

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

**THEMATIC FUNDING REQUEST  
ON A PROPOSED FINANCING  
IN THE AMOUNT OF USD 9,500,000  
TO THE**

EUROPEAN BANK OF RECONSTRUCTION AND DEVELOPMENT

FOR

**WE.Care**

Countries where EBRD invests in Central Asia, Southern & Eastern Mediterranean, Eastern Europe and the Caucasus, and Sub-Saharan Africa

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## I. WE-FI THEMATIC REQUEST – DATA SHEET

### BASIC INFORMATION

IP Name	European Bank for Reconstruction and Development
Program/Project Name:	WE Care (the “Pilot”)
Region(s)	Central Asia will be the priority region but all countries where EBRD invests will be considered.
# of partners engaged	At least 5 Participating Financial Institutions At least 1,000 WSMEs in Care At least five public sector institutions
Private Sector, Public Sector or Both	Both
Implementation Start Date	01/03/2026
Commitment End Date	30/06/2031
Supervision End Date	30/06/2033
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**WE-FI FUNDING REQUEST**

<b>USD</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7<sup>1</sup></b>	<b>Total</b>
Investment Activities		\$ 427,500	\$ 427,500	\$ 570,000	\$ 570,000	\$ 570,000	\$285,000	\$ 2,850,000
Advisory / Technical Assistance / Policy / Ecosystem building	\$ -	\$ 811,500	\$ 811,500	\$1,082,000	\$ 1,082,000	\$ 1,082,000	\$541,000	\$ 5,410,000
Coordination								
Research & M&E	\$ 145,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$145,000	\$ 285,000
Visibility	\$ 35,000	\$40,000	\$40,000	\$40,000	\$ 42,500	\$ 42,500	\$ 45,000	\$ 290,000
Administrative Fee	\$ 665,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 665,000
<b>Total We-Fi Financing Requested</b>	<b>\$ 845,000</b>	<b>\$1,279,000</b>	<b>\$1,279,000</b>	<b>\$1,692,000</b>	<b>\$ 1,694,500</b>	<b>\$ 1,694,500</b>	<b>\$ 1,016,000</b>	<b>\$ 9,500,000</b>

**TOTAL PROGRAM COST & CO-FUNDING:**

<b>Sources of Financing</b>	<b>Amount (do not round)</b>
We-Fi financing requested (A)	9,500,000.00
IP Contribution [1] (B)	40,000,000.00
Public-sector co-funding [2] (C)	-
Private sector co-funding [3] (D)	4,288,960.00 <sup>2</sup>
Additional co-funding [specify] (E)	4,000,000.00 <sup>3</sup>
<b>Total Non-We-Fi Funding (F)= (B+C+D+E)</b>	<b>48,288,960.00</b>
<b>Total Activity Size (G)= (F+A)</b>	<b>57,788,960.00</b>
Of which % IDA and % FCS (IDA+FCS / G)	<b>40%</b> <b>25%</b>
Co-Funding ratio (F/A)	5.1

<sup>1</sup> Seven years is the usual EBRD program length. This takes into consideration the time taken to develop, negotiate and sign transactions with PFIs, complete the process of on-lending the funds and complete repayment of the loan. This timeline can be impacted by demand from PFIs. EBRD is aware that care economy is a niche segment so will require additional effort to identify eligible clients. Implementation of policy initiatives is also a slower process and may take several years from discussion to development to formal enactment of the legal or regulatory reforms.

<sup>2</sup> Partner banks' co-financing, provided alongside IP Contribution (EBRD investment) plus client cost-sharing on technical assistance

<sup>3</sup> EFSD+ guarantees, where required.

# WE.Care

## WE-FI FUNDING PROPOSAL

### II. PROGRAM/PROJECT DESCRIPTION

#### A. Objective Statement:

The overall objective of this pilot programme (hereinafter referred to as the “Pilot”) is to build the buy-in and capacity of financial institutions, SME care providers and other ecosystem players to increase access to finance to women-led small and medium-sized enterprises (“WSMEs”) in the care economy. We-Fi funding will be blended with EBRD financing to increase access to finance, provide capacity building and develop an enabling environment. Using the blended resources of EBRD and We-Fi, the Pilot seeks to increase the supply and quality of women-led businesses in the care economy and thereby improve care provision across society. Care responsibilities are a key determinant of women’s low participation in the labour force and therefore a major contributing factor to gender gaps in employment. Overall, 75% of unpaid care is globally performed by women, making it one of the main barriers to women’s labour force participation. The absence of care solutions and care-related support services inhibit women’s economic empowerment and subsequently jeopardise progress towards equity and inclusion.

Since 2014, the European Bank for Reconstruction and Development (“EBRD” or the “Bank”) has developed targeted, multi-faceted solutions to address the gender gap in access to finance, markets and business networks for WSMEs across its the countries where it invests. To do this, the Bank implemented its flagship Women in Business Programme (“WiB”), which combines access to finance with financial incentives and capacity building for financial institutions and WSMEs. In addition, the Bank has been implementing the We-Finance Code across 13 countries to create systemic change in access to finance for WSMEs and improve national level sex-disaggregated SME data (“SDD”).

The Pilot offers a valuable opportunity to build on existing foundations by deploying financial and non-financial solutions that address barriers to financial inclusion and support WSMEs in the care economy. EBRD’s objectives are threefold: (i) to mobilise financial institutions to scale financing for care-focused WSMEs by improving their understanding of care business models and promoting their entry into this segment at scale; (ii) to strengthen the bankability, competitiveness, and growth potential of WSME care businesses through targeted capacity building; and (iii) to catalyse regulatory and policy changes, foster coalitions, and promote demand for care services.

Moreover, the Pilot will leverage EBRD’s strong relationships across the public and private sectors and introduce a regional peer learning model to share best practices between countries –

ultimately helping less advanced markets accelerate progress by applying insights from more developed ones.

## **B. Program Design and Key Activities**

The EBRD’s programme design will include four components that address the gaps in access to finance, bankability of WSMEs in the care economy and ecosystem challenges. All components will be implemented in parallel. They include:

### **Component 1: Access to finance for WSMEs in the care economy**

The program promotes equality of opportunity by addressing the key barriers that limit WSMEs in the care sector from accessing finance and growing their businesses. Through improved access to tailored financial products, capacity building, and skills development, the program directly enables women entrepreneurs to expand and formalize their enterprises, create jobs, and increase the availability of quality care services.

**Sub-component 1.1: Dedicated financing for WSMEs in the care economy (USD 40 million – EBRD)** through loans or established portfolio risk-sharing (“PRS”) product structure financing to Partner Financial Institutions (“PFIs”)<sup>4</sup> for an aggregate amount of up to USD 40 million.

The EBRD maintains strong relationships with its PFIs across the regions where the Bank invests and has worked with them to deliver various credit lines spanning several product categories and themes (e.g. Green, Digital, and Inclusion). The expectation is that the majority of finance deployed under the Pilot will be delivered as a sub-component of the EBRD’s longstanding and established Women in Business (WiB) programme, wherein the EBRD lends to PFIs for the purposes of their on-lending to WSMEs – often complemented with various instruments (financial and non-financial) to de-risk and facilitate their lending and outreach to WSMEs). EBRD’s WiB programme has mobilised over EUR 1.4 billion in finance over the last decade, supporting more than 250,000 women entrepreneurs across 23 countries.

To broaden its reach to WSMEs in the care economy, the EBRD may embed dedicated financing for this segment within other SME credit facilities where a clearly identifiable care economy segment can be supported and where there is PFI demand.

### **Sub-component 1.2: Outcome based incentives to PFIs, Risk sharing (First loss risk cover) (USD 2.85 million – We-Fi)**

In order to de-risk the entry of PFIs at scale into the care sector and motivate their lending to this segment, EBRD credit lines under the Pilot will feature a suite of concessional instruments. These include a combination of Results-Based Compensation (RBC) for PFIs and risk sharing through

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<sup>4</sup> Encompass private or state-owned banks, microfinance institutions, non-bank financial institutions (including fintechs), and leasing companies, among other providers of finance in EBRD COOs.

First Loss Risk Cover (FLRC), funded either by the EU EFSD+ programme<sup>5</sup> or, in countries where EFSD+ is not available, by We-Fi.

