the key activities planned for the remaining part of the year which include the creation of an awareness building campaign to onboard as code signatories representatives from the innovation sector financial institutions. This process will be preceded by an understanding of the current practices for data reporting which will take place through a series of interviews and conversations with relevant actors. Also, part of the initial activities has included coordinating with IDB Invest and leveraging the work they have already conducted to understand the entrepreneurial and financial ecosystem in the DR.

F. KEY CHALLENGES AND LESSONS LEARNED

IDB Invest

Some preliminary challenges have arisen during the pilot implementation that include:

Finding	Recommendation
<p>Difficulty in sharing data due to banking secrecy regulations in the Dominican Republic</p> <p>Stage: Design Dimensions: related to legal and policy aspects</p>	<p>Consult with banking regulators to discuss the data structure and assess the feasibility of banks sharing this information while ensuring compliance with banking secrecy regulations.</p>
<p>Lack of awareness among financial institution champions regarding the new initiative, and insufficient materials and forums for addressing concerns and questions, especially given the complexity of the Code and its novelty.</p> <p>Stage: Execution Dimensions: Organizational dimensions</p>	<p>Increase awareness among key representatives from each financial institution by sharing relevant information and creating dedicated forums to address concerns and questions. Develop a comprehensive communication plan from the initial stage to maximize the effectiveness of activities, integrate knowledge and strategies, and enhance coordination and engagement throughout the project.</p> <p>Ensure learnings are shared internally within each financial institution</p>
<p>A significant number of businesses in the Dominican Republic operate informally or as sole proprietorships, which impacts most SMEs. These businesses are often not formally registered or are registered under personal identification numbers. This situation leads to an underestimation of the sector's size and potential, affecting the effectiveness of support and financing strategies.</p> <p>Stage: Design Dimensions: Technical-sectorial dimensions</p>	<p>Expand the scope of the WeCode data to include informal businesses and sole proprietorships and assess additional attributes. Advocate for advancements in regulation to better capture and support this segment of the market.</p>

IV. IMPACT AND PROGRESS TOWARDS MEETING WE-FI TARGETS

G. IMPACT AND PROGRESS TOWARDS MEETING TARGETS

WE3A

The **Value Chains** project is not being implemented in Nicaragua due to difficult political situation in the country, which limited the work of ONGs. Nevertheless, the project has reached **5,422 women**, surpassing the target of 4866 women accessing entrepreneurial activities. These women have access to

Dreambuilder, Financing your Dream, and the new modules developed by the project: Value Chains and Resiliency. Of these, 158 are women with already a track record and successful enterprises, so they have had access to the 6-month Accelerate program. The project has developed a specific session on digital training, and 1465 women have reported an increase of digital skills thanks to the program.

Of these women, 2145 have finished key phases of the training. These women have been surveyed on the program's impact on their businesses. Although the level of responses is still low and different in every country, 357 participants have reported an increase in sales and created 395 new jobs (part and full time), which is a significant contribution to the local economies. Also, 81 participants have accessed new financing after participating in the program. In its work with corporations and financial institutions, the project has reached a much higher number than expected in round table sessions on how to include a gender lens in value chains. The target was 90 financial partners/industry representatives, and the project has reached 322.

WE COUNT

To date, the project has benefited **606 participants** from four countries. Additionally, 112 companies report an increase in the use of digital tools and services. 88 businesswomen report having accessed financing thanks to what they learned in the program and the grants offered. 88 companies report having increased their market connections, particularly due to the enhancement of their digital presence. To support these outputs, more than 20 syllabi have been developed for differentiated audiences, and 29 digital tools for business management have been provided. An initial profile diagnosis of the program's beneficiaries has been conducted. Furthermore, 12 networking events with financing and market partners have been held.

Regarding the development of the data exchange platform, 11 design events with entrepreneurs and partners have been conducted as part of a co-creation process, 4 training workshops with WSMEs for the use of the platform, and 3 with strategic partners.

In terms of medium- and long-term results, 43 companies report an increase in annual sales. These companies belong to the cohorts implemented during 2023, with a median annual revenue growth of 25%. Additionally, the program has led to the creation of 103 direct jobs, and four out of ten women report having involved more women in key roles such as board members, shareholders, directors, or managerial positions after participating in the program.

H. EVALUATIONS, RESEARCH AND KNOWLEDGE

With We-Fi support, the IDB Group is establishing its global leadership in knowledge generation to support women entrepreneurs, through an extensive and comprehensive series of evaluations, research studies and knowledge products.

By generating knowledge on the WSMEs ecosystem and the best approaches to address gender gaps, studies and initiatives generated with We-Fi funds contribute to improving the strategies MDBs and private sector clients can adopt to reach and better serve WSMEs. For example, an initiative to support impact measurement capacities in FIs, as part of its objectives, has the intention of leaving clients with the installed capacity to measure the impacts of their operations on final beneficiaries and inform on future strategies to better serve WSMEs. Moreover, a Blended Finance Study contributes to generate evidence of the effectiveness of incorporating Performance-Based Incentives in operations, which could

in turn serve as a model to other ecosystem agents. Additionally, a gender biases identification project allows banks to be more informed about their personnel's behavior and adapt their strategies to mitigate these biases in the future.

IDBG knowledge leadership is reflected in the Research Conference that the IDB and IDB Invest, together with We-Fi and the EBRD, are organizing in October 2024 in Washington DC on *Accelerating Growth for Women-led SMEs* in developing economies. The conference aims to promote new research and evidence on gender and entrepreneurship, with a special focus on SMEs, start-ups, and micro-enterprises with growth potential. Completed, ongoing and planned work of the IDB Group are noted below.

COMPLETED

Research (case studies), LAC regional, 2023-2024: "Impacts of Performance Based Incentives for the private sector to close gender gaps." The report assesses the impacts of Performance-Based Incentives (PBIs) within IDB Invest's Blended Finance portfolio, with a focus on gender-related PBIs. Through a qualitative assessment of the portfolio, seven case studies were conducted with IDB Invest clients. The objective was to gain insights into the impact of IDB Invest's PBI and gender-smart Technical Assistance (TA) program on gender equality outcomes. The case studies aim to explore internal and external changes resulting from PBI implementation, understand the design and implementation of the gender incentive and TA, and identify both success drivers and constraints affecting PBI implementation.

The report can be accessed here:

<https://www.idbinvest.org/en/publications/promoting-gender-equality-through-performance-based-financial-incentives-analysis-idb>

An Actionable Insights Guide was also prepared derived from the analysis, which can be accessed here:

<https://www.idbinvest.org/en/publications/guide-promoting-gender-equality-through-performance-based-financial-incentives>

Research (descriptive), Colombia, 2023-2023: "Understanding Business Mobility in Colombia." Descriptive report on business mobility based on existing administrative data from the chambers of commerce, which collect annual information from the businesses since their creation or registration to the chamber. The report showcases the existing gender gaps and how they affect business mobility. It also shows how gender gaps are disproportionately observed in smaller businesses.

The report was published in 2023 and can be accessed here:

<https://www.idbinvest.org/es/publicaciones/movilidad-empresarial-aspectos-claves-para-enfrentar-el-reto-de-permanecer-y-crecer?language=es>

ONGOING

Research (descriptive study) Honduras, 2021-2023: "Mapping of women-led MSMEs in Honduras." The report, produced by IDB and IDB Invest, presents a first and ambitious attempt of gathering all MSME data in the country, providing a deeper view of the barriers experienced by women businesses in the country. The information collected is being used to guide other We-Fi interventions in the country and potentially other studies. More than 15,000 women businesses have been identified. The final review of the report has finalized, and it is now in the process of graphic design. It is expected to be published third quarter 2024.

Research (descriptive study) LAC Regional, 2023-TBD: "Barriers to export in SMEs by leader/owner's gender - Promoting access to markets: Barriers and opportunities for WSMEs in export industries." This

is a project conducted by IDB and IDB Invest and involves the collection of a large-scale regional survey in 13 LAC countries. Additionally, a series of in-depth interviews with exporting SMEs in the region will be conducted. This initiative is being conducted in partnership with INTAL from IDB. Besides providing a detailed regional perspective on the access to export markets by women businesses, the project will give further insights on interventions that can support these firms on this front and potentially be tied with a future causal impact evaluation.

Research (case studies and causal evaluation), LAC Regional, 2022-TBD: “Measuring unconscious and conscious gender biases in credit officers.” Support to financial institutions (FIs) to identify and measure gender biases in their credit officials through a novel online tool designed by IDB Invest and IDB. Moreover, by conducting an analysis of administrative microdata from the FI the presence of biases is verified and a quantification of the monetary losses of the FIs due to gender biases is produced. After identifying these biases, IDB Invest provides recommendations on interventions to reduce or mitigate these biases. The project has supported multiple FIs across the LAC region measuring gender biases (6 FIs completed, 2 FIs ongoing, 4 FIs being onboarded). More than 1,200 credit officers have been screened so far. Article was published with preliminary results in January 2024 in collaboration with the Ecuadorian Financial Institutions Network (RFD). Available here:

<https://rfd.org.ec/docs/2023/Publicaciones/Revista%20RFD%2036.pdf> A causal impact evaluation is being designed to reduce gender biases in collaboration with EBRD and an external academic as a result of the match making session organized in We-Fi’s research conference of 2023.

Research (case studies), LAC Regional, 2021-2024: “Impact of gender bonds in LAC in increasing access to finance for women-led/owned SMEs.” This report provides an analysis of the issuance of gender bonds around the globe and with a special focus on the LAC region and includes some case studies with IDB Invest clients. The study focuses on the opportunities, lessons learned and main challenges of these types of bonds and finalizes with a series of recommendations for future issuances. The report is in the process of final revisions for publication, which is expected in the second semester of 2024.

Research (case studies), LAC Regional, 2022-TBD: “Measuring the impacts of access to credit through FIs.” Support to financial institutions in IDB Invest portfolio to strengthen or implement impact monitoring systems with gender lenses. These systems will allow FIs to collect data from SMEs and provide a deeper view of the impacts of access to credit into some of the We-Fi key indicators, such as increase in employment, sales, and profit. So far, 4 FIs ongoing and 2 FIs onboarded. Blog summarizing this work was published in 2024: <https://www.idbinvest.org/en/blog/development-impact/woman-entrepreneur-gets-loan-what-happens-next-track-impact-find-out>. *Study was selected to be presented at EBRD-hosted We-Fi knowledge event in 2023.*

Research (causal evaluation), Colombia and Chile, 2020-2024: “The impacts of credit on women-led/owned businesses.” IDB Invest teams, in collaboration with IDB, academics, and IPA, worked on a large-scale impact evaluation, where government-guaranteed COVID-19 emergency loans were randomly assigned to comparable groups of Micro, Small, and Medium-sized enterprises (MSMEs) to investigate whether these loans impacted the access to credit and economic earnings to MSMEs and, in particular, of women-led MSMEs, differently. The study is currently in the process of publication. The study was selected to be presented at the EBRD-We-Fi conference on Financing Women-led Businesses to be held in London at the EBRD HQ in October 2023 and will be widely disseminated once published.

Research (descriptive and causal evaluation), Mexico, 2023-TBD: “The impacts of reverse factoring financing on women-led/owned SMEs in Mexico.” Causal evaluation on the impacts of Reverse Factoring

lines on MSME suppliers, including an analysis of the barriers for its implementation and adoption. The study pays particular to whether access to finance and markets in this topic is different for women-led/owned SMEs (WSMEs) when compared to the rest. This study will be a relevant input for the design and assessment of future IDB Invest operations in this area, especially with non-Mexican anchor companies. Data collection is well advanced. Collaboration with Connect Americas from IDB, Anchor Companies and Discount Platforms has been established to construct the sampling frame of the study and collect information. A first draft of the causal evaluation is expected to be ready in first trimester of 2025.

Research (descriptive and causal evaluation), Colombia, 2023-TBD: “Observatory of business mobility in Colombia with Confecámaras.” IDB Invest is providing technical and financial support to Confecámaras in Colombia to launch the first national MSMEs observatory, which will have a strong focus on generating data and evidence to better understand and promote business mobility. As a first step, IDB Invest and Confecámaras have worked on a descriptive report on business mobility based on existing administrative data from the chambers of commerce (reported under completed work in the previous section). During 2024, a survey has been designed to complement the administrative data. The survey aims to gather information from 2,000 entrepreneurs through the national network of chambers of commerce. Additionally, IDB Invest signed an agreement with Universidad de los Andes to support the survey design and the development of the subsequent report. Data is expected to be collected in second semester of 2024 and observatory to be launched in 2025.

