Transforming Economies through Investment and Growth (TEIGR) and Women's Economic Empowerment

WOW Helpdesk Query 30

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November 2019

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Acronyms

ADB	Asian Development Bank
AfDB	African Development Bank
AIIN	Accelerating investment and infrastructure in Nepal
BRICK	Building reliable investment climate in Kenya
DCED	Donor Committee on Enterprise Development
GESI	Gender equity and social inclusion
GIIN	Global Impact Investing Network
IFC	International Finance Corporation
IsDB	Islamic Development Bank
ODI	Overseas Development Institute
TEIGR	Transforming Economies through Investment and Growth
WBG	World Bank Group
WEE	Women's Economic Empowerment

1. Introduction

Objective

The objective of this helpdesk query outlined in the terms of reference is: "to shape the business case for a new investment climate and economic transformation programme—Transforming Economies through Investment and Growth (TEIGR)—to ensure that gender is mainstreamed and specific interventions are designed to advance women's economic opportunities."

Background

The Investment Climate, Cities and Infrastructure team and the Jobs and Inclusive Growth team within DFID's Growth and Resilience department are drafting the business case for the TEIGR programme. This programme aims to unlock economic transformation and boost inclusive growth by targeting barriers to investment and the creation of good quality jobs in productive sectors. TEIGR will have three components:

1. Demand-led support to country offices and partner governments through targeted technical assistance (in existing or new DFID priority countries)
2. Development of global knowledge products
3. Long term and in-depth implementation support to partner governments to help reduce the uncertainty and risk of businesses investing in DFID priority countries (both current and potential new geographies). The implementation support will use a flexible and adaptive approach.

The concept note for the programme was approved in January 2019 at a value of £39 million over 4 to 5 years and, assuming there are no delays, the business case will be signed off in early 2020.

A specific number of beneficiaries will not be targeted through this programme. Instead, proposed indicators would include increased investment, increased economic growth and increased competitiveness. There is the possibility of having an indicator for number of good quality jobs created, which could include a sub-indicator on jobs created for women, but this has not yet been decided or quantified. It is also possible that additional indicators on the differential impact of this programme on women could be added.

The product will be shared internally within DFID's Growth and Resilience Department and may be referred to within the business case. It may be circulated wider around the DFID investment climate policy network and cross-Government network to share lessons and best practice on what works. It will be used to scrutinise ideas from suppliers who submit bids to implement TEIGR.

Key questions

The terms of reference for the enquiry pose the following three questions:

1. What are the best practices and lessons learned from DFID-funded investment climate programmes on achieving transformative outcomes related to women's economic empowerment? What have been the gaps in DFID-funded investment climate programmes in reducing barriers to women's economic empowerment?
2. What practical recommendations can be made for how legal, economic and social/cultural barriers to women's economic empowerment be mitigated and thus ensure the greatest possibility for greater investment benefitting women and better and more jobs for women in

TEIGR? This will include proposing specific interventions which will support inclusive economic transformation. It should encompass the planning and intervention stages of the programme (not monitoring and evaluation).

3. What logframe indicators as well as pathways to impact should be defined for TEIGR to ensure progress towards women's economic empowerment is measured and traced?

Methodology

For the review of best practices and lessons learned from DFID funded investment climate projects, a sample of projects was chosen in coordination with the DFID team. As agreed, these included three dedicated investment climate programmes and three private sector development programmes with an investment climate component ("non-dedicated programmes"). DFID requested that the sample did not include the TEIGR predecessor programmes - Business Environment for Economic Development and Supporting Economic Transformation.

The criteria for programme selection included: 'significant' gender marker or above; at least one year of implementation completed; for closed projects, end date within last three years; for non-dedicated programmes, over 30% of programme budget dedicated to investment climate; significant programme size. The projects selected were:

Project	Dedicated programme ?	Dates	Budget (£ million)	Gender marker
Zimbabwe Business Enabling Environment Project (BEEP)	Yes	June 2013 – Dec. 2017	5.8	Principal
GEMS Nigeria	Yes	May 2009 – March 2018	78	Significant
Building Reliable Investment Climate in Kenya	Yes	March 2013 – Oct. 2017	17.5	Significant
Accelerating Investment and Infrastructure in Nepal	No	Aug. 2014 – March 2022	46.3	Significant
Impact Programme	No	Dec. 2012 – Dec. 2035	65	Significant
Women Entrepreneurs Finance Initiative	No	May 2018 – Oct. 2022	7.6	Principal

The six programmes were reviewed using documents available on DevTracker (mainly business case, logframe, annual reviews, project completion reports) and some documents provided by DFID or identified through internet search.

It was agreed that gaps should be identified across the sampled programmes, rather than gaps within individual programmes.

For questions 2 and 3, evidence was drawn from global sources on investment climate reform and women's economic empowerment, with particular reference to a number of materials produced under the predecessor programme, Business Environment for Economic Development, in addition to some confidential documents drafted in preparation for the TEIGR programme (e.g. concept note, draft strategic and appraisal case).

2. DFID Programme Mapping

This review of DFID funded investment climate programmes aims to identify best practice and lessons learned "on achieving transformative outcomes related to women's economic empowerment."

To ensure coherence and consistency, we propose some basic definitions for some of these terms. The WOW project definition of women's economic empowerment is: "the process whereby all women strengthen their voice and capacity to make and act on economic choices; expand their opportunities to fulfil their potential; and gain recognition for their contribution, paid and unpaid, in households, at work, and wider society".

In the academic literature on gender relations, 'transformative change' is used to indicate fundamental and sustainable changes towards gender equality in the service of women's interests, or, changes that had 'strategic' intent. In the context of TEIGR, however, we recognise that the use of the term transformative is likely to reflect the programme's focus on 'economic transformation'. DFID adopts the following definition of economic transformation:

"Economic Transformation is the ongoing process of (i) increasing aggregate productivity by moving labour and other productive resources from lower- to higher-productivity sectors and activities (structural change) and (ii) raising within-sector productivity by sector-wide improvements, for example skills training or clustering of firms, as well as firm-level innovations".[1]

Therefore, for this assignment we define "transformative outcomes related to women's economic empowerment" as including:

- Strengthened voice of women on issues relating to improving productivity (e.g. in Public Private Dialogue).
- Strengthened capacity of women to engage in higher productivity employment or income generating activities (e.g. skills improvement).
- Increased opportunities for women to engage in higher productivity employment or income generating activities (e.g. labour market regulation, child care provision, social norms relating to women's employment).
- Improved recognition for women's economic contribution (e.g. addressing unequal pay discrimination and occupational segregation).

[1].ODI (2019); Promoting Economic Transformation through Business Environment Reform; Gelb, Lemma and de Velde; DCED.

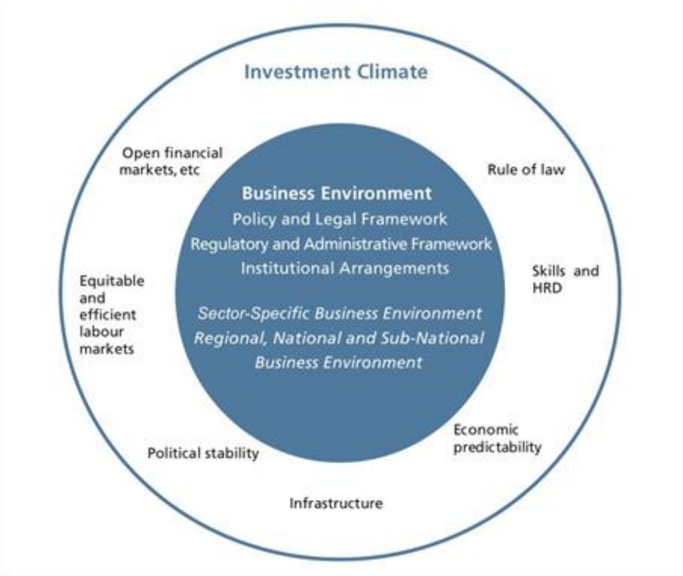

Figure 1: Components of Investment Climate (Source: DCED, 2008, Supporting Business Environment Reforms: Practical Guidance for Development Agencies, Donor Committee for Enterprise Development.

Based on DCED definitions, we assume that investment climate programmes or programme components relating to investment climate may include the following areas of concern: the business enabling environment, skills and human resource development, equitable and efficient labour markets, competitive product and service markets, open financial markets and the rule of law (see figure 1 below). It is understood that all these aspects are relevant to the Transforming Economies through Investment and Growth (TEIGR) programme. Wider investment climate issues, such as infrastructure, political stability and economic predictability are less likely to form a focus of the new programme and therefore are also not considered in this review. Nevertheless, it is expected that all TEIGR programme activities would be planned and implemented on the basis of thorough political economy analysis.

As outlined in the TOR, the programme mapping is structured in table format, covering name of programme, geographical coverage, best practices and lessons learned. Detailed findings on this mapping exercise are contained in Section 5 below. A summary of the lessons learned from the six programmes is outlined below.

A. Non-Dedicated programmes

Women Entrepreneurs' Finance Initiative (We-Fi).

DFID's support to the Women's Entrepreneurs Finance Initiative constitutes relatively small-scale support to a large, high profile multi donor funded project launched at the G20 meeting in Hamburg in July 2018. Women's Economic Empowerment is a central objective of the programme. However, it is also very clearly targeted on women owned or managed Micro, Small and Medium enterprises (MSMEs) rather than on the wider economy in which women work. This enables a focus on a specific target group as opposed to a more abstract mainstreaming approach. Clearly, women owned MSMEs are a very important source of employment in developing countries but this focus does mean that WEE issues in the larger scale manufacturing and business sectors associated with economic transformation do not fall within the scope of the project.

We-Fi is not a business enabling environment project, though it does include a component on improving the regulatory environment for gender sensitive financial services. However, given that one of its aim is to improve access to finance for WMSME's, it can be categorised as an investment climate project more broadly as it addresses the wider investment climate issues of open financial markets and skills and human resource development. However, as outlined above, the project focuses only on small scale investment in micro and small business.

We-Fi is a funding vehicle which sets broad parameters within which applicant organisations must focus their objectives. While it has not identified specific gender constraints faced by WSME's, it has outlined an ecosystem approach which covers a range of potential constraints, including: access to finance, policy legal and regulatory reform, skills networking and capacity building and market access.

We-Fi is a relatively new project launched in mid 2017. Reports do not suggest that there are significant lessons to be learned yet from project implementation. Examples include positive experience of the World Bank Group incentivising a commercial bank in Vietnam to increase its lending portfolio to WMSMEs by US$120 million together with advisory services on gender and risk management. Another World Bank Group example in Zambia involved introduction of a gender lens to the Secured Transactions and Collateral Registry. The project supported the broadening of the collateral definitions used by banks to include movable asset and thereby facilitate more lending to women owned businesses. The project has not yet reported any significant successes in regulatory environment reform which will require a longer time frame.

Impact programme

The Impact programme constitutes a significant long term investment by DFID in the impact investment activities of CDC and the wider impact investment community. It was approved in 2012 and is set to run until 2035. The programme includes the grant of investment funds, initially set up as separate DFID funds administered by CDC, but now transferred to the CDC balance sheet, known as the 'Catalyst' Fund. The total budget invested through the programme is budgeted at £701 million. This is focused on higher risk, 'bottom of the pyramid' funds and companies operating in tougher investment environments. The 3.5% return expectation has been reduced for the Catalyst Fund. The Impact Programme also included a technical assistance facility within CDC – now renamed as CDC Plus – which aims to support investees and, in some cases, out-of-portfolio initiatives. The programme also includes a wider, ecosystem development component, managed by PwC, which aims to build capacity within the impact investment sector, particularly in such areas as opening up new sources of finance through new investment mechanisms, supporting market linkages, improving deal flow and impact measurement.

