**Women Entrepreneurs Finance Initiative (We-Fi)**

 **TEMPLATE & GUIDANCE NOTE**

**THEMATIC FUNDING REQUEST**

**ON A PROPOSED FINANCING**

**IN THE AMOUNT OF {USD}**

**TO THE**

{NAME OF IMPLEMENTING PARTNER}

FOR

{PROGRAM/PROJECT NAME}

COUNTRY(s)

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# **WE-FI THEMATIC REQUEST – DATA SHEET**

**BASIC INFORMATION**

|  |  |
| --- | --- |
| IP Name  |  |
| Program/Project Name:  |  |
| Country(s)  |  |
| # of partners engaged  |  |
| Private Sector, Public Sector or Both |  |
| Implementation Start Date  |  |
| Commitment End Date  |  |
| Supervision End Date |  |
| IP Focal Point Contact (name, email, phone) |  |
| Key Staff Contacts (e.g., Project Lead, M&E Officer, Comms Officer) |  |

**WE-FI FUNDING REQUEST**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **USD** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Total**  |
| Investment Activities |  |  |  |  |  |
| Advisory / Technical Assistance |  |  |  |  |  |
| Grants to WSMEs |  |  |  |  |  |
| Research & M&E  |  |  |  |  |  |
| Administrative Fee  |  |  |  |  |  |
| **Total We-Fi Financing Requested** |  |  |  |  |  |

**TOTAL PROGRAM COST & CO-FUNDING[[1]](#footnote-2),**[[2]](#footnote-3):

|  |  |
| --- | --- |
| **Sources of Financing** | **Amount** *(do not round)* |
| We-Fi financing requested (A) |   |
| IP Contribution [1] (B)  |   |
| [Public-sector co-funding [2] (C)](file:///C%3A/Users/wb82666/AppData/Local/Microsoft/Windows/INetCache/Content.Outlook/7S3FZWQ1/Mobilization%20Table%20and%20Budget%20-templates.xlsx#RANGE!B12) |   |
| Private sector co-funding [3] (D)  |   |
| [Additional co-funding [*specify*] [[3]](#footnote-4) (E)](file:///C%3A/Users/wb82666/AppData/Local/Microsoft/Windows/INetCache/Content.Outlook/7S3FZWQ1/Mobilization%20Table%20and%20Budget%20-templates.xlsx#RANGE!B12)  |   |
| Total Non-We-Fi Funding (F)= (B+C+D+E) |  |
| Total Activity Size (G)= (F+A) |  |
|  Of which % IDA and % FCS (IDA+FCS / G) |  |  |
| Co-Funding ratio (F/A) |  |

[PROGRAM/PROJECT NAME]

WE-FI FUNDING PROPOSAL

*(not to exceed 20 pages total)*

# **PROGRAM/PROJECT DESCRIPTION** (10-12 pages)

1. **Objective Statement:** Describe the rational for the proposed activities (program, project) within the context of the care theme (Attachment 1), the challenges it is addressing, its overall goals and development objectives. Point out how We-Fi funding provides additionality for this proposal and contributes to the objectives of the Call.
2. **Program Design and Key Activities**

Describe the main components and subcomponents of the proposal. Specify activities under each component and subcomponent and explain the sequence and timeline of activities. Describe how the components build on already existing activities or represent innovations and include information on pipelines and partners where applicable. For each component, mention the We-Fi contribution and amount of contribution from others (i.e., co-financing), as well as key results expected. Any research activities should also be described, including scope, techniques and timeline. If Blended Finance or RBMs will be used, confirm that the Enhanced Blended Finance Principles[[4]](#footnote-5) will be applied to any investment activities utilizing We-Fi funds.

1. **Institutional and Implementation Arrangements**: Explain the IP’s We-Fi Program Management structure. For each component and subcomponent, describe how they will be undertaken and by whom. Include the criteria used for selecting executing entities / implementation partners and the role of these partners in designing and implementing the program. Include information on which key stakeholders, including governments and private sector institutions, were consulted and have confirmed their participation in the program/project, which still require confirmation, and the process/timeline required to commit the funds. While strategic partnerships do not have to be fully finalized at the time of proposal submission, evidence of their level of maturity/readiness will be factored into the scoring.
2. **Country/Regional/Global context:**   Outline the local, country, regional, and/or global context in which the program or project will operate, including general economic, cultural, and social barriers women face. If possible, provide information on target areas and regions that would be covered by the program/project within each country, including where countries are IDA (including IDA Blend) or in fragile/conflict situations.
3. **Strategic Partnerships:**  Describe how the proposed program will work with specific strategic partners toward the care theme objectives, and their potential for transformational impact and scale. Strategic partnerships for this call can focus on global and regional private sector entities, regulators, standard setting bodies, UN agencies, international financial institutions (IFI), donors, bilateral agencies, governments, civil society organizations, business groups, and non-profits engaged in strengthening the ecosystem. Describe how strategic partnerships will galvanize actors around common goals or systemic change.
4. **Blended Finance & Results Based Mechanisms (RBMs):** Describe to what extent Blended Finance will be used and to what extent the Enhanced Blended Finance Principles[[5]](#footnote-6) will be applied to any investment activities utilizing We-Fi funds, to ensure efficient and non-distortionary use of subsidy.Describe any RBMs to be used in both advisory and financing activities and their role in ensuring We-Fi funds deliver maximum development impact, including through:
	1. **Improving outcomes and impact:** using results-based mechanism to incentivize improved project outcomes.
	2. **Catalyzing innovation:** using results-based mechanisms to galvanize innovative solutions and supporting their implementation.
	3. **Surfacing new partners:** using results-based mechanisms to surface new partners and crowding-in new actors.