A total of EUR 2.93 million is requested to be allocated for this component. The final structure of each transaction under the Programme - including the combination and type of We-Fi funded instruments - will be determined based on the specific country and market conditions / circumstances, as well as the PFI's institutional capacity and risk profile. It is expected that some combination of the following may be explored:

- **Outcome-based incentives in the form of Results-Based Compensation (“RBC”)**: will be provided subject to achievement by the PFI of the pre-agreed set of criteria using a mix of quantitative and qualitative milestones that directly benefit end-beneficiaries (WSMEs in the care economy), thereby promoting real engagement with the objectives of the Programme. RBC milestones will be calibrated to the maturity of the PFI's lending to the segment. The RBC milestones are designed to drive incremental and sustainable change within the PFI. These include:
  - i. number and total volume of sub-loans extended to WSMEs in the care economy as well as an increased share of these businesses in the PFI's portfolio;
  - ii. building a pipeline of care economy clients, with at least one dedicated staff member responsible for supporting WSME clients in the care economy;
  - iii. institutional capacity enhancements such as gender disaggregation of the lending portfolio;
  - iv. on-lending of EBRD loan proceeds with an agreed PFIs' co-financing multiplier.
- **First Loss Risk Cover (“FLRC”)**, which will support higher-risk lending to care-focused WSMEs by incentivising PFIs to offer tailored loan conditions—such as flexible collateral, longer maturities, and regional outreach—to overcome access barriers. Data from each PFI sub-loan will inform better underwriting and product design, reducing reliance on this type of risk enhancement instrument over time. Upon FLRC expiry, any unused funds may be reallocated to TA, to RBC (see below) or other grant instruments to incentivise PFIs to expand their lending to this segment. Updates on any re-allocations will be shared with the We-Fi Secretariat during regular reporting cycles.

### **Subcomponent 1.3: Capacity Building for Partner Financial Institutions (PFIs) (We-Fi: USD 2.17 million)**

As part of the broader effort to expand access to finance for WSMEs in the care economy, EBRD will launch a targeted capacity-building programme with PFIs (TA). To ensure the Pilot is delivered to a high standard – and in recognition of the expected intensity of engagement and sensitivity involved in implementing a programme in the care sector, EBRD will ensure any project team includes a dedicated Care Expert with extensive experience in the care sector who will bring specialised knowledge and insights to the Pilot. Delivery will be ensured either through hiring a new consultant team or, where appropriate, by amending the terms of reference of existing WiB

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<sup>5</sup> European Fund for Sustainable Development Plus (EFSD+), provides guarantees and blended finance to support, among other goals, sustainable development and inclusive growth in EU partner countries.

Programme consultants to explicitly integrate a care focus. The Care Expert will also be available to support policy and ecosystem building work (see Component 3 below), ensuring that it remains connected with and impactful to the new technical assistance programmes with PFIs and WSMEs in the care economy, as well as the financing components of the Pilot.

The Programme will begin with a “care” businesses baseline assessment for each PFI to identify current capabilities and gaps. The consultant will proactively develop a pipeline of PFIs in the care segment, identifying and engaging financial institutions that demonstrate interest and potential to grow their lending to care economy businesses.

The TA will also support the design and roll-out of care-specific financial products- such as specialised working capital loans, equipment finance, and longer-tenor facilities- tailored to the operational realities of care businesses. It will also include advisory support to strengthen internal understanding of the care segment, including its business models, risk profiles, and repayment behaviours. PFIs will receive training for credit and relationship officers, alongside technical inputs to refine risk assessment methodologies, create tailored marketing channels, and improve their capacity to engage in outreach to women-led businesses operating in childcare, eldercare, and related services. Throughout the programme, the consultant will provide ongoing project implementation support to ensure effective delivery of TA activities, monitor progress against key performance indicators, and facilitate knowledge sharing among participating PFIs.

The consultant will support EBRD in administering the RBC mechanism, with a particular focus on verifying milestones achievements. To further strengthen due diligence and reduce risk for lenders, the consultant may also assist with the verification of WSMEs in the care economy against relevant eligibility and quality criteria if appropriate. This may include reviewing business documentation, confirming operational status, and checking for alignment with national or sector-specific certification frameworks where applicable. Where certification or quality assurance mechanisms are still being developed, the consultant may coordinate with local authorities and industry bodies to apply interim standards or conduct basic assessments. This additional layer of support will help financial institutions lend with greater confidence while ensuring that financed businesses meet baseline service quality expectations.

### **Component 2: Capacity Building for WSMEs in the Care Economy (We-Fi: USD 2.1 million)**

Through its Advice for Small Businesses (ASB) programme across the countries where it invests, EBRD will deliver a comprehensive suite of non-financial services (NFS) to WSMEs operating in the care economy. These services will include tailored advisory support, entrepreneurial training, mentoring, networking opportunities, and other knowledge products. Leveraging its extensive network of local consultants as well as relevant local stakeholders such as women’s business associations, care provider networks, cooperatives, and local chambers of commerce, are well-positioned to identify the businesses in this segment and their specific needs to deliver high-impact interventions that foster business growth and enhance their bankability, ultimately creating a robust pipeline of potential clients for partner financial institutions.

NFS activities will be closely aligned with each PFI to complement their outreach to WSMEs in the care economy – thereby advancing the Pilot’s financial inclusion aims while equipping the target group with the skills, knowledge, and networks needed to scale and mature. This mode of collaboration will enhance PFIs’ ability to engage meaningfully with WSMEs in the care economy, support their growth trajectories and progress toward bankability, and help them become long-term clients, capable borrowers, and competitive businesses that are better positioned to secure finance and investment. Recognising the distinct and often resource-intensive needs of these enterprises, the Pilot will prioritise high-touch support mechanisms, which will include bespoke advisory services on key business topics, targeted training in financial management and other relevant areas, and entrepreneurial skills development. Mentoring and networking will also play a central role in cultivating role models, promoting peer learning, and unlocking new business opportunities for sustainable growth.

**The EBRD has considerable experience in supporting WSMEs in the care sector through tailored advisory services, particularly across Central Asia and Mongolia:**

- **Kyrgyz Republic – Solar Energy for Education:** In remote Batken region, EBRD supported an educational centre install an 11.2 kW solar panel system, reducing electricity costs by 60% and ensuring uninterrupted services for children aged 6–10.
- **Kazakhstan – Green Rehabilitation Centre:** EBRD supported the design of an inclusive, energy-efficient facility for children with autism and musculoskeletal disorders, integrating solar hot water systems, smart temperature control and waste separation.
- **Uzbekistan – Digitalisation in Preschool:** A growing preschool received EBRD advisory support to develop an automated management system, improving operational efficiency, communication and service quality for families and staff.
- **Kyrgyz Republic – Hydro-Rehabilitation Centre:** A women-led enterprise launched a hydro-rehabilitation centre for children with disabilities, with EBRD assistance in architectural planning. The project tripled productivity and increased turnover fivefold.
- **Mongolia – Quality & HR Systems for Kindergarten:** EBRD helped a kindergarten in Ulaanbaatar implement ISO-aligned quality management and HR systems, boosting efficiency, staff engagement and service consistency.
- **Kyrgyz Republic – Mentorship for Women Entrepreneurs:** Through EBRD’s “Women in Business” programme, a local woman entrepreneur strengthened her preschool’s marketing, team management and confidence, transforming her enterprise into a socially impactful business supporting both children and mothers.

The EBRD will also extend targeted support to high-potential WSMEs providing innovative care solutions, including medical technology (med-tech) and educational technology (ed-tech) platforms, through its Star Venture Programme.

This flagship initiative is designed to accelerate the growth of early-stage, high-potential startups across the Bank’s regions by offering bespoke advisory services, strategic mentoring, and enhanced access to finance and market linkages. Since its inception in 2019, the programme has expanded to 26 countries, supporting more than 375 startups and partnering with 36 accelerators. A recent, rigorous impact evaluation by EBRD’s Office of the Chief Economist (OCE)<sup>6</sup> also confirmed a causal link between a high potential start-ups participation in the Star Venture programme and its subsequent growth and ability to achieve scale and further funding. Compared to similar firms that narrowly missed selection, those that participated in the Star

<sup>6</sup> [ebrd.com November 2024 Boosting Startups: Evidence from EBRD Star Venture programme](https://www.ebrd.com/November-2024-Boosting-Startups-Evidence-from-EBRD-Star-Venture-programme)

Venture programme raised more external funding, created more jobs, and expanded their market reach. We-Fi funding allocated under this component will support up to five WSME start-ups in the care space (particularly med-tech and ed-tech) to participate in EBRD's Star Venture programme, benefiting from a comprehensive offering that facilitates their ability to raise finance and achieve scale.