It is debatable whether much of the Impact programme could be classified as an investment climate programme. Firstly, the programme focuses specifically on the impact investment industry which has a somewhat different focus to the economic transformation agenda in that the development impact sought is not usually defined in terms of improved productivity. Provision of additional investment funds to CDC does improve access to finance but does not fall within the usual scope of an investment climate intervention. The ecosystem development work supported under the Impact Programme clearly does, however, fall within the investment climate reform category, supporting the development of industry wide mechanisms and institutions to promote increased and more impactful investment.

Under the ecosystem development component, interesting work has been supported related to women's economic empowerment, including an agreement with International Centre for Research on Women (ICRW) to produce a resource hub for gender lens investing that is publicly available for use by businesses and investors. The resource hub builds on a foundation of gender-lens investing tools and research to provide sector-specific technical tools for learning and decision-making. The Hub enables users—primarily impact investors and development finance institutions—to make their investment processes gender-smart. It houses various resources for four sectors: agriculture, off-grid energy, power infrastructure, and healthcare. TEIGR could explore ways of making information on gender-smart investment available to mainstream investors in target countries in a similar way to the

ICRW hub. The hub provides information on opportunities to address gender through investment (at the level of board, senior management and staff, contractors, consumers and the wider community). It provides a gender scorecard for use during due diligence processes for potential investees and also presents case studies on how gender equity has been promoted through specific investments.

The technical assistance facility within CDC (CDC Plus) has also contributed to promoting gender equity issues through work directly with investee companies and through special initiatives. CDC has a gender team which aims to support the introduction of gender diagnostics and reporting for CDC investee companies. The programme has also supported the Boardroom Africa initiative which aims to improve diversity on boards through developing and strengthening a network of women executives. The 2019 Annual Review of the programme reported that 5 women had been placed on boards during the last 6 months through the initiative, 3 of which have been non-CDC Boards.

In terms of CDC investments themselves funded through the Impact programme, there appears to have been less emphasis given to promoting women's economic empowerment in the programme design. Investment activities started off as gender neutral in character. By the time of the 2017-8 annual reviews, there was increasing emphasis placed on the need to promote gender equity and some examples given of investees having a positive impact on women business owners, workers or consumers. However, there appears to have been less clarity on developing a more pro-active gender strategy and incorporating women's economic empowerment as a criterion for selecting and developing new investments. The strategy is now in place and, as mentioned above, is addressed through technical assistance. The extent to which it influences future investment decisions is yet to be seen.

Accelerating investment and infrastructure in Nepal

Accelerating investment and infrastructure in Nepal is a £46 million project which aims to address key cross-sectoral constraints, opportunities and risks to 'transformational growth' in Nepal. It has three components:

i) Accelerating Public and Private Investment in Infrastructure (APPIIC): technical assistance to the Investment Board of Nepal, Ministry of Energy and Ministry of Physical Infrastructure and Transport to increase public and private investment in large scale hydropower and transport infrastructure.

ii) Economic Policy Incubator (EPI): technical assistance to various government agencies to tackle non-infrastructure constraints to growth, and harness sectoral and subnational opportunities.

iii) Financial Sector Stability Programme (FSSP): technical assistance from PwC India to the Central Bank of Nepal (NRB) and other regulatory agencies to reduce the risk of financial crisis.

This project sits well within the investment climate reform category. Indeed, it is focused primarily on core business enabling environment issues. According to the business case, there are three key Gender Equity and Social Inclusion principles underlying the programme: consultation and analysis to inform activities; ensuring development benefits to Women and Girls and Disadvantaged Groups; changing the rules of the game by shaping institutions, policies and ensuring representation.

Early annual reviews indicate relatively little focus on women's economic empowerment issues. A change of GESI lead during implementation caused the implementation of the GESI framework to suffer. The Financial Sector Stability Programme is described as gender neutral with calls made to monitor its impact on gender equity and social inclusion and later calls for a strategic review of potential GESI related issues. The 2017 annual review reflects a sense of insufficient attention paid to the issue with its comment on interventions to promote gender equity and social inclusion: "Each of the components has identified and made some progress on interventions to promote gender and social inclusion (GESI). There is significant variation in quality and detail, including what the anticipated results are and how they will be monitored. 'Quality' not 'quantity' is therefore important"…There is a recommendation to add a logframe indicator on the number of 'substantive' GESI interventions to incentivise quality.

APPIIC integrated GESI into most interventions, for example through the design, monitoring and communications around social and environmental standards for large infrastructure projects and integrating gender considerations in the strategic plan of the Road Board of Nepal. The Economic Policy Incubator focused on (i) strengthening inclusion with Special Economic Zones; (ii) using a GESI lens on investment policies; and (iii) strengthening business development for women and disadvantaged groups in the economic corridor. For the FSSP, the main tangible GESI activities were: (i) advocating for retention of gender targets in the new Cooperative Bill, and (ii) supporting the integration of GESI into the Financial Sector Development Strategy.

B. Dedicated programmes

Zimbabwe Business Enabling Environment Project (BEEP)

This £4.9 million programme was intended to support policy reform to improve the business enabling environment, to attract and encourage investment and stimulate economic growth. The goal was sustained economic growth in Zimbabwe and integration into regional and global supply chains and markets. It lies clearly within the category of business enabling environment reform.

The project's 4 key areas included: i) capacity building of SMEs with a focus on agribusiness and tourism sectors; ii) increasing access to finance by engaging in financial infrastructure support; iii). improved regulation of the PPP sector, contributing to improved access to power and water in particular; iv) improving the business environment through investment climate reform and public-private dialogue.

Some of the lessons learnt from the project in terms of women's economic empowerment included the value of supporting business membership organisations with strong focus on women such as the Women's Alliance of Business Associations of Zimbabwe (WABAZ), the Alternative Business Alliance (ABA), the Zimbabwe Association of Dairy Farmers (ZADF) and the Zimbabwe Association of Microfinance Institutions (ZAMFI). This was important to improve to broaden dialogue and in gathering evidence.

The project also carried out specific research on the needs of women entrepreneurs e.g. the Women Alliance of Business Associations in Zimbabwe (WABAZ) worked on widening access to finance for women entrepreneurs. The BEEP final report (2017) commented that "A number of commercial banks and Micro Finance institutions unveiled products for Women MSMEs at the WABAZ funding Forum event held in June 2017. More than 10 banks launched Women's Desks, and women were encouraged to approach financial institutions (FIs) to capitalise on these opportunities."

The project also generated important lessons on the importance of including sufficient human resources in the project team with GESI experience and focus and on the role of disaggregating results data by gender. The 2016 Annual Review reported that: "An impact assessment carried out on the successful Zimbisa-initiated fuel price dialogue (and subsequent adoption of a more flexible fuel pricing model) considered the impact of a reduced fuel price on Zimbabwean Micro Small and Medium Sized Enterprises (MSME's). A total cost saving of £2.7m (£700k to women owned SME's) was estimated to have benefitted a total of 17,000 SME's (4,400 women owned)."

Nevertheless, there may have been opportunities to incorporate gender considerations more widely in a variety of issues addressed by the project. In particular, the project played an important role in supporting Public Private Dialogues (PPDs) where further opportunities may have arisen to highlight the voices of women entrepreneurs or women owned enterprises. It is not clear whether the National Economic Consultative Forum guidelines for government departments developed with project support took full advantage of the opportunity to incorporate gender equality in recommended consultation procedures.

GEMS 3 - Nigeria

GEMS was initially a seven-year programme, later extended, jointly funded by the World Bank (£105 million) and DFID Nigeria (£91 million), that aimed to increase growth and employment across six sectors of the Nigerian economy, as well as through business environment reform. DFID funded components included: GEMS 1 –a Meat and Leather sector M4P programme (2010-2015); GEMS 2 a market development programme in the Construction and Real Estate sectors which sought to increase job opportunities for the poor but which was terminated early (2010-2013); GEMS 4 - a market systems programme in the wholesale and retail trade sector (2012 to 2017). GEMS 3 was the business environment component (running from 2010 to 2017). This programme worked with private and public stakeholders at national, state and local government levels to make it easier to do business in Nigeria. It focused on three main workstreams – land, business tax and investment. GEMS 3 developed comprehensive approaches to reform. In the areas of tax and land, the models focused on relevant regulation, training, public-private dialogue and sensitisation. The investment workstream was not so well advanced reflecting the fact that it was a newer area of activity for GEMS 3.

GEMS 3, therefore, is the programme component that falls within the investment climate category relevant to TEIGR.

An early achievement of GEMS 3 in terms of WEE was the development of a bespoke gender tool in data collection for the national and sub national Doing Business Indicators. GEMS 3 completed the Sub National Doing Business (SNDB) data collection in December 2013. Women-only strategy and review meetings were used to feed into decision-making and provide an effective feedback mechanism. For example, the women in Ejigbo and Maigatari markets (Lagos and Jigawa States respectively) regularly 'reported' on tax collection activities in the market places where they trade. Work on tax harmonisation in Kano State between different layers of government had important impacts for women traders. The 2014 annual review received powerful feedback from women marketeers at Maigatari market place, including one woman, of her own accord, explained she was using money she saved from paying less tax into her local 'merry-go-round' – an informal savings and loan mechanism, and that other women in her group were doing the same, which meant a bigger 'pot' for borrowing.

GEMS 3 also disaggregated indicators for expected increases in income that would result from the programme. The 'equity' disaggregated targets were met by the programme. Overall, these targets were for an annual income increase of at least 15% for more than 1.3m people. In terms of women beneficiaries, outreach of 546,733 was achieved against a target of 462,866. Overall, however, it is notable that, apart from these disaggregated income figures, there is no comment on women's economic empowerment achievements in the project completion report for GEMS 3. The report implies that programme activities were implemented with a gender neutral approach and with monitoring to assess whether impacts were differentiated by gender. The documents do not demonstrate any work to identify or address particular constraints within the business enabling environment that were experienced by women.

Building reliable investment climate in Kenya (BRICK)

The BRICK programme, known also at the Kenya Investment Climate 2 (KICP2) programme, was a DFID and Dutch Government funded programme to support the Kenyan government to managed modern reform processes. IFC implemented the £17.5 million programme over 4.5 years (March 2013 – October 2017).

BRICK fell squarely within the investment climate project category, focusing mainly on business environment reform: including

- Reforming the regulatory environment to improve ease of doing business, investment policies and business taxation.
- working with the Competition Authority of Kenya (CAK) to ensure effective competition in the manufacturing, tourism, agribusiness, seed reform and warehouse receipt system (WRS)
- working with Treasury and the Public Private Partnership (PPP) Unit to implement and strengthen PPP regulations, and increase the number of PPP transactions implemented in Kenya.
- working with counties to increase the number of project concept notes for county PPP's finalised and approved by the PPP committee.

Women's economic empowerment issues are mentioned in the contextual sections of the Business Case but do not appear to have been built into programme design. The project completion report concluded that the programme had focused on sectors and counties where impact on economic growth and employment was greatest but may not have taken sufficient attention to harder to reach social groups and geographies. Participation of small farmers and women in agribusiness training was quite limited. The 2015 Annual Review recommended gender disaggregation of output indicators by gender e.g. on number of PSD champions identified in government, no. of female training participants etc. These logframe indicators were updated in 2015 but it appears this was mainly to monitor gender disaggregated impact rather than to actually steer programme implementation.