Research (causal evaluation), LAC regional, 2023-TBD: “Impacts of Performance Based Incentives for the private sector to close gender gaps.” Following on the descriptive study published in early 2024, a causal evaluation is ongoing using data from IDB Invest portfolio. It is expected to be completed in the second semester of 2024. There are also ongoing conversations with IFC to potentially collaborate in a joint study.

Research (causal evaluation), Peru, 2024-TBD: “Impacts of training programs targeted to agricultural firms on productivity and gender norms and practices.” In collaboration with a large agribusiness company in Peru an impact evaluation is being designed around the delivery of a training program targets to small and medium businesses that are suppliers. The program will not only tackle aspects of production and sustainability but will also focus on delivering content that can change gender norms and businesses management practices between men and women. A exploratory analysis is currently under way and results will guide the design of a large scale training, survey, and impact evaluation.

Research (descriptive study), Honduras, 2022-2023 “The role of women entrepreneurs in agriculture located in the Dry Corridor in rural Honduras.” The objective was to understand the operations, challenges, and gender dynamics within these firms. The report shows that approximately 98% of businesses led by women are microenterprises operating in rustic facilities. Businesses led by women show less favorable performance indicators than those led by men. Women-led businesses with individual ownership, are more likely to make decisions about business management, asset acquisition, and loans. Report is in the process of revisions for publication, which is expected in the second semester of 2024.

Special Report on Gender ANIF-IDB-IDB Invest (descriptive study), Colombia 2023-2024: The MiPyme ANIF (National Association of Financial Institutions of Colombia) survey has been established as one of the main sources of reliable statistical information on the MiPyme sector in Colombia. As a result of the partnership between the IDB, IDB Invest and ANIF, the survey has incorporated a special module on gender. A report, produced by IDB and IDB Invest in partnership with ANIF, analyzes the differences between Colombian firms under female and male leadership. This investigation plays a crucial role to

determine if there are significant gaps between the types of leadership, which would contribute to guide the direction of inclusion and women's business development policies accordingly. Report is in the final stages of review and expected to be published in the second semester of 2024.

PLANNED

Research (descriptive and causal evaluation), Ecuador and Guatemala, 2024-TBD: “The impacts of alternative credit scoring models on the financial inclusion of women-led-owned businesses.”

Traditional credit scoring models are mainly based on a person or company's financial history, therefore they usually exclude populations that have thin histories and that have not access formal credit in the past. IDB Invest is launching two pilots to test and measure the impacts of alternative credit scoring models as a tool to increase financial inclusion, particularly for businesses led by women.

Research (causal evaluation), 2024-TBD: “Impacts of access to market interventions.” The IDB, IDB Invest and IPA are designing a research project that will identify interventions with the most potential to support the access to markets for women-owned/led businesses and conduct a series of impact evaluations across multiple countries on this topic. Currently, a contract with IPA is being prepared.

Evaluation, LAC Regional, 2025-TBD: “WeCount.” Process and outcome/impact evaluations. Methodology: Ex-post and theory-based evaluation.

Research, 2024-TBD: “Digital training to WSMEs. Lessons learned from LAC (WE3A Value Chains and WeCount)” The idea is to deep dive into what works, what doesn't, barriers and opportunities in providing online training to women entrepreneurs. To start hiring second half 2024.

V. PLANS FOR NEXT YEAR

WEFORLAC

IDB Invest has several technical assistance advisory projects in pipeline, especially focusing on finalizing the commitment of funds for Honduras and Guatemala, the two countries that have presented the most difficulties for execution.

WE3A VALUE CHAINS

This is the WE3A Value Chains project's final year, and the expectation is that activities with WSMEs will close in April 2025. Thus, the rest of the year is focused on achieving targets, not only reaching more women in the Activate and Accelerate components but also ensuring that those women who enroll finish the program. To this end, late August or beginning of September, IDB Lab and Thunderbird will bring local partners together to share their experiences. In an online meeting, those with successful implementing methodologies will share with others their experiences, and we will enable a space to share challenges and potential solutions. Local partners are focused on creating alliances with other local organizations, to reach women in other geographical areas within the countries. Collecting impact indicators' values will be another key activity for the coming months. Sending surveys, motivating women to answer, collecting and analyzing data, will be essential this period. During the second half of April, local partners will close the project with a local event.

WECOUNT

Plans between July 2024 and June 2025 include:

Component 1 - Capacity Building: Focus on increasing the number of participants. The results of recruitment efforts have improved via social media, and additional adaptations are also being made to both content format and type of partnerships to achieve the scale the project seeks. For the remaining half of 2024 the focus will be on working with hyperlocal women associations, nonprofit organizations, chambers of commerce and even government agencies to co-implement portions of the program in the form of thematic events and bootcamps in parallel to the recruitment of enterprises for the full route. By breaking down the content into thematic events or workshops the project has been more successful at plugging in to the existing learning routes that these organizations already follow to serve their beneficiaries or members. This modality allows the project to be complementary to their efforts rather than repetitive or competitive in scope. The project will continue implementing continuous improvement activities to complement those that already took place in 2024 focusing for example on improving retention rates for the full route.

Components 2 and 3 - Access to market and finance: Focus will be on completing the mosaic of partners needed to serve heterogeneous groups of enterprises. A high priority is finding a financing partner in Guatemala. We will continue to co-host events with partners either for networking, capacity building or access to market/finance purposes. The project will continue testing and hopefully scaling the “opportunity board” and other mechanisms that enable the creation of exchanges among enterprises (i.e. purchases and partnerships among participants).

Component 4: Over the next 12 months, this component is projected to create a robust and dynamic ecosystem for LATAM entrepreneurs, governed by four key modules. Currently, the focus is on the transactional registry (Stage 1) to create a solid database that will enable the implementation of Machine Learning models, thus improving the decision making and recommendations we will be able to offer. Until December 2024, Stage 1 will be prioritized, integrating practices such as traffic light strategies, Pareto, inventory segmentation, goal visualization and customer and supplier classification, thus optimizing current processes. From January to July 2025, Stages 2 and 3 will be focused on. Stage 2 will establish connections with market and financial partners, while Stage 3 will develop a community for the resolution of doubts and recommendations, facilitating the exchange of knowledge among entrepreneurs. From July to December 2025, the focus will be on Stage 4, which will provide a secure digital identity through anonymous tokens, ensuring data security and system scalability. It should be noted that this a process of continuous improvement, and there are cross-module functionalities and opportunities for improvement from testing that should be integrated throughout these dates. By July 2025, the goal is to have a platform with many registered and active entrepreneurs.

WECODE

For IDB Invest, the key priorities for the next year include enhancing ABA's data aggregation capabilities and supporting updated data collection processes. Activities will involve deploying annual surveys, implementing pilot data collection and providing technical support to Working Groups through workshops. Additionally, three case studies of WeCode signatory FSPs will be developed, available in English and Spanish.

ANNEXES

ANNEXES TO BE SUBMITTED WITH THE NARRATIVE REPORT

- Annex I. Funding and Budget Information
- Annex II. WE Finance Code Update
- Annex III. Examples of Impact on WSMEs
- Annex IV. WSME Definitions
- Annex V. IP Methodology for Results Measurement
- Annex VII. Project Level Summaries
- Annex XI. Unaudited Financial Statement

ANNEXES TO BE SUBMITTED AS SEPARATE EXCEL FILES

- Annex VIII. List of Committed projects
- Annex IX. Results Framework
- Annex X. Risk Framework

ANNEX I. FUNDING AND BUDGET INFORMATION

A. Status of We-Fi Funding

ROUND 2 WEFORLAC- ORIGINAL BUDGET TABLE

Activities	Honduras			LMIC			MIC			Total We-Fi grant amount (\$)	Program Total (\$)	Total We-Fi grant committed (\$)	Total We-Fi grant disbursed (\$)
	We-Fi grant amount (\$)	Other sources (\$)	Total (\$)	We-Fi grant amount (\$)	Other sources (\$)	Total (\$)	We-Fi grant amount (\$)	Other sources (\$)	Total (\$)				
1. Access to Finance	\$906,500	\$21,140,000	\$22,046,500	\$1,489,000	\$16,326,000	\$17,815,000	\$3,535,500	\$56,169,000	\$59,704,500	\$5,931,000	\$99,566,000	\$4,316,000	\$569,100
Sub Component 1.1 Advisory Services for FIs and Corporates	\$556,500	\$15,303,750	\$15,860,250	\$339,000	\$9,322,500	\$9,661,500	\$1,060,500	\$45,663,750	\$46,724,250	\$1,956,000	\$72,246,000	\$2,556,000	\$389,100
1.1.1 Advisory Services for FIs /weB (can include Honduras)	\$556,500	\$15,303,750	\$15,860,250	\$339,000	\$9,322,500	\$9,661,500	\$460,500	\$12,663,750	\$13,124,250	\$1,356,000	\$38,646,000	\$1,356,000	\$389,100
1.1.2 Advisory Services to Structure Gender Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000	\$33,000,000	\$33,600,000	\$600,000	\$33,600,000	\$1,200,000	
Sub-Component 1.2 Blended Finance.	\$350,000	\$5,836,250	\$6,186,250	\$1,150,000	\$7,003,500	\$8,153,500	\$2,475,000	\$10,505,250	\$12,980,250	\$3,975,000	\$27,320,000	\$1,760,000	\$180,000
1.2 Blended finance for FIs	\$350,000	\$5,836,250	\$6,186,250	\$1,150,000	\$7,003,500	\$8,153,500	\$2,475,000	\$10,505,250	\$12,980,250	\$3,975,000	\$27,320,000	\$1,550,000	\$180,000
2. Access to Markets IMPROVING ACCESS TO MARKETS FOR WSME	\$1,920,000	\$14,950,000	\$16,870,000	\$740,000	\$19,730,000	\$20,470,000	\$2,125,000	\$37,820,000	\$39,945,000	\$4,785,000	\$77,285,000	\$3,920,000	\$577,227
2.1 TA to increase women's access to corporate and government va	\$1,710,000	\$13,750,000	\$15,460,000	\$200,000	\$19,250,000	\$19,450,000	\$1,000,000	\$27,500,000	\$28,500,000	\$2,910,000	\$63,410,000	\$3,210,000	\$517,227
2.1.1 TA & Procurement Registry Digitalization ONCAE	\$200,000	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$200,000	\$54,790
2.1.2 Procurement Workshops Companies Sourcing in Central Amer	\$275,000	\$0	\$275,000	\$0	\$0	\$0	\$0	\$0	\$0	\$275,000	\$275,000	\$275,000	
2.1.3 WeHonduras Procurement Workshops Government Agencies & Private sector companies	\$285,000	\$0	\$285,000	\$0	\$0	\$0	\$0	\$0	\$0	\$285,000	\$285,000	\$85,000	\$171,137
2.1.4 Supply Chain Advisory for Corporates	\$500,000	\$13,750,000	\$14,250,000	\$200,000	\$19,250,000	\$19,450,000	\$800,000	\$22,000,000	\$22,800,000	\$1,500,000	\$56,500,000	\$2,000,000	\$168,365
2.1.5 FinTech Advisory Services (for 3 FIs)	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$5,500,000	\$5,700,000	\$200,000	\$5,700,000	\$200,000	\$122,935
2.1.6 Procurement Workshops /Events for WSME	\$450,000	\$0	\$450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$450,000	\$450,000	\$450,000	
2.2 Blended Finance. Finance for WSMEs in Corporate Value Chains	\$210,000	\$1,200,000	\$1,410,000	\$540,000	\$480,000	\$1,020,000	\$1,125,000	\$10,320,000	\$11,445,000	\$1,875,000	\$13,875,000	\$710,000	\$60,000
2.3 Fintech Supply Chain Blended Finance	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$7,200,000	\$7,950,000	\$750,000	\$7,950,000	\$500,000	
2.3 Supply Chain Finance (Blended)	\$210,000	\$1,200,000	\$1,410,000	\$540,000	\$480,000	\$1,020,000	\$375,000	\$3,120,000	\$3,495,000	\$1,125,000	\$5,925,000	\$210,000	\$60,000
3. Access to Skills	\$5,850,000	\$16,225,000	\$22,075,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,850,000	\$22,275,000	\$4,105,000	\$1,290,185
3.1 WeToolkit Design & Implementation & PBIs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
3.1.1 Grant for We-Toolkit Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
3.1.2 Grant for We-Toolkit TOT Honduras WeToolkit Regional Disse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
3.1.3 TA for Companies employing We-Toolkit Standards linked to P	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
3.1.4 PBIs for Companies employing We-Toolkit Standards	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
3.2 Honduras BDS	\$5,850,000	\$16,225,000	\$22,075,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,850,000	\$22,075,000	\$4,105,000	\$1,290,185
3.2.1 Grant for WeHonduras BDS Development & Implementation	\$2,500,000	\$11,000,000	\$13,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000	\$13,500,000	\$2,155,000	\$1,040,185
3.2.2 Grant for translation and contextualization of digital WSME on	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000	\$300,000	
3.2.3 Grants for WeXchange Honduras Chapter Mentoring, meetups	\$150,000	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000	\$150,000	\$150,000	\$150,000
3.2.4 Grant WeHonduras TA for WSMEs in Climate Smart Agricultur	\$1,400,000	\$3,500,000	\$4,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400,000	\$4,900,000	\$1,400,000	
3.2.5 Grant WeHonduras TA for WSMEs in Clean Energy	\$1,400,000	\$1,500,000	\$2,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400,000	\$2,900,000		
3.2.6 WeXchange Central America Forum	\$100,000	\$225,000	\$325,000	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$325,000	\$100,000	\$100,000
4. Strengthening the Enabling Environment for Women's Entrepre	\$1,731,250	\$8,016,758	\$12,918,750	\$243,750	\$62,500	\$306,250	\$250,000	\$0	\$250,000	\$2,225,000	\$13,475,000	\$2,145,000	\$539,009
4.1 Comprehensive Assessment of WSMEs and Entrepreneurial Ecc	\$1,083,750	\$7,540,655	\$11,771,250	\$211,250	\$62,500	\$273,750	\$250,000	\$0	\$250,000	\$1,545,000	\$12,295,000	\$1,545,000	\$341,072
4.1 Grant for Financial Services SME Demand Survey & Toolkit	\$700,000	\$10,500,000	\$11,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000	\$11,200,000	\$700,000	\$7,370
4.1 WeGrow + Mapping/Assesment	\$258,750	\$187,500	\$446,250	\$86,250	\$62,500	\$148,750	\$0	\$0	\$0	\$345,000	\$595,000	\$345,000	\$121,258
4.1 Access to Finance Database	\$125,000	\$0	\$125,000	\$125,000	\$0	\$125,000	\$250,000	\$0	\$250,000	\$500,000	\$500,000	\$500,000	\$212,444
4.2 A favorable environment for the competitiveness of WSME	\$647,500	\$476,103	\$1,147,500	\$32,500	\$0	\$32,500	\$0	\$0	\$0	\$680,000	\$1,180,000	\$600,000	\$197,937
4.2.1 Grant for GBA All Stars	\$97,500	\$0	\$97,500	\$32,500	\$0	\$32,500	\$0	\$0	\$0	\$130,000	\$130,000	\$130,000	\$27,937
4.2.2 Grant for Policy Dialogue on WSME on Access to Finance	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000	\$50,000	\$50,000
4.2.3 Grant for VC/PE Investor Workshops Design & Implementation	\$120,000	\$0	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000	\$120,000	\$120,000	\$120,000
4.2.4 Grant for WeForLAC Final Policy Dialogue in Honduras	\$80,000	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$80,000	\$80,000		
4.2.5 Grant for TA for SCGG: Safe WSME Strategy & WSME Policies	\$300,000	\$500,000	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$800,000	\$300,000	
M&E	\$1,587,500	\$0	\$1,587,500	\$987,500	\$0	\$987,500	\$1,325,000	\$0	\$1,325,000	\$3,900,000	\$3,900,000	\$3,000,000	\$439,460
Impact Evaluations	\$1,200,000	\$0	\$1,200,000	\$750,000	\$0	\$750,000	\$1,050,000	\$0	\$1,050,000	\$3,000,000	\$3,000,000	\$3,000,000	\$439,460
M&E	\$337,500	\$0	\$337,500	\$187,500	\$0	\$187,500	\$225,000	\$0	\$225,000	\$750,000	\$750,000		
WeForLAC Evaluations	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000	\$150,000	\$150,000		
MOB Fee 7%											\$1,588,370	\$1,588,370	
TOTAL	\$11,995,250	\$60,331,758	\$75,497,750	\$3,460,250	\$36,118,500	\$39,578,750	\$7,235,500	\$93,989,000	\$101,224,500	\$22,691,000	\$218,089,370	\$19,074,370	\$3,414,981