### **Component 3: Policy and Ecosystem building to promote access to finance and entrepreneurship in care (We-Fi: USD 1.14 million)**

EBRD will select two to three countries to pilot a policy and ecosystem-building initiative aimed at developing the care economy. Country selection will be guided by demand from PFIs seeking to better engage with the care economy in their respective markets and/or develop care-focused financial products.

The initiative will begin with a country-level diagnostic assessing: (i) key public and private stakeholders in the care economy; (ii) gaps in service provision, financing, and delivery; (iii) regulatory constraints to women-led entrepreneurship in the care economy, including business registration, certification etc.; and (iv) the potential for scaling alternative care models such as cooperatives<sup>7</sup>. Based on diagnostic findings, a tailored roadmap will be developed that will focus on key initiatives that are best suited to the needs of that country. Below are some examples of potential focus areas (though not all may be carried out for each country):

#### **Sub-component 3.1: Care finance coalitions & network of champions.**

To address the persistent financing gap faced by women-led enterprises in the care economy, EBRD will establish a **Care Finance Coalition**—a catalytic alliance of local banks, microfinance institutions, development funds, guarantee providers and public sector stakeholders. While the technical objective of the coalition is to co-design and deploy tailored financial products—such as working capital loans with flexible repayment terms, concessional capital lines, and blended finance instruments to de-risk private investment—its strategic role is far more expansive. This coalition will serve as a **sector-building force**, helping to mainstream the care economy within the financial ecosystem and reframe it from a social expenditure to an investable opportunity. By bringing financial institutions into structured, ongoing dialogue with care entrepreneurs, sector experts, and policymakers, the coalition will build critical awareness among lenders about the unique business models, risk profiles, and social returns associated with care enterprises. This exposure is essential to shifting entrenched perceptions that often categorise care work as informal, low-margin, or non-bankable.

Equally important, the coalition will act as a **network of champions**—institutions that can publicly advocate for increased investment in care and influence peers and regulators. Through joint communications, case studies, and public events, the coalition will generate visibility and

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<sup>7</sup> A women-led cooperative for care is a jointly owned and governed enterprise established and controlled predominantly by women (as members, leaders and decision-makers), that provides care services.

momentum for care financing. This includes building a new narrative around care as a growth sector, essential to economic recovery, gender equality, and employment generation.

### **Sub-component 3.2: Promoting demand for care services through employer toolkits**

To drive sustainable growth in the care economy, it is essential not only to support the supply side – i.e., care providers – but also to actively stimulate **demand** by working with **employers** to recognise and respond to the care needs of their workforce. To operationalise this, a **Care Toolkit Platform for Employers** will be developed. This interactive, data-driven platform will equip businesses with practical tools, case studies, and policy templates to assess their internal care needs and design context-appropriate responses. It will also incorporate a diagnostic module that produces tailored action plans, guiding employers toward viable care solutions—whether in-house, contracted, or subsidised.

#### **EBRD experience in care ecosystem building**

- In 2019, the Bank launched a care economy policy engagement in Türkiye in partnership with ILO Türkiye to support women’s enhanced access to labour markets. As a result: A Care Economy Policy Platform has been established to initiate policy discussions between relevant stakeholders with a view to improve available childcare schemes in Türkiye. The discussions have contributed the publication of a baseline report.
- A Policy Working Group composed of municipalities and relevant stakeholders has been established to deliver a set of actionable policy recommendations with a view to improve municipal law.
- The Bank is currently working on developing guidelines for regulatory, financial and operational requirements to invest in childcare and elderly care in Türkiye. As part of this, the Bank will commission a feasibility study aiming to explore alternative financing modalities (public-private-partnerships (“PPP”s), direct or indirect finance, etc.) to support care investors and act upon the results of the study towards investing in care economy in Türkiye.
- A care toolkit platform for employers is being developed that will build employer capacity on how to provide care solutions to their employees and through a diagnostic survey will provide an action plan.

Complementing this, EBRD may also support the creation of **matchmaking platforms and procurement directories** to connect employers – both public and private – with certified, quality-assured care providers. These platforms will reduce information barriers and transaction costs, while also promoting the visibility of women-led care enterprises. EBRD may also facilitate **corporate engagement campaigns**, working through business associations, chambers of commerce, and gender equity networks to normalise care procurement as a responsible and strategic business investment. By embedding care services into the operational logic of employers and institutions, these initiatives will expand the market for care providers, generate predictable revenue streams, and embed care more deeply into economic systems as both a social good and a

professionalised service.

### **Sub-component 3.3: Regulatory barriers and levers to promote entrepreneurship in care**

The country-level diagnostic will identify a key barrier or opportunity for regulatory reform that the EBRD can help address. There are several types of regulation that could be considered;

however, it is expected that the focus will be on regulation that will either enable entrepreneurship in care provision or promote private sector finance. For example, many women-led care businesses operate without formal recognition due to prohibitive costs, unclear requirements, or fragmented oversight across ministries. Based on the findings of the diagnostic, assistance may be provided to streamline sector-specific registration protocols that are transparent, efficient, and accessible, especially for WSMEs.

Beyond registration, care providers often lack access to credible certification schemes that validate service quality, limit legal exposure, and build trust with consumers, employers, and procurement bodies. EBRD may support the development of tiered certification frameworks aligned with international and national care standards and help to create publicly accessible registries of certified care businesses. In some countries, regulation to support new innovative care models such as cooperatives and other social and solidarity economy (“SSE”) models may be explored. In countries where these models are feasible, they may be supported and scaled by helping care workers organise into formal entities and helping to recognise and integrate cooperatives into national care systems through legal status. EBRD may also develop comprehensive **Care Investment Guidelines**, which provide a policy-aligned, investor-facing framework that defines the operational, financial, and regulatory requirements for investing in childcare, eldercare, and related services. These guidelines will explore the viability of PPPs, direct lending, pooled investment funds, and results-based finance in the care sector.

By supporting policy and regulatory reforms that reduce barriers to entry, simplify licensing, and promote gender-responsive financial systems, the program indirectly fosters a more inclusive and enabling environment for women to participate equally in the care economy. Together, these efforts help level the playing field for women, strengthen their economic empowerment, and enhance access to affordable care services for all.

### C. Institutional and Implementation Arrangements:

**Component 1 (Capacity building for PFIs):** A reputable international consultancy firm will be selected and contracted by the Bank to implement technical assistance to PFIs. TA activities will only be provided where they are relevant and additional to previous support provided, focusing on supporting PFIs to expand and further institutionalise and mainstream their approach to supporting WSMEs in the care economy. The TA helps new PFIs to build capacities to effectively provide finance to WSMEs in the care economy through training measures, development of appropriate organisational structures, processes and procedures, including loan application and credit procedures, product development, marketing and outreach. EBRD will leverage its network and know-how accumulated through its WIB programme to select consultants with good knowledge of working with PFIs. Delivery will be ensured either through a dedicated consultant or, where appropriate, by amending the terms of reference of existing WiB Programme consultants to explicitly integrate a care focus. In instances where the care financing is carried out under the WIB programme, the same WIB consultant may be hired, provided that the necessary expertise on the care economy is retained.

**Component 2 (Capacity building for WSMEs in the care economy):** Under the EBRD's longstanding Advice for Small Businesses programme, local consultants leading advisory projects will be competitively selected, with final approval resting with the beneficiary WSMEs. Training, mentoring, and outreach activities will involve expert trainers and relevant local partners, including branches of international organisations, companies, NGOs, and others as needed. Where activities are closely aligned with PFIs and benefit their sub-borrowers, coordination with – or delivery by – the consultant supporting the PFI may also be arranged.

High-potential care-focused WSME start-ups will be selected for the Star Venture programme through a competitive process that assesses their readiness for intensive engagement, growth potential, and ability to attract funding. This selection process is managed by local teams based in the countries where EBRD invests, albeit overseen by the Star Venture programme coordinator.

**Component 3 (Policy and Ecosystem building):** Implementation will be carried out in collaboration with selected local partners, which will be identified at the country level based on defined criteria (such as technical expertise in the care economy, experience working with women-led enterprises, institutional capacity, policy influence, and strong local networks). The selection process will prioritise organisations, such as business associations, civil society groups, technical consultants, or relevant government agencies, that are well-positioned to deliver components of the initiative effectively and sustainably. Final partners will be determined during the inception phase in each country to ensure alignment with local context and needs.