Overall, it appears that were some opportunities to mainstream gender issues into the programme that may have been missed. For example, through the work of the BRICK national and sub-national reform component, the programme helped to establish the e-Citizen's portal that had an excess of 5 million registered users and handled at least 400,000 transactions daily. The issue of disparity in access to digital services between men and women could have been addressed. Under the BRICK programme, the government moved to a more coherent national investment policy and development of a number of other important policies such as the Special Economic Zone law. Given the high proportion of SEZ employees worldwide who are women, there may have been opportunities to address gender equity issues in the SEZ law.

Overview

The review above highlights three dedicated business investment climate reform programmes which have focused particularly on business enabling environment reform issues in three quite different jurisdictions and market environments. These are all programmes which have now closed. Retrospective analysis of project documentation indicates that WEE issues tended to be retrofitted into more traditional business environment reform components with quite a strong emphasis on monitoring disaggregated impacts on women rather than adoption of pro-active strategies to address gender constraints. More detail on best practices and lessons learned from each of these programmes is outlined in Section 5, along with review of the three non-dedicated programmes.

Rather than identifying specific gaps in these programmes based on limited documentation of their scope, it may be helpful to at least present a recent summary of the types of WEE issue that commonly arise in the business enabling environment and which may form part of future TEIGR scope. DCED has articulated a comprehensive list of standard business environment reform components. Within these components, constraints faced by women have been categorised in terms of those originating from legal and policy discrimination, from the regulatory framework for implementation of policy and from organisational arrangements of the institutions concerned[2]. This is an indicative list which clearly needs to be contextualized for different jurisdictions and markets but provides an excellent overview of the range of interventions that TEIGR could consider to address women's economic empowerment issues within the investment climate.

Business Environment Function	***Component***		
	Constraints originating from policy and Legal framework	**Regulatory and admin. framework for implementing policy**	**Institutional arrangements of institutions concerned**
Business Registration and Licensing	✓	✓	
Corruption, harassment and extortion by officials		✓	
Business registration procedures	✓	✓	
Tax Policy and Administration	✓	✓	
Direct taxes	✓		
Indirect taxes	✓		
Awareness of tax requirements and procedures		✓	
Unequal treatment, corruption and harassment during tax collection		✓	
Benefits from tax payments		✓	
Access to Finance	✓	✓	✓
Overall legal capacity	✓		
Land titles and property rights	✓		
Discriminatory banking laws	✓		
Know your customer (KYC) requirements	✓		
Supply side banking data	✓		
Financial infrastructure – credit bureaus, collateral registries, digital distribution channels	✓		
Lines of credit for women and credit guarantee schemes	✓	✓	
De facto land titles and property rights law		✓	
De facto discriminatory banking laws		✓	
Male dominated public policy making			✓
Labour Laws	✓	✓	
Legal gender differences	✓		
Gender based work restrictions	✓		
Gender discriminatory laws	✓		
Maternity, paternity and parental leave	✓	✓	
Child care	✓		
Elderly care	✓		
Quality Regulatory Governance		✓	
National sector guidelines and quality standards		✓	
Land Titles, Registration and Administration	✓	✓	✓
Equal land and property rights	✓		
Administering land titles		✓	
Women's participation in land reform and titling programmes			✓
Access to Commercial Courts and ADRM		✓	
Gender discrimination by the judiciary		✓	
Legal literacy		✓	

[2] DCED (2016); Business environment reform and Gender; Katherine Miles.

Broadening Public Private Dialogue	✓	✓	✓
Legal rights for women	✓		
Quotas for women in parliament/ public sector	✓		
Gender diversity in the private sector		✓	
Gender diversity in government and administration		✓	
Women's trade union participation		✓	
Women's engagement in business associations and networks			✓
Access to Market Information	✓	✓	
Public procurement	✓		
Legal and business licensing information		✓	
Business support and extension services		✓	

3. Recommendations

Based on DFID project experience outlined in the section 2 and based on global best practice, the TOR requests practical recommendations on how "legal, economic and social/cultural barriers to women's economic empowerment" can be mitigated so that women can most benefit from economic transformation.

Given the complementarity in objective between economic transformation and women's economic empowerment, we propose to present these recommendations within a structure of how investment climate reform overall can contribute to economic transformation.

In a recent paper commissioned by DCED[3], ODI has summarised the evidence for what specific business environment reforms contribute most significantly to **economic transformation**. It presents evidence on how both generic and sectorally focused business environment reforms have in practice influenced productivity improvements. These categories of policy intervention are listed below and are used to discuss a more focused list of recommendations for TEIGR interventions on WEE. Further details of the evidence for these findings can be found in the DCED/ODI paper. Comments from a women's economic empowerment perspective are included from the current review on how such interventions could be specifically targeted to promote greater more equitable distribution of the benefits of economic transformation.

This summary of programme content related recommendations is then followed by a series of process related recommendations, some of which are very familiar in GESI related discussions and have been mentioned in the review of best practice in DFID programmes. It is recommended that TEIGR consider application of these process related recommendations rigorously and systematically. Finally, a recommendation is made on the level of overall ambition for the programme in terms of promoting women's economic empowerment.

I. Policy content related recommendations

Policies or regulations that make it easier for firms to enter and exit the market.

Evidence suggests that more dynamic markets with fewer barriers to entry and exit create greater competition between firms which, in the longer term, results in overall productivity growth. In some cases, however, evidence of the link is less clear, possibly because longer standing incumbent firms may be able to invest more in technological improvement.

[3] ODI (2019); Promoting Economic Transformation through Business Environment Reform; Gelb, Lemma and de Velde; DCED

WEE perspective. Business environment reform programmes often seek to support formalisation of MSMEs with a view to facilitating market entry for small firms, promoting their access to finance and government support and services, as well as regularising their taxation status. Formalisation may also have benefits in terms of enforcement of statutory rights for female workers, such as maternity leave and breastfeeding breaks. Formalisation therefore may facilitate rights of female workers and promote female labour force participation but, if responsibilities are too heavy, may form a significant burden on small enterprises, reducing their viability and ability to invest in improving productivity.

Women owned MSMEs may face particular challenges in registering and formalizing[4]. In some cases, legal barriers prevent women registering businesses without a male relative present. Capital requirements may form a particular barrier for women. Information on the registration process may be more difficult for women to access.

TEIGR should support formalisation efforts that maintain low barriers to entry for MSMEs and do not place undue burdens on businesses that may undermine productivity. Rigorous gender analysis of likely impacts of such formalisation policies should be mandatory step in design of programme interventions.

Policies to promote competition have a positive impact on productivity.

Greater competition within a sector is seen as a significant driver of increased productivity. Evidence shows that "i) higher levels of market concentration (i.e. lower levels of competition) have negative impacts on total factor productivity (TFP); ii) the application of better competition regulations helps increase productivity."

WEE perspective. Recent research[5] has also shown that increased competition can have particular benefits in terms of women's economic empowerment and in terms of female employment in productive sectors. Increasing competition in particular sectors such as child care, elderly care and health care industries can help to free up women's time to participate in the labour market. Improving competition in sectors which complement women's labour force participation e.g. financial services and infrastructure, may also have positive effects on productivity of women's labour. Increased competition can promote gender equity by driving participants that exhibit taste based discrimination (preference of some people not to interact with certain minorities or social groups) against women out of the market. *In assessment and advice on competition policy, TEIGR should ensure focus on productive sectors most relevant to the female labour force and on competition policies that promote inclusive employment practices*.

Improvement in workplace conditions

Productivity benefits can result from improvements in workplace conditions such as worker training, encouraging innovation in the workplace, employee engagement and incentives and occupational safety. Encouraging innovation can have a particularly powerful effect on productivity in higher tech sectors.

WEE perspective: Within different country contexts, it is likely that a range of workplace conditions will specifically and disproportionately influence the productivity of the female workforce. This is an area of research where TEIGR support could be focused. Apart from the issue of occupational safety, most of the improvements in working conditions that may contribute to improved productivity are

[4] DCED (2017); Gender sensitive business environment reform: Why does it matter - a policy guide; Katherine Miles.

[5] Santacreu-Vasut and Pike (2018); Competition Policy and Gender; OECD Global Forum on Competition.

not based on regulatory requirements but on business practice. *Initiatives to promote investment in training and skills development, innovation in the workplace and employee engagements could be focused particularly on women in order to strengthen voice, capacity and opportunities for women to move into more productive jobs*. This relates to the need for wider investment in education and training for women to increase labour force participation and productivity – though this is likely to lie outside the scope of an investment climate project such as TEIGR.

Labour market regulation.

There is inconsistent evidence on the impact of more flexible labour market regulation on productivity. For smaller firms, reduction of regulation can increase productivity and in some cases, labour dismissal protection was found to reduce productivity. In other cases, labour dismissal protection helped increase productivity as firms sought to invest more in training existing staff.

WEE perspective. Gender differences in labour market laws exist in some jurisdictions restricting, for example, working hours, sectors and occupations in which women can work. According to a Business Environment Reform Facility report[6] on best practice in gender and business environment reform, "childcare is the area in which there is the greatest quantity of evidence of beneficial outcomes. It has been well established that childcare support is associated with greater female participation in the workforce and that government led programmes have been successful in increasing the provision and use of childcare." An example is given of the Mexican programme Estancias which contributed to greater female labour force participation. What is less clear, however, is the impact of regulations requiring firms to offer and pay for maternity and/or paternity leave to workers. While this may facilitate higher female labour force participation it may also form a significant financial burden on firms, particularly smaller firms, which then may be less able to grow and possibly may effect attitudes to recruitment of female workers. *TEIGR should support reform of gender biased labour legislation and support advocacy for greater state subsidy of childcare, potentially through the tax system.*

Access to finance.

Improved access to finance has enabled firms to make productive investments that improve productivity.

WEE perspective. There is strong evidence of unequal access to finance for women owned MSMEs. Factors include restricted access to assets such as land for collateral, legal restrictions on women's inheritance rights, practices requiring male signatories to support women's application to open a bank account. Other societal factors may include unequal access to information and education and more limited social networks. DFID programmes such as BEEP Zimbabwe and We-Fi are generating useful lessons learnt and best practice on how to address gender barriers in access to finance. The Impact programme is working on gender related obstacles within the impact investing ecosystem. *Based on this experience, TEIGR can support targeted research on barriers to accessing finance faced by women owned MSMEs and support innovation in widening access through financial education, product design and delivery channels tailored to the needs of women owned MSMEs.*

Participation in international trade.

Greater ease of trading internationally has found to help improve firms' productivity by providing access to international sources of capital and technology, as well as exposure to greater international competition. Aid for trade, particularly in terms of trade facilitation, can therefore also have a positive impact on productivity by reducing the costs and frictions of engaging in

[6] Gender and Business Environment Reform: What is 'best practice' ? Dan Hetherington, July 2016

international trade. Participation in global value chains is one channel through which such productivity benefits can be accrued.

WEE perspective. There is growing evidence that women owned or managed businesses face particular difficulties in engaging in international trade. Potential constraints include more limited access to information about customs, standards etc,; higher vulnerability to bribery, corruption and intimidation, particularly at border posts; weaker networks to facilitate trade finance, export procedures; smaller, less well financed businesses with weaker export potential. Given the key role of trade in promoting higher productivity, *TEIGR should consider a focus on supporting gender sensitive trade facilitation reform, in conjunction with organisations such as the World Bank Trade Facilitation Support Programme and the Global Alliance for Trade Facilitation.*

Tax rates.

