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Meeting in the Council for Development Policy 29 November 2018

Agenda item 5

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|---|---|
| 1. Overall purpose | For discussion and recommendation to the Minister |
| 2. Title: | Support to Women Entrepreneurs Finance Initiative (We-Fi) |
| 3. Presentation for Programme Committee: | 7 September 2018 |

Women Entrepreneurs Finance Initiative (We-Fi)

<p>Key results:</p> <ul style="list-style-type: none"> - To remove the financial and non-financial constraints faced by women-owned/led SMEs and 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. - Have governments improve the business environment for women-owned/led SMEs. - Eliminate the barriers women face in starting successful SMEs in a variety of sectors, & strengthen the enabling environment for such firms. <p>Justification for support:</p> <ul style="list-style-type: none"> - SMEs play an important role in economic growth and job creation in developing countries. But women still face various challenges to financing, owning, and growing a business. - With its clear focus on women-led enterprises, We-Fi is a relevant initiative through which Denmark can promote both gender equality priorities and focus on strengthening the private sector in developing countries. Advocating for gender equality and women's rights is a high priority in "The World 2030" where Denmark's work as global defender of human rights, democracy and gender equality is specified. <p>Major risks and challenges:</p> <ul style="list-style-type: none"> - We-Fi has developed a comprehensive risk-analysis framework comprising: Strategic risks, Institutional risks, Stakeholder risks, Financial risks and a Reputational risk. - Each implementing partner will be responsible for the management of risks associated with the respective projects and programs implemented by them. The Governing Committee will have oversight of the risk management approach and risk appetite at the portfolio level. 	File No.	2017-25210						
	Country	Global						
	Responsible Unit	Washington (2061)						
	Sector	Womens Economic Empowerment						
	Partner	World Bank Group						
		<i>DKK mill.</i>	2018	2019	2020	2021	2022	Tot.
	Commitment	23	23					46
	Projected ann. disb.	23	23					46
	Duration	2018-2022						
	Previous grants	DKK 23 million (2017)						
	Finance Act code	06.38.02.12						
	Head of unit	Lars Gert Lose						
	Desk officer	Anders Ørnemark						
	Financial officer	Birthe Elisabeth Larsen						
Relevant SDGs								
 No Poverty		 No Hunger		 Good Health, Wellbeing		 Quality Education		
 Gender Equality		 Clean Water, Sanitation		 Affordable Clean Energy		 Decent Jobs, Econ. Growth		
 Industry, Innovation, Infrastructure		 Reduced Inequalities		 Sustainable Cities, Communities		 Responsible Consumption & Production		
 Climate Action		 Life below Water		 Life on Land		 Peace & Justice, strong Inst.		
 Partnerships for Goals								

Strategic objectives:

The objective of We-Fi is to address financial and non-financial constraints faced by women-owned/led SMEs in IDA and IBRD eligible countries and territories.

Justification for choice of partner:

The World Bank Group is one of the largest sources of funding and knowledge for developing countries. Its five institutions share a commitment to reducing poverty, increasing shared prosperity, and promoting sustainable development. The World Bank Group is the only global multilateral development bank and together with its emphasis on shared prosperity and the equality between genders, it constitutes an experienced and powerful partner.

Summary:

Small and Medium-sized Enterprises (SMEs) play an important role in economic growth and job creation in developing countries. While the SME sector in most developing countries has seen impressive development, it has not yet reached its full potential. It is widely recognized that women entrepreneurs play a critical role in economic development by boosting growth and creating jobs. Yet, women still today face numerous challenges to financing, owning, and growing a business. We-Fi address these financial and non-financial barriers faced by women-owned/led SMEs by mobilizing more than USD 1,6 billion for entities that work towards improving the business environment for women entrepreneurs in developing countries.

We-Fi Total Budget

Cash Receipts	USD 174.89 million
Investment Income earned	USD 1.26 million
Contributions not yet received	USD 121.91 million
Pledges	USD 50.00 million
Total Potential Resources	USD 348.05 million
Total Potential Danish Contribution	USD 10.78 million



UDENRIGSMINISTERIET

Women Entrepreneurs Finance Initiative (We-Fi)

Development Engagement Document

(Annex A to Contribution Agreement)

Abbreviations

DKK	Danish Kroner
FIF	Financial Intermediary Fund
IBRD	International Bank for Reconstruction and Development.
IDA	International Development Association.
IFC	International Finance Corporation.
IFI	International financial institutions.
IP	Implementing Partner of We-Fi.
MDB	Multilateral development bank.
SDG	Sustainable Development Goals
SME	Small and medium enterprises.
UN	United Nations
USD	United State dollar
We-Fi	Women Entrepreneurs Finance Initiative.

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1. Introduction

The present development engagement document details the objectives and management arrangements for the development cooperation concerning the Women Entrepreneurs Finance Initiative (We-Fi) as agreed between the parties. We-Fi is organised as a Financial Intermediary Fund and the International Bank for Reconstruction and Development (IBRD) serve as trustee. Financial Intermediary Funds (FIF) is a trust fund, and works as a financial arrangement leveraging resources together to provide a coordinated response in support of international initiatives. The development engagement document is annexed to the Contribution Agreement with the IBRD and constitutes an integrated part hereof together with the documentation specified below.

1.1 Parties

The Royal Danish Embassy in Washington and the Women Entrepreneurs Finance Initiative, a FIF under the World Bank's Global Themes Vice-Presidency.

"The Documentation" refers to the partner documentation for the supported intervention, which is outlined in the Contribution Agreement. This includes key documents for We-Fi:

- We-Fi Operations Manual
- We-Fi Governance Framework
- We-Fi Board Documents June 2017 and March 2018.

Additional supplementary materials include a series of additional documents including financial statements, result framework and risk management framework.

1.3 Contributions

Denmark, represented by Danish Embassy in Washington of the Danish Ministry of Foreign Affairs, commits to a contribution to the engagement of

DKK 46,000,000

Denmark have previously supported We-Fi with DKK 23 million in 2017. The present grant of DKK 46 million will include two allocations of each DKK 23 million, one for 2018 and one for 2019. The contribution for 2019 is subject to approval by the Danish Parliament. Together with Denmark's previous support for We-Fi with DKK 23 million in 2017, the two additional contributions in 2018 and 2019 will cover Danish engagement for the complete lifetime of the We-Fi fund from October 2017 to October 2022, with possible extension to 2027.

2. Background

Small and Medium-sized Enterprises (SMEs) play an important role in economic growth and job creation in developing countries. While the SME sector in most developing countries has seen impressive development, it has not yet reached its full potential. It is widely recognized that women entrepreneurs play a critical role in economic development by boosting growth and creating jobs. Yet, women still today face numerous challenges to financing, owning, and growing a business. It is estimated that women-owned entities

represent just over 30 pct. of formal, registered businesses worldwide. Yet, 70 pct. of women-owned SMEs in developing countries are either shut out by financial institutions or are unable to receive financial services on adequate terms to meet their needs. As presented by the World Bank at the establishment of We-Fi, this results in a nearly USD 300 billion annual credit deficit to women-owned SME's.

Lack of networks, knowledge, and links to high value markets further constrain female entrepreneurship. Moreover, unfavourable business and regulatory environments are among the barriers that still impede women entrepreneurs from accessing finance. The fact that many emerging markets financial institutions have yet to develop a sustainable strategy to address this significant market gap represents a missed opportunity and constrains private sector development.

To address these challenges, the World Bank's (WB) Board of Executive Directors in June 2017 approved the Women Entrepreneurs Finance Initiative (We-Fi), an initiative endorsed by the G20 Leaders at the 2017 Summit in July 2017. The initiative was welcomed internationally. Australia, Canada, China, Denmark, Germany, Japan, Netherlands, Norway, Russia, Saudi Arabia, South Korea, United Arab Emirates, United Kingdom, and the United States has supported the facility.

2.1 The first year

Upon establishment, support to We-Fi exceeded expectations. We-Fi managed to secure commitments from 14 countries totalling USD 348 million, which meant the fund was able to set an upgraded target of mobilizing a total of USD 1.6 billion in additional funds from the private sector, donors, governments and other development partners: that is twice the amount originally targeted for We-Fi over its lifetime.

The first round of funding allocations were announced on April 19, 2018, with USD 120 million slated for three programs. The first round includes funding for proposals from the Islamic Development Bank to complement and expand successful initiatives in Yemen, Mali and Nigeria; the Asian Development Bank to improve the business environment for women in Sri Lanka; and the World Bank Group for global, regional and country specific activities to increase public and private sector support for women in business, with a focus on the poorest and most fragile environments.

On October 17th 2018 We-Fi's second call for proposals was announced where a total of USD 120 million is of potential funding is available. Technical Expert Panel and GC will review applications and the final decision will convene during the World Bank-IMF Spring Meetings in April 2019. The Technical Expert Panel is comprised of five leading experts, with collective expertise in gender, entrepreneurship, finance, public policy and program design, management and monitoring, with an understanding of developing country contexts. We-Fi the Governing Committee have agreed that the first and second call for proposal do not have a thematic focus, but that this can be considered in the Third Call following an assessment of the portfolio gaps at the time. Current conversations within the We-Fi Governing Committee surrounds this current second call for proposals, a potential new private sector window, as well as the newly adopted documents: Risk Framework and Results Scoring Template for Implementing Partners.

Besides the work in the Governing Committee, We-Fi secretariat has worked with Leadership Champions and donor countries on a series of advocacy initiatives. During its first year communications and advocacy has been centered on creating a wider understanding of We-Fi's rationale, objectives and structure; building the public narrative; establishing a brand; and raising support. To this end, some of the key activities included four high-level We-Fi events (October 2017 at the World Bank/IMF Annual Meetings, February 2018 at the World Government Summit in Dubai, April 2018 at the World Bank/IMF Spring Meetings and September 2018 at the UN General Assembly); the development and management of the We-Fi website; and working on a one-on-one basis with We-Fi Leadership Champions, as they were nominated by We-Fi Contributor governments, to brief them on We-Fi and develop engagement plans for them to support them in their advocacy role.

2.2 Danish Engagement

Denmark joined in 2017 as one of the founding members of We-Fi. This decision was made after taking part in the technical committee, which gave Denmark the opportunity to actively engage in the design process and hence exercise influence according to Danish priorities. We-Fi is organized as a Financial Intermediary Fund (FIF) under IBRD (World Bank). FIF is a trust fund leveraging public and private resources together in order to provide a direct and coordinated response to global priorities. A minimum limit for grants was set at USD 10 million. In order to reach DKK 69 million, the Danish contribution has been spread over more than one appropriation. The first grant of DKK 23 million was given in 2017, and the Minister for Development Cooperation accordingly participated in We-Fi's establishment at the World Bank's Annual Meetings in October 2017. Denmark has hereafter been an active member of We-Fi during the first year of operations. The Danish engagement in We-Fi covers both the work of "The Governing Committee" and the "Leadership Group".