**Country/Regional/Global context:**

Under this proposal, the EBRD aims to deploy components 1 (Access to Finance) and 2 (WSME capacity building) across several countries depending on demand from PFIs. Given that the care sector is likely to be a new segment for PFIs, and is generally a niche segment in most markets, the small size of the credit lines will enable EBRD to pilot these across several regions in order to test markets where the product may be most effective. Countries with active WiB programmes and We-Finance Code policy initiatives underway will likely be prioritised. For component 3 (policy and ecosystem building), two to three countries will be chosen based on where the greatest uptake is for the first two components.

Preliminary discussions with PFIs in EBRD's regions show early interest in Central Asia, SEMED, Eastern Europe and the Caucasus.

**Strategic Partnerships:**

The programme will engage **commercial banks and other financial institutions, financial regulators and central banks** where relevant, to promote enabling financial environments for women-led businesses in the care economy. EBRD has established relationships with PFIs across Central Asia, Eastern Partnership and SEMED regions and will leverage these existing relationships to launch this new product and reach care businesses in the target countries.

**Public-private platforms**, such as the Care Finance Coalition, will further bring together these stakeholders to help shift internal practices that currently exclude care sector borrowers. In addition, strategic partnerships may be sought with **government agencies** such as ministries responsible for social policy, women’s affairs, labor, and SME development.

At the **policy and ecosystem level**, the programme may work with **women’s business associations, care provider networks, cooperative federations, and chambers of commerce** to build demand for services, source pipeline opportunities, and deliver technical support. These actors are particularly critical for identifying high-potential women-led businesses, disseminating certification frameworks, and expanding outreach to underserved regions. The EBRD has also established a vast network of local and international consultants in its countries of operation. We will work with this network to provide tailored advisory support as relevant to each project and market. This approach ensures that participating businesses benefit from high-quality expertise and hands-on guidance, leveraging both local knowledge and international best practices.

Collaboration with **employer organisations** and **corporate networks** will also be key to promoting the uptake of care services within workplaces and demonstrating viable models of employer-supported care.

#### **D. Blended Finance & Results Based Mechanisms (RBMs):**

##### **Blended Finance Approach and Application of Enhanced Principles**

The Pilot will deploy blended finance solutions to catalyse private sector engagement and expand access to finance for WSMEs in the care sector. Investment activities utilising We-Fi funds will be structured in accordance with the Enhanced Blended Finance Principles, as set out by the DFI Working Group, to ensure that subsidies are used efficiently, transparently, and only to the extent necessary to address market failures and crowd-in private capital. This includes adhering to the principles of additionality, minimum concessionality, commercial sustainability, reinforcing markets, and promoting high standards of governance and transparency.

Where appropriate, We-Fi funds may be combined with other concessional resources, such as the EU EFSD+ programme, to provide risk-sharing guarantees (e.g., FLRC) and results-based compensation (RBC) mechanisms. The use of blended finance will be carefully calibrated to avoid market distortion and ensure that public resources are used to unlock, rather than replace, private sector investment.

##### **Results-Based Mechanisms (RBMs) in Advisory and Financing Activities**

RBMs will be integrated into both advisory and financing components to maximise development impact and incentivise improved outcomes. The Programme will draw from the menu of RBMs, including:

- **Results-Based Compensation (RBC):** Financial institutions will be eligible for incentive payments upon achieving pre-agreed milestones, such as developing and piloting tailored

care sector products, enhancing institutional capacity (e.g., sex-disaggregated portfolio reporting), and achieving outreach and portfolio growth targets WSMEs in the care sector. These milestones are designed to drive incremental and sustainable change within partner financial institutions.

- **Improving Outcomes and Impact:** RBMs will directly incentivise PFIs directly and WSMEs in the care economy indirectly to achieve better project outcomes, such as increased lending to women-led care businesses, improved service quality, and expanded access to care.
- **Catalysing Financing:** By linking incentives to financing volumes for WSMEs in the care sector (as a percentage of a PFI's portfolio), RBMs will encourage PFIs to test and extend financing to this new segment.
- **Mobilising New Partners:** Dedicated financing, blended with outcome-based incentives (RBC) and enabling TA will help identify and crowd-in new actors, including non-traditional financial institutions, fintechs, and ecosystem partners, thereby expanding the reach and impact of We-Fi resources.

#### E. Sustainability, Quality, and Safeguards:

The Pilot's core components aim to establish enabling conditions that will continue to generate impact over time, even after direct project activities conclude. The Pilot seeks to build the business case for financing, supporting, and engaging with WSMEs in the care economy and demonstrate the segment's financial viability so that banks continue providing financing to this segment beyond the Pilot's conclusion. In addition, the policy component of the Pilot, through either coalitions, promoting demand for care and/or regulatory reform, helps to create the enabling environment required to promote entrepreneurship in the care economy and increase access to finance. To support replication and scale, the programme will prioritise learning and knowledge-sharing across participating countries through regional study tours, technical exchanges, and the development of adaptable tools.

The adaptable tools refer to Employer Toolkits. To drive sustainable growth in the care economy, it is essential not only to support the supply side – i.e., care providers – but also to actively stimulate demand by working with employers to recognise and respond to the care needs of their workforce. These toolkits will equip businesses with practical tools, case studies, and policy templates to assess their internal care needs and design context-appropriate responses. It will also incorporate a diagnostic module that produces tailored action plans, guiding employers toward viable care solutions—whether in-house, contracted, or subsidised.

On the quality and safeguards front, the programme will be guided by international frameworks which include **ILO's 5R Framework** (Recognise, Reduce, Redistribute, Reward, and Represent care work). Support for decent working conditions—including fair wages, safe working environments, and formal employment pathways—will be embedded into the verification systems and business development support provided to care enterprises. To protect the rights and safety of care recipients, the programme will support the establishment or strengthening of quality assurance mechanisms aligned with national standards. These may include minimum

service standards, caregiver-to-client ratios, child and elder protection protocols, and grievance redress mechanisms. All consultants chosen for the programme will need to show strong familiarity and understanding of how these frameworks can be adapted to the programme.

All implementation partners will be required to comply with EBRD's Environmental and Social Policy, which includes provisions related to labor standards, child protection, and non-discrimination. SMEs financed under this proposal will be subject to EBRD's Environmental and Social Requirements (ESRs), in particular ESR 2 (Labour and Working Conditions), ESR 4 (Occupational Health and Safety), and ESR 9 (Financial Intermediaries). These require PFIs to ensure that sub-borrowers comply with fair labour standards, maintain safe working environments, and adhere to national labour, health, safety, and licensing regulations. Requirements will be applied in a manner commensurate with the size and risk profile of each business. These safeguards will be detailed further in the programme's Risk Framework (Annex 3).

#### F. Definitions:

The primary beneficiaries of the Programme will be **women-led small and medium-sized enterprises**, defined as:

- Enterprises where the overall operational management responsibility is held by a woman (or women); or
- Enterprises where a woman (or women) holds overall operational management responsibility for the company, and a woman (or women) also owns all or part of the equity.

This definition seeks to encourage a focus on women as managers and those with real decision-making power within the business, recognizing that management responsibility and ownership are not always held by the same individuals. The definition is operationalized with specific guidelines for each country on how 'women-led' can be ascertained and verified for different legal entities.

The Program's definition is fully aligned with the European Union (EU)'s definition of SME.

Women-led SMEs shall be considered as enterprises engaged in economic activity as fitting the above definition, with **fewer than 250 employees** and either with an **annual turnover not exceeding EUR 50 million (US\$ 58.7 million)** or with a **balance sheet value not exceeding EUR 43 million (US\$ 50.4 million)**. On an exceptional basis, beneficiary women-led enterprises may have **up to 499 employees**, recognizing that enterprises in the Central Asian region exhibit high levels of labor intensity, driven both by cheap labor and limited access to technologies. These enterprises would still fall within the EU definition in terms of turnover and asset size. The same eligibility criteria are applied across all components, ensuring a coherent focus on the same target group at the market level.

The EU definition of SMEs, as applied above, is aligned with the IFC's definition of a small and medium enterprise, looking at parameters of turnover (sales) and employee numbers. In terms of thresholds, the EU definition turnover threshold is broader (IFC threshold: up to US\$ 10 million; EU threshold: up to US\$ 58.7 million) and lower in terms of number of employees (IFC threshold definition up to 300; EU threshold: up to 250).