Higher corporate tax rates reduce firm investment and have a negative impact on productivity.

WEE perspective. While corporate tax rates may not have a clear gender perspective, personal income tax rules can unfairly affect secondary earners, predominantly women, if joint filing of tax returns is required. This can act as a disincentive for women to enter employment or formalise business earnings. There is also evidence of women's greater vulnerability to intimidation and corruption in tax collection processes. The GEMS 3 programme in Nigeria has provided evidence of how tax harmonization between different state levels can benefit women owned enterprises. *TEIGR could support assessments on likely gender impacts of switching to individual personal income tax liability and also examine gender impacts of tax collection procedures and potential benefits of digitization.*

Sector focus

These business environment reforms have varied impacts in different situations. One of the key determinants of impact is composition of economic sectors. It is therefore also relevant to select priority sectors where reforms may have most impact on productivity. Various methods are available for measuring current productivity and potential productivity gains between different sectors, including labour productivity differentials across sectors and multiplier analysis. The competitiveness of various export sectors internationally can also be calculated, such as the Revealed Comparative Advantage (RCA) and the Product Complexity Index (PCI). TFP dispersion calculations can estimate the potential for productivity gains within sectors.

WEE perspective. There can be a tendency for the GESI components of business or investment climate programmes to focus specifically on addressing constraints faced by women owned or managed businesses, or informal MSMEs often deemed to predominantly women owned. Perhaps of greater significance to the wider issue of women's economic empowerment are the investment climate issues that pertain particularly to sectors with high levels of female employment or potential for increased levels of female employment, irrespective of the ownership of the enterprises concerned. *In addition to considering productivity levels or potential productivity gains in sector selection therefore, TEIGR should also adopt gender criteria for selection of focus sectors. If the indices outlined above cannot be disaggregated by gender, blunter measurement tools could still be employed to assess which sectors have most potential in terms of increasing scale and productivity of female labour (e.g. current female employment levels by sector; female education and skills training results by sector etc.). This has been an issue in previous DFID programmes where gender issues have not been incorporated into sector selection analysis but experience from projects such as the Economic Policy Incubator in the AIIN programme may be relevant for developing these tools.*

II. Process related recommendations

Women's associations and networks

Clearly it is important for those most directly affected and most knowledgeable about investment climate reforms to be fully engaged in discussion and implementation of solutions and providing feedback on the impact of resulting interventions. In order to identify specific investment climate issues impacting on women's economic empowerment and to design policy interventions that address these issues, active participation and engagement of women's business organisations or women's entrepreneur associations needs to be encouraged. Similarly, appropriate inclusion of women's voices is important in research and consultation exercises carried out under TEIGR supported activities. Formal public-private dialogue at national, local or sectoral level needs to take place with equitable representation of both men and women wherever possible. Providing equal weight to the voice of women is a necessary if not sufficient requirement for ensuring that issues effecting women are given due consideration in investment climate dialogue. More importantly, ensuring that programmes routinely include support for and dialogue with women's collective organisations, the programme will promote an important mechanism for realising women's interests. This has been an important learning issue from previous DFID investment climate projects such as BEEP Zimbabwe where the benefits of working with women's business associations have been observed. *TEIGR should ensure appropriate representation of women in consultations, research and dialogue organised or supported under the programme.*

Partnerships

TEIGR is considering partnerships with a variety of other government organisations and programmes to: co-ordinate resources for investment climate work, identify investment climate bottlenecks and source technical solutions and best practice to address specific business environment issues. *TEIGR should also consider partnerships with WEE related institutions and programmes to ensure collaboration and develop synergies that may enable TEIGR to identify and successful address specific investment climate constraints effecting women. These may include Women Business and the Law and DFID Work and Opportunities for Women programme.*

Result measurement

Perhaps the most common questions about whether an investment climate programme is gender sensitive is that some indicators are gender disaggregated. This partly reflects approaches in which programmes are considered to be gender neutral but a requirement is articulated that the programme should 'do no harm' in terms of gender impact and should monitor impacts accordingly, despite not having an explicit gender-related objective. In some cases, gender disaggregation of results is limited to the output level – number of male and female trainees/participants, or number of gender strategies developed – with limited attention paid to whether efforts to ensure gender equity at the level of programme implementation result in more gender equitable outcomes. There are many lessons to be learnt on this issue from DFID's previous investment climate interventions reviewed above. *TEIGR should ensure that all investment climate supported interventions go beyond 'do no harm' approaches, that specific gender related objectives are articulated and that achievement of these objectives is measured. At impact level, this might include a specific objective to increase female labour market participation rates in selected high productivity sectors. At outcome level, this might include addressing investment climate constraints which discriminate against, or disproportionately affect women (such as legal restrictions on women's participation in certain sectors, barriers to women accessing finance, trade barriers that particularly facilitate harassment of women and corruption at borders etc.). Another outcome related objective could include successful implementation of incentive policies to promote female employment in productive, labour intensive* *industries (e.g. tax incentives, skills programmes, child care or elderly care subsidies, women's financial inclusion policies). Suggestions on results measurement for women's economic empowerment are outlined in section 4.*

III. Level of Ambition

The DCED document on 'best practice' in gender and business environment reform posits three potential approaches to women's economic empowerment in investment climate projects. The first is the 'baseline' approach which is gender neutral but commits to disaggregated measurement of impacts on women. The second approach is 'intermediate' which involves incorporating gender research and analysis during the design phase. The 'best practice' approach involves gender analysis prior to identification of challenges that will be addressed or project selection so that the portfolio of activity is partly led by specific constraints faced by women. In the case of TEIGR, as women's economic empowerment is integral to the objective of promoting economic transformation, it is recommended that the 'best practice' approach be adopted. To ensure that women's economic empowerment is not just an 'add-on', it is recommended that *TEIGR formulate an explicit objective to promoting economic transformation that is gender equal. Some examples have been included in the 'results measurement' section above. This will then require the programme to understand and address specific constraints to improving productivity of female labour and design the programme with this objective in view.*

4. Indicators and pathways to impact

Impact pathways

The overall objective of TEIGR is "to unlock economic transformation and boost inclusive growth by targeting barriers to investment and the creation of good quality jobs in productive sectors." There is clear alignment with the Women's Economic Empowerment objective of creating good quality jobs for women in productive sectors.

Based on early drafts of TEIGR documents and presentations, key pathways through which TEIGR could contribute to an improved investment climate include:

- Support for public-private dialogue – and technical assistance to governments to facilitate this dialogue. *WEE perspective:* Increasing the voice of women in public private dialogue is an important aspect of this pathway to promote economic transformation that includes women. However, it is also important to ensure that the issue of women's economic empowerment itself is addressed rigorously by all those involved in public-private dialogue.

- Diagnosis of key constraints and identification of opportunities to improve investment climate. [Designing tailored advice for individual countries based on real world examples]. *WEE perspective*: There is need to include specific diagnosis of key constraints faced by women and identification of specific opportunities for economic transformation that includes women.

- Generating global knowledge products to provide evidence and comparators that inform public and private dialogue on investment climate reform. [Developing the knowledge frontier]. *WEE perspective:* There is a need to ensure evidence is generated of impacts of investment climate reform on women's economic empowerment and that comparators include international comparison of gender related performance (such as Women, Business and the Law, Doing Business indicators).

The pathways described focus particularly on technical approaches to addressing investment climate reform through analysis, evidence, comparison and dialogue. These are important pathways through which TEIGR may contribute to the reform process. However, **political economy factors are also critical to implementation of reform initiatives** – including initiatives to promote transformative growth that includes women. Assessment of political factors constraining and facilitating reform and adaptive programming to account for these factors is also an important pathway to impact for TEIGR.

The TEIGR Business Case draft contains observations on the tendency for some international organisations to underplay the importance of political economy factors leading to significant implementation challenges after legislation has been passed or regulations issued. This may be derived from over reliance on global best practice delivered by short term experts from global headquarters with insufficient appreciation of the local context.

Such observations are also highly relevant for the mainstreaming of gender and inclusion into investment climate work where the social and cultural context has a powerful determining factor on how gender issues should be addressed in the investment climate. A political economy approach also needs to be applied to the promotion of gender equity in investment climate issues. This would involve understanding political stances and interests on the gender issue, identification of champions, scanning for opportunities and adaption of programme approaches accordingly. This is quite a different approach to centrally generated requirements for equal gender participation in meetings and training sessions and gender disaggregation of programme indicators.

Selection of logframe indicators

Selection of logframe indicators for achievement of women' economic empowerment objectives clearly depends on the level of ambition set for this area within the programme and the specific impact, outcome and outputs that the programme will set out to achieve.

The various outputs, outcomes and impact of the programme have not yet been fully defined. However, according to the draft theory of change, these are likely to be as follows:

- Impact: increase in investment in productive, labour intensive sectors.
- Outcome: government implements policies to i) create incentives for investment in productive, labour intensive industries; ii) reduce barriers to investment in productive, labour intensive industries.
- Outputs: production of global knowledge products; provision of implementation support and capacity building; policy advice on opportunities for, and constraints to, transformation based on high quality analysis.

It is notable that while creation of quality jobs in productive sectors is the ultimate goal of the programme, this is not being suggested as the programme impact, probably because of well known difficulties of measurement (particularly job creation) and attribution.

Given how closely integrated and aligned the women's economic empowerment goals are likely to be with the overall goals of this programme, it is recommended that gender related indicators are closely integrated within the overall indicators of the programme: not an add-on component, output or outcome. Specific recommendations on gender related indicators therefore would be premature. Based on suggested impact, outcome and output statements in the theory of change, however, some suggested examples of gender related indicators allied to overall programme aims are outlined below:

Theory of change statement	Example WEE indicators
Impact: increase in investment in productive, labour intensive sectors.	- Increase in investment in productive, female labour intensive sectors. - Change in female labour force participation rates in selected, productive, labour intensive sectors.
Outcome 1: Government implements policies to create incentives for investment in productive, labour intensive industries	- Successful implementation of incentive policies to promote female employment in productive, labour intensive industries (e.g. tax incentives, skills programmes, child care or elderly care subsidies, women's financial inclusion policies).
Outcome 2: Government implements policies to reduce barriers to investment in productive, labour intensive industries.	- Removal of barriers identified as gender related barriers to investment in productive, labour intensive industries (e.g. legal restrictions on female employment in specific sectors; actions to address gender related barriers to trade).

Output 1: Production of global knowledge products	- Global knowledge products on gender related constraints to female employment in productive sectors. - Global knowledge products on impact of measures to address gender related constraints to female employment in productive sectors.
Output 2: Provision of implementation support and capacity building	- Provision of implementation support on gender related investment climate issues that was requested by government bodies or business associations through DFID offices in priority countries. This might include: legal advice on addressing discrimination against women in employment law; technical assistance on how to improve gender equity in tax regimes, trade rules access to finance; piloting of targeted skills development programmes for women etc.
Output 3: Policy advice on opportunities for, and constraints to, transformation based on high quality analysis.	- Gender impact assessment as part of productive sector selection analysis. - Country or sector specific analysis of gender constraints to employment in productive sectors. - Country or sector specific analysis of opportunities to increase female employment in productive, labour intensive sectors.