1. Governing Committee

The Danish Embassy in Washington DC represents Denmark in the Governing Committee, where the strategic and decision-making procedures take place. Governing Committee meetings formulate We-Fi policies, strategies, call for proposals and approvals of allocations. Furthermore, the Embassy participate in continuous contact and additional meetings with the secretariat and members of the Governing Committee. Such conversation and meetings occur in case of special events, new initiatives as well as working groups on specific topics. It is through the Governing Committee the Embassy work for Danish priorities, strategies and focus areas.

2. Leadership Group

The Minister for Development Cooperation has been appointed member of the high-level We-Fi's Leadership Champions Group. Members of We-Fi's Leadership Group are nominated by We-Fi contributor governments, and are based on their demonstrated personal passion and commitment to promoting women's economic empowerment and entrepreneurship. The role of Leadership Champions is to mobilize global support for women entrepreneurs through high-level advocacy initiatives, including by highlighting We-Fi-supported projects. In this context, the Minister for Development Cooperation Denmark has participated in series of events. These include the official We-Fi launch at World Bank Annual meetings October 2017 and a panel at a flagship event during the World Bank Spring Meetings in 2018 focusing on nexus between women entrepreneurs and the

evolving tech-sector. Each of the members of the Leadership Group have individual engagement plans, which specify the focus areas of the member. The Engagement Plan (included as [Supplementary Materials](#)) for Minister for Development Cooperation outlines how this platform will be a continuation of Denmark's advocacy efforts with a strong focus on economic empowerment of women. Advocating for gender equality and women's rights is a high priority in "The World 2030" where Denmark's work as global defender of human rights, democracy and gender equality is specified. This include using existing platforms to promote We-Fi objective, possibility to host events at the Danish Ministry for Foreign Affairs and continue to participate in events and meetings hosted by the We-Fi secretariat. On the basis of an active engagement plan for the Minister, Denmark will through We-Fi continue work on highlighting innovative, gender-smart solutions to help women-owned/led SME's start and grow, promoting collaboration across the public and private sectors, and mobilizing international support for women's economic empowerment.

To secure synergy between Danish engagement in the Governing Committee and Leadership Group, both of these areas are coordinated by the Embassy in Washington in cooperation with relevant offices at the Ministry in Copenhagen. The Embassy will inform relevant departments and embassies of upcoming programs, deadlines and events and coordinate when action is needed. Furthermore, Danish strategic priorities in the Governing Committee will also be the foundation for the platform of the Minister in the Leadership Group. Lastly, the Minister for Development Cooperation has met bilaterally with the We-Fi secretariat and such conversations will continue to ensure common understand and close collaboration in the process.

2.3 Strategic Considerations

A short overview of the strategic priorities for Danish engagement in We-Fi through the Governing Committee and Leadership Council are included as [Annex 4](#).

We-Fi is fully compatible with Denmark's strategy 'The World 2030' with its clear focus on women-led enterprises. We-Fi is a relevant initiative through which Denmark can promote both gender equality priorities and focus on strengthening the private sector in developing countries. Furthermore, women's economic empowerment is a cornerstone of the 2030 Agenda for Sustainable Development. Broad evidence show that women are lagging behind men in terms of the number of female business owners, the size of women-owned businesses, and their access to economic resources. We-Fi is especially applicable with SDG Goal 5 "Achieve gender equality and empower all women and girls" and SDG Goal 8 "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all". We-Fi's result framework, theory of change and objective include indicators, which are all clearly compatible with the SDG Framework.

Denmark will prioritize the following four key areas throughout its membership in the Governing Committee. These are fully aligned with Danish priorities within the field of gender equality, female entrepreneurship and private sector investments. As noted in the description below, some of the priorities will lay the foundation for the engagement focus in the Leadership Group.

1. Evaluation and monitoring

Through the Governing Committee, the Embassy in Washington will strongly induce the We-Fi Secretariat to commit to a deadline for improving and finalising the results framework – including the establishment of baselines. Securing a strong result framework, which is updated throughout the period of We-Fi, will be a critical priority in Denmark’s engagement. This will include a focus on ambitious targets for private sector engagement and especially mobilisation of private capital. The Embassy will moreover work towards an overall review of the FIF governance structure, and how this arrangement has affected We-Fi’s operations.

2. Private Capital

The Embassy will, in both the Governing Committee and the Leadership Group, emphasize the need to attract private capital both on a portfolio level and in the projects approved for funding by the Governing Committee. This includes working to secure maximization of the capital mobilized by the private sector in We-Fi. This concern is aligned with the Danish priorities to use development aid to catalyse and crowd in private investments.

3. Evidence-based projects

It is essential that the programs funded through We-Fi as well as discussions through the Leadership Group are based on already existing research and evidence on best practices. It is crucial to secure that existing knowledge on development impact and economic empowerment of women is used to full extend, and thereby maximize effectiveness and impact of the projects implemented under We-Fi. This will be a continuous priority for Denmark through the funding allocation process in the Governing Committee.

4. Gender mainstreaming

Mainstreaming of gender efforts is a high concern across Denmark’s engagement on gender equality with the World Bank Group. This also includes the World Bank Groups work on women’s economic empowerment. Due to the placement of the We-Fi Secretariat and the close contact between We-Fi and the Gender-team in the World Bank Group, this will be a focus area in both conversations and meetings with We-Fi secretariat. Additionally We-Fi has created the opportunity to address this topic with other MDBs. As We-Fi implementing partners the MDB’s will be required to rethink gender aspects of their private sector development portfolio in order to come into consideration for economic support from the fund. Furthermore, qualifying for support includes obligations to evaluate and monitor, which again means greater focus on the area not least because We-Fi is very aware of the need to be able to demonstrate added value of the supported projects to the benefit of women entrepreneurs.

It is the responsibility of the Embassy in Washington to monitor these four priorities and in dialogue with relevant departments in the Ministry of Foreign Affairs to provide continuous feedback to the We-Fi Secretariat and the Governing Committee.

2.4 We-Fi Donor Group

Fourteen donors have joined We-Fi so far, as shown in the table below. A large group of donors have contributed with the threshold amount of USD 10 million. One of them is Denmark. This group includes

traditionally like-minded countries such as Australia, Netherlands, Norway and United Kingdom. Five donors have contributed substantially more i.e. USD 50 million: United States, United Arab Emirates, Saudi Arabia, Japan and Germany.

We-Fi is unusual in its diverse group of contributors. At some level this group of donors can be said to constitute a degree of reputational risk for Denmark. On the other hand We-Fi includes a number of donors that are normally not found in facilities promoting women’s’ development. It is fair to anticipate that these donors would not have made such substantial contributions to gender facilities had it not been for the establishment of the We-Fi. Thus, We-Fi is an opportunity to engage these usually not-aligned partners, within a firm framework for donor coordination and development dialogue on gender issues.

Considering the heterogeneous group of partners who have pledged funding to the facility, Denmark has together with traditionally like-minded countries, an important role to play in this context. As seen above, Denmark is among a large group of like-minded countries, with several countries contributing at a level equal to that of Denmark. The Embassy in Washington will use the Governing Committee platform actively to promote Danish values and priorities in coordination with these partners, and highlight the priorities previously outlined. Overall, We-Fi is an opportunity to engage these usually not-aligned partners, and the FIF-set-up together with the role of the WBG makes for a firm framework for donor coordination and development dialogue on gender issues.

Contributor	Amount Mio. USD
Australia	10,0
Canada	15,6
China	10,0
Denmark	10,8
Germany	50,0
Japan	50,0
Netherlands	10,0
Norway	10,7
Russia	10,0
Saudi Arabia	50,0
South Korea	10,0
United Arab Emirates	50,0
United Kingdom	10,0
United States	50,0
Total	346,8

Further analysis of the donor group and stakeholders are included in the [Context Analysis \(Annex 1\)](#) and [Partner Analysis \(Annex 2\)](#). Additional description of risk can be found in [Section 4](#) and [Risk Management Details \(Annex 6\)](#).

3. Development Engagement Objective

The objective of We-Fi is to address financial and non-financial constraints faced by women-owned/led SMEs in IDA and IBRD eligible countries and territories. We-Fi aims to achieve this by mobilizing more than USD 1,6 billion in commercial and international financial institution finance 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.

We-Fi supports projects and programs that eliminate barriers that women face in starting and growing successful SMEs in a variety of sectors, and strengthen the enabling environment for such firms. Given the need for both public and private sector interventions to address constraints, We-Fi support complementary approaches through two windows. Proposals aimed to improve access to capital and provide related investment, technical assistance, and advisory services are supported through a Private Sector Window. The Public Sector Window helps governments improve the business environment by identifying and addressing regulatory and legal constraints, creating market opportunities and developing innovative programs.

Progress will be measured through the We-Fi’s monitoring framework. For Danida reporting purposes the following key outcome and output indicators have been selected to document progress [\(Annex 3\)](#).

3.1 Theory of Change

As We-Fi is a multi-donor financial intermediary fund, it is not possible to attribute specific outputs to the Danish financing. Therefore, it is not possible to develop a results framework or theory of change specifically for the Danish support. Instead, the Danish contribution is based on We-Fi’s theory of change, which is shown below. By unlocking finance to women-owned/led SME’s in developing countries, addressing financial and non-financial barriers and creating a better ecosystem for women entrepreneurs, We-Fi aims to boost economic development, growth and create jobs.



4. Risk Management

We-Fi's Risk Management Policy was adopted at the Governing Committee meeting in October 2018. The policy is included in the list of [Supplementary Materials \(Annex 7\)](#). The risk policy is summarized in [Annex 6](#). The policy maps three main categories, their implications and the appropriate risk response. In addition, the annex includes a risk analysis from a Danish perspective.

The Risk Management Policy is divided into three main categories: Contextual risks, programmatic risks and, institutional risks. The main contextual risk, as identified by We-Fi, relates to governance and management including lack of clarity among various parties on roles and responsibilities.