UPDATED WEFORLAC BUDGET TABLE WITH CHANGES APPROVED BY THE GOVERNING COMMITTEE

Activities	Honduras			LMIC			MIC			Total We-Fi grant amount (\$)	Program Total (\$)	Total We-Fi grant committed (\$)	Total We-Fi grant disbursed (\$)
	We-Fi grant amount (\$)	Other sources (\$)	Total (\$)	We-Fi grant amount (\$)	Other sources (\$)	Total (\$)	We-Fi grant amount (\$)	Other sources (\$)	Total (\$)				
1. Access to Finance	\$906,500	\$21,140,000	\$22,046,500	\$1,489,000	\$16,326,000	\$17,815,000	\$3,535,500	\$56,169,000	\$59,704,500	\$5,931,000	\$99,566,000	\$5,016,000	\$961,250
Sub Component 1.1 Advisory Services for FIs and Corporates	\$556,500	\$15,303,750	\$15,860,250	\$339,000	\$9,322,500	\$9,661,500	\$1,060,500	\$45,663,750	\$46,724,250	\$1,956,000	\$72,246,000	\$2,556,000	\$653,750
1.1.1 Advisory Services for FIs /weB (can include Honduras)	\$556,500	\$15,303,750	\$15,860,250	\$339,000	\$9,322,500	\$9,661,500	\$460,500	\$12,663,750	\$13,124,250	\$1,356,000	\$38,646,000	\$1,356,000	\$565,500
1.1.2 Advisory Services to Structure Gender Bonds	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000	\$33,000,000	\$33,600,000	\$600,000	\$33,600,000	\$1,200,000	\$88,250
Sub-Component 1.2 Blended Finance.	\$350,000	\$5,836,250	\$6,186,250	\$1,150,000	\$7,003,500	\$8,153,500	\$2,475,000	\$10,505,250	\$12,980,250	\$3,975,000	\$27,320,000	\$2,460,000	\$307,500
1.2 Blended finance for FIs	\$350,000	\$5,836,250	\$6,186,250	\$1,150,000	\$7,003,500	\$8,153,500	\$2,475,000	\$10,505,250	\$12,980,250	\$3,975,000	\$27,320,000	\$2,460,000	\$307,500
2. Access to Markets IMPROVING ACCESS TO MARKETS FOR WSME	\$1,920,000	\$14,950,000	\$16,870,000	\$740,000	\$19,730,000	\$20,470,000	\$2,125,000	\$37,820,000	\$39,945,000	\$4,785,000	\$77,285,000	\$4,350,000	\$945,158
2.1 TA to increase women's access to corporate and government va	\$1,710,000	\$13,750,000	\$15,460,000	\$200,000	\$19,250,000	\$19,450,000	\$1,000,000	\$27,500,000	\$28,500,000	\$2,910,000	\$63,410,000	\$3,410,000	\$855,158
2.1.1 TA & Procurement Registry Digitalization ONCAE	\$200,000	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$200,000	\$200,000
2.1.2 Procurement Workshops Companies Sourcing in Central Amer	\$275,000	\$0	\$275,000	\$0	\$0	\$0	\$0	\$0	\$0	\$275,000	\$275,000	\$275,000	
2.1.3 WeHonduras Procurement Workshops Government Agencies & Private sector companies	\$285,000	\$0	\$285,000	\$0	\$0	\$0	\$0	\$0	\$0	\$285,000	\$285,000	\$285,000	\$233,969
2.1.4 Supply Chain Advisory for Corporates	\$500,000	\$13,750,000	\$14,250,000	\$200,000	\$19,250,000	\$19,450,000	\$800,000	\$22,000,000	\$22,800,000	\$1,500,000	\$56,500,000	\$2,000,000	\$221,189
2.1.5 FinTech Advisory Services (for 3 FIs)	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$5,500,000	\$5,700,000	\$200,000	\$5,700,000	\$200,000	\$200,000
2.1.6 Procurement Workshops /Events for WSME	\$450,000	\$0	\$450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$450,000	\$450,000	\$450,000	
2.2 Blended Finance. Finance for WSMEs in Corporate Value Chains	\$210,000	\$1,200,000	\$1,410,000	\$540,000	\$480,000	\$1,020,000	\$1,125,000	\$10,320,000	\$11,445,000	\$1,875,000	\$13,875,000	\$940,000	\$90,000
2.3 Fintech Supply Chain Blended Finance	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000	\$7,200,000	\$7,950,000	\$750,000	\$7,950,000	\$500,000	
2.3 Supply Chain Finance (Blended)	\$210,000	\$1,200,000	\$1,410,000	\$540,000	\$480,000	\$1,020,000	\$375,000	\$3,120,000	\$3,495,000	\$1,125,000	\$5,925,000	\$440,000	\$90,000
3. Access to Skills	\$5,850,000	\$16,225,000	\$22,075,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,850,000	\$22,275,000	\$4,105,000	\$2,405,000
3.1 WeToolkit Design & Implementation & PBIs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3.1.1 Grant for We-Toolkit Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3.1.2 Grant for We-Toolkit TOT Honduras WeToolkit Regional Disse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3.1.3 TA for Companies employing We-Toolkit Standards linked to F	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3.1.4 PBIs for Companies employing We-Toolkit Standards	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3.2 Honduras BDS	\$5,850,000	\$16,225,000	\$22,075,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,850,000	\$22,075,000	\$4,105,000	\$2,405,000
3.2.1 Grant for WeHonduras BDS Development & Implementation	\$2,500,000	\$11,000,000	\$13,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500,000	\$13,500,000	\$2,155,000	\$2,155,000
3.2.2 Grant for translation and contextualization of digital WSME on	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000	\$300,000	
3.2.3 Grants for WeXchange Honduras Chapter Mentoring, meetups	\$150,000	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000	\$150,000	\$150,000	\$150,000
3.2.4 Grant WeHonduras TA for WSMEs in Climate Smart Agriculture	\$1,400,000	\$3,500,000	\$4,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400,000	\$4,900,000	\$1,400,000	
3.2.5 Grant WeHonduras TA for WSMEs in Clean Energy	\$1,400,000	\$1,500,000	\$2,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400,000	\$2,900,000		
3.2.6 WeXchange Central America Forum	\$100,000	\$225,000	\$325,000	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$325,000	\$100,000	\$100,000
4. Strengthening the Enabling Environment for Women's Entrepre	\$1,731,250	\$8,016,758	\$12,918,750	\$243,750	\$62,500	\$306,250	\$250,000	\$0	\$250,000	\$2,225,000	\$13,475,000	\$2,145,000	\$932,281
4.1 Comprehensive Assessment of WSMEs and Entrepreneurial Ecc	\$1,083,750	\$7,540,655	\$11,771,250	\$211,250	\$62,500	\$273,750	\$250,000	\$0	\$250,000	\$1,545,000	\$12,295,000	\$1,545,000	\$734,344
4.1 Grant for Financial Services SME Demand Survey & Toolkit	\$700,000	\$10,500,000	\$11,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000	\$11,200,000	\$700,000	\$36,850
4.1 WeGrow + Mapping/Assesment	\$258,750	\$187,500	\$446,250	\$86,250	\$62,500	\$148,750	\$0	\$0	\$0	\$345,000	\$595,000	\$345,000	\$310,106
4.1 Access to Finance Database	\$125,000	\$0	\$125,000	\$125,000	\$0	\$125,000	\$250,000	\$0	\$250,000	\$500,000	\$500,000	\$500,000	\$387,388
4.2 A favorable environment for the competitiveness of WSME	\$647,500	\$476,103	\$1,147,500	\$32,500	\$0	\$32,500	\$0	\$0	\$0	\$680,000	\$1,180,000	\$600,000	\$197,937
4.2.1 Grant for GBA All Stars	\$97,500	\$0	\$97,500	\$32,500	\$0	\$32,500	\$0	\$0	\$0	\$130,000	\$130,000	\$130,000	\$27,937
4.2.2 Grant for Policy Dialogue on WSME on Access to Finance	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000	\$50,000	\$50,000
4.2.3 Grant for VC/PE Investor Workshops Design & Implementation	\$120,000	\$0	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000	\$120,000	\$120,000	\$120,000
4.2.4 Grant for WeForLAC Final Policy Dialogue in Honduras	\$80,000	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$80,000	\$80,000		
4.2.5 Grant for TA for SCGG: Safe WSME Strategy & WSME Policies	\$300,000	\$500,000	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$800,000	\$300,000	
M&E	\$1,587,500	\$0	\$1,587,500	\$987,500	\$0	\$987,500	\$1,325,000	\$0	\$1,325,000	\$3,900,000	\$3,900,000	\$3,000,000	\$721,848
Impact Evaluations	\$1,200,000	\$0	\$1,200,000	\$750,000	\$0	\$750,000	\$1,050,000	\$0	\$1,050,000	\$3,000,000	\$3,000,000	\$3,000,000	\$721,848
M&E	\$337,500	\$0	\$337,500	\$187,500	\$0	\$187,500	\$225,000	\$0	\$225,000	\$750,000	\$750,000		
WeForLAC Evaluations	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000	\$150,000	\$150,000		
MOB Fee 7%											\$1,588,370	\$1,588,370	
TOTAL	\$11,995,250	\$60,331,758	\$75,497,750	\$3,460,250	\$36,118,500	\$39,578,750	\$7,235,500	\$93,989,000	\$101,224,500	\$22,691,000	\$218,089,370	\$20,204,370	\$5,965,537

