

GENDER IMPACT INVESTMENT IN THE LATIN AMERICAN AND CARIBBEAN REGION

SITUATION ANALYSIS, INITIATIVES AND INNOVATIVE PRACTICES



Reference: LAC30RFP263 - Development of a Proposal for an Innovative Investment Mechanism with Positive Impact on Gender Equality

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Situation analysis regarding investment and financing mechanisms with a positive impact on gender equality in the Latin American and Caribbean region and innovative practices at a global level

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The **Win Win: Gender Equality Means Good Business** program is a joined effort by UN Women and the International Labor Organization, funded by the European Union (EU) Partnership Instrument. The program's actions will in the end contribute to gender equality by enabling women's participation in the workforce, entrepreneurship, economic empowerment and thus their full and equal participation in society. It is implemented in six countries in Latin America and the Caribbean: Argentina, Brazil, Chile, Costa Rica, Jamaica and Uruguay.

TABLE OF CONTENTS

TABLE OF CONTENTS	4
INDEX OF TABLES	4
INDEX OF FIGURES	6
ABBREVIATIONS AND ACRONYMS	7
KEY CONCEPTS	9
1. STARTING POINT	15
DEFINITION OF AN INNOVATIVE INVESTMENT INITIATIVE UNDER THE <i>WIN-WIN</i> PROGRAM	16
OBJECTIVES	17
METHOD	17
2. GENDER IMPACT INVESTING: WHAT DO WE MEAN?	21
DEFINING GENDER IMPACT INVESTMENT (GII)	22
THE GENDER FOCUS OF GII: THE THREE GENDER LENSES	25
INNOVATIVE FINANCING WITH A GENDER PERSPECTIVE	28
THE GII ECOSYSTEM	28
EMERGING INTEREST IN GII IN THE LAC REGION	36
CHALLENGES FOR GII	37
3. DEMAND ANALYSIS: PROFILE OF COMPANIES WITH GENDER LENS IMPACT	39
APPROACHING DEMAND ORGANIZATIONS: REASON AND METHOD	40
LENS 1 – WOMEN ENTREPRENEURS: A FORCE IN MOTION, A POTENTIAL NEGLECTED	41
LENS 2 - COMPANIES PROMOTING GENDER EQUALITY: BENEFIT AND OPPORTUNITY	48
LENS 3 - COMPANIES PRODUCING SERVICES AND PRODUCTS FOR WOMEN AND GIRLS: ANOTHER WINDOW FOR INVESTMENT	54
4. INITIATIVES AND INSTRUMENTS OF GII: BALANCE AND PERSPECTIVE	56
MAPPING AND ANALYSIS OF EXPERIENCES AT REGIONAL AND EUROPEAN LEVEL	57
ANALYSIS OF EXPERIENCES IN LENS 1	60
ANALYSIS OF EXPERIENCES IN LENS 2	98
ANALYSIS OF EXPERIENCES IN LENS 3	116
STUDIES AND METRICS IN THE FIELD OF GII	121
5. INNOVATIVE FINANCING INITIATIVES IN UNITED NATIONS	127
UNEP FI AND SGD IMPACT, TWO BENCHMARK INITIATIVES FOR IMPACT INVESTMENT	128
UNEP-FI	129
SDG IMPACT	154
KEY ASPECTS TO CONSIDER	163
6. CONCLUSIONS	168
ASSESSMENT OF THE GII ECOSYSTEM IN LAC	169
UN WOMEN'S ROLE IN THIS NEW ECOSYSTEM	172
PROPOSAL FOR AN INNOVATIVE FINANCING AND GENDER LENS INVESTMENT INITIATIVE	177
BIBLIOGRAPHY	189
ANNEXES	201



INDEX OF TABLES

Table 1. Summary of the methods applied, key players involved and activities conducted	18
Table 2. Interviewees (in alphabetical order)	18
Table 3. Social Impact Investments vs. Socially Responsible Investments and Philanthropy	23
Table 4. GII analyzed experiences	57
Table 5. UNEP-FI development timeline	130
Table 6. UNEP FI mission, objectives and beneficiaries	131
Table 7. Description of UNEP-FI's main partnerships with multilateral agencies	135
Table 8. UNEP FI activities	138
Table 9. UNEP FI operation in projects and activities	139
Table 10. UNEP FI highlighted projects	140
Table 11. UNEP FI income in 2010-2017	145
Table 12. UNEP FI expenditures in 2010-2017	145
Table 13. UNEP FI in the Latin American and Caribbean Region and in the Win-Win countries	146
Table 14. UNEP FI highlights in Latin America	147
Table 15. SDG Impact participating organizations	157
Table 16. SDG Impact areas, products and services	159
Table 17. SDG Impact Steering Group	161
Table 18. United Nations Innovative Financing Initiatives: UNEP FI and SDG Impact	166
Table 19. Models of initiatives	172
Table 20. Ecosystem players and roles	174
Table 21. Challenges in each lens	175
Table 22. The GII ecosystem needs	176
Table 23. Risks identified. Evaluation and mitigation measures	187



INDEX OF FIGURES

Figure 1. Gender Impact Investment as a Social Impact Investment	23
Figure 2. Gender lenses in GII	26
Figure 3. Characteristics of GII	27
Figure 4. The GII Ecosystem	30
Figure 5. Demand-side players in the GII ecosystem	32
Figure 6. Supply-side players in the IIG ecosystem	33
Figure 7. Intermediaries in the GII ecosystem	35
Figure 8. Profile of companies participating in the Win-Win survey	40
Figure 9. Women's participation in ownership. %. Around 2016.	42
Figure 10. Win-Win survey results. Women entrepreneurs. %	47
Figure 11. Number of signatory companies to Women's Empowerment Principles by Win-Win country. 2019	50
Figure 12. Win-Win survey results. Companies. %	53
Figure 13. Initiatives identified by women entrepreneurs and business women in the Win-Win survey	55
Figure 14. Relationship between financial system organizations in UNEP FI	133
Figure 15. Tools developed by UNEP FI	138
Figure 16. UNEP FI Governance	142
Figure 17. Investment opportunities generated	149
Figure 18. Opportunities and challenges identified	150
Figure 19. Performance perspectives: conventional vs. innovative	151
Figure 20. SDG Impact service platform roles	160



ABBREVIATIONS AND ACRONYMS

ACAFI	Chilean Association of Investment Fund Administrators
ACC	Advance Trade Commitments
AIC	Accredited Independent Certifiers
ANDE	Aspen Network of Development Entrepreneurs
CAF	Development Bank of Latin America (Andean Development Corporation)
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CSR	Corporate Social Responsibility
DEF	Development Effectiveness Framework
DFI	Development Finance Institutions
EDGE	Economic Dividends for Gender Equality
ESG	Environmental, Social and Governance
ETF	Exchange Traded Funds
ETNS	Exchange-Traded Notes
EU	European Union
FAW	Financial Alliance for Women (formerly Global Banking Alliance for Women, GBA)
GEM	Global Entrepreneurship Monitor
GII	Gender Impact Investment
GIIN	Global Impact Investing Network
IBRD	International Bank for Reconstruction and Development
ICT	Information and Communication Technologies
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IFFIm	International Finance Facility for Immunization
ILO	International Labour Organization
IMF	International Monetary Fund
IMP	Impact Management Project
IRIS	Impact Reporting Investment Standard
ITF	Financial Transaction Taxes
LAC	Latin America and the Caribbean
LAVCA	The Association for Private Capital Investment in Latin America
MDBs	Multilateral Development Banks



MIF	Multilateral Investment Fund
MFIs	Microfinance Institutions
MSMEs	Micro, Small and Medium Enterprises
NGO	Non-governmental Organization
OECD	Organization for Economic Co-operation and Development
OPIC	Overseas Private Investment Corporation
PC	Private Capital
SDG	Sustainable Development Goals
SGB	Small and Growing Businesses
SII	Social Impact Investing
SIIGTF	Social Impact Investment Task Force
SMEs	Small and medium-sized enterprises
SRI	Socially Responsible Investment
UN	United Nations
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
UNITAID	International Drug Purchase Facility
VC	Venture Capital
WB	World Bank
WEB	Women's Entrepreneurial Banking
WEF	World Economic Forum
WEPs	Women's Empowerment Principles



KEY CONCEPTS

Angel capital

Investment angels, or business angels, are individuals who invest their money in the initial phase of emerging companies in exchange for an equity stake. They usually also play a mentoring role and offer their advice and experience to entrepreneurs (BBVA Group, 2019a).

Bonds

A bond is a debt instrument issued by a company or public administration in order to finance operations. The issuer of a bond will return the money borrowed to the buyer, adding a pre-set interest rate known as a coupon. (Economipedia, 2019).

Complementary services

Services provided by companies or organizations that contribute to the generation of a trust framework for the financial system, such as rating agencies (BBVA Group, 2017).

Confirming or Reverse Factoring

Financial services offered by a financial institution in order to make it easier for its business customers to manage their payments, especially those of procurements. (Ministry of Industry, Trade and Tourism, 2019).

Crowdfunding

Crowdfunding (PwC, 2017) is a disruptive innovation. It has provided new routes for financing individuals, start ups and growing businesses. It allows them to engage and interact directly with the market and thousands of backers, supporters, customers and potential partners like never before. But it's often misunderstood.

Crowdfunding is a generic term that covers the following types:

- Collective initial funding, which means the use of "reward-based" funding platforms to finance the creation, launch or development of new businesses, products and services where sponsors pay upfront for a product, service or project.
- Collective equity financing, which allows small and large investors (sometimes called mini-angels) to buy small pieces of stock in growing companies, usually in small amounts of disposable income. This draws a lot of attention from the press, but it only represents a small percentage of the total collective funding.
- Group lending, also known as peer lending, which allows individuals or businesses to borrow from the joint resources of people who want to direct the use of their funds and who sometimes seek a higher return on their capital than bank deposits or bonds can provide.
- Joint grant funding is used to help community initiatives (often, but not always, locally based) to carry out its objectives with support of their community of interest. Rewards are also often offered, leading to confusion with collective seed funding for many observers.

Discount

Financial product that consists of paying in money the amount of a credit instrument (generally bills of exchange) that has not matured, after deducting interest and legal charges for the time passed between the advance payment and its maturity (Ministry of Industry, Trade and Tourism, 2019).

Dynamic venture

Business initiatives with high growth potential that generate a competitive advantage and differentiation in their products or services. This is allowed through the use of knowledge, technological and human talent management, and the potential to access financing/investment resources, as well as an adequate corporate governance structure. (García, 2018).



Equity

Own funding provided by partners as Share Capital when setting up a company. For sole-traders, it is the funding provided by the one owner to start the business (Crowdlending, 2019).

Factoring

Financial operation in which a business sells its accounts receivable (i.e., invoices) to a third party (called a factor) at a discount. The risk of insolvency is transferred, and present and immediate cash needs are met. (Ministry of Industry, Trade and Tourism, 2019)

Financial Initiative

Agreement between various actors to implement a partnership strategy to attract and mobilize funds to finance projects of general interest. One example is UNEP-FI which represents a partnership between UNEP and the international financial sector with the aim of mobilizing financial resources from the private sector to support sustainable development (PNUMA, 2019a).

Financial institutions

Financial institutions are responsible for meeting the needs and desires of economic actors. There are three types:

1. Mediators: Their participation consists solely of mediation, i.e. bringing together applicants and suppliers, and acting without changing the financial instruments.
2. Financial intermediaries: These are the group of institutions specialized in mediating between lenders and the ultimate borrowers in the economy. The aim is to reduce costs in the process of obtaining financing and facilitating the transformation of some securities into others, so that they are more attractive to both parties. The main intermediaries are commercial banks, saving banks and credit unions, other companies specialized in the leasing business, finance companies, investment funds, investment service companies, insurance companies and pension funds (elEconomista.es, 2019).
3. Executive bodies in charge of supervising the financial system. Their objective is to control and supervise the public sector, businesses and domestic economy, in order to guarantee the stability of the financial system as a whole.

Financial Instruments

Monetary contracts between parties that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The same instrument is a financial asset from the perspective of the saver who has provided its liquidity, and a financial liability for the issuer recognizing its obligation to return the liquid amount received. Titles reflect the right that the lender (or saver) has over the borrower to have the loan repaid under the agreed conditions.

Financial instruments can also be issued by financial intermediaries (banks, investment funds...) in order to raise funds. These include stocks, bonds, private equity funds, stock funds, pension plans, EFT (Exchange Traded Funds), savings accounts, life insurance and others.

Financial Savings- Financial Investment- Financial Capital

Savings placed in intermediaries or financial instruments. Capital that seeks an income, benefit or interest later and therefore the increase of capital itself. It encompasses different concepts common to all, such as stocks, private sector bonds, government bonds or simple money deposits in banks (Simple Economics, 2019).

From the money holder's point of view, it is an investment since this deposit would generate a return. In contrast, from the side who wants the funding, it encompasses a loan.

Financial or funding mechanism

It is a vehicle or method to make financing resources available to third parties through different financial instruments. It is usually born under the umbrella of a program with defined policies, priorities and eligibility criteria agreed by its founders. Its operation may be entrusted to one or more international bodies (InforMEA, 2019).



Financial market

The financial market is the meeting point or match between funding demand and supply (Simple Economics, 2019). It is the mechanism or place through which the exchange of financial instruments (assets and liabilities) takes place between the different economic agents. The aim is determining their prices and the main functions are:

- Establish contact for the agents that intervene in the market.
- Act as a mechanism for price-setting of securities.
- Provide liquidity to assets.
- Reduce time and costs of intermediation.

There are a variety of financial markets, such as the interbank market, the money market, the noted debt market and the stock market.

The aim of the capital market is to provide long-term financing in the form of securities (bonds and equities) and long-term credit markets.

Fund Management Body

Organization that jointly invests contributions in different financial assets (fixed income, equity, derivatives or any combination thereof) following guidelines set out in advance in the fund's investment policy. The manager is a financial intermediary (Economipedia, 2019).

Financial Policy

Set of measures and instruments to regulate a country's public finances, financial banking system, currency and credit (Bank of Mexico, 2019).

Financial System

Set of institutions (financial entities), means (financial instruments) and markets that make it possible for the savings (liquidity) of economic agents to be directed to those seeking credit. In this way, it channels the savings towards specific investments (Economipedia, 2019).

Since investments involve risk, financial practices are subject to regulation, control and supervision by public bodies created *ad hoc*. Furthermore, other private entities are also part of the financial system with the aim of providing a rating service (rating and indexes) to guide investors on the quality of debtors, intermediaries and financial assets.

Financing vehicle

The financing vehicle is a synonym for financial instrument (BBVA Group, 2015).

Gender bonds

New public market investment instruments aligned with green, sustainable and social bonds. They aim at socially responsible investors interested in promoting gender equality, diversifying their funding sources, expanding the investor base and positioning issuers as leaders in the space (Pental Group, 2019).

Guarantees

A guarantee is a business financing instrument that facilitates the access of SMEs to credit by providing collateral securities (Ministry of Industry, Trade and Tourism, 2019).

High-impact venture

Companies with the capacity to transform and boost economies, through systematic processes of innovation and employment generation. It also means companies that grow quickly and steadily, with high levels of funding or many investors (García, 2018).

Impact capital

Capital employed by investors who seek to optimize social and/or environmental impact with some financial return. Investors are motivated by social and/or environmental impact and are willing to accept a below-market return or even a simple return (Business Commitment, 2011).



Impact company

Capital-demanding actor within the Gender Impact Investment ecosystem. They are all formally committed to gender objectives of various kinds, measuring and reporting the progress and advances they make until achieved.

These may be conventional or non-profit organizations, social or traditional enterprises, oriented towards the most disadvantaged population or towards middle class in general. All of them have formalized gender objectives in line with gender lenses and are expected to generate both social impact and financial return to investors (European Commission, 2019).

Impact investors

From the Social Impact Investments perspective, an investor is the one who invests their savings, i.e. the funding provider. It directly or indirectly finances projects and/or activities and looks for an economic and social return. It is a money offerer and, at the same time, a demander of financial assets that are issued directly, either by entities that develop projects with social impact or by intermediaries who, by raising funds through the sale of financial assets (for issuers, financial liabilities), are dedicated to fund projects or activities with social impact.

According to the Value for Women report "*A Landscape Report: Impact Investing with a Gender Lens in Latin America*" one of the following conditions must be met for the investing organization to be considered an impact investor:

- It makes direct investments in companies.
- It has the explicit objective of achieving a positive social or environmental impact.
- It expects to obtain a financial return
- Or it invests a minimum of \$25,000 in other companies using various financial instruments (debt, private equity, guarantees, etc.)

The report furthermore notes that traditional microfinance, project finance and direct investments by Development Finance Institutions are excluded from this definition.

Investment fund or mutual fund

Collective investment institutions whose purpose is to attract contributions from a variable number of investors (called participants), in order to manage them and obtain a profit with an appropriate risk diversification. The Fund is a financial instrument from the savers perspective who are participating on it. However, the Fund invests the money from the participants by acquiring other financial instruments (company shares, government debt securities, bonds issued by a company, shares in other Funds...). The management of this common property formed by the Fund is carried out by a Fund Management Body (Economipedia, 2019).

Issuer

Organization or company that issues securities (shares or debt), i.e. puts its securities up for sale, through the stock exchange or other intermediaries in the financial system (BVN Guatemala, 2019).

Leasing

It is a type of contract by which the lessor transfers the right to use an asset to a lessee in exchange of a rental income paid for a specified period, at the end of which the lessee has the option to purchase the leased asset at a specified price, return it or renew the contract (Ministry of Industry, Trade and Tourism, 2019).

Line of Credit

A contract signed with a financial institution granting a company the possibility to dispose of a certain amount of money or immediate liquidity at any time during the term of the contract. An interest rate over the total disposed amount is to be paid (Economipedia, 2019).

Non-bank external financing

Resources from external sources outside the company, which may come from organized markets, public bodies and organizations and other sources of alternative financing (Crowdfunding, 2019).

Patient capital



According to Acumen (Acumen, 2019), patient capital refers to investments, via debt or equity, made at an early stage of social enterprises with the objective of both generating social impact and obtaining a sustainable financial return. Defining characteristics of patient capital are:

- high risk tolerance.
- Long-term repayment of the capital invested.
- Ex-post-investment support needed for growth.
- A firm objective of always maximizing social impact.
- Demands accountability as a proof of the firm's sustainable growth in the long run.

Personal loan

Contract by which the financial entity pays an amount of money (principal) to an individual (borrower) in advance, with the obligation of returning the principal and also pay an agreed interest plus the expenses derived from the operation (Crowdlending, 2019).

Participative loan

A loan with a stipulation that the 'lender-funder', in addition to the interests gained, will obtain a remuneration from the benefits generated by the 'borrower-funded' (Ministry of Industry, Trade and Tourism, 2019).

Regulatory Agencies

In order to ensure that financial intermediaries act properly and that markets in general operate properly, the economic authorities in each country impose strict control standards through supervisory bodies. These bodies bring transparency to the financial system and therefore deliver confidence and security to fund supply and demand.

Depending on the country, they will be structured differently. Normally, they are part of Central Banks, Superintendencies of Banks, Superintendencies of Insurance, National Commissions of the Securities Markets, etc. (CNMV, 2019).

Seed Capital

It is an initial funding to start up a new business or to boost its development at an early stage (Cliente bancario, 2019).

Startup

It is characterized by being an innovative early-stage venture, with potential for rapid growth and scalability. These are high-risk but high-reward initiatives (García, 2018).

Supplier credit

It is a non-bank financing setting for companies. Services/products needed can be acquired through a commitment of future payment to the supplier with or without an interest surcharge (Economipedia, 2019).

Third-party bank financing

It is a type of financial resource from external sources outside the company, coming from credit institutions (banks, credit unions or others) (Crowdlending, 2019).

Venture capital and private equity

- Both types of funding sources differ essentially in the stage of the life cycle of a business in which they intervene. Anyhow, both are aimed at financing projects that offer high profitability. Moreover, both are also orientated towards growing markets, with significant potential demand and the possibility of conquering foreign marketplaces. (Library, 2019)
- One of the key aspects for investors is that they need to have a clear *ex-ante* strategy to access capital markets (stock exchange, institutional investors or other).
- Venture capital is a way to finance start-up companies with no track record that could allow them be confident in their future results. Likewise, it is a means for investors to be sure that they will receive returns from the money they are lending.



- Private capital is a financing source for companies with a successful history and high growth prospects, which only require an injection of resources to achieve their potential.
- The chain of the different financing stages does not occur fluently. It is very difficult for a one-stage investor to be able to sell their stake to a third party (take out) at the end of their optimal investment period. Tax related issues, lack of foreign funds, limited size of the local market and preparation of entrepreneurs would explain such an outcome.
- Funds that invest in venture capital and private equity provide entrepreneurs not only with initial and, if necessary, recurring financial resources, but also support them in their strategic definition, improve their corporate governance with networks, can attract new talent to the company, and generate a better outcome with other financing sources, among other positive aspects.

Wealth

It is the set of goods and rights, charges and obligations belonging to an individual (García, 2018).



1.

STARTING POINT



Definition of an Innovative Investment Initiative under the *Win-Win* program

The *Win-Win* Program: *Gender Equality is Good Business* is a joint program between UN Women and the International Labor Organization (ILO) funded by the European Union (EU) Partnership Instrument. It was launched in 2018 under the framework of the Sustainable Development Agenda 2030, Gender Equality Goal 5, as well as the Beijing Declaration and Platform for Action, and following the UN High-Level Task Force on Financing for Gender Equality's call for action.

The actions in this program contribute to gender equality by enabling women to participate in the workforce, promoting their entrepreneurship, economic empowerment and thus their full and equal participation in society.

The overall **objective** of the program is to *promote the economic empowerment of women through acknowledging the role of women as beneficiaries and partners of growth and development and increasing the commitment and capacities of private and public actors to drive organisational change regarding gender equality and women's empowerment* (UN Women, 2017).

The *Win-Win* program is based on the *Women's Empowerment Principles* (WEPs), a set of Principles for Businesses that provide guidance on how to promote gender equality and women's empowerment in the workplace, the marketplace and the community.

Women's Empowerment Principles (WEPs)

The Women's Empowerment Principles (WEPs) is an initiative, promoted by UN Women in collaboration with the UN Global Compact, which seeks to promote good practices of business management with a gender perspective. It consists of seven principles:

1. Leadership promotes gender equality.
2. Equal opportunities, inclusion and non-discrimination.
3. Health, safety and a life free of violence.
4. Education and training.
5. Business development, supply chain and marketing practices
6. Community leadership and commitment.
7. Transparency, evaluation and information.

The **beneficiaries** of the program are women-led businesses, business networks and companies actively committed to gender equality and empowering women and girls.

The program is implemented in six countries in the Latin American and Caribbean region (LAC region) (**Argentina, Brazil, Chile, Costa Rica, Jamaica and Uruguay**). UN Women Brazil, with the support of UN Women Regional Office for the Americas and the Caribbean in Panama, coordinates the program in the region.

The **cooperation between the EU and some LAC countries** is key for the program to successfully meet its objectives. It promotes business linkages, joint ventures and innovation, while supporting interregional dialogue and exchange of good practices at European, regional and local levels.

Win-Win is implemented through activities grouped into three components:

1. Increased cooperation between women-led businesses in LAC and the EU, strengthening networks and expanding opportunities.



2. Create a model to sustainably engage the private sector in supporting gender to achieve the SDG by strengthening the capabilities of businesses and employers' organizations, promoting the exchange of knowledge and good practices and advocating for gender equality.
3. Encourage bi-regional leadership of women in innovation and in businesses through financial mechanisms that attract more private capital and, in the longer term, support women-led entrepreneurship and innovation.

This program is about component 3. The program supports the **establishment of an Innovative Gender Investment Initiative** to attract private investment in support of the Sustainable Development Goal (SDG) 5: Achieve gender equality and empower all women and girls. This implies a **profound shift** in strategies, alliances and management/evaluation of financing for development that must have the achievement of equality as one of its main axes. It is nonetheless crucial that financing mechanisms **also respond to private investors interests and** incentives and indicators for measuring the financial returns generated **are considered**.

Objectives

The ultimate goal of this document is to **produce a diagnostic study** of investment with gender lens in the LAC Region, and in Europe. This study analyzes in-depth a large number of financial initiatives with a gender perspective and other relevant experiences in the ecosystem of the LAC region, Europe and globally.

To this end, the **specific objectives** that have led this work are:

- Provide a definition for Innovative Gender Impact Investment (GII) and its ecosystem.
- Identify status and needs (financial and non-financial) of different players with a potential impact on gender equality.
- Analyze the characteristics of the most relevant GII mechanisms at the global level and in the region, and identify their objectives, drivers and allies, and how they operate.
- In-depth study of the social impact investment mechanisms promoted by other United Nations agencies (such as UNDP and UNEP), aimed at documenting lessons learned.

The outcomes of this diagnostic will allow to identify the role (or roles) that UN Women could play in regards to an Innovative Gender Investment Initiative in the region.

Method

The proposed objectives have been achieved through a diagnostic process where different analysis techniques have been applied.

Firstly, a **literature review** related to innovative gender-sensitive investment was conducted. This allowed the conceptual delimitation and an in-depth analysis of the GII ecosystem, taking into account the demand and supply perspectives.

A **comprehensive mapping of innovative investment initiatives** was also completed where other ecosystem instruments developed in the LAC region and Europe were identified.

Based on an agreed selection with UN Women, an in-depth **analysis of a wide range of financial and non-financial GII initiatives** was carried out, which included other experiences of the ecosystem in the LAC region, Europe and globally. This was complemented by **interviews with relevant players** involved.

Concomitantly, the National Specialists of the *Win-Win* program have been interviewed.



Taking the possible lessons learned as a starting point, two innovative financing initiatives developed within the United Nations have been analyzed: **UNEP FI** of the United Nations Environment Program (UNEP) and **SDG Impact** of the United Nations Development Program (UNDP), as well as interviews with their managers.

Finally, a **survey** was conducted among women entrepreneurs, companies owned or led by women and companies that have signed the Women's Empowerment Principles (WEPs). The survey explores what financial and non-financial services need to advance in gender equality. Overall, it deepens the knowledge of the ecosystem, its needs and potentials.

The methods applied, key players involved and activities conducted are summarized in the table below.

Likewise, a table with the list of interviewees is provided. An identification code has been associated to each participant and will be used throughout the document.

Table 1. Summary of the methods applied, key players involved and activities conducted

Methods applied	Key players involved	Activities carried out
Review of secondary sources		<ul style="list-style-type: none"> • Reports, documentation, web pages and other bibliographic references.
Documentary review on gender-sensitive impact investments		<ul style="list-style-type: none"> • Description of the context, ecosystem and current status of gender-sensitive impact investments. • Analysis of the most relevant gender-focused impact investment mechanisms in the LAC region, Win-Win countries and Europe.
Qualitative analysis: Direct consultation with key players	Institutions linked to the Win-Win program	<ul style="list-style-type: none"> • Interviews to gather information on gender impact investment mechanisms, contacts, country context, etc. (according to each institution).
	UNEP and UNDP	<ul style="list-style-type: none"> • Interviews to deepen the knowledge of the Financial Initiatives of both United Nations Agencies.
	Types of players (supply, intermediaries, demand, academia, etc.)	<ul style="list-style-type: none"> • Interviews with other players to complete the documentary information on gender impact investment strategies, contacts and others.
Qualitative analysis: Direct consultation with key players	Entrepreneurs/ women's businesses, WEPs businesses	<ul style="list-style-type: none"> • Online survey to detect financial and non-financial needs, gender equality in companies and knowledge about gender impact investment mechanisms.

Source: Own elaboration.

Table 2. Interviewees (in alphabetical order)

Name	Position	Organization	Code
Joy Anderson	Founder and President	Criterion Institute	ANDERSON, CRITERION INSTITUTE
Carmen Arreola	Founder and Managing Partner	Cantera Capital	ARREOLA, CAPITAL QUARRY
Veronica Bacarat	National Specialists-Argentina	Win-Win program	BACARAT, WIN-WIN
Patricia Bindi	Commercial Banking Director	HSBC Argentina	BINDI, HSBC
Elizabeth Boggs-Davidsen	Director	SDG Impact	BOGGS-DAVIDSEN,



Name	Position	Organization	Code	
			SDG IMPACT	
Adriana	Carvalho	National Specialists-Brazil	Win-Win program	CARVALHO- WIN-WIN
Denise	Chevannes-Vogel	National Specialists-Jamaica	Win-Win program	CHEVANNES-VOGEL, WIN-WIN
Rachel	Coello	Economic Empowerment Policy Specialist of the United Nations Women of the Regional Office for the Americas and the Caribbean	UN Women	COELLO, UNW
Jennifer	Cooper	Latin American and Caribbean Donor and Partner Relations Specialist	UN Women	COOPER, UNW
Carmen	Strap	Regional Director	Pro Mujer	STRAP, PRO-MUJER
Marta	Cross	Co-Founder and Director	NXTP Labs	CROSS, NXTP
Monica	Ducoing	Central America and Mexico Chapter Manager	Aspen Network of Development Entrepreneurs (ANDE)	DUCOING, ANDE
Jose Felix	Etzegoyen	Banking on Women Specialist for the LAC Region	International Finance Corporation (IFC)	ETXEGOYEN, IFC
Nicoletta	Favaretto	Senior Project Officer Eurochambres	Al Invest	FAVARETTO, AL INVEST
David	Fernandez	Acceleration Management	Start Up Chile	FERNANDEZ, START UP CHILE
Laura Margarita	Fernandez Lord	Women's Empowerment	BBVA Microfinance Foundation	LORD, BBVA
Maricho	Gálvez	Former Gender Officer Small Business	Banco Estado	GÁLVEZ, BANCO ESTADO
Susana	Garcia-Robles	Senior Investment Specialist, Co-Founder	IDB Lab	GARCIA-ROBLES, IDB LAB
Nathalie	Hoffmann	Gender Coordinator for the LAC Region	International Finance Corporation (IFC)	HOFFMAN, IFC
Martin	Churches	Investment Recommendations Manager	Itau Unibanco Brazil	CHURCHES, ITAU
Christine	Kenna	Partner Specialist in Portfolio Management and Evaluation of Investment Opportunities and promoter AMEXCAP	Ignia Ventures	KENNA, IGNIA VENTURES
Edgar	Lara	Gender Specialist	Development Bank of Latin America (CAF)	LARA, CAF
Anne-Marie	Levesque	Gender Equality and Women's Economic Empowerment Advisor	Fin Dev Canada	LEVESQUE, FIN DEV
Alejandro	Lorca	Chief Financial Officer	BBVA Microfinance Foundation	LORCA, BBVA
Laura	Maia	Director of Diversity	Itau Unibanco Brazil	MAIA, ITAU
Luis	Marquez	Gender and SMEs Expert	Value for Women	MARQUEZ, VALUE FOR WOMEN
Roxana	Martinelli	National Specialists-Chile	Win-Win program	MARTINELLI, WIN-WIN
Gabriela	Kill	National Specialists-Costa Rica	Win-Win program	MATA, WIN-WIN
Maria Pia	Morante	Senior Associate Portfolio	Acumen Latam Capital Partners	MORANTE, LATAM



Name		Position	Organization	Code
Inez	Murray	CEO	Financial Alliance for Women (FAW)	MURRAY, FAW
Stephanie	Oueda Cruz	Head of the Gender, Diversity and Inclusion Team	IDB Invest	OUEDA, IDB INVEST
Maria Teresa	Perez	National Specialists-Uruguay	Win-Win program	PEREZ, WIN-WIN
Johanna	Pousada	Founder and General Director	Elevar Equity	POSADA, ELEVAR EQUITY
Alicia	Robb	Founder and CEO	Next Wave Impact	ROBB, NEXT WAVE IMPACT
Gabriela	Rosero	Impact investment and innovative finance Specialist of the Regional Office for the Americas and the Caribbean	UN Women	ROSERO, UNW
Rebecca	Ruf	Executive Vice President	Financial Alliance for Women (FAW)	RUF, FAM
Esther	Senso	Regional Coordinator of the UN Women Win-Win program	UN Women	SENSO, UNW
Marie-Eugénie	Sosa	Latin America and Caribbean Network Coordinator	UNEP FI	SOSA, UNEP-FI
Natalia	Valencia	Deputy Director of Research and Responsible Investment	The Association for Private Capital Investment in Latin America (LAVCA)	VALENCIA, LAVCA



2.

**GENDER IMPACT
INVESTING: WHAT DO WE
MEAN?**



Defining Gender Impact Investment (GII)

Gender Impact Investing is an investing approach that deliberately incorporates a desire to make a difference in the lives of women and girls, while meeting the risk/return objectives appropriate for an institutional portfolio (Cambridge Associates LLC, 2018)

The first conceptual approach related to Gender Impact Investment (GII) was produced by the Criterion Institute, one of the leading organizations for the gender perspective inclusion on the financial system (Rosero, G., 2019). According to the report published by the organization in 2015 (Criterion Institute, 2015), the fundamental objective of GII is to bring about a change in the financial market system so that **gender becomes a cross-cutting issue that influences investment decisions**.

However, in order to correctly understand the concept of GII, it is necessary to refer to the broader framework of *Social Impact Investment (SII)*; and the reason why is twofold: GII is part of SII and SII defining characteristics are key to understanding how GII functions.

Impact investing is a recent phenomenon within the social innovation and development agenda in most countries. It emerged as a concept in 2007, when the Rockefeller Foundation coined the term *impact investment*, taking investment one step further than socially responsible investing. *Impact investing is a global trend phenomenon that has been defined as social innovation* (Mexico Impact Investment Alliance, 2018).

Currently, the OECD defines SII as *the supply of finance to organizations addressing social and/or environmental needs with the explicit expectation of measurable and sustainable social and financial returns* (Rosero, G., 2019).

Based on this definition **GII can be considered a type of SII**, since it uses capital to advance gender equality (social impact) while generating a financial return (Rosero, G., 2019).



Figure 1. Gender Impact Investment as a Social Impact Investment



Source: Own elaboration from (Rosero, G., 2019).

As mentioned above, the concept of *Socially Responsible Investment (SRI)* is also used in the financing market. SRI began, in some cases, as "conscious investing" as a result of investor interest in reversing unethical business practices, producing negative goods, or investing in companies with environmental, social and governance (ESG) standards that would in turn attract more sustainable investment over time. These socially responsible investments were also driven by the interest of companies that began to focus their actions on **Corporate Social Responsibility** issues (Rosero, G., 2019).

SII is considered a type of SRI. However, there are some differences (Rosero, G., 2019):

- Obtaining financial returns is one of the features linked to Social Impact Investment (SII); this is not the case in Philanthropy or Socially Responsible Investment (SRI).
- In SRI, financial investment takes precedence, with a market risk profile and expected financial return. In SII, the most important thing is the social impact objective ("impact first"); it seeks to generate social value in a planned manner, so it only receives financial returns when a level of measurable social impact is achieved.
- To be considered as SII, it is necessary that the investment has a proactive attitude and the intention to generate a social impact. These are investments driven by demand for social needs and not just for financial gain.

Table 3. Social Impact Investments vs. Socially Responsible Investments and Philanthropy

INVESTMENT STRATEGY	Philanthropy	Socially Responsible Investments (SRI)	Social Impact Investments (SII)
Financial Return Objective	No financial return sought	Competitive financial market return is sought	Below-market financial return sought
Desired Impact	No impact sought	It seeks to contribute to social, environmental and governance challenges	Impact measurement intentionally sought



Investment Profile	Pure funding: Limited or no adherence to environmental, social or governance practices	Responsible and sustainable finance: Seeks to mitigate risks with environmental, social and governance practices to protect value and adopt developmental, social and governance practices in a progressive manner that increases value	Impact financing: Addressing the challenges and social impact that generate below-market financial returns for investors
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Source: (Rosero, G., 2019).

The SII characteristics can be extended to GII. In the case of the latter tough, the social objective is specifically to improve the lives of women and girls.

The social finance field believes that investments and reforms in the finance systems can contribute to creating a better world, and the other field believes that gender systems must change to create a world that works for all. Combined, they build up the potential to use finance as a tool for social change, addressing gender-based power systems and the structural inequities that result from them (Criterion Institute, 2015).



The gender focus of GII: the three gender lenses

GII incorporates the gender approach as it is focused on benefiting the lives of women and girls. This focus is important when identifying GII. In this sense, the investor gender objectives and measurable impacts are specifically looked at by this type of strategies.

Gender-responsive investment means that gender cuts across all aspects of society so every investment must involve gender impact.