The programmatic risks covers four primary risks: Risks regarding the program design and implementation arrangements, risks relating to the political and social environment of where the programs/projects will be implemented, the risk of funds not being used for their intended purposes or do not reach the intended beneficiaries and, risks relating to the environment and social safeguards. The institutional risks includes the financial aspect, associated with the administration of the We-Fi is: The risks that contributors do not meet their instalment payment schedules, the risks of the program not being able to meet its commitments, risks relating to the market and interest rates and lastly, risks relating to the exchange of foreign currency. Each IP will be responsible for the management of risks associated with the respective projects and programs implemented by them, and reporting on such risks and mitigation measures, as appropriate, as part of its annual progress and results reporting. Furthermore, Implementing Partners have to demonstrate sufficient environmental and social safeguard measures before receiving support through We-Fi. Issues related to HRBA, Green Growth and Environmental risks will thus be handled by the We-Fi Secretariat's Management and subjected, if and when relevant, to discussions in the Governance Committee. The trustee will manage financial risks associated with administration of the FIF and its resources until they are transferred to IPs or returned to contributors in accordance with the provisions of the Contribution Agreements. The Governing Committee will have oversight of the risk management approach and risk appetite at the portfolio level.

5. Inputs/budget

FIF's such as We-Fi are financial arrangements that leverage a variety of public and private resources in support of international initiatives, enabling the international community to provide a direct and coordinated response to global priorities. The Trustee carries out its roles and responsibilities in accordance with the World Bank policies and procedures and receives funds from contributors and holds those funds in the FIF pursuant to the terms of contribution agreements or arrangements entered into with donors. As laid out in the Partner Analysis (annex 2), the World Bank has extensive experience in providing capacity development to partners, and likewise capacity to manage and utilise technical assistance. The eligible IPs are likewise institutions with extensive experiences in programme implementation and capacity building.

The Trustee presented an update on the financial status of the We-Fi Trust Fund as of June 30, 2018. It was noted that pledges and contributions totalled USD 346.79 million, which consequently have led to the perspective of leveraging up to USD 1 billion. As of September 30th, contribution agreements/arrangements totalling USD 296.72 million had been executed, of which, USD 185.02 million had been deposited into the Trust Fund.

Funding approvals in the first call for proposal by the Governing Committee totalled USD 123.64 million. Based on pledges from donors, the available funds to support new funding decisions is expected to be USD 137.8 million at March 31st 2019, and the financing of second call for proposal is accordingly available. An overview of the current financial statement is shown below, while the administrative budget for We-Fi is shown in [Annex 4](#), which cover the expenses to the Secretariat and the Trustee. Trustee Report from September 2018 is included in the list of [Supplementary Materials \(Annex 7\)](#).

<i>As of September 2018. Currency: USD Millions</i>	Total	% of Total
Donor Pledges and Contributions		
Contributions	296.72	85.6%
Pledges	50.00	14.4%
Total Pledges and Contributions	346.72	100.0%
Cumulative Resources		
<u>Resources received</u>		
Cash Receipts	185.02	53.1%
Investment Income earned	2.00	0.6%
Total Resources Received	187.01	53.6%
<u>Resources not yet received</u>		
Contributions not yet received	111.70	32.0%
Pledges	50.00	14.3%
Total resources not yet received	161.70	46.4%
Total Potential Resources (A) (in USD millions)	348.72	100.0%
Cumulative Funding Decisions		
Projects	112.08	90.6%
Fees	7.82	6.3%
Administrative Budget	3.75	3.0%
Total Funding Decisions Net of Cancellations (B)	123.64	100.0%
Total Potential Resources Net of Funding Decisions (A) - (B)	225.08	
Total Potential Resources Net of Funding Decisions and Operational Reserve	223.08	
Funds Available		
Funds Held in Trust with no restrictions	129.86	
Approved Amounts Pending Cash Transfers	68.49	
Total Funds Available to Support Governing Committee Decisions	61.37	

Note: Sub-totals may not add up due to rounding.

6. Management arrangement

The governance and management structure of the We-Fi is outlined in the Governance Framework (included in [Supplementary Materials](#)) that was finalized with the establishment in 2017. The structure includes a Governing Committee, a Secretariat, and a Trustee. All contributing donors, which have made the USD 10 million threshold, have a seat in the Governing Committee. The Governing Committee is the supreme governing body of the trust fund, while the Secretariat is responsible for managing the day-to-day operations. The Governing Committee also includes a group of Observers (primarily from civil society) who may participate in meetings of the Governing Committee.

The Secretariat operates as part of the World Bank, led by a Head and comprised of a small team of professional and administrative staff employed by the World Bank. As the Secretariat is placed in the World Bank, it is carrying out its role in accordance with World Bank policies and procedures. The IBRD serves as the Trustee for the We-Fi. The Trustee receives funds from Contributors and holds those funds in the FIF pursuant to the terms of Contribution Agreements/Arrangements entered into with the Contributors. The Trustee and the Secretariat, respectively, submit work plans and indicative budgets to the Governing Committee for allocation annually. Implementing Partners (IP's) that are screened and accredited by the We-Fi Governing Committee lead project implementation. Under the first call for proposals, the following MDBs were eligible to apply as Implementing Partners: African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, IDB Invest, International Finance Corporation, Islamic Development Bank Group, and World Bank Group.

Besides the Governance Framework, the Operations Manual ([Supplementary Materials \(Annex 7\)](#)) sets out rules and procedures for Governing Committee business, as well as operating principles and guidelines for the operations of the We-Fi. This include eligibility, resource allocation criteria, process and a common format for funding re-quests, disclosure and conflict of interest.

Three aspects bind the We-Fi operations:

- (i) The last date by which the Governing Committee can approve Funding Requests for Allocation (the "We-Fi End Approval Date"), which is October 31, 2022, subject to extension by a decision of the Governing Committee with the agreement of the Trustee
- (ii) The last date by which the Trustee may transfer FIF funds to IPs (the end of the "We-Fi Term"), which is five years (or such longer period as agreed by the Trustee and Governing Committee) after the We-Fi End Approval Date.
- (iii) The end date of a project, program or activities undertaken by an IP (the end of the "Implementing Partner Implementation Period"), which is set out in the respective Funding Request against which Allocation will be made by the Governing Committee, and such date which may extend beyond the We-Fi Term.

We-Fi is accordingly intended to run for a five-year period plus another five-year period to conclude the activities, thus totalling a ten-year lifespan. However, the period may be extended based on lessons learned or changing realities. Denmark will review its engagement in the facility in year five of implementation and will then decide on a possible exit strategy.

7. Financial Management

We-Fi is organised as a FIF where the IBRD serves as the Trustee. FIF's are financial arrangements that leverage a variety of public and private resources in support of international initiatives, enabling the international community to provide a direct and coordinated response to global priorities.

The World Bank currently oversees more than 22 FIFs, where the distinctive role across FIFs is the provision of financial intermediary services, as Trustee of the funds. For all FIFs, the World Bank provides a set of agreed financial services that involve receiving, holding and investing contributed funds, and transferring them when instructed by the FIF governing body. Transfers are generally made by the Trustee to external agencies – in this case the Implementing Partners. Accordingly, the Trustee carries out its roles and responsibilities in accordance with the World Bank policies and procedures and receives funds from contributors and holds those funds in the FIF pursuant to the terms of contribution agreements or arrangements entered into with donors. The financial management structure of We-Fi is further described in the We-Fi Governance Framework (listed under [Supplementary Materials \(Annex 7\)](#)).

The institutional set-up for implementation, given by the structure of the FIF, requires a continuous focus on administrative overhead costs and securing that the implementation model does not increase in complexity. The Embassy will advocate for simplifying this process and encourage the Secretariat to identify actions that will keep administrative costs down and enhance efficiency.

8. Monitoring and Evaluation

Since We-Fi is a multi-donor FIF it is not possible to attribute specific outputs to the Danish financing, accordingly reporting on the facility's progress will follow the overall We-Fi results framework (see [Annex 3](#)). Through continuous participation in the Governing Committee Denmark will be able to influence the further development of the We-Fi results frame and promote the establishment of a base line for monitoring of results. The Facility Level Results Framework includes a mix of output indicators capturing the financial mobilization objectives and the improved capacity of institutions to serve female SMEs, as well as intermediate outcome indicators – such as number, sales/profits, and employment creation, of the final beneficiaries. The Governing Committee may adapt tracking and monitoring, as well as add new indicators, based on lessons learned during the life of the Facility.

Each Funding Request will include project-level indicators against which its performance will be monitored and assessed and will demonstrate alignment with the We-Fi results framework. Each implementing partner that receives funding from the We-Fi will report annually on progress and results for all activities to the We-Fi Secretariat, which will consolidate reporting into an annual implementation results report and submit it to the Governing Committee. All programs and activities supported under the We-Fi will have explicit commitments to monitoring and evaluation during implementation following the standards, procedures and requirements of the IPs directly concerned. The format and contents were agreed upon in the Governing Committee meeting in October 2018, where the Results Reporting Template was endorsed ([Supplementary Materials \(Annex 7\)](#)). Implementing Partners proposals will be screened for the extent to which their results frameworks include indicators that a) monitor how women entrepreneurs and women-led SMEs are being supported through expanded access to financial services and markets and reduced regulatory or policy barriers, and b) measures the impact of financing and other interventions on the performance of women-led

businesses. This measurement should occur at the program level, and there is flexibility to adapt tracking and monitoring based on lessons learned during the life of the Facility.

Regarding the facility level result framework no initial baseline has been established as of yet and for most indicators measurable targets are still to be defined. Hence, the result framework is not satisfactory at its current level. In the Governing Committee Denmark will work to further develop the We-Fi results frame including the establishment of a baseline. In this process, Denmark will have a strong focus on the inclusion of the four strategic objectives outlined in Section 2. Denmark will also advocate for tracking/verification studies and a strong focus on communicating results. Continued support to We-Fi may depend on these aspects.

8.1 Reporting

As the first round of funding was approved in April 2018, the Embassy is expecting receive annual narrative reporting moving forward as laid out in We-Fi's Operations Manual, which will be shared with relevant actors engaged in the ministry. The narrative reports will lay the foundation for We-Fi's progress on the Theory of Change and give the Governing Committee oversight of this process.

The We-Fi programme will be subject to a Danish mid-term review towards the end of the third year of the programme. The review will provide recommendations on the areas for future focus in the Governing Committee as well as inform the eventual further financing and/or the Danish exit from the trust fund. In conducting this midterm review, the possibility of cooperating with other donors will be explored.

9. Prerequisites

Prerequisites are the approval of both the technical and financial proposal by the Ministry of Foreign Affairs and the timely submission of all reports.

