

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

### **Governing Committee Meeting**

Washington D.C. & by Video-conference, July 16, 2018

#### **SUMMARY**

The We-Fi Governing Committee (GC) met for a special session on July 16, 2018 with participants joining in Washington D.C. as well as connecting via video- and audio-conference. The main purpose of the meeting was to discuss the documents and processes underpinning We-Fi's second Call for Proposals and Technical Review. Other topics on the Agenda included: an update on the financial status of We-Fi; status of programs/projects approved for funding under the first round; engagement of CSO/Private sector Observers; a review of the ongoing work on a Risk Management Policy for We-Fi; status of engagement with Leadership Champions and advocacy opportunities; results reporting; and a discussion around options for the proposed Private Sector Facility for We-Fi. The meeting was Chaired by Geoffrey Okamoto, Assistant Secretary for International Finance (Acting), U.S. Treasury. The Agenda and full list of participants are attached as Annexes.

In his opening statement, the Chair provided an overview of the Agenda and the goals for the meeting and in the absence of any comments or objections from GC members, the Agenda was adopted. The key topics discussed and agreements reached, along with next steps, are summarized below.

#### **1. Update from the Trustee on the Financial Status of We-Fi**

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 totaled USD 346.79 million. As of June 30<sup>th</sup>, contribution agreements/arrangements totaling USD 296.79 million had been executed, of which, USD 174.89 million had been paid-in. Funding approvals by the GC totaled USD 123.64 million and the We-Fi GC had USD 50.5 million of funds available to support new funding decisions as of June 30, 2018, net of operational reserve. In considering the size of future calls for proposals, the Trustee forecast that, based on pledges, USD 100 million of uncommitted funds would be available to support new allocations in 2019, increasing to USD 150 million by July 1, 2020. The Trustee also clarified that while the We-Fi Trust Fund can receive reflows from Implementing Partners (IPs), it has not yet received any such reflows. Responding to a request from Members, the Trustee agreed to share with the GC, at the next meeting, scenarios on the funding available for a potential third Call for Proposals.

Germany took the opportunity to inform Members that its contribution agreement is expected to be signed prior to the next GC meeting in October 2018.

#### **2. Update from Secretariat**

##### *Status of programs/projects approved for funding under the first round*

The Secretariat provided Members with an update on the status of programs/projects approved for funding on April 18<sup>th</sup> under the first round, based on reports provided by IPs. It was noted that the Asian Development Bank's (AsDB) "Enabling an Empowering Business Environment for Women Entrepreneurs

in Sri Lanka” Project had been approved by AsDB’s Board in June 2018, and that implementation was expected to commence shortly. Further, it was noted that the Islamic Development Bank’s “Brave Women Program” was expected to receive approval in July 2018, and its implementation was expected to be phased, with the project in Yemen starting in September 2018, followed by Nigeria in 2019, and Mali in 2020. The Secretariat reported that the World Bank’s program would cover eight country-level projects; one regional (MENA) project covering several countries; and a set of global projects. The country and regional projects represent around 70% of the Bank’s use of We-Fi financing. It was also noted that some 80% of We-Fi financing to the World Bank would be devoted to IDA-eligible countries that are ODA-eligible. On the IFC, it was reported that the pipeline was under development and would cover a range of investment, advisory and research projects under three pillars: “access to finance”, “access to markets” and “entrepreneurial ecosystems development”.

*Observers:*

The Secretariat updated the GC on the three CSO/Private sector Observers who have been invited to join the Governing Committee: Vital Voices, One Campaign, and the Bangladesh Women’s Chamber of Commerce. It was agreed that their term would commence formally on August 1, 2018. In response to a question on the process followed for selecting these Observers, the Secretariat noted that, as per the Policy on Observers approved by the GC in January 2018, the responsibility of selecting Observers in the CSO/Private Sector category had been delegated by the GC to the Secretariat. Further, the Secretariat explained that in terms of the selection of CSO Observers, the process began with a focus on CSOs with a global presence and wide reach, including in countries that would benefit from the first round of We-Fi funded programs and projects. In terms of private sector observers, the Secretariat focused on chambers of commerce/business associations and prioritized the selection of representatives from such bodies in countries where operations were taking place under the first funding round.