In 2010, the Criterion Institute defined a framework of common strategies to support investment in women and girls. It addresses the need of "**gender lenses**" focus when identifying investments with financial and social impact. Criterion defined three categories that are now a reference for this type of impact investments (Rosero, G., 2019):

Lens 1: Facilitating **access to capital** for women entrepreneurs and businesses

Lens 2: Promoting **Gender Equality** in the Workplace

Lens 3: Providing **products and services** that meet the needs of women and girls

As GII has developed further in recent years and its practices are now more diversified, a broader and more comprehensive conceptual approach to each of these gender lenses is possible:

- **Lens 1:** GII strategies to have **access to capital** are aimed at identifying and reducing the gender gaps that exist in the mobilization of capital and credit for women from different players and investment mechanisms, facilitating access to financing for women entrepreneurs and women-led businesses. They cover not only capital investments but also strategies that indirectly facilitate women's access to finance (financial education, counselling, networking, etc.).
- **Lens 2:** GII strategies to **promote gender equality in workplaces** aim to **promote** diversity in the internal policies and practices of all players in the ecosystem, from the investor to the demand side organizations. They include strategies that focus on gender equality in the workforce as well as those that focus on management and leadership positions. The strategies that promote the role of women as investors are a relevant line of GII within this lens.
- **Lens 3:** GII **women's products and services** strategies invest in organizations that provide products and services that are deliberately designed to reduce gender gaps and specifically address the needs of women and girls. Two main lines of action can be distinguished:
 - a. GII strategies that support organizations that produce and offer products and services that **meet some specific need of women and girls**.
 - b. GII strategies that target organizations whose activity is geared towards achieving **profound social transformations from a gender perspective**.

Based on this broad view of gender lenses, according to GII practices that have been developed in recent years, **this report takes as a reference an adapted definition of UN Women for each lens:**



Gender lenses

Lens 1. Access to capital for women entrepreneurs and women-led businesses: Aimed at closing gender gaps in the access to capital and credit.

Lens 2. Invest in businesses that promote gender equality and women's empowerment: Aimed at attracting capital and investment to businesses that promote gender equality and women's empowerment in the workplace, in value chains and in the community. The lens 2 is divided into:

- Gender equality in the leadership of beneficiary organizations (it's connected to WEP 1).
- Gender equality in the workforce of beneficiary organizations (it's connected to WEPs 2, 3 and 4).
- Gender equality in value chains (it's connected to WEP 5)
- Gender equality in the community through corporate social responsibility (it's connected to WEP 6).

Lens 3. Invest in businesses that develop products and services with a positive impact on the well-being of women and girls.

- Products and services that cover needs specific to women and/or girls.
- Products and services aimed at generating a positive impact on gender equality and women's

Source: Adapted from UN Women based on the definitions by the Criterion Institute and IDB Invest.

Figure 2. Gender lenses in GII



Source: Adapted from UN Women based on the definitions of the Criterion Institute and IDB Invest.

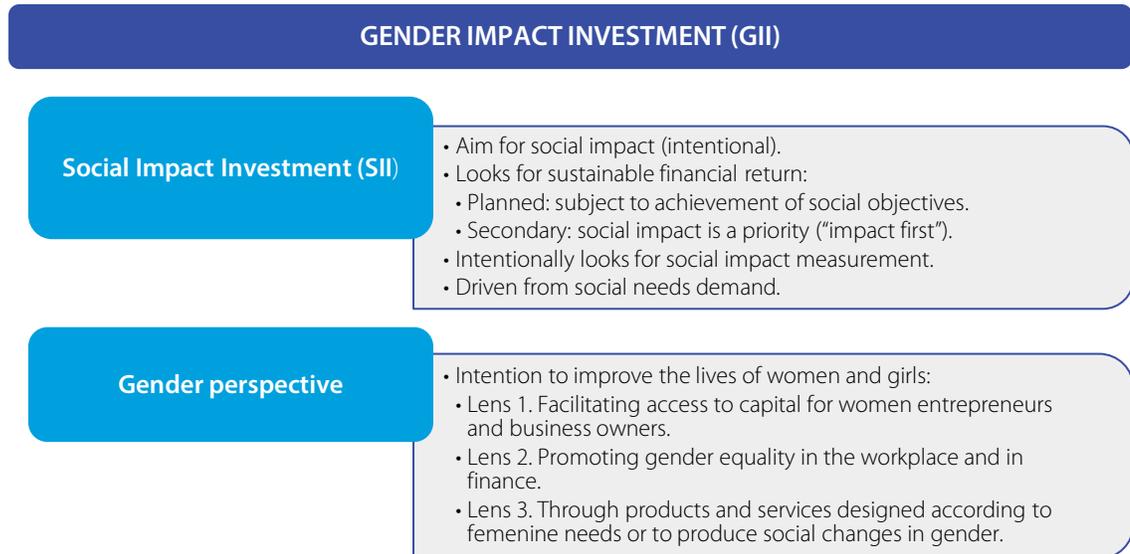
Therefore, the starting point for conceptually approaching **Gender Impact Investment (GII)** is to address its two fundamental defining characteristics:

- It is part of the **Impact Investing** field. This means that it shares the key features of Social Impact Investment, with the goal of having social impact and, in addition, generating a sustainable financial return.
- It has a **gender focus**, that is, its specific social objective is to improve the lives of women and girls, according to the three defined gender lenses.

The **benefit** of GII is that it can lead to financial returns while contributing significantly to the promotion of gender equality.



Figure 3. Characteristics of GII



Source: Own elaboration.

The **opportunity** to include the gender perspective in the market for impact investments even goes further, as they contribute to developing systemic changes based on gender equality (Rosero, G., 2019). Thus, GII generates a mutual understanding between market logic and feminist logic, revealing the benefits of gender equality in terms of financial outcomes and, at the same time, for gender equity (Rosero, G., 2019).

The inclusion of the gender perspective in the financial analysis has also allowed investors and financial institutions to become more familiar with gender analysis, while at the same time has brought women's organizations closer to the knowledge, use and management of financial instruments (Rosero, G., 2019).

Thus, the incorporation of the gender approach in finance has opened a space to build new knowledge, conceptual frameworks and methodologies (Criterion Institute, 2015). After this movement, multiple research frameworks are emerging and allowing the creation of shared spaces between two worlds, until now completely independent.

Gender experts have had as little experience thinking about finance as finance experts in understanding gender. Gender lens investing serves as a site to work out the connections between financial expertise and gender expertise and translate the results into practice (Criterion Institute, 2015).

The challenge, here, is to continue to deepen the capacity to use gender analysis to inform financial analysis, as well as to expand the use of finance to help resolve structural inequities caused by gender-based power relations (Criterion Institute, 2015).



Innovative financing with a gender perspective

Taking into account the ultimate objective of this diagnostic, that is, the potential creation of an innovative financing initiative for investment with gender impact in the region, a third component can be added to the two basic premises of GII, namely impact investment and a gender focus.

This third component is **innovation**.

According to the World Bank (World Bank, 2019b) **innovative financing speaks about combining available financial resources into a new package or using them in a new context or environment**, such as new sectors, country or region. In this sense, innovative financing can mean different things:

- Generate additional funds for development by tapping new sources of funding: go beyond conventional mechanisms, such as budget disbursements by established donors and bonds from traditional international financial institutions, and/or involve new parties, such as emerging donors and private sector organizations.
- Increase the efficiency of financial flows, reducing delivery times and/or costs, especially for emergency needs and in crisis situations.
- Make financial flows more results-oriented by explicitly linking funding flows to measurable performance on the ground.

Based on this definition, and taking into account that the ultimate goal is the empowerment of women and gender equality, it is possible to define **innovative financing with a gender focus** as follows:

Innovative financing with a gender focus is oriented towards:

- Mobilize private capital investment, through private and public sector participation, to promote gender equality and women's empowerment.
- Increase the efficiency of financial flows, through new investment instruments that allow the supply of resources from actors in the financial ecosystem to be channelled towards the demand and financing needs of enterprises and businesses led by women and/or those committed to women's empowerment and gender equality.
- Direct additional investments towards positive impacts on gender equality and women's empowerment, explicitly linking funding flows to measurable performance.

Source: Own elaboration.

The GII ecosystem

For a better understanding of what the concept of GII is, it will be necessary to describe its ecosystem, in other words, its key players.

GII includes many types of strategies, ranging from investments in private markets (through private debt funds, seed or angel capital, private equity and venture capital) to those in public markets (public debt or fixed income mechanisms implemented through bonds) (Rosero, G., 2019). It is a proactive investment strategy that cuts across all asset classes and strategies (IDB Invest and ESADE, 2019).



As a result, **a multiplicity of players of very different kinds are involved** in GII, **each playing different roles**, all of which are necessary and complementary to each other. The GII ecosystem ranges from an investment fund that wants to direct its capital towards gender objectives, to a woman entrepreneur seeking funding, a platform that connects the two links and offers training or advisory services, or a multilateral bank that encourages financial institutions to offer credit to women entrepreneurs.

The World Economic Forum in its report "From the Margins to the Mainstream" (WEF, 2013) offers a very comprehensive view of the impact investment ecosystem, which can be extended to GII: *It includes governments, as impact investments offer opportunities for more efficient distribution of public services; it involves civil society, from the non-profit organizations that design and implement the projects to the recipients of social programs; and it also involves businesses, from entrepreneurs and lawyers to consultants and investors.*

Specifically, and according to their role, three major groups of players or links can be highlighted within the GII ecosystem (OECD, 2015):

- ***Demand-side organizations***: They are social organizations that demand capital to finance their activity as providers of goods and services that improve the well-being of women and girls and reduce the gender gap.
- ***Supply-side players***: These are the bodies who offer money to finance GII initiatives or experiences, i.e. the providers of impact capital. This is the link between investors and the different sources of capital.
- ***Intermediaries***: They play the role of facilitators, connecting supply and demand, and reducing transaction costs in the market. They operate through transactions and financial instruments.

In addition to the set of players involved, some contextual elements are also part of the ecosystem. This is the case of the **social need** that is at the origin of Impact Investments and that each initiative aims to solve. In regards of GII, social need is related to existing gender gaps, according to the three gender lenses described in the previous section.

Likewise, the existence of a **favourable environment** plays a fundamental role for the correct operation and development of the market for Impact Investments in general, and for Gender Investments in particular. While investors and the financial industry can drive some change in their direct areas of influence, intervention by governments, media, universities, civil society, etc. can generate a multiplier effect by increasing the speed and scale of such change (Tara Health Foundation and Suzanne Biegel, 2019).

The general context in each country has been identified as being conducive to the proper operation of these markets when (OECD, 2019b):

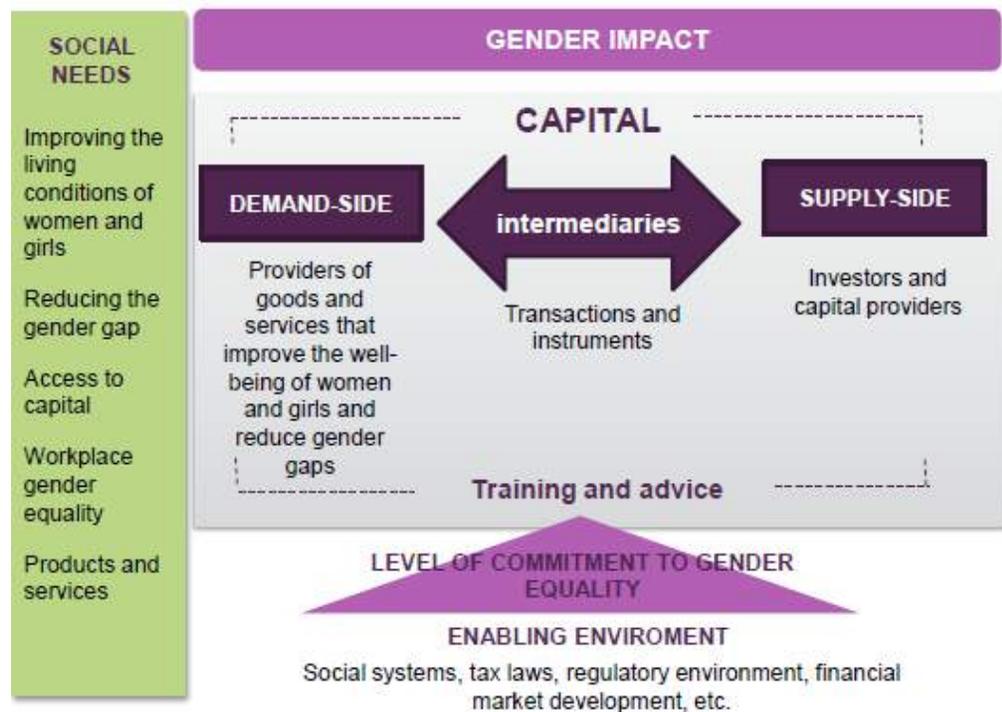
- The financial markets are very active and have enough experience with financial tools.
- The regulatory framework is favourable to social organizations.
- The regulations governing investments and their requirements are simple and accessible.
- The organizational structures are adapted to the characteristics of social enterprises, giving them the flexibility needed.
- Social objectives have an important weight in the political and economic context.
- Both public and private bodies are involved and provide funding and support.

The role of government is critical in this regard, since it establishes the rules of the game and the conditions that make an adequate environment possible, such as taxation and regulation. In line with this, civil society organizations have great power to influence and can make a substantial contribution by raising awareness of the importance of gender diversity in society as a whole. In addition to governments and civil society, the expert role of universities, opinion leaders, the media, etc., can be also crucial.



Another relevant aspect to understand the operation of the GII ecosystem, is the degree of **commitment to gender equality** of the different players. Depending on the different levels of commitment, the market would seek to match the supply of investment products with the demand for capital through intermediaries who translate this commitment into the generation of new financial products or instruments. In this sense, it is essential to generate impact measurement tools and standards regarding the degree of commitment to gender equality, so that the stakeholders involved can take them as a reference to operate and shared knowledge.

Figure 4. The GII Ecosystem



Source: Own elaboration from (OECD, 2019b).

Demand-side players

According to the ecosystem for impact investment defined by the OECD (OECD, 2019b), demand-side players are seeking to develop new business models and new ways of addressing existing social, environmental and economic challenges. They are called demand-side organizations because, due to their creation and development, these types of organizations and social enterprises need to attract (demand) capital of various types (seed funding for start-up, consolidation and growth) and multiple sources (public capital, from philanthropic foundations, impact investors, financial institutions, etc.).

The capital-demanding organizations within the GII ecosystem (which could also be referred to as "**impact enterprises**") have as a common characteristic their **formal commitment to gender objectives** of various kinds, as well as **measuring and reporting** the progress they make until they are achieved. These may be traditional profit driven or non-profit



organizations, social or traditional enterprises, but all have formalized gender objectives along the lines of the gender lenses described in the previous section.

A defining characteristic of impact enterprises, derived from the criteria that all GII must meet, is that they are expected to generate simultaneously **a social impact and a financial return** to investors. To accomplish it, they need to have a solid business model, which makes them interesting for investors.

Normally, these types of companies are perceived as high-risk investments, are not very visible and there is lack of knowledge about how they work. Investors can help impact businesses if, in addition to offering them capital, strategic assistance and advice is also provided to develop their business successfully. At the same time, they ensure that their investments obtain the expected return and that the social impact they achieve is maximized.

The most common profiles are as follows:

- **Non-profit organizations that seek to improve the well-being of women and girls while offering some return on capital** or financial return to investors. To this end, they incorporate a market model in their operation as part of their sustainability strategy.
- **Traditional profit-oriented companies that do not have gender-specific objectives as part of their activity, but have internal egalitarian policies** certified or reflected in their statutes. They are seeking to consolidate their good practices within the area of gender with the different players, including investors (Abramovay, R., Correa, M. E. & Van Hoof, B., 2013) whilst moving towards a business practice of shared value.
- **Profit companies that aim to improve the wellbeing of women or girls**, that generate a gender impact and at the same time a financial return. These types of organizations identify unmet market niches in gender gap challenges that require patient or long-term capital investment to generate sustainable financial returns.
- **Companies that donate their profits to non-profit organizations working with a gender focus.**

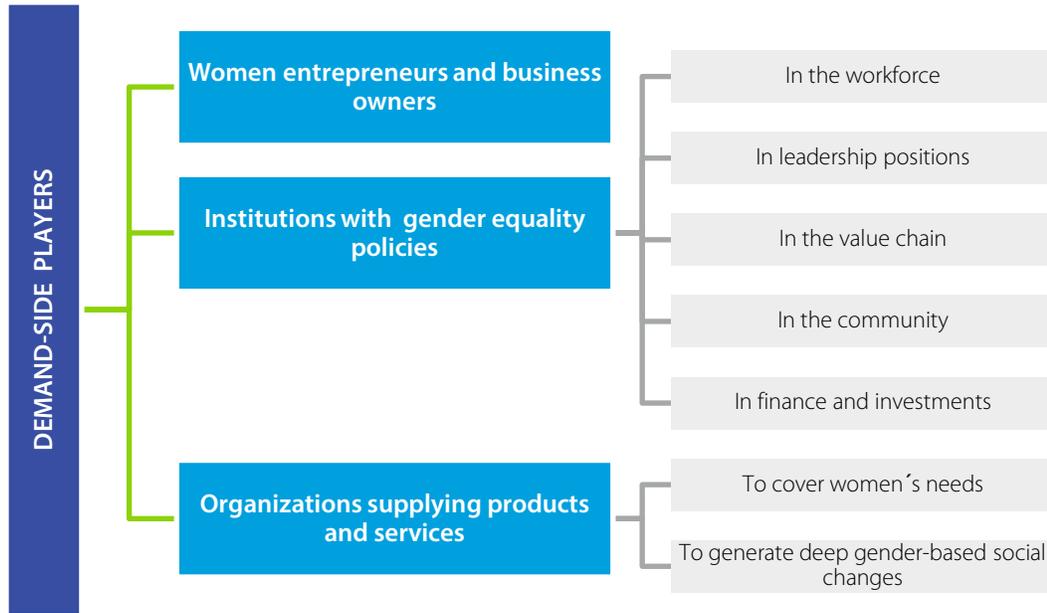
Taking the three **gender lenses** as a reference, several categories of impact enterprises can be highlighted in the demand link of the GII ecosystem:

1. **Gender Lens 1. Access to capital for women entrepreneurs and women-led businesses:** the demand organizations are, in this case, women entrepreneurs themselves and women's owned businesses.
2. **Gender Lens 2. Investing in companies that promote Gender Equality:** the demand organizations in this second lens accommodate organizations of different types that have internal gender equality policies, either general or linked to their leadership positions, or gender equality policies in their value chain or towards the community. They also include companies that promote gender equality in the finance and investment world and the investing institutions themselves when they incorporate internal equality practices.
3. **Gender Lens 3. Invest in products and services that positively impact women:** The demand organizations of the third gender lens include non-profit organizations, social enterprises, corporations, etc. that produce goods or services specifically designed to meet women's needs or offer goods and services that drive profound gender-based social transformations.

A more comprehensive analysis of the organizations related to this part of the ecosystem is provided in the chapter dedicated to Demand.



Figure 5. Demand-side players in the GII ecosystem



Source: Own elaboration.

Supply-side players

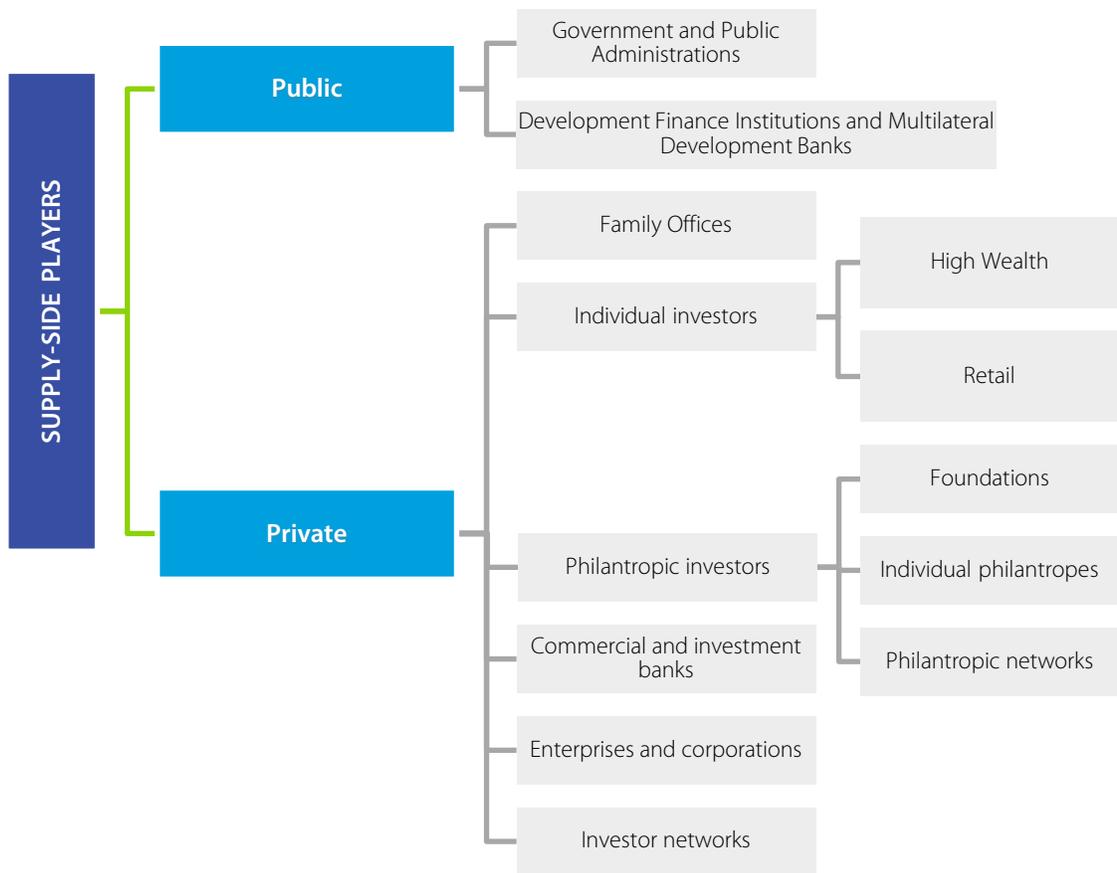
For supply-side players, GII is a way of diversifying their investments while contributing to the objective of reducing the gender gap as a complement to their economic goals. The supply side is composed of a set of key players for the market, including investors of many different types, both public and private.

It is worth noting that **every investor** who enters the world of GII **starts from a unique position** (Tara Health Foundation and Suzanne Biegel, 2019) **in terms of** the level of commitment to gender equality, its personal motivation and confidence, as well as its availability of time, knowledge and energy. The financial and gender objectives of every investor are also of a different kind, with different time horizons and specificities. The same applies to their decision-making autonomy, which is increasing for individual investors compared to family offices and even more so, to fund managers. Therefore, every investment strategy is conditioned by this unique position, which will determine individual purposes and preferences.

The following diagram represents the different supply-side players involved in the GII ecosystem. More in depth description will be provided when analyzing the different initiatives that have been implemented so far.



Figure 6. Supply-side players in the IIG ecosystem



Source: Own elaboration.

Intermediaries

Finally, the third link in the IIG ecosystem is composed by intermediaries.

Intermediaries **play a key role in the development of the ecosystem for impact investment** Its functions include creating investment products, vehicles and structures that fit the needs of investors, providing links to promote new solutions and innovative mechanisms that create liquidity in the market, and facilitating payment mechanisms. Its role also includes advising on deal structuring and fund management, as well as facilitating the necessary dialogue between investors and impact firms through platforms and networks (Rosero, G., 2019).

Fundamentally, two types of intermediaries can be distinguished in this ecosystem: **financial intermediaries** (banks, wholesale investment banks, fund managers, stock exchanges and crowdfunding platforms) and **capacity builders** (accelerators and incubators, advisory and consultancy services, and networking and training platforms) (OECD, 2019b).

Financial intermediaries act as a link in transactions and their intervention generates multiple benefits (WEF, 2013):

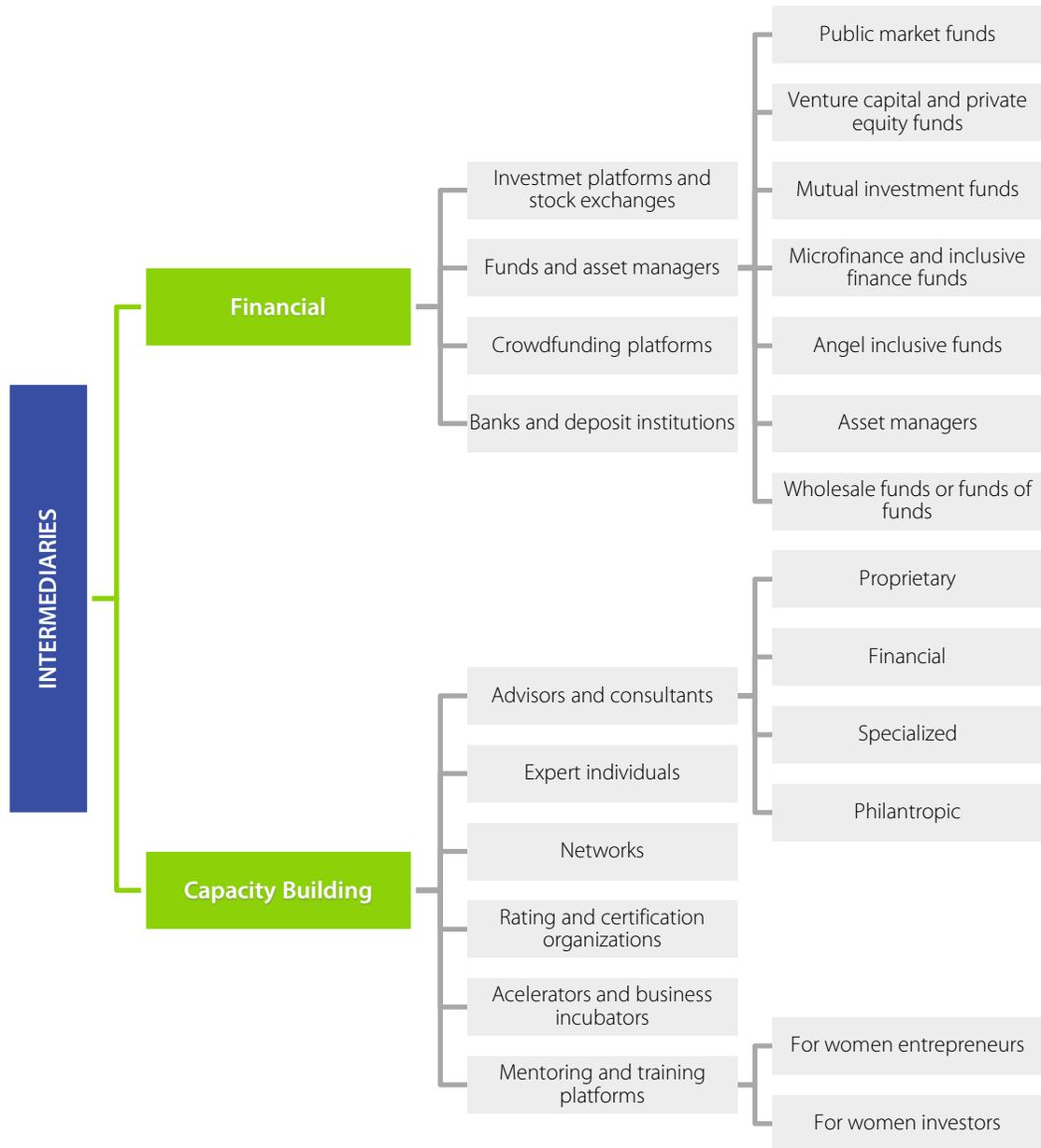


- **They create liquidity**, as they allow a steady flow of capital into the economy and satisfy the needs of investors in terms of maturity, risk, etc.
- **They reduce risk**, since they absorb and transform it (by diversifying or grouping investments), and distribute the assets effectively. All these for the investor's advantage.
- **They lower costs**, minimize information costs, reduce transaction costs (linked to the fragmentation of supply and demand, as well as the complex structure of existing agreements), and provide an infrastructure to allow buying and selling.
- **They provide payment mechanisms**, facilitating the settlement of exchanges and an easier exchange of assets.

A more detailed approach to the type of GII intermediaries is provided below, as part of the analysis on observed experiences.



Figure 7. Intermediaries in the GII ecosystem



Source: Own elaboration.



Emerging interest in GII in the LAC region

In recent years, important steps have been taken within the GII ecosystem, especially towards access to capital. Organizations and support networks for women entrepreneurs have been created, investors have tried to find investment opportunities in women-led businesses, and intermediary institutions have launched campaigns to increase their visibility and to act as a link between them.

Gender equality is also gaining momentum within the SII framework, as the benefits of gender diversity have been demonstrated. Gender equality is attracting greater interest from investors who seek to support social change while obtaining financial returns (IDB Invest and ESADE, 2019).

The fundamental explanation why GII strategies are rapidly gaining ground among different types of investors is that they **combine social and financial objectives**.

Globally, this type of investment has been incorporated into a wide range of opportunities, such as private debt, public debt, listed funds or private equity. It is estimated that in 2018, gender-responsive private equity instruments amounted to \$2.2 billion raised; and \$2.4 billion of Assets Under Management (AUM) were invested in gender-responsive strategies in public markets (IDB Invest and ESADE, 2019).

According to the Global Impact Investing Network's (GIIN) 2018¹ annual survey on impact investors (GIIN, 2018):

- 70% of impact investors apply a gender approach in their investment processes.
- 58% direct their funds to companies with internal gender equality policies.
- 50% invest in businesses whose activity benefits mainly women and girls.
- 46% invest in women's or women-led businesses.

The United States has been a pioneer in developing the IIG market and in only five years since the emergence of the first initiatives, it has reached the current state of maturity. Canada and Europe have followed the footsteps of the US. In these regions, the expansion has been even faster as they have adopted all good practices identified by the US experience. Australia and Asia are also emerging in the sector.

The LAC region shows a growing interest in GII, although this is not yet a priority for investors (IDB Invest and ESADE, 2019). In fact, investments in women's businesses are not too significant in terms of the impact investment made in the region: only 22% is invested in businesses with at least one female founder, and the percentage drops to 8% if all female founders are considered (Value for Women, 2019). Other data indicate that the impact investment industry in the region has invested only 10% of its capital in companies led by women (LAVCA, 2016). However, its development can be expected to grow fast, given the pace shown in other regions and the lessons learned from previous experiences.

As the IDB advises in its study, *VC, PE and the dominant banking sectors have not understood, or adequately taken advantage of, the opportunity that exists to support women entrepreneurs in the region* (IDB Invest and ESADE, 2019).

Rather, specialists agree that **gender awareness is currently low in the investment industry and impact investors in the LAC region are just beginning to incorporate a gender focus in their investment processes**.

¹ GIIN is a non-profit reference organization at a global level in the field of social impact investment. It publishes an annual report based on the Annual Impact Investor Survey, a comprehensive work that analyzes the situation of the most important players across the world.



Likewise, for those concerned there are **difficulties in finding social enterprises led by women and enterprises with gender impact in which to invest** in LAC (ILO, 2017). The reason for this lies not only in the early stage of this type of initiatives, but also in the fact that many of these companies do not participate in the business networks that make them visible to investors.

Recently, Value for Women published a report (Value for Women, 2019) where 48 impact investors and players in the LAC investment ecosystem and 254 entities with investment portfolios have been identified and studied. Data has been collected on the **current landscape of gender-sensitive investors in the region**:

- Most impact investors in LAC **have internal gender equality policies**, especially non-discrimination, equal pay and anti-harassment. However, it is **not common for them to have a formal commitment** reflected in their official strategy, even if they are in favour of gender-focus investment. Moreover, even if they wanted to formalize this objective, they often have difficulty in defining appropriate strategies for conducting GII and most of them would value advice and assistance in this regard.
- Impact investors in LAC often **associate the concept of GII solely with investing in women-led businesses**, although some are already taking a step further by incorporating GII as a priority within their strategies and considering gender-orientated businesses for their investments. However, such investors are cautious about calling themselves gender investors, because they fear to be classified as "women's funds" and that this distinction will limit their sources of capital.
- Less than half of the investors collect gender-disaggregated indicators for social impact measurement as well as data regarding their beneficiaries disaggregated by sex. While they express a desire to standardize their social impact metrics, **very few are using globally recognized indicators**.
- Some impact investors avoid defining specific gender-sensitive investment objectives because they want to maintain an **objective, purely meritocratic investment selection process**. Likewise, they often indicate that they are inclusive and offer the same opportunities to men and women.
- Finally, **the presence of women within the investment field is limited in LAC**. Only 25% of the investing entities have a female CEO and only a quarter of the associated investors are women. Even so, women there are leading the way to GII, regardless the fact they do not usually act as investors *per se*, but rather occupy marketing and customer relations positions within the investing institutions.

GII in LAC is expected to experience considerable growth in the coming years because there is a significant number of opportunities in the three gender lenses

Challenges for GII

However, there are still many **challenges ahead to advance** in this area.

One of them is that traditional investors still conceive impact investment as **entailing a lower financial return**, an idea that has been discarded by impact investors. Another challenge is that the size of impact investments is still too small to attract traditional investors, so instruments are required to encourage participation through larger and more diversified portfolios (Mexico Impact Investment Alliance, 2018).

Little work has been done to explore the correlations and analytical frameworks needed to understand how gender is important in finance. Evidence is being produced around an accepted set of data on the impact of board diversity, the



effectiveness of how women entrepreneurs use capital, or the growth in women's consumption rates and purchasing power, which is detailed below. This evidence is proving key to the GII's progress, but it is only recent and has yet to be expanded and made known to investors.

To many investors, gender lens investment seems indeed a justified purpose however, an unproven one yet, given the small number of established vehicles and shortage of performance data (Criterion Institute, 2015).

In addition, the sector faces challenges in the **creation of investment vehicles**. The current financial model for new funds and vehicles is of high risk, particularly for new fund managers. Since there is still relatively little knowledge about how to integrate gender analysis into investment practices, the market needs to build evidence, structures and tools of greater scope. *Imagination, experimentation, patience, and high willingness to take risks were required in order to launch the gender lens investment vehicles* (Criterion Institute, 2015).

This is why the GII market still needs research and methodologies to continuously uncover correlations between financial and gender analysis and then, translates them into formal investment vehicles. *We need to connect the existing data about gender patterns with the range of financial instruments so that this information could shape the way on how value is assigned* (Criterion Institute, 2015).

Other challenges are related to the lack of standardized metrics on gender equality in relation to the different lenses (there is no robust and reliable data to inform investors); the lack of knowledge shown by potential investors about how and where to invest; the still low presence of women among networks of investors or in the high net worth niche; and, above all, the lack of visibility or market differentiation of potential enterprises where investments can be made (particularly in Lenses 2 and 3).

All these issues will be explored more in depth in the following chapters.

Gender lens investing is still at an early stage, but with significant potential as gender analysis can shape what matters in finance. And shifting what matters in finance can help create a more gender equitable world (Criterion Institute, 2015)





3. DEMAND ANALYSIS: PROFILE OF COMPANIES WITH GENDER LENS IMPACT

Approaching demand organizations: reason and method

The critical analysis of GII, requires an initial assessment of the actors on the demand-side, i.e. women entrepreneurs, businesses that promote equality and those who create products and services for women. More specifically, what kind of present and future needs they have in relation to financial and investment markets.

From this perspective, a characterization of these demand-side organizations is produced as follows.

The approach to demand analysis is based, firstly, on **literature review** and **specialized reports** on the subject. In this regard, it is worth noting that there is a wealth of research on the situation of women entrepreneurs globally (lens 1), but the information is more limited (and logically dispersed) on companies committed to gender equality (lens 2) and those producing goods and services for women (lens 3).

In addition, a **survey** was conducted over a sample of women entrepreneurs and businesses committed to gender equality in the *Win-Win* intervention countries. The survey has addressed issues such as their financial and service needs, as well as their position with regards to gender equality, or knowledge about investments with a positive impact on gender equality².

Interviews with **key players and gender specialists** have also provided valuable input in shaping demand.

Figure 8. Profile of companies participating in the Win-Win survey

Women Entrepreneurs

Micro-enterprises (8 out of 10 with less than 5 people employed).
High representation of women on the payroll (8 out of 10 with over 80% representation).
Important sectoral concentration in manufacturing industries, other service activities and agriculture.
Young companies (4 out of 10 with less than 3 years' seniority).
National and local markets (75% of cases).
31% produce goods and services to improve the lives of women and girls.

WEPs companies

Large companies (8 out of 10 more than 100 people employed).
Gender balance on the payroll (about half the representation of women is between 40% and 60%).
Predominant activities: manufacturing industries, other service activities, professional, scientific and technical activities, activities related to health and social care, financial and insurance activities.
Companies with a long history (6 out of 10 are over 20 years old).
International markets (55% of cases).
21% produce goods and services to improve the lives of women and girls.

Source: Own elaboration from the Win Win survey data.