Given that TEIGR is aiming to be a demand driven programme, adaptive to local circumstances and needs over time, WEE output indicators should not be overly detailed or prescriptive in programme design. More detailed indicators and targets should be set either for specific country offices or specific technical inputs as plans for implementation are agreed, potentially on an annual basis. Targets for outcome and impact indicators at a more generic level, however, should be agreed earlier during programme inception as the broad geographic, sectoral and technical focus of the programme is developed.

5. Detailed DFID Programme Review

Programme overview: **Name; Dates; Budget; Geographic coverage'; Gender marker.**	**Programme content:** **Main investment climate related programme components; Specific gender/WEE related interventions**	**Best practice:** **List of examples of best practice on WEE and evidence of outcome/impact***	**Lessons:** **List of Lessons learned on WEE***
Zimbabwe Business Enabling Environment Project (BEEP); **Dates: June 2013 – December 2017** **Budget: £ 5.8 million (including DANIDA contribution)** **Coverage: Zimbabwe.** **Gender marker: Principal**	£4.9m over 3 years to support a business enabling environment programme in Zimbabwe. The programme is intended to support policy reform in order to improve the business enabling environment to attract and encourage investment and stimulate economic growth. The goal is sustained economic growth in Zimbabwe and integration into regional and global supply chains and markets. The purpose is to improve the business environment so that it is more predictable, less risky and less costly to do business. 4 key areas: 1. Capacity building of SMEs with a focus on agribusiness and tourism sectors, through a value chain approach (implemented by the IFC); 2. Increasing access to finance by engaging in financial infrastructure support (implemented by the World Bank); 3. Improved regulation of the PPP sector, contributing to improved access to power and water in particular, by supporting public-private-partnerships (implemented by the World Bank). 4. Improving the business environment through investment climate reform and public-private dialogue (implemented by Adam Smith International). <u>Outputs (from AR 2014):</u> Output 1: A robust public-private dialogue (PPD) process with widespread and sustainable business advocacy activity (25%). Output 2: Strong, capable and efficient SME's able to competitively access existing market channels and inputs including financing (15%). Output 3: Improved financial sector regulation, supervision & infrastructure (20%). Output 4: Improved regulation of the Public Private Partnership (PPP) sector (15%).	1. <u>Support business membership organisations with strong focus on women</u> e.g. Women's Alliance of Business Associations of Zimbabwe (WABAZ) and other business membership organisations [Alternative Business Alliance (ABA), Zimbabwe Association of Dairy Farmers (ZADF) and Zimbabwe Association of Microfinance Institutions (ZAMFI)] to improve dialogue practices through broad consultation and evidence gathering practices. 2. <u>Carry out specific research on needs of women entrepreneurs</u>. "ZIMBISA does appear however to be promoting the importance of gender saying that ABA is taking a particular interest, that Women Alliance of Business Associations in Zimbabwe (WABAZ) is looking at finance for women entrepreneurs and that ZEPARU and Knowledge Transfer Africa Trust (KTA) are collaborating on a study to look at barriers to market access for smallholder farmers which will look specifically at barriers faced by women smallholders." AR 2015. 3. <u>Use media to target women owned businesses</u>. "The Sunday Mail added another product focusing on women. There is evidence to confirm that focus remains on bringing out the voice of the previously marginalised informal sector that represents a large proportion of women and young people. The review team met with the Sunday Mail, which now runs 2 dedicated monthly pages on SMEs and women in business. " (AR 2017) 4. <u>Ensure GESI expertise within the project team</u>. "The addition of a GESI expert will enhance ZIMBISA's capacity to make the business environment more inclusive to the advantage of female entrepreneurs though this requires more than just disaggregation – rather it requires that researchers enquire about the specific needs of women and that policy position papers address those needs." (AR 2015). 5. <u>Ensure Gender disaggregation in impact measurement</u>. "An impact assessment carried out on the successful Zimbisa-initiated fuel price dialogue (and subsequent adoption of a more flexible fuel pricing model) considered the impact of a reduced fuel price on Zimbabwean Micro Small and Medium Sized Enterprises (MSME's). A total cost saving of £2.7m (£700k to women owned SME's) was estimated to have benefitted a total of 17,000 SME's (4,400 women owned). 6. <u>Adopt measures to improve access to finance aimed at women owned businesses</u>: "A number of commercial banks and Micro	<u>Support for business membership organisations, including women's business organisations, to engage in dialogue with the government needs to be long term rather than ad hoc</u>. "As a general note for all stakeholders in the BEEP programme, it is important to emphasize that dialogue is not a one-off, set piece, activity (for example the NECF dialogue on fuel prices). Rather dialogue is a process – in other words, a dialogue may continue over time – and is often a pre-cursor to more focused lobbying." BMOs need to be supported therefore to engage in regular dialogue, which will require effort to demonstrate that the BMO is credible and worth meeting regularly and to ensure that the BMO always has new and relevant information to share with the MDA. " AR 2015. <u>Balance needed between advocating on business environment issues that only effect membership and issues that affect the wider business community</u>. "Zimbisa should ensure that BMOs are aware of the need to strike a balance between taking up issues that will improve the wider business enabling environment and issues promoting policies that focus specifically on their members (ZIMBISA, ongoing, 2015)." AR 2015. <u>Need to research special needs of women in business</u>. "Ensure that researchers do more to assess whether there are special needs for women and make suggestions on how those needs can be addressed. (DFID, ZIMBISA, ongoing)" AR 2015 <u>Sustainability of media pieces focused on women owned enterprises</u>. "The main issue facing lasting progress under the media component is ensuring commercial sustainability of new products. This in turn is contingent on generating enough cash flow from the new products to justify their continuity by either i) increasing advertising revenue as a result of the specific product or ii) by appealing to a broader general readership and thus increasing circulation.

	Output 5: Identification and selection of service providers, inception, design and preparation for implementation (25%). The programme aims to achieve the following outcomes[7] (From AR 2015) • Provide a detailed analysis of key issues facing business environment reform in Zimbabwe, with a particular focus on finance and agri-business sectors. • Deliver business advocacy support resulting in the completion of at least 8 dialogue sessions and at least 4 new/amended laws or regulations in Zimbabwe. • Ensure that the business climate reforms that are undertaken are sustainable by building the capacity of key public and private stakeholders to manage reforms over the long term. The Business Enabling Environment Programme consists of two components. ZIMBISA is a Public Private Dialogue (PPD) programme that focuses on the poor state of business advocacy in Zimbabwe, where the quality of dialogue around business environment issues is well below the level required for effective reform. The World Bank project is a policy level investment climate programme.	Finance institutions unveiled products for Women MSMEs at the WABAZ funding Forum event held in June 2017. More than 10 banks launched Women's Desks, and women were encouraged to approach financial institutions (FIs) to capitalise on these opportunities." (IMC BEEP Final Report, 2017). BEEP also commissioned a follow up survey which attracted responses from 233 women countrywide. Briefly, out of all the women who applied for a loan from any bank or micro- finance institution between 2016 and 2017, 29.2% said 'Yes' they applied whilst 57.5% said they did not apply. The majority of those that applied, 57.9% accessed funding and 29.6% did not. This is indicative of the increasing disposition of women, once educated about the loan facilities to approach and apply. The trend reflects an improvement in access as a result of the financial literacy and direct interface with the finance institutions marketing to women in business. (IMC BEEP Final Report, 2017) Possible gaps where no evidence has been found of the programme taking up WEE related opportunities: • Public Private Dialogues (PPDs) – possible role for highlighting voice of women entrepreneurs or women owned enterprises. • National Economic Consultative Forum consultation guidelines for government departments and agencies, endorsed by Office of the President and Cabinet, and Ministry of Finance consultation guidelines. Not clear whether there was any particular focus on consulting with women. Similar issue for: PPD Manual (NECF), NCR (NECF), Evidence Based Policy Making (ZIPAM), Effective use of Media (NECF), Fund raising Strategy (NECF), Comms and Engagement Strategy (OPC), On-line Consultation (ZARNet, OPC). (AR 2017) • Using women's economic empowerment issues as a focus for building coalitions of interest across sectors in dialogue with government. "BMOs must strike a balance between taking up issues that will improve the wider business enabling environment and promoting policies that focus specifically on their members. This will promote the development of coalitions of change which in turn will deliver more effective and lasting improvements to the business environment." AR 2015. • Generating gender disaggregated data on business organisation member priorities. "It is not clear from the interviews whether researchers are mainstreaming gender issues or whether they are still being considered as an afterthought. For example, Probe's Membership Market Study tells us the proportion of respondents who were female, but tells us nothing about whether BMOs do anything to address the specific needs of women or whether women feel that they are making a special effort." AR 2015.	Feedback from the Sunday Mail indicates limited evidence that their SME and Women in Business products have achieved break even via either of the above two measures." (AR 2017) <u>Giving voice to women entrepreneurs through PPD by itself will tend to reflect current strength of women in business rather than actually shift gender balance in business</u>. "If a donor's objective is to equalise the role of women throughout an economy by facilitating women's participation in PPD, then the market systems approach will present a challenge. Women-headed firms represent a small share of the typical developing economy, especially amongst larger firms, and cannot afford to lobby as much as their male-headed counterparts. The market will therefore tend to perpetuate, or exacerbate, this inequality." (BERF 2016) <u>May need long term subsidy to target beneficiaries last able to pay (e.g. poor, women).</u> "Although contrary to the market systems approach, it can be valuable to recognise that not all desirable interventions can sustainably self-finance, especially if donors want to target beneficiaries that are least able to pay (poor people, women, youth, rural communities, informal firms, etc). Sustainable business environment reform can be achieved through dialogue processes that themselves are not financially sustainable. Zimbisa should be open to the possibility of incorporating programme elements that are acknowledged to be unsustainable, where sustainable options are not feasible. A strategy that is acknowledged to be time-limited from the beginning can use higher VFM strategies, achieve reform more quickly, and carries less credibility risk than one that aims unrealistically at sustainability and fails (see section 4.1.6)." (BERF 2016) <u>Linkages between business membership organisations and grassroots organisations to promote greater social inclusion</u>. "Encouraging partnerships between BMOs that receive direct support through the programme and rural grassroots organisations that are difficult to reach directly can be a cost-effective and practical means of increasing representation of poor and marginalised constituents, including women-headed firms and the informal sector." (BERF 2016).

[7] The business case had a sub-objective on mobilising a cumulative $2.5m worth of finance for Zimbabwean SMEs but this has been removed as a result of a change in structure of the International Finance Corporation (IFC) and resulting change to the IFC component under BEEP.