The Secretariat noted that the Observers would help engage the GC in a discussion on how We-Fi fits in with the broader landscape of donor-funded initiatives focused on women’s economic empowerment and entrepreneurship. To help ensure that Observers can contribute meaningfully on substantive topics discussed at GC meetings, the Secretariat requested the GC’s approval to share with the Observers, in advance of the next GC meeting, all documents that would be tabled at the meeting. It was agreed that the GC would have two-weeks to consider this request on a no-objection basis.

*Ongoing work on Risk Management:*

The World Bank’s Chief Risk Office along with the Secretariat updated the GC on progress towards creating a risk management policy for We-Fi. This policy, which is being developed at the GC’s request, will cover processes and response measures to identify, monitor and manage risks facing We-Fi. One key element of this policy relates to portfolio/project-related risk, on which the work has been nearly completed. This covers guidance to IPs on identifying, assessing, and presenting risks and mitigation measures when submitting proposals for We-Fi funding, and reporting on those as part of the annual implementation progress reports, so that the GC has adequate information on risks, both at the time of decision making on funding allocations and throughout project implementation. Other elements of the policy include identifying, managing and reporting on strategic and financial risks. A draft of the overall risk management policy note will be ready for circulation to the GC in August and circulated for approval at the next GC meeting. It was suggested that a small sub-group of the GC could function as a working group to help bring the risk policy to closure by October. In response to a question from the GC on how these efforts align

with the World Bank's current Trust Fund reform process, it was clarified that the risk management policy for We-Fi would incorporate the latest best practices.

*We-Fi Leadership Champions and advocacy opportunities:*

The Secretariat updated the GC on the status of engagement with the We-Fi Leadership Champions. It was noted that 14 Leadership Champions had been confirmed, and that there had been good progress in engaging with them. The Secretariat noted that it had shared with the GC a menu of engagement options for the Champions and that this had now been finalized, based on comments received. A set of key advocacy messages/talking points for the Champions to use, as appropriate, were under development in consultation with the IPs; these would be circulated to the GC shortly and thereafter, to the Champions.

Further, the Secretariat informed the GC that, due to the logistical challenges of convening the Champions in Bali, the Secretariat was instead working towards organizing a meeting of the Champions on the margins of the United Nations General Assembly (UNGA) Opening Week in New York City in September. This would provide a cost-effective alternative, since several Champions may already be attending UNGA. The Secretariat agreed to share more information with the GC on the proposed event and asked if any of the Contributing Governments would consider hosting a reception for the Champions at its Permanent Mission.

GC members who had not yet nominated two Leadership Champions were requested to consider a second nominee from a developing country.

The Secretariat also advised the GC that the G20 Business Women Leaders Taskforce (BWLTF) was interested in organizing a joint event with We-Fi during the G20 Leaders' Summit in Buenos Aires in November 2018 and agreed to circulate to the GC a concept note on this proposal prepared by the BWLTF.

**3. Discussion on Revised Calls for Proposals and Technical Review Package (Announcement, Proposal Submission Template, Scoring Criteria and ToRs for the Technical Expert Panel)**

It was agreed that the second Call for Proposals would be launched after the next meeting of the GC in October 2018. To this end, members provided a number of comments on the draft documents related to the Call for Proposals and Technical Review, prepared by the Secretariat and circulated ahead of the meeting. In introducing these documents, the Secretariat noted that the documents had benefited greatly from earlier comments, following the first Call for Proposals, and from the discussions that had taken place during the executive session of the GC on April 18, 2018.

*Announcement of the Second Call for Proposals:*

Members expressed support for targeting We-Fi's second Call for Proposals at USD 120 million, subject to confirmation from the Trustee at the October GC meeting on available funds. Further, it was agreed that the second Call would not have a thematic focus, and that this could be considered in the third Call following an assessment of portfolio gaps at the time. There was also agreement that IPs should be allowed to submit a maximum of [two] proposals, instead of three. The Secretariat took note of these comments as well as editorial comments provided by some Members and agreed to circulate the revised announcement for the GC's approval at the next GC meeting on October 15-16, 2018.