Where possible, draw from the menu of RBMs (see Annex 3), or clearly describe an alternative mechanism.

1. **Sustainability, Quality, and Safeguards:** Indicate what measures will be taken to assure the sustainability of the proposed programs beyond We-Fi funding. Is it anticipated that the impact of the program will continue beyond the implementation of the activities directly funded by We-Fi? Are there opportunities to scale the program in a sustainable way to reach more beneficiaries? Explain what safeguards are in place for children, the elderly, and other care service recipients, and measures taken ensure decent work for care workers (e.g. ILO 5R framework). Please be sure to also address this as part of the Risk Framework (Annex 3).

# **IMPACT AND LEARNING** (2-3 pages)

1. **Theory of Change, Research, Learning and Knowledge Sharing**: Use We-Fi’s [Theory of Change](https://we-fi.org/theory-of-change) to illustrate how the program/project will contribute to We-Fi objectives and how these activities will result in sustainable impact at both firm and market levels, and the expected outcomes / impact.

1. **Research and Learning Agenda:** Itemize and provide brief descriptions of any research and impact evaluations (rigorous or otherwise) to be undertaken. Descriptions should include how the research would help to build the evidence base, improve the understanding of good practice, the main elements being tested, the research method / design intended, and a timeline for implementation. Priority research questions include but are not limited to:
	* What works in getting more and effective financing to WSMEs in the Care economy and how does it impact firm performance, job creation, and women’s empowerment?
	* How can bundled services (i.e., combining access to finance interventions with business trainings / mentoring / networking etc.) effectively increase Care WSMEs’ firm performance and promote job creation and women’s empowerment?
	* How can digital finance effectively channel credit to women entrepreneurs in the care sector and improve their access to more capital?
	* How can the use of blended finance enable financial intermediaries to deliver more financing on better and/or equal terms to Care WSMEs and how sustainable are these mechanisms?
	* How can legal frameworks support WSMEs participation in the care economy?

Proposals should also explain how the IP will assess impact and collect insights from its program activities, compile lessons learned and disseminate knowledge products. Proposals should include quantitative and qualitative methods to capture the changes in women’s lives as a result of the We-Fi financed program/project.

1. **Results Framework**: IPs will be expected to report annually on program activities and results and semi-annually on sources and uses of funds. Describe how the outputs, outcomes and impact of the proposal will be measured. Proposals should include quantitative and qualitative methods to capture the overall success and impact of the programs/projects.   All applicants should use the We-Fi Results Framework Template set forth in Attachment 2. Each proposal should set targets and measure the following:
2. **Mandatory Indicators:**
	* funds mobilized/Co-financing (indicator 1)
	* number of WSMEs reached (indicator 12)
	* number of jobs (indicator 15A)
	* increase in care service beneficiaries (indicator 16)
	* number of laws or regulations enacted (indicatory 14). Only for proposals with a policy component. [See page 12 for additional guidance].
	* at least one other impact indicator
3. **Core Indicators:** We-Fi Results Framework includes core indicators linked to We-Fi focus areas (e.g. access to finance, access to markets) which should be selected based on the scope and thematic focus of the proposal. Applicants should use as many of the indicators as possible but **must use at least four core indicators in addition to the mandatory indicators.**
4. **Custom Indicators**: A limited number of additional custom indicators may be added if needed for We-Fi reporting purposes. Any custom indicators should specify which We-Fi objective they refer to, as well as if the custom indicators measure outputs, outcomes or impact the impact of the program.

If more than one country is included in the proposal, each country must have its own results targets.

# **KEY RISKS AND MITIGATION MEASURES** (1-2 pages)

The Implementing Partner is responsible for ensuring that activities in this proposal are executed in accordance with the IP’s policies and procedures.

1. **Risks Identified:** Describe and assess risks to achieving the overall program/project development objective(s) and associated activities. A template for the risk framework has been provided in Attachment 3 as a framework to consider these risks.
2. **Proposed Action Plan:** Reflecting your fiduciary and safeguards policies, provide a plan to manage these risks. Describe the mitigation measures and program risk management mechanisms that will be employed.

# **COST AND FINANCING PLAN**

Include a detailed budget with budget notes, and the total amount of IP management fees. Where possible, the budget should be linked to individual activities and expected results. Provide specific budget information for each country or region included in the proposal.  An indicative fee cap of 7% of the We-Fi project or program/project grant amount (i.e. the amount of funding provided from the We-Fi) for IPs will support the cost of preparing project proposals and supervising projects. If you have programmatic or global elements, please explain how they will be budgeted and any implications that should be considered.

|  |  |  |  |
| --- | --- | --- | --- |
| **Budget Categories** |  | **Amount (do not round)**  |  |
| **Investment Activities**  | **Advisory/ Technical Assistance Activities**  | **Grants to WSMEs** | **Total We-Fi Funding Requested** | **Expected Co-Financing**  | **# of WSMEs Reached** | **Countries\*** |
| Component 1  |  |  |  |  |  |  |  |
| Component 2 |  |  |  |  |  |  |  |
| Component 3 |  |  |  |  |  |  |  |
| Component 4 |  |  |  |  |  |  |  |
| **Support activities, Research, M&E** |  |  |  |  |  |  |  |
| **Administrative Fee\*\***  |  |  |  |  |  |
| **Total** |  |  |  |  |  |  |  |
|  | *\* if funding is allocated to more than one country per component please fill out the “Country Allocation Table” below.**\*\* for admin fees, input the amount under the total column.* |