### III. IMPACT AND LEARNING

#### A. Theory of Change, Research, Learning and Knowledge Sharing:

**Direct impact and Theory of Change:** The EBRD's gender programmes follow a clear Theory of Change, reflecting individual, company and market level outputs and outcomes to promote gender equality. EBRD inputs range from bank capital (on-lending), to leveraging Donor Funds for technical assistance and risk cover, as well as Strategic Partnerships. Through investments, TA and policy engagements, the Bank aims to address the constraints women face in accessing finance through its partner financial institutions, developing new financial products, supporting women's access to skills and development opportunities, and further reforms within public policies, laws and regulations. Short- and long-term impact aims to build inclusive and gender-responsive financial systems that promote and grow women entrepreneurs.

In this regard, the Pilot has a pivotal role in actualising such strategic objectives. By promoting access to finance in the care sector, the EBRD can supplement its efforts to promote women entrepreneurship within the regions where it invests. In line with the Women in Business Programme, the client-level and market-level outcomes will track increased access to finance (e.g., loans, equity investments disbursed), new opportunities and improved business practices for WSMEs through capacity building, as well as changes in regulatory and institutional frameworks and development of new financial products.

Through the access-to-finance, capacity building and policy components, the program seeks to address both the supply- and demand-side barriers that currently constrain the sector's development.

The access-to-finance component will enable care-related WSMEs to obtain tailored financial products that support business growth, service expansion, and operational improvements. By improving the bankability of care enterprises and strengthening partnerships with participating financial institutions (PFIs), the program will crowd in private capital and increase the flow of finance into the sector. The resulting growth of these enterprises will directly expand the availability of care services to a broader population and generate new employment opportunities, particularly for women.

The capacity-building component will equip WSMEs with essential business management, financial literacy, and service delivery skills. It will also include targeted support to improve

service quality (such as training in caregiving standards, health and safety protocols, and digital tools for service management). As WSMEs enhance their operational capacity and service quality, the care sector as a whole will become more professional and trusted, leading to higher consumer uptake and sustainability. By equipping women-led SMEs in the care sector with the skills, knowledge, and networks needed to improve their sophistication and bankability, the programme will foster more frequent and meaningful engagement between PFIs and WSMEs seeking finance. Over time, this will help PFIs build greater familiarity with the sector and demographic, ultimately enhancing access to finance across the care sector.

In addition, the policy component will reduce barriers to entry, enhance investment attractiveness, and promote higher-quality, more accessible care provision, which will help to increase the supply and quality of WSMEs in care and thereby increase access to these services to the population. In addition, the employer toolkits will promote demand and uptake of WSME care services by building the use case with employers, which reinforces the sustainability of the market.

**Indirect impact at the National level:** data collected from publicly available sources may proxy for the indirect impact of the partnerships for each country. The implementation of the We-FI Code will also allow for improved data on access to finance for small and medium enterprises. The World Bank collects on a yearly basis a wide series of indicators related to Gender and unpaid care burden and women’s economic participation. More generally linked to gender equality, the Women, Business and the Law report aims to measure the (unequal) rights between men and women. Similarly, the Global Gender Gap report aims to provide a yearly benchmark of gender parity across most countries around the world. Of specific interest is the economic participation and opportunity between men and women. Tracking of both measures could help measure progress at the national level in these regards.

## **B. Research and Learning Agenda:**

At the start of the Pilot, EBRD will undertake a limited number of market diagnostic studies in specific countries (these countries will be determined at a later date according to interest / demand for the Pilot). The diagnostic will identify key actors in the care sector; what gaps and barriers exist in terms of financing and delivery in the care sector; what regulatory constraints affect WSMEs in the care sector; and what the opportunities are for interventions needed to improve access to finance and promote scalable growth of WSMEs in the care sector. In order to address the outcomes of the financial product on WSME care providers, a survey can be added into the design to assess the baseline of WSMEs at the time of the loan and another survey ex-post, which can inform some general findings but it is not expected that this will be a robust econometrics analysis at sub-borrower level as this is very costly and time intensive.

A study will be conducted at the end of the Pilot on how the use of blended finance, as well as technical assistance, enabled financial intermediaries to deliver more financing on better and/or equal terms to WSMEs in the care economy and how sustainable these mechanisms are. The research question is focused on understanding the effectiveness of blended finance instruments in catalyzing access to finance for WSMEs in care sector. Of key importance will be the collection

of data from PFIs on the volume, disbursement and portfolio growth of WSMEs in the care economy over the lifetime of the Pilot. Other metrics such non-performing loans (“NPLs”) and the use of incentives will be measured. Comparisons may also be made between PFIs that use different types of concessionality to understand the lessons learnt (i.e. comparing results between those that use FLRC versus RBC only). If appropriate, a control group of financial intermediaries may be selected that did not provide concessional finance to WSMEs in the care economy in order to evaluate statistically the outcome of concessional finance. The aim of the research findings shall, on the one hand, contribute to better design and phasing of the projects, including on designing more effective blended finance tools; and, on the other, provide policy-oriented recommendations as to how to address further gaps. Research / impact briefs will disseminate the key insights and will contribute to the We-Fi's knowledge and learning agenda and resources, which can be disseminated at the dedicated events.

**C. Results Framework:** See Annex 1.

## IV. KEY RISKS AND MITIGATION MEASURES

Overall operational risks to the Pilot are considered to be low given the EBRD's longstanding relationships with key stakeholders (including policymakers) in the target regions, as well its direct presence through its network of local offices. Political and economic risks are considered to be medium.

EBRD aims to mitigate the risks of operating in the care sector by integrating quality assurance and safeguarding policies into all activities as well as requiring PFIs and SMEs to comply with EBRD's Environmental and Social Requirements. To protect the rights and safety of care recipients, the programme will support the establishment or strengthening of quality assurance mechanisms aligned with national standards and checking documentation of end beneficiaries, confirming operational status, and checking for alignment with national or sector-specific certification frameworks where applicable.

For any countries where certification or quality assurance mechanisms are still being developed, the Pilot will cooperate with local authorities and industry bodies to apply interim standards or conduct basic assessments. This additional layer of support will help financial institutions lend with greater confidence while ensuring that financed businesses meet baseline service quality expectations.

Further details on all relevant risks to the successful delivery of the Program, as well as proposed mitigation measures, are provided in Annex 2.

## V. COST AND FINANCING PLAN

Budget Categories	Amount (do not round)					# of WSMEs Reached	Countries <sup>8</sup>
	Investment Activities	Advisory/ Technical Assistance Activities	Grants to WSMEs	Total We-Fi Funding Requested	Expected Co-Financing		
<b>Component 1: Access to Finance</b>							
1.1 Dedicated finance for WSMEs in the care economy, of which:	40,000,000				8,288,960	1,000 Pipeline-driven target setting	Programmatic geographic scope
- EBRD finance	40,000,000						
- PFI co-financing					4,000,000		
- Beneficiary cost-sharing on technical assistance					288,960		
- EFSD+ guarantees					4,000,000		
1.2 Risk Sharing (FLRC) and Results Based Compensation	2,850,000			2,850,000			
1.3 Capacity Building for PFIs		2,170,000		2,170,000			
<b>Component 2: Capacity building for WSMEs in the care economy</b>		2,100,000		2,100,000			
<b>Component 3: Policy and Ecosystem building</b>		1,140,000		1,140,000			
<b>Research and M&amp;E</b>				290,000			
<b>Communication and Visibility<sup>9</sup></b>				285,000			
<b>Administrative Fee**</b>				665,000			
<b>Total</b>	<b>45,850,000</b>	<b>5,410,000</b>		<b>9,500,000</b>	<b>8,288,960</b>	<b>1,000<sup>10</sup></b>	
	During implementation, EBRD may have budget adjustments between budget components based on approval of EBRD senior management. This will be applicable only for non-investment activities.						

<sup>8</sup> Programmatic implementation approach: Activities will span Central Asia, SEMED, Eastern Europe, and the Caucasus, subject to the pipeline (number of PFIs per country and the size and ambition of potential PFIs) and each country's care-ecosystem readiness. Detailed allocations per country cannot be determined at this stage and will be assessed during programme inception.

<sup>9</sup> The visibility budget will support communication activities such as press activities, events, web and multimedia production (including videos showcasing best examples of successful projects and their impact on women in business), social media activities and campaigns, photography and publications. The visibility activities will include awareness-raising, event organization and participation, in-country study trips and exchanges.