*Proposal Submission Template:*

The Secretariat provided highlights of the revised proposal submission template. Some of the key revisions include: a reduction of the maximum length of Proposals (to 25 pages); an expansion of the guidance sections to more clearly articulate We-Fi's focus, the definition of "leverage", details on requirements for different types of proposals (global/regional, multi-country and single-country proposals), etc.; introduction of a section on risks; introduction of two, new facility-level indicators in the Results Framework; and proposed changes to the scoring criteria. The Chair reminded Members that the purpose of updating this template was to make proposals more consistent and comparable.

Comments from members on the draft template included the following: (1) the wording on the cover sheet should replace the term "grant" with "financing", given that the Facility can accept cash reflows from IPs, and the language referencing ODA eligibility should be enhanced; (2) the template should include an Executive Summary; (3) the section on strategic context/rationale should include a description of the absorptive capacity of the target countries; (4) the section on program/project description should elaborate the guidance on the budget and work plan; (5) on the proposal scoring criteria, it was suggested that the points allocated to the two facility/portfolio-level goals should be increased, while the track record of IPs could be removed as a separate criterion and woven into the section on program/project design and implementation, since what the GC would be looking for is the lessons that each IP has learned from past, similar projects and how those lessons have been incorporated into the project design and implementation arrangements; (6) the reference to reaching IDA-eligible countries in the scoring criteria should be expanded to include FCV settings; (7) in the annex on risks, the focus on risks to beneficiaries, due to social norms, should be highlighted. The Secretariat agreed to revise the template based on the comments received and to circulate the revised template for the GC's approval at the next GC meeting.

*Technical Review Process, including TORs for Technical Expert Panel:*

In introducing this document, the Secretariat noted that, in light of the feedback received from the GC, it was recommended that the technical review of proposals under the second Call would be conducted by a technical expert panel (TEP) of five experts to be convened by the Secretariat. The GC agreed with this recommendation. Furthermore, it was agreed that the TEP would prepare and submit a single, consolidated assessment for each proposal, based on the agreed scoring criteria.

On the ToRs for the TEP, Members noted that it would be helpful to clarify that the TEP would be accountable to the GC and report to the GC Chair. Further, it was agreed that the TEP Chair should be selected from among the TEP members. Members felt that it would be good if the TEP Chair could attend (in person) the GC meeting at which funding decisions would be discussed. On the qualifications of experts, Members emphasized the need for the TEP to include experts with complementary and diverse experience and backgrounds. Further, Members noted that the current wording appeared to exclude experts who had experience in working at MDBs; this needed to be revised to make clear MDB experience was considered valuable and the key point was to ensure that individuals currently employed by Implementing Partners submitting proposals would not be eligible, owing to potential conflicts of interest. The Secretariat agreed to revise the ToRs to reflect these comments and recirculate them for the GC's approval at the next GC meeting.

On the process and timeline, it was agreed that the Secretariat would send the proposals to the GC at the same time as they were sent to the TEP members. Noting a Member's request for added clarity on the process and key steps that would be followed from the time proposals are received by the Secretariat to

the time that the GC makes its final funding decision, the Chair concurred that a Note delineating this decision-making process would be helpful. The Secretariat agreed to share a Note on this topic for the GC's approval at the next meeting.

#### **4. Discussion on Results Reporting Templates**

The Secretariat summarized the key elements of the template prepared for the IPs to report annually on implementation progress/results; the draft template had been shared with the GC in advance of the meeting. The information received from IPs would be used by the Secretariat to prepare We-Fi's annual progress reports for the GC, which would be submitted to the GC every year, in December. Members requested that the reporting template ensure that qualitative progress is captured in addition to the quantitative indicators of the results framework. The Secretariat agreed to ensure that qualitative information would be gathered and presented to the GC as part of the annual progress report, and undertook to revise and recirculate the template for the GC's approval at the next meeting.

#### **5. Discussion on Private Sector Facility Options Note**

As a follow-up to the GC's interest in exploring the establishment, on a pilot basis, of a new Private Sector Facility (PSF) within the We-Fi, the Secretariat presented an Options Note, prepared and circulated to the GC in advance of the meeting.