² The survey, conducted online, was carried out between July and August 2019. A total of 155 companies have been contacted, out of which 58 have finally completed the survey. Of these, 28% correspond to women entrepreneurs (Lens 1) and 72% to the Women's Empowerment Principles (WEPs) signatory companies (Lens 2). 31% of women entrepreneurs and 21% of WEPs companies also produce goods and services to improve the lives of women and girls (Lens 3). Detailed results of the survey can be found in the **Annex** of this document.



Lens 1 – Women entrepreneurs: a force in motion, a potential neglected

One increasing way for women to be economically active is by creating and managing their own businesses. Currently, between eight and ten million SMEs are owned by women in the development regions (World Bank, 2012).

Women entrepreneurs and businesswomen represent a source of potential contribution to employment generation, growth and competitiveness

They are also known to be a preferred source of employment for other women, with an indirect impact, therefore, on the generation of inclusive economies and the reduction of gender inequalities.

The LAC region stands out globally for its high rates of women's entrepreneurship and its smaller gender gaps in this field (IDB Invest and ESADE, 2019). Nevertheless, women entrepreneur in the region are affected by specific difficulties in starting up their businesses, as well as during the consolidation and growth phases.

On the other hand, profiles are very diverse under this lens, ranging from necessity-driven entrepreneurs and traditional SMEs owned or led by women, to the segment of high-growth female entrepreneurs (start-ups, SMEs and Small and Growing Businesses -SGBs-, high-growth companies), with needs and barriers also different. Profiling this lens, therefore, involves all these differential starting points.

Women entrepreneurs and businesswomen in the region

Without a doubt, women entrepreneur and businesswomen represent a force in motion at global level (in terms of economic contribution, creation of employment opportunities for other women and generation of new role models) and, particularly, in the LAC region.

There are currently between 1.2 and 1.4 million micro, small and medium-sized enterprises owned by women in the region. They represent the 40% out of the total (IDB Invest, 2019a).

As noted, LAC leads the ranking of regions with women's representation in business ownership. Thus, 45.9% of them have at least one female owner, **being the region with the highest rate worldwide** (World Bank, 2019a).

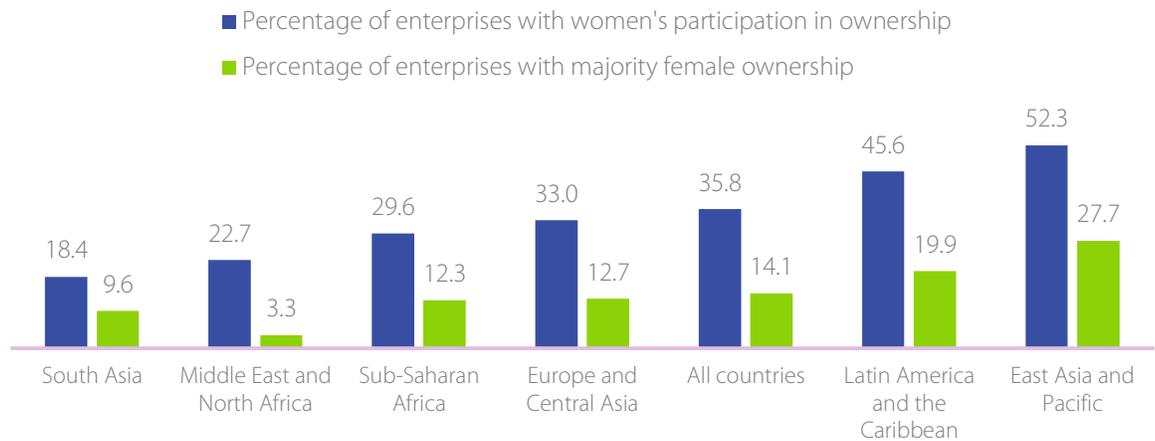
In contrast to this comparatively positive figure, it is important to consider that at the same time, **54.1% of Latin American companies have no women owners** (World Bank, 2019a).

Furthermore, the regional indicator conceals a wide heterogeneity among countries. In *Win-Win* countries, the figures range from 29.6% of women-owned businesses in Chile to 57.8% in Argentina, 37% in Uruguay, 38.2% in Jamaica, 43.5% in Costa Rica and 50.2% in Brazil (World Bank, 2019a).

LAC stands out as the region with the highest percentage of firms with female participation in ownership (19.9%). However, this positive figure shows a significant gender gap, considering that **79.1% of the companies in the region are predominantly male owned**. The data, only available for the Win-Win countries of Argentina and Uruguay, is 7.9% and 11.6%, respectively (World Bank, 2019a).



Figure 9. Women's participation in ownership. %. Around 2016.



Source: Own elaboration from (World Bank, 2019a).

Company's characteristics

Gender gaps in entrepreneurship not only affect levels of participation but also, to a large extent, the "qualities" of that participation.

Women entrepreneurs' businesses are typically characterized by their small size, focused on low added-value activities, low interaction with international markets and low productivity (IDB, 2017b) (Value for Women, 2018), if not at all being about subsistence business.

There is a high level of informal and necessity-driven entrepreneurship among women. Indeed, in most of the LAC countries self-employment is closely linked to subsistence needs, given the levels of informality and precariousness in wage-earning employment. These circumstances are even more critical when it comes to women entrepreneurs.

According to GEM data, the "need" reason is present in 35% of the region's female entrepreneurs, compared to 25% of male entrepreneurs (GEM, 2016). Vocational orientation, job flexibility and lack of opportunities are aspects linked to women's driver (IBRD and World Bank, 2010).

As already mentioned, women's businesses are focused on very few productive sectors, as opposed to men, who are more professionally diversified. Retail trade, hotels and restaurants, and professional services, are the predominant sectors among women entrepreneurs (GEM, 2016) which usually represent less added value or productivity (Value for Women, 2018).

Other features related to women's business activity are: low introduction of technology, low export activity and almost nil networking.

Thus, although 60% of microenterprises are women-led, less than 10% become market leaders and less than 20% become small businesses (IDB-MIF, 2014).

In contrast, an increasing number of women are represented in high-growth and innovative companies. They are high growth opportunity-driven entrepreneurs (EY and MIF, 2014). In fact, about 35% of financial technology businesses



have a woman as a founder or as part of the founding team in the region (compared to a global average of 7%). 85% aim to continue expanding their business and 40% of women entrepreneurs' businesses are of international scope (EY and MIF, 2014).

Barriers to women entrepreneurs

Women and men entrepreneurs in the region face similar difficulties in starting, consolidating and expanding their businesses, but in the case of women entrepreneurs these difficulties are often more critical.

Faced with the procedures and regulations for opening and running a business, for example, women feel less prepared.

Although the rules of regulation affect both sexes equally, women are perceived as less capable of performing complex manoeuvres. Women entrepreneurs report a lack of information about business registration procedures and compliance with other rules. Analysis also reveals that women feel more vulnerable in relation to corrupt civil servants (IBRD and World Bank, 2010).

In fact, 80% of women entrepreneurs in the *Win-Win* survey said they had to be supported by *information services, administrative and business guidance and processing* in the start-up of their business, given the difficulties of the process.

Barriers related to capacities and skills are also identified, in the sense that women entrepreneurs show a low level of business training (Enred Panama, 2015b). On the other hand, they say they are less likely to get training and business development services. When training is available, it usually focuses on traditional roles and excludes women from the most productive and fastest growing sectors (IBRD and World Bank, 2010).

The *Win-Win* survey reveals that services aimed at covering the aforementioned deficit, were those most used by entrepreneurs, including support and mentoring (67%), training in different areas of business management (60%), advice and business start-up training (60%), training in empowerment and career development (53%) and in personal development and coaching skills (53%).

Other barriers include less social capital, higher levels of domestic responsibility, fewer business-oriented networks in their communities, lower status in society, lack of female role models in business, or a cultural environment that leads to a lack of assertiveness and confidence in women's ability to succeed in businesses (IBRD and World Bank, 2010) (IFC, 2017a).

Financing, the most relevant challenge

Considering all the barriers, access to financing is one of the most recurrent and fundamental among the region's entrepreneurs. This factor is also present among men's starting-up and consolidation of business however, and as already mentioned, it is more critical for women. Likewise, this financial support challenge has an impact on both high-growth entrepreneurs and those near subsistence business (Ernst & Young, 2017).

Worldwide, women have only 77% of the access to financial services such as checking and savings accounts, payments, credit, loans, insurance and investment. (McKinsey & Company, 2015a).

In the region, 73% of women entrepreneurs are neglected by financial institutions and only 1 out of 5 women entrepreneurs of SMEs have their capital needs covered by banks (BID-Fomin, 2014). An IFC study has concluded that only 7% of private equity and venture capital in emerging markets is invested in companies run by women (IFC, 2019).



In the *Win-Win* survey, financing was identified by women entrepreneurs as one of the resources they needed the most (but not obtained - 31% out of them), along with *networking between investors and funders* (47%) and *services for company internationalization* (35%).

The funding gap affects even high-growth companies led by women. Thus, less than 2% of the start-ups led by women have access to entrepreneurial capital (Investor LATAM, 2019) and globally, 8% of investments in women-led projects compared to 16% of those led by men (EY and the Multilateral Investment Fund, 2014).

One of the main barriers in this area is related to **financing requirements, since they do not take into account the context of women entrepreneurs**. Women's assets are systematically considered less valuable and smaller than men's. The ability to use personal assets (own home, consumer durables, etc.) is key to enabling entrepreneurs to set up a business. Men entrepreneurs use twice as many mortgages guarantees as female entrepreneurs. Women do not usually own property, a situation that further limits their ability to obtain financing from banks and other formal sources of credit (IBRD and World Bank, 2010).

Gender differences in asset ownership due to legal barriers (e.g. restrictions on property ownership and inheritance), sector-specific factors (e.g. lack of physical assets in service-oriented businesses) or lack of savings, are additional barriers for women-led businesses. Even when women have property titles, bank guarantee requirements are sometimes higher than the actual loan amount. In Paraguay and Costa Rica, for example, collateral requirements are 369% and 267% of the loan value, respectively (Value for Women, 2018).

Focusing on the **high growth women-owned companies**, the barriers to financing access are also related to the high demands for the business to find venture capital and private capital financing (Guioteca, 2010). Likewise, these barriers are linked to the type of sectors in which women operate, which are mature sectors such as food and drink, services..., that are not having the same growth potential than male-dominated sectors (e.g. software, internet...). Also, women entrepreneurs are often less connected to markets and financing opportunities (such as angel investors, seed and venture capital funds), because they tend to rely more on informal associations (friends and family).

It is estimated that only one out of every five SMEs run by women, gets the resources needed to operate with bank financing and 70% indicate that banks cannot meet their credit needs at all (Guiraldo, 2017). At the same time, access to credit is limited by the high interest rates and costs of credit, which are out of reach for small businesses run by women (Value for Women, 2018).

As a result, women entrepreneurs in Latin America and the Caribbean are between 5% and 15% more likely to have their loan applications rejected than men.

Out of the total of women entrepreneurs who participated in the *Win-Win* survey, 44% acknowledged that they had been denied a credit application. Among the most recurrent reasons, it was cited the lack of guarantees requested (almost 9 out of 10) and excessive requirements requested (7 out of 10). The lack of understanding by the financial institution of the business' growth capacity and the high price of financing, have also been advised by most women.

Other barriers also operate in the decision-making process of whether to go to a financial institution or not. Women, in general, are less familiar and comfortable with larger credit instruments. They tend to show lower levels of financial literacy (Value for Women, 2018). Women also seem to be more risk averse (especially since it is usually a question of risking family income and assets) or afraid to apply for credits.

Thus, women entrepreneurs tend to look for credit less frequently, ask for smaller amounts, rely on more informal sources of funding and use traditional financing instruments (loans and trade credits), while other sources of external financing are even less utilised (IBRD and World Bank, 2010) (Piras, 2013).



In the *Win-Win* survey, for example, it was found that 9 out of 10 women entrepreneurs have used equity as their main source of business finance, while bank financing and personal loan applications are the least common sources. The use of financing instruments is very low, with loans (38%) and seed capital (19%) being those predominant. The remaining funding instruments are hardly significant among the respondents.

Likewise, the survey has shown that the **main financing need for entrepreneurs** has been linked to the start-up of businesses (4 out of 6) and, for more than 50%, it is related to investments in productive equipment and financing of working capital. Investment for market expansion or innovation has been the financing need identified by 4 out of every 10.

As a result, the **Latin American region has the second highest rate of women disrupting their businesses**. And while for men the main reason for closure is low financial profitability, for women is about difficulties in obtaining financing to run the business (Ilie, n.d.).

The neglected great potential

Interestingly enough, it has been noticed that SMEs led by women default 54% less than men, and banks find female customers more loyal and more inclined to cross-selling opportunities than men. Women entrepreneurs tend to generate 20% more income than men, even though they invest 50% less than their male counterparts (IDB/MIF, 2014).

A worldwide study of GBI banks has found that the default rate of women-owned small businesses is between 2.7% and 33% lower than men's (Value for Women, 2018). In addition, women have higher savings rates, lower risk, higher growth and lower dropout (IDB Invest and ESADE, 2019).

In spite of the difficulties experienced in terms of growth and expansion into new markets, **investment in women's businesses is more secure**.

Even so, financial institutions and entities are overlooking a huge market opportunity and some of their best potential customers. In figures, we could be talking about US\$ 1.7 trillion globally, which corresponds to the annual demand of women-owned SMEs in emerging markets that are not being met by financial institutions (World Bank, 2018). In the LAC region, the financial gap in women-owned or women-led SMEs and entrepreneurs, could create a market of US\$ 5 billion and US\$ 93 billion, respectively (IFC, n.d.). In addition, the difference between what women-owned SMEs demand per year in emerging markets in Latin America and what financial institutions fail to meet is estimated at US\$50 billion (Value for Women, 2018).

Furthermore, the chances taken on investing in women's businesses seems to be proving profitable. The GBA database shows that 34% of bankers who have invested in female-led SMEs report higher profits. The BHD Leon Bank in the Dominican Republic, for example, reported that its women's program had an internal rate of return (IRR) of 35% in its first year (Value for Women, 2018).

Investing in women-owned businesses is a safe, profitable and inclusive investment, and it is also a market segment for financial institutions with enormous potential

However, in order to take advantage of this market opportunity, it is necessary to increase the knowledge of the women entrepreneurs themselves regarding investment initiatives with a gender impact. In the *Win-Win* survey, only 4



out of 10 women knew of any initiative aimed at lens 1, with knowledge of the other two lenses certainly being very low.

Similarly, the *Win-Win* survey shows that there is a need to increase awareness among financial organizations and investors about the importance of women as positive impact generators, as well as to change women's entrepreneurial culture towards more sustainable ways of doing business. It was also advised that being a woman-owned business (Lens 1) is an aspect that, indeed, makes financing access very difficult.

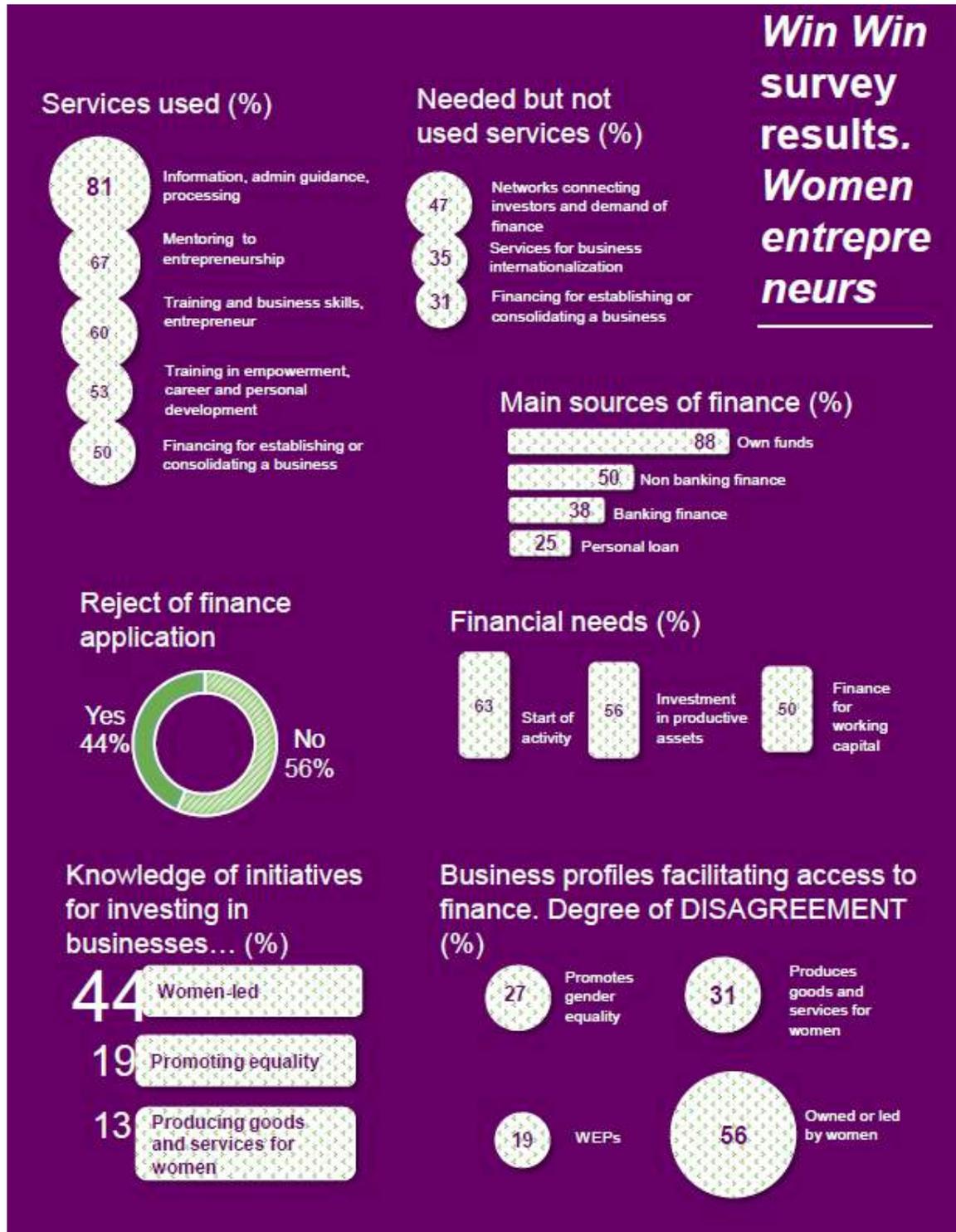
On the other hand, according to the Lens 1 demand's profile, consideration needs to be given to increasing the financial base and funds channelled to women's enterprises and adapting processes/requirements their specific circumstances, so that needs can be met and emerging potential seized. It is also important to provide support mechanisms for financial and business education and business development services for women.

In the specific case of high-growth companies, appropriate forms of financing are required at each stage of development (seed and start-up capital, expansion, angel and venture capital investments) (OECD, 2016). Also, more players are needed to support the different stages of the companies, such as efficient transition offices, incubators, accelerators and private equity funds [ARREOLA, CANTERA CAPITAL].

Evidence suggests that financial intermediaries that address the specific needs of women entrepreneurs, obtain better financial returns (in addition to be recognized as leading the field, with the consequent positive impact on their image and reputation) (BID Invest and ESADE, 2019).



Figure 10. Win-Win survey results. Women entrepreneurs. %



Lens 2 - Companies promoting gender equality: benefit and opportunity

Today, 117 million of women are in the LAC workforce, the highest number in the region's history. In the last 50 years, women's labour participation has increased from 20% to 65% (IDB, 2019). However, as gender gaps in employment remain, enterprises play a key role in terms of perpetuating or overcoming them.

In the business world, there is an increased awareness of the advantages and benefits of incorporating gender equality in organizations. More and more companies are implementing gender equality policies and measures.

Some multinationals operating in Latin America are introducing diversity and inclusion initiatives in the region to attract, retain and promote women's participation (advisory programs for women, teleworking, flexible working hours, maternity and paternity leave, etc.). These initiatives are having a positive impact on the ecosystem as a whole, encouraging the LAC business sector to incorporate best practices in this regard (BID Invest and ESADE; 2019).

Even so, the business sector in LAC has a long way to go in terms of incorporating its commitment to gender equality at the strategic level

Companies and the equality challenge: strategies in lens 2

In regards to lens 2 (companies committed to gender equality), the correlation between diversity in the workplace and improved business results, seems to be gaining momentum in recent years.

Studies recently conducted by the ILO on a broad sample of companies,³ show that 57.4% of the companies surveyed at the global level, agree that gender diversity initiatives improve their business results. This percentage goes up to 60.6% among Latin American companies (ILO, 2019).

In line with this, a growing number of companies have integrated gender equality as a principle of their corporate and human resource policies. Yet, at the moment, only 21% of companies in the region have a written gender equality policy (ILO, 2017). Other reports indicate that 63% of companies do not consider gender diversity as a priority strategy (McKinsey & Company, 2015b) or that only 11% of impact enterprises in LAC seek to generate a gender impact as part of their organizational mission (Value for Women, 2019).

The *Win-Win* survey shows that 62% of the companies have a Gender Equality Plan. These data, however, have to be contextualized since only companies adhered to the WEP Principles were considered (i.e. they are likely to be aware of equality issues).

Under this lens, companies that promote equality focus their efforts on setting policies and procedures that improve recruitment and organizational processes, and on committing to manage a change of values in the business culture (ILO, 2019), in order to strengthen their work-force.

³ A sample of 12,940 companies worldwide; 32.7% are from Latin America and the Caribbean.



A second strategy, somehow linked with the previous one, focuses on boosting the presence of women in leadership positions. For the vast majority of companies promoting equality, this strategy is a priority. In the *Win-Win* survey, this measure has been the most recurrent one, with 9 out of 10 companies declaring its implementation. This result is based on the significant gender gaps in leadership, where women represent only 8.5% of the boards of directors and 9.2% of the hierarchical positions in LAC listed companies; or only between 1% and 3% of the presidents or CEOs of the largest companies in the region (BID Invest-ESADE, 2019).

Moreover, gender diversity has a double impact if it occurs within the financial institutions themselves. Increasing the presence of women in the financial world and attracting female investors is key to integrating the gender approach into the stock markets, as women are significantly more interested in sustainable investments than men (BID Invest-ESADE, 2019).

However, the financial world continues to be male-dominated. Women represent only 18% of employees in private equity firms and hold less than 10% of management positions (PREQIN, 2017). Only 38% of investment firms have women on their investment committees (KPMG, 2019). The alternative investment industry acknowledges that there are still challenges in regards to recruiting, retaining and advancing women within their organizations (KPMG, 2019).

Finally, it is also important to look at the companies that operate "outwards", i.e. those that make an impact on both the value chains and the communities in which they operate.

In this regard, it has been demonstrated that there is a lack of connection between the trailblazer companies and large corporations with the women-owned small businesses that supply the specific products and services locally. It is estimated that women-owned businesses, at the global level, only obtain 1% of the volume of corporate purchases and procurement (BID Invest and ESADE; 2019). There seems to be a potential demand from companies willing to achieve a gender impact that can be matched by an emerging supply of initiatives. This will be further discussed in the following chapters.

Size matters

Within this context, **it is the large companies that have a wider room for manoeuvre in terms of the implementation of gender equality policies.** The significant availability of economic resources and key roles for channelling the processes, formal policies and rules, make these companies the natural place to implement a formalized and comprehensive gender equality policy. The engagement and change management at a business level are being led, indeed, by large companies.

The SMEs find serious limitations to apply this type of policies, at least from the formal level. Several factors are involved: most of them are survival-orientated businesses of an informal type, with decent work issues, absence of protocols or standardized procedures in terms of business management policies, and with limited human, temporal and economic resources.

In contrast, microenterprises are more flexible in regards to decision-making, provide a closer and more personal working environment, and more transparency in their results (Sallé, M.A., 2014).

On the other hand, the inclusion of gender equality policies has been supported by the implementation of CSR policies, which have found their *raison d'être* in large corporations, which is not the case for small companies (Sallé, M.A., 2014).

However, the fact that equality practices are becoming more and more confined to large companies entails **a double paradox:**



- **Women's employment is concentrated precisely in the area of small businesses.** In Costa Rica, for example, 69% of women work in companies with less than 30 employees (vs. 63% of men) and, additionally, as the size of the company increases, women are less represented than men (INCAE, 2019).
- **The wider gender gaps, however, become more pronounced as the size of organizations increases.** For example, the larger the company, the fewer the women in senior management and executive positions, or the larger the salary gap (ILO, 2019).

Compared to micro and large enterprises, it is usually the medium sized enterprises that offer more positive indicators of gender equality (ILO, 2019). This is likely to be related to the fact that the advantages of the two former, converge in the latter. Medium enterprises have reached the critical size needed to implement a formal equality policy within the organization, but still with the flexibility allowed by not being too large. This is an interesting question for analysis.

Measuring corporate performance on gender equality: the WEP tool and other instruments

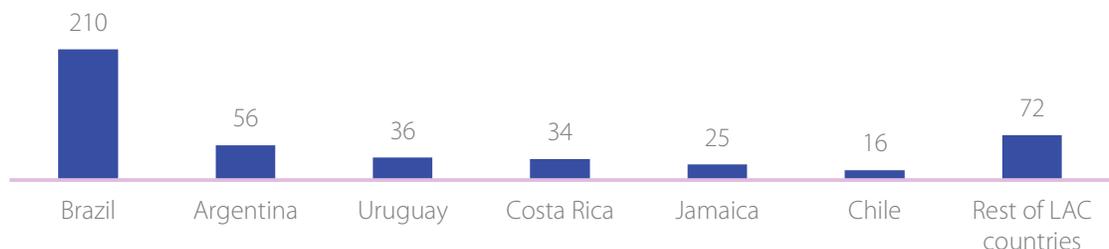
The increased interest among businesses, but also the concern of international agencies and governments, to involve the private sector more actively in narrowing gender economic gaps, has led to produce standardized tools to assess the companies' gender performance.

This is the case of the *WEP self-diagnostic tool*, which allows companies to measure their starting point in terms of gender equality, while providing guidance for improvement. The tool consists of 18 multiple-choice questions on leadership, workplace, markets and community. Topics include: company-wide gender equality strategies, pay equity, recruitment, parent and caregiver support, women's health, prevention and response to violence and harassment, and promotion of gender equality in the communities where the company operates. The evaluation is free and confidential and can be undertaken by any company (whatever its size, sector or country).

While participating companies may have isolated gender equality programs and policies, the WEPs proposal **requires an integrated implementation so that companies can fully benefit from the positive impact of women's empowerment and the gender equality achievement** (UN Global Compact, UN Women, IDB Invest, MIF, 2018). Therefore, a further step should be the development of comprehensive gender equality action plans in companies, which can complete the process of integrating the gender approach within the organization and its internal and business structures.

Currently, more than 1,700 companies worldwide have adhered to these principles: a total of 449 in Latin America and the Caribbean, out of which 75% are based in the *Win-Win* countries.

Figure 11. Number of signatory companies to Women's Empowerment Principles by Win-Win country. 2019



Source: Own elaboration from data provided by UN Women.



Another way used by companies to measure their gender equality performance, is the certification processes. Many companies have obtained this recognition, thanks to the Gender Equality Seal promoted by the UNDP or the EDGE.

The *UNDP Gender Equality Seal* aims to certify private companies in compliance with gender equality standards and norms in areas such as remuneration, selection, career advancement, sexual harassment and communication. It is based on Technical Standards that allows companies to be certified (there is a cost involved). The program is part of a regional-level intervention, promoted by UNDP since 2009, in which eleven countries from the LAC region are participating. So far, more than 1,400 companies have been involved at some stage of the Seal's award.

The *EDGE (Economic Dividends for Gender Equality)* represents a standard of corporate certification that evaluates the level of gender balance and inclusive culture in the organization, based on an employees' survey. At present, ten Latin American companies have received this certification (BID Invest and ESADE; 2019).

A potential to be unlocked

Today, no one questions the positive impact of narrowing labour gaps on economic growth and inclusion. It has been demonstrated that each 1% rise in employment increases 0.16% of GDP globally and 0.18% in Latin America (ILO, 2019). If the global gender gap in labour participation is narrowed by 2025, there will be an increase in global GDP of US\$ 5.3 trillion (World Economic Forum, 2017).

More economic participation by women has been highlighted to be both profitable and beneficial to the economy. But beyond its macroeconomic impacts, the correlation between gender diversity in enterprises and business performance has also been proven.

In general, companies that incorporate gender equality have access to a wider pool of talent, a more diverse decision-making process, improved business reputation and increased market shares (ILO, 2019). Additionally, **gender diversity initiatives in companies improve business results.**

Among those Latin American companies that report improved business results, 58% say that gender diversity leads to greater profitability and productivity, 54% it increases their ability to attract and retain talent, 52% it leads to greater creativity, innovation and openness, 53% it has improved their company's reputation, and 29% say it has improved their ability to gauge consumer interest and demand. Moreover, these results are even higher among companies that implement a gender equality policy (ILO, 2019).

Other analyses have shown the positive correlation between gender balance in decision-making roles and companies' economic performance. For example, it is noted that gender diversity in management positions increases profits by 5-20 % (ILO, 2019) or achieves an annual return three points higher (MSCI, 2015). In fact, it is estimated that a gender-balanced and diverse workplace could raise 14% the GDP of the Latin American and Caribbean region by 2025 (McKinsey Global Institute, 2015).

Investing in gender equality policies in companies is beneficial in many ways but, above all, it means good business

Because of this, an increasing number of companies are incorporating gender equality both as part of their corporate policy and with an impact on the community and value chains where they operate. However, they are in the minority and their progress still slow at the moment.



However, given the trailblazer effect of the companies that are implementing equality measures (as they are large corporations, multinationals..., with important visibility channels) it is more than likely that critical mass will grow in the coming years. However, awareness raising efforts must continue for an increased understanding of the benefits of gender equality on business performance.

On the other hand, it is necessary to make adjustments to the processes of gender equality so that micro and small enterprises are also included; otherwise these policies could be unsuitable for them.

Companies must be supported during the transformation processes towards gender equality, with advice and mentoring. While for women entrepreneurs, financing turned out to be a key resource, for *Win-Win* companies, financing and the services linked to it appear in the last positions of the ranking of resources used and/or needed. The services that most often appear to be needed, but not used, are more linked to gender equality issues, such as *information, advice and training on gender equality* (35% of companies), *training in empowerment and career development for women* (28%) and *advice for the development of protocols for the prevention and reporting of sexual harassment* (23%).

Additionally, progress must continue to be made in the dissemination and use of tools for self-diagnosis, certification and recognition of companies that promote equality, which is essential for the financial offer to identify where to invest.

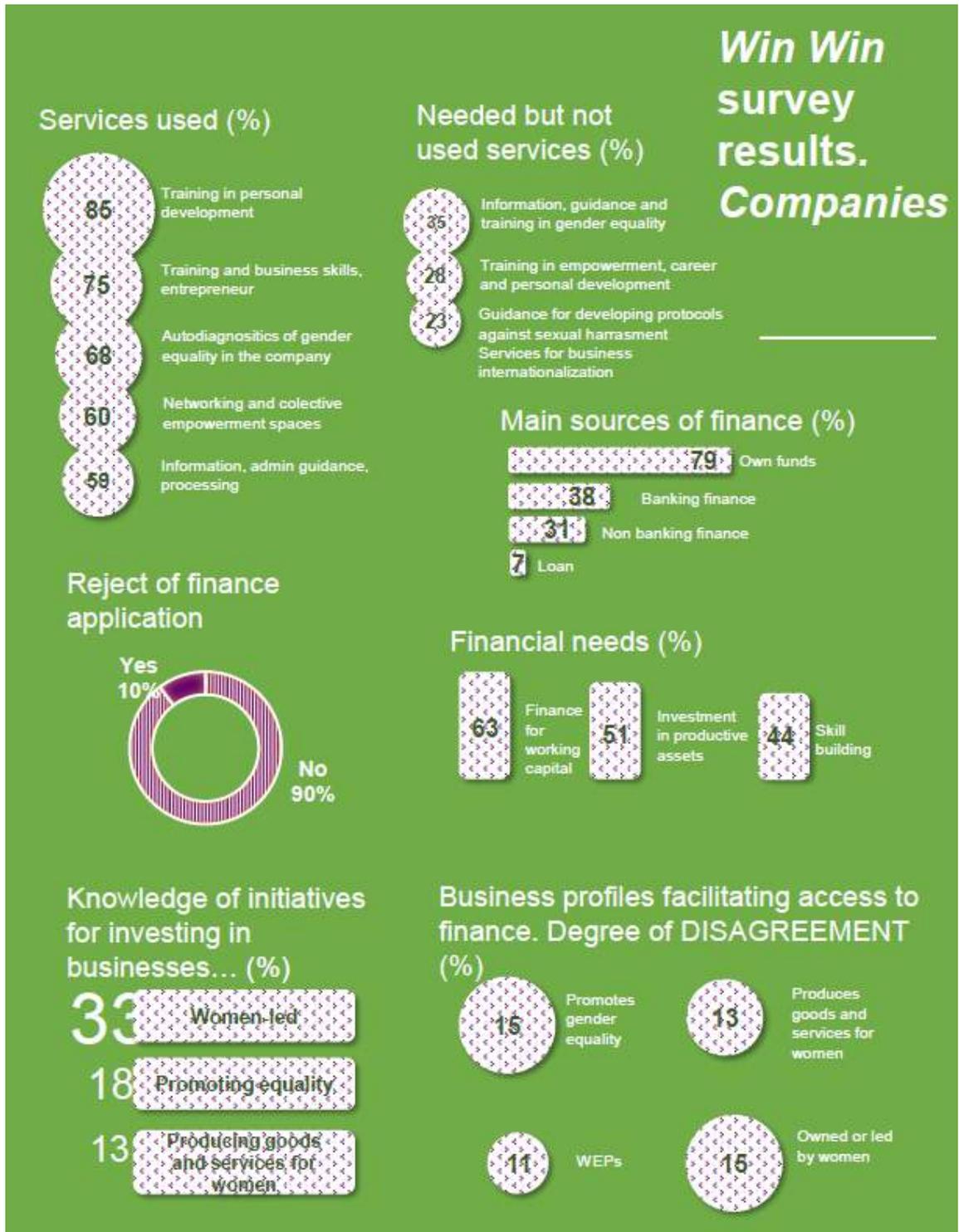
Likewise, if the demand is not clearly defined (i.e., investors not knowing who the companies that promote equality are), neither is the supply of investment to the companies in lens 2. Only 30% of the companies in the *Win-Win* survey are aware of some investment initiative with gender impact, while the financing used is normally conventional: the main instrument has been loans (4 out of 10), followed by supplier credit (2 out of 10); the rest of the instruments (venture capital, seed capital, factoring, bonds...) have hardly been mentioned.

Where appropriate, thus, financing needs will be mainly directed towards financing working capital and investment in production equipment.

Therefore, the "investment market" demand under the lens 2 is, somehow, yet to be defined.



Figure 12. Win-Win survey results. Companies. %



Lens 3 - Companies producing services and products for women and girls: another window for investment

Women represent the largest underserved market in business (BID Invest-ESADE, 2019). Most of the products and services are designed by men and based on male prototypes, leaving more than half of the population sidelined. This market segment would produce an estimated global growth of US\$300 billion in annual expenditures by 2025 (BID Invest and ESADE; 2019).

At the same time, women manage \$20 billion in consumer spending and earn about \$18 billion (Ernst & Young, 2013). They also represent 64% of total consumption decisions (BNY Mellon and United Nations Foundation, 2017).

Moving to the LAC region, women's purchasing and saving power has grown steadily in recent years as a result of their unstoppable participation in the workforce. This growth opens up an unprecedented economic opportunity for companies operating in the region to serve this segment of the market.

Businesses responding to women needs. Do they have an impact on equality?

Some organizations have started focusing on the potential of this market and offering innovative goods and services designed with a deep understanding of women's needs and preferences. Others have identified and addressed the opportunity that exists in promoting equitable access to vital services such as health, education, telecommunications or inclusive finance.

The companies in lens 3 are those that are positioning themselves towards the consumer power of women, as well as intervening to improve the lives and well-being of women and girls. In the LAC region, many examples of companies can be found within this lens: from those that operate targeting a strictly female market (such as companies oriented towards fashion and/or female cosmetics), to those that take a further step in addressing the strategic needs of women in health, transport and communication.

The latter are companies aimed at, for example, improving women's sexual and reproductive health, increasing the number of women connected to mobile phones or providing women with safe public transport.

It should be noted as well, that the lens 3 enterprises are those that can have an impact on the other two lenses, to the extent that the production of goods and services for women is more easily driven from a gender-awareness ownership (lens 1) or management/organization (lens 2). Taking into account the *Win-Win* survey, for example, 31% of women entrepreneurs and 21% of participating WEPs, produce goods and services for women.

The market for women's products with a positive impact on gender equality is much smaller than the one for products simply intended for women, because the social and economic changes promoting equality are relatively recent.

Dolls, for example, is a product traditionally intended for girls, but with a dubious effect on equality as it perpetuates a culture where male and female roles discriminate against women.