Please fill out the “Country allocation table” below if funding is expected to be allocated to multiple countries per component.

|  |  |
| --- | --- |
| **Country Allocation Table** | **Total Amount (do not round)** |
| Country 1 |  |
| Country 2 |  |
| Country 3 (etc.) |  |
| **Total** |  |

# **ATTACHMENTS**

## **Attachment 1: Care Theme**

The objective of this call is to help women-led businesses that are looking to scale up childcare, eldercare and other care services in their markets. Women entrepreneurs are uniquely positioned to develop innovative care services that can reach scale, create jobs and unlock growth opportunities. Women are both the primary consumers of care services and also represent the vast majority of existing suppliers of these services. They experience the lack of affordable, accessible care solutions first- hand and see the opportunities to address those gaps. Many are already identifying innovative and disruptive technologies, creating new, scalable, market-based solutions, and broadening the range of service offerings available. Yet they face substantial barriers to accessing the capital, networks, and resources needed to scale their businesses.[[6]](#endnote-2)

The care economy has multiple layers. This includes direct care businesses providing childcare, eldercare, and other forms of care. It also includes B2B services used by care providers, such as equipment, catering and administrative services. Recently, a burgeoning area of innovation is digital services, which enable people to find appropriate care services, scheduling and monitoring services, and remote communication. Finally, there are financial products and services for caregivers and users of care services. By addressing existing gaps in the care sector, more women will be able to realize their full potential. An estimated 475 million more formal jobs will be needed to meet global demand in the care economy, most of which will be filled by women.[[7]](#endnote-3) Women’s unpaid care burden also places a damper on small business productivity. [[8]](#endnote-4) Time spent managing household tasks, supervising children, or tending to elderly relatives takes away from time managing and growing a business.[[9]](#endnote-5) Meanwhile, juggling multiple personal and business responsibilities makes it harder to focus on the planning and strategy that could take the business to the next level. It is estimated that women-owned and led small and medium enterprises (WSMEs) with care obligations can result in 48% lower profitability in some situations due to ‘time poverty’ compared to other women-led business without the same care obligations.[[10]](#endnote-6)

We-Fi aims to support women led-businesses to address care sector needs, offer innovative solutions, including digital technologies (e.g. med-tech, ed-tech), and ultimately increase access to other women and WSMEs seeking care services (including eldercare, childcare and other forms of household care). It is important to consider gender stereotypes in paid and unpaid work, however the core focus of activities for this Call need to be on We-Fi’s beneficiary, women entrepreneurs. The Call aims to do so by increasing access to finance, markets, skills and training for women-led businesses in the care economy so they can improve service quality, access procurement contracts, strengthen their business model, create jobs, and contribute to local economic development — including by enabling the growth of other women businesses.

The Scope of the Call is the following:

* **Capacity Building and Acceleration:** Ensuring that care entrepreneurs have the skills and tools needed to develop or improve the quality and financial sustainability of their care business. Addressing innovation gaps to catalyze new innovative business models and reach untapped and under-served markets. Improving quality assurance and ensuring the needed safeguards are in place for children, the elderly, and care workers.
* **Financing:** Unlocking finance and risk capital to help grow and scale women-led care businesses. Financial institutions typically do not target companies in care-related sectors due to higher perceived risk, lower profitability, lack of collateral, and, for early-stage firms, lack of a track record. The absence of early-stage funding also inhibits financing and scaling the innovative business models of the future.
* **Access to Markets:** Addressing care market gaps by working directly with corporate and government counterparts to unlock the power of women entrepreneurs to develop or scale care services and fulfilling market demand, improving access to potential customers, and serving the needs to corporates and governments seeking to provide care services through a private sector approach.
* **Adapting to Country Context - Policy / Research:** We-Fi recognizes that different country contexts will mean that a one size fits all approach will not work, and upstream policy or research work could be needed. Accordingly a portion of the funding, approximately 15% (to be determined by the Governing Committee when allocation decisions are made), can be allocated to working on policies with government entities or for research activities which are identified as being critical to unlocking care sector opportunities for women-led businesses. The priority for this call remains to directly support We-Fi beneficiaries through capacity building, acceleration, financing, and access to markets.

**Definitions:**

**We-Fi’s engagement on the care theme includes and goes beyond childcare, including eldercare and other forms of care in the household, as well as ancillary services.** By advancing solutions that create pathways to growth for women’s care businesses, access to good-quality, affordable care will increase for all women entrepreneurs, regardless of sector. In turn, this will help remove a significant barrier to women’s business growth, redistribute and reduce women’s unpaid care work, and yield long-term social and economic benefits.

In line with We-Fi’s existing beneficiary definition (see Annex 1), the following are considered eligible beneficiaries for this proposal:

* + “**Cooperative of caregivers**” a collective of individual caregivers come together to form a cooperative. Based on previous We-Fi call Rounds, the GC has accepted that women-led cooperatives, producer organizations, aggregators to be considered as WSMEs (i.e. We-Fi beneficiaries). This continues to be the case for this Care Call.
	+ “**Platforms that match the demand and supply of care**” Proposals can include working with female or male-led platforms, however if the platform is a male-led business there needs to be a clear WSME beneficiaries in line with We-Fi’s beneficiary definition. Male-led care platforms where the beneficiary is female labor force participation but not women’s entrepreneurship would not be within scope of the proposal.