IDBG We-Fi 2022 Master Budget .Annex I.WeForLAC.with 2024.Annual Report

Budget Categories (per proposal)	Amount per ROUND 3 We3A		Budget Categories (per proposal)	Amount per ROUND 4 WeCount		Budget Categories (per proposal)	Amount per ROUND 5 WeCode	
	Committed*	Disbursed*		Committed*	Disbursed*		Committed*	Disbursed*
Component 1	1,194,882	1,075,394	Component 1	1,842,885	1,039,387.14	Component 1	1,367,290	171,447
Component 2	3,313,297	2,147,220	Component 2	327,592	184,761.89	Component 2	250,000	
Component 3	8,744,877	4,156,344	Component 3	1,770,309	996,432.81			
Monitoring and Evaluation	534,986	0	Component 4	218,395	123,174.78			
			Transversal	369,319	208,295.92			
Total	13,788,042	7,378,958	Total	4,528,500	2,552,052.53	Total	1,617,290	171,447

B. Projections on Reflows

Please find below our reflow projections for We-Fi Round 3 WE3A STEM investment projects (direct investments and upcoming investment in Venture Capital fund):

	Round 2		Round 3		Round 4		Round 5	
Year	Min. Estimate (USD)	Max. Estimate (USD)	Min. estimate (USD)	Max. estimate (USD)	Min. estimate (USD)	Max. Estimate (USD)	Min. Estimate (USD)	Max. Estimate (USD)
By June 2025								
By June 2026								
By June 2027								
By June 2028			\$ 1,500,000	\$ 1,500,000				
By June 2029			\$ 500,000	\$ 500,000				
By June 2030			\$ 1,000,000	\$ 1,000,000				
By June 2031			\$ 500,000	\$ 500,000				
By June 2032			\$ 500,000	\$ 500,000				
By June 2033			\$ 500,000	\$ 500,000				
By June 2033			\$ 1,000,000	\$ 1,000,000				

C. Types of Activities Funded

Funding Categories	Committed Amount \$			
	Round 2	Round 3	Round 4	Round 5
Investment Activities	4,310,000	4,400,000		
Technical Assistance/Advisory Activities	6,981,000	1,242,493		1,617,290
WSME Capacity Building	3,635,000	7,039,317	4,528,500	
Grants to WSMEs				
Research, M&E and Evaluations	3,700,000			
IP Fees	1,588,370	927,714	340,000	113,210
Total	20,214,370	13,609,524	4,868,500	1,730,500

D. Summary Focus Areas Funded

Funding Categories	Committed Amount \$			
	Round 2	Round 3	Round 4	Round 5
Access to Finance	9,066,000	4,400,000	1,584,975	1,617,290
Access to Markets	3,210,000	1,267,077	724,560	
Access to Skills	4,050,000	7,014,733	2,218,965	
Enabling Environment	2,300,000			
IP Fees	1,588,370	927,714	340,000	113,210
Total	20,214,370	13,609,524	4,868,500	1,730,500

ANNEX II: WE FINANCE CODE: INFORMATION ON TIMELINES, STAKEHOLDERS, COMMITMENTS

COUNTRY name	Dominican Republic
Code milestones & timelines	
Date/Anticipated date of public declaration of intent to launch the Code	November, 2023
Entity/Entities making the statement	IDB Invest
Link to publications, if available	<ul style="list-style-type: none"> - https://aba.org.do/revista/enero-marzo-2024/ - https://aba.org.do/revista/mayo-septiembre-2024/ - https://www.idbinvest.org/es/medios-y-prensa/bid-invest-lanza-wecode-codigo-de-financiamiento-para-la-mujer-empresaria - https://robertocavada.com/sociales/2023/11/09/bid-invest-lanza-wecode-codigo-de-financiamiento-para-la-mujer-empresaria/ - https://www.elcaribe.com.do/panorama/dinero/bid-invest-lanza-wecode-codigo-de-financiamiento-para-la-mujer-empresaria/ - https://teleradioamerica.com/2023/11/bid-invest-lanza-wecode-un-codigo-de-financiamiento-para-mujeres-emprendedoras/ - https://resumenturismo.com/tag/financiamiento-de-mujeres-emprendedoras/ - https://economaiybanca.com/bid-invest-lanza-wecode-codigo-de-financiamiento-para-mujer-empresaria/ - https://www.diariolibre.com/economia/finanzas/2024/03/10/inicia-piloto-del-codigo-we-fi-para-impulsar-mipymes-de-mujeres/2638473 - https://almomento.net/inicia-piloto-del-codigo-we-fi-para-impulsar-mipymes-de-mujeres/ - https://rdedigital.com/impulsan-plan-piloto-del-codigo-we-fi-para-impulsar-mipymes-lideradas-por-mujeres/ - https://noticiasentreamigos.com.do/inicia-piloto-del-codigo-we-fi-para-impulsar-mipymes-lideradas-por-mujeres/ - https://teleradioamerica.com/2024/03/proyecto-piloto-codigo-we-fi-inicia-promocion-de-mipymes-lideradas-por-mujeres/ - https://ritmoeconomico.com/inicia-piloto-del-codigo-we-fi-para-impulsar-mipymes-lideradas-por-mujeres/ - https://elnacional.com.do/inicia-piloto-codigo-we-fi-para-impulsar-mipymes-lideradas-por-mujeres/ - https://eldinero.com.do/261552/bid-invest-y-banco-bhd-impulsan-las-mipymes-lideradas-por-mujeres-en-republica-dominicana/

	- https://almomento.net/impulsan-mipymes-lideradas-pormujeres-en-republica-dominicana/	
Anticipated date of Launch event with FSPs signing up to the Code	November, 2023	
	Agreed partner	Potential partner
Code Aggregator(s)	ABA	Superintendency of Banks
Code Coordinator(s) in the country	ABA	Superintendency of Banks
Key organizations of the National Code Coalition	Superintendency of Banks Central Bank	<i>Associations of financial service providers, Ministry of Industry, Commerce, and MSMEs, Santo Domingo Chamber of Commerce, Ministry of Women, Women's Associations, universities.</i>
Senior Executives who will champion the Code in the country	Banreservas, Banco Santa Cruz, Banco Popular, Banco Caribe, Promerica, Scotiabank, Banco LAFISE, Corporación de Crédito Monumental, ADOPEM, BHD, JMMB Bank, Banco Múltiple Ademi, Banesco, and Banco Vimenca.	Banks, MFIs.
Which type of financial service providers will the Code cover? (Banks, MFIs, FinTechs, VC etc.)	Banks, MFIs, FinTechs.	Banks, MFIs, Savings and loan associations, savings and loan banks, multiple banks, credit corporations, public banks, cooperatives.

COUNTRY name	Dominican Republic	
Code milestones & timelines		
Date/Anticipated date of public declaration of intent to launch the Code	Not applicable. Kick-off event already took place in November 2023	
Entity/Entities making the statement	IDB Lab	
Link to publications, if available	NA	
Anticipated date of Launch event with FSPs signing up to the Code	NA	
	Agreed partner	Potential partner
Code Aggregator(s)	ABA	It will depend on the industry to which the first signatories of the innovation industry belong. Assuming we will start with fintechs most likely ADOFINTECH (the local fintech association) will work with Agora as a sub-aggregator for its members.
Code Coordinator(s) in the country	ABA	Agora Partnerships as co-implementing partner would act as coordinator for the innovation industry, working closely with ABA
Key organizations of the National Code Coalition		ADOFINTECH (National Fintech Association), REDOMIF (National Microfinance Network), ENLACES (angel investor network).
Senior Executives who will champion the Code in the country		The following persons have been contacted, but still in initial conversations: Maggie Mejía (CFO Fortech) Miguel Adames (CEO Merlatta) Mariano Frontera (Director Ejecutivo FDD)
Which type of financial service providers will the Code cover? (Banks, MFIs, FinTechs, VC etc.)		For the financial innovation industry, implementing partner will prioritize fintechs, investors, and tentatively either coops or microfinance institutions (nonbanks)

ANNEX III. EXAMPLES OF IMPACT ON WSMES

After thorough consideration and discussions with TTLs, we have identified the following candidates, who have agreed to be contacted by the We-Fi Secretariat Communications Team. These individuals can help facilitate and provide insights to craft compelling field stories that highlight the impact of We-Fi on specific women entrepreneurs and partners.

Beyond the nominations, we have also identified impactful articles and a compelling video that showcase how clients are championing and advancing programs that empower women entrepreneurs.

WeForLAC

IDB Group

- HO-T1353 - Business Development Services and Favorable Environment for Women Entrepreneurs in Honduras (We-Fi ID: IDBG-BDS)
 - **Edison Cadenas** (ecadenas@ciudadmujer.gob.hn): Coordinator of InnovaMujer Honduras, can reach out to women entrepreneurs of the program as well as provide his own perspective. Phone Number (Whatsapp): +504 3333-2037

IDB Lab

- RG-T3593 - Supporting Women Entrepreneurs in STEM Areas in Central America (We-Fi ID: IDBG-WeXchange)
 - **Ana Luisa Albarran** (analuisaal@iadb.org): will introduce the team to women entrepreneurs who have been part of WeXchange.
 - **Podcast episode, Three Women STEMpreneurs leading the HR revolution in Latin America** – this podcast highlights women entrepreneurs with promising startups in Human Resources industry in LatAm. The podcast explores their journey as startup founders, the problem they are solving and their solution, their perspectives on the industry, and advice & lessons learn for other women entrepreneurs in the region: [Podcast](#)
 - **Article, 4 female-led Fintech startups that should be in your watchlist** – Four women entrepreneurs leading startups in the FinTech industry share their journey on becoming founders & building a company. This article was commissioned by WeXchange and has over 1700 views: [Article](#)
 - **Article, Why 3 female-founded SaaS startups are game-changers for SMEs in Latin America** – Three women entrepreneurs building Software-as a Service' startups in LatAm. This article was commissioned by WeXchange and has over 2800 views: [Article](#)
 - **Article, Lessons Learned from balancing founderhood with parenthood** – Three entrepreneurs share their experience and journey on building a company and starting a family. This article was commissioned by WeXchange and has over 500 views: [Article](#)
 - **LinkedIn Post, Reflections from a WeXchange Alumni, Laura Macció, founder of MetaBIX Biotech** – [Post](#)

IDB Invest

- BO-G1009: Banco Sol - Social Gender Bond (Partial Credit Guarantee)
 - **Article, IDB Invest Banco Sol** – first gender bond in Bolivia: [Article](#)
- GU-G1020: Banco Promerica Guatemala - Sustainable Bond
 - **Article, IDB Invest Banco Promerica** – first thematic bond in Guatemala: [Article](#)
- EC-G1008: Social Bond for Diversity and Inclusion - Cooperativa de Ahorro Jardín Azuayo (We-Fi ID: IDBG-JA-PBI)
 - **Article, IDB Invest Cooperativa Jardín Azuayo** – first diversity and inclusion social bond with incentives in Ecuador: [Article](#)
- **Video** – three women entrepreneurs who tell their success story through the support of IDB Invest/We-Fi: [Youtube video](#)
 - Beneficiary of Cooperativa Jardín Azuayo (Ecuador): Rosa Salinas, President of Asociación de Tejedoras de Sombreros TEYSA