It is therefore important to make a difference between the large mass of products aimed at women and those that have a positive impact on equality.

Therefore, considering the significant potential of the demand in this lens in regards to investment, it is then necessary a sufficient number of companies that meet the needs of women or those that also have an impact on equality.



In any case, there is a huge business opportunity for women's products and services taking into account the gradual increase in women's purchasing and decision-making power

Figure 13. Initiatives identified by women entrepreneurs and business women in the Win-Win survey

As indicated, knowledge of investment initiatives towards the three gender lenses is not too widespread among Win-Win companies and basically refers to initiatives within the lens 1 framework.

The following investment initiatives have been identified among WEP entrepreneurs and companies who have expressed a desire to invest:

(Lens 1) Initiatives that promote resources and investments specifically towards women-led businesses: ANDE-Specific economic support for women entrepreneurs; Women's Banking; State Banks; Ceprodih; OMEU; Endeavor; DERES; UN Development Bank of Jamaica; Sagicor Bank; Goldman Sachs; 10,000 Women Fund: Vital Voices; US Embassy; US State Deptemprediem; municipal funds for women's entrepreneurship; Fundación Flor; MIEM women's funds; Women of the Pacific; Pymes Mujer; etc. Under this heading, several companies have pointed to UN Women itself and the Win-Win program.

(Lens 2) Initiatives that promote resources and investments specifically towards businesses that promote gender equality: Banco Popular; Ceprodih; OMEU; Endeavor; DERES; MIEM, Comunidad Mujer; Corfo and Prochile; Sagicor bank; JMMB BankTalleres... Again, UN Women and the Win-Win program are cited.

(Lens 3) Initiatives that promote resources and investments specifically towards enterprises that produce goods and services to improve the lives of women and girls: Ceprodih; OMEU; Endeavor; DERES; Sence coverage for pre-contract courses to specialize women in male-dominated positions; In tech; Technovation; Pipakids; or Comunidad Mujer. Here too, UN Women is mentioned as promoting initiatives in this area.



The background of the slide shows two women in an office environment. One woman is seated and working on a laptop, while the other stands beside her, looking at the screen. The entire scene is overlaid with a semi-transparent blue filter. At the bottom of the slide, there is a large, stylized graphic consisting of three upward-pointing chevrons. The leftmost chevron is green, the middle one is white with a yellow-orange triangle at its top, and the rightmost one is white.

4. INITIATIVES AND INSTRUMENTS OF GII: BALANCE AND PERSPECTIVE

Mapping and analysis of experiences at regional and European level

What is happening on the supply side? How are investors in the region positioning themselves in relation to the potential and opportunities described?

In order to learn about the experiences being developed in the field of GII in the region, a comprehensive **mapping** has been produced. This mapping has been based both on the analysis of secondary information sources (preferably specialized reports on the subject) and on a database provided by UN Women, in which more than 55 experiences have been found.

The type of experiences drawn from the mapping can be categorized into two groups. One of these refers to **investment initiatives as such** (i.e. strictly financial initiatives), while the second typology brings together **instruments and players** that help the ecosystem to generate such investment initiatives (impact measurement instruments, networks, business development services, etc.).

In addition to the experiences within the LAC region, some experiences at the European level have been included, in the understanding that this is a more developed environment in the field, so that the analysis will allow for identifying good practices to be considered.

Based on this mapping, a **selection of the most significant experiences was** then made, according to diversity criteria and their impact on the three gender lenses, the type of player and experience, and the type of service offered. A total of **31 investment initiatives and 22 instruments and/or players** have been selected.

These experiences have been analyzed in depth and a detailed description made on each of them, which can be consulted in the **Annex**. Where possible, the descriptive information has also been enriched with a critical view from the people responsible for its promotion, by means of **interviews**.

The collection and description of experiences has value in itself, as it provides systematized information on the subject matter. However, the intention of the work is also to take **stock of their critical points and strengths**, as a means of identifying priorities for advancing GII in LAC.

Likewise, another focus of interest has been to identify the **role that UN Women** can play in the IIG ecosystem, and its possible responsibilities for the growth and strengthening of the ecosystem in the region.

Table 4. GII analyzed experiences

Type of financing and/or investment initiative	Type of player	Players
LENS 1		
Microfinance	Microfinance Institutions	Promujer (LAC) BBVA Microfinance Foundation (Chile, Peru, Panama, Colombia and Dominican Republic)
Lines of credit to commercial banks	Multilateral and Development Banks (MDBs)	IDB International Finance Corporation (IFC) Latin American Development Bank (CAF)
Financial Institutions Articulation Initiative		Women's Finance Alliance (global)



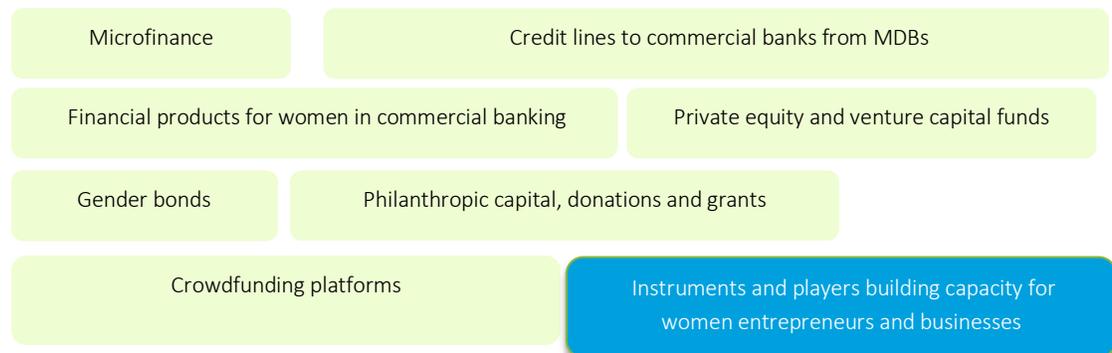
Type of financing and/or investment initiative	Type of player	Players
Financial products for women	Commercial banks	Itaú Unibanco of Brazil HSBC Argentina
Gender bonds to finance SMEs owned or led by women	MDBs and commercial banks	IFC BancoEstado (Chile) Banistmo (Panama)
Philanthropic capital, donations and grants to finance entrepreneurs and MSMEs		AL Invest
Private equity and venture capital funds	Fund managers	Raise Equity NXP IDB Lab
Investment funds promoted by MDBs and DFIs	MDB Development Finance Institution	IDB Invest FinDev Canada and the rest of the G7 DFIs
Experiences related to capacity building for women entrepreneurs and businesses	Accelerator	Start Up Chile
	Entity that promotes a network of connection between investors/beneficiaries	The Young Foundation
	Commercial bank	Royal Bank of Scotland
	Asset Manager	Morgan Stanley
LENS 2		
Investment initiatives in listed companies committed to gender equality	Bank	Banco do Brasil
	Fund manager	Conseil Plus Gestion Veris Wealth Partners
		Lyxor Global Gender Equality (DR) UCITS from Lyxor (Société Generale France)
		Mirova Women Leaders Equity Fund from Natixis Investment Managers
		Fondo Santander Equality Acciones, FI, from Santander Asset Management
		UBS Global Gender Equality UCITS ETF from UBS Asset Management (Switzerland) AG
		Nordea 1 - Nordea Asset Management's Global Gender Diversity
	Insurance company	QBC Insurance Group
Data Provider	Equileap	
Resource Mobilizer	Pax Ellevate	
Investment funds in companies with female founders and in leadership positions	Fund manager	Capital Quarry Ignia Ventures Golden Seeds Next Wave
Experiences related to capacity building for investors	Entity that promotes a network of connection between investors/beneficiaries	She for Social Impact
	Provider of skills, advice and/or accompaniment	Catalyst at Large
	Entity that promotes a	Mexican Association of Private Capital



Type of financing and/or investment initiative	Type of player	Players
	network of connection between investors/beneficiaries	(AMEXCAP) Venture Women Brazil
	Resource Mobilizer	LAVCA
LENS 3		
Patient Equity Funds	Fund manager	Acumen NeSsT
Other experiences that contribute to women and girls' empowerment	NGO	Ignite Ship2B Women of Impact Woman Moving Millions
Transversal		
Other experiences that contribute to women and girls' empowerment	Provider of skills, advice and/or accompaniment	Criterion Institute
		Value for Women
		Wharton Social Impact Initiative (WSII)
	ESADE Institute for Social Innovation	
	Metrics generator for measuring gender impact	Global Impact Investing Network (GIIN)
	Entity that promotes a network of investors/beneficiaries	Aspen Network of Development Entrepreneurs (ANDE)



Analysis of experiences in Lens 1



Microfinance

From the financing point of view, microfinance is one of the initiatives with the longest history in supporting women's entrepreneurship and businesses. In fact, the context of women's inclusion into the financial system in the LAC region, shows that financial products of Microfinance Institutions (MFIs) have been significantly used as these have specialized in facilitating access to capital to low-income population segments or those excluded from the traditional financial system. According to the IDB, the percentage of women borrowers from MFIs is 61.9 (CAF, 2017).

The sector is well developed in the region, with some 1,000 microfinance institutions (commercial banks, microfinance institutions and NGOs) estimated to manage a portfolio of US\$40 billion, reaching 20 million low-income clients, mostly women and rural dwellers (BID Invest and ESADE; 2019).

The microfinance sector, which serves the segment of vulnerable women, is the most developed in the LAC region [LARA, CAF].

Among the initiatives analyzed in the microfinance category are the **Pro Mujer Community Banking** and the **Women's Empowerment Program of the BBVA Microfinance Foundation**.

In addition to these initiatives, there are other successful cases in sourcing poor communities with very limited access to credit, which is characteristic of many indigenous peoples in Latin America, who are not usually subject to credit because they own collective lands that cannot be seized. Women lead savings banks to respond to the needs of their communities. The innovation of these tools is significantly different from the traditional sources of credit of most microfinance organizations.

They are mostly managed by women and are aligned with central principles of development with identity, given the focus on decision making/governance at the community level. This also leads to the development of innovative instruments, such as **guarantees specific to each community or risk management mechanisms based on a fine knowledge of the clients and community**, allowing the financial success of the fund and its contribution to the collective well-being (IDB, 2017a).

The potential of microfinance initiatives is that they usually start from a **deep understanding of women's needs**, taking into account their own specificities and those of their environments and/or communities, as well as the economic, social and psychological barriers they face in access to financing.

Furthermore, the provision of financial services (credits) is usually supported by other **complementary services**, such as financial education or educational and health services.



In this sense, they apply an integral approach in which the financial investment, as a central piece, is fed by other complementary services that guarantee the success of the initiative. In the case of BBVA's Microfinance lines, technological education systems have also been set up and online banking applications have been made available to customers.

However, these initiatives face at the same time, important **challenges**.

Being an adequate type of investment for the enterprises "in need" and in start-up phases, the truth is that they present serious limits for the **development of the businesses towards phases of consolidation and growth of companies that do not have access to the traditional credit**. *Recently, there has been a process of moving to other segments, such as SMEs or entrepreneurs, which require other products, since microfinance offers short term and high interest rates and does not respond to other identified needs* [LARA, CAF].

According to one of the interviewees, *microfinance needs to be redefined. This model is solid and cost-effective, but it needs redefining, listening to clients to understand their needs and generating alliances to promote new services* [CORREA, PRO-MUJER].

Likewise, there is also the challenge of attracting new funds for this type of investment, which requires a major effort in order to **raise awareness among investors about gender equality**. *Attract more investors, who have a gender perspective and who are also capable of designing new instruments (bonds, investment funds)* [CORREA, PRO-MUJER].

Also, considering the profile of women who are targeted, the importance of addressing **strategic interests that go beyond the merely financial** is of essence. *In order to do this, time must be allowed for productive work, and tools and financial education have to be provided, as many of them distrust the banks. The perception of being rejected must be overcome, as their self-esteem is low, not as entrepreneurs but as businesswomen, and make the step towards SME/Employment. They need a lot of training to think about innovative mechanisms.* [LORCA, BBVA] [LORD, BBVA].

It also points out that **progress** must be made in terms of **adapting the services offered to enterprises** (both financial and non-financial, such as training or access to commercial networks, among others) to **specific needs (matchmaking tools)**. *There have been major changes. Before that, the investment directed to women in rural environments, was born in the 70's with the microfinance companies. Now there are entrepreneurs with different profiles, who respond to opportunity not to need. There, the funding requirement is complicated. The main gap is in SMEs. There is a shift towards investments with gender impact* [CORREA, PRO-MUJER].

In line with the above, it is necessary to **reduce the costs of structuring new financial instruments**. *Structuring new financial instruments is costly and could be made cheaper through replication and support from multilateral agencies* [CORREA, PRO MUJER].

Finally, **the application of gender impact measurements** is mentioned as a challenge for this type of initiative. In fact, the sector faces some criticism due to the lack of rigorous evidence regarding poverty alleviation or the advancement of women's empowerment (BID Invest and ESADE; 2019). While it is true that entities such as the BBVA Foundation are implementing tools in this regard, the rest of financial institutions working on this type of initiatives should make progress in their application to be able to attract greater investment in the field of GI. *Some entrepreneurship initially not considered as having a gender focus for investment, after an impact measurement, it became evident that they were generating gender equity. (...) There are institutions and countries that are trying to implement impact measurement tools and indicators but do not know how to do it.* [CORREA, PRO-MUJER].



Potential roles for UN Women

- Collect and disseminate good practices on investing with a gender lens. *Develop success stories, i.e., which financial instruments are working best* [CORREA, PRO-MUJER].
- Support the development of gender impact metrics for investments.
- Provide training to entrepreneurs on further opportunities to access financing (financial education, leadership skills, business training, etc.).
- Develop platforms to connect players to facilitate the meeting between supply and demand in order to promote investments with a gender perspective. *To be a communicator and connector between supply and demand, to understand the ecosystem, to seek and understand demand* [LORCA, BBVA] [LORD, BBVA].
- Raise awareness among investors about gender equality and the benefits of gender-sensitive investment. *Recently there has been a change at the institutional level in the ecosystem, through programs such as winning awards, or recognition, which can help generate greater awareness about the gaps in gender lenses* [CORREA, PRO-MUJER]. *Raising awareness of private funds at road shows* [LORCA, BBVA] [LORD, BBVA].



Pro Mujer Community Banking

It is a microcredit initiative for local groups of women in poverty, launched in 1990, currently extended in six Latin American countries (Argentina, Bolivia, Guatemala, Mexico, Nicaragua and Peru).

It is based on the granting of microcredits to groups of between 10 and 15 women from the same community. The loans are managed by the groups of beneficiaries, who jointly guarantee their repayment. The initial amounts are about \$100 and a repayment term of 4-6 months, and as women build their credit history, both the amounts and terms increase. The rate of return is 97% and therefore comparable to that of traditional banking business in developed countries. Pro Mujer's field advisors also provide beneficiaries with basic training in financial and home economics issues to facilitate the management of the local group and advise them on their business projects.

To finance this initiative, Pro Mujer relies on contributions from anonymous private donations and 54 stable partners, mainly foundations from the United States and Europe and, to a lesser extent, large multinational companies and a development agency, USAID from the United States.

In terms of capital invested, Pro Mujer's gross portfolio in 2018 was US\$293 million in loans and other financial assets granted that year to 300,000 women. Throughout its history, loans worth US\$ 3.6 billion have been granted, benefiting some 2 million women. The objective is that the repayment of the loans together with the donations will allow the renewal of the credit portfolio and cover expenses. An initial fee of up to 5% of the credit amount is charged for this purpose.

Pro Mujer does financial accounting for its portfolio of assets, but does not measure the gender impact of its activities other than through the value of the portfolio and the number of women beneficiaries. *To date they have used their own tools. They are currently reviewing tools and indicators with a consulting firm to make them more rigorous* [CORREA, PRO-MUJER].

Assessment of the initiative [CORREA, PRO-MUJER]

Innovations introduced:

To manage the credits granted in a communitarian way, offering a collective guarantee of solidarity, an aspect that promotes the commitment and personal and economic empowerment of the beneficiary women and, consequently, allows to reduce the risk of non-payment.

Lessons Learned:

The village banking model is a model that remains its greatest asset and continues to be a very solid instrument. The thing is, some of the clients can no longer afford the instrument. Hence, community banking is being complemented by other types of instruments.

It should also be noted that village banking has been modernised with the use of new technologies (e.g. access to more remote areas).

Risks:

The vulnerability of the countries where it operates to natural disasters. When a natural disaster affects almost all the beneficiaries simultaneously in an area or a country, it puts Pro Mujer's entire credit portfolio at risk.

The attraction of new donors, either anonymous or stable, to increase the capital, in order to expand their activities to other countries in Latin America where there is a great need for this type of action.

Space for the growth of the organization in the ecosystem:

To offer a wide variety of financial services, from microfinance to more innovative instruments: impact investment funds, gender bonds (...). Pro Mujer structures specific financing and also supports structuring led by other partners, for example the Viwala initiative in Mexico or the ILU Fund with Deetken Impact, through the gender and knowledge strategy (...). They are also in the midst of evaluating with the IDB Lab green loans for clients, to buy solar panels, economical stoves, etc.

To offer services beyond the financial. Pro Mujer's services are divided into three areas: financial, education and health services. In health, they apply a focus on prevention and recently a joint venture has been made in Bolivia to provide health services. The educational part (digital education today), includes financial education, education for women entrepreneurs and also provides tools for insertion in the labor market.

BBVA Microfinance Foundation

The **BBVA Microfinance Foundation** has developed a microcredit initiative aimed at entrepreneurs in vulnerable situations, providing tools to those excluded from the financial system. It works through a network of six microfinance



institutions in five Latin American countries (Chile, Peru, Panama, Colombia and the Dominican Republic), which design models of financial initiatives to meet the Foundation's objectives, but each institution is independent and adapted to the needs of each environment or national ecosystem.

These initiatives are based on the concept of productive finance (creation of surpluses to overcome poverty) and provide financial services (credit, savings and insurance) and financial education and complementary training, in addition to the accelerated impact provided by technology and digitalization in financial service models (online banking, financial apps, telephone service, etc.). In addition to these microfinance banks, alliances have been developed with the main players in LAC in DFIs (IDB, IFC, UN, CAF, etc.).

This initiative served more than 2 million entrepreneurs in 2018, 60% of whom were women, delivering more than US\$1.4 billion in loans to vulnerable entrepreneurs and with a gross portfolio that reached US\$1.155 billion in December. Since its creation in 2007, the Foundation has delivered more than 12 billion dollars, granted to more than 5 million people in Latin America, with an average credit of 1,388 dollars. It has 515 offices in Latin America and 8,000 workers, 51.6% of whom are women.

They place great importance on measuring the impact of their financial products. They use a metric that is aligned with the *Impact Management Project impact measurement standard*, which is based on four lines of action "Contribution, What, Who, How Much".

Assessment of the initiative [LORCA, BBVA] [LORD, BBVA]

Innovations introduced:

Education to support the client in finance and technology.
Extensive incorporation of impact measurement methodologies

Lessons learned:

Importance of providing combined financial products, client training and technological tools to clients.
Importance of following impact metrics throughout the generation of value of financial products.
To support the collaborating microfinance entities with methodologies to guide the design of their financial solutions.

Risks

The main risk is of a financial nature (defaults). In order to fight against this type of risk and to strengthen the microfinance initiative, the Foundation also carries out financial education training, health projects (access to drinking water and sanitation) and provides complementary credit for housing improvement.

Space for the growth of the organization in the ecosystem:

The Foundation aims to be a self-sustaining entity that brings LAC banks into the mainstream of this microfinance industry. and they will continue to play the same role. At the moment, some product lines with a gender lens are being considered, although they are in a very early stage of conception.



Credit lines to commercial banks from Multilateral and Development Banks

The Multilateral Development Banks (MDBs) represent important financial institutions. In the LAC region, it stands out the work carried out by the IDB Group, particularly through IDB Invest, and also by the International Finance Corporation (IFC) or the Development Bank of Latin America (Andean Development Corporation - CAF).

Within these financial institutions, gender equality has become an important strategic priority. IDB Invest, for example, has its own gender strategy, which aims to integrate the gender approach both internally in the organization and externally with its various clients.

MDBs have a key role to play in raising awareness and contributing to gender finance and expanding markets: provide resources (by acting as investors); mobilize significant amounts of funding from other investors; create/support the development of new gender lens investment strategies, with new financial instruments and new product design and experimentation; create/manage complex financial mechanisms capable of addressing investments specific to the three gender lenses; make investments in territories and sectors with small markets that would otherwise not have access to funding; or offer funding and advice to other financial institutions, essentially commercial banks, to catalyse funds towards gender lens investments.

One of the most important roles of the MDBs is to provide financial institutions with the capacity to facilitate financing and lines of credit for SMEs, including credit for women-owned SMEs, through direct and diversified investment, bond issuance and venture capital funds. In other words, **they channel funds to financial institutions (mainly commercial banks) interested in financing women-led businesses or businesses that promote gender equality through the use of resources.**

The initiatives analyzed in the category of credit lines to commercial banks of the MDBs are: **Women Entrepreneurship Banking (weB) of IDB**, the **Women Entrepreneurs Opportunity Facility (WEOF) created by IFC and Goldman Sachs**, and the **funds to expand access to credit for Brazilian SMEs owned by women of Itau Unibanco and CAF.**

Thus, the **financial operations of multilateral banks** involve various players, financial instruments and procedures: investors (private investors, government development finance agencies, governments, etc.), financial instruments to attract funds from investors (issuance of gender and social bonds, thematic funds for project co-financing, etc.), financial instruments to fund beneficiary enterprises (loans), wholesale financial intermediaries to distribute the funds collected to partner banks (placement agencies), and retail financial intermediaries for final placement in the beneficiary enterprises (commercial banks).

This chain of interrelations highlights **the complexity of financial operations involving multilateral banks**, which end up in "local" banks and credit institutions providing credit to companies. This is because regulations and banking authorities are sovereign in each country, so only local entities can operate at the demand level. For example, CAF lends funds on preferential terms (in terms of loan price) to Banco Itaú Brazil to provide lines of credit to women entrepreneurs in Brazil, to Banco BHD León to provide loans to women entrepreneurs in the Dominican Republic, etc.

The alliance between the two types of financial institutions involved (multilateral banks and commercial banks) is formalized through agreements, which specify the conditions of the loan between banks and the eligibility criteria to be met by the final beneficiaries to access the credit.

In addition, these mechanisms are often accompanied by non-financial support services for women beneficiaries and their businesses (training, information and content, management tools and networking) provided either by the multilateral bank or by collaborating commercial banks.



It follows that the **multilateral and development banks are key partners in the financial system to raise awareness and contribute to include gender-sensitive finance in commercial banks**, which are the ones directly linked to the beneficiaries.

Same as in microfinance, one of the benefits of the investment initiatives promoted by the MDBs is that, either directly or through their "local partners", they offer services to support pure financing. In this case, however, the services are somehow more sophisticated such as training services, personal and social skills development, support and creation of networks for the women beneficiaries...

Furthermore, they promote gender inclusion in the same financial institutions they channel their funds, by means of financing and technical advice and tools. In this way, they have the gender perspective included in their organizations, in the clients' data or in the various financial instruments' risk analyzes.

An example of the latter is found in IFC, which assesses the entity's internal policy on gender equality. To this end, IFC has developed the *Gender Intelligence Program* (GIP) to raise awareness of practices that impact on gender equality and the benefits of a more gender inclusive policy towards both workers and clients, which is implemented in financial institutions with which IFC collaborates. Although not mandatory, most of these institutions receive the GIP and the training it entails [ETXEGOYEN, IFC].

Regarding the **challenges** to MDBs, there is a need to work on the design and implementation of comprehensive intervention models for strengthening demand, which systematically address the barriers of women to get access to financial, physical and technological capital, as well as human and social capital, so that more financing can be channelled to their businesses. On balance, it is about providing a holistic solution to the factors and barriers affecting women's business development. Basic and essential services such as care services for dependent persons, especially early childhood, are also mentioned [ETXEGOYEN, IFC] [HOFFMAN, IFC].

It also highlights the need of new instruments for gender perspective finance. Especially, to analyze **the possibility of guarantee funds channelled for gender purposes** [LARA, CAF].

Likewise, it refers to influence the conditions of the environment, both in terms of public policies and legislation, to eliminate all forms of discrimination that exclude women from having the same rights to resources (patrimony, capital, land) [QUEDA, IDB INVEST].

And here again, it emerges the critical factor of raising awareness among investors and financial institutions regarding the economic and social benefits of gender equality. This factor requires further research and new data on the positive correlation between gender equality and investment.



Potential roles for UN Women

- Generate evidence on the relationship between gender equality and cost effectiveness.
- Provide training to financial institutions on gender-sensitive investments (*workshops for banks on what gender-sensitive investment is and what elements to look for*) [OUEDA, IDB INVEST]
- Establish minimum compliance standards for the use of funds received through gender-sensitive investments.
- Provide training to entrepreneurs on further opportunities to access financing (financial education, leadership skills, business training, etc.). *Contribute to capacity building, especially through training (...). There is a large deficit in women with technical careers and UN Women should promote these options. Colombia is a clear example where many women fail in their entrepreneurial initiatives because they lack the necessary skills* [ETXEGOYEN, IFC] [HOFFMAN, ICF]. *Have a comprehensive approach to financial services. It can be an interesting opportunity for UN Women to provide business development services that are tailored to the needs of women entrepreneurs"* [LARA, CAF].
- Promote understanding between supply and demand to determine which solution is appropriate for each need.
- Raise awareness among financial institutions of the benefits of gender equality.
- Build bridges and more understanding between public and private players in relation to gender equality and gender-responsive investment. *Promote greater coordination among UN agencies and have more power for outreach (...). Be a translator, amplify the message. (...). Harnessing the political capital of UN women to attract investors (catalyze resources)* [OUEDA, IDB INVEST].



IDB Invest Gender Strategy

The IDB Invest Gender Strategy is considered a cross-cutting priority of the organization, which aims to integrate the gender approach both internally in the organization and externally in the various sectors in which it works, including the financial sector, infrastructure, manufacturing, tourism and telecommunications. From this perspective, the objective of IDB Invest, at the external level, is to offer value-added advisory and knowledge services to support its clients in creating organizational changes that help provide women with more opportunities in the workplace, the marketplace and the community, as leaders, employees, entrepreneurs, investors and consumers. This is complemented by an internal diversity policy, through the creation of an inclusive environment, which includes obtaining EDGE Assess certification for its commitment and progress in areas such as gender balance across the talent channel, gender equality policies and practices, and pay equity.

Under this gender strategy, the IDB Invest offers diagnostic tools on equality (e.g. the WEP Tool where it participated by supporting UN Women), platforms for contact between women entrepreneurs and business, and training opportunities (ConnectAmericas for Women, a platform that connects SMEs led by women with procurement and trade opportunities, helping them to strengthen their management and export capacities), performance indicators for gender equality in companies (IndexAmericas, which uses more than 400 indicators) and research reports.

In addition, IDB Invest offers financing and technical assistance to incorporate gender equality in companies, infrastructure and financial institutions. In regards to the latter, IDB Invest support takes the form of financing and technical assistance to lenders in the region -banks, cooperatives, microfinance institutions and others- to provide better coverage for underserved women's markets, including small businesses led by women that tend to have more difficulties in accessing credit than their male counterparts, complemented by advice to improve their internal policies and procedures towards a culture of equality and diversity.

Assessment of the experience [OUEDA, IDB INVEST]

Innovations introduced:

Development of tools, platforms, indicators, research to support the inclusion and measurement of gender equality performance in companies and financial institutions.

Setting up new markets to finance women entrepreneurs and businesses owned or led by women. Support to financial institutions with financing and technical advice, in order to create financial products adapted to women's ventures and businesses with difficult access to financing.

Lessons Learned:

The value of players alliances in the ecosystem for the successful development of new products, tools and markets.

Space for organizations' growth in the ecosystem:

Continue to develop its gender strategy and work in the world of gender-sensitive investment. *IDB Invest is not interested in "one shot", but wants the company to see that it is a good idea, that it is a good opportunity for the company, that it is in the company's DNA. They also want to "walk the talk".*



IDB Women Entrepreneurship Banking (weB)

This is an initiative of IDB Lab (formerly MIF) that facilitates access to financial credit for women-led businesses through a network of commercial banks. It provides technical assistance, knowledge and A/B financing resources to enable innovation in products and services to finance women-led businesses.

With an initial capital of US\$50 million in A/B loans, credit sharing facilities and credit guarantees (IDB), and more than US\$5 million in grants for technology transfer and training (MIF), it is expected that US\$675 million in loans will be mobilized in the 17 participating banks. The expected financial return is market-based, with a payback period of 6-7 years.

The program provides two types of incentives to commercial banks.

Firstly, it provides grants in technical assistance for training programs and transfer of technology and financial products, such as risk-sharing facilities and partial credit guarantees, to support SMEs owned and run by women in testing and developing innovative and inclusive financing models. Typically, IDB departments receive a proposal to support women-owned SME financing programs by commercial banks in program countries. If this proposal is approved by the investors, a financial support or technical cooperation contract is signed with the bank. For example, a subordinated loan of US\$37.5 million was signed with Banco Nacional de Costa Rica for portfolio growth; and a US\$1 million technical assistance loan was signed with Scotiabank Jamaica to conduct capacity building and mentoring activities.

Usually, these developments are complemented with other financing products. Itaú Unibanco in Brazil, for example, was financed with a \$100 million IDB Invest loan to disseminate the tools designed and scale up its Mulher Emprendedora program to a higher dimension.

Secondly, the intermediary banks in the beneficiary countries support the measure with contracts with local NGOs, so that they contribute to dissemination and training. One example is the support of the NGO Vital Voices to the initiative of the Salvadorian bank G&T Continental Bank (G&TCES).

Eligibility criteria are left to the decision of each intermediary. For example, in the case of Itaú, these are companies with more than 51% owned by women and with a turnover of less than US\$ 2.5 million. However, there is no requirements regarding the use of the funds received in terms of, let us say, conditions for expanding the business, recruitment or other aspects.

In addition, the bank uses its own metrics to measure gender impact, such as number of SMEs served, increase in the number of women in the bank's portfolio, women entrepreneurs financed, women trained, etc., verified by the IDB and participating financial intermediaries:

Since its launch in 2012, this initiative has spread to several countries in the LAC region: El Salvador, Costa Rica, Ecuador, Bolivia, Paraguay, Brazil, Nicaragua, Guatemala, Jamaica, Dominican Republic, Panama.



Women Entrepreneurs Opportunity Facility (WEOF) of International Finance Corporation and Goldman Sachs Foundation

This initiative was created by the International Finance Corporation (IFC) and Goldman Sachs in 2014, with background in the IFC's Banking on Women initiatives launched in 2010 and Goldman Sachs' 10,000 Women initiative launched in 2008.

WEOF is a mechanism dedicated to facilitating access to credit for small and medium-sized enterprises owned by women in developing countries. These are traditional bank loans granted on preferential terms regarding risk and cost to commercial banks, so that their provision to women is encouraged. It affects a total of 26 financial institutions in 26 countries.

The service also advises financial institutions to develop service offerings for women clients and provides them with investments to finance the growth of their loan portfolios to women-led businesses.

The initial contribution was \$100 million from IFC, composed by a combination of its own account and mobilized investors, and \$43 million in grants from the Goldman Sachs Foundation.

In 2017, IFC launched the Women Entrepreneurs Debt Fund to promote new investors willing to provide additional funding, such as Swedfund, the Swedish Pension Fund AP2 or public development finance institutions such as OPIC in the United States and FMO in the Netherlands. With this, the initial objective of the fund to mobilize 600 million US\$ was exceeded and at present, the amount of credits granted already surpasses one trillion US\$.

The Facility operates through wholesale capital market placement agencies, which are responsible for providing the loans through commercial banks in the target countries.

According to the banks recipients of the loan, IFC allocates a portion of the loan, usually at least 25%, to the WEOF Facility, specifically targets lending to small and medium sized enterprises owned by women in their countries. To make loans for this purpose more attractive to commercial banks, IFC reduces the interest they charge if some women's business lending targets are met, and takes on the "first loss" risk of women's credit portfolios, meaning that the WEOF mechanism, rather than the banks lending to women, bears the first loss from potential loan defaults.

In addition to capital, the WEOF mechanism assists participating banks in the selection of the target client and the problem-solving of accessing the credit; likewise, it provides technical advice.

Out of the 26 countries where this mechanism has been implemented, there are four countries in the LAC region: Dominican Republic, Brazil, Costa Rica, Chile.

Assessment of the initiative [ETXEGOYEN, IFC] [HOFFMAN, IFC]

Innovations introduced:

This mechanism is specifically directed to women-owned enterprises, aimed at providing viable means of facilitating credit with an explicit gender focus in countries where women have particular difficulties in accessing finance.

This initiative is a boost to raising awareness and training process of retail financial institutions (such as commercial banks), in incorporating gender equality into their business portfolios and understanding the specific needs of women.

Risks:

The increased ease of access to credit is not accompanied by changes in other areas, such as: access to the technology needed to run a business, lack of knowledge, networks and resources, legal, regulatory and political obstacles to business ownership and development (e.g., ability to sign contracts).

Space for the growth of the organization in the ecosystem:

Gender-responsive investment is slightly behind investment with environmental or climate impacts. As for the future, this would involve seeking complementarities with other investments of social impact under a single umbrella.

The goal is for at least 30% of IFC loans to have a gender component.

Funds to expand access to credit for Brazilian SMEs owned by women from the Latin American Development Bank (Andean Development Corporation - CAF)

The Latin American Development Bank (Andean Development Corporation - CAF) has provided \$150 million in funds to expand access to credit for Brazilian SMEs owned by women from Brazil's Itaú Unibanco. Itaú had already worked with similar instruments offered by other multilaterals. Therefore, the line arises from a very specific demand, which already has financial products aimed at women.



The loan, at a preferential rate, is intended to finance companies with at least 51% women's participation in the company and a turnover of up to US\$ 17 million per year, in line with the bank's credit policy (CAF, 2019).

A market-based financial return is expected, with a short-to-medium-term payback period. Itaú Unibanco periodically reports indicators about its portfolio. However, these are financial indicators that are part of the bank's portfolio monitoring, e.g. amount of loans, size of companies and participation of companies.

Assessment of the initiative [LARA, CAF]

Space for the growth of the organization in the ecosystem:

Develop your gender strategy. (...) *we want to advance in credit lines directed to the financial sector, in such a way that the impact can be traced in relation to its final beneficiaries.*

Evaluate the initiative to define new products. As CAF is at a fairly early stage, they want to assess the lessons learned from the instruments they are implementing (lines of credit and some technical support for studies and strategies of financial institutions) and also from the initiatives being carried out by other multilaterals. They are working on an operation with the Peruvian savings bank network to define a policy and market analysis of women customers and how it can redefine existing products.

Financial products for women in commercial banking

Commercial banking has a role in facilitating credit, loan lines and guarantees for the financing of women entrepreneurs and businesses owned or led by women. It operates closest to the end customer in the financial system.

Commercial banks in the LAC region are now beginning to study and address the specific needs of women and entrepreneurs and to incorporate the gender perspective into their internal policies, largely as a result of the MDB initiatives described in the previous section (IDB Invest and ESADE, 2019). Thus, financial products for women in commercial banking are often interlinked with investment by MDBs, which is one of their markets for financing. In fact, the picture in the region shows that there are rather few commercial banks in the gender investment ecosystem that do not work with multilateral banks.

It should be noted that within commercial banking, a specific sector of women's banking **or banking for women** has emerged, whose focus is to offer financing to women. This is the case of the **Women's World Banking (WWB)** members.

Also relevant are the "value-based banks", financial institutions whose mission is to direct their banking activity and capital loans to organizations that have social and environmental objectives, including gender objectives.

An example in the field of gender equality, is the member banks of the **Financial Alliance for Women** (formerly Global Banking Alliance for Women, GBA), which brings together a consortium of 55 financial institutions that provide financial and non-financial services adapted to the needs of women, services to manage women's assets, insurance products for women and the inclusion of women in the financial sector,... Two innovative elements of the Alliance's work stand out: on the one hand, *Peer Learning, through which* members share information with each other about best practices and how to know the market and, on the other hand, the Women's Financial Inclusion Data initiative that promotes the collection of disaggregated data.

In addition to this, *the Alliance has collaborated with different strategic, knowledge and support partners to implement its programs* [MURRAY, FAW] [RUF, FAW], as well as to provide banks and other funding institutions with data, tools and spaces to share knowledge and experience, to learn among equals and to access investment opportunities with a gender perspective. It also supports the MDBs of the LAC region to raise awareness and train commercial banks on investments with a gender perspective.



The initiatives analyzed in this category are: the program **Mulher Emprendedora** of the **Itau Unibanco in Brazil** and the program **Women to the World**, launched by the **HSBC Argentina** Bank.