**Ensuring a holistic approach, quality and safeguards are in place.** Proposals should demonstrate how they are promoting quality care and reducing safeguarding risks. It is important to ensure children, the elderly and other people cared for are safe and receiving quality services, while encouraging uptake of these services, and managing the institutional risk of investing in care services. In addition, the 5R Framework provides guidance for defining and advancing transformative care policies and decent work for care workers. It offers the means of achieving decent care work by: recognizing, reducing and redistributing unpaid care work; rewarding more and decent work for care workers; and guaranteeing care workers’ representation. **The following are examples of care activities**

*Note, the following examples are not intended to limit the issues or specify a preferred model of engagement within each category. Implementing Partners are expected to design their projects/programs based on their knowledge of the key issues and opportunities for impact*.

**Capacity Building and Acceleration:**

* Training programs to enable WSMEs to deliver quality services, and meet standards, certification, and licensing requirement to qualify for contracts.
* Accelerator programs to help women-led care businesses to scale up their idea, ensure investment readiness, and enable access to access to capital (grants or investment).
* Pitch competitions and other events that connect female care innovators—especially those with scalable time- and labor-saving technologies—with angel investors and venture capitalists.
* Support platforms that connect WSMEs so they can pool resources, purchase in bulk, and achieve other efficiencies: Such efforts benefit WSME care customers, for example by enabling more affordable services, and care-related WSMEs, for example by lowering the cost of equipment and goods.

**Finance:**

* Credit lines, performance incentives, and guarantees to incentivize more on-lending to women’s care businesses by financial institutions, along with technical assistance to improve quality, through instruments such as blended finance.
* Design of new financial and non-financial products and services to meet the specific needs of this segment of women entrepreneurs.
* Mobilizing finance through impact investors, venture capital firms, and angel investors heightened focus on care businesses—with an emphasis on women-owned and-led firms.
* Support the development of digital financial solutions to facilitate financial transactions for care-related WSMEs, including for those with a portable service model, such as businesses with multiple in-home clients.

**Access to Markets:**

* Support efforts that professionalize women’s care businesses so they can improve the quality of offerings, attract and retain customers, and access market opportunities, such as commercial or government contracts.
* Facilitate linkages between WSME care service providers and larger companies: Working companies that offer employer-supported childcare to engage with local WSME providers.
* Franchising models or other strong and bankable business models which can scale and provide quality service multiple customers, with multiple avenues for expansion.

**Adapting to Country Context - Policy / Research:[[11]](#footnote-7)**

* Policy or regulatory reforms to help unlock women-led businesses’ participation in Care sectors.
* Addressing legal and regulatory barriers to support entry and growth of WSMEs in care sectors.
* Rigorous research and market research needed to articulate key barriers and make the business case for investing in women-led businesses in care sectors, evaluating novel approaches, and unlocking care sector opportunities for women-led businesses.
* Note, any proposals which include policy related activities will need to add indicatory 14 (on the enactment of legal and regulatory reforms) as a mandatory indicator. Proposals should also specify the legal or regulatory reforms they aim to enact.

## **Attachment 2: We-Fi Results Framework**



## **Attachment 3: Risk Framework**



# **Annexes**

## **Annex 1: Guidance for Data Sheet**

**Proposal Application Thresholds:** The minimum threshold for a funding request is USD 2.5 million per proposal.

**Geographic Focus:** We-Fi can finance programs or projects in ODA-eligible countries and territories that are eligible to receive funding from the International Bank for Reconstruction and Development (IBRD) and/or the International Development Association (IDA), including through trust funds administered by the World Bank. For a reference of country/territory groups, see Annex 5.

We-Fi has a strategic goal of allocating 50 percent of its resources to activities in IDA countries and/or fragile and conflict affected countries/territories over the lifetime of the We-Fi funds. In non-IDA/FCS countries in particular, proposals should explain why WSMEs are underserved, how they will track results, and be ambitious in targeting those who are often hardest to reach and underserved, either because they are marginalized populations or are in remote, poor, or rural areas.

**Co-funding:** Annex 4 provides guidance on We-Fi’s co-funding principles. Please consult with the Secretariate for additional guidance.

**IP Contribution:** Amount of IP contribution or amount of guarantee provided by IP. If We-Fi funds that are used by the IP to prepare a lending/investment activity that is subsequently financed by an IP’s own resources, then the latter amount be included in the co-funding measure. Such contributions can be reported as co-funding only after the new activities are approved by IPs board. Only the funding allocated for WSME activities can be counted as co-funding.

**Public-Sector Co-funding:** Includes funds from other IFIs, bilateral funds, government institutions. Funds must be allocated specifically to support the We-Fi activity to be counted as co-funding.

**Private Sector Co-funding:** Includes any additional financing catalyzed for WSMEs by private sector partners (e.g. investors, financial institutions, corporates, VC funds). This includes direct funding (e.g. joint investments made by IPs with other private investors), and indirect funding(e.g. additional lending made by banks to WSMEs – only if level of lending to WSMEs goes above the investment received by the bank from the IP/other investors and We-Fi).

**Additional Co-funding:** Parallel funding arrangements from other donors should be captured here.

**Total Non-We-Fi Co- Funding.** Total of IP Contribution, Public Sector, private sector and additional Co-Funding

**Total Activity Size. Total of We-Fi Funding and Non-We-Fi Co-Funding.** This is defined as the total cost for activities, inclusive of all co-funding secured by the IP from their own account, other private, public sources or donors. If the We-Fi funding is associated with a broader program/project where only certain components are focused on the objectives of this funding call, then only the costs for the relevant components should be included here as co-funding.