We3A

IDB Lab

- RG-T3833: Supporting Women Entrepreneurs in STEM Areas in Emerging Ecosystems (We-Fi ID: IDBG-STEM.TA)
 - **Carla Quant** (carla.quant@azuloapp.com): Women entrepreneur from Techstars Startup Weekend in Costa Rica
 - **Gabriela Celorio** (alexacelorio@gmail.com): Women entrepreneur from Techstars Startup Weekend in Ecuador Phone number: 0987338678
 - **Isabel Blanco** (issabbel94@gmail.com): Women entrepreneur from Techstars Startup Weekend in Costa Rica
- RG-T3901: We3A - Improving Access to Value Chains for Women Entrepreneurs (We-Fi ID: IDBG-ValueChains_Reg)
 - **Tashi Brown** (Brownetashi@gmail.com), **Rowena Elliot** (president@wcciguyana.com) **Lisa Agard** (lisamaeagard@gmail.com)
 - *Kindly copy all three contacts when contacting Members of the Women's Chamber of Commerce and Industry Guyana. Can connect the team with women entrepreneurs in Guyana.*
 - **Eduardo Moreno** (emoreno@lacamaradequito.com)
 - *Kindly copy asistenteproyectos@lacamaradequito.com: Member of Quito's Chamber of Commerce. Can connect the team with women entrepreneurs in Ecuador.*
 - **Marcela Guerrero** (marcelaguerrero@aedcr.com) and **Margarita Chavez** (coordmujeresempresarias@aedcr.com): Members of the Business Alliance for Development. Can connect the team with entrepreneurs in Costa Rica.
 - Videos – In El Salvador, Voces Vitales, the local partner, has produced testimonial videos of Activate participants:
 - **Verónica Trejo**, COFI - [Youtube video](#)
 - **Martha Sevillano**, LSEVILLANO - [Youtube video](#)
 - **Sabrina Rodríguez**, HOLI HOLI - [Youtube video](#)
 - **Marlyn Roxana Pérez Rubio**, CONTROPLAG - [Youtube video](#)
 - **Estela del Carmen Mixco**, Vivero Café Ave Fénix - [Youtube video](#)
 - **Article, Voces Vitales** – this article features Honduran entrepreneur, **Marissa Bonanno**, owner of *Inversiones Pietra Color*. Focus on Activate component: [Article](#)
 - **Article, Voces Vitales** – this article features Honduran entrepreneur, **Suzan Ramos**, owner of *Empresa SIQMECO*. Focus on Accelerate component: [Article](#)

We Count

IDB Lab

- RG-T4146: WeCount: Leveraging Data and an Information Exchange Platform for WSME Productivity and Sustainability (We-Fi ID: IDBG-WeCount (IDBG-WeCount-els, IDBG-WeCount-gu, IDBG-WeCount-hdr, IDBG-WeCount-mxc))
 - **Sventlana Urbina** (surbina@agora2030.org): From Agora Partnerships Consulting Firm, can introduce the team to women entrepreneurs.
 - Please copy **Maria Denise Duarte** (mduarte@agora2030.org).

ANNEX IV. WSME DEFINITIONS

The IDBG has developed operational guidelines for the WeForLAC and We3A programs that establish that the We-Fi formal WSME definition should be applied across all programs and projects, and that deviations from the SME and women-owned component of the definition are not permitted. For the women-led component of the definition, the guidelines require that any deviations from the formal We-Fi definition be documented and communicated to the program coordinators.

To date, minor deviations and corresponding justifications have been noted, including as noted in the 2020 Annual Report the WeForLAC IDB Invest project Grupo Elcatex/San Juan Textile Gender Bond in Honduras (HO-G1255) for \$210,000, approved in 2020, and are as follow:

Elcatex: As part of the transaction, the client – a Honduran textile manufacturer – will receive an interest rate reduction if it meets targets to increase its share of WSME suppliers and/or the volume of purchases. The existing share of WSMEs in the Honduran market is fairly low, although it's difficult to say exactly how low given the lack of consolidated records on firms in general, much less by gender. Part of the advisory service associated with the transaction is aimed at better gauging the available pool of WSMEs and connecting them to the client. The incentive curve is structured as nonlinear growth to ensure the client has enough time to adjust their tracking systems and identify potential WSMEs suppliers. On the women-owned/led component of the definition, the project is utilizing the following criteria:

Firm with 51% or more ownership by woman (or women) AND/OR has a female CEO/Chief Executive/ C Suite Executive/ Sales Manager AND/OR ≥30% of the board of directors are women.

These parameters will allow us to ensure reliable data quality and development impact as we are designing incentives that promote women in the relevant leadership positions for that industry. We included Sales Manager in the definition as it is a position of decision-making power in the context of supply-chain for Elcatex. The project's targets are quite ambitious, and by the end of the transaction, in 2027, it is expected that the client will increase the number of WSME suppliers from 5% to 24%, and/or increase the volume of purchases from 16% to 40%.

For We3A Aspire and Activate components, the definition of WSME is a woman who owns a business activity, or even has the idea to start one. It is directed more to entrepreneurs than to SMEs. Although some of them have several employees. For Accelerate, the definition is much more strict: Minimum 51% of the property of the business has to be owned by a woman or women, and all of We-Fi's requirements to classify as SME are requested. Only in Guyana, and in other countries case by case, some conditions can be unmet.

For WeCount the business profile is:

Minimum annual sales of USD 20,000 for level 1. Minimum Annual sales of USD 60,000 for levels 2 and 3. There are additional cutoffs between levels 2 and 3 that include other variables beyond sales to segment the most advanced enterprises.

Women-led definition:

Option 1: ≥ 51% owned by a woman / women; or

Option 2: ≥ 20% owned by a woman / women; and have ≥ 1 woman as CEO/COO (President/Vice-President); or have ≥ 30% of the board of directors comprised of women, where a board exists and have ≥ 1 woman as CEO/COO (President/Vice-President).

Technical Cooperation Monitoring system. The Technical Cooperation Monitoring and Reporting module (TCM) in the IDB [Convergence](#) information system is a tool that allows project teams to engage in strategic planning, tracking, and reporting on the execution and results of TC operations (any amount) and Investment Grant operations (up to USD3 million). TCM consists of the results matrix and findings and recommendations sections of Convergence and is an integral part of the full TC project cycle, from preparation, to execution, to closing. Development of the outcomes and outputs sections of the results matrix must be carried out during the preparation stage in the TCM. At the outputs level, [utilization of standard output indicators](#) is mandatory. Upon completing the required results matrix fields in TCM, project teams must automatically generate the Results Matrix annex. This annex becomes an integral part of the TC Document package reviewed at Quality and Risk Review (QRR). TC progress updates must take place annually. This update must include progress against targets set in the TC results matrix, as well as qualitative information related to project execution and results that is utilized to feed reporting to donors and the Board of Executive Directors. Once the TC results matrix and the relevant fields from Findings and Recommendations have been updated, the Team Leader must submit the report for review of the corresponding Grants and Co-financing Management Unit Fund Coordinator.

ANNEX VII. LIST OF COMMITTED PROJECTS

Attached separately as Excel per We-Fi guidance.

ANNEX VII. PROJECT SUMMARIES

WECode PILOT: IDB INVEST

Project Type: Technical Cooperation (TC)

Geographical Focus: Dominican Republic

We-Fi Funding Committed: US\$1,167,290

Total project size: US\$1,167,290

Project Start Date: December 13, 2023

Project End Date: December 13, 2028

CONTEXT:

In the last five years, Latin America and the Caribbean (LAC) has made significant progress towards the financial inclusion of women. Across the region, women constitute more than half of the customer base for financial service providers, a figure that has continued to grow and indicative of strong demand from this segment. However, according to the World Bank's Global Findex report, there are notable exceptions to the significant decline in the gender gap in account ownership between 2017-2021, of which the Dominican Republic is one. Contrary to the trend observed in most LAC countries, the Dominican Republic experienced an increase in gender gap from 2 percentage points in 2011 to 5 percentage points in 2021.

As such, in the Dominican Republic and across the region at large, gender gaps remain, including the discrepancies in data collection. These gaps represent a significant opportunity cost for the region's financial institutions as they are not able to maximize the market potential and growing collective purchasing power of women. Against this backdrop, the WeCode Pilot was developed to equip the financial service providers with the knowledge on how to define women-owned SMEs (WSMEs) and MSMEs (WMSMEs), with relevant indicators for tracking, capturing and analyzing data, and building services targeted to the needs of women entrepreneurs.

CLIENT/PARTNER DESCRIPTION:

The main beneficiaries of this Technical Cooperation are the financial institutions, the Banking Association, WSMEs, and public-private sector actors of the Dominican Republic. To tap into the market potential of women entrepreneurs and WSMEs, it is essential for the public sector and financial institutions to recognize the opportunity loss and to understand the requirements for addressing their financial and non-financial needs, both of which are the core objectives of the project. For these beneficiaries, collecting sex-disaggregated data is essential to understand and address the factors contributing to the widening gender gap in the access to credit. In this vein, the WeCode Pilot aims to provide capacity building to harmonize the data collection and support financial institutions in the Dominican Republic in developing targeted initiatives to improve women's access to credit and to address the multiple gaps in the collection, quality, and use of gender data.

PROJECT DESCRIPTION:

The overall objective of the WeCode Pilot is to create a sustainable shift in how women entrepreneurs are accounted for and served by the financial sector in the Dominican Republic. Its main methods include: (i) building the capacity of financial institutions and the Banking Association to implement or improve a system for capturing, using, and reporting sex-disaggregated data for women's financial inclusion, (ii) promoting the coordinated aggregation of portfolio-level gender and financial data for industry-level reporting, (iii) piloting private-sector commitments and promoting data-disaggregation and increased financing opportunities for women entrepreneurs among financial intermediaries, (iv) improving access to non-financial services, and (v) leading the learning agenda through developing and implementing diagnostic tools, strategies, and new processes, products, services, and initiatives associated with the commitments made. The results from knowledge products and impact evaluations produced under this project will be broadly disseminated through multiple channels, focused on informing and encouraging the scale up of the lessons gathered to facilitate the rollout of similar pilots in other countries.

Component 1. Building Capacity for Sex-Disaggregated Data Collection and Usage

This component is comprised of providing technical assistance for the purposes of:

- iv) Conducting a diagnostic on the current state of sex-disaggregated data among financial institutions and their capacity for aggregation and reporting of sex-disaggregated data
- v) Building capacity for disaggregation, reporting of sex-disaggregated data, and designing financial and non-financial strategies to serve the WSMEs segment of financial institutions
- vi) Managing data systems and digital technology to accelerate the systematic collection and reporting of portfolio-level sex-disaggregated financial data

Component 2. Building Consensus for WeCode Commitments among Public-Private Sector Stakeholders

Targeted to public and private sector stakeholders (i.e. Superintendency of Banks, Central Bank, Women's Ministry, National Statistics Office, Ministry of Industry and Commerce), this component includes:

- iv) Organizing forums, trainings, dialogues, business-case discussions, and peer learning exchange programs (i.e. UK Code) among the public and private sectors on the best practices for women's banking, sex-disaggregated data, and harmonization of indicators and definitions
- v) Establishing one industry-level data aggregation committee or similar body to facilitate commitments to promote data-disaggregation and increased financing opportunities
- vi) Communications, knowledge, and outreach activities for awareness raising and increased participation of the public sector and financial institutions

Component 3. Generating a Learning Environment for Sustainability of the WeCode

This component seeks to highlight the importance of sex-disaggregated data collection in understanding the existing gender gaps in credit markets and of financing WSMEs through the following activities:

- iv) Conducting a study or impact evaluation that leverages on the use of sex-disaggregated data to showcase gender gaps in credit markets, the role of data collection practices with a gender perspective on increasing access to finance for WSMEs, and potentially, the impacts of increasing access to finance on the WSMEs segment
- v) Developing a methodology for measuring the direct and indirect impact of the WeCode
- vi) Documenting the lessons learned from this pilot program for replication by other pilot programs through templates, guidelines, toolkits, and knowledge-sharing events

IMPACT:

In the short-term, the project is expected to generate results associated with the convening and data initiatives implemented. These include the preparation of a coalition of private sector agents, improvements in the quality/quantity of available sex-disaggregated data, enhanced capacity to manage transactional and (in some cases) outcome-level data, and an increased understanding of how to serve the markets more effectively. In the medium-term, following the implementation period, more significant outcomes are expected at the ecosystem and organizational levels. These include: (i) a financial system increasingly committed to collecting and reporting comparable sex-disaggregated data, (ii) industry portfolios dedicated to WSMEs across product classes, and (iii) continued awareness and engagement on the importance of women leadership across the financial/technology sectors. In the long-term, with the integration of better data and technology, new gender commitments, and stronger coalitions supporting the gender agenda, positive impacts can materialize through: (i) increased share of WSMEs with access to the right type of financial instrument to grow their businesses, (ii) better visibility, business performance, and job creation across WSMEs, and (iii) improved business linkages and connections.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi.	2,400

Project Type: Blended Finance Investment

(Performance-Based Incentive, PBI)

Geographical Focus: Brazil and Brazilian Legal Amazon (BLA)

Project Start Date: November 21, 2023

We-Fi Funding Committed: \$265,000

Project End Date: November 21, 2027

Total project size: \$130,265,000

CONTEXT:

In Latin America and the Caribbean (LAC), firms managed by women are typically three times smaller on average than those led by men. As the region with the third-largest credit gap for women-owned SMEs (WSMEs), it also suffers from a significant financing gap for WSMEs, accounting for US\$93 billion of the global gap of US\$1.7 trillion. Only 33% of banks in LAC have sex-disaggregated data about their clients, limiting their ability to understand and meet women's financial needs effectively.