<sup>10</sup> The Programme targets to reach 1,000 WSMEs through financial and non-financial components. The WSME reach targets listed are based on average estimations from current implementation experience.

<b>Regional Allocation Table*</b>	<b>Total Amount (do not round)</b>
Region 1 – Central Asia	4,750,000
Region 2 – Southern & Eastern Mediterranean	2,375,000
Region 3 - Eastern Europe and the Caucasus	1,425,000
Region 4 – Sub-Saharan Africa	950,000
<b>Total</b>	<b>9,500,000</b>

\*These allocations are indicative based on initial interest from EBRD's PFIs. Central Asia will be the priority region, with funding allocated to other regions subject to identified demand. We-Fi Secretariat will be kept informed of funding allocation across countries / regions.

In general, the EBRD believes that maintaining a broad selection of countries, but committing to a minimum IDA/FCS percentage, mitigates the risks of implementation delays, allowing the EBRD to deploy proceeds more readily against a wider range of possible opportunities and pool of PFIs and partners. In addition, given that the Women in Business (WIB) product offering is well established and operational across many EBRD regions, this should further mitigate delays as EBRD can leverage the existing program infrastructure to deploy rapidly once PFIs have agreed.

## ANNEX 1: We-Fi Results Framework <sup>11</sup>

	Targets	Results
	(only topline targets are needed)	Results can be disaggregated by the relevant subcategories

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages	
We-Fi Program Inputs	Mobilize resources from private and public sources that leverage We-Fi funding and augment the number of interventions supporting WSMEs	Input	<b>Total size of We-Fi programs &amp; projects</b>					Sum of the total We-Fi allocation (US\$) and the total mobilized funds (US\$). For reporting annual results, include the amounts "Committed" to specific activities (guidelines included in the progress report template).	<b>SDG Target 1.A:</b> Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.	
		Input	<b>Size of We-Fi funding allocation</b>					Total amount (US\$) of We-Fi funds approved by the Governing Committee. For reporting annual results, include the amounts "Committed" to specific activities (guidelines included in the progress report template).		
		Input	<b>Indicator 1: Amount of additional financing mobilized for We-Fi supported activities.</b> Out of which:		44,000,000				Amount (US\$) of non-We-Fi financing mobilized to support We-Fi activities benefiting women owned/led SMEs. - For targets, the figures should match the mobilization table in the proposals. - For reporting annual results, include the amounts "Disbursed" to specific	<b>SDG Target 17.3.</b> Mobilize additional financial resources for developing countries from multiple sources.
			- IP Contribution		40,000,000					
			- Public-sector contributions							

<sup>11</sup> Baseline data cannot be provided at this time and will only be available once the program starts and diagnostics are completed.

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
			- Private sector financing directly mobilized		4,000,000			activities (guidelines included in the progress report template).	
			- Other funds mobilized (specify)						
Increased Access to Finance	Reduced gap in the level of financing & investing in SMEs owned by women and men	Outcome	<b>Indicator 2: Amount of financing provided to women-owned/led SMEs by We-Fi supported financial service providers.</b> Out of which:		4,000,000			The amount (US\$) accessed by WSMEs through loans, equity investments, direct grants to WSMEs, etc. Also includes value of insurance policies accessed by WSMEs, which should listed under "other". Can include funding provided directly by IPs, as well as through intermediaries such as financial institutions, funds, insurance companies, corporates, etc. Calculate as the value remaining on the organization's balance sheet at the end of the reporting period.	<b>SDG Target 8.10.</b> Target: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.
			- Loans						
			- Equity Investments						
			- Grants						
			- Digital financial services						
	- Other.(e.g. insurance. Please specify)								
	WSMEs' are better able to engage, negotiate and access finance & investments	Outcome	<b>Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions.</b> Out of which:		1,000			Number of loans, equity investments, grants, insurance policies provided to WSMEs. Also includes number of insurance policies accessed by WSMEs, which should listed under "other". Can include products & services provided directly by IPs, as well as through intermediaries such as financial institutions, funds, insurance companies, corporates, etc. Calculated as the number of loans, investments etc. on the organization's	<b>SDG Target 8.10.</b> Target: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.
			- Loans						
			- Equity Investments						
			- Grants						
- Digital financial services									

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
			- Other. E.g. insurance (specify)					balance sheet at the end of the reporting period.	
Access to skills	Improved business practices and management skills among WSMEs	Outcome	<b>Indicator 4: Number of women-owned/led SMEs accessing entrepreneurial support activities from We-Fi supported institutions.</b> Out of which:		1,000			<p>Number of WSMEs benefiting from We-Fi supported entrepreneurship support activities (e.g. training, capacity building initiatives etc.)</p> <p>When reporting disaggregated data, IPs are to make best efforts to avoid double counting the WSMEs participating in multiple activities. If the same WSME participates in more than one type of entrepreneurial support program, choose only one category that reflects the bulk of activities to avoid double counting.</p>	<p><b>SDG Target 8.3.</b> Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.</p>
			- Business capacity training		195				
			- Incubation & Acceleration		5				
			- Other (training, mentoring and outreach activities)		800				
	WSMEs increase access to digital services and tools	Outcome	<b>Indicator 5: Number of WSMEs that increase their use of digital tools and services.</b>					<p>Number of WSMEs with increased access to digital tools and services, including WSMEs registered on online platforms, e-commerce, etc.</p> <p>The indicator is intended to count WSMEs that are leveraging technology as part of their business operations, not the WSMEs that participate in programs to increase their capacity to use digital tools. WSMEs participating in online training and other digital capacity building activities should be included in indicator #4, and not counted in this indicator.</p>	<p><b>SDG Target 5.B.</b> Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.</p>

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
Access to Markets	More WSMEs enter and thrive in new markets as suppliers, distributors, and producers	Outcome	<p><b>Indicator 6:</b> Value of payments made to or by WSMEs with enhanced market linkages, including: value of goods and services sold to larger firms/ corporates/ new market segments, and/or value of purchases made by WSMEs from smaller firms/individuals, and/or value of public procurement contracts won by WSMEs.</p> <p>Out of which:</p> <ul style="list-style-type: none"> <li>- Payments/ sales related to private firms</li> <li>- Payments/ sales related to public entities</li> </ul>					<p>The amount (US\$) of payments received by WSMEs from private firms and corporates, as well as the value of sales processed by aggregators, distributors, wholesalers, etc. Also includes the value of awarded public procurements to WSMEs.</p>	<p><b>SDG Target 9.3.</b> Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.</p>
		Outcome	<p><b>Indicator 7:</b> Number of WSMEs with enhanced market linkages, including: WSMEs who sold goods and services to larger firms/ corporates/ new market segments, and/or WSMEs who purchase goods and services from smaller firms/individuals, and/or WSMEs who won public</p>					<p>Number of WSMEs with new/improved linkages to private firms and corporates, as well as aggregators, distributors, wholesalers, etc. IPs can further disaggregate the results by type of WSME benefiting (e.g. aggregators, distributors, cooperatives, etc.) Also includes the number of WSMEs that are awarded public procurements.</p>	<p><b>SDG Target 9.3.</b> Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.</p>