**Co-Funding Ratio:** Total of Non-We-Fi Co-Funding over Total We-Fi Funding

**Beneficiaries:** The following definitions of women-owned and women-led SME beneficiaries (WSMES) should be used keeping in mind We-Fi’s focus on SMEs that have the potential to grow and employ others.

Definition of Women-Owned/Women-Led Firm

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

Definition of Small and Medium Enterprise

* + **For finance projects:** the IFC definition should be used as-is, including the loan (financing) proxy[[12]](#footnote-8)
* **For non-finance projects:** the IPs may choose a proxy indicator from the following:
* **Financing**: Financing between $5,000 and $1 million ($2 m in selected large economies)
* **Employees**: Between 5 and 300 employees
* **Sales**: Sales between $50,000 and $15 million
* **Assets**: Assets between $50,0001 and $15 million

**Exceptions to Definitions:** Additionally, if any exceptions to the above definitions are required, IPs should include a request for the exception in their We-Fi funding proposal. Please refer to the Clarification on the Definitions for Women-Owned/Led SMEs note provided by the Secretariat.

## **Annex 2: Criteria for Scoring the Project Proposal**

These are the criteria that will be used in assessing and scoring each funding request proposal.

|  |  |
| --- | --- |
| **Criteria:**  | **Score**  |
| **Design & Implementation Arrangements** | **25** |
| **Co-Funding** | **20** |
| **Results Based Mechanisms & Blended Finance** | **15** |
| **Strategic Partnerships** | **10** |
| **Geographic Focus** | **10** |
| **Sustainability, Quality and Safeguards** | **10** |
| **ToC and Results Framework**  | **5** |
| **Risk Management**  | **5** |

**Design and Implementation Arrangements (25)** A strong proposal will provide the rationale for the program/project, the justification of using We-Fi funding, and a clear explanation of how the funds requested will be utilized. Strong proposals will clearly articulate a theory of change, demonstrating how the program/project will contribute to We-Fi objectives and how these activities will lead to anticipated sustainable development impact at both firm and market levels. Proposals must include how activities will reach women-owned/led SMEs, including whether a pipeline exists or needs to be developed. Proposals should explain how research and rigorous impact evaluations activities build the evidence base, improve understanding of good practice, or test new approaches that support women’s entrepreneurship. Strong proposals will include and demonstrate how We-Fi funding is directly used to catalyze financing mechanisms that will reach Care WSMEs and increase their access to finance. Proposals must briefly specify the barriers and challenges that women-owned/led SMEs face in the context which the project will address.

Proposals will also be scored on the extent to which the proposed monetary budget demonstrates value (economy, efficiency, and effectiveness). Strong proposals will have program/project budgets that are geared toward achieving the maximum impact for beneficiaries. The funding requests set forth in proposals must be realistic and explain the basis for the amount of funding requested.

Proposals must describe how, and by whom, the components, subcomponents and related activities of the program/project will be implemented and achieve program development objects. A strong proposal will employ evidence-based approaches and demonstrate the ability to scale effective approaches.  The proposal should indicate how this program/project is innovative, and how it builds on lessons learned from best practices for starting and growing women-owned/led Care SMEs. It should also demonstrate how the program/project activities build on already existing activities or complement other initiatives. Proposals are encouraged to invest in developing and testing innovative products and services that can be scaled if successful.

**Co-funding: (20 points)** Proposals will be evaluated on the extent to which they unlock additional financing for women entrepreneurs, including IP resources, investments from the public and private sectors, and other funding from bilateral donors and agencies. Proposals that have an ambitious plan for commercial funding from private sector financial entities and/or crowding in public funds from government, IFIs, bilateral donors, or others for women entrepreneurs will receive a higher score. Partnerships with foundations or other entities which mobilize contributions in the form of parallel co-financing to provide direct support to a We-Fi Implementing Partner or Partners for a program of We-Fi activities, or to an entity serving as a downstream implementer in support of We-Fi funded activities are also encouraged.

**Enhanced Blended Finance & Results Based Mechanisms: Demonstrating effective use of results-based mechanisms, grants funds/blended finance (15)**

Proposals using blended finance, should affirm that they are using the Development Finance Institutions Enhanced Blended Finance Principles[[13]](#footnote-9) and how they are being used to effectively improving results. Proposals must demonstrate effective use of results-based mechanisms, (e.g. impact bonds, pay for success contracts, outcome based pricing, challenge funds etc.), with the aim to maximize development impact, catalyzing innovation, and surfacing new partners. Proposals will be evaluated on the following: use of innovative instruments to; improve outcomes, encourage innovation, crowd-in funding/resources, surface new or strategic partners, crowd-in new actors, access hard to reach beneficiaries, change behaviors, promote sustainability, etc. Additional information on examples of Results Based Mechanism can be found in Annex 3.

**Strategic Partnerships (10)** Partnerships are critical to the success of a We-Fi proposal.  We-Fi proposals must reflect partnerships with organizations with a strong track record in the care space including global and regional private sector entities, financial institutions, standard setters, and non-profits, and can also include, UN agencies, international financial institutions (IFI), Donors, bilateral agencies, civil society organizations, and business groups. Strategic partnerships which can galvanize actors around common goals and systemic change are highly encouraged. Strategic partnerships which demonstrate potential to be transformational or scale impact will receive higher scores. Well designed and formed partnerships (i.e. joint venture, grants, contractual, cooperation agreement etc.), with clear mandates and objectives, as well as partnerships which strategically allocate material amounts of We-Fi resources among partners, will receive higher scores. While strategic partnerships do not have to be fully finalized at the time of proposal submission, evidence of their level of maturity/readiness will be factored into the scoring.