Innovation in this type of initiatives is focused on the creation of financing solutions that incorporate, once again, alongside more traditional credit, guarantee or loan instruments, a range of complementary services in the form of training, business development and networking tools and opportunities, as appropriate.

In general, however, commercial banks find serious obstacles on the way to address the first gender lens. It is noted that **in commercial banking prevails low awareness, training and use of gender analysis** to identify gender gaps in financing and the barriers that women face in obtaining it from financial institutions (Oxfam and Value for Women, 2018).

Most entities **have not incorporated gender analysis into their asset portfolios yet**, so they have limited capacity to offer financial solutions tailored to the different profiles and needs of women, entrepreneurs and businesses, although the banking sector itself believes that financial integration and gender focus in portfolio analysis would be instrumental in reducing entities' perceptions of risk towards women (CAF, 2017).

According to a survey of 100 banks in LAC conducted in 2016, only 33% recorded data disaggregated by sex (D'Alessio IROL, 2017) and only 28% of the banks considered the market for female-led SMEs to be neglected (although the available data reveal that the vast majority, 73%, did so) (IFC, 2011).

Therefore, intervention in this field faces major **challenges**, such as:

- **Promote a change of culture and operations in banks and credit institutions that are more committed to financing women's entrepreneurship and businesses** and involve more commercial banks in the region, so that women's financial inclusion is amplified, through the dissemination of good practices and the development of tools and training in financial institutions and their staff (at management and other staff levels), guiding the incorporation of the gender perspective in their banking business and gender equality as part of their priorities.
- **Generate research and diagnostics on the needs of women entrepreneurs and businesses owned or led by women to adjust the design of specific financial products.** The challenge for this type of solution to be successful is a deep knowledge of the needs, preferences and behaviors of the entrepreneurs and their companies at each stage of their business cycle and according to the particular circumstances of each territory and culture. *Female clients need to be studied in order to be offered valuable services* [BINDI, HSBC].
- **To have minimum standards or criteria** on the use of the financing received by women entrepreneurs and enterprises owned or led by women, to ensure it will guarantee decent employment conditions and formality.
- **To have a legal and cultural environment that is more favourable to women** since, on many occasions, it assigns the ownership of the management and even the ownership of the family heritage (the word itself is already revealing) exclusively to men. This challenge is not exclusive to credit but common to all financial instruments.

The **needs** identified in commercial banking to incorporate the gender perspective in its activity range from knowledge of business opportunities in favour of gender equality (both to facilitate access to financing and the development of other financial products and services); to awareness raising and training of its staff on gender issues; methodologies and tools to incorporate the gender perspective in its organization and in its asset portfolios and financial practices; and again, metrics to evaluate the external impact of its activity on the promotion of equality.



Potential roles for UN Women

- Disseminate good practices of gender-sensitive investment products and initiatives. *Disseminate and spread out the best practices in the sector, what is being done in other countries, know other projects and products in the world* [MAIA, ITAU].
- Provide training to financial institutions on investments with a gender perspective.
- Generate gender equality accreditations in financial institutions. *Develop quality seals or equality criteria assurance in institutions* [MAIA, ITAU].
- Identify opportunities and niches for investment with a gender perspective through a better understanding of the needs of women entrepreneurs.
- Establish minimum compliance standards for the use of funds received through gender-sensitive investments.
- Promote policies and regulations that improve the environmental conditions in which to develop gender-sensitive investments.
- Promote finances for women. *Include women in order to achieve their financial independence, which is very important in combating gender-based violence. Money is freedom and the taboos that still exist in Brazilian culture regarding it must be broken* [MAIA, ITAU].
- *Concentrate initiatives and efforts under its umbrella (make it a strong player)* [BINDI, HSBC].
- Identify spaces for collaboration, exchange and mutual support with the Women's Finance Alliance.



Mulher Entrepreneur of Itau Unibanco

It is an initiative to provide financing within the bank's commercial portfolio with the standard financial conditions and risk requirements of the bank, develop a package of innovative tools and promote the access of women entrepreneurs to credit.

It was created in 2013 together with IFC, under the umbrella of Banking on Women, and has subsequently received an additional funding of \$50 million from Women Entrepreneurship Banking (IDB) in 2014, a \$100 million loan from IDB Invest and a \$150 million loan from CAF in March 2019.

Assessment of the initiative [MAIA, ITAU]

Innovations introduced:

First credit product for women entrepreneurs in Brazil.

It offers tools to women: training to increase women's financial self-esteem, increase women's networking, and referrals of successful women entrepreneurs to play as role models for new entrepreneurs.

It increases the integral use of the clients' possibilities.

Space for growth of the organization in the ecosystem:

Search for new products for women. Women are generally more risk averse, have a long-term time horizon and see investments and money as a tool for their family, children, education, housing goals, etc. In line with this, a product that is very much in demand by women and that fits with these three characteristics, is the private pension funds.

Another line of promotion of investment with a gender focus is the women investors' events, an activity that is growing in Brazil.

Investor awareness. Investors are much segmented; there are very detailed ones, others more general, etc. That is why they are creating small groups to attend to each segment.

New products to balance gender gaps. There is market research to bring about products that help to balance existing gaps: women live longer, interrupt their careers more often and earn less. However, there is not convincing evidence about the outcome from this research gender-differentiated products, Itau believes that the key is in financial advice and communication, which is the way they are following as a bank.

Investment in women-led companies *versus* companies with gender-balanced boards of directors. In terms of investments in companies with women in charge, Itau believes that this is a *corporate governance* issue so that when designing investment funds, risks are measured and more gender-balanced boards of directors offer less risk.

Training in gender equality and inclusive finance. The bank is also holding internal employee talks to train staff on women and inclusive finance.



Women to the World of HSBC Argentina

The Women to the World program launched by HSBC Argentina bank includes a line of loans of US\$ 50 million, with a rate of 4.75% for 180-day terms, and 6% for one-year terms, aimed at women entrepreneurs, owners or managers of companies with export intentions or reality, with a preferential expected return and a recovery period of less than one year.

The funds have a special focus on agribusiness, one of the most dynamic sectors of Argentine exports and with the presence of women entrepreneurs, as well as on the energy, trade/franchise sectors.

In addition, activities are carried out to support women entrepreneurs, including: missions to Europe for women exporters, training and support in brand design, communication, networking and business networking.

Assessment of the initiative [BINDI, HSBC]

Innovations introduced:

First line of support for real women entrepreneurs in the country.

Risks:

The initiative has been paralyzed by the economic situation in Argentina. *The bank awaits change control measures established by the government in response to the current situation in the country (...)* In addition, they are awaiting the *signature of an agreement with IFC to extend this initiative to the "Women's Banking" program, where IFC is an advisor for the design of a value proposal in retail and business.*

Entrepreneurs' fear of a situation of formality, adding the costs involved, in addition to the risks of export markets.

Lessons learned:

It is necessary to study female clients in order to offer them valuable services, which is what the bank will do with IFC.

Need to work together, not compete among women, concept of "sorority", more loyalty and accept that they have to occupy a more important place.

Space for growth of the organization in the ecosystem:

For many years HSBC has been leading efforts to eradicate stereotypes and other initiatives. For this reason, they have been given several HERO awards for diversity and inclusion. In addition, they mentor and sponsor women within the company. That's why they created "Women to the World" to get women into international business.



Financial Alliance for Women

Consortium created in 2010 that brings together 55 banks and, recently, non-banking financial organizations, all with strategies to support the women's market from both a financial and non-financial perspective. This *provides its members with services to empower women economically and financially, catalyzing resources from the private sector to be "champions" of the women's economy* [MURRAY, FAW] [RUF, FAW].

Currently, a number of banks in the LAC region are members of the Alliance: BAC Credomatic of Costa Rica, Banco BHD León of Dominican Republic, BancoEstado of Chile, Banco G&T Continental of El Salvador, Banco Nacional of Costa Rica, Banco Pichincha of Ecuador, Banistmo of Panama, BanRegio of Mexico and Itaú Bank of Brazil.

In terms of the services offered by the Alliance, *Peer Learning*, through which members share best practice information and knowledge about the functioning of the women's market, includes an annual summit (which is the flagship event) and the *All-Stars Academy*, from which activities are carried out to increase the financial services community's capacity to enter the women's market, including study tours and mentoring.

The Alliance is also incorporating impact measurement, in fact, (...) *it asks its members to produce and submit data on their gender focus activities, in order to measure impact* [MURRAY, FAW] [RUF, FAW]. It also carries out studies and guides, data analysis and advice for members to understand market opportunities and how they can take advantage of them.

The Alliance cooperates with different types of partners. *The Alliance has strategic partners such as the IDB, IFC, IDRC of Canada, etc., which have a very important role in getting more members. These institutions have programs that are a mix of financing and technical assistance for banks to access the women's market. The Alliance works in a complementary way with these institutions, which identify the clients (financial institutions), socialize the concept about the existence of a market for women, close the deal with them and encourage them to join the Alliance. Once in the Alliance, it is in charge of offering a Peer Learning community (...) Other strategic partners are foundations and ground funding institutions* [MURRAY, FAW] [RUF, FAW].

It also has knowledge partners, who provide free support. Since 2018, Mercer has been supporting various activities: they design sessions at annual summits, webinars, etc. They have been working with McKinsey for 7 years, and have helped develop the Alliance's strategy as an organization, data strategy, exploring new issues, etc. And promotional partners, such as AFI, Maxima of Holland, W20, who participate in panels, presentations, etc. [MURRAY, FAW] [RUF, FAW]



Gender bonds to finance SMEs owned or led by women

In order to offer innovative products that increase access to capital for women-led SMEs in LAC, the MDBs have introduced **gender bonds** into the market, in line with the principles of green, sustainable and social bonds to support women entrepreneurs in the region.

However, there is no standardized definition of a gender bond, unlike the bonds aforementioned, whose criteria are established by the International Capital Market Association (ICMA) (Expok, 2018).

The initiatives identified in this category are: The **International Finance Corporation's Banking on Women Bond Program** and **Banco Estado's Crecer Mujer Emprendedora** program. Other banks that have issued social bonds with a gender focus in the region are Bancoldéx of Colombia, Nacional Financiera, S.N.C. of Mexico and Caja Los Héroes of Chile.

The first gender **equality bond specifically focused on gender equality in the LAC region** has been issued very recently: a \$30 million gender bond by **Banistmo S.A.** (Banistmo, 2019) in Panama, supported by IDB Invest.

These types of initiatives are diversifying the sources of financing and attracting socially responsible investors interested in promoting gender equality, which can be an incentive for gender-focused investment in the LAC region. They also increase the visibility of the issuing banks, which position themselves as market references for other banks and their customers.

Despite their advantages, gender bonds face several challenges.

One of the most decisive is to **develop a standardized definition of gender bond**. It is true that these references are relatively recent, from 2014, but they show that the use of bonds to attract gender-sensitive investment still lack critical mass or a unified concept both at the global level and in the LAC region.

Another challenge is to **achieve large markets in order to avoid idle resources** (more capital raised through issues than demand of capital), so exploiting the potential market in each of the gender lenses is decisive.

There is also a need to promote a **greater willingness on financial institutions to experiment with this type of financial instrument**. To date, the banks that have issued gender-sensitive bonds are Chile, Colombia, Mexico and Panama, i.e. countries where capital markets are relatively large. One of the solutions applied is to frame the issue of gender bonds in social bond programs that allow diversifying the capital obtained towards more projects.

Finally, here again, there is a need for **minimum standards or criteria on the use** of the funding received by entrepreneurs and businesses, ensuring minimum criteria of decent and formal employment.



Potential roles for UN Women

- Generate accreditations and/or certifications of financial instruments and investments with gender lenses. *Certify investments in order to lower the cost of financing towards gender lenses, by reducing the risk for investors* [HOFFMAN, IFC] [ETXEGOYEN, IFC]. *Develop ratings for bonds* [LORD, BBVA] [LORCA, BBVA].
- Establish minimum compliance standards for the use of funds received through gender-sensitive investments.
- Strengthen women and men entrepreneurs to have more opportunities to access financing (information on financing, financial education, leadership skills, business training, etc.) and to expand the market for new investments. *Use their presence in the region to provide financial education to women, create opportunities and platforms for networking. Not only in strictly financial matters but also in more general skills such as leadership and, in general, contributing to women's increased self-confidence* [HOFFMAN, IFC] [ETXEGOYEN, IFC]. *Offer service packages that include funding, education, empowerment and other services. Promotion of soft skills in women that facilitate successful businesses (confidence, communication, leadership, etc.)* [GÁLVEZ, BANCO ESTADO].
- Advance in the design and implementation of comprehensive intervention models for strengthening demand, which systematically address the barriers to access financial capital, physical and technological capital, and human and social capital that women face in order to access financing, so that more financing can be channelled to their businesses. In short, to provide a holistic solution to the factors and barriers affecting women's business development. Services as basic and essential as care services for dependent persons, especially early childhood, are mentioned in this regard [ETXEGOYEN, IFC] [HOFFMAN, IFC].



International Finance Corporation's Banking on Women Bond Program

An initiative launched in 2013 to provide resources to the financial sector to support on preferential terms, companies owned or led by women, under the Banking on Women initiative (IFC, 2018), that were (a) at least 51% owned by women or; (b) at least 20% owned by women and had at least one woman in management positions and 30% of the board of directors, if any.

This was a medium-term, 5-8 year, fixed-coupon bond issuance program with impact measurement of the projects financed, to encourage investors to accept slightly lower than market returns. The method applied to measure impact was Harmonized Indicators for Private Sector Operations (HIPS0), a set of impact indicators for the financial world aligned with IRIS, developed by IFC.

This program had granted US\$ 0.3 bn in four bond issues, in Australia, Turkey, Japan and Brazil, which came to finance companies owned or led by women in some LAC countries, such as Brazil, Chile, Costa Rica, Dominican Republic and Ecuador. It was subsequently absorbed into IFC's more generic social bond program in order to avoid problems of excessive bond price volatility and to tap larger markets to diversify the capital raised to finance more projects. Currently, under the larger social bond program, *the goal is to have a gender component in at least 30% of IFC loans.*

The program is present in all Win-Win countries except Jamaica and Uruguay. In Chile they invested with Itau, in Brazil with Itau and Santander, and in Argentina they launched the trade finance program for women's SMEs. In Costa Rica an operation is being discussed with a large Central American group and there are similar talks in Colombia. Uruguay is penalized for being a small market [HOFFMAN, IFC] [ETXEGOYEN, IFC].

The bond issues that finance these programs are made in the main international capital markets.

Assessment of the initiative [HOFFMAN, IFC] [ETXEGOYEN, IFC]

Innovations introduced:

The initiative was one of the first attempts to issue themed bonds in the gender section and served to gauge the size of the potential market and the willingness of investors to take up this type of product.

Risks:

The risk of a theme bond program is twofold, that of the financed program and of the issue itself. Both must maintain a certain balance in the volumes of funding and the timescales for issuing and starting up projects. *Gender-specific bond issues are very narrow, rarely exceeding \$100 million in subscription, which is more common in social issues, and can cause problems of excessive volatility in bond prices and therefore need to be placed in issues with more general social purposes.*

Lessons Learned

It is easier to introduce the issue of gender when working with the subsidiaries of large banks and difficult to access countries where the financial market is smaller, less developed and these large groups are not present. In these countries, the previous persuasion effort is important and very intense, since the gender issue is usually not present in the financial system despite the large number of SMEs owned or managed by women. In any case, the situation in each country has its specificities, although, in general, it can be concluded that the large multinational banks are opening the way for the smaller ones.



BancoEstado's Crece Mujer Emprendedora Program

In 2016, BancoEstado de Chile issued the first social bond with a gender focus, aimed at women entrepreneurs, for US\$ 94.2 million, in order to finance, among other things, the Crece Mujer Emprendedora program. Two of the initial issues were made in the Japanese markets. Since then, 53% of its clients are women and 42% of its mortgage loans and 53% of its student loans are granted to women. Furthermore, internally, 47% of the bank's staff are women as well as 24% of the management positions (Banco del Estado de Chile, 2019).

The Crece Mujer Emprendedora Program was created in 2014 as a result of a state policy to respond to the challenges faced by women entrepreneurs. Initially, 90% of the clients are low in terms of turnover in microenterprises, later diversifying into the SME segment.

This program is based on three pillars: bringing the financial system closer to women, training and generating a network of contacts, in addition to the financial products that the bank had already been offering before the initiative was launched (current account, leasing, factoring, etc.).

It is financed by the public budget. As an extension, the Crece Mujer Activa program was born with the aim of addressing the rest of the active women, promoting their autonomy and fostering their economic empowerment (e.g.: salaried women, students or housewives).

Assessment of the initiative [GÁLVEZ, BANCO ESTADO]

Innovations introduced

Development of alliances with public and private players in order to develop the three pillars of the program.

Measuring impact through indicators. The impact was seen according to the composition of the portfolio. They set targets for the year and reported on them accordingly. *In the end they had more than 600,000 women participating in the Program.*

Knowledge of women entrepreneurs in the field. *The bank was carrying out the route of the entrepreneur, through which they were travelling around the country to find out about the situation and the needs of the entrepreneurs. Based on the result obtained, it was determined which financial products would be eligible. A wide range of products from a RUT account (which does not require income) to a business bank account, current account, leasing, factoring, etc. (for more developed businesses).*

Lessons Learned

Focus on a specific target audience to provide a value proposition. *Crece Mujer Activa in practice had it running for a while (one year of implementation). However, it was such a wide range that reaching a value proposition was very difficult and the added value of the program was not seen.*

Risks

Expect good results from the extension of the services offered by the bank to all women's profiles (not only entrepreneurs), through an additional program called Crece Mujer Activa, under the mandate of a state policy without well established initial goals.

In fact, the expansion of the program through Crece Mujer Activa to incorporate working women, students or housewives turned out to be such a wide range that it became difficult to offer a value proposition.



Banistmo Gender Equality Bond

This bond includes private placement to a single investor (IDB Invest subscribes 100%).

Banistmo markets the funds through the granting of credits and loans to companies owned or led by women, with annual revenues between US\$ 12,000 and US\$ 10 million, and having a woman as a signatory on the company's operating current account.

The initial capital invested is US\$ 50 million, with rules for tranches where at least 50% will be allocated to the trade and service sectors, and no less than 80% of the subloans will have a maximum amount of US\$ 250,000, and the remaining 20% will be no more than US\$ 500,000.

The funds from the gender bond will be allocated primarily to productive financing, working capital and leasing operations on the bank's commercial terms. Loan operations must follow Banistmo's operating processes, IDB's exclusion and measurement conditions and local environmental and social laws. The measurement of gender impact will be based on a set of indicators developed by Banistmo for this purpose.

Private equity and venture capital funds

Venture Capital (VC) and Private Equity (PE) funds invest in a portfolio of privately owned companies. They have a "General Partner", who is responsible for the fund and its administration, for attracting capital, seeking investment opportunities, managing the entry and exit of portfolio investments and reporting to members. Limited partners are the investors who provide capital to the fund, although it is very common for the general partner to do so as well.

At the global level, some of these funds have prioritized investments with gender impact, with gender-specific venture capital and private equity funds: some focus on financing women entrepreneurs and business leaders, others promote gender equality in workplaces, and still others invest in organizations that produce goods and services to meet the needs of women and girls. In other cases, their commitment to gender equality is limited to taking it into account as an investment selection criterion, but it is not part of their objectives.

Investment funds offer many capabilities to the ecosystem, as they provide resources, mobilize, concentrate and manage funding from other investors, design financial products more adapted to specific circumstances than the bulk of traditional (bank) funding, can finance higher risk projects and also adapt to specific market niches.

In the LAC region, the venture capital and private equity industry is not yet consolidated, but it is developing rapidly, especially in countries such as Brazil, Mexico and Colombia. Data collected by the Latin American Venture Capital and Private Equity Association (LAVCA) has revealed that in 2017, investments in VC in LAC exceeded \$1 billion for the first time (128% more than in 2016) (Azevedo, 2018). In the same year, the PE industry closed more than 175 operations in LAC, also reaching a record number. So much so that Latin America and the Caribbean is currently one of the most attractive regions for private capital investment, only behind India and Southeast Asia. The industry has grown over the last decade to reach US\$ 8.3 billion in 352 transactions (IDB Invest, 2019c).

However, **the gender perspective inclusion on investment funds in the region is recent and not very territorially widespread**; it is concentrated in companies with high growth potential and has a low development of angel investment and venture capital (financing at the early stages of the business cycle), and practically no private capital (financing in growth and expansion stages).

According to the Wharton Social Impact Initiative's Sage Project (Biegel and Kuhlman, 2019), which identifies and analyzes 78 private equity and venture capital funds with a gender lens, only six funds invest in the LAC region: Alpha Impact Investment Management Partners, Alpha Mundi Group, Cantera Capital, Global Partnership Social Investment, Global Partnership Social Investment and Root Capital.



And it was not until 2018 that the first VC funds with adequately quantified gender mandates were launched in the region, thanks to the efforts of IDB Invest and the Overseas Private Investment Corporation (OPIC), which have partnered to support this type of fund, whose joint initiatives are analyzed in the following section.

Apart from these, impact investment funds are among the investment funds with a gender focus that have been most developed in the LAC region in recent years. They finance female entrepreneurship which add a gender focus to the objective of economic profitability. Peru, Colombia and Mexico - the latter being the country with the most developed impact investment industry in the LAC region (Mexico Impact Investment Alliance, 2018) - are the countries where most initiatives have been developed at the local level. Among the initiatives analyzed are two at the regional level, developed by **Elevor Equity and NXTP Laboratories**.

The main advantage of this type of financing initiative is that allows **investment in many different ways**, combining debt and equity instruments in the way that best suits the characteristics of each fund and project that can be financed. This **flexibility makes** it possible to adapt to the market segments needs that cannot be reached by bank financing or stock exchanges, and other high-volume capital providers. Thus, they can be adapted to the financing needs of companies and investment projects with high risk or with additional needs to those of simple financing. Similarly, investment funds have a greater capacity to capture and mobilize savings and financial resources based on demands that would be atypical for other financial agents, such as social, gender or environmental impact. This flexibility and ability to adapt to niches is both its greatest advantage and disadvantage. In this sense, investment funds do not have the capacity to channel the volume of resources that other more traditional offerers can, such as banks, stock exchanges or brokers.

At the same time, they are able to **diversify sources of funding from different types of investors**, creating space for new investors who want to incorporate gender focus in their investments and greater stability in capital contributions. Along the line of "investment with purpose", these funds facilitate to 'gender-sensitive' investors an investment with both economic return and social impact, and/or impact on gender equality.

They open up possibilities, in turn, for **new markets for investment**, not only in women entrepreneurs (Lens 1), but also in companies committed to equality in the organization and in value chains (Lens 2), and in companies that produce goods and services that have a positive impact on women (Lens 3).

Therefore, there are many advantages in relation to this type of gender-sensitive investment initiatives. But the **challenge of attracting more investors to this type of portfolio** remains the same, since gender is not perceived as a relevant or priority issue due to the relative novelty of impact investing and lack of knowledge regarding its benefits (IDB Invest and ESADE, 2019).

This requires **more evidence** on the profitability of gender equality investing and investment opportunities, so that the "business case" can be clearly identified. *With gender, the impact is very focused on the outcome, but not on measuring impact, which is a more rigorous issue* [POSADA, ELEVOR EQUITY]. In fact, it is necessary to demonstrate the results of the investments, not only in reference to the fund profitability but also to the social and/or gender impact of their investments. In order to do so, **metrics and indicators to** measure the impacts generated are of essence.

Another challenge is to **identify quality investment opportunities**, as well as to **reduce the high costs of private investments** due to the need of incentives.



Potential roles for UN Women

- Disseminate and raise awareness on the relationship between profitability, productivity and gender equality, showing evidence and good practices. Sensitize investors to the capabilities of women entrepreneurs so that they will allocate more funds to women-led businesses. *A Harvard study says women have the same pitch, but have different results in attracting venture capital funds* [POSADA, ELEVAR EQUITY].
- Provide information, training, support and access to networks to women entrepreneurs. *Promote the collection of good practices by business associations that connect entrepreneurs with investors. (...) If you talk to the entrepreneurs, they say it's important to have a network, to have access and to connect. (...) There is a lack of some kind of mentorship, moral support, so that women entrepreneurs have more security. Mentoring and networking can give you that. Women entrepreneurs receive less support from their friends and families than men. Women are very critical, perfectionists* [POSADA, ELEVAR EQUITY].
- Promote accreditation systems for investors, financial institutions and fund managers that invest with a gender perspective. *Support investment funds with a mandate to invest in gender-diverse equipment* [CRUZ, NXT]. *Other initiatives such as angel investment and pooled funding are needed; the UN could give credibility to new women's fund ventures by creating a network and a UN seal* [KENNA, IGANIA VENTURES]. *Create a service for fund managers to have an accreditation that supports they are actively managing investments with a gender perspective* [GARCÍA-ROBLES, IDB-LAB].
- Generate networks among players to promote investments with a gender perspective.



ELEVAR Equity

It is a private equity fund manager that seeks to identify investments in developing countries, in which customer-centered impact and commercial returns are aligned.

The institution has worked in four gender impact investment funds in LAC and India since 2006, starting with microfinance, and has been diversified into education and agriculture sectors.

While it has investments that are aligned with SDG 5, it does not have a policy that requires investments to target women entrepreneurs. In fact, their eligibility criteria for selecting companies to invest in are threefold: the ability to transform businesses to scale, the intention to empower their clients to participate in markets they did not previously have access to, and the dedication to their enterprise.

However, it is a fund manager committed to equality both internally, as two of the four founding partners were women (currently two women and one man), and at the level of the enterprises in which it invests.

Recently, they have been identifying female entrepreneurs (who are part of their *pipeline*), not because they are women but because of their excellent qualities. What they have noticed in the fourth fund launched, is that they have more women entrepreneurs. *The first and second (and even the third) backgrounds are mainly men. In the fourth, the first investments have been in women. In some cases, the founding members are women, but they are not as visible as the male founders (...). Although we do not have a rule or requirement as to their investments right now, there are demands from investors for gender issues. We are measuring in the whole portfolio, which the clients are, the management team, the board* [POSADA, ELEVAR EQUITY].

Thus, this last fund, of US\$ 125 million, has more than 35 businesses in the education, health and financial services, and housing and technology sectors, out of which 25% correspond to companies founded by women.

Its investor base comes from private sources, although Elevar has also mobilized resources from commercial investors (TPG Capital), impact investors (The Rise Fund) and multilateral banks (IDB Invest). The capital invested in the four managed funds has been almost US\$ 300 million, with 12-15 investors per fund, and it is expected to mobilize approximately 10 times the capital invested by Elevar Equity, which represents US\$ 1 billion to date.

Elevar Equity applies a proprietary methodology to increase the flow of capital to address underserved clients in low-income communities, called the *Elevar Method*, which is based on five components: 1) Client: through field work to learn about the needs, priorities, challenges, spending patterns and aspirations of large low-income communities. 2) Business model: reorienting existing and coherent networks by offering affordable products and services to serve pent-up demand. 3) Entrepreneur: get to know entrepreneurs through own network, cultivated over the years. 4) Scale: it seeks to take advantage of the size of the markets in which companies operate. 5) Conservation: support to its portfolio companies in areas such as governance, strategy, contracting, organizational development, identification of operational and financial metrics and capital raising. In addition, Elevar contributes part of the capital of the investment, as it considers of importance to have a voice on the Board of Directors.

They use the Global Impact Investing Rating System (GIIRS) - impact measurement strategy- which is general in nature and not just for measuring gender impact. They are interested in *who the customer is, how to measure the benefits from the product being distributed, how to define scale and who to reach* [POSADA, ELEVAR EQUITY].

Assessment of the initiative [POSADA, ELEVAR EQUITY]

Innovations introduced:

Focused on essential services for the end customers of the companies in which they invest.

Customer-oriented and replicable approach (scale)

Early stage investment in the A series. Investors are in the minority on the boards of directors (good corporate governance, institutionalization, strategy, how to think through the different stages, etc.), but without entering into the business operations.

Lessons Learned:

Spend a lot of time in the field to understand the needs and aspirations of potential customers.

Adaptability to the different profiles of entrepreneurs with different needs and, therefore, require different types of support.

Need to limit initial investment targets (reduce them) because they will subsequently require capital for follow-on rounds.

Space for growth of the organization in the ecosystem:

Launch debt funds or other types of funds beyond venture capital funds. They are looking to increase their managed assets (overlay under management).

In terms of geography, they have the knowledge in Latin America and India, where they have the investments.

NXTP Laboratories



NXTP Laboratories is an accelerator that invests in scalable and with high growth potential in the region technology companies (NXTP, 2019), with partners are from the LAC region. They have at least two full-time members in the venture and have developed a prototype, beta or demo of their product or service. A wide range of investors are supported: the MDBs (such as IDB Lab, IDB Invest, IFC and CAF); public institutions and organizations (such as the Secretariat of Entrepreneurs of Argentina, the Trust Fund for the Development of Entrepreneurial Capital-FONDCE, the Chilean Development Corporation-CORFO and the National Institute of Entrepreneurs of Mexico); private investors (such as *Family Offices of the* LAC region) and also individual investors with recognized trajectory and entrepreneurial experience who, in turn, act as mentors.

In 2011 NXTP designed an acceleration program: training, networking, inspiration and cross-fertilization. Since then, it has invested a total of \$80 million in two venture capital funds, hoping to mobilize \$120 million for one of the funds with the aim of obtaining a market return.

To date, it has in its history 600 accelerated (but not invested) start ups and 200 invested in Argentina, Brazil, Chile, Colombia, Mexico, Uruguay.

As an impact investment fund (company B), it applies metrics for its measurement, with indicators related to the ecosystem and the companies: turnover, capital mobilized (US\$ 1 billion), direct employment generated (5,000 in LAC) and amount of indirect employment (500,000).

NXTP has a high commitment to equality. In relation to its own organization, one of the co-founders and current directors is a woman. In relation to the companies in which it invests, when NXTP started its acceleration program only 2% of the start ups in its portfolio had a woman in the founding team. *Women are in the back office (operations) and it is considered that it had to do with: mandate, lack of role model, different schedules, they had a hard time doing networking* [CRUZ, NXT].

In the absence of a portfolio of high-growth entrepreneurs to invest in, they joined forces with IDB Lab to set up the WeXchange platform (WeXchange, 2019). The company has also set up a new website, with the aim of expanding its network, accessing mentors and investors, providing training on key issues to develop its start-ups, and the possibility of participating in the Pitch Competition. As a result, 25% of NXTP's portfolio now has women on its founding team.

Its commitment to gender equality was further materialized in 2014 with the launch of the *Women Entrepreneurs' Manifesto LAC*, which consists of a series of commitments, both from women entrepreneurs to actively and successfully lead their ventures, and from the venture capital industry to diversify, promote and encourage ventures carried out by women. The manifesto is aligned with gender lenses 1 and 2.

NXTP has evolved as a company, from a digital marketing company to a benchmark for venture capital investment in the region. It currently integrates two business areas: one for corporate investment solutions through start ups (NXTP Corporate Partners) and another for venture capital investments (NXTP Ventures).

Assessment of the initiative [CRUZ, NXT]

Innovations introduced

Integration of entrepreneurs and corporations that require process innovation, product innovation or improvement of distribution channels

Specialization in Agtech⁴ and Fintech.

Lessons Learned

Need to ally with different profiles of entities: multilateral banking, public institutions and private investors of different types (large capital and small investors).

Importance of incorporating women in technology sectors and promoting founding teams with gender diversity in the portfolio.

Importance of businesses' knowledge of the LAC region. *Companies that do not have partners from the region generally fail because they do not know the region's idiosyncrasies.*

Space for growth of the organization in the ecosystem:

Consolidate the two new business areas: NXTP Ventures and NXTP Corporate Partners

Support start-ups for their growth. *This year's decision (2019), to put in a basket the expertise and knowledge of how to call for start-ups, how to support them, select them, how to build communities, networking.*

Technical assistance to financial institutions for the structuring of investment funds. *NXTP has made the first fund of 8 Argentine banks to invest in start-ups.*

Opening of new markets to invest in. *In addition, they are launching the first blockchain technology adoption and*

⁴ Application of new technologies to agricultural systems.



Difficulty in carrying out start up acceleration programs. *acceleration program for companies that are offchain.*
Currently the business of acceleration is not viable because there are many costs. It is necessary to seek, through governments, possible sponsors or charge the entrepreneur.
Be an investor to make the investment work. *Having 'skin on the game' (being involved in the investment) to make it work.*

IDB Lab WeXchange

IDB Lab (formerly MIF) is the innovation laboratory of the IDB Group. It mobilizes funding, knowledge and connections to catalyze innovation for inclusion in LAC, develops innovative projects and early stage ventures with potential to generate large-scale impact. It has funded over 2,300 projects worth US\$ 2 billion since 1993, and is one of the most active funds in the Latin American area with active participations in 50 funds.

At IDB Lab, gender equality has been incorporated as an aspect to be valued in direct investments (through investment funds), particularly in regards to the presence of women in the management team. In fact, the WeXchange initiative was born because IDB Lab, as a venture capital fund investor, did not have many companies led or co-founded by women in its portfolio at the beginning of this decade. After conducting interviews with a number of players in Europe, Latin America and the United States, the needs of women entrepreneurs were identified: specific mentoring, training, spaces for visibility and access to investors, and networking with successful women entrepreneurs.

WeXchange is a platform for connecting entrepreneurs and investors. It was launched in 2013 at an annual two-day event for STEM (science, technology, engineering and mathematics) entrepreneurs in the LAC region to expand their network, access mentors and investors and training, and with the possibility of participating in a Pitch.

Over the six editions held, it has brought together more than 1,600 entrepreneurs, mentors, investors and experts from 24 countries. In the sixth edition, held in Lima (Peru), the data were: 206 entrepreneurs, 427 participants, 13 countries represented, more than 1,000 views in web streaming, 60 panelists, investors and mentors and 17 sponsoring or collaborating entities.

Assessment of the experience [GARCÍA-ROBLES, IDB LAB]

Innovations introduced

It is an event specifically aimed at female entrepreneurs (although only STEM profile).

A positive effect is the feedback over time: successful entrepreneurs inspire new entrepreneurs and become investors as well.

Putting the focus of investors on the gender approach (lens 1), associating women and profitability, getting more and more funds to analyze their portfolio, identify the number of companies with women leaders and get that figure published (call effect).

Lessons Learned

You don't have to focus on the prizes. The pitch competition seeks to make ventures visible, but the prize is not in cash because the entrepreneurs are not expected to become "professional competitors", but to make their business grow. Avoid the creation of a "women's club". In fact, the *male co-founders of the companies that present themselves are also invited to the WeXchange events (...)* The male presence is also sought in the presentations and the jury of the event.

Risks

Let it stay just as an annual event. In order to ensure continuity beyond this point, the IDB Lab is collaborating with different types of players: the Universidad Austral (in Argentina, Peru, Colombia and Ecuador), so that women who participate with them can prepare their pitch throughout the year; women's entrepreneurship programs, such as WISE (Women in Stem Entrepreneurship) or Endeavor's Most Entrepreneurial and Her Business programs; and angel investor networks.



IDB Invest and OPIC Investment Fund

As previously noted, in 2018 IDB Invest and OPIC have created the first gender-focused investment fund in Latin America, the **Women's Fund**, to invest in women entrepreneurs, companies with a significant percentage of female leaders and companies that generate jobs or consumer products for women, thus covering all three gender lenses with an indicative target of 30% in debt and 70% in equity.

The Fund, which is still being set up (IDB Invest, 2018), aims to raise up to US\$ 200 million, out of which the promoters are jointly contributing with US\$ 60 million. In September 2019, Fondo Mujer signed a first operation with two Colombian funds, MAS Equity Fund IV and Altra Fund III, which will invest in businesses owned or led by women, or that support women in the region. Both projects are subject to IDB Invest and OPIC's comprehensive review and approval processes prior to completion.

The Women's Fund will support the IDB's Women Entrepreneurship Banking and its commitment to increase women's economic empowerment. It will also be part of OPIC's 2X Women's Initiative, which will mobilize \$1 billion for projects that support women in developing countries.

This type of fund allows for the incorporation of sources of concessional capital (under better than market conditions in terms of interest rates, repayment terms or grace periods) and sources of commercial capital (aligned to the market), according to the needs detected. For example, credit lines to facilitate access to finance for women entrepreneurs (under lens 1), and risk capital investments for companies committed to equality or the production of goods and services with a positive impact on gender (under lenses 2 and 3).

In addition, they make it possible to **diversify the sources of financing** to different types of investors with an explicit interest in promoting the gender approach. In this sense, they also become more demanding in measuring results and impact, as this is a tool to enable informed decision-making for investors and ensure that investments are directed to the desired goal.