Programme overview: Name; Dates; Budget; Geographic coverage'; Gender marker.	Programme content: Main investment climate related programme components; Specific gender/WEE related interventions	Best practice: List of examples of best practice on WEE and evidence of outcome/impact*	Lessons: List of Lessons learned on WEE*
GEMS Nigeria **Dates: May 2009 – March 2018** **Budget: £78 million** **Geographic Coverage: Nigeria** **Gender market: Significant.**	- Seven-year programme (later extended), jointly funded by the World Bank (£105 million) and DFID Nigeria (£91 million). - The programme aimed to increase growth and employment across six sectors of the Nigerian economy, as well as through business environment reform. - DFID funded components: **GEMS 1 - Meat and Leather (2010-2015)** Its focus was on improving the livelihoods of poor men and women in the meat and leather sector by applying a "Making Markets Work for the Poor" (M4P) approach. GEMS 1 tracked 3 indicators at the Impact level related to income and employment. The income target was to reach 120,000 people (50,000 poor/2,090 women) with achievements of 237,200 people (124,650 poor/19,490 women). **GEMS 2 - Construction and Real Estate (2010-2013)** The overall objective of GEMS 2 was to strengthen the performance of market systems in the construction and real estate sector in order for these to perform more effectively and offer increased opportunities (jobs and income) for the poor, and for women in particular in the sector. The GEMS 2 project was anticipated to run from early 2010 until 2015. However, DFID Nigeria took the decision to close the project early – in 2013 - based on their assessment that it was unlikely to achieve its objectives within the remaining project lifetime. A detailed lesson learning exercise was undertaken to understand the difficulties encountered by GEMS2, with a report produced documenting the findings.	**Practices:** **1.** <u>Addition of specific WEE targets into logframe in 2015</u>**.** E.g. GEMS 4 **- The addition of output entitled:** *Women's access to economic opportunities are enhanced either as producers, employees or entrepreneurs.* **Indicators for this output were:** Indicator 3.1: Women participating in income-generating activities as a result of improved access Indicator 3.2: Women with improved access to markets, skills and finance through WEE specific interventions Indicator 3.3: Women who have improved control/decision making power over income from income generating activities This was a new Output developed in 2015 to better reflect the aim of the project. Intervention design includes a focus on ensuring women are included in activities. Some interventions, for example micro retailing, access to rural markets and waste management are dominated by women beneficiaries.' Indicator 3.3 posed some challenges in the review of 2016, as it was not being properly measured. Part of the support provided to GEMS 4 by the external consultant on M&E was to re-design some of the reporting tools to better reflect the actual indicator. Looking at measures of 'control' over income has now resulted in this measure being more reflective of the intention of the indicator. (AR 2018) 2. <u>Working with established grassroots women's' groups</u>. GEMS 4 was able to get earlier buy-in of women into Wholesale Buying Groups (WBGs) by working in collaboration with organisations that were already well established locally and had already developed the high levels of trust required to work closely with women in the community. 3. GEMS 4: Programme design documents included <u>Study on Vulnerable Groups, Gender & Poverty</u>**. (**GEMS Lesson Learning Review, 2015) 4. On GEMS 3: There are also notable results for women's economic empowerment (WEE) **as women-only strategy and review meetings** feed into decision-making and provide an effective feedback mechanism; for example, the women in Ejigbo and Maigatari markets (Lagos and Jigawa States respectively) regularly 'report' on tax collection activities in the market places where they trade. (AR 2014) **[need to find more info on what this was]** <u>5. Targeting interventions at sectors important to low income groups and women</u>**:** One of the keys to unlocking inclusive growth in Nigeria lies in increasing	<u>1. Link beneficiaries to savings schemes/financial service providers in order to maximise benefits from other workstreams</u>**.** GEMS 3 should take opportunities to link women benefiting from tax, land and investment work streams with savings schemes through appropriate financial service providers. It may also be possible to explore potential for women to use Certificates of Occupancy (COO) through the same financial institutions and to access business development support. This recommendation is linked with GEMS 3 objective of 'proof of concept', such that businesses (women entrepreneurs especially) use costs savings to achieve tangible benefits. (AR 2014) 2<u>. Achieving equity goals has cost implications</u> as demonstrated by their pro- poor and women reach results and associated costs. Achieving equity across results often costs more. The 'cost per £ of increased income' for poor people and for women is higher than the overall programme figure at £0.13 and £0.22 respectively. However, since 2013/14 these costs have reduced at a faster rate than the overall 'cost per beneficiary' and reflects continued efforts by the programme to improve the pro-poor and pro-women targeting and sensitisation of interventions. (AR 2018) **-** <u>Cross-programme impacts on beneficiary communities</u>**:** Another emerging learning theme is the need for programmes like GEMS to have hold of a well-articulated, much longer term vision not only for the sectors they are working in but for the communities they strive to transform. Such a vision would take account of developments that are highly likely to transpire regardless of project support. Such an approach also involves looking at the 'bigger picture' of what is envisaged across 53 sectors (cross sector impact as it were) as a result of M4P intervention support overall; in the context of GEMS this could be better organised and capable women in well function wholesale buying groups that make use of smart phone technologies, internet access and growing distribution channels for profitable trading; these same women would also be benefiting from access to

	GEMS 3 - the Business Environment, (2010-present) Worked with private and public stakeholders at national, state and local government levels to make it easier to do business in Nigeria. It did so through interventions which generated positive change in the business environment, by focusing on three main workstreams – land, business tax and investment. By the time of the programme's closure, GEMS3 had achieved the following: an annual income increase of at least 15% for more than 1.3m people (of these; an aggregated, cumulative increase in income of £564m; and an increase in employment of 15,600 full time equivalent jobs. As well as these specific results in Nigeria, during its life, GEMS 3 has also developed comprehensive approaches to reform. In the areas of tax and land, the models have become highly developed, including focus on relevant regulation, training, public-private dialogue and sensitisation. The investment workstream was not quite so well advanced, reflecting the fact that it was a newer area of activity for GEMS 3. **GEMS 4 - Wholesale and Retail (2012-present).** - applied market system strengthening principles and approaches to achieve market-led and pro-poor impact in the wholesale and retail sector, over the life of the project and beyond. Though working in very different sectors and contexts, the project reflected the ethos of 'Making Markets Work for the Poor' (M4P) by tackling the fundamental weaknesses in market systems to effectively contribute to systemic, large scale and sustainable changes that positively impact the poor, improving their livelihoods and reducing poverty. - Focuses on three main workstreams for each – land, business tax and investment.	the value of the goods and services that the poor rely on to earn a living. GEMS 4 is working with trader associations, transporters and market workers to introduce better handling practices in an effort to reduce waste and increase the retail value of tomatoes and boost incomes. As of March 2015, 2,150 people had seen positive rises in income, of which 1,473 were poor, and 439 were women, with the expectation that this will rise rapidly over the 12 months following the most recent annual review. (IDC Report) **GEMS 3 bespoke gender tool in data collection:** Another key area of GEMS 3 support is improving national and sub national Doing Business Indicators. GEMS 3 completed the Sub National Doing Business (SNDB) data collection in December 2013. The inclusion of a bespoke gender tool (the first ever at SNDB level) is a significant achievement for GEMS 3 and its partners. Preliminary results of the survey have been shared with all surveyed states, right of reply workshops held, and results are being finalized in time for launch of the report in September 2014. (AR 2014) **Impacts:** - Impacts**:** an annual income increase of at least 15% for more than 1.3m people - GEMS 3: The 'equity' disaggregated targets have already been met: for the poor, outreach of 951,536 against a target of 706,436; and for women, outreach of 546,733 against a target of 462,866. **-** The benefits of tax harmonisation for women traders**:** GEMS 3 has successfully facilitated the passage of a tax harmonisation law in Kano State (which is applicable, but yet to be enforced across all 44 Local Government Areas). News of a similar law being passed in Kaduna State was received during the review period, where GEMS 3 is also piloting the drafting of a tax law that would support harmonized taxation across different levels of government (i.e. across the Ministries, Departments and Agencies). Three new by-laws were passed in Cross River State during the reporting period (making a total of six). Key achievements at output level include a very successful mechanism for public private dialogue (PPD), which is used to guide and broker legislative reforms, new tax rates and the removal and harmonization of taxes, as well as relationship building between civil service and local entrepreneurs. The Review team received powerful feedback from women marketeers at Maigatari market place, including one woman, of her own accord, explained she was using money she saved from paying less tax into her local 'merry-go-round' – an informal savings and loan mechanism, and that other women in her group were doing the same, which meant a bigger 'pot' for borrowing. (AR 2014).	appropriate financial services, improved infrastructure, and a more conducive business environment. The question is whether the current GEMS approach is able to deliver on such a vision. Given the current lack of cross GEMS synergies (see section 4.4 on management and oversight and experiences so far regarding synergies and collaboration across the GEMS projects) this is likely to be by default rather than by design**. (**GEMS Lesson Learning Review, 2015: Pg.53) 4. Sustainability by embedding change at grassroots level: GEMS 3 is equally aware of the need to inculcate systemic change at the grassroots level for positive reforms to stay in place and continue once GEMS 3 is no longer there. GEMS 3 strategy has therefore been to intentionally go out and help create demand for reform through public sensitization and awareness raising via BMOs, traditional leaders, and lead figures in business communities. Demand creation also involves high involvement of local businesses in decision- making, the use of theatre and public notices to reach broader community, and events targeting women only entrepreneurs. **(**GEMS Lesson Learning Review, 2015: Pg.57) 5. Traditional gender roles continue to effect intervention performance: GEMS 1 - The role of women as service providers was not as successful as the programme or donors would have liked. However, this was driven by the traditional roles and structure of the sector, not by any unwillingness on the side of GEMS 1 to engage in this activity. (AR 2018) 6. Consider which sectors or area of interventions have the highest potential to reach poor and vulnerable groups. It has been noted though that this expanded further over the last phase of the project to include more innovations in waste management and access to rural markets. Both of these intervention areas also support the poor and women more directly. This is worth noting, as one of the comments provided at the 2016 Annual Review in particular, was that some of the main intervention areas were not directly supporting the poor, and women were less involved in some of the successful interventions. For example, tomato cluster mapping led to more investment in the sector and better returns for growers, but few of these were very poor or women (similarly with rice).