**Geographic Coverage: Reaching IDA-eligible countries, fragile and conflict-affected countries/territories, and/or underserved women entrepreneurs in middle-income countries (10)**

We-Fi has a strategic goal of allocating 50% of its resources to activities in IDA countries, including blend] and/or fragile and conflict-affected states over the lifetime of the We-Fi funds (The Governing Committee will not allocate funds that drop the portfolio below 50%). Proposals that support women entrepreneurs in Forcibly Displaced Person (FDP)[[14]](#footnote-10) communities are encouraged. In non-IDA/FCS countries, proposals should be particularly ambitious in targeting thosewho are often hardest to reach and underserved, either because they are marginalized populations or in remote, poor, or rural areas. Proposals with a strong focus on low-income and/or fragile countries and/or underserved women entrepreneurs in middle-income countries will receive a higher score. For those proposals targeting Africa, special consideration will be given to those with activities in G20 Compact Countries.[[15]](#footnote-11)

**Sustainability, Quality, and Safeguards (10)** Proposals will be scored on the extent to which their activities are likely to have a lasting, sustainable impact on WSMEs and the intermediaries engaging with them. It is important to demonstrate how the impact of the program will continue beyond the implementation of the activities directly funded by We-Fi. Scalability of proposed activities that can reach more beneficiaries or have meaningful demonstration effects. Proposals should demonstrate how they are promoting quality care and reducing safeguarding risks. It is important to explain how children, the elderly and other people cared for are safe and receiving quality services, and how the proposal will enable decent work for care workers.

**Theory of Change and Results framework (5):** Proposals must have clearly defined theory of change and expected results.  Proposals will be scored to the extent they include a robust results framework. The results framework includes several types of measurements. First, high-level, aggregate indicators:  1) the total number of women-owned/led SMEs financed by We-Fi programs and 2) the total amount of private sector financing mobilized/co-finance. Results at the level of objectives, outcomes, and outputs. Proposals are required to describe the mechanism that will be used to monitor and evaluate We-Fi financed activities. Strong proposals will have a comprehensive plan for gathering and sharing data and building capacity in areas where data gaps exist.

**Risk Management (5)** The proposal will be scored on the extent to which there is a clear identification of risks in the risk framework (See Attachment 3) and a rigorous plan for risk management, including fiduciary and safeguards policies.  IPs must ensure that activities are executed in accordance with the IP’s policies and procedures. These policies include but are not limited to its procurement, financial management, disbursement and fiduciary and safeguard policies, its framework to prevent and combat fraud and corruption, and its screening procedures to prevent the use of funds to finance terrorist activities. Proposals should specify a strong risk management approach, especially for promoting labor standards and acceptable working conditions. Proposals should also confirm that activities being financed are not on their institution’s exclusion or prohibition list.[[16]](#footnote-12)

## **Annex 3: Results Based Mechanisms**

*Example of Results Based Mechanisms:*

* **Impact Bonds:** which provide up-front financing in the form of loans from investors to service providers, or special purpose vehicles, with the promise of repayment plus interest by outcome funders conditional on results being achieved. The management of an impact bond is outsourced to an expert bond program manager.
* **Social Success Notes (SSN):** a variation of an impact bond, but instead of requiring the outcome funder to repay the investor for the loan provided, in a SSN, the repayment is split between the outcome funder and the borrower, promote sustainability, etc.
* **Pay for Success Contract (Grant or Loan):** Bilateral agreements between a payor and service providers. Under the arrangement, service providers receive some funding from the payor to operate the project or program, and receive reimbursement for costs and/or additional performance payments if they achieve agreed-upon outcomes.
* **Outcome-based Pricing:** Bilateral agreements between a investor and service providers. Under the arrangement, service providers receive working capital from the investor to implement a project, and depending on performance the pricing of interest rate for repayments will be lower or higher depending agreed upon outcomes being achieved.
* **Social Impact Incentives (SIINC):** Funding instrument that rewards high-impact enterprises with premium payments for achieving social impact. The additional revenues enable the enterprises to improve profitability and attract investment to scale.
* **Challenge Funds:** Funds that galvanize people outside the funding organization to develop innovative solutions to development challenges. The funding organization awards the prize funds to the organization(s) with the best solution that achieves desired outcomes, and helps surface new types of partnerships.
* **Awards and Prizes:** Competitions which help surface existing solutions, partners, and ideas which help support innovation and implementation.
* **Auctions:** Funders commit to funding upfront, provide initial funding to implementing partners to get started/pilot and then award full-funding or share of funding via auction to most competitive bidder based on outcomes achieved and cost efficiency.

## **Annex 4: We-Fi Principles Guiding Co-Funding Calculations**

The objective of We-Fi is to address financial and non-financial constraints faced by women-owned/led small and medium enterprises (SMEs) in IDA and IBRD eligible countries/territories that are ODA-eligible. We-Fi aims to achieve this by catalyzing co-funding from commercial and international financial institutions for entities ***that provide women entrepreneurs with access to debt, equity, venture capital, insurance products, capacity building, networks and mentors, and opportunities to link with domestic and global markets, and for governments to improve the business environment for women-owned/led SMEs.***

The key principles that will guide the use of We-Fi contributions by IPs for programs/projects draw on the **October 2017 Report by the Development Finance Institutions (DFI) Working Group on Blended Concessional Finance for Private Sector Projects**[[17]](#footnote-13)**,** which presents an approach to the effective use of blended concessional finance for private sector projects. These principles, which aim to maximize development impact, are as follows:

1. **Additionality and Rationale for Blended Concessional Finance:** Contribution that is beyond what is available, otherwise absent from the market, based clearly on the economic rationale for using concessionality.
2. **Crowding-in and Minimum Concessionality:** Contribute to catalyzing market development and private sector resources, with concessionality not greater than necessary to make the project happen.
3. **Commercial Sustainability:** Impact achieved by each operation should aim to be sustainable and also contribute towards commercial viability in the sector overtime.
4. **Reinforcing Markets:** Addresses market failures effectively and efficiently minimizes the risk of market distortion or crowding out private finance.
5. **Promoting High Standards:** Promote adherence to high standards, including in areas of governance, environmental impact, integrity, transparency, and disclosure.