They also make it possible to **work with different players** to promote financing (with banks and financing entities) and to mobilize investments (with investors and investment fund managers). The **challenges** identified for this type of initiative are related to:

- **Collect actual data on women entrepreneurs' needs, behaviours and preferences to develop appropriate financial products, measure risks and establish returns that do not compete with commercial investment.** *This innovative financing mechanism is a challenge because of its scope in terms of mobilizing investment and territorial implementation, as it requires going down to the field to collect real data on preferences and needs of women entrepreneurs, in contact with local players, to develop appropriate products, to join in the products or vehicles sources of more commercial concessional capital to diversify products according to identified needs, to measure risks in different places and to establish a reasonable return so as not to discourage commercial investment in the countries [LEVESQUE, FIN DEV].*
- **Obtain well-documented information on gender impact** of their investment portfolios, allowing them to know which investment strategies are working and which are not, and the reasons why, and to inform about their investment decisions.
- **Bring the world of finance closer to gender equality** in order to promote the design of gender-sensitive financial instruments and investments. *Bringing together a team of gender experts and finance specialists to design structured finance products and vehicles [LEVESQUE, FIN DEV].*
- **Promote further this type of funds** to continue with the market expansion.



- **Make the demand visible and differentiate it**, particularly in relation to lens 2 (companies committed to equality), while applying criteria that are not too strict with regards to the eligible companies if a broad market is to be generated.

Potential roles for UN Women

- Conduct studies to learn about the needs, behaviors and preferences of women entrepreneurs in the LAC region. *Get to know the entrepreneurs by working with banks on products and truly defining the entrepreneurs needs. Understand women's products and market gaps, look for women's preferences and behaviours* [LEVESQUE, FIN DEV].
- Provide training to the financial sector so gender approach can be incorporated in their products and services design.
- Support the development of gender impact metrics for investments.
- Identify gender-sensitive investment opportunities in the region to open new markets and attract new investors.
- Support the development of tools to make visible and highlight companies that promote gender equality.
- Raise awareness and advice the financial sector on gender equality to promote new tools and investments with a gender perspective.

Fondo Mujer

In 2018, the IDB Invest and OPIC created the first gender-focused investment fund in Latin America, Fondo Mujer, to invest in women entrepreneurs, companies with a significant percentage of female leaders and companies that generate jobs or products for women, covering all three gender lenses, with an indicative target of 30% in debt and 70% in equity.

The Fund, which is still being set up (IDB Invest, 2018), aims to raise up to US\$ 200 million, out of which US\$ 60 million come from promoters' joint contribution. In September 2019, Fondo Mujer signed a first operation with two Colombian funds, MAS Equity Fund IV and Altra Fund III, which will invest in businesses owned or led by women or that support women in the region. Both projects are subject to IDB Invest and OPIC's comprehensive review and approval processes prior to completion.

Fondo Mujer will support the IDB's Women's Entrepreneurship Banking (supporting women-led businesses) and its commitment to enhancing women's economic empowerment and will also be part of OPIC's 2X Women's Initiative, which will mobilize \$1 billion for projects that support women in developing countries.

2X Challenge

An initiative led by the G7 DFIs, and supported by private sector investors and other non-G7 DFIs (Swedfund and Finnfund, FMO Netherlands, IFU Denmark), to catalyze US\$ 3 billion to provide women in developing country markets with access to leadership opportunities, quality employment, financing, business support, and products and services that promote economic participation and equal access (the three gender lenses).

To date, US\$ 922 million has been mobilized. For ongoing projects, whether loans or equity, DFIs use local partners and intermediaries from their own networks, whose projects qualify under the eligibility criteria for all three lenses established under the initiative (2XChallenge, 2018), namely:

- Company owned 51% by women or founded by women (lens 1)
- 20-30% of women in management or more than 30% in council (lens 2)
- 30-50% of women in the workforce in addition to quality criteria (lens 2).



- Products or services that benefit women (lens 3)

- In the case of intermediaries, 30% of the value of the loan or portfolio of companies must meet these criteria.

The expected financial return and the payback period depend on the financial vehicle (investment fund, bank credit line) and the financial intermediary (signatory of the agreement). For example, for FinDev Canada, the expected cycles are three years for recovery and reinvestment of profits. The method of measuring the impact also depends on each investor. In the case of FinDev Canada, the compliance of each vehicle is analyzed based on four metrics: female entrepreneurs, female leadership, female employment and female consumption, which will be verified by the investor in each case.

Assessment of the initiative [LEVESQUE, FIN DEV]

Innovations introduced:

Launch of an investment fund with the three gender lenses by a group of DFIs.

Financing channelled through different types of financial vehicles: credit lines (debt) and investment funds (equity).

Risks:

Discourage commercial investment with concessional financing (on advantageous terms).

The lack of need for many entrepreneurs to formalize due to fear of taxes, or greater obligations, which makes it difficult to find demand in which to invest.

Very demanding eligibility criteria in the case of lens 2 which can be a barrier to finding companies to invest in. *OPIC and 2X had criteria so strict that no one could apply or meet them [KENNA, IGRIA VENTURES].*

Lessons Learned

Not being afraid of the field, there is a lot of interest in investing with gender lenses, being quick and facing opportunities without being afraid of the probability of success.

Search for real needs ("reality checks"), based on the preferences of women entrepreneurs and incorporating direct contact with local agents.

Space for growth of the organization in the ecosystem

To be a voice in the gender investment industry, to play a catalytic role.

Philanthropic capital, donations and grants to finance business ventures and MSMEs

Philanthropic resources, donations and grants are distinguished by their non-reimbursable nature and are often managed by foundations or large international development cooperation programs. In the international cooperation case, programs that offer this type of financing usually have a high political commitment from the beneficiary countries governments.

In this chapter, the **AL INVEST initiative** has been analyzed. It is one of the European Commission's most important international cooperation projects in Latin America, aimed at promoting the internationalization and boosting the productivity of micro, small and medium-sized enterprises (MSMEs) in Latin America.

The major strength of this type of initiative is that it establishes alliances with institutional bodies in each country, such as Commerce Chambers and business organizations, which are aware of the characteristics and local demand, and act on the ground.

However, they have to face the challenge of fully **incorporate the gender approach in their programs design**, in order to facilitate more financing to women's entrepreneurship and businesses, as well as to **involve more local organizations in**



the management of the initiative to further expand the scope of their services and financing and so reach more entrepreneurs and businesses.

Potential roles for UN Women

- *Disseminate information on productivity and profitability increases in women-led businesses [FAVARETTO, AL INVEST].*
- *Advise on practical tools for business capacity building [FAVARETTO, AL INVEST].*
- *Generate networks among players to promote investments with a gender perspective. Link with other organizations for communication events and business forums or networking [FAVARETTO, AL INVEST].*



AL INVEST 5.0

AL Invest is a consortium of eleven international organizations, which lead the management of the project, with Eurochambres and the coordination of the Chamber of Industry, Commerce, Services and Tourism of Santa Cruz, Bolivia (CAINCO).

It is currently in its fifth phase.

AL INVEST 5.0 started began in 2015 and has a budget of 25 million euros, which includes a program of non-refundable grants of at least 15 million euros for the promotion of associative organizations for the final beneficiary (SMEs).

This phase of the program has already served 34,000 companies in 18 Latin American countries, through 110 organizations in 67 partnership and business promotion projects.

Despite not having a strategic axis dedicated to gender equality, it does incorporate gender equality criteria among its actions and eligible organizations and companies. Thus, the gender impact of the program is proving to be significant, at 38 per cent.

Through the program, grants are provided to business and trade associations and organizations for projects that include business advice to improve domestic and export marketing channels. Women-led businesses are provided with services on three levels: awareness raising and networking, network building for empowerment (4,400 women) and *mentoring* (1,700 women). While they do not use a gender impact measurement metric, they do measure from social impact and beneficiary data.

Assessment of the initiative [FAVARETTO, AL INVEST]

Innovations introduced:

It offers non-refundable support services to entrepreneurs organized around business networks (associations, chambers, etc.).

It facilitates the creation of sectorial nuclei of integral support to SMEs with a previous diagnosis and plan.

It incorporates three levels of support for women entrepreneurs: awareness raising, empowerment networks and mentoring scheme.

It includes the commitment to gender equality from the funding international bodies.

Lessons Learned:

The multiplier effect of the networks of improvement of commercial channels provokes productive improvements in groups of companies and promotes a sense of development that includes production. *The advantages of group work. Women entrepreneurs who needed support to access commercial channels end up reaching further thanks to mentoring.*

It is necessary to improve the access to bank financing beyond microcredit to underpin the operational improvements promoted by this project.

Space for growth of the organization in the ecosystem:

Expand actions to include specific lines for women entrepreneurs and for companies led by women.



Crowdfunding platforms

Although it may not be expressly considered as a financial initiative, crowdfunding platforms are referred to because of their potential within lens 1.

Crowdfunding platforms attract funds from different sources: donations, incentives, debt or equity. They can be accessed online and offer a wide variety of investment opportunities with very low/minimum contribution amounts. They may specialize in a particular sector, region or other defining aspects and usually result in a large number of investors raising capital to start a business. They usually have a leader or a group of investors with a more active role.

Crowdfunding platforms occupy a prominent position in the GII ecosystem. According to Women Effect (Women Effect, 2016) collective financing platforms have mobilized more capital for GII than any other channel, including venture capital funds and angel investment (estimated to mobilize over \$34 billion globally by 2015). Women investors have also a greater preference for this type of platform than other investment vehicles.

A relevant example of gender-sensitive crowdfunding platforms is **Catapult** (<http://catapult.org>) which was launched in 2012 with the support of Women Deliver and has so far sponsored over 400 projects in 86 countries impacting the lives of over 1.7 million women and girls. 100% of the donations received through the platform are orientated to projects that support the rights and development of women and girls. The typology of projects seeking funding through Catapult, focuses on four areas of action: education, gender violence, reproductive rights and economic empowerment.

These **platforms have significantly increased** their presence in the region by 164% between 2014-2015, with a transaction volume that reaches US\$ 110 million and 66% of this amount directed to finance SMEs They constitute an alternative financing resource for companies that cannot access traditional bank financing (Herrera, D., 2016).

Taking into account the impact on women entrepreneurs, the analysis shows that on average for Latin America, 7% of the projects led by women were successfully financed under this modality, *versus* 2% led by men, while in Central America the difference was 13% *versus* 6% for men.

Also, in LAC women have a greater participation both as promoters/collectors and as investors/donors than in the United States and in Asia Pacific (APAC), which are larger and more mature markets for alternative financing. However, men still represent the majority of participants in these platforms (IDB Invest, 2017).

Being an alternative financing route to the more traditional ones, there is still a way to go in order to provide more knowledge and data on the financing needs of women's entrepreneurship and businesses and on the benefits of gender equality for potential investors. There is also work to be done in regards to encouraging and promoting among the entrepreneurs themselves, more active participation in this type of platforms.

Potential roles for UN Women

- Generate data and research on the relationship between equity and profitability for potential investors.
- Inform and raise awareness among entrepreneurs about this type of platform and its advantages.



Instruments and players for women entrepreneurs and businesses capacity building

In the innovative financing field, the inclusion of gender approach in organizations that build capacity and support entrepreneurs (such as accelerators, incubators, mentoring programs and networks of women entrepreneurs) is highly focused on social and impact investment, and on supporting start-ups, innovative companies and companies with high growth potential.

These types of players show a growing involvement with gender equality in the region (GEM, 2016) and are supporting the wider possibilities of investments for more companies led by women or with a presence of women in leadership positions, providing them with tools to generate more diversified and solvent businesses, linked to innovations related to the empowerment of leadership and self-assertion skills, training in entrepreneurial and business management issues and facilitating access to networks and market opportunities. In addition, they show an internal commitment to gender equality, incorporating criteria of female leadership and gender equity among their staff.

For example, some incubators and accelerators specialize in providing services only to women entrepreneurs and women's businesses. In addition to focusing their support on women-led businesses, they can be an influential player on gender issues, setting an example in relation to gender diversity and integrating the gender approach in all ventures they support (Women Effect, 2016).

In the LAC region, the ecosystem for starting a venture (in which accelerators and incubators are a part of), is underdeveloped. However, there are some examples of networks and accelerators with a gender focus such as **Agora Partnership** or **NXTP Laboratories** (IDB Invest and ESADE, 2019). These types of platforms often work in partnership with angel investor networks in the region, and thus have an important influence on including the gender approach from the early stages of the businesses in which they invest.

Also, since the 1980s, mentoring and training programs have been created for women entrepreneurs (Women Effect, 2016). This group has recently been joined by platforms that bring together women entrepreneurs with mentors and advisors, either in person or online.

There are also platforms that are not specific to women but nonetheless offer very useful knowledge to support them in their process of entrepreneurship and business management.

In the LAC region, the growing awareness of gender equality among the different players involved in the entrepreneurial process has led to creating numerous networks and organizations aimed at developing capacities for women entrepreneurs or establishing links and connections among women entrepreneurs and with mentors and investors (IDB Invest and ESADE, 2019).

Among the initiatives analyzed in this category, there is one located in the region, **Start Up Chile of CORFO**, in addition to **NXTP Laboratories and IDB Lab**, which have been previously analyzed. There are also three examples at the international level, such as **The Young Foundation's Gender Futures**, the **Royal Bank of Scotland (RBS) Women's Grants Program** (both in the UK) and Morgan Stanley's **Multicultural Innovation Lab** in the United States.

A strong point of this type of experience is that it considers gender focus inclusion on the design of specialized programs aim at improving the financing possibilities of women entrepreneurs and companies committed to equality. It also provides them with tools to generate more diversified and solvent businesses, linked to innovations related to the strengthening of leadership and self-affirmation skills, training in business and management issues and facilitating access to networks and market opportunities.



They also show that gender focus inclusion in organizations is a sound criterion, both capacity builders and the enterprises they serve, and in the programs designed, which is generating positive outcomes on the possibilities for investing.

However, certain challenges still remain to be addressed in this context, such as:

- **Involve more players from the entrepreneurial ecosystem** with gender approach inclusion within their organizations, programs and companies they work with, in order to offer services adjusted to the specific needs of women entrepreneurs, as well as to extend the territorial scope in the region.
- **Deepen the knowledge of the demand** and its needs and barriers.
- **Know in detail the range of available financing** to allow them understand requirements, criteria and procedures of accessing either financing or investment, so they can also prepare the demand considering the investor's perspective.
- **Give momentum to this change of trend** towards the gender perspective inclusion in capacity-building activities for women entrepreneurs and businesses, not only to reach out more players linked to innovation and more countries in the region (since it is located in very few countries), but also to other players in the entrepreneurial ecosystem who work with other profiles of women entrepreneurs and businesswomen.
- **Sensitize investors to gender equality.** *Right now, investors are not asking for gender perspective, but focusing on profitability and the things they most look at in Due Diligence is the composition of the team. (...) Sometimes investors (or fund managers) ask women for a "plus", which is not asked to men. It might be interesting for fund managers to incorporate that perspective [FERNANDEZ, START UP].*

Potential roles for UN Women

- Conduct studies to learn about the needs, behaviors and preferences of women entrepreneurs in the LAC region. *Considering that, in this case, action is a public policy, it would be interesting if UN Women could influence that aspect with governments. For example, it would be very useful to provide structured diagnostics [FERNÁNDEZ, START UP].*
- Strengthen women and men entrepreneurs' ability to find more opportunities to access financing (information on financing, financial education, leadership skills, business training, etc.) and to expand the market for new investments.
- Identify and disseminate good practices on training for women's entrepreneurship and businesses that can be a reference for other players in the ecosystem.



The S Factory of Start Up Chile

Start Up Chile is a pre-acceleration program for start-ups led by women and social entrepreneurs launched in 2010 by the Chilean Government's Production Development Corporation (CORFO), which is the agency of the Government of Chile, a multi-sectoral body responsible for promoting national production and fostering regional economic growth.

The S Factory was born in 2015 as a response to the lack of women's representation in Start Up Chile's Seed program, which had only 5-7% of new companies led by women, and to promote the scarce presence of women entrepreneurs in the world of technology and in company teams, as it has been observed that this produces better results.

It is a pre-acceleration program for start-ups, looking for early stage projects, with a technological base and global potential, offering four months of start-up training (workshops and training by experienced entrepreneurs and mentors) and up to 20 thousand US\$ of free participation subsidy, in order to empower the entrepreneurs and convince the investor.

Start Up Chile has an internal management indicator associated with gender: 40% of people participating in its programs are women, which is linked to incentives. In fact, since 2018, CORFO has set three strategic objectives for all its programs, which are digital transformation, gender equality, and triple impact. However, Start Up Chile had already anticipated this gender indicator [FERNÁNDEZ, START UP].

The S Factory does not deal with investors financing, as it is a pre-acceleration program. However, in addition to connecting with the Seed program, which is more focused on attracting investments, StartUp-Chile maintains and energizes an "Investor Club" with up to 60 members, with no charge for membership, asking for active involvement and participation in the events they organize (Investors Lab, Finance Circle, Demo days) and giving feedback to the investment projects sent to them. Also, it has a network of mentors and entrepreneurs (Founders Lab), who provide support to the programs.

CORFO has mobilized a total of US\$ 54.5 million in Start Up Chile, which has made it possible to mobilize up to 18.3 times this investment, US\$ 998 million, achieving a survival rate of 76.7% of startups.

Start Up Chile is exclusively a nationwide initiative due to its governmental nature, although it attracts entrepreneurs from anywhere in the world, as it is possible to apply for a Visa Tech when participating in the program. It is nonetheless, part of an experience replicated around the world, including countries in the region, for example, Start Up Jamaica or Start Up Brazil, and has numerous of international recognitions as an incubator/accelerator.

Assessment of the initiative [FERNÁNDEZ, START UP]

Innovations introduced

Specific program to empower women entrepreneurs.
As an incubator, have a management indicator in place:
40% of entrepreneurs must be women.

Lessons Learned

Understanding of business incubation as a public policy, with governments as relevant players in the ecosystem.
The success of women entrepreneurs in attracting investment has to do with the presentation they make. This aspect of presentation ("pitching") is worked on especially with women, so that effort can be noticed when it comes to pitching.

Space for growth of the organization in the ecosystem

Positioning at the country level.

Perhaps focusing only on lens 1 is just the first step, and the gender impact should be further explored to address lenses 2 and 3 (...) They have worked very specifically on lens 3, for a pap smear and women's health project.

The Young Foundation's Gender Futures

The Young Foundation in the United Kingdom is an independent research organization accredited by UKRI, a social investor and community development practitioner, whose objectives are to highlight the power of social innovation to address and mitigate the structural causes of inequality. This is the new name of the former ICS Institute for Community Studies, founded in 1954. It merged in 2005 with the Mutual Aid Centre.

The Gender Futures initiative is a network of Impact Investors and Gender-Sensitive Investors, which focuses



specifically on identifying and promoting enterprises that address structural gender inequality, social innovation, and the creation of a centre of excellence and potential fund for gender-lenses investment.

This initiative was born to address gender gaps that still persist in the country, such as a 19% salary gap in favour of men, a 65% harassment rate for young LGBT people and an 80% share of men in the university faculty.

The first report published as part of this initiative by the Foundation, was the study "The sky's the limit. Increasing social investment impact with a gender lens", published in 2016 on investments with a gender lens.

Inspiring Women in Enterprise Grant Funding Program of Royal Bank of Scotland

Inspiring Women in Enterprise Grant Funding Program is a program launched by the Royal Bank of Scotland in 2012. This program consists of non-refundable grants for the training of women entrepreneurs, which are provided to civil society entrepreneurship support entities, non-governmental organizations (NGOs) and local community development associations.

Over the three-year duration of the program, 2012-14, three rounds of £500,000 per year (£1.5 million in total) were scheduled, with maximum grant packages of £50,000 per organization. The packages were awarded in a mixed procedure of merit-based competition and public internet voting. During this period, the Program trained and advised more than 33,500 women to explore the world of entrepreneurship (exceeding its objectives by 142%), reaching more than 56,625 final beneficiaries, with job creation results of 1,682 direct jobs and 2,173 new business ventures.

Morgan Stanley's Multicultural Innovation Lab

Multicultural Innovation Lab is a venture capital accelerator program for start-ups, created in 2017 by Morgan Stanley, a financial company that develops its activity as an investment bank and stock broker.

It is a program that aims to address funding gaps for entrepreneurs and owners of multicultural businesses and women, through an intensive six-month stay at MS headquarters in New York for ten candidate start ups, who need support in relational aspects (networking), mentoring and financing (from seed to the different rounds of A/B/C funding).

The Laboratory provides office space, materials, access to bank relationships and, above all, mentoring in terms of business model and financing, which would culminate in investments in the companies' capital by MS and other investors. It also organizes an annual round of multicultural business leaders' conferences that can motivate candidates and attract investors to each project.

The main challenge faced by the initiative is the detection of projects that meet the ideal conditions recommended by the Lab: 1) female manager, director or partner; 2) company in technology-related environments and with capital in phase from seed to B series; 3) successful in raising seed capital and friends, family; 4) product launched and with income, and; 5) commitment of headquarters in the offices of Morgan Stanley during the six months of acceleration. There is also the risk of failed ventures due to a lack of commercial impetus or validity of the management model.



Analysis of experiences in Lens 2

Investment initiatives in listed companies committed to gender equality

Investment funds in female founded companies and with women in leadership positions

Training and networking experiences

Investment initiatives in listed companies committed to gender equality

Investment in listed companies has increased worldwide in recent years through different types of assets, including exchange-traded funds (ETFs) and gender bonds in listed companies.

According to a survey conducted by Morningstar Financial Data Analyst, out of the 458 ESG (*Environmental, Social and Governance*) funds in the United States, 15 funds and ETFs are already dedicated to companies that care about gender equality. In the LAC region, gender bonds have not been yet issued to invest in companies committed to equality, but some investment funds have been developed in listed companies that are signatories of the WEPs.

Among the initiatives analyzed related to these listed companies, there are two distinct groups.

On the one hand, there is a large group of investment funds from various territories that invest in companies that have signed the WEPs, companies that appear in the Equileap or Bloomberg gender indexes or other listed companies with a significant presence of women in management positions and/or on boards of directors. The funds located in the LAC region are the **BB Ações Equidade of Banco do Brasil** and the **COE fund** structured by **Ágora Investimentos of Bradesco Banco**; in Europe, the French fund **Valeurs Feminines of Conseil Plus Gestion**, the **Lyxor Global Gender Equality (DR) UCITS of Lyxor fund (Société Generale France)** and the **Mirova Women Leaders Equity Fund of Natixis Investment Managers**, both based in Luxembourg, the **Santander Equality Acciones, FI, fund of Santander Asset Management** in Spain, the **UBS Global Gender Equality UCITS ETF fund of UBS Asset Management** in Switzerland and the **Nordea 1 - Global Gender Diversity fund of Nordea Asset Management** based in Finland; and in the United States, the **Veris Wealth Partners' Women's Listed Enterprise Inclusion Fund**.

On the other hand, the **Gender Equality Bond of QBE Insurance Group of Australia** has also been analyzed, as it is the reference initiative in this matter at a global level.

These types of initiatives make it possible to attract socially responsible investors who are interested in promoting gender equality. In this case, there has to be a purposeful investing to reward listed companies that have a good performance in terms of equality.

As previous investment initiatives show, the existence of tools that allow investors to evaluate the enterprises' gender equality performance is to encouraging purposeful investing. Among these tools, in addition to the UN Women's Empowerment Principles (WEPs), already presented in the previous chapter, there are **corporate sustainability indices that include gender indicators**.

In the LAC region, there are **four trade gender indicators indices**: the Dow Jones Sustainability Index for MILA (Latinamerican Union Market), which covers companies in Chile, Colombia, Mexico and Peru; the IPC Sustainability



Index for Mexico, the Corporate Sustainability Index (ISE) for Brazil; and the Chilean Sustainability Index, popularly called the Dow Jones Sustainability Index for Chile. There is also a **non-commercial index**, IndexAmericas, which lists the 100 most sustainable listed companies operating in the region. These indices are supplemented by the Dow Jones Sustainability Index (commercial), which is global however includes companies with presence in LAC.

In addition, there are more specific gender equality indices. This is the case of the **Bloomberg Gender Equality Index**, based on information collected from companies, which includes indicators that measure results related to equal pay and the number of women in leadership positions, employment policies, capacity to create products and services for women and community commitment. The Bloomberg 2019 index includes several LAC-based companies and banks and corporations with significant presence in the region (IDB Invest and ESADE, 2019).

Other indices that have proved useful for portfolio selection in some of the investment initiatives mentioned are: the **Equileap gender equality index for the** QBE Insurance group's gender bond, to which the **Pax Ellevest Global Women's Index is added**, which corresponds to two of the initiatives analyzed. However, it should be noted that neither includes companies based in the LAC region.

However, in the LAC region investment initiatives in listed companies committed to gender equality still require extensive development. In the case of both ETFs and gender bonds in listed companies, the range is limited by the depth or breadth of the market which if not wide enough, can be detrimental to more conservative investors. Therefore, **the challenge is to have a critical mass of listed companies potentially targeted**, under relatively strict criteria in terms of accredited gender equality, if they want **to be launched in the LAC region**.

In this sense, one solution could be to increase the portfolio of WEPs signatory companies. It is also necessary to select those that have a good business case, with potential for revenue growth and stock appreciation. *Behind the thematic concept (gender equality), we have to create something good in return for our investors. We wanted a product on the shelf that would also be competitive in the market,"* says Jorge Ricca, head of BB Equidade and other thematic funds at Banco do Brasil (Banco do Brasil, 2019a). The European Commission has also decided to propose to the Council of Europe, a new fund to be set up for investment in listed companies that are signatories to WEPs.

It would also be important to have a gender equality index for the LAC region, capable of providing tools for investors to evenly evaluate the performance of listed companies and to also help make these companies more visible, in order to expand their market potential for investors.

Finally, it is necessary to increase the investment capacity of gender bonds beyond financing women entrepreneurs and companies owned or led by women (lens 1), an area where most progress has been made towards investment in companies committed to equality (lens 2), by developing tools to make this market visible, and with a possibility to differentiation.

Potential roles for UN Women

- Support the development and application of tools to make visible listed companies committed to equality and help differentiate them as an investment market for purposeful investors.



BB Equity Shares of Banco do Brasil

BB Ações Equidade is a 'parent fund', developed and managed by Banco do Brasil, launched in September 2018 to offer investors above-average financial returns by investing in Brazilian companies that adopt policies to value and promote the role of women in the corporate environment. It is a fund with a diversified portfolio, with companies adhering to the United Nations Women's Empowerment Principles (WEPs), belonging to 14 sectors and with significant weight in retail and consumer goods.

It is divided into two funds, BB Ações Equidade FIC and BB Ações Equidade Private. The first focuses on the retail public, anyone with at least \$200 in their wallet can apply. But it charges more: a 2% administration fee and a 20% performance fee (in revenues beyond Ibovespa). The other fund targets wealthier clients, with a minimum investment of more than \$25,000, but charges less for services: the administration fee is 1% and there is no performance fee. As a result, private quota holders end up making a little more profit. From January to June this year the yield was 17.40% (against 16.93% for the retail fund).

As for the fund's operations, half of the valuation weight comes from the equity policies and the other 50% from the internal valuation of profitability criteria. From there, a ranking is elaborated and the papers that will be part of the fund are chosen. *This is the fund's system*, says Jorge Ricca, head of BB Equidade and other thematic funds at Banco do Brasil.

In ten months of operation, the fund has invested in 18 companies listed on B3 SA signatories to the WEPs, including Brazilian companies such as the banks Itaú, Bradesco and Banco do Brasil (together, these represent 20.7% of the portfolio) and the oil company Petrobras (8.3%), reserving 5% of the portfolio for companies abroad (the so-called Brazilian Deposit Receipt - BDR), such as Microsoft and Tiffany & Co. The result has been an investment of R \$214 million.

BB Ações Equidade aims to reach an equity of around R\$200 million in three years, says the CEO of Banco do Brasil, Paulo Caffarelli. In addition, the performance so far has been above the market average.

The fund as BB Equity has a high risk, 4.4 on a scale from 1 to 5, where 5 is the highest degree of risk.

(Banco do Brasil, 2019a)

Bradesco COE Bank (structured by Ágora Investimentos)

The COE (Certificate of Structured Operations) fund, issued by Bradesco in March 2019, has a minimum investment value of R\$10,000. It has invested in four listed companies: Brazilian corporations with a high presence of women in leadership positions. One of them has a female CEO, three of them have more than 35% women on the Board of Directors (one reaches 45%), and two of them reach 20% or more women directors.

The fund has a maturity period of two years, with an expected return between 6.25% and 7.75%, accumulated over the quarter and according to five possible scenarios that depend on the evolution of the four assets in which it is invested.

The COE is classified as a "protected face value investment" and therefore, it offers investing opportunities without the risk of losing the invested capital.

Since returns are linked to the percentage change in the underlying asset, the performance of this investment may result in lower rates than other fixed income indices, and may even not be profitable, depending on the scenario. The negotiated return and capital protection conditions are valid only for the maturity of the COE.

(Bradesco, 2019)

Valeurs Feminines of Conseil Plus Gestion Fund

It is an investment fund in listed securities of European companies with a significant number of women in senior management positions (Lens 2) and companies producing goods and services for women (Lens 3), operating in France. Its main investments are stocks (90.6% of the portfolio), bonds (3.5%), short-term liquid assets (5.5%) and others



(0.4%).

This fund is small compared to others (less than 9 billion) and has a relatively high risk (5 on a scale of 7), because it is a listed investment fund (and this type of fund is always risky) and because it is limited to a relatively small number of companies in which to invest (just over a hundred).

The fund managers analyze European listed companies, usually very large and multinational companies, according to the presence of women in their management bodies and select those with a greater presence. They also select those companies whose products are basically aimed at a female audience (Inditex, L'Oreal, etc.).

The approximately one hundred companies that meet these requirements are monitored and, as the fund's analysts see possibilities of revaluation of their shares, they invest on them (or disinvest if they foresee a loss of value) to seek the highest possible return for the fund, which is qualified as venture capital. Depending on how the share price in which the fund's portfolio is invested develops, its shares will increase in value and together with it, the price of the units in the fund. The recommended length of stay in the fund is five years. No gender impact measurement is performed.

Lyxor Global Gender Equality (DR) UCITS of Lyxor (Société Générale France)

Lyxor is an investment firm specializing in exchange traded funds (ETFs) since 2001. They started when the ETF market was just starting to take off, becoming pioneers and the oldest ETF provider in Europe. It is also currently one of the most important suppliers in this investment market.

Lyxor, as a signatory to the Principles for Responsible Investment since 2014, is committed to aligning its investment opportunities with objectives that promote gender equality. That is why in 2017 it launched an ETF ESG, a Luxembourg physical replica SICAV available on Euronext Paris with a TER of 0.35%, which invests only in companies committed to women that develop their share of power, influence and remuneration in the workplace.

To build an ethical ETF that would allow investors to channel money to companies most committed to equality, Lyxor chose to use data from the gender equality research organization Equileap. In partnership with Maastricht University's Sustainable Finance Group, Equileap has created one of the most comprehensive databases on gender equality in business. The research conducted investigates the commitment and actions of large-cap companies towards gender equality, and allows Equileap to compile scorecards, reports and indexes on gender equality.

The gender equality index used by Lyxor is compiled by Equileap and the German index provider Solactive. In order to be eligible for the index, a company must have a market capital of at least \$2 billion, be listed in one of 23 developed countries and be leading change on the gender equality front. The index also takes into account traditional ESG metrics.

Companies involved in activities related to weapons, gambling or tobacco, and those included in the Norwegian Ethics Council list, are excluded. Any company in the middle of a gender-related legal case is also ruled out.

The companies are classified according to their commitment and actions in favour of gender equality, and the first 150 are placed in the index. These companies should be actively promoting gender balance throughout the workplace, from entry points to the highest leadership positions; committed to equal pay and promoting policies that enable employees to balance their workplace and other commitments; and implementing policies and training programs that promote gender equality within the company, as well as a commitment to openness and accountability on gender equality issues.

The main companies in which it has investments are: Tiffany & Co, Biogen Inc, Nvidia Corp, Telefonica Deutschland Holdi, Bristol-Myers Squibb Co, Itv Plc and Sap Ag.

(LYXOR, ETF, 2019)

Mirova Women Leaders Equity Fund of Natixis Investment Managers

Mirova is an investment management company that offers its clients investment solutions that combine research on financial performance with environmental and social impact. It applies an open approach to a wide diversity of asset classes, providing services and support to major listed companies as well as smaller projects in different geographical investment areas.



The investment objective of the Mirova Women Leaders Equity Fund is to outperform the MSCI World Index Net Dividends Reinvested (Benchmark) over the recommended minimum investment period of 5 years by investing in listed companies that contribute to the achievement of the UN SDGs and have a strong focus on SDG 5 (diversity and advancement of women). It invests primarily in global equities, with an investment strategy that focuses on increasing women's access to senior management positions, so this fund invests in companies with a high proportion of women in senior management. Such companies must also have forward-looking gender diversity policies, including: leadership training for women with high sponsorship potential involving both men and women, unconscious prejudices, transparency about gender pay gaps, measures to improve work-life balance and increase the rate of internal promotion of women, and committed role models who support gender diversity, starting by the CEO. It follows an investment approach that considers both financial aspects and ESG factors, assessing the strategic positioning, management and financial strength of candidate companies.

Mirova has formed a long-term partnership with UN Women to address the multidimensional nature of women's empowerment. A portion of the Fund's management fees go to the French National Committee of UN Women to fund projects that promote the empowerment of women in 80 countries, thus contributing to the achievement of SDG 5. In addition, it has committed itself to a specific policy to accelerate progress towards gender equality on a large scale, which is based on the dissemination of good practices relating to gender diversity to help companies identify the best way to make real progress towards gender equality and improve their overall performance.

It's a fund aimed at retail investors. The Fund ranks at level 5 (out of 7) on the synthetic risk and reward scale, which is based on historical data. The Fund's investment policy exposes it mainly to the following risks: - loss of capital - equities - small, medium and large capitalization companies.

(Mirova, S.F.)

Santander Equality Acciones Fund, FI, from Santander Asset Management

In October 2018, Santander launched the Santander Equality Acciones Fund, FI, an international equity fund, which is the first in Spain to invest in those companies that promote gender equality at all levels of their structure, and which are also fundamentally attractive for investment.

This is an ethical fund, whose management is based on the performance of the MSCI Europe index. Financial and non-financial or socially responsible investment (SRI) criteria are followed. Most of the portfolio meets environmental, social and corporate governance ESG criteria and, in particular, gender diversity commitments. A double analysis is established where the sustainable behaviour of the companies and their commitment to favour gender diversity is evaluated globally, with reference to seven criteria: number of women on the Board of Directors, companies led by women (President or CEO), percentage of women employees, percentage of women in intermediate levels, percentage of women in management positions, publication of the salary gap between women and men, and equal opportunities policies. Up to 10% of the equity will be invested in financial CIs that are eligible assets, whether harmonized or not, and whether or not they belong to the Management Company's group. At least 75% of the total exposure will be invested in equities of mainly European issuers/markets, without excluding other OECD and minority emerging countries, without predetermination as to sectors and capitalization. The indicative investment period is 4 years and the investment risk level is 5 out of 7.

Santander has a proven commitment to gender diversity, ranking first in the Bloomberg Gender Equality Index for the second year running.

(Banco Santander, 2019b)

UBS Global Gender Equality UCITS ETF of UBS Asset Management (Switzerland) AG

UBS Asset Management is a large-scale investment manager with presence in 22 countries, more than 3,400 employees and invested assets of US\$ 858 billion. It offers investment capabilities and investment styles in all major traditional and alternative asset classes.

In January 2018, UBS launched the Global Gender Equality UCITS ETF as part of its growing suite of impact investment



opportunities for its clients. The ETF will invest in the Solactive Equileap Global Gender Equality 100 Leaders index, an index of 100 leading global companies with a strong track record in gender diversity and sustainability. The index includes the top 30 rated US stocks, but limits the number of individual issuers to 3% of ETF assets. With its broad criteria, the index provides a higher overall gender equality score than other global gender equality indices, while providing stable risk-adjusted performance.

The ETF is a joint collaboration between UBS Asset Management and UBS Wealth Management and is part of UBS's commitment to sustainable and impact investing. UBS will devote 5% of the management fees received in connection with the ETF to philanthropic projects supporting SDG 5 through the UBS Optimus Foundation. Through its choice of index, the ETF also contributes to Equileap, a social enterprise committed to accelerating progress towards gender equality in the workplace, using the power of investment, knowledge and donations.

In a recent research, UBS Wealth Management's Chief Investment Office analyzed several performance metrics for companies in the FTSE Developed World Index, and found that companies where women comprise at least 20% of the board of directors and senior management (higher than the reported averages of 17% and 11% for the index) had higher returns than their less gender-diverse peers. The same applies to companies with more than 30% of women in general management positions (above the 25% average), and 40-60% of women employees (the average is 36%)

(UBS, 2019)

Nordea 1 - Nordea Asset Management's Global Gender Diversity

Nordea Asset Management is part of Nordea Group, the largest financial services group in Northern Europe. It is an investment asset manager with clients in Europe, Asia and the Americas, serving a broad spectrum of institutional investors and assets, fund and wealth managers globally. It operates in 16 countries and has € 204.8 billion in assets under management. In the LAC region it is based in Santiago, Chile.