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
			procurement contracts. Out of which:						
			- WSMEs with linkages to private firms						
			- WSMEs with linkages to public entities						
Entrepreneurial Ecosystem & Enabling Environment	Increased focus on identifying and addressing WSME regulatory constraints	Outcome	<b>Indicator 8. Number of legislations and/or regulations screened, drafted, revised by We-Fi IPs and/or their partners to remove constraints and support women's entrepreneurship.</b>					The number of legislations, regulations etc. aimed at supporting WSMEs that IPs and/or their partners have contributed to screening, drafting, revising. Acknowledging that laws and regulations may take a long time to be formally enacted, an additional impact-level indicator is included to reference the laws and regulations formally approved by relevant authorities.	<b>SDG Target 5.A</b> Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.
	Stronger evidence base on WSMEs' needs, constraints &	Output	<b>Indicator 9: Number of institutions supported by We-Fi that have put in place a system for capturing and reporting data on women- owned/led SMEs.</b> Out of which:					Number of institutions supported by We-Fi that have put in place a system for capturing and reporting data on women-owned/led SMEs.	<b>SDG Target 17.19.</b> By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
Overall We-Fi Results and Impact			- Public Sector						building in developing countries.
			- Financial Services Providers						
			- Corporates						
	Stronger evidence on the impact of WSMEs-support programs	Outcome	<b>Indicator 10: Number of rigorous impact evaluations commissioned by We-Fi Implementing Partners.</b>					The number of rigorous impact evaluations of We-Fi supported interventions commissioned by IP's or their executing agencies to learn about what works and improve activities for women- owned/led SMEs. A rigorous impact evaluation is defined by the evaluation design (quasi- experimental and experimental) which can be used to attribute change at program or project outcome/impact level.	<b>SDG Target 8.3.</b> Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
	Business case for financing & investing in WSMEs embraced by FIs, investors, corporates and other stakeholders	Output	<b>Indicator 11: Total number of partner institutions supported by We-Fi that offer new /updated products, services or approaches benefiting women-owned/led SMEs.</b> Out of which:		5				The number of institutions We-Fi IPs partner with to generate new/improved/expanded products and/or services to women-owned/led SMEs. Includes institutions offering updated and/or new products and services to WSMEs, institutions that design programs that consider WSMEs' unique needs and/or address a problem that disproportionately impacts WSMEs.
		- Financial services intermediaries							
		- PE/VC Funds							
		- Accelerators, incubators							
		- Corporations							
		- Public sector							

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
			- NGOs (local and international)						
			- Other (specify)						
	More WSMEs Thrive & Grow	Outcome	<b>Indicator 12:</b> Total number of women owned/ led SMEs supported by We-Fi.		1,000			Aggregated <u>total number of WSMEs</u> benefiting from We-Fi programs and projects. The values from relevant indicators (e.g. indicator # 3,4,5,7) can be aggregated to estimate the total number of WSMEs benefiting from We-Fi. When aggregating figures, IPs are to make best efforts to avoid double counting the WSMEs participating in multiple activities (e.g. IPs should not double count the WSMEs participating in a We-Fi training program as a prerequisite for further receiving financing as grants, loans, investments etc.).	<b>SDG Target 5.5.</b> Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.
	Improvements In WSMEs’ Performance & Rising Incomes	Impact	<b>Indicator 13:</b> Number of We-Fi supported women-owned/led SMEs reporting an increase in annual revenues.					Number of women-owned/led SMEs in entrepreneurship support programs in We-Fi served institutions that report increased sales or profits.	<b>SDG Target 1.2.</b> By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.
	Reduced gender biases in laws and policies	Impact	<b>Indicator 14.</b> Number of legal and regulatory reforms to remove constraints and support to women’s entrepreneurship that are formally enacted.		2			The number of legal and regulatory reforms supported by We-Fi IPs and/or their partners that were formally enacted by relevant authorities.	<b>SDG Target 5.A</b> Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.

Component	We-Fi Objective	Type	REVISED INDICATOR	Annual	Total	Annual	Total	Description	SDG Linkages
	Increased Number of Jobs Created by WMSEs	Impact	<b>Indicator 15 A:</b> <b>Number of additional direct jobs created by the We-Fi beneficiary women-owned/led SMEs.</b> Out of which:		500			IPs can report on both indicators if they chose so. If only one indicator is feasible to report on, the IP should prioritize tracking the number of jobs created (indicator #15 A). Indirect jobs created/supported should not be counted. IPs should provide a detailed methodology on how they track the number of jobs created/supported when reporting results for this indicator.	<b>SDG Target 8.5.</b> By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
			- Jobs for females						
			- Jobs for males						
			<b>Indicator 15 B:</b> <b>Number of jobs supported by the We-Fi beneficiary women-owned/led SMEs.</b> Out of which:				Number of employees to be assessed in line with the HPSO definition developed by the IFI working group on indicator harmonization. See details at <a href="https://indicators.ifipartnership.org/indicators/">https://indicators.ifipartnership.org/indicators/</a> . Namely, include full-time equivalent work by seasonal, contractual and part time employees. Part-time jobs are converted to full-time equivalent jobs on a pro rata basis. If the information is not available, the rule-of-thumb is two part-time jobs equal a full-time job.		
			- Jobs for females						
			- Jobs for males						
Care Indicator		Impact	<b>Indicator 16: Increase number of Care Service Beneficiaries</b>		1,000			The indicator should track the increase in the number of Care Services Beneficiaries of childcare, elderly care, housework support etc (this does not include B2B beneficiaries). For existing WSME-Led Care services measure the incremental increase in care service beneficiaries as a result of We-Fi funding. For New WSME-Led Care services measure the total number of care service beneficiaries as a result of We-Fi funding.	

ANNEX 2: We-Fi Results Framework (Annual targets)<sup>12</sup>

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
We-Fi Program Inputs	Mobilize resources from private and public sources that leverage We-Fi funding and augment the number of interventions supporting WSMEs	Input	<b>Total size of We-Fi programs &amp; projects</b>								
		Input	<b>Size of We-Fi funding allocation</b>								9,500,000
		Input	<b>Indicator 1: Amount of additional financing mobilized for We-Fi supported activities.</b> Out of which:	<b>2,200,000</b>	<b>4,400,000</b>	<b>6,600,000</b>	<b>6,600,000</b>	<b>6,600,000</b>	<b>8,800,000</b>	<b>8,800,000</b>	<b>44,000,000</b>
			- IP Contribution	2,000,000	4,000,000	6,000,000	6,000,000	6,000,000	8,000,000	8,000,000	40,000,000
			- Public-sector contributions								
			- Private sector financing directly mobilized	200,000	400,000	600,000	600,000	600,000	800,000	800,000	4,000,000
- Other funds mobilized (specify)											
Increased Access to Finance	Reduced gap in the level of financing & investing in SMEs owned by women and men	Outcome	<b>Indicator 2: Amount of financing provided to women-owned/led SMEs by We-Fi supported financial service providers.</b> Out of which:	200,000	400,000	600,000	600,000	600,000	800,000	800,000	4,000,000
			- Loans								
			- Equity Investments								

<sup>12</sup> Baseline data cannot be provided at this time and will only be available once the program starts and diagnostics are completed.

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
			- Grants								
			- Digital financial services								
			- Other.(e.g. insurance. Please specify)								
	WSMEs' are better able to engage, negotiate and access finance & investments	Outcome	<b>Indicator 3: Number of women-owned/led SMEs that accessed new financing from We-Fi supported institutions.</b> Out of which:	50	100	150	150	150	200	200	1,000
			- Loans								
			- Equity Investments								
			- Grants								
			- Digital financial services								
			- Other. E.g. insurance (specify)								
Access to skills	Improved business practices and management skills among WSMEs	Outcome	<b>Indicator 4: Number of women-owned/led SMEs accessing entrepreneurial support activities from We-Fi supported institutions.</b> Out of which:	50	100	150	150	150	200	200	1,000
			- Business capacity training								195
			- Incubation & Acceleration								5
			- Other (training, mentoring and outreach activities)								800

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
	WSMEs increase access to digital services and tools	Outcome	<b>Indicator 5:</b> Number of WSMEs that increase their use of digital tools and services.								
Access to Markets	More WSMEs enter and thrive in new markets as suppliers, distributors, and producers	Outcome	<b>Indicator 6:</b> Value of payments made to or by WSMEs with enhanced market linkages, including: value of goods and services sold to larger firms/ corporates/ new market segments, and/or value of purchases made by WSMEs from smaller firms/individuals, and/or value of public procurement contracts won by WSMEs. Out of which:								
			- Payments/ sales related to private firms								
			- Payments/ sales related to public entities								

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
		Outcome	<p><b>Indicator 7:</b> Number of WSMEs with enhanced market linkages, including: WSMEs who sold goods and services to larger firms/ corporates/ new market segments, and/or WSMEs who purchase goods and services from smaller firms/individuals, and/or WSMEs who won public procurement contracts.</p> <p>Out of which:</p> <ul style="list-style-type: none"> <li>- WSMEs with linkages to private firms</li> <li>- WSMEs with linkages to public entities</li> </ul>								
Entrepreneurial Ecosystem & Enabling Environment	Increased focus on identifying and addressing WSME regulatory constraints	Outcome	<p><b>Indicator 8:</b> Number of legislations and/or regulations screened, drafted, revised by We-Fi IPs and/or their partners to remove constraints and support women's entrepreneurship.</p> <ul style="list-style-type: none"> <li>- WSMEs with linkages to public entities</li> </ul>								
	Stronger evidence base on WSMEs'	Output	<p><b>Indicator 9:</b> Number of institutions supported by We-Fi that have put in place a system for capturing and reporting data on women-</p>								