In the context of each program/project that is supported by We-Fi contributions to the concerned IP, co-funding may be defined as follows:

**For lending/investment activities:** the amount of own account financing from the IP that is co-funding for the activity (or, in the case of risk sharing facilities, the amount of the guarantee from the IP) alongside the We-Fi contribution as well as any commercial financing (either from the client/sponsor, other investors or financiers in the project) by the IP to ***support the same activity targeted at women-owned/led SMEs will be included in the co-funding measure.*** If We-Fi funding is used for a lending/investment activity that is associated with a broader program, where only certain components are focused on the same objective as We-Fi funding, then the portion of the IP’s own contributions for those components and from commercial financing for those same components would be counted as part of the co-funding measure.

**For advisory/technical assistance activities**: the amount of own account financing from the IP that is mobilized for the activity alongside the We-Fi contribution as well as any contributions from the client, including in-kind contributions, will be counted in the co-funding measure. Further, if We-Fi funds are used to prepare an IP’s lending/investment activities that are subsequently financed by an IP’s own resources then the latter amount may be included in the co-funding measure once the lending/investment activity has been approved by the IP’s own Board.

Concessional resources mobilized by IPs from other donors to support We-Fi funded activities will not be counted co-funding.

## **Annex 5: Countries/Territories Eligible for We-Fi funding**

We-Fi can finance programs in ODA-eligible countries[[18]](#footnote-14) and territories that are eligible to receive funding from the International Bank for Reconstruction and Development (IBRD)[[19]](#footnote-15). We-Fi has a strategic goal of allocating 50 percent of its resources to activities in International Development Association (IDA) countries[[20]](#footnote-16) and/or Fragile and Conflict Affected Situations (FCS). This note is to clarify which countries counted toward the We-Fi IDA/FCS funding allocation and how that allocation is assessed.

**International Development Association (IDA) countries:** A country’s eligibility for IDA support depends first and foremost on a country’s relative poverty, defined as GNI per capita below an established threshold and updated annually ($1,175 in fiscal year 2020). There are 74 IDA eligible countries, of which 59 are considered IDA[[21]](#footnote-17). Another 15 countries are IDA-eligible based on per capita income levels, but they are also creditworthy for some IBRD borrowing. They are referred to as “blend” countries. In addition to pure IDA and IDA Blend countries, there are other categories such as IDA Transition countries and Countries Borrowing on Small Economy Terms. For We-Fi's calculation and categorization of the IDA portion of the IDA/FCS portfolio allocation, **we will include activities implemented in IDA and IDA-blend countries, and countries borrowing on small economy terms, but will not include IDA Transition**. *Please see below for the list of IDA countries.*

**Fragile and Conflict Affected Situations (FCS):** The World Bank Group’s annually releases the Harmonized List of Fragile Situations to indicate the countries affected by violence and instability. Most but not all, countries included in the Fragile and Conflict Affected Situations (FCS) are IDA and -blend countries. In addition, West Bank & Gaza, Iraq, Lebanon, and Libya are considered FCS. For We-Fi's calculation and categorization of the FCS portion of the IDA/FCS portfolio allocation, **we will include *We-Fi projects implemented in all Countries on the Harmonized List.*** *Please see below the full list of FCS countries.*

**Global or Non-Geographic Activities:** We-Fi funding earmarked by IPs for non-client facing activities (e.g. fees, global research etc.) will be allocated on a pro rata basis to IDA/FCS based on the IP’s portfolio division for country specific programs.

**Forcibly Displaced Persons:** Projects focused on supporting women entrepreneurs in forcibly displaced communities will also be considered part of the geographic focus of We-Fi alongside IDA and FCS. FDP projects will still be required to be in ODA/IBRD countries, but not necessarily in IDA/FCS.

**Changes to the IDA / FCS list:** Note that IDA and FCS eligibility are assessed periodically, and countries may be added or taken off the lists. We-Fi will consider eligibility at the time of We-Fi's funding allocation decision to the IP, such that if a country falls off one of the lists they will still be included in that category if they were included at the time of allocation. If a country is added to one of the lists, activities in that country will be counted as eligible for IDA/FCS categorization thereafter.

**Application of the 50% rule:** The 50% rule is applicable to the overall We-Fi portfolio. Therefore, it will be strictly enforced when making allocation decisions, such that at any allocation decision point the projected overall We-Fi portfolio will included no less than 50% of funding going towards IDA/FCS countries (we are currently at 63%). With that understanding, geographic diversity is ***also*** part of the scoring mechanism, and the Technical Expert Panel and the Governing Committee will continue to consider geographic balance and inclusion above and beyond the 50% in their funding decisions.