In March 2019, Nordea launched the Nordea 1 - Global Gender Diversity Fund, a fund that aims to capitalize on the growing evidence that gender balance within a company is positive for revenues. The Fund's main theme is aligned with the achievement of SDG 5, so it will invest in companies with diverse gender representation. The Fund incorporates a number of ESG criteria, including the exclusion of companies that fail to comply with international law and regulations on environmental protection, human rights and labour standards.

The launch of the new index comes at a time when Nordea has been recognized for the third consecutive year for promoting gender equality with its inclusion in the Bloomberg Gender-Equality Index (GEI).

The Fund's objective is to provide the stakeholders with above-average returns compared to global equity markets, while at the same time offering them the opportunity to support gender equality. The Global Gender Diversity Fund will include up to 100 companies from North and South America, Europe, Asia and growing markets. Companies will be evaluated on parameters that include the proportion of women on the board of directors, in senior management and in other parts of the business. It will also analyze whether companies offer equal pay, parental leave and mentoring programs for women.

(Nordea, 2019)

Veris Wealth Partners Women's Inclusion Fund

Veris Wealth Partners (VWP) is an investment fund with social and gender impact objectives. Among its products, they offer the Women's Inclusion Portfolio, which allows for investing in publicly traded securities, leading companies that recruit advice and promote women to senior management positions.

The fund is an initiative of a private investor, custom-designed by VWP together with the investment company Aperio, which is structured around a portfolio of listed SMA (Separately Managed Accounts) types, which recruit, advice and promote women to senior management and board positions. The minimum investment per company is US\$ 1 million.

The initial capital was US\$ 9 million and to date US\$ 128 million has been mobilized, with an expected market return or higher. Applies impact measurement metrics.

QBE Insurance Group's Gender Equity Bond



In 2017, QBE Insurance Group of Australia launched the Gender Equality Bond to finance or refinance investments in qualifying bonds of companies committed to gender equality in the workplace, signatories to the Women's Empowerment Principles (WEPs) and/or ranked in the top 200 companies in the Equileap Global Gender Equality Report.

QBE bonds are issued for capital acquisitions made by private investors. The funds raised by QBE from its issue are invested in the acquisition of bonds from large corporations which are evaluated by the insurer's risk analysts to ensure that the bonds meet the program's eligibility requirements and are not affected by the exclusion requirements (membership in one of the 12 industries of harmful or polluting activities). These corporations are paying back the nominal amount borrowed and the coupons according to the program for returning their issues.

The initial capital invested was US\$ 400 million and to date, the portfolio is US\$ 422.3 million. The initiative has been running successfully for two years, although in 2018 the investment portfolio only had three placements within the top 200 of the Equileap ranking (ANZ, CBA and Westpac, numbers 61, 22 and 7 in the ranking respectively). The Bond is in perpetuity, repayable after 7.5 years with a market yield (semi-annual coupon with interest of 5.25% per annum). QBE also implements gender equality in its organization, with 32% of its managers currently women and a target of 35% by 2020.

Equileap

Equileap is an organization that provides data and knowledge to measure, analyze and rank companies in developed countries that make a difference in gender equality and demonstrate how they benefit from improved performance (known as the *gender dividend*).

Equileap is divided into two entities. One of them is Equileap Investment Support Services, a non-profit company, which is dedicated to the research and development of the following solutions and services:

- Gender equality data and scorecard: its sample includes 19 criteria from over 3,000 companies in 23 developed countries.
- Indexes: designed by Equileap in partnership with Solactive and Morningstar. The indices, prepared for listed funds (ETFs), comprise shares of listed companies that meet a liquidity criterion, a basic review of their environmental and social safeguard policies and an in-depth analysis using the criteria set out in the Equileap results matrix. There are three regional ones, for the United States, North America and Europe, and two global ones, the world index and the Top 100 index.
- Reporting on gender equality: a questionnaire is sent to over 3,000 companies in the organization's database, tracking the level of accuracy of the data and possible errors and asking for feedback where appropriate. The database is constantly updated.

In order to elaborate the indexes, Equileap has been supported by foundations, trusts and ministerial departments of the Dutch Government mainly. Its clients include QBE Insurance and several investment funds.

In addition, through its Foundation, Equileap allocates all its benefits to support women and girls, addressing the causes of gender inequality, through donations and soft loans to projects in four areas: education, violence, education and discrimination at work.

Pax Ellevate Global Women's Index

Pax Ellevate Management LLC is part of a group of four institutions called Pax World, which also includes a management company, an evaluation agency and an investment fund.

Since 2006, Impax, the management company, has managed the Global Women's Leadership Fund, closely linked to the Global Women's Index, and together with Pax World Funds, a fund of funds, has been developing funds and initiatives



with social impact since 1971.

The Global Women's Index is a list of 400 leading companies in gender equality, based on five gender criteria and one criterion of social and environmental responsibility. The index is constructed as a weighting based on the capitalization of these corporations. Its aim is to help investors, funds and other financial agents to include the gender lens into investment decisions and to demonstrate the achievement of greater profitability through the increased incorporation of women into management and leadership positions within companies. Currently no company in the index belongs to a LAC country.

The index is compiled from information on companies in an initial universe (MSCI World Index, an index of the 23 capital market indices of the most developed countries) for which it scores:

- Representation of women on the Board of Directors.
- Representation of women in executive management.
- Female CFO (Financial Director).
- Female CEO (General Manager).
- Signatories to UN Women's WEPs.
- Compliance with ESG standards (environmental, social, governance)
- Excludes arms and tobacco industries.

The membership or non-membership of the index and the score of each of the more than 400 corporations is assessed on an ongoing basis.

Investment funds in female founded companies and with women in leadership positions

Outside the scope of listed companies, some initiatives have begun to be developed in the LAC region to invest in companies committed to gender equality in their organizations according to various criteria, such as: having a woman among their founders and/or in leadership positions. The initiatives analyzed with these characteristics are **Cantera Capital** and **Ignia Ventures**.

As this type of initiative shows, the **presence of women** partners in investment funds and also as investors is one of the key factors to boosting investment in female entrepreneurship or in companies with women in leadership positions and on boards of directors.

Having women in finance increases the capital channelled to gender-sensitive investment. In fact, as seen in previous chapters, women investors are more concerned than men about the social dimension of investing, tend to align their investment portfolios with their personal values, and are interested in investing in organizations that have women in leadership positions. However, **the financial sector is still an eminently male sector**. In LAC, with a total of 2,245 investors, only 12% are women (Garcia, 2018).

Taking this deficit into account, **networks of women investors** are emerging, with the United States and Europe leading the way. Out of the 78 investment funds analyzed in the Warthon School Impact Initiative (WSII) Sage Project (Biegel, S., Hunt, S. M., and Kuhlman, S., 2019) 59% have all women partners and at least eight funds are backed by all or almost all women investors.

In this group, there are two of the investment initiatives analyzed: **The Golden Seeds Entrepreneurial Fund**, a women's investment fund that provides seed capital to companies owned by women or with at least one woman in executive positions, and **Next Wave Impact Fund**.

The contribution of these funds to the GII ecosystem is that they explore new markets and diversified enterprises with a gender focus, expanding profitable investment opportunities for gender equality-minded investors and also for non-sensitized investors, who find gender equality a new field for expanding their investments.



At the same time, they make it possible to diversify sources of financing from different types of investors, both institutional and private, thus broadening the range of financing sources.

Despite this, there are several **barriers they** face in mobilizing more investment, such as:

- **The lack of clear definition of investments with a gender lens and little standardization in gender mainstreaming in the funds.** The inclusion of gender focus is being carried out under diverse gender criteria, more or less flexible according to the sectors of the investment portfolio, the gender impact measurement metric, the difficulty in finding companies owned by women, etc. (Biegel, S., Hunt, S. M. and Kuhlman, S., 2019). Furthermore, some players in this sector refer to a lack of clear definition of gender lenses.

Clearly defined gender lens is missing [ROBB, NEXT WAVE IMPACT]. Gender lens definitions do not always translate into benchmark eligibility criteria for investors, except for lens 1, which is more explicitly defined as founding or 51% owned.

In the different investment initiatives with lens 2, there is a variety of investment criteria regarding gender perspective inclusion which is only quantified in some cases, so that it generates different categories of investment with a gender lens without a reference that can serve investors in a global manner and becoming even more flexible depending on the difficulties that may be encountered to comply with it (for example, that no companies can be found for the investment portfolio that meet the gender criteria initially established).

- **The lack of research and knowledge on gender-responsive investment** that demonstrates the positive correlation between gender equality and financial returns, which opens the door to new opportunities for quality investments. The players consulted refers to the difficulty of producing a business case for investments with a gender lens, which is a barrier to attracting investors who are less sensitive to gender equality and more likely to obtain financial returns. *Need to generate information, reports, tools, studies and data on profitability for investors [KENNA, IGANIA VENTURES]. In general, there is not enough knowledge about gender lens investments and this leads to initiatives that are not well developed and have little content [ANDERSON, CRITERION INSTITUTE].*

- **The lack of understanding of venture capital investment by traditional investors,** so there is a small number of private equity funds in more advanced stages of the business cycle that want to take over companies moving beyond the venture capital stage.

A lack of understanding of venture capital investment by traditional investors is identified, together with the small number of institutional investments that can also invest in this type of asset, so there is a small number of private equity funds in more advanced stages of the business cycle that stay with companies that go beyond the venture capital stage [ARREOLA, CANTERA CAPITAL].

- **The shortage of investors in advanced stages of the business cycle.** *One challenge that currently arises is to establish the exit strategy for the funds that are already invested (fund 2 and fund 3), whether through a public offering, a financial investor or a company [POSADA, ELEVAR EQUITY].*

- **Insufficient reference metrics to measure the impact of investments.** An additional issue is the increased demand by investors, especially institutional ones, to connect investment decisions to three types of gender equality outcomes: the results or impacts generated in the enterprises invested in, the impacts of the investment portfolio and the impacts on the ground as a result of the investment.

- **The high level of male presence in the financial sector,** as seen, especially in the venture capital and private equity industry, with a deficit of women in the staff of organizations and especially in leadership and decision-making positions, on the one hand, and also of women investors, on the other.

Regarding the first point, the gender focus inclusion in financial analysis must necessarily be complemented, for a better understanding of what it means and how to implement it, by the active involvement of investors and financial entities with gender equality inclusion in their own organizations.

As for women investors, it is noted that the best practices in attracting women investors are based on the creation of networks of senior and junior women investors, which make it possible to generate reference models, provide



information and advice, and guide investment opportunities. However, they have barely begun to develop in the LAC region.

- **Little interest from private investors**, since *they are interested in returns rather than the gender issue, unlike institutional investors, for whom the gender approach is a priority* [ARREOLA, CANTERA CAPITAL]. *This requires the application of incentives for their participation in investments with a gender perspective, which consequently increase the costs of structuring financing* [MARQUEZ, VALUE FOR WOMEN].

Therefore, progress in this area requires raising awareness and engaging more investors with gender equality in order to diversify their sources of investment. This involves generating greater evidence of the relationship between gender equality and financial returns, in order to motivate the interest of investors who have not yet considered gender as one of their investment criteria. *Need to generate information, reports, tools for investors, studies and data on profitability, especially telling success stories in Spanish* [KENNA, IGANIA VENTURES].

At the same time, there is a need to expand the scale of operations to a market that is difficult to differentiate, such as that of companies committed to equality. This should be based on a baseline definition of investments with a gender lens and, on that basis, increase the number of companies with proven equality practices, which can enter the portfolio analysis considerations of potential investors.

This is related to the need for tools such as WEPs, the UNDP Label or the EDGE standard, referred to in previous chapters, that are **designed to guide the creation of equal work spaces**.

The application of these tools, however, faces some **limitations**.

First, **the lack of transparency of companies often limits gender analysis**.

Second, when it comes to gender equality engagement, companies show a clearer commitment to incorporating equality measures in their working environments (in the workplace, on boards of directors and in gender-related policies), than on external issues and gender gaps in value chains.

This issue is doubly important because it would provide investors with more data on gender-equitable practices beyond their own work environments and also, because working on this aspect would support the smaller companies involved in addressing their gender gaps as well and, thus, improve their commitment to equality.

Additionally, the information provided by the indices and other available tools focuses on the situation of the companies at a given time, **but not on the progress being made**. This means that, with these tools, investors tend to choose the best performing companies (the companies that are best placed in a ranking or the companies that are already accredited for their commitment to equality), making investment decisions based on a point in time, **not as an improvement process**.

This leaves companies that are making an effort to improve their gender equality performance, off the radar, whether accredited or not, so investors who want to connect their investment decisions to improvements in equality in the companies they invest in, do not have the metrics to measure it. It is precisely this aspect that makes it difficult, at present, for investments in companies under lens 2 to be developing faster.

Moreover, **for most SMEs the use of such tools is far from being possible**. SMEs are very different from large corporations and companies, which face specific barriers, related to precariousness, informality, lack of resources and motivation... This **makes it more complicated to incorporate the gender approach and also to apply the tools available for evaluation and accreditation**. SMEs are therefore completely excluded from the GII financial markets.

Potential roles for UN Women



- Generate evidence on the relationship between profitability, productivity and gender equality and disseminate good practices of successful investments. *Disseminate success stories of investments in women entrepreneurs (...) communication and media participation* [KENNA, IGIA VENTURES].
- Support the development of gender-sensitive impact metrics for investments.
- Develop standards for financial institutions committed to equality.
- Provide training for high growth start-ups (leadership skills, mentoring, access to networks, etc.). *The education part, how to set up a business, how to promote it. Entrepreneurs need the push. In many cases they are co-founders with a man and he is the best-selling one, despite the contributions of the women* [ARREOLA, CANTERA CAPITAL].
- Generate networks among players to promote investments with a gender perspective. Connecting supply and demand for funds. *Act as a lobby to attract more capital to the sector, show information to pension funds and large investors such as family offices, providing solvency and eligibility* [KENNA, IGIA VENTURES].
- Make women investors visible and involve more women as investors in the LAC region. *Reinforce the training of women as investors and make men believe that women can also be investors* [KENNA, IGIA VENTURES]. *Don't forget the lens of the woman as an investor, which is the least developed at present* [ROBB, NEXT WAVE IMPACT]. *Research on women investors and provide data every year* [KENNA, IGIA VENTURES].
- Support the development of tools to provide visibility to companies committed to equality and to differentiate them as an investment market for purposeful investors.
- Include the gender approach in SMEs. *Add more information on gender mainstreaming in SMEs (such as WEP for SMEs). WEPs are intended for corporations, rather than SMEs, although some are already beginning to sign up. There is, therefore, a way to adapt WEPs as tools to guide gender mainstreaming in smaller enterprises* [MARQUEZ, VALUE FOR WOMEN]. *Provide tools to companies for the implementation of equality measures* [MORANTE, LATAM].

Cantera Capital

Cantera Capital is a venture capital fund, with offices in Israel and Mexico. This fund invests in *deep tech* innovation in the health, education and agribusiness sectors. It shows a commitment to gender equality both in its team, at the level of management, investment committee and advisory board, and in the companies in which it invests, actively seeking gender diversity in the teams and founders within them. The Fund's impact objectives are also aim at improving women's health, rural development and access to education for girls, including fields such as science, technology, engineering and mathematics (STEM).

The fund invests in advanced seed stage (companies already have a prototype) and A series investment rounds. The amounts of the investments are between 250 thousand and one million US\$. The initial investment was US\$ 30 million, with the aim of obtaining a market return in the short and medium term.

For this type of solution (deep tech in agriculture, education or health), 70% of the potential investing companies are in Israel and 30% in the LAC region. For Israeli companies that want to open up to the LAC market, Cantera Capital offers assistance in obtaining permits, contacts, etc. In LAC, they have more presence in Mexico (given that the four founding partners are Mexican), where the ecosystem is more developed, along with that of Chile. They are also analyzing a company in Peru.

The investor profiles have initially been private, *family office and individual*, but are beginning to work with institutional investors and multilateral banks: Capria Ventures, Fondos del Estado Mexicano and IDB Lab. The fund measures the impact prior to making investments and during the life of each investment with an impact monitoring system based on GIIN's IRIS metrics, which includes gender lenses, in addition to complying with impact monitoring reports requested by IDB Lab.

Assessment of the initiative [ARREOLA, CANTERA CAPITAL]



Innovations introduced

Despite being a venture capital fund focused on deep tech, it includes a cross-cutting gender strategy.

It seeks synergies between the Latin American region (market of over 400 million people) and Israel (presents a more mature venture capital ecosystem, with lessons to be learned).

Use IRIS and IDB Lab metrics.

Lessons learned:

Institutional investors are more interested in impact than other types of private investors.

Important role of IDB Invest and IDB Lab in the ecosystem to provide capital and knowledge.

Importance of supporting foreign companies (Israel in this case), providing contacts, knowledge of local procedures and regulations, in order to grow in the LAC market.

Challenge

Find women-founded businesses in the LAC region. The fund actively seeks gender diversity in the teams and founders of the companies in which it invests. *However, they have had to qualify how to include the gender approach. In fact, start-ups founded by women have found very few, although they have found more women in key positions (for example, quite a few finance directors), and fewer key positions in technology-related management positions, so they have extended the initial requirement of companies founded by women to companies with women in key positions.*



Golden Seeds Entrepreneurial Fund

The Golden Seeds Entrepreneurial Fund is a private equity fund that includes a network of 275 "angel investors", which invests in companies owned by women or with at least one woman in executive power (C-Level) positions, with market returns.

It was founded in 2005 with the aim of attracting capital for women entrepreneurs and encouraging both women and men to become risk investors, providing them with a space to learn and work together.

Initially, women entrepreneurs represented less than 3% of all businesses receiving start-up capital, but by 2018 it was already 20%.

It is a venture capital fund, so it does not issue private debt. It invests mainly in the technology and health sectors, with a maximum of US\$ 5 million per company and a minimum of US\$ 250,000, and an average return on investment of 5-8 years. Of all the candidate companies that GSVF receives, it only invests in 3%, currently 170 companies.

In addition to evaluating and structuring investment portfolios, and negotiating the entry and exit into the capital of beneficiary companies, GSVF manages The Knowledge Institute, a training entity dedicated to the dissemination of good practices and the training of investors.

Next Wave Impact Fund

Next Wave Impact Fund is a social impact fund created to focus the investment of 99 women investors (25 of them from ethnic minority background), in addition to a syndicate of investors formed by charities, foundations and other investors with gender impact objectives, towards diversity and inclusion ventures in the health, education, sustainable food, clean energy and energy saving technologies, and aging population sectors of the United States and Europe.

It is a mixed seed/angel fund and venture capital (four years, two of each type) in projects of companies and enterprises already operating in the market and needing several rounds of investment to achieve their growth objectives.

The fund invests in companies with experienced teams, well positioned in the market, growth plan and exit strategy, and is actively committed to gender equality by giving preference in its investments to companies managed and created by women and/or minorities.

If the company is approved to enter the portfolio, the fund approves an initial investment of 100,000 - 150,000 US\$ for the first two years (seed), which can be increased with 250,000 - 500,000 US\$ in the third and fourth years. Normally, the investment includes a minimum holding of a seat on the Board of Directors. The expected return on investment is market or higher, with a payback period of two to four years.

In terms of impact measurement, until now specific metrics were applied for each company and fund. The fund is currently developing a customized metric with the consultancy firm Social Impact Projection, to be applied from now on to the measurement of the impact generated by its funds.

Assessment of the initiative [ROBB, NEXT WAVE IMPACT]

Innovations introduced

Next Wave is one of the pioneering platforms to consider women from an investor's perspective. *Its new fund will expand the number of participants to 249 women, all accredited and high net worth investors.*

Lessons Learned

In the USA, for economic ratios to be obtained in gender-lens investment funds, the minimum amounts to be mobilized must be US\$ 15-20 million.

The ultimate goal is not gender, but the people and communities in which women are immersed.

Challenges

Ensure the exit strategy and secure the return for investors.

Mobilize funds with sufficient value to be economically significant for investors.

Space for growth of the organization in the ecosystem

It is now only present in a few funds in the United States and Europe. They are thinking on Africa and Latin America and the Caribbean.



Ignia Ventures investment fund

It is an investment fund focused on companies with a value proposition of products and services for the Mexican middle-class population segment and products for women. Ignia's proposal is to combine the fund's capital, knowledge and networks to identify the best ventures to obtain extraordinary returns for investors.

It started with a first venture capital fund in 2007 with private investors, which the IDB joined as an investor a year later.

Currently, Ignia manages two funds worth US\$ 200 million, one of them with Mexican pension funds as investors. With regards to the one financed by the IDB, the initial capital invested was \$25 million, and it is expected to mobilize capital from other investors up to \$75 million, with market returns or higher, and a maximum repayment term of 12 years. They invest mainly in companies in Mexico and also have investments in Argentina and Brazil. No impact metrics are applied to currently active funds.

Although Ignia is a traditional investment fund manager, essentially looking for high returns for its investors, it has become aware of the gender approach within the organization thanks to the presence of a woman among its partners, who has promoted the search for businesses founded by women in which to invest and the generation of networks of female investors from which to obtain capital. *This has resulted in a higher percentage of portfolio companies owned by women (11% compared to 6% for the average Mexican fund) and a boost to the creation of networks of investors and women working in venture capital as managers or partners in various initiatives* [KENNA, IGNIA VENTURES].

Assessment of the initiative [KENNA, IGNIA VENTURES]

Innovations introduced

Encouraging the participation of women investors and the search for businesses to invest founded by women, thanks to the initiative of one of the fund's partners. As a result, the investment in businesses led by women has noticeable increased.

Challenges

Change the traditional culture regarding the roles of women and men that still hinders the development of entrepreneurship by women in Mexico (where it operates) and throughout the LAC region.

Lessons Learned

The need to enhance the creation of networks of women investors to promote a cultural change in the venture capital sector that will encourage more investments with a gender lens.

Include men, no change happens without men, and men in power try to extend the cultural idea of women staying at home.



Training and networking experiences

The ecosystem has also been nurtured by investor capacity-building players, focused on the provision of training, advisory and networking services, which have helped to promote gender-sensitive investment. The initiatives analyzed are: **She for Social Impact** and **Catalyst at Large**.

The promotion of networks among women investors is taking up some space in the GII ecosystem of the region, with Mexico and Brazil leading the way. Among the initiatives analyzed are **Mexican Private Equity Association (AMEXCAP)**, **Venture Women Brazil**, and the regional initiative **The Association for Private Capital Investment in Latin America (LAVCA)**.

Even so, experiences in this area are still quite incipient and emphasis should continue to be placed on promoting the role of women in the financial sector, as investment decision-makers, members of investment committees, investors and decision-makers in financial institutions.

Potential roles for UN Women

- Generate data, information and better practices on gender-sensitive investments, women in finance, investors (especially women).
- Raise awareness in the financial world about gender equality and the role of women in finance and as investors.
- Promote alliances to take advantage of synergies. *Many organizations extract data and produce information independently. It's important to work together [VALENCIA, LAVCA].*



She for Social Impact

She for Social Impact was born in 2008 with the objective of increasing the training of angel investors or impact investment strategy creators.

It currently operates in Germany, Brazil and the United States and represents a network ecosystem of women whose mission is to increase influencing capacity as investors and leading professionals in business, science and technology as support specialists for the generation and implementation of their own methodologies on gender equity impact.

Access to this network for angel investors and entrepreneurs is free, but the network reserves the right to accept candidates. They have hubs in Berlin and Sao Paulo, and are opening offices in New York, Paris and London.

It provides training and specialized support tailored to network members for the impact evaluation of investment opportunities, promotion and exclusive news of impact industries, training opportunities in impact investment and growth of their companies, technological innovations and training in an additional component of personal growth.

Trainings are one-day immersion experiences to become an angel investor or a creator of impact investment strategies. They also organize events to exchange experiences and to connect angel investors, entrepreneurs, sponsors in order to launch investment opportunities.

Catalyst at Large

Catalyst at Large was created in 2011 by the international gender investment expert Suzanne Biegel as an institutional configuration of her work and participation in studies, networking initiatives, acceleration projects, lectures and other activities in the gender ecosystem.

Ms. Biegel leads a global community of investors and philanthropists who invest or want to invest with gender impact. As a consultant and advisor, Ms. Biegel has been working in the gender lens ecosystem for over twenty years, and is also the founder of Women Effect, which is now integrated into the Wharton School Impact Initiative, (University of Pennsylvania), where Ms. Biegel is also a senior advisor.

Catalyst at Large provides consulting, talks and facilitation in the area of gender-sensitive investment to investors, to help raise awareness among investors about gender equality, expand the role of women in impact investing and gender-sensitive investing, connect investors with male and female entrepreneurs, target investments to projects that maximize impact and profitability, uncover opportunities in the gender-lensed investment ecosystem, and move communities faster forward. This covers the intersection of investment, philanthropy, international development and entrepreneurship.

Suzanne Biegel and Catalyst at Large have participated in the following gender lens investment projects: Gender Smart Investment Summit; 2X Challenge CDC Group; DFI Gender Finance Collaborative CDC Group; Gender Finance Systems Mapping Project; Tribe Impact Capital; Humanity United Working Capital Fund; Getting Gender Smart - Impact Investing with a Gender Lens Course Duke University; Criterion Institute; Women Effect, Wharton Social Impact Initiative; Clearly Social Angels; The Spring Accelerator; Project SAGE of Wharton Social Impact Initiative; and The Sky's The Limit – The Young Foundation.

Mexican Association of Private Capital (AMEXCAP)

The Mexican Private Equity Association (AMEXCAP), composed of 120 funds and 80 associated companies, created an Inclusion and Diversity Committee (AMEXCAP, 2019) as a response to the lack of women in decision-making positions in Mexico's venture capital industry (only 2% of the partners are women).

This is a network to promote women entrepreneurs and women investors in the Mexican venture capital industry.

It began as a non-formal platform driven by a small group of investment fund partners, which has gradually become an institution within AMEXCAP.

Although the Committee is newly created, it has launched several initiatives: 1) activities to build a community of women investors and decision makers in investment companies; 2) training activities and skills to participate in panels



and events; 3) elaboration of statistics on the presence of women investors and managers or associates in private equity and venture capital funds; 4) acceleration activities and mentoring space for women entrepreneurs; and 5) closed-door networking sessions, to talk in confidence with women who support investors in Latin America.

Venture Women Brazil

Created in 2016, it is the first Brazilian forum to promote the participation of women in the venture capital industry.

Venture Women Brazil is an initiative developed by Insper Escuela de Negocios, as a technical partner of the platform, since it is promoted by the finance chair of said school, and by the Brazilian Association of Venture Capital Companies (ABVCAP), which includes the main women participants in Brazilian managers of this industry.

In addition, ABVCAP provides visibility to the events and meetings, and institutional support, as do by other sponsors, such as APEX Brasil, EY, Anjos do Brasil and MIA Investidoras Anjo - the latter, platforms of angel investors in Brazil.

Among its activities, since 2016 Venture Women Brazil has held seven meetings, including the most recent one in October 2019, and has published a report on the venture capital sector and its characteristics in terms of inequality.

List of Women Investors of The Association for Private Capital Investment in Latin America (LAVCA)

The Association for Private Capital Investment in Latin America (LAVCA) is a non-profit membership organization dedicated to supporting the growth of private equity in Latin America and the Caribbean.

More than 190 firms are members, ranging from the leading global investment firms active in the region and local fund managers to family offices, global sovereign wealth funds, corporate investors, and international pension plans.

Member firms control assets in excess of US \$65 billion, aimed at capitalizing and growing Latin American companies.

LAVCA produces research, analysis and data on the private equity and venture capital industry, as well as training courses for investors in the region. Plus, every year they award prizes. *Last year they included a gender diversity award at the level of private equity to give visibility to professional women entrepreneurs or those who manage companies that are part of the portfolio of private equity funds* [VALENCIA, LAVCA].

Between 2016-17, with the sponsorship and support of IDB Invest and IDB Lab, LAVCA published the list of *Outstanding Women Investing in the Technology Sector in Latin America*, a list of senior level women working in capital investment institutions in start-ups or outstanding angel investors.

In 2018, LAVCA published the list *Emerging Women Investing in the Technology Sector in Latin America*, a list of junior investors working in venture capital companies. It aims to recognize and increase the visibility of women who invest or manage investments in technology start-ups and to make the award-winning women role models and thus increase their representation.

Assessment of the initiative [VALENCIA, LAVCA]

Innovations introduced

Distinction of women in the venture capital sector, a male dominated sector.

Distinction of senior women (serving as role models) and emerging women (junior positions) at the Latin American level.

Lessons Learned

The process of producing outstanding women has been professionalized, under more rigorous criteria and expanding the scope of women to be included.

Despite the incorporation as LAVCA members of

Challenges

Make the list in a rigorous manner, according to specific criteria and with the greatest possible representation. *The biggest challenge for LAVCA is to have the greatest representation of the sector's players in order to achieve greater visibility.*

Give continuity to the list on an annual basis.

Space for growth of the organization in the ecosystem

Produce more content with multilateral banks or investors.



institutional investors, sovereign wealth funds, etc. the main objective of investors is financial return.



Analysis of experiences in Lens 3

Investment Initiatives (Patient Capital Funds)

Other experiences contributing to the empowerment of women and girls

Lens 3 investment initiatives

The growth potential in lens 3, given women's purchasing and decision-making power over consumption, has attracted the interest of several impact investors in LAC towards products and services that positively impact women's lives (IDB Invest and ESADE, 2019).

Curiously enough, these initiatives have been developed within the framework of **patient capital funds**, a financing tool that constitutes a third way between market financing and philanthropy.

This is the case of **Acumen Fund**, which operates in the LAC region, and the **NeSsT** patient capital fund focused on the United States.

These types of funds offer a long-term, patient-capital financing solution with below-market returns for ventures and social impact enterprises that would otherwise have great difficulty in accessing financing.

The most important challenge facing investment in this lens is to be able to discriminate and differentiate those products for women and girls that positively influence gender equality from the vast mass of products that simply target women.

From the financial sector point of view, this is a complicated matter, since any factor included in a loan contract or in the design of any other financial instrument has to have an accurate legal interpretation, free from ambiguity, and verifiable by all parties. Thus, for example, if the eligibility criterion is that the projects to be financed develop products that reduce inequality, verification of this reduction cannot simply rely on the beneficiary company's declaration, but must be based on the evidence provided by previous experiences with similar products or, in the case of novel products, by a reasonable inequality reduction.

Thus, for example, gender tends to be a cross-cutting element within sectors such as clean energy, education, health care or workforce development. However, the fact that these products and services are targeted at women and girls as clients does not mean that investors have employed an intentional gender analysis that deepens the impacts generated (Criterion Institute, 2015). *Impact investors require more refined tools to assess the gender impacts of their portfolios, in order to increasingly fine-tune their investment decisions in the light of the search for social impacts. The aim is to develop tools to ensure feasible and reliable gender measurement [MORANTE, LATAM]. The focus in Latin America is more on investment than on impact. There is some filtering of investment decisions but no focus on monitoring and evaluation. The challenge remains to be more rigorous. Greater emphasis must be placed on measurement [MARQUEZ, VALUE FOR WOMEN]. Clear metrics approach, documenting impact [DUCOING, ANDE].*



Potential roles for UN Women

- Generate evidence and disseminate good practices on gender-sensitive investments.
- Support the development of gender-sensitive impact metrics for investments.
- *Attract more players (...). Documenting cases in Spanish and contextualizing them in LAC (...). Entering networks and events [DUCOING, ANDE].*
- *Research, benchmarking, and good practices by sector need to be generated [MORANTE, LATAM].*

Acumen Fund

Acumen is a patient capital fund founded by the Rockefeller Foundations, Cisco Systems and three philanthropists in 2001. It invests in companies that benefit the lives of women, the afro and indigenous populations, high social impact companies, which need long-term financing in order to face their consolidation and growth, thus contributing to their economic sustainability.

Acumen invests patient capital and debt in social enterprises, whilst offering them personalized support. They combine their financial support with strategic support from the board of directors, to help refine their business models to achieve sustainability and scalability. They also conduct annual training programs for senior and middle managers to develop leadership skills and foster a learning community among the executives in their portfolio companies.

In 2015 they conducted a global analysis of their portfolio from a gender perspective, in order to see its impact on their investments. As a result, they have adopted an intentional Gender Sensitivity Policy in their programs and operations. In particular, they are proactive in investing on gender equality sector, both in terms of external stakeholders (producers or clients) and internal stakeholders (employees, board members, etc.), to address the fact that, as a result of rooted discrimination in the countries where the fund operates, women are disproportionately affected by poverty.

In line with the above, in 2016 Acumen Capital Latam Partners (ACLPL) was created and sponsored by Acumen. It is aimed at attracting private investors, with a profit motive in mind, to invest in companies that are already at a higher stage of maturity (after the "exit" of patient capital). The final objective is to recover the investment made, when the company reaches its break-even point, and to reinvest the recovered capital in another company. For ACLPL, at present, the companies receiving the investments are encouraged to incorporate gender equality (although this is not an exclusive requirement), equality advice and action is being incorporated into the portfolio of advisory services they receive. In particular, they are invited to carry out the self-diagnosis offered free of charge by the Aequales consultancy. This allows them to have an analysis of their own situation and a comparison with the companies in the country (this is done in Peru and Colombia).

Acumen's investors are philanthropists of diverse profiles: DFIs, institutional investors, foundations, family offices, high net worth individual investors and corporations. Acumen's accumulated capital invested worldwide in 2018 was US\$ 117 million in 116 companies, of which US\$ 28 million has been recovered and reinvested in 14 countries, with 263 million lives impacted, 83 companies, eight of them in the LAC region. The average payback period is long, 15 years, with a preferential (below market) expected return.

ACLPL has mobilized a first fund of \$20M for LAC, whose closure was made possible thanks to the support of international institutional investors, including the MIF, Dutch Good Growth Fund (DGGF) and local investors, including Bancoldex and others.

For impact measurement they use their own methodology, Lean Data, based on direct data collection from the beneficiaries. The difficulty in applying this methodology lies in its high cost. For the ACLPL projects it requires an important work, because it is done in three moments: at the beginning, at the 2-3 years, and at the exit of the investment.



Acumen operates globally (Asia, Africa and North America) and since 2013 in the LAC region, specifically in Colombia, Peru, Ecuador, El Salvador, Guatemala and Nicaragua.

Assessment of the initiative [MORANTE, LATAM]

Innovations introduced

It facilitates direct contact between philanthropists and high-impact social economy enterprises.

Use of patient capital to finance otherwise unsustainable businesses.

Rigor with the measurement of the impact - Creation of own methodology (Lean Data)

Active involvement in the companies in which they invest.

Reinvestment of profits.

Challenges

Generalize the model on a large scale. Given its involvement in the companies in which it invests, it has first-hand information about them, which makes it difficult to generalize this model to areas where direct knowledge of the companies is not possible.

Rigorously address the measurement of gender impact in the value chain, especially in agricultural enterprises in vulnerable areas.

The Loan Fund NESsT

NESsT manages a patient capital fund for products and services with gender impact, which invests in social enterprises that create decent jobs for people in need. It includes gender-sensitive impact metrics on workers, families and community, and gender-related assessments among its investment requirements and processes.

The initiative is the result of more than 20 years of work with social enterprises in the LAC region and other emerging countries.

The Loan Fund is a medium-term patient capital fund, with investments of 5-7 years, that tries to address the so-called "pioneer gap", that early stage that goes from the idea and conception of the social enterprise to the stage of investment possibility to make the enterprise scalable. These are mainly focused on social enterprises and women, so their main activity is focused on lens 1 and, to a lesser extent, lens 3.

The fund receives contributions in the form of donations, contributions via crowdfunding, consulting services, volunteer work, donations of business services from institutional partners (such as events, legal guides to business in various countries, etc.), from individual investors, investment funds, institutional investors, banks and foundations.

The capital collected to date in the section of the crowdfunding fund via internet is US\$ 66,000, hoping to mobilize US\$ 100,000, which is then complemented by institutional donations. Since its inception, the fund has invested US\$ 17 million and the expected financial return is concessional (lower than the market return).

NESsT has been awarded one of the ANDE Gender Lens & Impact Measurement Fund grants, along with Dr. Ruta Aidis, called "Bringing a Gender Lens to Early Stage Investments for Greater Impact."



Other experiences contributing to the empowerment of women and girls

In addition to these business-focused investment initiatives, other initiatives are being developed in the ecosystem contributing to the empowerment and well-being of women and girls.