Annex 1: Context Analysis

1. Overall development challenges, opportunities and risks

Briefly summarise the key conclusions from the analyses consulted and their implications for the programme regarding each of the following points:

Global Development Challenges

- Women's economic empowerment is a cornerstone of the 2030 Agenda for Sustainable Development. Broad evidence show that women are lagging behind men in terms of the number of female business owners, the size of women-owned businesses, and their access to economic resources.
- Women entrepreneurs play a critical role in economic development by boosting growth and creating jobs. The gap in female entrepreneurship is especially apparent in low-income economies, where evidence show that women are much less likely to start a new business.

Key Statistics on Women's Economic Empowerment

- It is estimated that women-owned entities represent just over 30 pct. of formal, registered businesses worldwide. Yet, 70 pct. of women-owned SMEs in developing countries are either shut out by financial institutions or are unable to receive financial services on adequate terms to meet their needs. This results in a nearly USD 300 billion annual credit deficit to women-owned SME's. Gender gaps in entrepreneurship are associated with decreased income and aggregate productivity. Losses are estimated to be significantly higher in developing countries compared to developed countries.
- Globally, only 50 pct. of working-age women are in the labour force, compared to 77 pct. of men. In addition, studies estimate that a full-potential scenario in which women play an identical role in labour markets to men's, as much as 26 pct., could be added to global annual GDP in 2025
- In low-income countries only 35 pct. of adults has a bank account, which is a prerequisite for participating in the formal economy. Women lag behind men on account ownership across all regions.

Sustainable Development Goals

- We-Fi is directly applicable with SDG Goal 5 "Achieve gender equality and empower all women and girls" – and especially focusing on target 5.4 and 5.5. It is believed that We-Fi in this context will contribute to indicator 5.5.2 "Proportion of women in managerial positions" and indicator 5.4.1 "Proportion of time spent on unpaid domestic and care work by sex, age and location".
- We-Fi additionally address SDG Goal 8 "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" specifically through target 8.3 and 8.5 through its focus in growth of small- and medium-sized enterprises and securing employment for all women and men.
- SDG Status Report: "While some forms of discrimination against women and girls are declining, gender inequality continues to hold women back and deprives them of basic rights and opportunities. Empowering women requires addressing structural issues such as unfair social norms, attitudes, and progressive legal frameworks that put men and women at the same level."
- In addition it reports, that in three quarters of the 79 countries with data available around 2016, less than 38 pct. of senior and middle management positions are occupied by women, with the lowest rates in Northern Africa and Western Asia and in Central and Southern Asia.

We-Fi Addressing Barriers for Development

- Women face many challenges to grow their businesses, including limited access to finance and capital, lack of access to technology and knowledge products, insufficient skills development and lack of networks. In addition, barriers to female entrepreneurship are reinforced by other gender inequalities, such as low financial inclusion of women, the gap in education, and legal rights disparities. To increase women's

earnings and human capital wealth, investments throughout the life cycle are needed, from early childhood development and learning in schools to building job-relevant skills that employers demand, encouraging entrepreneurship and innovation, and ensuring that both women and men have equal access to opportunities and resources.

List the key documentation and sources used for the analysis:

- Women, Business and the Law 2018, World Bank Group
- How to Measure the Gap between New Female and Male Entrepreneurs?, Policy Research Working Paper, World Bank.
- The Power of Parity: How Advancing Women’s Equality can add \$12 trillion to Global Growth”, McKinsey Global Institute
- Gender and Financial Inclusion, International Center for Research on Women
- Verden 2030, Udenrigsministeriet 2017.
- Progress towards the Sustainable Development Goals, Report of UN Secretary-General

Are additional studies / analytic work needed? How and when will it be done?

- There is no need to conduct additional contextual studies or analyses.

2. Fragility, conflict, migration and resilience

Briefly summarize the key conclusions and implications for the programme of the analysis of the below points:

- The importance of female entrepreneurship for economic development is widely recognized. Numerous studies demonstrate the positive impact of female entrepreneurs on economic growth and development, as well as sustainable and durable peace. Economies characterized by high levels of female entrepreneurial activity are more resilient to financial crises and experience economic slowdowns less frequently.
- The proposed support to We-Fi is closely linked to fragility, conflict, migration and resilience. Women without access to financial services are vulnerable and often exposed to external shocks.

Danish areas of expertise

- The private sector can be an essential partner for sustainable peace by providing economic opportunities and employment, by supporting the development of strong institutions for governance, and by engaging with the communities where their operations or products have an impact. Denmark has significant experience with such work through the Investment Fund for Developing Countries (IFU) and the Danish SDG-fund.

Humanitarian/Development linkages

- By creating long-term solutions and opening opportunities, We-Fi will indirectly be targeting conflict, migration and resilience by investing in low income countries and fragile states. Gender Equality accordingly also serves as an indicator for the Global Peace Index.

List the key documentation and sources used for the analysis:

- Progress towards the Sustainable Development Goals, Report of UN Secretary-General
- Global Peace Index www.economicsandpeace.org
- UNwomen www.unwomen.org

Are additional studies / analytic work needed? How and when will it be done?

- There is no need to conduct additional contextual studies or analyses.

3. Assessment of human rights situation (HRBA) and gender

Briefly summarize the key conclusions and implications for the programme of the analysis of the below points:

Human Right Standards (international, regional and national legislation)

- Attaining equality between women and men and eliminating all forms of discrimination against women are fundamental human rights. 104 economies still have laws preventing women from working in specific

jobs, 59 economies have no laws on sexual harassment in the workplace, and in 18 economies, husbands can legally prevent their wives from working.

- The Convention on the Elimination of All Forms of Discrimination against Women, adopted by UN General Assembly in 1979 reports that to accelerate women's actual equality in all spheres of life, States might use temporary special measures for as long as inequalities continue to exist. The Convention thus reaches beyond the narrow concept of formal equality and aims for equality of opportunity and equality of outcome.
- Gender gaps in educational attainment, discrimination and social norms shape the terms of female labour force participation. When they do, they are more likely to work part-time, in the informal sector, or in occupations that have lower pay. These disadvantages translate into substantial gender gaps in earnings, which in turn decrease women's bargaining power and voice.
- The development discourse increasingly recognizes the influence of norms and social institutions, including the extent to which gender-based discrimination embedded in gendered norms and social institutions shapes women's financial inclusion. Breaking down financial/non-financial barriers for female entrepreneurs is an essential part of We-Fi's result framework.
- As a donor, Denmark will through the Governing Committee keep the human rights issues on the agenda and ensure that We-Fi continuously addresses this satisfactory.

Human Rights Principles (PANT)

Participation

- Women face many challenges to grow their businesses, including limited access to finance and capital, lack of access to technology and knowledge products, insufficient skills development and lack of networks. In addition, cultural attitudes play a strong role in influencing the status of women in society and in work. Attitudes among both men and women shape the level of gender parity considered appropriate or desirable within each society.
- We-Fi works towards addressing both financial/non-financial constraints faced by women-owned/led small and medium enterprises. These include strengthened capacity of the financial sector to serve women, mobilization of USD 1 billion from commercial institutions and IFIs, and reduced gender biases in laws and policies.

Accountability

- We-Fi is built upon a result framework with targets including more female owned/led SME's, improvements in firm performance, improved enabling environment for women, and reduced financial and non-financial barriers faced by women owned/led SME's. This result framework will be followed closely through engagement in We-Fi Governing Committee.
- Implementing Partners have to demonstrate sufficient environmental and social safeguard measures before receiving support through We-Fi. Issues related to HRBA, Green Growth and Environmental risks will thus be handled by the We-Fi Secretariat's Management and subjected, if and when relevant, to discussions in the Governance Committee.

Non-discrimination

- Women entrepreneurs in developing countries are often disadvantaged from the start, having fewer professional connections, role models, and mentorship opportunities, which can adversely affect their businesses in the long run. It is in this context, which We-Fi has chosen to focus on the specific group: Women led/own SME's in developing countries.

Transparency

- Through advocacy, public events, Leadership Champions and online media platforms, We-Fi work towards transparency of process, projects and results. Advocating for women's economic empowerment globally is a central part of We-Fi's work.
Gender - Through the objective and result framework, We-Fi focus on gender inequality – with emphasis on the gap between female and male entrepreneurs and women's economic empowerment in developing countries.
Youth - Youth constitute a very significant part of the female entrepreneurs in developing countries, and are accordingly directly or indirectly impacted by We-Fi projects.
List the key documentation and sources used for the analysis: - Women, Business and the Law 2018, World Bank Group - Women's Rights are Human Rights, UNHR Office of the High Commissioner - Gender and Financial Inclusion, ICRW - Unrealized Potential: The High Cost of Gender Inequality in Earnings, World Bank Group 2018
Are additional studies / analytic work needed? How and when will it be done? There is no need to conduct additional contextual studies or analyses.

4. Inclusive sustainable growth, climate change and environment

Briefly summarize the key conclusions and implications for the programme of the analysis of the below points:

Risk and challenges to inclusive sustainable growth and development

- Working with the financial inclusion industry play an important role in relation to the sustainability agenda. The industry is to an increasing extent adding environmental impact, climate impact and sustainable growth to the factors considered as measures of success. However, much more has to be done to strengthen all stakeholders involvement.

Rights and Access to Natural Resources

- By removing barriers for women owned/led SMEs in both public and private sector institutions/networks, We-Fi both directly and indirectly address norms on women's access to resources, their mobility, and their social interactions, as well as attitudes toward women's economic activity and financial autonomy.

List the key documentation and sources used for the analysis:

- The WBG's Climate Change Action Plan, April 2016

If this initial assessment shows that further work will be needed during the formulation phase, please list how and when will it be done?

There is no need to conduct additional contextual studies or analyses.

5. Capacity of public sector, public financial management and corruption

Briefly summarize the key conclusions and implications for the programme of the analysis of the below points:

Public Sector Engagement for We-Fi

- Given the need for both public and private sector interventions, We-Fi supports complementary approaches through two windows. The Public Sector Window help governments improve the business environment by identifying and addressing regulatory and legal constraints, creating market opportunities and developing innovative programs.

The corruption situation and relevant anti-corruption measures and reforms

- The implementing partners (IP) are committed to, consistent with their policies and procedures, take all appropriate measures to prevent corrupt, fraudulent, collusive, coercive and obstructive practices in

connection with the use of the funds. In the event that an IP determines that there are credible and material allegations of fraud, corruption, collusion or coercion in relation to activities financed by We-Fi funds that result in the IP opening an investigation into such allegations, the IP shall, in accordance with its applicable policies and procedures: (i) take appropriate action with respect to such allegations and, where relevant, seek appropriate redress, and (ii) as soon as practicable, inform the contributors of the outcome of the investigation; provided that the contributors agree to keep such information confidential on the terms agreed with the IP, unless such information is already publicly available.