In Brazil, only 38% of formal businesses led by women have access to a bank loan or credit line, compared to 51.5% of those led by men. Similarly, only 2.5% of WSMEs manage to obtain credit for their commercial activities, in contrast to 4.6% of their male counterparts. For example, in the last quarter of 2020, 58% of all credit to micro-entrepreneurs was allocated to men. Such gender disparity is further evident in loan amounts — while most men secured loans exceeding R\$30,000 (~US\$6,000), women-led businesses predominantly aimed for amounts below R\$10,000 (~US\$2,000).

Particularly, in the Brazilian Legal Amazon (BLA) region, businesses led by women often experience greater limitations in access to capital, primarily due to a lack of pre-requisites that typically require the possession of tangible assets, such as land and a stable income. Furthermore, in BLA, between May and November 2020, the number of women-led micro, small, and medium enterprises (WMSMEs) decreased by a range of 42.3%-70.9% as a result of the pandemic, compared to a reduction of 34.1% of male-led businesses. Data regarding access to credit in the BLA remains highly limited, setting challenges for sound financial analysis and decision-making, as well as hindering efforts to assess and improve the credit accessibility in the region.

CLIENT/PARTNER DESCRIPTION:

The Sicredi System ("Sicredi") is Brazil's first cooperative financial institution and one of the largest cooperative systems in the country and the region. As of March 2023, it ranked as the 7th largest financial institution in Brazil in terms of assets and the 6th largest in deposits, accounting for approximately 3.4% of the national deposit volume. Furthermore, Sicredi's national participation has been constantly growing; from 2015 to 2023, the volume of its members increased from 2.9 million to 6.6 million, with 2,500 branches in 1,800 municipalities across all regions of Brazil.

With a national outreach, Sicredi focuses on the MSMEs segment and specializes in financing small agriculture clients based in rural areas. Its main activity includes acting as an intermediary between financial markets, third party financial institutions, and the cooperatives that it finances. As such, the client has potential to impact under-served populations from several economically disadvantaged areas in the country. Sicredi already has a large and growing customer base in under-served regions of Brazil — its credit portfolio for companies led by women closed in 2022 at around R\$7 billion, with more than 284,000 transactions. Moreover, as of December 2022, its WSMEs portfolio in the Amazonian region was at US\$246.8 million (4% of the total Amazonian portfolio) across 44,956 loans distributed amongst 36,001 WSMEs borrowers.

PROJECT DESCRIPTION:

The proposed transaction is a blended finance investment, consisting of a senior unsecured A/B and co-loan for up to US\$130 million to finance the growth of Sicredi's WMSMEs portfolio. It is structured as the following:

- (i) an A loan of up to US\$30 million to be financed by IDB Invest (comprised of (1) Tranche I of up to US\$25 million and (2) Tranche II of up to US\$5 million, targeting only the Amazonian region)

- (ii) co-loans of up to US\$70 million to be financed by the German Investment Corporation (DEG), Proparco, and MSMEs Bonds S.A.
- (iii) B loans of up to US\$30 million to be financed by institutional investors

As part of IDB Invest's Tranche II investment, We-Fi will provide Sicredi with up to US\$265,000 through Performance-Based Incentives (PBIs) subject to the achievement of annual targets in the WSMEs portfolio in the Amazonian region. As such, Tranche II will support the growth of WSMEs in the Amazonian region, whereas the We-Fi incentive is designed to increase growth within the WSMEs. Furthermore, this transaction marks the first We-Fi project undertaken in Brazil and in unlocking opportunities for women in the Amazonian region.

By providing concessional resources that are specifically targeted at incentivizing financial institutions to increase WSMEs lending, the key objective of this project is to address (1) market failures and (2) information asymmetries, in relation to providing access to finance for women entrepreneurs in the Amazonian region. To assist Sicredi in achieving its goals for the WSMEs portfolio, the Advisory Service's Gender, Diversity, and Inclusion (GDI) team will support the client in building a strategy to address WSMEs in the region. Specific services will include: (i) a market study of WSMEs in the Amazonian region, (ii) a review of Sicredi's current proposition and approach to WSMEs, (iii) a portfolio analysis according to the requirements regarding average size of the loan or sales, (iv) creation of content to be disseminated across cooperatives to increase their ability to target this segment, and (iv) practical workshops.

IMPACT:

The proposed target is set to increase the number of WSME loans from 44,956 in 2022 to 95,625 in 2027, representing around 66,870 women-owned/led companies. This target number for 2027 was designed to increase the representation of WSMEs in the Amazonian portfolio from its current share of 7% (36,001 WSMEs in 2022) to at least 9% by 2027.

Such increase in access to credit for WSMEs will help reduce poverty in the Amazonian region, which is one of the most economically challenged areas in the country. Furthermore, the combination of the Advisory Services and Blended Finance to Sicredi, if implemented successfully, has the potential to serve as a foundational step in building a more detailed understanding of WSMEs in the Amazonian region, thereby facilitating informed decision-making within this market and filling the knowledge gap on how to attract women's businesses and turn them into viable clients.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi.	66,870
Total number of loans to WSMEs	50,669

ADOPEM GENDER BOND

Project Type: Blended Finance Investment
(Performance-Based Incentive, PBI)

Geographical Focus: Dominican Republic

We-Fi Funding Committed: \$280,000

Total project size: \$18,280,000

Project Start Date: October 30, 2023

Project End Date: October 30, 2027

CONTEXT:

Despite some advancements in recent years, particularly in terms of improved market regulations and broader range of issuers, the local private bond market and the overall capital market in the Dominican Republic remain relatively underdeveloped. This poses additional challenges for women-owned SMEs (WSMEs) in the Dominican Republic, which are consistent with and sometimes greater than the Latin America and the Caribbean (LAC) region, across the indicators of ownership, leadership, profitability, and size. For example, data from the World Bank Enterprise Survey indicates that there is a noted gender gap in access to finance in the country, where 42.9% of women-led firms have a loan or credit line from a financial institution compared to 52.9% of male-led firms. This disparity also affects business ownership and level of investments. Business ownership by women is low at 32%, below the regional average of 40%; although micro-enterprise ownership by women is at 51%, SME ownership by women stands at only 14%. Furthermore, the average net profit for WSMEs is 29% lower than that of male-owned SMEs (US\$12,605 vs. US\$17,758). In terms of investment, 66.4% of WSMEs reported low levels of investment (under US\$24,300 per annum) compared to 40% of its male counterparts.

Furthermore, the migration population in the Dominican Republic faces additional challenges. Among Caribbean countries, the Dominican Republic currently hosts the largest number of foreign-born populations, of which the majority is from Haiti and Venezuela. Migrants generally suffer from disadvantages in economic situations, thereby underscoring the importance of addressing the specific challenges faced by this growing demographic in the country.

CLIENT/PARTNER DESCRIPTION:

Banco de Ahorro y Credito ADOPEM SA (“ADOPEM”) operates with the mission to promote specialized products and services tailored to the needs of the most vulnerable and unbanked sectors of the Dominican Republic. Since becoming a regulated bank in 2004, ADOPEM now employs 1,287 staff in 70 branch offices across the nation. Within the sub-sector of saving and loan associations, it ranks 1st in number of clients, 3rd in gross loan portfolio size, and 22nd in the entire banking system of the Dominican Republic.

As demonstrated by ADOPEM’s launch of the Women’s Program that re-emphasized its commitment to women empowerment, it has an outstanding track record in reaching and providing financial support for underserved micro-entrepreneurs and very small enterprises. As of 2022, ADOPEM had over 159,000 active clients, of which over 67% were women. In terms of the nominal value of its outstanding portfolio, the SME segment accounted for 11% of the total portfolio and the WSME segment represented 7.7%. Such figures indicate that although ADOPEM is not exclusively an SME bank, its strong focus on women uniquely positions it to be one, especially for WSMEs. In this respect, ADOPEM could serve as an incubator of WSMEs that have entered the formal banking system through smaller ADOPEM segments, such as “Pequeñas Empresas”, and support the growth of their businesses to transition into the SME segment with larger loans.

PROJECT DESCRIPTION:

The proposed transaction involves purchasing a bond issued by ADOPEM, denominated in Dominican Peso and equivalent to up to US\$18 million, with a 5-year tenor. As part of this investment, We-Fi will provide ADOPEM with up to US\$280,000 through Performance-Based Incentives (PBIs), comprising of:

- (i) **Base Incentive:** up to US\$250,000 to promote the growth of its WSMEs portfolio

- (ii) **Bonus Incentive:** up to US\$30,000 to promote the growth of its WSMEs portfolio for migrants

While the proceeds from the bond will support gender outcomes across ADOPEM's entire business, the We-Fi incentive aims to support WSMEs by specifically encouraging ADOPEM to expand its WSMEs portfolio. To further enhance project additionality, considering ADOPEM's existing focus on the women's segment, a bonus incentive is incorporated into the transaction to grow its WSMEs portfolio for migrants. It is specifically designed to facilitate the access to credit for women migrants from Haiti or Venezuela seeking to either initiate or expand their businesses in the country. This will help expand ADOPEM's portfolio on migrant WSMEs, which as of 2022, included only 2 clients among a total of 262 migrant loans. As the first issuance of a social bond with a gender perspective in the Dominican Republic, this project will support ADOPEM in expanding its WSMEs portfolio more aggressively to serve this under-tapped market.

By providing concessional resources that are specifically targeted at incentivizing financial institutions to increase the financing for WSMEs, the key objective of this project is to: (1) support market inertia and (2) disrupt the country's information asymmetries in relation to providing access to finance for women entrepreneurs in the Dominican Republic. To assist ADOPEM in achieving its goals for the WSMEs portfolio, the Advisory Service's Gender and Diversity team has already provided preparatory guidance during the structuring of the Gender Bond, advised on the use of funds to ensure the impactful prioritization of financial inclusion for women entrepreneurs and WSMEs, and supported the Second Party Opinion Process. Currently, the team is also scoping the possibility of supporting the ADOPEM in developing non-financial services for young women entrepreneurs.

IMPACT:

The proposed targets for ADOPEM are two-fold: (1) to increase the number of WSMEs clients from 2,101 in 2022 to 7,945 in 2027 (from 67% to 85% share of WSMEs clients in the SME segment) and (2) to increase the number of migrant WSMEs clients from 2 in 2022 to 18 in 2027. For the second target, the milestone is considered indicative due to the very small baseline and ADOPEM's limited visibility in projecting growth for this segment.