**IDA Borrowing Countries as of Oct 18, 2024:**

**FY25 List of Fragile and Conflict-affected Situations:**

Source:

<https://thedocs.worldbank.org/en/doc/b3c737c4687db176ec98f5c434d0de91-0090082024/original/FCSListFY25.pdf>

78 countries are currently eligible to receive IDA resources.

Source: <https://ida.worldbank.org/en/about/borrowing-countries#4>

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1. This document utilizes the term ‘co-funding’ in lieu of the term “leverage” as used in We-Fi’s Governance Framework. [↑](#footnote-ref-2)
2. See Annex 1 for definitions and guidance on this table [↑](#footnote-ref-3)
3. *Inter alia,* parallel funding arrangements should be captured here. [↑](#footnote-ref-4)
4. See: Report by the Development Finance Institutions (DFI) Working Group on Blended Concessional Finance for Private Sector Project, Update December 2020. http://documents1.worldbank.org/curated/en/221851613400323474/pdf/Joint-Report-2020.pdf [↑](#footnote-ref-5)
5. See: Report by the Development Finance Institutions (DFI) Working Group on Blended Concessional Finance for Private Sector Project, Update December 2020. http://documents1.worldbank.org/curated/en/221851613400323474/pdf/Joint-Report-2020.pdf [↑](#footnote-ref-6)
6. IFC. 2014.“[Women-Owned SMEs: A Business Opportunity for Financial Institutions."](https://www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aa0f485069a1/WomenOwnedSMes%2BReport-Final.pdf?MOD=AJPERES&CVID=kiiZZDZ) World Bank Group, Washington, DC. [↑](#endnote-ref-2)
7. https://www.cgdev.org/publication/global-roadmap-action-care-economy [↑](#endnote-ref-3)
8. World Bank Group. 2019. “[Profiting from Parity : Unlocking the Potential of Women's Business in Africa](https://openknowledge.worldbank.org/handle/10986/31421).” [↑](#endnote-ref-4)
9. Delecourt, Solène and Anne Fitzpatrick. 2021. “[Childcare Matters: Female Business Owners and the Baby-Profit Gap](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3830932).” Management Science (forthcoming). [↑](#endnote-ref-5)
10. https://www.ifc.org/en/what-we-do/sector-expertise/gender/inclusive-employment-and-leadership/care2equal and https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3830932 [↑](#endnote-ref-6)
11. As noted earlier a portion of the funding, approximately 15% (to be determined by the Governing Committee when allocation decisions are made), can be allocated to working on policies with government entities or for research activities which are identified as being critical to unlocking care sector opportunities for women-led businesses. [↑](#footnote-ref-7)
12. **Definition of SME / VSE:** The IFC SME and VSE definitions are as follows:

**For SMEs**: two of the following three for shall apply:

Employees: SME Between 10 and 300 employees

Sales: Sales between $100,000 and $15 million

Assets: Assets between $100,000 and $15 million

or

Loan size Proxy: In lieu of the above, a loan size proxy definition can also be used, when loans of between $10,000 and $1 million are provided ($2 million in the case of [selected large economies](https://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/financial%2Binstitutions/priorities/ifcs%2Bdefinitions%2Bof%2Btargeted%2Bsectors))

**For Very Small Enterprises (VSEs)**: firms with 5-10 employees or firms receiving loans between $5,000 and $10,000. [↑](#footnote-ref-8)
13. See: Report by the Development Finance Institutions (DFI) Working Group on Blended Concessional Finance for Private Sector Project, Update December 2020. http://documents1.worldbank.org/curated/en/221851613400323474/pdf/Joint-Report-2020.pdf [↑](#footnote-ref-9)
14. The forced movement of people from their locality or environment and occupational activities due to conflict, persecution, violence, or human rights violations. This could include refugees, asylum seekers, and internally displaced persons. The definition used for Forcibly Displace Persons should be included as part of the proposal. [↑](#footnote-ref-10)
15. More information is available on the G20 Compact with Africa at the following link: <https://www.compactwithafrica.org/content/compactwithafrica/home.html> [↑](#footnote-ref-11)
16. If the IP does not have an exclusion or prohibition list, IPs should follow the IFC’s Exclusion List: http://www.ifc.org/wps/wcm/connect/topics\_ext\_content/ifc\_external\_corporate\_site/sustainability-at-ifc/company-resources/ifcexclusionlist [↑](#footnote-ref-12)
17. Please refer to: http://www.ifc.org/wps/wcm/connect/30635fde-1c38-42af-97b9-2304e962fc85/DFI+Blended+Concessional+Finance+for+Private+Sector+Operations\_Summary+R....pdf?MOD=AJPERES [↑](#footnote-ref-13)
18. <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC_List_ODA_Recipients2018to2020_flows_En.pdf> [↑](#footnote-ref-14)
19. <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>

The following IBRD/IDA countries are not ODA recipients: Bulgaria, Chile, Croatia, Poland, Romania, Russia, Seychelles, St. Kitts and Nevis, Trinidad and Tobago, Uruguay. Note that this list may change periodically. [↑](#footnote-ref-15)
20. The International Development Association (IDA) is an Institution of the World Bank Group dedicated to helping the world’s poorest countries. Overseen by 173 shareholder nations, IDA aims to reduce poverty by providing loans and grants for programs that boost economic growth, reduce inequality, and improving living conditions. [↑](#footnote-ref-16)
21. Bolivia, Sri Lanka, and Vietnam graduated from IDA at the end of FY17. These countries continue to receive transitional support on an exceptional basis through the IDA18 period (FY18-20) from We-Fi. [↑](#footnote-ref-17)