List the key documentation and sources used for the analysis:

- We-Fi Operations Manual
- World Bank Findex, Financial Inclusion Data
<http://datatopics.worldbank.org/financialinclusion/topic/gender>

Are additional studies / analytic work needed? How and when will it be done?

There is no need to conduct additional contextual studies or analyses.

6. Matching with Danish strengths and interests, engaging Danish actors, seeking synergy

Briefly summarize the key conclusions and implications for the programme of the analysis of the below points:

- The objectives of We-Fi are relevant, both in a global context and in regions/countries where Denmark has significant cooperation engagements. We-Fi is directly compatible with Denmark’s strategy ‘The World 2030’ in its focus on women entrepreneurs.
- Monitoring are based on We-Fi’s results framework and indicators. Danish policy priorities will be pursued through the Governing Committee. As a membership of the Leadership Champion Group, Denmark work on raising awareness and communicate results to a broad audience.

Areas of Engagement

- The We-Fi Leadership Champions is a high-level advocacy group to mobilize global support for women entrepreneurs and for We-Fi’s objectives. This includes Engagement plans that are individualized in accordance with each Champion’s respective expertise, background, standing, availability, and interests. Minister for Development Cooperation is representing Denmark as a member of this group.
- Denmark has significant experience in private sector engagement through the Investment Fund for Developing Countries (IFU) and the SDG-fund. Denmark’s participation in We-Fi will accordingly underline private sector engagement focus.
- Advocating for gender equality and women’s rights is a high priority in Denmark’s strategy for development cooperation “The World 2030”. These advocacy efforts cover promotion through media platforms and a strong focus on economic empowerment of women. As a donor of We-Fi Denmark will continue this work through online channels and include We-Fi content in this regard.

List the key documentation and sources used for the analysis:

- The World 2013
- Strategic Framework for Gender Equality, Rights and Diversity in Danish Development Cooperation

Are additional studies / analytic work needed? How and when will it be done?

There is no need to conduct additional contextual studies or analyses.

7. Stakeholder analysis

Briefly summarize the key conclusions and implications for the programme of the analysis of the below points:

Stakeholders

- We-Fi is a collaborative partnership among 14 governments, eight multilateral development banks (MDBs), and other public and private sector stakeholders, hosted by the World Bank Group.
- The founding financial contributors are: Australia, Canada, China, Denmark, Germany, Japan, the Netherlands, Norway, the Russian Federation, Saudi Arabia, Republic of Korea, the United Arab Emirates, the United Kingdom and the United States. These 14 governments committed over USD 340 million to launch the facility's activities.
- Project implementation is led by Implementing Partners (IP's) that are screened and accredited by the We-Fi Governing Committee. Under the first call for proposals, the following MDBs were eligible to apply as Implementing Partners: African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, IDB Invest, International Finance Corporation, Islamic Development Bank Group, and World Bank.

Stakeholder risk and coordination

- Stakeholder risk are mitigated by receiving funds from well-established contributors to WBG trust funds, the use of established FIF Implementing Partner entities, and approval by the Governing Committee of an Operations Manual that clearly establish the decision-making role of the Governing Committee and roles and responsibilities of all parties.
- We-Fi is unusual in its very diverse group of contributors, including partners not usually participating in donor coordination forums. At some level this particular group of donors can be said to constitute reputational risk for Denmark. On the other side We-Fi is also an opportunity to engage these usually not-aligned partners, and the IFI-set-up together with the role of the WBG makes for a firm framework for donor coordination and development dialogue on gender issues.
- The Danish Embassy in Washington represent Denmark in the We-Fi Governing Committee. Considering the heterogeneous group of partners who have pledged funding to the facility, Denmark has together with traditionally like-minded countries, an important role to play in this context. Commitment to the values and development goals outlined in "The World 2030" will guide this work together with a strong focus on results.

List the key documentation and sources used for the analysis:

- We-Fi Governance Framework
- We-Fi Operations Manual

Are additional studies / analytic work needed? How and when will it be done?

There is no need to conduct additional contextual studies or analyses.

Annex 2: Partner Analysis

Summary of stakeholder analysis

We-Fi is a collaborative partnership among 14 governments, eight multilateral development banks (MDBs), and other public and private sector stakeholders, hosted by the World Bank Group. Project implementation is led by Implementing Partners (MDBs) screened and accredited by the We-Fi Governing Committee. MDBs are encouraged to partner with UN agencies, international financial institutions, civil society organizations, business groups, and/or other entities currently working in this field to help implement activities. We-Fi includes a number of donors that are normally not found in facilities promoting women's development. It is fair to anticipate that these donors would not have made such substantial contributions to gender facilities had it not been for the establishment of the We-Fi. With WBG hosting the secretariat and trustee makes for a firm framework for donor coordination and development dialogue on gender issues. Stakeholder risk have accordingly been mitigated by receiving funds from well-established contributors to WBG trust funds, the use of established FIF Implementing Partner entities, and establishment of the decision-making role of the Governing Committee.

Criteria for selecting program partners

We-Fi was announced in July 2017 at the G-20 Summit in Hamburg as an innovative, new facility to supports women-led businesses and works with governments to improve the laws and regulations stifling women entrepreneurs in developing countries. The initiative received broad international support. This meant, that in April 2018 when We-Fi announced its first funding allocations, the initial round of grant allocations alone mobilized twice the amount originally targeted for We-Fi over its lifetime. It is against this backdrop, the unique opportunity that We-Fi presents combined with a strong partnership with the World Bank Group, that We-Fi was chosen as program partner.

Brief presentation of partners

The World Bank Group is one of the largest sources of funding and knowledge for developing countries. Its five institutions share a commitment to reducing poverty, increasing shared prosperity, and promoting sustainable development. In fiscal year 2017, the WBG committed USD 61.8 billion in loans, grants, equity investments and guarantees to its members and private businesses. It is governed by 189 member countries and delivers services out of 130 offices with nearly 15,000 staff located globally. The Women Entrepreneurs Finance Initiative (We-Fi) is organized as a Financial Intermediary Fund (FIF) and is a collaborative partnership among 14 governments, 8 multilateral development banks, and other public and private sector stakeholders, hosted by the World Bank Group. The World Bank Group is the only global multilateral development bank and together with its emphasis on shared prosperity and the equality between genders, it constitutes an experienced and powerful partner.

Summary of key partner features

Partner name <i>What is the name of the partner?</i>	Core business <i>What is the main business, interest and goal of the partner?</i>	Importance <i>How important is the programme for the partner's activity-level (Low, medium high)?</i>	Influence <i>How much influence does the partner have over the programme (low, medium, high)?</i>	Contribution <i>What will be the partner's main contribution?</i>	Capacity <i>What are the main issues emerging from the assessment of the partner's capacity?</i>	Exit strategy <i>What is the strategy for exiting the partnership?</i>
The World Bank Group	<p>Providing low-interest loans and grants to developing countries for the investment in education, health, public administration, infrastructure, financial and private sector development, agriculture and environmental and natural resource management.</p> <p>Offer support to developing countries through policy advise, research and analysis and technical assistance.</p>	<p>Medium.</p> <p>The World Bank Group has an annual turnover of USD 43.6 billion (2017), and We-Fi budget is in this context relatively small.</p> <p>The We-Fi project is nevertheless a high priority for the WBG, and especially within the field of gender equality constituting a large platform for cooperation within different countries.</p>	<p>Medium.</p> <p>The World Bank Group serves as the Trustee and Secretariat for We-Fi and is thereby the legal owner and administrator. WBG therefore acts as both strategic and financial stakeholder.</p> <p>Nevertheless, it is the Government Committee, and thereby the donor countries, which is the decision making entity and who approves funding requests.</p>	<p>Through the We-Fi Secretariat, the WBG issues calls for proposals and manages the technical review process for submitted proposals.</p> <p>As Trustee, WBG receives funds and is in charge of coordination of disbursements.</p> <p>WBG is, as the other MDB's, also responsible for the project implementation for specific projects.</p>	<p><u>Strength:</u> WBG has a lot of experience and expertise in working with financial intermediary funds.</p> <p><u>Weaknesses:</u> As a separate trust-fund We-Fi is not integrated into mainstream WBG-activities.</p> <p><u>Opportunities:</u> Can constitute a platform for further cooperation and advocacy within the field of gender equality Within the WBG.</p> <p><u>Threats:</u> Changes in WBG management could lead to a reprioritization of We-Fi</p>	<p>We-Fi is intended to run for a five-year period plus another five-year period to conclude the activities.</p> <p>Denmark will review its engagement in the facility in year three of implementation and will then decide on a possible exit strategy.</p>

Annex 3: Result Framework

Below result framework built upon the result framework presented by We-Fi Secretariat and included as supplementary material in Annex 7. This framework has accordingly been adapted to align with the set-up of the We-Fi framework. In addition to this facility wide framework, a Result Reporting Template for the implementing partners has been developed (also included Annex 7). It is of high priority in Danish engagement to further develop this result framework. Denmark will work to include the four strategic priorities outlined in Section 2 and Annex 4 in this process, and consciously monitor the progress of these.