Members thanked the Secretariat for the Note, and re-stated that the purpose of this proposed Facility would be to bring in a diversity of partners, enable direct engagement with/investments in the private sector, and foster innovation. At the same time, Members emphasized that the key principles underpinning any such Facility should be its clear value addition, ability to bring systematic changes and support sustainable solutions, scale-up potential, efficiency, and cost effectiveness. Members asked for more information on the gaps in We-Fi's existing business model that the facility would address, on cost structures and timelines associated with the alternative design options presented in the Note, and on how risks would be managed. Based on the feedback provided at the meeting, the Chair asked the Secretariat to revise the note to articulate more sharply the PSF's value added and how it would align with We-Fi's core objectives. The Secretariat agreed to circulate a revised note for discussion at the next meeting of the GC.

#### **6. Next Steps**

- The GC agreed that any additional written comments on the package of documents circulated for the July 16<sup>th</sup> meeting would be sent to the Secretariat by July 23, 2018.
- The Secretariat will circulate to the GC a draft Risk Management Policy document in August.
- The Secretariat will revise and circulate on September 28, 2018 the following documents for the GC's consideration and approval at the next GC meeting on October 15-16, 2018:
  1. The package for the Second Call for Proposals (Announcement, Proposal Submission Template, Scoring Criteria);
  2. ToRs for the Technical Expert Panel;

3. A Note outlining the process/key steps and timeline to be followed for the review of proposals submitted for funding;
  4. The template to be used by IPs for reporting on progress with implementation/results;
  5. A Discussion Note on the proposed Private Sector Facility;
  6. A Risk Management Policy.
- The Secretariat will share with the Observers the documents listed above under items 1 to 5, which were considered by the GC on July 16<sup>th</sup>, once the GC's no-objection has been received [and no later than July 30<sup>th</sup>, 2018]. The Risk Management Policy will also be shared with the Observers once the draft is ready in August.
  - The Secretariat will circulate to the GC (1) additional information on the proposed meeting of the Champions on the margins of the UNGA Opening Week; (2) a set of talking points developed for the Champions; and (3) a Concept Note on the proposed event at the G20 Summit.

ANNEX 1

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

**Governing Committee Technical Meeting**

Washington D.C. & by Video-conference, July 16, 2018

Meeting Agenda

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|-------------------------|--|
| 8:00 – 8:10 a.m.        | <b>Welcoming remarks from the Chair and Adoption of Agenda</b>   |
| 8:10 – 8:20 a.m.        | <b>Update from the Trustee on the financial status of the We-Fi Trust Fund</b>   |
| 8:20 – 8:50 a.m.        | <b>Update from the Secretariat</b> <ul style="list-style-type: none"><li>- <i>Status of programs/projects approved for funding under the first round</i></li><li>- <i>Observers to the next GC meeting</i></li><li>- <i>Ongoing work on Risk Management</i></li><li>- <i>Status of engagement with Leadership Champions and advocacy opportunities</i></li></ul> |
| 8:50 – 10:15 a.m.       | <b>Discussion on Revised Calls for Proposals and Technical Review Package (Announcement, Proposal Submission Template, Scoring Criteria and ToRs for the Technical Expert Panel)</b> <ul style="list-style-type: none"><li>- <i>Introduction by the Secretariat (5 minutes)</i></li><li>- <i>Comments from Governing Committee Members</i></li></ul>             |
| 10:15 – 10:45 a.m.      | <b>Discussion on Results Reporting Templates</b> <ul style="list-style-type: none"><li>- <i>Introduction by the Secretariat (5 minutes)</i></li><li>- <i>Comments from Governing Committee Members</i></li></ul>   |
| 10:45 – 11:45 a.m.      | <b>Discussion on Private Sector Facility Options Note (to be circulated separately)</b> <ul style="list-style-type: none"><li>- <i>Brief summary from the Secretariat on the Options Note (5 minutes)</i></li><li>- <i>Comments from Governing Committee Members</i></li></ul>   |
| 11:45 a.m. – 12:00 p.m. | <b>Wrap-up and Next Steps</b>  |