Programme overview: Name; Dates; Budget; Geographic coverage'; Gender marker.	Programme content: Main investment climate related programme components; Specific gender/WEE related interventions	Best practice: List of examples of best practice on WEE and evidence of outcome/impact*	Lessons: List of Lessons learned on WEE*
Building reliable investment climate in Kenya **Dates: March 2013 – October 2017** **Budget: £17.5 million** **Geographic coverage: Kenya** **Gender marker: Significant**	DFID and the Government of the Netherlands contributed £15.3m and US$3m (£2.2m) respectively towards the BRICK programme that was largely implemented under the title of the "Kenya Investment Climate Programme 2 (KICP2) by the International Finance Cooperation (IFC). BRICK support was aimed at building the capacity of GoK through designing and managing modern reform processes and procuring world class reform advisers. BRICK aimed to achieve "a transformed business environment with lower regulatory burdens, in a more competitive economy with improved infrastructure." This was to contribute to the impact of "an expanded private sector, which creates more jobs, particularly for the poor". The programme was anticipated to leave skills and knowledge about reforms vested in national/sub-national institutions' staff. These reforms targeted revamping the deteriorating business climate in Kenya; addressing anti-competitive practices and lack of competition and poor market practices; improving the quality of infrastructure such as energy and transport. <u>Output 1: Reformed regulatory environment</u> Working with government agencies to improve regulatory reforms, and trade logistics at national and county levels. This was intended to improve; the ease of doing business in Kenya, investment policies and business taxation. <u>Output 2: Effective competition</u> Working with the Competition Authority of Kenya (CAK) to ensure effective competition in the manufacturing, tourism, agribusiness, seed reform and warehouse receipt system (WRS) and improving the competition policy. <u>Output 3: Effective environment for public private partnerships</u> • Working with Treasury and the Public Private Partnership (PPP) Unit to implement and strengthen PPP regulations, and increase the number of PPP transactions implemented in Kenya. • Working with counties to increase the number of project concept notes for county PPP's finalised and approved by the PPP committee. • Working with PPP stakeholders to improve the number of laws, regulations and e-portals drafted to support renewable energy. <u>Output 4: Strengthened demand and evidence base for investment climate reform</u> • Working with the officials of the Government of Kenya (GoK) to be trained on private sector development.	1. <u>Some mention of WEE issues in Business Case but only in contextual sections. WEE not built into programme design</u> • **"**Focusing on agribusiness sectors where the KEU notes that a majority of women work will also allow more focus on women." • On gender, IFC already has internal guidance on "*Gender Dimensions of Investment Climate Reform*". • The balance of BRICK funding will be spent on cross cutting topics like gender, on public-private dialogue (13%), building research and knowledge expertise, and on management costs (10%). • There is a set of cross-cutting activities, notably, work around enhancing public private dialogue (PPD), gender and communications. …But none of these seem to have translated into actual programme design. 2. <u>Gender disaggregated indicators added.</u> "The Logframe was updated and approved in December 2015 as part of the 2015 AR recommendations to incorporate new work on business taxation and investment policy; addition of gender sensitive indicators and improvements in the capture of some of the project activities to make them realistic." (AR 2016) Number of PSD champions created in government (disaggregated by gender): Target: 10, Achieved: 14 (Male: 10 Female: 4) (PCR 2017) *[Comment: not clear from narrative around this deliverable that the gender disaggregation was intentional or not, no mention of targeting].* 3. <u>Targets for female participation in training reached</u>. Number of county officers satisfactorily trained (disaggregated by gender) Target: 150, Achieved: 641 (393 M, 248 F). (PCR 2017) IFC satisfactorily trained 641 county officers to support with county regulatory reforms. These officers continue to engage with the IFC staff and consultants who work using a remote management model rather than being embedded in teams. In Mombasa, Nyeri and Kisumu IFC seconded an officer who is based there supporting implementation of BRICK components. (PCR 2017) Opportunities that could have been used to promote WEE:	<u>1. Future work should have a greater emphasis on equity</u>**:** This programme focused on locations and sectors where results could be delivered and demonstrated. Given that many of these interventions are now proven to be effective and implementable, future work should give a greater emphasis to poverty and the demography of recipients in the design of the interventions and monitoring of results. (PCR 2017) <u>2. Sector selection</u>. "The programme as a whole had an extensive focus on driving economic growth and employment. While some work focused on supporting sectors where female employment was high (e.g. textiles), the work did not generally consider demographics in determining the sectors to intervene. For example, the counties supported focused on where successes was most likely (local buy-in), and would deliver the greatest benefits. As a consequence the most prosperous counties were in effect supported." (PCR 2017) <u>Limited specific targeting of women's participation in training</u>. The agribusiness component of the programme was designed to improve the well-being of small scale farmers and traders through increasing access to credit, quality and affordable seeds for these farmers and training. $38m (£28m) of financing for farmers was disbursed, although much of this was to larger farmers and traders. While some of the workshops were targeted at women and youth, women's participation in capacity building workshops and training events has not increased." (PCR 2017)

	• Working with KEPSA to ensure the organisation's change management plan was drafted and implemented to make the institution fit for purpose. • Working with stakeholders to improve private sector consultation in BRICK components and improving the quality and frequency of investment climate reports produced. IFC managed the 4 outputs with 25 associated indicators from the period 2013/14 – 2017/18.	• Through the work of the BRICK national and sub-national reform component, the programme has helped to establish the e-Citizen's portal that has an excess of 5 million registered users, handles at least 400,000 transactions daily and has collected over US$ 23 million (£17m) in annual revenues. (PCR 2017) *[Comment: Was the disparity in access to* digital *services between men and women addressed?]* • Under the BRICK programme, GoK moved to a more coherent national investment policy and development of a number of other important policies such as the development of the SEZ law and development of an advance pricing agreement mechanism are other notable achievements for the programme. (PCR 2017) *[Comment: 60-70% of SEZ employees worldwide tend to be women – were women addressed in development of SEZ law?]*	

Programme overview: **Name; Dates; Budget; Geographic coverage'; Gender marker.**	**Programme content:** **Main investment climate related programme components; Specific gender/WEE related interventions**	**Best practice:** **List of examples of best practice on WEE and evidence of outcome/impact***	**Lessons:** **List of Lessons learned on WEE***

Accelerating investment and infrastructure in Nepal
 	
Dates: August 2014 – March 2022 (extended from original March 2020 end date).
 	
Budget: £46.3 million (cost extension of £11.1 million)
 	
Geographic coverage: Nepal
 	
Gender marker: Significant
	Purpose: The project aims to address key cross-sectoral constraints, opportunities and risks to 'transformational growth' in Nepal. This means growth that generates productive jobs that can lift Nepalis not only above the poverty line but also out of vulnerability to falling back into poverty, and reduce their need to migrate overseas to make a living. It also means growth that generates exports that can reduce Nepal's large trade deficit and because export-led growth is the fastest way for a small country to exit from dependence on aid (Addendum to business case Pp. 1)
	
	The UK is providing £46m in technical assistance to the Government of Nepal (GoN) from 2015 to 2022 in order address the key constraints to inclusive and transformational economic growth in Nepal. The programme consists of the following three components:
	
	Accelerating Public and Private Investment in Infrastructure (APPIIC): technical assistance from the service provider IMC to the Investment Board of Nepal, Ministry of Energy and Ministry of Physical Infrastructure and Transport to increase public and private investment in large scale hydropower and transport infrastructure.
	
	Economic Policy Incubator (EPI): technical assistance from the service provider Palladium in partnership with the Overseas Development Institute (ODI), South Asia Watch on Trade, Economics & Environment (SAWTEE) and the World Bank, to various GoN agencies to tackle non-infrastructure constraints to growth, and harness sectoral and subnational opportunities.
	
	Financial Sector Stability Programme (FSSP): technical assistance from PwC India to the Central Bank of Nepal (NRB) and other regulatory agencies to reduce the risk of financial crisis.
	
	GESI framework:
	
	The social appraisal ends by establishing key principles on a mainstreaming GESI approach and develops the GESI Principles Framework that will be integrated into the programme's strategic performance management system and to the likely relevant areas of engagement where this can be operationalised where the programme has the opportunity to address them.
	
	A key part of integrating the GESI principles into the Accelerating Investment and Infrastructure in Nepal Framework Programme will include developing indicators that can capture direct and indirect impacts on women and disadvantaged groups. This framework will be a core element of the development of the performance and management systems of individual intervention areas under the
		Initial GESI framework outlined in business case included focus on:
		
		• Logframe indicators – monitoring the extent that each component has a substantive engagement on gender and social inclusion.
		• Comprehensive assessment of how economic policies impact on women's ability to take advantage of economic opportunities will be completed to inform prioritisation, sequencing and nature of reforms.
		• This programme will improve understanding of the policy and infrastructure impediments that women face to access economic opportunities and use this knowledge to inform government's policy and investment priorities.
		
		In the inception phase of each intervention area the programme will identify and target policies that match economic growth potential, women and girls economic empowerment, social inclusion and operational feasibility including:
		
		1. Examining the impact of economic and business climate policies on women entrepreneurs and women heads of household and key risks to poverty of economic policies, especially in the financial sector e.g. in buying land/assets, in tax treatment, in regulatory compliance costs and treatment, analysis of gender responsive budgeting in key economic sectors and improving oversight for Financial Institutions serving savers and borrowers of poor communities.
		    a. AR 2018: Deleted Merged with the new indicator on GESI for Output 4.New indicator:
		    b. Number of substantive GESI interventions (A); and average achievement of planned deliverables for them (B). Added, with a milestone of '2' for APPIIC and EPI, and '1' for FSSP . To ensure that each component is prioritising GESI in compliance with the Gender Equality Act, with a focus on 'quality' not 'quantity' as recommended by the DFID Social Development Adviser (AR 2018)
		2. Mainstreaming of Gender Sensitive approaches across new areas of regulation and policy reform
		3. Institutionalisation of gender responsive budgeting and results reporting related to economic policy planning, implementation and monitoring.
		4. Assurance of increase representation of women and disadvantaged groups in relevant planning and management institutions linked to engagement, as part of the development of dialogue around equality policy.
			<u>1. Impact of GESI staff changes</u>: A change of Gender and Social Inclusion (GESI) lead, during implementation, caused the inception and implementation of the GESI framework to suffer. (AR 2016, Pp. 6)
			
			<u>2. Inclusion of gender criteria in selection of projects for scaling up.</u> Economic Policy Incubator: GESI, green growth and climate resilience are mainstreamed by being included in the formal criteria for scaling up projects (AR 2016, Pp. 7)
			
			<u>3. Need for monitoring gender impact when interventions are designed as gender neutral.</u> Financial Sector Stability Programming: FSSP interventions are designed to be GESI inclusive, with impact assessment of an intervention on women, poor and the excluded. Generally, FSSP interventions are gender neutral. Ongoing monitoring is needed to ensure that promoting financial stability is not reducing access to finance.
			
			<u>4. Quality of gender mainstreaming.</u> Each of the components has identified and made some progress on interventions to promote gender and social inclusion (GESI). There is significant variation in quality and detail, including what the anticipated results are and how they will be monitored. 'Quality' not 'quantity' is therefore important… Recommendation to: Add a logframe indicator on the number of 'substantive' GESI interventions, to incentivise quality (AR 2017, Pp. 5)
			
			<u>5. Need for strategic review to assess GESI prioritisation.</u> Financial Sector Stability Programme: The 2017/2018 plan would benefit from a strategic review to determine what particular issues relating to GESI they will prioritize and how these will be measured. (AR 2017, Pp. 15)

	framework. Where possible, social indicators will be linked to national systems, and will be developed where an intervention area has significant social impacts. There are three key Principles for GESI approach which form the structure for the Principles Framework for programme integration. These are: • Consultation and Analysis to inform activities • Ensuring development benefits to Women and Girls and Disadvantaged Groups • Changing the rules of the game by shaping institutions, policies and ensuring representation (Business Case, Pp. 25)	5. Analysis, development and harmonisation of policies relating to pro-poor and gender inclusive planning efforts, and linkage to national policy actions (for instance Local Governance Planning Guidelines) 6. Support for inclusive planning processes, and use in the design of sectoral and project level engagement – to ensure prioritisation of project that yield maximum benefits to women and disadvantaged groups (Business Case, Pp. 24-25) Economic Policy Incubator: building on work during its inception phase, EPI's GESI strategy is of a good quality, consisting of: (i) strengthening inclusion with SEZs; (ii) using a GESI lens on investment policies; and (iii) strengthening business development for women and disadvantaged groups in the economic corridor. During the year, EPI focused on reform opportunities related to female representation in companies and firm registration fee exemptions for women entrepreneurs in SEZs (AR 2017, Pp. 12) Financial Sector Stability Programme: The main tangible GESI activities for FSSP have been (i) advocating for retention of gender targets in the new Cooperative Bill, and (ii) supporting the integration of GESI into the Financial Sector Development Strategy. They also appear to have an internal proactive policy of using a 'GESI expert' to pass FSSP's work through a GESI lens - although it is unclear what this has actually resulted in. (AR 2017, Pp. 15)	6. Need to include GESI indicators relating to quality of delivery not just participation. The final AR recognises that GESI indicators should be about quality of delivery and so should be measured as such. (AR 2018, Pp. 21, 30)