Thematic Programme 1		Women Entrepreneurs Finance Initiative (We-Fi)	
Thematic Programme Objective		To address financial and non-financial constraints faced by women-owned/led small and medium firms in IDA and IBRD eligible countries and territories.	
Impact Indicator		Improved access to finance and enabling environment with reduced non-financial barriers faced by women owned/led SMEs. More female owned/led SME's, improvements in firm performance and SME contribution to economic growth.	
Baseline	Year	2017	USD 0
Target	Year	2022	USD 1,6 billion
Engagement Title 1		Address financial constraints faced by women-owned/led small and medium enterprises.	
Outcome		Improved access to finance.	
Outcome indicator		N/A	
Baseline	Year	N/A	N/A
Target	Year	N/A	N/A
Output		Mobilization of at least USD 1.6 billion from commercial institutions and IFIs.	
Output indicator 1		Amount of non-We-Fi financing committed by We-Fi supported institutions to We-Fi supported activities, disaggregated by IDA/FCS countries. <u>Description:</u> The amount (USD) of non-We-Fi financing committed by We-Fi supported institutions for activities for women owned/led SMEs. We-Fi supported institution is defined as any institution receiving financial support or executing a program or activity on behalf of the Implementing Partner.	
Baseline	Year	2017	0
Target	Year	[TBD]	USD 1,6 billion
Output indicator 2		Amount of new financing given to women-owned/led SMEs by We-Fi supported institutions, disaggregated by IDA/FCS countries. <u>Description:</u> The amount (USD) committed to women-owned/led SMEs participants by We-Fi served institutions.	
Baseline	Year	2017	0

Target	Year	[TBD]	[TBD]
Output		Strengthened capacity of the financial sector to serve women.	
Output indicator 3		Number of financial service providers that have updated or implemented a) new screening procedures or b) financial products and services for women-owned/led SMEs, disaggregated by IDA/FCS countries. <u>Description:</u> The number of financial services providers that, as a result of We-Fi financing, have improved their ability to support women-owned/led SMEs.	
Baseline	Year	2017	0
Target	Year	[TBD]	[75 pct. or TBD]
Output indicator 4		Number of financial sector institutions that have put in place a system for capturing and reporting data on women-owned/led SMEs, disaggregated by IDA/FCS countries <u>Description:</u> The number of financial sector institutions that have put in place a system for capturing and reporting data on women-owned/led SMEs.	
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Engagement Title 2		Address non-financial constraints faced by women-owned/led small and medium firms.	
Outcome		Reduced non-financial barriers faced by women owned/led SMEs.	
Outcome indicator		N/A	
Baseline	Year	N/A	N/A
Target	Year	N/A	N/A
Output		Strengthened public/private sector institutions to serve women-owned/led SMEs.	
Output indicator 1		Number of institutions supported by We-Fi that have updated or put in place non-financial products/support services for women-owned/led SMEs, disaggregated by IDA/FCS countries. <u>Description:</u> The number of institutions supported by We-Fi that have updated or put in place non-financial products/support services for women-owned/led SMEs.	
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Output indicator 2		Number of public sector institutions supported by We-Fi that have put in place a system for capturing and reporting data on women-owned/led SMEs, disaggregated by IDA/FCS countries. <u>Description:</u> The number of public sector institutions supported by We-Fi that have put in place a system for capturing and reporting data on women-owned/led SMEs.	
Baseline	Year	2017	0

Target	Year	[TBD]	[TBD]
Output indicator 3	<p>Number of rigorous impact evaluations commissioned by We-Fi supported institutions.</p> <p><u>Description:</u> 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 any program or project outcome level.</p>		
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Output indicator 4	<p>Number of companies that have collected sex-disaggregated data on women-owned/led SMEs in their value chains and installed a procurement baseline and targets, disaggregated by IDA/FCS countries.</p> <p><u>Description:</u> The number of companies supported by We-Fi that have collected sex-disaggregated data on women-owned/led SMEs in their value chains and installed a procurement baseline and targets.</p>		
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Engagement Title 3	Address non-financial constraints faced by women-owned/led small and medium firms.		
Outcome	Improved Enabling Environment		
Outcome indicator	N/A		
Baseline	Year	N/A	N/A
Target	Year	N/A	N/A
Output	Reduced gender bias in laws and policies.		
Output indicator 1	<p>Number of legal and regulatory reforms supported by We-Fi to remove constraints and support to women's entrepreneurship, disaggregated by IDA/FCS countries.</p> <p><u>Description:</u> The number of reforms undertaken by the public sector to support the creation and growth of women-owned/led SMEs. IPs are to specify type of reform.</p>		
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Engagement Title 4	Increase in number and capacity of women-owned/led SMEs to access markets.		
Outcome	More female owned/led SMEs.		
Outcome indicator	N/A		
Baseline	Year	N/A	N/A
Target	Year	N/A	N/A

Output		Increase in number of female owned/led SMEs in entrepreneurship support programs supported by We-Fi.	
Output indicator 1		Number of women-owned/led SMEs in entrepreneurship support programs in We-Fi supported institutions, disaggregated by IDA/FCS countries. <u>Description:</u> The number of women-owned/led small and medium SMEs in entrepreneurship support programs in We-Fi served institutions.	
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Engagement Title 5		Increase in number and capacity of women-owned/led SMEs to access markets.	
Outcome		Improvements in firm performance.	
Outcome indicator		N/A	
Baseline	Year	N/A	N/A
Target	Year	N/A	N/A
Output		Women-owned firms show increased sales and profits.	
Output indicator 1		Number of women-owned/led SMEs in entrepreneurship programs in We-Fi served institutions that report increased sales or profits, disaggregated by IDA/FCS countries. <u>Description:</u> The number of women-owned/led SMEs in entrepreneurship support programs in We-Fi served institutions that report increased sales or profits.	
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]
Engagement Title 6		Increase in number and capacity of women-owned/led SMEs to access markets.	
Outcome		SME contribution to economic growth.	
Outcome indicator		N/A	
Baseline	Year	N/A	N/A
Target	Year	N/A	N/A
Output		Jobs created by female-owned/led SMEs.	
Output indicator 1		Number of direct jobs, disaggregated by sex, created by women-owned/led SMEs. <u>Description:</u> The number of direct jobs, disaggregated by sex, created by women-owned/led SMEs that have received financial or other support from We-Fi served institutions.	
Baseline	Year	2017	0
Target	Year	[TBD]	[TBD]

Annex 4: Strategic Priorities

Evaluation and monitoring

- a) Induce the We-Fi Secretariat to commit to a deadline for improving and finalising the results framework – including the establishment of baselines.
- b) Ambitious targets for private sector engagement and especially mobilisation of private capital. Work towards an overall review of the FIF governance structure, and how this arrangement has affected We-Fi's operations.

Private Capital

- a) Emphasize the need to attract private capital both on a portfolio level and in the projects approved for funding by the Governing Committee.
- b) Working to secure maximization of the capital mobilized by the private sector in We-Fi – aligned with the Danish priorities to use development aid to catalyse and crowd in private investments.

Evidence-based projects

1. Secure that programs funded are based on already existing research and evidence on best practices.
2. Existing knowledge on development impact and economic empowerment of women should be used to full extend to maximize effectiveness and impact of the projects implemented under We-Fi.

Gender mainstreaming

- a) Continue the focus on mainstreaming of gender efforts in the World Bank Group as well as additional implementing partners. We-Fi implementing partners the MDB's will be required to rethink gender aspects of their private sector development portfolio in order to come into consideration for economic support from the fund.

Management

- a) Advocate for simplifying the implementation process and encourage the Secretariat to identify actions to keep administrative costs down.
- b) Monitor the content and regularity of narrative reporting by the secretariat and share these will appropriate departments in the ministry.
- c) Coordinate Danish mid-term review towards the end of third year of the programme, including potential coordination with other donor-countries.

**Women Entrepreneurs Finance Initiative (We-Fi):
Administrative Budgets for Trustee and Secretariat
for the Period July 1, 2017 to June 30, 2018 (FY18)
and July 1, 2018 to June 30, 2019 (FY19)**

1. The purpose of this note is to: (1) provide an update to the Governing Committee (GC) on the Trustee and Secretariat's expenses for the period July 1, 2017 to June 30, 2018 (FY18) and (2) present for the GC's approval the estimated budgets of the Trustee and Secretariat for the period July 1, 2018 to June 30, 2019 (FY19).
2. In October 2017, the GC approved estimated budgets for FY18 with the understanding that these would be subject to adjustment, as necessary, at the end of the fiscal year. Table 1 below provides an overview of expenses incurred to date and projected expenses up to June 30, 2018, against the budgets approved for FY18, as well as estimated budgets for FY19 for the Trustee and Secretariat.

Table 1: Secretariat and Trustee Costs for FY18 and FY19

	Approved FY18 Budget (USD)	Estimated FY18 Actuals (USD)	Estimated FY19 Budget (USD)
Trustee	345,000	420,000	423,000
Secretariat	1,340,000	1,233,073	1,567,000
Total	1,685,000	1,653,073	1,990,000

A. Trustee Budget

3. The estimates reflect the Trustee's best estimate of the fees, costs and expenses for FY19 and revised estimates for FY18 on a full cost-recovery basis, and based on information available at the time of estimation. These will be subject to adjustment at the end of each fiscal year, based upon revised estimates of the fees, costs and expenses incurred in the provision of trustee services to the We-Fi.¹
4. The Trustee's costs and expenses arise from the delivery of four distinct service components: financial and program management, investment management, accounting and reporting, and legal services. Services provided under these headings include:
 - **Financial and program management:** Costs are based on staff time required for establishment of the FIF Trust Fund governance and financial arrangements (in FY18) and management and execution of financial transactions, including receiving and processing of contributions,

¹ The terms of the World Bank's trustee service provide that the Trustee can fully recover costs incurred, and that these are reconciled and reported to the Governing Committee at the end of the year.

recording allocations and commitments, processing cash transfers to Implementation Partners using World Bank financial systems and procedures, and financial reporting. These costs are expected to be higher than originally estimated due to greater than originally estimated staff time and expenses required to establish the trust fund arrangements, finalize contribution and Financial Procedures Agreements, and support the We-Fi Secretariat and Governing Committee. For FY19, as We-Fi becomes operational, financial and program management work will focus on allocations and commitments, with an expected high volume of financial transactions, requiring a high level of staff effort.

- Investment management:** Investment management fees are calculated as a flat fee of 3.5 basis points (i.e. 0.035%) of the average annual balance of the undisbursed cash in the Trust Fund. The revised projected average balance over the FY18 fiscal year is lower than originally estimated (USD 100 million vs USD 150 million) and is expected to fall to USD 50 million in FY19 as cash transfers for projects begin. In the event the average balance is lower or higher, investment management fees would be adjusted accordingly.
- Accounting and Reporting:** Costs are based on the management of the accounting model for the Trust Fund, clearance of initial governance arrangements as they impact trust fund financial arrangements, contribution and other agreements, and maintenance of appropriate records, accounts and systems to support financial reporting.
- Legal services:** These costs include drafting, negotiation and processing of contributions, financial procedures and other legal agreements as needed to support the work of the Trustee. The estimate also covers staff time to provide policy advice and legal review on governance and legal issues as they may impact the services of the Trustee. While costs are generally higher in the first year of operations due to services required for the governance and establishment documents and initial contribution arrangements, amendments thereto for issues such as the private sector window are expected to require additional legal services in FY19.