**ANNEX 2**

**Meeting Participants**

<b>Country Delegation</b>	<b>Representative</b>	<b>Joining:</b>
Australia	<b>Mr. Bill Costello</b> <i>Minister Counsellor (International Development), Embassy of Australia, Washington DC</i> <a href="mailto:bill.costella@dfat.gov.au">bill.costella@dfat.gov.au</a>	<b>In Person</b>
Canada	<b>Ms. Jessica Oliver</b> <i>Senior Policy Analyst, Global Affairs Canada</i> <a href="mailto:Jessica.oliver@international.gc.ca">Jessica.oliver@international.gc.ca</a>	<b>By Phone</b>
China	<b>Mr. Zhang Lei</b> <i>Advisor to Mr. Wang, &amp; Deputy Director, IFI Division I, Department of International Economic &amp; Financial Cooperation, Ministry of Finance</i> <a href="mailto:zhangleimof@sina.cn">zhangleimof@sina.cn</a>	<b>By video</b>
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Russian Federation	<p><b>Ms. Irina Romantceva</b> <i>Expert, Department of International Financial Relations, Ministry of Finance, Russian Federation</i> <a href="mailto:irina.romantceva@minfin.ru">irina.romantceva@minfin.ru</a></p> <p><b>Ms. Ekaterina Sycheva</b> <i>Advisor to Executive Director, World Bank Group</i> <a href="mailto:esycheva@worldbank.org">esycheva@worldbank.org</a></p>	By Phone  In Person
United Arab Emirates	<p><b>Ms. Eman Hableel</b> <i>Head of National Projects, Ministry of Foreign Affairs and International Cooperation</i> <a href="mailto:eman.hableel@mofaic.gov.ae">eman.hableel@mofaic.gov.ae</a></p>	By Video
United Kingdom	<p><b>Ms. Claudia Fumo</b> <i>Senior Social Development Adviser and Team Leader, Economic Inclusion and Gender, DFID</i> <a href="mailto:c-fumo@dfid.gsx.gov.uk">c-fumo@dfid.gsx.gov.uk</a></p>	By Phone

United States of America	<p><b>Mr. Geoffrey Okamoto</b> <i>Assistant Secretary for International Finance (Acting)</i> <i>Department of the Treasury</i> <a href="mailto:geoffrey.okamoto@treasury.gov">geoffrey.okamoto@treasury.gov</a></p>	<b>In Person</b>
	<p><b>Ms. Ruchira Srinivasakrishnan</b> <i>International Economist, Office of International Debt and Development Policy,</i> <i>Department of the Treasury</i> <a href="mailto:ruchira.srinivasakrishnan@treasury.gov">ruchira.srinivasakrishnan@treasury.gov</a></p>	<b>In Person</b>
	<p><b>Ms. Elizabeth Lien</b> <i>International Economist, Office of International Affairs,</i> <i>Department of the Treasury</i> <a href="mailto:Elizabeth.Lien@treasury.gov">Elizabeth.Lien@treasury.gov</a></p>	<b>In Person</b>
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	<p><b>Ms. Beeta Ehdaie</b> <i>American Association for the Advancement of Science</i> <i>Policy Fellow, Department of State</i> <a href="mailto:ehdaieb@state.gov">ehdaieb@state.gov</a></p>	<b>In Person</b>

<b>Other Participants</b>	<b>Representative</b>	<b>Joining:</b>
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	<p><b>Ms. Caroline Okumu</b> <i>Program Assistant</i> <a href="mailto:cokumu@worldbank.org">cokumu@worldbank.org</a></p> <p><b>Mr. Andre Braz Pinheiro</b> <i>Consultant</i> <a href="mailto:abrazpinheiro@worldbank.org">abrazpinheiro@worldbank.org</a></p>	<p><b>In Person</b></p> <p><b>In Person</b></p>
We-Fi Trustee	<p><b>Ms. Karen Pillay</b> <i>Senior Financial Officer (Trustee)</i> <a href="mailto:kpillay@worldbank.org">kpillay@worldbank.org</a></p>	<b>In Person</b>
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