Upon successful implementation, this project is expected to generate a positive spillover effect. Given the highly concentrated nature of the banking system in the Dominican Republic, ADOPEM's strategic approach of offering financial products and better suited services for WSMEs may catalyze other (smaller) financial institutions within the broader market to embrace a similar strategy. Furthermore, the project holds the potential to fill the knowledge gap on how banks can facilitate the transformation of women's micro-enterprises into SMEs, as well as how to ensure a significant focus on the financial inclusion for women entrepreneurs, which can have a profound impact on the economy and job creation.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi.	5,844
Total number of migrant women owned/led SMEs supported by We-Fi (indicative)	16

Project Type: Blended Finance Investment
(Performance-Based Incentive, PBI)

Geographical Focus: Guatemala

We-Fi Funding Committed: \$165,000

Total project size: \$50,165,000

Project Start Date: October 10, 2023

Project End Date: October 10, 2027

CONTEXT:

In Guatemala, the capital market is under-developed and has yet to become a viable financing alternative for the private sector, with the access to credit remaining particularly deficient. For example, according to the World Bank, the volume of domestic credit to the private sector reached 36.8% of GDP in 2022, which is one of the lowest levels compared to the regional average (57.1%) in Latin America and the Caribbean (LAC). Although the loan portfolio of the banking system has been growing at a compounded annual rate of 8.4% over the last ten years, 53% of the portfolio is directed towards large enterprises, indicating a conservative preference to concentrate its portfolio in activities with controlled risk. Consequently, access to financing for micro, small, and medium enterprises (MSMEs) remains deficient in the country. According to the regulatory body (Superintendency of Banks, SIB), in 2022, the total participation of bank credit to MSMEs represented only 8.4% of the total portfolio and has consistently decreased since 2012. In particular, information asymmetries have been cited as one of the key obstacles for the financial sector in expanding their credit portfolios.

Gender inequality in Guatemala is among the most profound in the LAC region, ranking 113 out of 146 in the Global Gender Gap Index in 2022. In Guatemala, 41% of women have a bank account and 11.5% have access to credit, figures that are lower than the averages of LAC (52.7% and 16.8%, respectively). Nonetheless, in the region, Guatemala has the highest rates of female entrepreneurship in early and established stages (14.1% and 10.2%, respectively), placing the share of women's entrepreneurship at 18.4%. According to the Global Entrepreneurship Monitor, the country's female entrepreneurship rate grew between 2019-2021, in contrast to a 9% contraction in the regional average. However, this burgeoning segment remains limited due to a lack of financing. When businesses owned or led by women apply for a loan, they are more likely to be rejected than their male counterparts; furthermore, even when they do access credit, the terms are typically less favorable, with smaller amounts, shorter tenors, higher rates, and more stringent collateral requirements. For example, a study conducted by the IDB found that 52% of women-owned MSMEs (WMSMEs) faced restrictions on their access to credit in Guatemala, which was the second highest amongst Mexico, Central America, and the Dominican Republic. Although financial inclusion and educational strategies were implemented prior to the pandemic, focused actions for women were lacking.

CLIENT/PARTNER DESCRIPTION:

Banco Promerica S.A. ("Promerica") is the 7th largest financial institution in Guatemala. According to its available portfolio data from 2022, Promerica showed an outstanding portfolio of US\$11.8 million (0.56% of its total portfolio and 8.37% of its total SME portfolio), across 77 loans distributed amongst 33 WMSMEs borrowers. These figures indicate that WMSMEs are under-represented, far below the entrepreneurship share of women in Guatemala (18.4%). The combination of Advisory Services and Blended Finance to Promerica, if implemented successfully, has the potential to serve as a proof of concept in the country. It is for this reason that Promerica is in a unique position to be the subject of the first We-Fi intervention in Guatemala.

PROJECT DESCRIPTION:

The proposed transaction involves the issuance of the first thematic bonds by Promerica, under which it may issue green, social, or sustainable bonds. In accordance with the Sustainable Bond Guidelines issued by the International Capital Market Association, Promerica will register a bond issuance program with a value of US\$500 million to be issued in Guatemala, marking the first sustainable bond in the country.

The Program is divided into several issuances, in which IDB Invest will participate in Series 1 for a total of US\$50 million, consisting of:

- (i) subscribing to bonds for a total of up to US\$30 million
- (ii) mobilizing LAGreen to subscribe to bonds for a total of up to US\$20 million

In parallel, a blended finance performance grant will be provided to Promerica for up to US\$165,000 using We-Fi resources to promote the expansion of Promerica's lending portfolio to WSMEs. This We-Fi grant is designed as a measure against the market inertia that prevents both the penetration of female entrepreneurship and access to finance for the WSMEs segment in the Guatemalan economy.

Furthermore, advisory services will complement the transaction to assist Promerica in the process of planning and executing the issuance, as well as in developing a sustainable finance strategy to promote the effective adoption of financial solutions for the SMEs segment and build internal capacity to increase the share of SMEs in its portfolio. IDB Invest will hire a firm specialized in Gender Lens Investing and/or Women's Banking to conduct a women's market appraisal and provide actional recommendations to improve the financial and non-financial offerings for WSMEs. These services will help overcome the information asymmetries by providing the tools and data needed to systematically track the credit performance, financing needs, and impacts of women entrepreneurs.

IMPACT:

The proposed target is set to increase the volume of the WSMEs' outstanding portfolio from US\$11.8 million in 2022 to US\$43.95 million in 2027 OR to increase the number of WSMEs clients from 33 in 2022 to 220 in 2027, whichever occurs first before the fourth anniversary of the effective date of bond issuance. These targets for 2027 are designed to elevate the WSMEs banking portfolio from its current share of 8.37% to 18% of the total SME outstanding portfolio, a figure that would more closely align with the actual share of female entrepreneurship in the country.

This transaction aims to tackle a triple agenda by: i) promoting capital markets, specifically thematic bonds, as a financing instrument for the private sector in Guatemala, ii) increasing access to finance for SMEs in the country, and iii) incentivizing the access to finance for WSMEs.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi	187
Volume of women owned/led SMEs' outstanding portfolio supported by We-Fi	US\$ 32.15M

Project Type: Blended Finance Investment
(Performance-Based Incentive, PBI)

Geographical Focus: Peru

We-Fi Funding Committed: \$230,000

Total project size: \$35,230,000

Project Start Date: August 7, 2023

Project End Date: August 7, 2027

CONTEXT:

In Latin America and the Caribbean (LAC), micro-, small, and medium-sized enterprises (MSMEs) constitute the most significant component of the productive sector. Almost 99.5% of all businesses in the region are MSMEs, most of which are micro-enterprises (88.4%), employing 60% of the population and accounting for 25% of the regional GDP. However, according to the MSME Finance Gap Survey (IFC, 2019), there is a large funding gap of US\$1.8 trillion between the total amount of funding demanded from MSMEs (US\$2.15 trillion) and funding supplied from financial institutions (US\$347 billion). One of the most widely cited obstacles for MSMEs when seeking financing is the lack of collateral, a challenge that is particularly acute for women in rural areas who tend to lack access to land. For example, in the region, 58 million women live in rural areas, of whom only 30% possess agricultural land and 10% have access to credit.

In Peru, as of 2020, SMEs accounted for 99.5% of enterprises and employed 89.4% of the private sector workforce. Despite a marked increase from 2019, only 9.4% of SMEs had access to the formal financial system in 2020. Although women-owned/led firms are not broken down in this data, according to the World Bank Enterprise Survey, only 20% of firms are majority-owned by women in Peru, underscoring the limited presence of WMSMEs in the formal economy. Furthermore, despite the agricultural sector's critical role in the country's economy and the fact that a significant portion of its agricultural production is sourced from MSMEs, MSMEs involved in agribusiness often struggle with limited access to markets and credit due to insufficient collateral or credit history, hindering their ability to secure loans from traditional financial institutions to support their operations. WMSMEs are further disadvantaged in this regard as female farmers tend to own less real estate property than men.

CLIENT/PARTNER DESCRIPTION:

Danper Trujillo S.A.C. ("Danper") is a private agro-industrial company in Peru founded in 1994, with almost 30 years of experience. It has positioned itself as one of the country's leading agricultural producers (3rd largest based on exports), exporting multiple products to all five continents. Danper's vendor base provides a wide variety of goods and services, including agricultural products from small-scale producers. The company has actively implemented policies and practices that support gender equality within its workforce, and in 2022, Danper purchased a total of US\$10,255,000 from 206 WMSMEs.

The size and volume of Danper's corporate purchasing highlights its potential to dramatically influence the way that suppliers and supply chains operate. Given the financial sector's substantial challenge in reaching small agricultural businesses, Danper can play an essential role as one of the first anchor companies in Peru to engage with and integrate women entrepreneurs into its supply chain, to serve this under-tapped market of WMSMEs, and to facilitate their access to financing and markets to foster growth. It is for this reason that Danper has been identified as a key actor to boost the competitiveness of the country by sourcing from WMSMEs in Peru, and at large, to contribute to the sustainable development and inclusion of WMSMEs through tailored financial products.

PROJECT DESCRIPTION:

The proposed transaction is a blended finance investment, consisting of two Facilities:

- (i) **Facility 1 (“Capex Facility”)**: a 10-year senior secured loan of up to US\$25 million with a 24-month grace period, which will be designated to agricultural (US\$4.2 million) and industrial (US\$10.8 million) capex, as well as to long-term structural working capital (US\$10 million)
- (ii) **Facility 2 (“Reverse Factoring Line”)**: a revolving and uncommitted discount facility of US\$10 million, under which IDB Invest may purchase credit rights consisting of account payables (AP) by Danper, arising from its purchase of goods and/or services from suppliers that meet IDB Invest’s eligibility criteria

As part of this investment, We-Fi will provide Danper with up to US\$230,000 through Performance-Based Incentives (PBIs) over a 5-year period. It comprises of the following:

- (i) US\$130,000 to Danper as Borrower (under Capex Facility) subject to the achievement of annual targets for new WMSME suppliers
- (ii) US\$60,000 to Danper as Obligor (under Reverse Factoring Line) subject to the achievement of annual targets for WMSME suppliers with discounted invoices through Reverse Factoring Line*
- (iii) US\$40,000 to E Factor Diez, S.A. de C.V. SOFOM ERN (“EFD”) as Platform (under Reverse Factoring Line) for its role as a financial intermediary to proactively market to, onboard, and train WMSME suppliers to utilize the Reverse Factoring Line; this EFD incentive has two components:
 1. a flat payment for each new WMSME supplier onboarded onto the E Factor Platform
 2. a variable PBI payment as a function of the Eligible Nominal Amounts

**A variable annual PBI payment, calculated as a function of the nominal amounts discounted by the eligible We-Fi suppliers (“Eligible Nominal Amount”), will be provided.*

To enhance gender-balanced sourcing of products/services and improve financing options for WMSMEs, the Gender and Diversity team will offer advisory services to: (i) develop Danper’s capacities to strengthen its inclusive value chain strategy, (ii) support skills development to improve crop management for female micro-producers, owners, and/or leaders of SMEs, and (iii) evaluate the impact of the training provided on the socioeconomic growth of women entrepreneurs. These advisory services and the We-Fi incentive are purposed to address the financing needs of underserved women entrepreneurs by: (i) enhancing *Access to Markets* through increasing the representation of WMSMEs within Danper’s supply chain and (ii) improving *Access to Finance* for both existing and new WMSME suppliers through the Reverse Factoring Line. The proposed financing is the first We-Fi transaction supporting a reverse factoring facility, as well as including an incentive directed at the Platform in addition to the client. This pilot structure may serve as a foundation for further iteration and development of such co-products and synergies in the future.

IMPACT:

The proposed target for Danper is two-fold: (i) to increase the number of eligible WMSME suppliers from the projected baseline of 206 in 2022 to 352 in 2027 (from 24% to 34% in the share of WMSME suppliers in the total MSME suppliers) and (ii) to increase the number of eligible WMSME suppliers that use the Reverse Factoring Line from the projected baseline of 43 in 2022 to 110 in 2027 (153% increase).

Such increase in access to the Reverse Factoring Line can improve the working capital management, innovation, and productivity of WMSMEs. Furthermore, this project holds the potential to fill the knowledge gap on how to effectively attract/source women’s businesses and turn them into viable clients, especially in the agricultural sector where WMSMEs face low visibility and financing.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi.	213

Project Type: Blended Finance Investment
(Performance-Based Incentive, PBI)

Geographical Focus: Bolivia

We-Fi Funding Committed: \$200,000

Total project size: \$15,200,000

Project Start Date: March 26, 2024

Project End Date: June 17, 2029

CONTEXT:

In Latin America and the Caribbean (LAC), firms managed by women are typically three times smaller on average than those led by men. As the region with the third-largest credit gap for women-owned SMEs (WSMEs), LAC suffers from a significant financing gap for WSMEs, accounting for US\$93 billion of the global gap of US\$1.7 trillion. Only 33% of banks in LAC have sex-disaggregated data about their clients, limiting their ability to effectively understand and meet women's financial needs.