Table 2: FY18 and FY19 Trustee estimated costs and expenses

	Approved FY18 Amounts (USD)	Estimated FY18 Actuals (USD)	Estimated FY 19 Amounts (USD)
Trustee costs			
Financial and Program Management	130,000	220,000	240,000
Investment Management	50,000	35,000	18,000
Accounting and Reporting	50,000	50,000	50,000
Legal Services	115,000	115,000	115,000
Total	345,000	420,000	423,000

B. Secretariat Budget

5. The Secretariat's costs and expenses arise from five distinct service components: Program Management, Travel, Facility-level Monitoring and Evaluation, Communications and Advocacy, and the work of the Governing Committee:

- **Program Management:** This item refers to staff and short-term consultants engaged in the delivery of core program management and administration as well as miscellaneous expenses related to the day-to-day running of the Secretariat. Program management and administration costs for FY18 came close to the original estimates. These costs are expected to be slightly higher in FY19, given that the four dedicated Secretariat staff are now on board,² and in view of the projected needs for one additional staff (or senior level consultants) to work on developing and rolling out We-Fi's private sector window and risk management policy.
- **Travel:** For FY18, these costs relate mainly to the Dubai meeting. For FY19, these costs are estimated to be slightly higher, reflecting the increased level of activities associated, for example, with communications and advocacy work, as well as project monitoring and evaluation, which may require selected site visits (as the projects begin to roll out).
- **Facility Monitoring and Evaluation (M&E):** This item refers to costs associated with the preparation and production of progress reports and others reports related to M&E. For FY18, these costs are lower than originally anticipated, since projects were only approved towards the end of the year and work related to M&E has been limited to the preparation of templates. In FY19, work in this area (and associated costs) will step up, as projects begin to roll out. The Secretariat will produce Facility-level annual implementation and results reports and will provide support to implementing partners in their reporting process.
- **Communications and Advocacy:** For FY18, these costs include the organization of three We-Fi events (October 2017 at the World Bank/IMF Annual Meetings, February 2018 at the World Government Summit in Dubai, and April 2018 at the World Bank/IMF Spring Meetings); development and management of the We-Fi website; sponsorship of the One World Media Award for the "Women Entrepreneurs Reporting" category; and other media and publication costs such as publishing banners and posters. The spend was lower than anticipated, in part because the Communications Officer came on board only towards the end of the year. For FY19, the communications and advocacy plan is expected to be rolled out in full force requiring an increase relative to the spend during FY18.

² For the first six months of FY18, until the Secretariat was formally established in December, there were no full-time staff dedicated to program management and administration. The Head came on board on a full-time basis on December 4, 2017, the Program Assistant started on February 12, 2017, the Operations Officer came on board on April 1, 2018, and the Communications Officer started on April 9, 2018. Salary cost assumptions used for FY19 assume no increase in staff salaries.

- **Governing Committee:** This Item refers to costs associated with the work of the Governing Committee, including the costs of hosting meetings and payments to technical experts engaged for assessing proposals. For FY18, this line item included the logistical costs of arranging three Governing Committee meetings, travel expenses of observers who participated in those meetings, and fees paid to the technical experts for the review of proposals received under the first Call for Proposals. For FY19 these costs are expected to remain the same as the amount originally budgeted for last year under this line item.

Table 3: FY18 and FY19 Secretariat estimated costs and expenses

	Approved FY18 Amounts (USD)	Estimated FY18 Actuals (USD)	Estimated FY19 Amounts (USD)
Secretariat costs			
Program Management	1,045,000	1,004,831	1,254,000
Travel	60,000	59,147	78,000
Facility-level M&E	25,000	12,355	25,000
Communications and Advocacy	115,000	68,109	115,000
Governing Committee	95,000	88,631	95,000
Total	1,340,000	1,233,073	1,567,000

C. Proposed Decision

6. The We-Fi Governing Committee is requested to approve an estimated budget of USD 423,000 to cover the estimated costs and expenses of the Trustee for FY19; and USD 1,567,000 to cover the estimated costs and expenses of the Secretariat for FY19.

D. Next Steps

7. Upon Governing Committee approval of the FY19 Trustee and Secretariat budgets, the Trustee will transfer the amounts approved from available sources in the We-Fi Trust Fund to the Trustee and Secretariat.

Annex 6: Risk Management Policy

Below matrix is based on the risk management policy as drafted by the We-Fi Secretariat, which is to be developed further during the fall of 2018. The policy is expected to be finalized and approved during the Governing Committee meeting in October 2018. Likelihood and Impact has been assessed on the background of this policy as well as experience from We-Fi's first year.

Contextual risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Governance and Management Risk	Low	Major	The governance and management structure of the We-Fi is clearly outlined in the Governance Framework. Furthermore, the World Bank has extensive experience in providing capacity development to partners, and likewise capacity to manage and utilise technical assistance.	Any possible changes in internal cooperation/processes are followed closely by Denmark in the Governing Committee.	<ul style="list-style-type: none"> - Lack of clarity among various parties on roles and responsibilities; - Poor coordination between Governing Committee and Secretariat; - Failed internal processes, people and systems. - Secretariat receives incomplete or late information from IPs, jeopardizing its ability to provide timely and accurate reporting to the Governing Committee.

Programmatic risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Program Design and Implementation Arrangements	Low	Major	The eligible implementing partners are institutions with wide-ranging experiences in programme implementation and capacity building and are expected to be quick and effective to respond to any incidents relating to the identified risks.	Close relationship between Secretariat and IP's will be the foundation to react to any residual risks.	<ul style="list-style-type: none"> - Is program design informed by lessons of previous programs/projects in this sector/country? - Is the choice of the executing agency appropriate? Does the design of the project take into account the risks of the operating context and propose appropriate mitigation measures? - Do the program team members have the right "skill mix" to administer, implement, or supervise this project - Will the program require major procurement not common for this sector/country? Will the program require transfer of funds between multiple government levels?

					<ul style="list-style-type: none"> - The risk that the program is supply rather than demand driven. Has the program been discussed with potential counterparts? - The risk that program outputs and outcomes are not communicated specifically and precisely, so that concerned partners do not get what they need, when/how they need it.
Political Social and Governance	Medium	Minor	Same as above.	Same as above.	Includes risks relating to the political and social environment where the programs/projects will be implemented. This may include political developments that could impact the project including structural and legal barriers to female entrepreneurship. The assessment of governance risks should take into account vested interest and the extent to which the three key principles of good governance have been adopted and implemented in the context of the project or operational engagement.
Fiduciary (FM-Financial Management, Procurement, Disbursement, Fraud and Corruption)	Low	Major	Same as above.	Same as above.	<ul style="list-style-type: none"> - The risk that program funds will not be used to achieve value for money with integrity in delivering project's intended outcomes; funds are not used for their intended purposes/do not reach intended beneficiaries. Includes the risk that due policies and processes are not followed in procurement of goods and services; employees/contractors or program participants intentionally commit acts for unlawful gain; embezzlement, time and attendance fraud, procurement fraud, blackmail, bribery, money laundering and other wilful acts committed to circumvent the law. - The assessment should take into account the implementation capacity to manage budgeting, procurement, accounting, funds flow, existence and robustness of oversight arrangements; the level of transparency in disclosing procurement/contract, financial reporting and audit related information. The assessment should also look at which procurement and contract

					administration arrangements/practices provide reasonable assurance that the project will achieve intended results.
Environment and Social Safeguards	Low	Major	Same as above.	Same as above.	Risk that safeguards are not properly applied in project design, and that their implementation may not achieve their objectives with respect to possible impacts on people and environment.

Institutional risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Contributor Non-Payment	Low	Major	Denmark is in the Governing Committee, where strategic and decision-making procedures take place. Denmark will be updated if any risk-related instance should occur, and stand part in the risk response.	Not expected as member countries are well known World Bank contributors.	Represents the risk that contributors do not meet their instalment payment schedules as set out in their Contribution Agreements.
Basis of Commitment	Low	Major	Same as above.	Same as above.	Represents the risk that the program will be unable to meet the commitments (transfer funds to MDBs) as they are needed per the FPAs and Commitment Letters from Trustee to IPs, adversely affecting the program's financial position and reputation.
Market and Interest Rate	Medium	Minor	Same as above.	Same as above.	The risk of loss to We-Fi FIF balances arising from investment management activities on balances held in the FIF.
Foreign Exchange	Medium	Minor	Same as above.	Same as above.	The risk that fluctuations in currency exchange rates will reduce the USD equivalent value of unpaid instalments in foreign currency in which a Contribution Agreement is denominated.

Risk Management Denmark

Risk analysis of Denmark's donor-platform in We-Fi:

- The strategic risks that activities financed may not be aligned with the World Bank strategy and priorities or may duplicate other World Bank financing. This risk will be mitigated through the Governing Committee and World Bank capacity as Trustee, Secretariat, and Implementing Partner. Furthermore, there is a risk that multiple Implementing Partners could result in fragmentation and duplication. This will be mitigated through the single governance framework and operating procedures agreed by all partners. The Governing Committee, supported by the Secretariat, will ensure coordination and harmonization across the Implementing Partners. When submitting funding proposals, Implementing Partners will be required to confirm that projects are consistent with respective country strategies and contain results frameworks.
- Institutional Risk covers i.e. the somewhat complex institutional set-up for implementation. Only accredited Multilateral Development Bank's (MDB) are eligible to apply for support from the facility; however, the MDBs are expected to collaborate with other organisations, e.g. United Nation (UN), private sector, and national governments for implementation. This may cause long lead times from design over application and approval of funding, to actual implementation, and that total administrative cost will be high. This risk aspect will be followed closely through a close relationship with between the Secretariat, Implementing Partners and Governance Committee. Hence, Denmark will advocate for enhanced focus on monitoring IPs adherence to E&S best practices and ensuring that IPs have acceptable E&S safeguards.
- Stakeholder risk will be mitigated by receiving funds from well-established contributors to World Bank trust funds, the use of established FIF Implementing Partner entities, and approval by the Governing Committee of an Operations Manual that will clearly establish the decision-making role of the Governing Committee and roles and responsibilities of all parties.
- Financial risk will be mitigated by the use of grant or non-reimbursable capital contributions to the FIF, and by Trustee commitments to Implementing Partners based on cash available in the trust fund. The risk that insufficient funds are contributed to render We-Fi effective will be mitigated by the use of an 'effectiveness condition' i.e., that no project/program funding decisions may be made by the Governing Committee until contributions amounting to at least USD 100 million have been confirmed by way of signed agreements with the Trustee.
- A Reputational Risk should also be taken into account. We-Fi is unusual in its diverse group of contributors, including partners not usually participating in donor coordination forums. At some level this particular group of donors can be said to constitute reputational risk for Denmark. On the other side We-Fi is also an opportunity to engage these usually not-aligned partners, within a firm framework for donor coordination and development dialogue on gender issues. Furthermore, Implementing Partners will have to demonstrate sufficient environmental and social safeguard measures before receiving support through We-Fi. Issues related to HRBA, Green Growth and Environmental risks will thus be handled by the We-Fi Secretariat's Management and subjected, if and when relevant, to discussions in the Governance Committee, where Denmark is a member.