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Women Entrepreneurs' Finance Initiative (We-Fi) **Dates: May 2018- October 2022** **Budget: £7,550,000** **Geographic coverage: IDA and IBRD eligible countries** **Gender marker: Principal**	The Women Entrepreneurs Finance Initiative (WE-FI, or the 'Initiative') supports women entrepreneurs with access to finance, markets, technology, mentoring, and other services, while working with governments and the private sector to improve the laws and policies inhibiting women's businesses in developing countries. It was launched at the G20 in Hamburg in July 2017 and has the public support of world leaders, with 14 donor governments involved. We-Fi seeks to mobilise US$1 billion, of which over US$350 million has been raised in direct donor contributions and the remainder is to be raised from other public and private sources of finance. WE-FI seeks to support governments to improve the business environment for WSMEs; to support the banking sector to improve their services to WSMEs; and to provide direct services to WSMEs. We-Fi has been established as a Financial Intermediary Fund at the World Bank, supported by a small secretariat. There is a public sector window (to help governments improve business environment): 20% of total budget. The private sector window: 80% total budget. First call for funding: • ADB: $12.6m – Sri Lanka • WBG: $75m – 17 countries • IsDB: $32m – Yemen, Nigeria and Mali Second call for funding: • AfDB: $61.8m - 21 countries in Africa • ADB: $20.2m - Vietnam and Pacific islands • EBRD: $22.9m - Kyrgyz Republic, Mongolia, Tajikistan and Uzbekistan. • IDB: $24.3m - Honduras, El Salvador, Guatemala, Mexico, Colombia, Brazil, and Peru. Types of Investment Climate related activities: • building resilience of WSMEs • de-risking bank financing through risk sharing facilities • introducing alternative collateral mechanisms • expanding financial services in specific value chains • improving WSME market access through e-commerce platforms.	• WBG in Vietnam incentivised a local bank to achieve stretch targets of at least $120m lending to WSMEs, alongside advisory services on gender and risk management. WBG incentive scheme mobilised the bank's own balance sheet towards greater WSME lending (AR 2018). • WBG example in Zambia: introduced gender lens to the Secured Transactions and Collateral Registry. Broadens the collateral definitions used by banks to include movable assets. Some banks have also introduced fintech-based credit products that are gender-sensitive. (AR 2018) AR 2018 states that DFID is not yet expecting any results on Output 4: Reduced gender bias in laws and policies. Examples of funded projects: ADB project: 'Enabling an empowering business environment for women entrepreneurs in Sri Lanka'. Based on existing line of credit to commercial banks for lending to WSMEs. Project combines providing access to finance directly to WSMEs with training and mentoring for women SMEs, development of an e-platform, provide advisory services to financial institutions on developing products for WSMEs, TA to government to improve regulatory environment. WB project – "Creating finance and markets for all" - $75million – funded by We-Fi in 8 selected countries. Expected to reach 43,000 WSMEs. Integrated WB and IFC project with 3 pillars: i) strengthening entrepreneurial ecosystems ii) expanding financial services; iii) improving market access. Pillar 1: includes IFC support to WSME accelerators. WB project includes work with AirBnB on data on women SMEs in tourism sector. MENA e-commerce programme includes regulatory advisory activities across the region. Pillar 2. IFC is providing TA to banks, insurance companies etc. to develop gender sensitive products and services. Also supports work by fintechs to design digital platforms accessible to women customers. Pillar 3. Support provided to increase participation of WSMEs in agro value chains (e.g. Egypt), tourism value chains (Dominican Republic). Senegal –work with UN Women to promote government procurement from WSMEs. Bangladesh project – training for WSMEs to become registered suppliers to multinational companies. [We-Fi Annual Report 2017-8]	We-Fi funded WeConnect International to support women entrepreneurs gain access to markets in South Africa. Lessons from Roundtable February 2019 on gender inclusive sourcing for corporations: • Need to explain business case in terms of widening pool of suppliers, brand enhancement, cost savings. • Need to dedicate resources to supplier diversification/inclusion. • Measure success; set baseline and targets for supplier inclusion. • Invest in supplier training to minimise procurement risk. On finance: • Financial intermediaries can tailor products to women entrepreneurs if they understand their needs. • With improved payment terms, companies can benefit suppliers' cash flow. • Banks can use purchase orders as collateral to finance WSMEs.

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Impact Programme (CDC) **Dates: December 2012- December 2035** **Budget: £157.8 million – cost extension increase to £701.2 million approved 2016. Transfer of investment funds to CDC balance sheet reduced Impact programme budget back to £157.8 million** **Geographic coverage: Sub-Saharan Africa and South Asia.** **Gender marker: Significant**	The programme originally consisted of two components: (i) Higher financial risk investments through a DFID Impact Fund (DIF) and DFID Impact Acceleration Facility (DIAF), both managed by CDC, including a Technical Assistance Facility (TAF); and (ii) Grant-making component to build the broader market in the impact investment industry, managed by PwC. DIAF and DIF now embedded within CDC balance sheet and renamed the 'Catalyst' portfolio. Return hurdle lowered from 3.5% to 'remaining profitable at the institutional level'. 2018 - TA component within CDC renamed 'CDC Plus'. Five year £65 million line of support including 'within portfolio' TA and impact and value creation outside the portfolio. DFID managed market building and PCU components separated from CDC Plus fund. CDC Plus (and predecessor TA facility) have funded 73 projects ($3 million) and made $11 million available for TA through equity fund partners. Overall however, spending lower than budgeted. Pipeline of projects is considered limited. 2018 – Last year of market building support. Facility managed by PwC. Supported 18 different projects since 2012 – addressing 5 core market challenges. Five themes are: (i) open up sources of finance through new mechanisms for investments; (ii) support improved practice in impact measurement & management; (iii) build fund manager capacity in Sub-Saharan Africa and South Asia; (iv) bridge information gaps and increase market linkages; and (v) support deal flow of clearly impactful and investable enterprises. Initial focus – support to Global Impact Investing Network (GIIN). In 2018, DFID also supported Village Capital, the Aspen Network for Development Entrepreneurs (ANDE) and Capria to help growing businesses gain access to capital. The programme has also supported the Centre for Smallholder Agriculture Farmers (CSAF) and the International Centre for Research on Women (ICRW). CSAF helped to develop a product that seeks to get local	<u>1. Gender smart investing resource hub</u> "In 2018 the PCU established a new grant agreement with ICRW to produce a resource hub for gender lens investing that is to be publicly available for use by businesses and investors. The resource hub builds on a foundation of gender-lens investing tools and research to meet a fresh, refined need: sector-specific technical tools for learning and decision-making. The Hub enables users—primarily impact investors and development finance institutions—to make their investment processes gender-smart. It houses various resources for four sectors: agriculture, off-grid energy, power infrastructure, and healthcare". AR 2019. "The resource hub was completed for the first four sectors in mid-December 2018 with fourteen tools developed in total" AR 2018. <u>2. Boardroom Africa initiative</u>. Incubated in CDC but now taken over by CDC Plus: "Boardroom Africa (which aims to improve diversity on Boards through developing/strengthening a network of women executives) has placed 5 women on Boards during the last 6 months, 3 of which have been non-CDC Boards." AR 2019. <u>3. Gender diagnostics and reporting for CDC investees</u>. "CDC has developed a gender strategy which aims to make gender a key consideration in all of its programming across the CDC portfolio. To help deliver this CDC has a gender team which is currently in talks with 20+ companies currently being invested by CDC with the overall aim of having gender diagnostics/reporting for each of these companies. Funding under the TA facility will be made available if companies have not addressed gender, on the basis it adds additionality and fulfils objectives to attract CDC+ funding." AR 2019. <u>4. Impact management and measurement</u> (theme 2) "The GIIN are developing a 'Gender Lens' navigating impact vertical in partnership with the Criterion Institute which will be launched in early 2019. This vertical will allow investors to set gender goals, draw on extensive evidence from market actors to support their work, define metrics and then access resources to help them improve their approach to gender issues.". Potential opportunities also evident in ANDE projects in Latin America and a Gender Lens session at the ANDE Metrics Conference. AR 2019 <u>5. Building fund manager capacity.</u> Capria Accelerator - have this year reported on gender. In quarter 3 this year, 36% of the Capria Network Small Business Financial Institutions have a female principal and two of the funds are managed exclusively by women partners, and this is something that Capria are continuing to monitor." Portfolio businesses which have strong impact on women: • Sekaf, which produces shea based bath and beauty products, providing almost 5,000 rural female shea pickers and shea butter processors in northern Ghana sustainable employment – for more information see Section I: Monitoring & Evaluation. • Alliance, which is a Myanmar-based microfinance institution providing lending and savings products to 72,000 customers, of which 83% are women.	AR 2016: "The Impact Programme does not target gender explicitly in its results framework, but …. we expect the programme may have a disproportionate impact on women and girls given its sector coverage. While the DIF has not received many applications that specifically target women, a significant percentage of DIF's investments are seen to have a meaningful impact on women (for example, Soko, Paradigm, Sekaf, Kona and Bridge). Recommendation: The focus on women and girls in the Impact Programme is currently tacit. It should develop an explicit view on gender in the coming year, being careful to ensure subsequent actions do not skew the investment mandate of the funds rendering them unachievable." Later annual reviews (2017 and 2018) comment that "Under the Impact Fund we proactively encouraged funds considering investing in businesses benefiting women in the 'Request for Proposals'. However, there was limited credible interest by fund managers and as such there are no funds in the portfolio with an explicit focus on women and girls."

	banks more invested in lending to rural smallholder farms. The ICRW led the research and development of an online, open-source Gender-Smart Investing Resource Hub that helps investors to better understand their approach to Gender Smart Investing.	• MCF, which seeks to improve access to quality healthcare services for underserved groups, especially lower income groups. Overall 21% of the MCF loans are to SMEs owned by female entrepreneurs, and 45% of patients are estimated to be women. (AR 2018) • Investees are using TA to collect and analyse data on their customers. For example: the TA project developing a career counselling app for EduBridge (a company running training centres in Insitor's portfolio). EduBridge will track the number of users who install and actively use the app, enrol in skills training, complete training and are placed in a job. The project aims to disaggregate data by gender, allowing it to tailor its offer to reach more women and rural youth, enhancing their employability. Currently 40% of students using their training centres are female. • Several companies are using or planning to use TA to improve HR management; including helping companies to ensure women are recruited, retained and trained in a sensitive manner. For example: Alliance (an MFI in Insitor's portfolio) aims to reach a balanced gender ratio of both employees and clients. Using TA, Alliance is strengthening its HR management with a specific focus on hiring and training women as it continues to expand and set up more branches. The Technical Assistance Committee encouraged Alliance to ensure the recruitment process, training methodologies and materials developed during the TA project were sensitive to the needs of women. (AR 2018) While our market building portfolio is gender neutral, some partners are currently using data on gender inclusion to adapt project activities: • ANDE is collecting data on organisations focusing on gender inclusion and empowerment as part of its ecosystem mappings (see output 1.5), generating interesting insights for the market. Gender inclusion is part of project staff's roles and responsibilities and they are aware of how to incorporate gender considerations into the design and delivery of the mappings. • Capria has dedicated indicators in the results chain to measure the project's impact on women's inclusion and empowerment, and uses the information to adapt the project design. AR 2018 Examples of investments with strong gender impact: • Soko, which provides a way for artisans to improve their livelihoods by connecting artisans directly to market demand around the world. 74% of the enterprises are female enterprises. • Sekaf, which produces shea based bath and beauty products, providing rural women shea pickers and shea butter processors in northern Ghana sustainable employment. AR 2017	

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<u>GEMS</u>

<u>Accelerating investment and infrastructure in Nepal</u>

<u>Building reliable investment climate in Kenya</u>

<u>Zimbabwe Business Enabling Environment Project (BEEP)</u>

<u>We-Fi</u>

DFID Business Case

DFID Annual Review 2018

We-Fi Annual Report 2017-2018

<u>Impact programme</u>

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Insight – what we have learned about women's economic empowerment; CDC Group