Compared to the rest of LAC, women entrepreneurs in Bolivia are notably prevalent: 41.6% of formal businesses are majority female-owned, higher than the regional average of 19.9%. Additionally, 26.3% of firms in Bolivia have a female top manager, whereas the regional average is 19.9%. Despite these figures, women entrepreneurs in Bolivia still face various challenges: only 33.1% of their businesses have access to bank loans or lines of credit, compared to 52.6% of businesses led by men. Women-led businesses are also less likely to have checking or savings accounts, with a rate of 63.3%, in contrast to 89% for male-led businesses. They also encounter credit constraints: 18.6% experience full credit constraints and 33.4% face partial constraints, whereas male-led businesses face 6.8% and 15.7%, respectively.

Only limited studies exist on the reasons behind the financing challenges of WSMEs in Bolivia. However, common barriers shared across LAC include the limited availability of capital and/or assets for traditional collateral, short credit histories, gender biases in financial institutions, lack of specific financial programs and services, and a systematic absence of data on women-led companies. Particularly for the Amazon region and rural areas of Bolivia, unique challenges are presented, including geographic isolation and the need for sustainable business models.

CLIENT/PARTNER DESCRIPTION:

Banco Solidario S.A. ("Banco Sol") is the leading microfinance institution in Bolivia and the Andean region. With 32 years of experience in the Bolivian market, Banco Sol has solidified its position as the primary player in the microcredit segment among Bolivia's *multiple banks*.⁴ As of June 2023, holding a 7.63% market share by asset size valued at US\$2.93 million, it ranked the seventh out of twelve multiple banks. It also has the largest presence in Bolivia, operating 1,184 points of service (66% in urban areas and 44% in rural areas) across nine departments. As the first microfinance bank in Bolivia, Banco Sol has extensive reach and potential to significantly contribute to Bolivia's status as a global leader in microfinance, with 30% of all loans in the country currently being microcredits.

Beyond its social impact, Banco Sol exceeds market standards in the realm of sustainability. It is the only Bolivian entity that has joined the Global Alliance for Banking on Values. Further, in 2019, it signed the Sustainable Development Goals (SDGs) commitment and adhered to the United Nations Global Compact. Banco Sol already has a considerable demographic footprint within Bolivia's rural areas, which makes it an excellent client to incentivize and accelerate its focus on serving rural WSMEs.

PROJECT DESCRIPTION:

The proposed transaction is a blended finance investment consisting of a Partial Credit Guarantee (PCG) denominated in Bolivian pesos (BOB) of up to US\$15 million, with a term of up to 5 years from the date of bond issuance, to support Banco

⁴ A multiple bank ("banco multiple" in Spanish) is a financial institution authorized to serve companies of any size and type of economic activity according to the [Financial System Supervisory Authority \(ASFI\) of Bolivia](#).

Sol's first issuance of a gender bond in the Bolivian market of up to US\$30 million in BOB. With the objective of improving the rating profile of Banco Sol's issuance, the bond proceeds will be used to expand financing for WSMEs in Bolivia, including rural areas and Amazon region, to increase their productive investments and economic development. This initiative marks the first IDB Invest transaction with Banco Sol and the first We-Fi and blended finance project in Bolivia.

As part of this investment, We-Fi will provide Banco Sol with up to US\$200,000 through Performance-Based Incentives (PBIs), subject to the achievement of annual targets in its WSMEs portfolio. The We-Fi incentive includes the following three components to be carried out for 2025-2028:

- (iv) **Base Incentive:** up to US\$100,000 for achieving the annual target of the number of total WSME clients
- (v) **Amazon WSME Incentive:** up to US\$70,000 for achieving the annual target of the number of total WSME clients the in the Amazon regions of Bolivia
- (vi) **Rural WSME Incentive:** up to US\$30,000 for achieving the annual target of the number of total WSME clients in rural areas of Bolivia

To assist Banco Sol in achieving its goals for the WSMEs portfolio, the Advisory Service's Gender, Diversity, and Inclusion (GDI) team will support the client by offering: (i) technical advice to prepare a conceptual framework for the issuance of the Gender Social Bond, aligned to the International Capital Market Association (ICMA) social bond principles, (ii) consultancy to deepen the growth of women entrepreneurs in three productive value chains, encompassing a diagnosis, market study, and value proposition for WSMEs, and (iii) consultancy to enhance the collection of impact data that can strengthen its impact reporting and business intelligence. These advisory services will enhance Banco Sol's sustainability strategy and align it with industry best practices and standards.

IMPACT:

From December 2023 to December 2028, the proposed target aims to increase the customer growth of Banco Sol's WSMEs portfolio from 5.3% to 7.4% annually. For the Amazon and Rural portfolio, the client has agreed to raise the growth target from 5.3% to 7.3% annually. To receive the full Base Incentive, Banco Sol must achieve 4,437 more active WSME clients than what would have been added under its baseline scenario, representing a We-Fi subsidy of US\$22.53 per additional client. For the Amazon WSME Bonus Incentive, Banco Sol must achieve 1,798 more active WSME clients compared to its baseline scenario, representing a We-Fi subsidy of US\$38.93 per additional client. Lastly, to qualify for the Rural WSME Bonus Incentive, Banco Sol must achieve 648 more active WSME clients compared to its baseline scenario, representing a We-Fi subsidy of US\$46.3 per additional client.

This initiative also marks a pivotal opportunity to strengthen Bolivia's capital market by introducing the country's first Social Gender Bond. By targeting the WSMEs sector, Bolivia stands to gain from increased economic growth and job creation. Enhancing financial inclusion for women supports their economic independence and contributes to overall financial stability and income equality. Particularly in the Amazon region and rural areas of Bolivia—some of the most economically challenged regions in the country—improved access to credit for WSMEs can play a crucial role in alleviating poverty.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi.	6,883

Project Type: Technical Cooperation (TC)**Geographical Focus: Dominican Republic****We-Fi Funding Committed: \$1,730,500****Total project size: \$1,730,500****(\$481,500 directed to IDB Lab)****Project Start Date: April 5, 2024****Project End Date: May 1, 2027****CONTEXT:**

In the last five years, Latin America and the Caribbean (LAC) has made significant progress towards the financial inclusion of women. Across the region, women constitute more than half of the customer base for financial service providers, a figure that has continued to grow and indicative of strong demand from this segment. However, according to the World Bank's Global Findex report, there are notable exceptions to the significant decline in the gender gap in account ownership between 2017-2021, of which the Dominican Republic is one. Contrary to the trend observed in most LAC countries, the Dominican Republic experienced an increase in gender gap from 2 percentage points in 2011 to 5 percentage points in 2021.

In the Dominican Republic and across the region at large, gender gaps remain, including the discrepancies in data collection. These gaps represent a significant opportunity cost for the region's financial institutions as they are not able to maximize the growing market potential and collective purchasing power of women. Against this backdrop, in October 2023, 'Dominican Republic. We Finance Code ("WeCode")' was approved by We-Fi for US\$1,730,500, with the aim of creating a sustainable shift in how women entrepreneurs are accounted for, perceived, and served by the financial sector in the Dominican Republic. Of this approval, \$481,500 was directed to the IDB Lab, which this project summary covers.

CLIENT/PARTNER DESCRIPTION:

The partner institution and executing agency of this project is Agora Partnerships ("Agora"), a non-profit organization that has accelerated the growth and sustainability of 2,000+ social impact entrepreneurs and SMEs across Latin America over the last 15 years. Agora will be key in working with the innovation financial sector, adjusting indicators when needed, and providing support to develop the digital platform/tool in the most appropriate contractual modality to achieve the project objectives.

PROJECT DESCRIPTION:

The objective of this technical cooperation is to provide capacity-building to harmonize data-gathering and assisting financial institutions in the Dominican Republic in developing targeted initiatives to improve women's access to credit. In particular, the IDB Lab is focused on: i) implementing an ethical and trusted technological solution to allow financial institutions in the innovation sector to measure, report, and use sex-disaggregated data and ii) supporting the innovation industry to implement key changes to processes, products, and services, as well as to expand opportunities provided to women entrepreneurs. Below outlines some of the key activities that will be executed by component.

Component I. Capacity-Building

- Launch an awareness campaign in the Dominican Republic to capture the interest of WSMEs and potential partners not previously identified
- Launch a call for applications and select WSMEs to participate in a pilot capacity-building program (with focus on business acumen, data collection and use, digitization, sales, and impact generation)
- Connect WSMEs from the capacity-building pilot to financial institutions and commercial actors based on their financing needs, market access, and level of readiness

Component III. Financing

- Identify innovation industry (accelerators, company builders, incubators, seed/angel investors, and venture capitalists) and commercial actors (retailers, wholesalers, distributors, e-commerce platforms) that may increase the number of WSMEs in their portfolios, communities, or value chains
- Virtually convene the selected innovation and commercial actors to understand their current maturity level regarding gender-disaggregated data, WSME-tailored products/services, associated pain points, commitment levels to all or part of WeCode, best practices for gender-disaggregated data collection and reporting, and timelines
- Select and train innovation industry and commercial actors in the implementation and use of gender-disaggregated data collection tools
- Monitor gender-disaggregated data collection and reporting efforts; adjust/create products/services to meet the WSMEs needs of innovation industry and commercial actor partners; establish recommendations for next steps

Component IV. Information Exchange Platform (IEP)

- Identify and interview innovation sector financial institutions (ISFIs), fintechs, non-bank financial institutions, microfinance institutions, angels, and private equity/venture capitals in the Dominican Republic to assess their engagement with gender-disaggregated data, commitment to compiling and using this type of data, and associated pain points
- Select key ISFIs for involvement in the remainder of the pilot and determine the level of their involvement, including securing commitments to the WeCode
- Adapt the WeCount IEP to enable ISFIs to report gender-disaggregated portfolio data and/or build a simple digital mechanism that allows for gender-disaggregated reporting by the ISFIs
- Implement the adapted or created gender-disaggregated reporting mechanism with selected ISFIs

IMPACT:

The expansion of this project to the Dominican Republic will be crucial in implementing a technological platform/tool for ethical and trusted data collection, enabling ISFIs to measure, report, and use sex-disaggregated data on transactions and business performance. This technological solution will collect information from and by WSMEs to strengthen their decision-making and negotiation power in accessing finance and market opportunities, while also enabling the data use for managing and expanding gender-based agendas among financial institutions, the entrepreneurial ecosystem, and other market actors. Furthermore, the project will finance the convening and provision of technical assistance for ISFIs to implement key changes to processes, products, and services needed to expand opportunities for women entrepreneurs. WSMEs will also be supported through a pilot program to train them on why and how to develop/share their transactional and financial data, which will be critical for showcasing the benefits of supporting WSMEs in business development to become stronger clients.

This expansion will directly benefit 85 additional WSMEs from the original project targets, while indirectly benefiting 600+ WSMEs.

TARGETS - CONFIDENTIAL INFORMATION – FOR REFERENCE ONLY

We-Fi Indicator	Target
Total number of women owned/led SMEs supported by We-Fi.	85

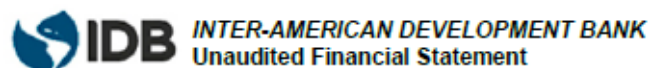
ANNEX IX. RESULTS FRAMEWORK

Attached separately as Excel per We-Fi guidance.

ANNEX X. RISK FRAMEWORK

Attached separately as Excel per We-Fi guidance.

ANNEX XI. UNAUDITED FINANCIAL STATEMENT



WEF - 1755

Women Entrepreneurs Finance Initiative (We-Fi)

June 30, 2024

(Expressed in United States Dollar)

Statement of Assets

Cash	25,758
Investments	7,580,942
Receivable from donors	21,373,078
Equity investments	2,000,000
Total Assets (1)	30,979,777

Administrator's Accountability:

	Prior Years Accumulated	Current Year	Total
Contributions for Projects, net	42,624,832	-	42,624,832
Contributions for Administrative fees	2,969,294	-	2,969,294
	<u>45,594,126</u>	<u>-</u>	<u>45,594,126</u>
Income from investments	332,926	188,015	520,942
Expense from cash accounts	(10,634)	(1,269)	(11,903)
Technical cooperation grants, net	(26,683,600)	(481,500)	(27,175,100)
Other grants, net	(7,210,000)	(200,000)	(7,410,000)
Administrative fees	(2,856,084)	(113,210)	(2,969,294)
	<u>(36,437,302)</u>	<u>(607,964)</u>	<u>(37,045,355)</u>
Total Fund Balance	9,156,734	(607,964)	8,548,771
Interfund accounts payable			37,983
Undisbursed technical cooperation			14,551,276
Undisbursed other financing			6,948,750
Other liabilities			892,998
Total Liabilities and Fund Balance (1)			30,979,777

(1) Data are rounded; detail may not add up to subtotals and totals because of rounding.