Annex 7: List of supplementary materials

#	Document / Material	Source
1	Contribution Agreement	Embassy in Washington
2	Financial Report	We-Fi Secretariat
3	Communications and Advocacy Update	We-Fi Secretariat
4	Engagement Plan Leadership Group	Embassy in Washington
5	Governance Framework	We-Fi Secretariat
6	Operations Manual	We-Fi Secretariat
7	Results Reporting Template for Approved Projects	We-Fi Secretariat
8	Result Framework	We-Fi Secretariat
9	Risk Management Framework	We-Fi Secretariat
10	Board Document June 2017	We-Fi Secretariat
11	Board Document June 2018	We-Fi Secretariat

Annex 8: Communication Plan

What?	When?	How?	Audience(s)	Responsible
Mobilizing global support for women entrepreneurs and the objectives of We-Fi.	When speaking at appropriate national and international events/speaking arrangements.	At participation by Champions in specific events such as World Bank or partner speaking events.	Attendees at World Bank or partner speaking events, as well as attendees at public speaking arrangements for the We-Fi champions.	The Danish Embassy in Washington DC.
Highlighting effective and/or innovative interventions	When contributing to the publication of written material.	In relation to the contribution to publications – writing.	Followers of the We-Fi champions on social media.	Department of Development Policy and Finance.
Promoting collaboration on women’s entrepreneurship	Occasionally on social media platforms.	Incorporation of We-Fi talking points into existing public speaking engagements at appropriate national and international platforms. Organization of events to promote We-Fi in local context. By the use of social media, (e.g. Twitter).	Private sector engagement as well as CSO’s/NGO’s working within this field. Partner organizations of “Implementing Partners”	Department of Growth and Employment We-Fi Secretariat.

Annex 9: Project Action Plan

Time line	Action	Responsible
01-08-2018	Planning of design and formulation: Process Action Plan	Embassy, Approval KFU
06-08-2018	Finalized exemption request for public hearing	Embassy
16-08-2018	Approval of exemption request	GUS
28-08-2018	Documents for Program Committee ready for KFU approval. <ul style="list-style-type: none"> - Concept note + annexes - Approved exemption request 	Embassy
07-09-2018	Meeting in Danida Programme Committee.	Embassy
September	Development of Programme Document and Development engagement Documents	Embassy
12-10-2018	ToR for appraisal forwarded to KFU All draft documentation for programme forwarded to UPF/VBE for comments.	Embassy
26-10-2018	All draft documentation for programme forwarded to KFU <ul style="list-style-type: none"> - Development engagement Documents (<i>internal document</i>) - Annex: Associated partner documentation and trust fund agreement. 	Embassy
End-October	Discussion of 0-Draft Appraisal with Embassy	KFU, Embassy
Primo-November	Appraisal process finalized <ul style="list-style-type: none"> - Appraisal Report - Recommendations summary 	KFU
<i>Deadline: November 13th</i>	Programme Document with appropriation cover sheet forwarded to KFU <ul style="list-style-type: none"> - Development engagement Documents (<i>internal document</i>) - Annex: Associated partner documentation and agreement 	KFU
29-11-2018	Council for Development Policy	Embassy
13-12-2018	The minister approves the programme <ul style="list-style-type: none"> - Resume from Danida External Grant Committee 	Embassy start process
15-12-2018	Signing of legally binding agreements We-Fi <ul style="list-style-type: none"> - Commitment letter 	Embassy
	Register commitment in MFA's financial systems before end of 2018.	Embassy

Annex 10: Quality Assurance checklist for appraisal of projects

File number/F2 reference: 2017 - 25210

Programme/Project name: Women Entrepreneurs Finance Initiative

Programme/Project period: 2018-2022.

Budget: DKK 46 million

Presentation of quality assurance process:

A concept note was presented and approved by the Program Committee on September 7th 2018 noting a need for further strategic and project adjustment laying out the framework for the subsequent process. The draft Development Engagement Document are send to appraisal on October 23rd and the outcomes of the appraisal will be included in the final Development Engagement Document presented to the Council for Development Policy on November 29th 2018.

✓ The design of the programme/project has been appraised by someone independent who has not been involved in the development of the programme/project.

Comments: TQS (Birthe Elisabeth Larsen) conducted the desk appraisal during week 45 2018.

✓ The recommendations of the appraisal has been reflected upon in the final design of the programme/project.

Comments: Yes - all recommendations from the appraisal has been taken into account in the finalization of the programme.

✓ The programme/project complies with Danida policies and Aid Management Guidelines.

Comments: Yes.

✓ The programme/project addresses relevant challenges and provides adequate responses.

Comments: The objective of the program is directly compatible with Denmark's strategy 'The World 2030' as well as SDG 1, 4 and 8.

✓ Issues related to HRBA/Gender, Green Growth and Environment have been addressed sufficiently.

Comments: The focus area of the program is women's economic empowerment.

✓ Comments from the Danida Programme Committee have been addressed (if applicable).

Comments: Yes – the comments have been addressed and laid foundation for the development of the programme document.

✓ The programme/project outcome(s) are found to be sustainable and is in line with the partner's development policies and strategies. Implementation modalities are well described and justified.

Comments: Yes – the Development Engagement Document includes description and details of the implementation process.

✓ The results framework, indicators and monitoring framework of the programme/project provide an adequate basis for monitoring results and outcome.

Comments: Development Engagement Document includes results framework and a basis for monitoring the results of the projects. Further development of Result Framework will be of high priority for Danish engagement in We-Fi Governing Committee.

✓ The programme/project is found sound budget-wise.

Comments: Yes.

✓ The programme/project is found realistic in its time-schedule.

Comments: Yes.

✓ Other donors involved in the same programme/project have been consulted, and possible harmonised common procedures for funding and monitoring have been explored.

Comments: Yes – engagement with other donors is continuous through the work in the Governing Committee.

✓ Key programme/project stakeholders have been identified, the choice of partner has been justified and criteria for selection have been documented.

Comments: Yes.

✓ The executing partner(s) is/are found to have the capacity to properly manage, implement and report on the funds for the programme/project and lines of management responsibility are clear.

Comments: Yes – all implementing partners are well-known and trustworthy partners of the MoFA.

✓ Risks involved have been considered and risk management integrated in the programme/project document.

Comments: Yes. Risk Framework have been addressed in the Development Engagement Document.

✓ In conclusion, the programme/project can be recommended for approval: **yes**

Date and signature of desk officer: 13-11-2018 Anna Cecilie Friis Bach/Advisor

Date and signature of management: 13-11-2018 Anders Ørnemark/Minister Counselor

Summary of recommendations of the appraisal

Title of Programme	Women Entrepreneurs Finance Facility (We-Fi) Trust Fund (2018 – 2019)
File number/F2 reference	2017-25210
Appraisal report date	10 November 2018
Council for Development Policy meeting date	29 November 2018
Summary of possible recommendations not followed	
<p>All recommendations, as laid out in the Desk Appraisal, have been taken into account in the finalization of the Development Engagement Document for Women Entrepreneurs Finance Initiative.</p>	
Overall conclusion of the appraisal	
<p>The overall conclusion of the desk appraisal is that the development engagement is ready to be presented for approval. The Women Entrepreneurs Finance Initiative addresses the financial and non-financial challenges faced by women in growing their businesses. The underlying assumption behind the initiative is that reducing the barriers faced by women-entrepreneurs, the women-led SMEs will contribute to economic growth and job creation. The initiative is relevant both in relation to the Sustainable Development Goals (1, 5 and 8) and in relation to the Danish priority areas as outlined in the 'World 2030'.</p>	

Recommendations by the appraisal team	Follow up by the responsible unit
<p>Engagement Level</p> <p>Support to a World Bank led Multi-Donor Trust Fund, having the objective of scaling up financing for support to activities, which will address the many financial and non-financial challenges faced by women-led business.</p>	
<p><i>Development Engagement Document text</i></p>	
<p>1. <i>It is recommended that the text in § 1.2: Documentation be enhanced with information on the relationship between the Contribution Agreement and the Development Engagement Document, also the key We-Fi documents, such as the Governance Framework should be listed.</i></p>	<p>This recommendation has been included as well as clarifying text on the timing of contributions to We-Fi. Furthermore, the Contribution Agreement for We-Fi has now been included as Supplementary Materials.</p>
<p><i>Efficiency</i></p>	
<p>2. <i>It is recommended that the Embassy, in the Governing Committee, advocates for simplifying the implementation model and encourage the Secretariat to identify actions that will keep administrative costs down and enhance efficiency.</i></p>	<p>A focus on administrative costs and implementation process has been included as part of Danish financial management of We-Fi in Section 7 of the DED. The Embassy will accordingly advocate on this topic in the Governing Committee.</p>
<p><i>Results frame, reporting and monitoring</i></p>	
<p>3. <i>It is recommended that the Embassy consult with likeminded donors on how to further the demand for an improved results framework for the We-Fi Facility and also seeks clarification on timelines for provision of narrative progress reporting for Governing Committee to be effective in its oversight role.</i></p>	<p>The importance of securing further progress for the result framework are included in the current DED and is of very high priority for the Embassy's engagement in the Governing Committee. As the first round of funding was approved in April 2018, the Embassy will accordingly take note of the need for annual narrative reporting from 2019 and forward. This has been included in Section 8.1 in the DED.</p>

<p>4. <i>It is recommended that the We-Fi programme be subject to a Danish Mid-term review towards the end of year 3 of the programme. The review will provide recommendations on the areas for future focus in the GC as well as inform the eventual further financing and/or the Danish exit from the MDTF.</i></p>	<p>The Danish midterm review has been added as part of section 8.1 in the DED, and it has been included that the one should explore opportunities for collaboration with other donors when conducting the review.</p>
<p><i>Management</i></p>	
<p>5. <i>It is recommended that the DED be annexed a summary of the issues Denmark will focus on in the Governing Committee.</i></p>	<p>An annex clarifying and summarizing the strategic priorities for Danish engagement has been added as Annex 4. Strategic priorities was of high priority when presenting We-Fi for the Program Committee, and in the following coordination with other ministry departments, the Embassy finds it appropriate that these are both centrally placed in the Development Engagement Document, and summarized in annex.</p>

I hereby confirm that the above-mentioned issues have been addressed properly as part of the appraisal and that the appraisal team has provided the recommendations stated above.

Signed on the 12 November 2018

Birthe Elisabeth Larsen
Appraisal Team leader/TQS representative

I hereby confirm that the responsible unit has undertaken the follow-up activities stated above. In cases where recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed on 13th November 2018

Anders Ørnemark
Embassy of Denmark, USA/Minister Counselor