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Overall We-Fi Results and Impact			owned/led SMEs. Out of which: - Public Sector								
			- Corporates								
			- Financial Services Providers								
			- Corporates								
	Stronger evidence on the impact of WSMES-support programs	Outcome	<b>Indicator 10:</b> Number of rigorous impact evaluations commissioned by We-Fi Implementing Partners.								
	Business case for financing & investing in WSMES embraced by FIs, investors, corporates and other stakeholders	Output	<b>Indicator 11:</b> Total number of partner institutions supported by We-Fi that offer new /updated products, services or approaches benefiting women-owned/led SMEs. Out of which:			1	1	1	1	1	5
			- Financial services intermediaries								
		- PE/VC Funds									

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
			- Accelerators, incubators								
			- Corporations								
			- Public sector								
			- NGOs (local and international)								
			- Other (specify)								
	More WSMES Thrive & Grow	Outcome	<b>Indicator 12: Total number of women owned/ led SMEs supported by We-Fi.</b>	250	500	750	750	750	1,000	1,000	5,000
Improvements In WSMES' Performance & Rising Incomes	Impact	<b>Indicator 13: Number of We-Fi supported women-owned/led SMEs reporting an increase in annual revenues.</b>									
Reduced gender biases in laws and policies	Impact	<b>Indicator 14. Number of legal and regulatory reforms to remove constraints and support to women's entrepreneurship that are formally enacted.</b>									
Increased Number of Jobs Created by WSMES	Impact	<b>Indicator 15 A: Number of additional direct jobs created by the We-Fi beneficiary women-owned/led SMEs.</b> Out of which:									

Component	We-Fi Objective	Type	REVISED INDICATOR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	
			- Jobs for females									
			- Jobs for males									
		Impact	<b>Indicator 15 B: Number of jobs supported by the We-Fi beneficiary women-owned/led SMEs.</b> Out of which:									
			- Jobs for females									
			- Jobs for males									
Care Indicator	Impact	<b>Indicator 16: Increase number of Care Service Beneficiaries</b>							1,000	1,000		

## ANNEX 3: We-Fi Risk Framework

Risk Description	Rating			Assessment	Response Measures
	Probability	Impact	Overall		
<b>Activity Design and Implementation Arrangements</b>					
Market uptake risk	Medium	High	Medium	Limited demand from PFIs or WSMEs for new care sector products due to unfamiliarity or perceived risk	<p>To address the risk of limited demand from PFIs or WSMEs for new care sector products / interventions, the Pilot will conduct market diagnostics and interviews with WIB consultants to analyse PFI portfolios to better understand the country context and identify which financial intermediaries are best suited to this programme.</p> <p>Targeted capacity building and technical assistance will be provided to both PFIs and WSMEs to build familiarity and confidence in the care sector. Results-based incentives will be used to encourage active participation and sustained engagement.</p> <p>The Pilot will also leverage EBRD's established relationships and track record with similar initiatives to build trust and demonstrate the viability of care sector lending.</p>
Implementation Capacity Risk	Medium	High	Medium	Insufficient capacity among PFIs or WSMEs to develop, deliver, or scale care-focused products	<p>The Pilot's holistic design, addressing both supply side and demand side constraints mitigates this risk, including through support to the PFI on product design and roll-out, marketing and awareness-raising activities to build demand and pipeline and the use of the investment incentive to stimulate demand.</p> <p>Qualified consultants will be selected by EBRD in accordance with its Procurement Policy and Rules and managed using its thorough experience of provision TA to its clients under similar programmes.</p>

Risk Description	Rating		Overall	Assessment	Response Measures
	Probability	Impact			
<b>Political, Social and Governance Risks</b>					
Political risk	Medium	Medium-High	Medium	A potentially unstable and unpredictable political environment that affects the ability of the Programme to deliver on its activities.	<p>These factors will be monitored carefully throughout implementation to raise and address pertinent issues and developments in a timely manner. The EBRD operates out of its Resident Offices in the region and staff has staff on the ground.</p> <p>PFI and WSMEs (for direct assistance) will be carefully selected using EBRD's standard selection criteria for integrity and business conduct, financial stability, capacity and appetite to participate in the Pilot.</p>
Economic risk	Medium	Medium-High	Medium	The persistence of adverse economic conditions could affect PFIs' risk appetite (supply side) as well as end-borrowers' appetite to invest (demand side)	<p>These factors will be monitored carefully throughout implementation to raise and address pertinent issues and developments in a timely manner. The Programme's focus on supporting WSMEs in the care economy through the financial sector should be perceived as a mitigant in the long term to the challenging economic situation. Marketing and awareness raising support for WSMEs in the care economy are an important part of the Programme design to stimulate demand.</p> <p>In line with its mandate, the EBRD applies sound banking principles in its operations, and prices its products commercially, taking into account the country and counterparty risk as well as deal term and structure. The EBRD is a signatory and active proponent of the Principles for Blended Concessional Finance.</p>

Risk Description	Rating			Assessment	Response Measures
	Probability	Impact	Overall		
Regulatory and Policy risk	Medium	Medium-high	Medium	Delays or obstacles in enacting necessary regulatory reforms or obtaining government support	<p>To mitigate delays or obstacles in enacting necessary regulatory reforms or securing government support, the Pilot will prioritise early and continuous engagement with relevant government agencies and stakeholders. Policy roadmaps will be developed collaboratively, ensuring alignment with national priorities and sector needs.</p> <p>Technical assistance will be provided to support the design and implementation of regulatory reforms, drawing on international best practices and lessons learned from comparable contexts.</p> <p>The Pilot will also maintain flexibility to adapt to evolving policy environments and will leverage EBRD's presence on the ground to facilitate dialogue and consensus-building among key actors.</p>

#### Fiduciary Risks

Market distortion arising from use of concessionality / grants.	Medium	Medium	Medium	The use of blended finance has potential to create market distortion and replace, rather than unlock, private sector investment.	The EBRD also applies rigorous standards for it how incorporates concessionality into its financial and non-financial products, determining appropriate levels on a case-by-case basis to avoid market distortion and moral hazard. Concessionality will be determined on a case-by-case basis and will be justified according to the DFI Blended Finance Principles, insofar as it achieves impact without distorting the market.
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Risk Description	Rating		Overall	Assessment	Response Measures
	Probability	Impact			
Suboptimal consultant performance.	Low	High	Medium	Potential poor performance of consultants would have a negative impact on the delivery of the Pilot.	<p>EBRD will apply its standard appraisal and due diligence to all third-party grants or financing under the Program. This includes integrity due diligence checks, including for consultants providing advisory services.</p> <p>EBRD has a dedicated procurement division that manages procurement activities according to established policies designed to promote competitiveness and transparency.</p> <p>Consultant and third-party service quality will be monitored through regular meetings, reports, and on-site verification as per the agreed scope of work.</p> <p>EBRD will monitor implementation progress through local staff, Regional Offices, and direct communication with counterparts and beneficiaries.</p>
Misuse of We-Fi funds	Low	High	Medium	PFI's may misrepresent results / milestones achieved in order to obtain RBC payments.	<p>EBRD will apply its standard appraisal and due diligence to all third-party grants or financing under the Program. This includes integrity due diligence checks, including for consultants providing advisory services.</p> <p>An independent verification agent will be responsible RBC milestone accounting.</p>

**Environment and Social Safeguards/Standards**

Safeguarding and quality risk	Low-medium	High	Medium	<p>A lack of robust quality controls or weak enforcement of safeguarding protocols could result in unsafe or harmful conditions in care-focused SMEs, especially where regulatory oversight is limited.</p>	<p>To ensure the quality of care services and protection of vulnerable groups, the Programme will integrate quality assurance and safeguarding protocols into all activities.</p> <p>The Pilot will also provide training and resources to PFIs and WSMEs to strengthen their capacity to meet these standards. SMEs financed under this proposal will be subject to EBRD’s Environmental and Social Requirements (ESRs), in particular ESR 2 (Labour and Working Conditions), ESR 4 (Occupational Health and Safety), and ESR 9 (Financial Intermediaries). These require PFIs to ensure that sub-borrowers comply with fair labour standards, maintain safe working environments, and adhere to national labour, health, safety, and licensing regulations. Requirements will be applied in a manner commensurate with the size and risk profile of each business.</p>
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