Among the initiatives analyzed, there are some operating in the LAC region, such as the **Ignite Global Fund fo Women**, a fund to finance activities that promote the empowerment of women and girls through access to science and technology, and also initiatives from outside the region, such as **Ship2B's Women of Impact** in Spain, which supports start-ups led by women entrepreneurs who lead entrepreneurial projects with a positive impact on society, or **Woman Moving Millions**, a global community for the advancement of women and girls.

These initiatives provide services of different nature (training, advice, and networking) to organizations, companies and/or investors to increase their capacity to empower women and girls and/or generate positive impact on their advancement and well-being.

The biggest challenge for this type of intervention is to get more stakeholders involved in its platforms, **to amplify the funds raised and the impact generated on gender equality.**

In the case of philanthropic projects, additionally, one of the challenges is to change the image of philanthropy dedicated to generating positive impact on women and girls towards a perception of positive impact, ultimately, in the society as a whole.

Potential roles for UN Women

- Sensitize investors and other ecosystem players to the benefits of investing with a gender perspective, to promote more stakeholders and more capital dedicated to promoting gender equality.



Ignite Global Fund for Women

The Global Fund for Women, created in 1987, began working with \$30,000 in philanthropic funds in 1988 and, to date, it has generated more than \$140 million in grants and non-refundable aid from individual and institutional donations.

The foundation directly supports gender equality organizations around the globe, empowering women and girls through networks that seek out, fund and amplify the work of women who create social movements to challenge the *status quo*.

In March 2014 it merged with the International Museum of Women (IMOW), which brought to the union its experience in broadcasting, online campaigns and digital environments.

Women Fueling Science and Technology (WFST) in Ignite is a project funded by the Technology Fund of the Global Fund for Women, which focuses on reducing the gap in science and technology for women and girls, which is caused by a double problem: on the one hand, educational - less access to science, technology, engineering, mathematics (STEM) and computer science (ICT) - and on the other hand cultural, which concerns to the way women relate to digital platforms (internet, mobile) and the stereotypes created by the mentioned technology companies, which are male dominated.

The funds raised finance platforms, organizations, events and activities for the empowerment of women and girls in digital environments and early access to science and technology.

Ship2B Women of Impact

Ship2B, founded in 2016 by three social economy activists, is a supply-demand connection network for access to capital that does not offer financing directly, but supports startups led by women entrepreneurs who lead entrepreneurial projects with a positive impact on society. The network offers support and advice on issues such as financing and management, and connects start-ups with referenced professionals and investors.

Women of Impact is an initiative launched together with the EY Foundation, which supports business and social entrepreneurship in Spain, and which seeks to promote entrepreneurial projects in different areas that generate a positive impact on society. In total, it has the participation of 28 senior executives, investors and entrepreneurs from various companies and entities, and seeks to give visibility to investment, entrepreneurship and female mentoring in companies with social impact.

It also has a gender accelerator, Women Challenge, which is dedicated to promoting start-ups that are led by women entrepreneurs or focus on gender issues, with funding needs of over 100,000 €, companies with existing turnover and that have developed a pilot program.

In this sense, the managers and investors who are part of Women of Impact ' are in charge of proposing projects for Women Challenge and selecting those that will be implemented. Later, they will support and advise them on issues such as financing and management, as well as connecting them with and investing in professionals of reference.

Ship2B has 137 accelerated start ups, 215 mentors, 73 partners and has mobilized funds worth 30 million € since its inception. Based in Barcelona, it is linked to various companies with roots in Catalonia (Banco Sabadell, among others). It has various partners from the public sector in Catalonia and internationally, such as IFC.

Women Moving Millions

It is a global community of more than 300 women (and men) in 14 countries who contribute with resources (philanthropy and grants) for the advancement of women and girls. Together, members have made commitments of \$1 million or more per donor to have an impact on women and girls. They also advise philanthropists and financiers, to cultivate relationships with their clients, who have the capacity to donate at the level of millions of dollars to programs that empower women and girls.

Community organizations and businesses that present projects apply for funds directly to the institution or by presenting themselves through a donor. Following an internal evaluation, each approved project is circled so that donors (one or more) can directly support each project. The circles are cinema, investments, refugees, stop trafficking and gender violence, among others.



Mobilizing capital is the fundamental objective of the network; in total its 300 members have dedicated US\$ 670 million to philanthropic projects with gender impact.

Studies and metrics in the field of GI

It will really be appropriate to close this chapter by presenting the experiences that have been supporting the GIs progression with their contribution to the provision of criteria, knowledge, indicators and dissemination in this new area of gender equality financing.

These are all experiences related to the **GI ecosystem research**, as well as those related to the many times mentioned throughout the chapter on **impact measurements from a gender perspective**.

In addition to the **Criterion Institute**, responsible for defining the relationship between gender and finance for the first time, other organizations are actively working on deepening and disseminating knowledge on the subject matter. Reference studies and analysis are, in this sense, the **Sage** project of the **Wharton Social Impact Initiative (WSII) of the University of Pennsylvania** (Biegel, S., Hunt, S. M., and Kuhlman, S., 2019) and the **IDB Invest and ESADE study** on investment with a gender perspective in the LAC region, published in 2019 (IDB Invest and ESADE, 2019).

Meanwhile, the field of impact measurement methodologies is relatively developed, with the following classification: short term results (Certification B), medium and long-term results (GIIRS Certification, Standardized Certifications) and impacts (SROI and quasi-experimental evaluations and Theory of Change). In addition, indicator-based tools (IRIS) make it possible to achieve medium and long-term results (ACAFI, Pontificia Universidad Católica de Chile, 2018).

However, gender-sensitive impact measurement is still at an early stage and poorly standardized, requiring the application of specific metrics by different investment initiatives. In fact, the gender approach is not included as something specific in the methodologies and tools indicated, except in the new **IRIS+ system of the Global Impact Investing Network (GIIN)**.

This line of work on social impact, however, is beginning to be pursued by various players in the ecosystem, as they are aware of the importance it has acquired in driving the investment decisions of many investors. This is the case of one of the initiatives analyzed, the **Gender Lens & Impact Measurement Fund** managed by the Aspen **Network of Development Entrepreneurs (ANDE)**.

Potential roles for UN Women

- Support a body of research on the relationship between gender equality and investment.
- Support the development of impact metrics for investments with a gender lens that can become a reference in the ecosystem



ESADE Institute for Social Innovation

ESADE's Institute for Social Innovation (ISI) is a Spanish think tank on business initiatives with social impact, including corporate social responsibility, social entrepreneurship, leadership, NGOs, climate and environment, exclusion and precariousness, etc.

In the gender lens investment area, there are two reference studies carried out within the framework of ESADE. The most recent one, prepared together with IDB Invest and published in 2019, *Investing with a Gender Focus: How Finance Can Accelerate Gender Equality for Latin America and the Caribbean*, provides a comprehensive look at the gender-focused investment strategies and initiatives that have been developed in recent years in the region, addressing each of the three gender lenses.

A previous report is *Women with Impact*, published in 2016, which focuses on the ecosystem of social entrepreneurship in Spain, and thus refers to the main initiatives that are focusing on supporting and making social entrepreneurs visible, both in Spain and internationally, and identifying the main barriers that social entrepreneurs have to face and the change levers that would enhance their participation.

Project Sage of Wharton Social Impact Initiative (WSII), University of Pennsylvania

WSII is an institution within the Wharton School of Business, created in 2013, which conducts studies and research on impact investments, including general social impact, gender, ethnic minorities, diversity, etc.

Its research is carried out with a collaborative university-business approach with the aim of creating a global community of social impact investors.

Within this institution, Project SAGE is a publication with a global exploration of private funds, venture capital and private debt with a gender focus. It also aims at presenting trends in gender-lens investment and explaining why some gender-lens funds do not publish their adherence to trends (in 2017 SAGE 1.0, in 2019 SAGE 2.0).

The studies have been conducted by WSII and Suzanne Biegel as principal investigator. The main conclusions to date are:

- Global volume of private funds with a gender lens: 2,246,502,000 \$.
- Number of vehicles: 87 funds compared to 58 in 2017.
- Number of beneficiary companies: 828 compared to 524 in 2017.
- Funds invested by geographic area: more than 40% in North America, less than 10% in LAC, specifically six funds have investments in the LAC area: Alpha Impact Investment Management Partners, Alpha Mundi Group, Cantera Capital, Global Partnership Social Investment 5, Global Partnership Social Investment 6 and Root Capital.
- Funds invested by type of capital: mostly venture capital, seed and early stage capital, and funds to technology, health and energy companies.



Criterion Institute

Criterion Institute is a non-profit *think-tank*, founded in 2002 by Joy Anderson, a leading international expert on investing with a gender lens, who works with entities that promote social change to demystify finance and broaden their perspective on how to change and interact with financial systems.

It is a pioneering organization for its contribution to the field of investments with a gender lens, through the conscious incorporation of gender analysis in financial analysis. This originally includes the three gender lenses, first enunciated in 2010.

However, the organization's mission has been evolving, aligning itself with a second definition of investment with a gender lens: the intentional use of finance as a tool for gender-equitable social change that considers the benefits for women and girls.

Approximately, 40% of the Institute's resources come from donor agencies, which facilitate the establishment of long-term collaborations with other organizations, without having to worry about obtaining additional resources.

It works with multiple types of players to produce its reports, design its tools or carry out its workshops: investment funds, foundations, development agencies, experts, such as Calvert Foundation, The Caprock Group, Eileen Fisher Foundation, Fulcrum Capital, Grand Challenges Canada, Honeybee Capital, Trillium Asset Management, USAID or Veris Wealth Partners.

In addition to a permanent staff, the Institute has a Board of Directors, a Gender Violence Advisory Committee and a number of advisors and partners, such as Suzanne Biegel or Sarah Kaplan.

Assessment of the initiative [ANDERSON, CRITERION INSTITUTE]

Innovations introduced

Pioneering definition of the three gender lenses in 2010.

Continuous research on the relations between gender and financial analysis that opens new expectations of spaces in which to invest, ways of understanding gender in the financial world or the relation between gender violence and finance, etc.

Creation of a space to design processes that allow to question existing assumptions, explore multiple strategies and generate trust during relationships with other players.

Lessons Learned

There is much emphasis on evaluation and impact measurement systems. While it is a powerful tool, it is more so in the long term and is therefore limited.

The need to rethink investment objectives and the benchmarks against which they are measured.

Challenges

Addressing a new strategy for connecting gender and investment, *Criterion wants to put an end to the binary strategy that seeks to connect investors with companies led by women or managed by women. Therefore, it not only sees issues such as the number of women in the companies but also what the processes of the company are, the added value, among others.*

Expand gender lens investment in the LAC region beyond investments focused on women-led businesses.

Rethinking the role of gender in investment analysis with a gender lens. *Go beyond the internal company level and consider external and market concerns (e.g. in addition to women's participation in the company, look at patterns of domestic violence in the community). Change the understanding of gender patterns from static to dynamic, from identity to power. Understand specific patterns that affect market risks and can affect the performance of companies in a sector, industry or geography.*

Space for growth of the organization in the ecosystem

Expand the organization's mission to incorporate not only investments with a gender lens but to prepare people to participate in the process of making connections between gender and finance.



Value for Women

It is a global social initiative that brings together a multidisciplinary team of researchers, business experts and gender specialists to identify and test new solutions to promote gender equality, women's empowerment and women's entrepreneurship.

There are 34 partners in the initiative, including NGOs, foundations, UN agencies, development agencies and financial institutions. Partners contribute in different ways, either through content, design, oversight, review or funding to develop the products.

Value for Women has three areas of work underway:

- **Research and Development:** using practical and collaborative research methods to demonstrate tangible social and economic benefits of promoting gender inclusion, including case-studies, research reports or market analysis. To date, they cover issues such as the role of finance in gender equality, the creation of opportunities for women entrepreneurs or the growth of small businesses run by women.
- **Capacity Building:** using a combination of training methods and cultural awareness to produce tailor-made training programs to address social and cultural barriers to gender inclusion. The training programs provided include topics such as training for SMEs, training for microfinance companies, support for women entrepreneurs or empowerment of women in the markets.
- **Design of Tools and Programs:** they design and implement tools to carry out analysis and impact studies, in order to establish references and standards. Under this project, toolkits have been developed to measure performance improvements due to gender inclusion, tools to analyze the role of women in SMEs and the value chain, or tools to assess the benefits of gender inclusion.

Assessment of the initiative [MARQUEZ, VALUE FOR WOMEN].

Innovations introduced

Use of practical and collaborative research methods.

Tailor-made training programs produced and applied through a combination of training methods and cultural perception.

Challenges

Rigorous measurement of impact. *Focus on Latin America is more about investment than impact. There is some filtering of investment decisions but no focus on monitoring and evaluation. Challenges to be more rigorous. Greater emphasis on measurement.*

Lessons Learned

The importance of working with networked organizations, capable of bringing together many players, in order to access first-hand information, needs and perceptions for the development of projects and research.

Space for growth of the organization in the ecosystem

Conduct research on procedures that can also help companies to orientate their business models with a gender perspective.

Gender Lens & Impact Measurement Fund of ANDE

The Aspen Network of Development Entrepreneurs (ANDE) is a global network of organizations promoting entrepreneurship in emerging markets. Its members offer and provide financial, educational and business services to *Small and Growing Businesses* (SGBs), considering these entities as job creators, long-term growth stimulators of environmental and social benefits, capable of lifting countries out of poverty.

Launched with 34 members in 2009, ANDE now comprises over 280 members operating collectively in 150 countries. ANDE members include different profiles of organizations (not SGBs): investors, capacity building providers, academic and research institutions, development finance institutions, foundations, and corporations from around the world.

The Gender Lens & Impact Measurement Fund has its origin in the ANDE Catalyst Fund (experimental funds) launched



in 2009 with an endowment of one million \$ of seed capital provided by the Lemelson Foundation, the Bill & Melinda Gates Foundation and the Shell Foundation. Since then, grants worth more than \$ 2.5 million have been awarded to more than 39 beneficiary organizations. The fund has received additional donations from the Citi Foundation, MasterCard Worldwide, Goldman Sachs 10,000 Women and S&P Global.

The latest round of the Gender Lens & Impact Measurement Fund is sponsored and funded by IDRC Canada. The initial endowment of the fund is \$ 150,000 to be distributed in 4-6 projects of maximum amount of \$ 35,000. Grants are awarded to partnerships of a research organization (lead researcher) and a business organization (lead practitioner), which will be an SGB or capacity building provider. Projects with a maximum duration of 12 months are eligible. These will be projects that carry out tests of methodologies, analytical innovations or data collection technologies that develop knowledge on the SGBs impact on gender inclusion, as well as on the measurement of such impact. Since it is a non-refundable grant, there is no return.

In the first two quarters of 2019, six proposals have been awarded for start-up:

- NESsT & Dr. Ruta Aidis. Bringing a gender lens to early stage investments for greater impact.
- Root Capital & Value for Women. Capacity building for SGBs to improve the climate resilience of women in the field.
- Impact Hub & INCAE. How can SGB accelerators apply a gender lens to the measurement of program activities and impact and become generators of gender equality in the SGB sector
- Bolivian Catholic University San Pablo & Practical Action Bolivia. Tools for quantitative and qualitative measurement of the impact of including the gender perspective in productive development projects.
- MEDA, Agora Partnerships. GEMIM Pilot - Integrating Gender Equality into Impact Measurement
- People of the Future & WDI. Using gender impact data to develop strategies to increase women's engagement in the coffee sector (Colombia).

ANDE has extended its scope of action throughout the world, with a presence in the LAC region in Andean countries, Brazil, Central America and Mexico.

Assessment of the initiative [DUCOING, ANDE]

Innovations introduced

Cases of development gender lens evaluation metrics with a mixed academia/practice generation system and with a goal of disseminating and communicating learning to the impact lens ecosystem in LAC.

Challenges

To align the expectations of the academy and the company in objectives and times, for the academy one year is nothing and for the company two years is a lot.

Space for growth of the organization in the ecosystem

To be seen as a developer of capabilities as well.
Consolidate network generation.

Navigating Impact Project, IRIS+ and ImpactBase of GIIN

The Global Impact Investing Network (GIIN) is a benchmark platform within the impact investing ecosystem. It is a membership organization, which brings together over 2,000 impact investors to facilitate knowledge sharing, propose innovative investment approaches, build the evidence base for the industry, and produce tools and resources.

GIIN has developed the following tools related to impact measurement, with the sponsorship mainly of foundations, some departments and cooperation agencies, and the support of a large number of experts from its platform:

- *Navigating Impact*: online technical advice service so that the investor can identify, among different pre-established options, the objectives and expectations of the impact investment. It is based on evidence maps, looking for the strategy that best suits the portfolio, experience or the demand from clients. Through the Metrics Starter Kit, the product, results and proxy indicators that will provide information about the investment, are determined. Finally, impact analysis is measured, monitored and reported.
- *IRIS+*: provides an integrated technical advisory system that incorporates the IRIS indicator reference system, comparative data and practical guidance for investors to achieve their goals. The platform provides a summary of the selected strategic objective, related publications, a list of main impact measurement indicators, guidance documents for integrating IRIS+ into impact measurement and management, and includes a spreadsheet for



tracking impact measurement indicators.

- *ImpactBase*: provides investors with a tool to search databases and profiles of impact investment funds and products, according to their investment interests. For the funds, the platform allows the publication of information about them, offering visibility to investors.



A background image of a business meeting in a modern office with large windows. The image is overlaid with a semi-transparent blue filter. In the foreground, there are two women: one is seated at a table with a laptop, looking towards the other woman who is standing and holding a tablet. The overall scene conveys a professional and collaborative atmosphere.

5. INNOVATIVE FINANCING INITIATIVES IN UNITED NATIONS



UNEP FI and SGD Impact, two benchmark initiatives for impact investment

Given the emblematic and relevant nature of impact investment initiatives, the UN initiatives *UNEP FI* of the United Nations **Environment Program (UNEP)** and *SDG Impact* of the United Nations **Development Program (UNDP)** are specifically analyzed.

In order to have a clear understanding of the way they work, both initiatives have to be framed in the context of a **significant funding shortfall for the Sustainable Development Goals (SDGs)**.

While domestic resource mobilization and private investment have gained strength in some countries, and interest in sustainable investment is increasing, official development assistance is stuck at low levels, debt risks are growing, especially in low-income countries, and the transition to a sustainable economy is not occurring on the necessary extent.

For this reason, many innovative financing initiatives have emerged over the past few years, but it is not clear that they can provide the leap "from billions to trillions" in SDG funding (UNDP, UNFPA, UNOPS, UNICEF, UN-Women and WFP, 2019).

To help make this leap, a number of innovative financing initiatives have been launched within the United Nations. UNEP has launched **UNEP FI** (UNEP, 2019a) and UNDP has more recently promoted **SDG Impact** (UNDP, 2019c).

UNEP FI and SDG Impact seek to mobilize large amounts of private resources towards the financing of SDGs, through large partnerships with the most relevant ecosystem players

The interest in these initiatives is mainly to know how they work, as they can provide a model to be adapted to a potential innovative financing initiative for gender equality.



UNEP-FI

Origin and background

The decision of the **United Nations Environment Program** (UNEP) to launch a financial initiative underlies the following reflection:

- The activities developed by companies contribute decisively to the deterioration or conservation of the environment.
- These activities depend on the sources of funding that companies get.
- The financial sector is not neutral to environmental developments.

Consequently, **the activities that take place in the financial sector are the engine or driver of the activities** that influence the conservation of the environment.

This is why UNEP has created the *United Nations Environment Program Finance Initiative (UNEP FI)*, a global partnership established between **UNEP** and the financial sector (UNDP, 2019b).

In 1991, a group of commercial bankers (Deutsche Bank, HSBC, Natwest, Royal Bank of Canada and Westpac) met and proposed the idea of helping to raise awareness on the environmental calendar.

One year later, in the run up to the Rio Summit (May 1992), the UNEP Statement by Banks on the Environment and Sustainable Development was launched in New York, and the Banking Initiative was formed.

In 1995, UNEP joined forces with a group of leading insurance and reinsurance companies, including General Accident, Gerling Global Re, National Provident, Storebrand, Sumitomo Marine, & Fire, Swiss Re, as well as pension funds, to launch the **UNEP Statement of Environmental Commitment by the Insurance Industry**. In 1997, the Insurance Industry Initiative (III) was formed to fund research activities, sponsor awareness meetings and workshops, and the annual regular meetings of the Initiative.

This same year, the **UNEP Statement by Banks on the Environment and Sustainable Development** was redrafted to become the **UNEP Statement by Financial Institutions on the Environment & Sustainable Development**, in order to broaden its appeal to the wider financial services sector. At this stage, the Banking Initiative was renamed the Financial Institutions Initiative (FII).

From 1999, both the Financial Institutions Initiative (FII) and Insurance Industry Initiative (III) started working more closely on issues of mutual interest, and at the 2003 Annual General Meeting in Geneva, the UNEP Financial Institutions Initiative (FII) and the UNEP Insurance Industry Initiative (III) agreed to merge, forming one Initiative to be known as the UNEP Finance Initiative.

Finally, in 2010, so as to duly reflect the common governance grounding of the Initiative, the UNEP Statement by Financial Institutions on the Environment & Sustainable Development and the UNEP Statement of Environmental Commitment by the Insurance Industry were merged into a single Statement, the **UNEP Statement of Commitment by Financial Institutions on Sustainable Development**, finalized in 2011.



Table 5. UNEP-FI development timeline

Stages	Activities
Development of the idea	1991: UNEP brings together a small group of banks to raise awareness on the environmental agenda in the banking sector: Deutsche Bank, HSBC, Natwest, Royal Bank of Canada and Westpac
Awareness and support	1992: UNEP Statement by Banks on the Environment and Sustainable Development. UNEP FI Foundation
	1995: UNEP brings together a small group of insurance companies and pension funds: General Accident, Gerling Global Re, National Provident, Storebrand, Sumitomo Marine, & Fire and Swiss Re UNEP Statement of Environmental Commitment by the Insurance Industry
First organizational steps	1997: UNEP Statement of Environmental Commitment by the Insurance Industry
	1992: UNEP Banking Initiative
	1997: Insurance Industry Initiative (IIS)
	1997: Financial Institutions Initiative (FII)
Acting directly in the Financial System	1999: IIS and FII start working closely
	2003: Merger of IIS and IIF to create UNEP FI
	2011: UNEP Statement of Commitment by Financial Institutions on Sustainable Development

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)

Mission, objectives and beneficiaries

UNEP FI's mission statement is to achieve systemic change in finance to support a sustainable world. UNEP FI's motto "Changing finance, financing change" represents its two objectives of 1) promoting the integration of sustainability concerns into the financial services industry through mainstreaming of the issue within financial institutions; and 2) mobilizing financial institutions to channel finance towards a more sustainable economy (UNEP, 2015a).

UNEP FI's mission is to increase the number of private financial institutions around the globe whose business is driven by sustainability, and who include the achievement of the UN Sustainable Development Goals as a strategic priority across all lines of business (UNEP, 2018a)

This means directly influencing the financial sector to incorporate ESG criteria (when creating new financial products and in their financial activity) and indirectly influencing, through this, the business sector, which will receive funds when it meets the criteria required under the ESG standards incorporated by the financial institutions.

In its latest annual report (June 2018), **UNEP FI** states that its main objective is to *support its members in adopting business approaches that integrate sustainability as a driver of value creation and contribute to the UN's Sustainable Development Goals* (UNEP, 2019c). To this end, its activities are focused on *identifying, promoting and adopting best environmental and sustainability practices at all levels of financial institutions' operations* (UNEP, 2018a).



Within this framework, the final beneficiaries of **UNEP FI** are the economic agents that make up the production and expenditure units explicitly linked to the achievement of the ESG (Environmental, Social, Governance) objectives: **companies** (public and private) and **States**. They are agents who demand capital to finance their activities.

In order to enable these economic players to receive more resources, **UNEP FI** works to change the practices of the ecosystem financial players (**investors and intermediaries**), as they are the source of private funding. In this sense, financial institutions are also beneficiaries as **UNEP FI** helps them to identify new business opportunities linked to the achievement of SDGs, and also to improve their reputation.

Acting with financial institutions is the leverage to achieve the objectives pursued. In addition, financial institutions are both demanders and providers of financial instruments. In this sense, it is understood that **investors constitute the demand** for financial products, since they are the ultimate source of financing.

The previous statement is a nuance that can be very relevant. If one of the fundamental objectives sought is to increase funding from the private sector, then building capacity to attract investors becomes a key factor of the Initiative. In other words, investors are the target audience to provide guidance and facilitate the acquisition of certain financial assets. And, since financial institutions are the vehicles through which they make these acquisitions, it is there where influence must be exercised and capacities built so that they can play this mediating role. From this perspective, the investors are the clients.

Table 6. UNEP FI mission, objectives and beneficiaries

Mission	To bring about systematic change in finance to support a sustainable world: changing finance, financing change
Objectives	Promote better environmental and sustainable practices in the financial institutions' activities
	Increase a number of private financial institutions worldwide whose business is driven by sustainability
	Changing the practices of organizations in the financial ecosystem
	Increase the sources of financing change resources for companies so that they apply criteria consistent with the SDGs in the development of their activity
Beneficiaries	Investors
	Financial Institutions
	Companies

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)

UNEP FI Positioning

The financial system, as mentioned, involves a multitude of organizations with very diverse roles, which are situated in different positions in the ecosystem. This group of **economic players** is basically composed of:

- **Savers** (public and private) who need to invest their capital and who make up the **supply of** capital.
- The **productive and spending units** (entrepreneurs and public and private companies) that need capital to be invested in their activities, shaping the **demand for capital**.



- The **intermediaries** (financial entities) that put the two previous ones in contact. Their activity is necessary in order to reduce the risks of both parties and the transaction costs, as well as to facilitate the transformation of some securities into others, so that they are more attractive to both parties. They are therefore, on the **demand for capital and supply of capital**.
- **Support organizations**, i.e. economic players, organize themselves in order to defend their particular collective interests and to have joint instruments for the best development of their activities. For this purpose, they have associations, federations, foundations and work platforms.
- Supporting organizations and/or institutions whose mission is to provide **a framework of trust for players**, i.e. **regulators and supervisors**. These bodies bring transparency to the financial system and therefore confidence and security to capital providers and demanders. They are structured differently in each country, but usually form part of these regulatory and supervisory bodies, under different names (Central Banks, Superintendencies of Banks, Superintendencies of Insurance, National Securities Market Commissions, etc.). This framework of trust also needs instruments that allow economic actors to make their investment decisions, reducing the risk inherent in this type of decisions. These instruments make it possible to assess risks through rating systems (indexes, ratings, metrics, etc.) that are normally prepared by specialized private sector companies.

While UNEP focuses primarily on the role of governments as the ultimate responsible parties for the regulatory framework affecting environmental conservation, **UNEP FI** was created explicitly to **engage the private financial sector** (UNEP, 2018a).

Since it is a very broad and complex system, **UNEP FI intervenes directly with the organizations that make up both the framework of trust in the financial system and those that support the supply-side of capital (investors)**, influencing the way in which they channel economic resources to the final beneficiaries.

UNEP FI offers shared knowledge and best practices, set standards and increases the support for sustainable products and ways of doing business: it supports financial institutions that are taking the lead in this task and involves policy makers to help transform markets. It also works with support institutions such as banking associations, non-governmental organizations and central banks that support resilience in their local markets. It involves policymakers, regulators and civil society, to help raise awareness of the frameworks needed in order to expand the key role that the financial industry can play in achieving a sustainable economy.

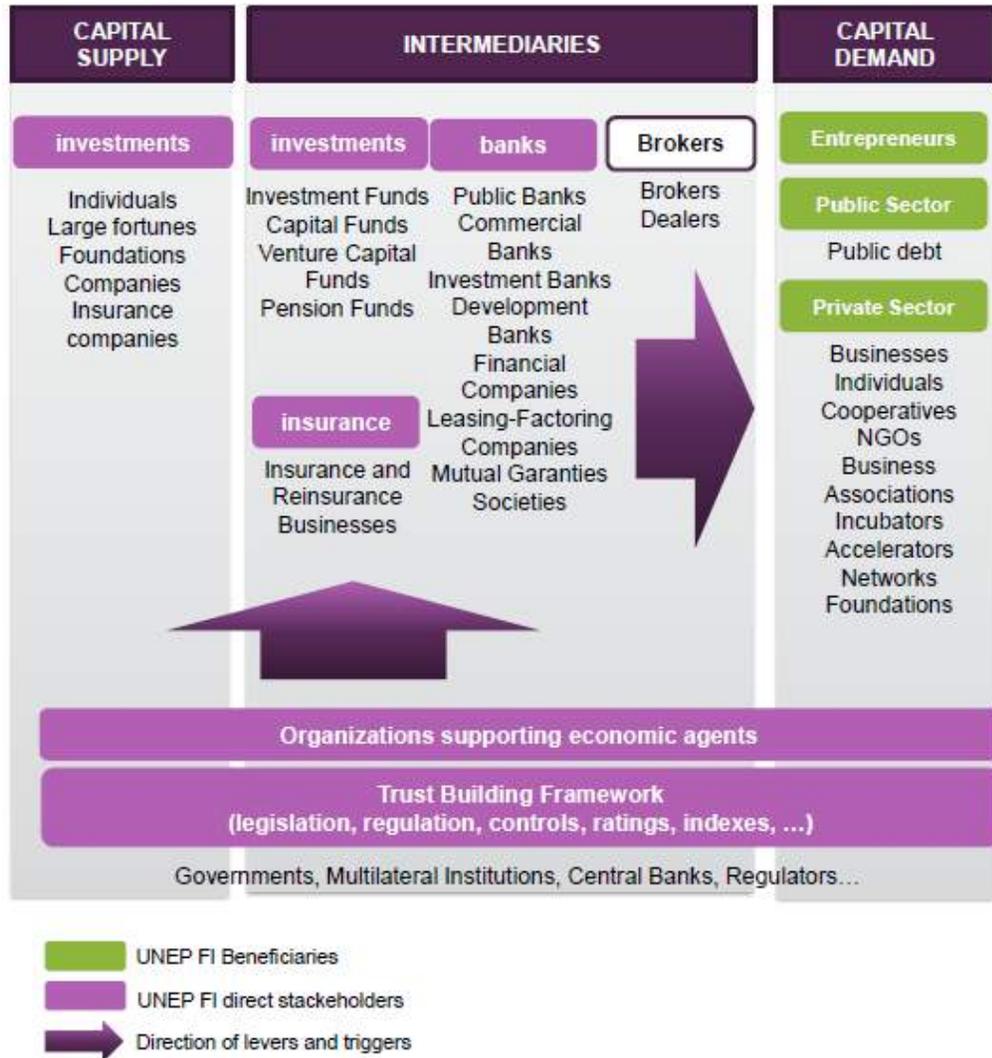
It is worth noting that generation of financial mechanisms is not among the objectives of UNEP FI, because it is considered that the design of financing mechanisms is a unique process linked to each institution. UNEP FI's strategy, which focuses on financial institutions playing a multiplier role in the mobilization of funding resources, leads to actions that strengthen the financial institutions capacity, such as data analysis for the composition of their portfolios, investment decision-making and customer relations procedures, management models for their investment policies, etc.⁵ [SOSA, UNEP FI].

It is this positioning that allows UNEP FI to be identified as a Financial Initiative, in the sense that it is directed towards the players involved in the financial sector.

⁵ Maria Eugenia Sosa, UNEP FI Regional Coordinator LAC.



Figure 14. Relationship between financial system organizations in UNEP FI



Actors involved and partnerships

The UNEP Initiative was **initially supported by a small number of major commercial banks** (Deutsche Bank, HSBC Holdings, Natwest, Royal Bank of Canada and Westpac) **and insurance companies** (General Accident, Gerling Global Re, National Provident, Storebrand, Sumitomo Marine, & Fire and Swiss Re).

Its members, **UNEP FI's core stakeholders**, 278 as of today, including banks (168), insurers (72) and other investors (38), have signed the *UNEP Declaration of Commitment of Financial Institutions on Sustainable Development* to become full members. The Members of **UNEP FI**:

- Work with **UNEP FI** to understand current environmental, social and governance challenges, the reasons why they are important to finance and how to actively engage in addressing them.
- Pay the annual membership fee. This fee is not the same for all its Members, but is fixed for each one based on the total assets managed (size of the organization).
- Sign the Commitments to Implement the DSB Principles: banks are required to sign the "Principles of Responsible Banking - PRB", insurance companies the "Principles of Sustainable Insurance - PSI", and investors the "UNEP Statement of Commitment by Financial Institutions to Sustainable Development".
- Participate in the activities organized by **UNEP FI** and in particular, **it is mandatory for them** to attend the Annual Meeting, in addition to other governance bodies. In particular, and exclusively for the members, they work in groups by industry (Banking, Insurance, Investors) to develop methodologies and tools that allow them to go deeper into environmental, social and governance considerations to integrate them into the decision-making processes.
- Incorporate the principles set out by **UNEP FI** into their decision-making and operational practices and processes. In this regard, they report annually on their progress in implementing the principles and agreements signed.

A second group consists of the institutions that are part of the **formal support** structure of **UNEP FI**. About 130 **support or facilitating agencies** have been identified, which play a crucial role in the financial sustainability development, including:

- Specific service providers in the financial industry. Financial entities associations (banking, insurance, investment).
- Policy makers and regulators responsible for financial markets. Oversight and control bodies (national and international institutions that define and supervise the implementation of regulatory policies for financial markets).
- UNEP and the UN System and other major players in the field of sustainable development science and policy.
- Policy makers and regulators responsible for environmental and social issues. Institutions that define scientific policies for sustainable development, institutions that regulate environmental, social and governance issues, as well as universities.
- Non-profit organizations that create capacity and knowledge. Research centres related to the environment and the financial world.

These organizations provide support for the development of specific activities, participate in the forums and working sessions organized by **UNEP FI**, provide funds and/or contributions and, additionally, share knowledge, influence and convening power. They do not pay membership fees as they are not properly members.



This network of partners constitutes several complementary platforms that offer a comprehensive set of solutions to empower and engage the financial sector, and operationalize solutions to mobilize private capital towards the achievement of SDGs.

In addition to the alliances derived from this broad network, that includes members, support institutions and partners, the role of the **Industry Committees and Regional Advisory Councils** should be highlighted in **UNEP FI's** partnership policy.

These Committees are composed of a representative of the United Nations and representatives of the Members in the Regions. They facilitate dialogue by sector and region. They have also representation within the **UNEP FI** bodies through a matrix structure and are the decisive source of partnership policy.

UNEP FI is a member of other external initiatives that promote principles and projects related to its objectives. It works closely with other **United Nations** organizations to achieve the following objectives:

- Inclusion in the agendas of the G20 and G7 meetings.
- Joint actions with the World Bank.
- Strengthening the capacity of the International Association of Insurance Supervisors (IAIS) by launching the Forum of Supervisors for Sustainable Insurance (SIF).
- Setting a collaboration agreement with WHO linking health practices with the insurance sector, as well as with WWF and UNESCO in relation to life insurance.

UNEP FI activities in Latin America are also supported by **multilateral organizations** such as IDB, which is part of the IDB Group, IFC or CAF. They contribute with the organization of the different activities that **UNEP FI** develops in the region (forums, studies, public-private dialogue, awareness-raising events, workshops, reports, support to financial entities, etc.).

Other partnerships with multilateral agencies are listed in the table below.

Table 7. Description of UNEP-FI's main partnerships with multilateral agencies

Featured partnerships: UNEP-FI and multilateral agencies	
UN Global Compact	Launched in 2000, the UN Global Compact is a policy platform and practical framework for companies committed to sustainability and responsible business practices. With 7,000 corporate signatories in 135 countries, it is the world's largest voluntary corporate sustainability initiative. The United Nations Global Compact, the United Nations Environment Finance Initiative (UNEP FI) and the Principles for Responsible Investment (PRI) Platform, have joined together to form the United Nations Alliance for Financing SDGs. The aim is to bring together their large networks of financial and private sector members and stakeholders, to facilitate closer collaboration on financing SDGs to maximize the collective impact.
PRI – Principles for Responsible Investment	Promoted by UN Global Compact and UNEP FI , and in partnership with Generation Foundation (an international investor platform), the project was launched with the initial support of 20 investors from institutions in 12 countries, and was also supported by 70 experts from the financial sector, intergovernmental organizations and civil society. At present, 2,453 financial companies have subscribed to it. Among its allies, there are major financial intermediation and asset management firms, as well as firms that provide services to the financial world and to environmental activities. It focuses on understanding the investment implications of ESG factors and supporting its international network of investor signatories to include these factors into their investment and ownership decisions. It is supported by, but not part of, the United Nations.



<p>Generation Foundation</p> <p>Impact Management Project</p>	<p>Generation Foundation was created by Generation Investment Management, a firm that manages long-term investments in companies with high management quality and responsibility commitments.</p> <p>The alliance with this foundation has produced a number of initiatives, including "A Legal Framework for Impact" (legal framework for considering the impact of sustainability on investor decision-making), "Fiduciary Duty Project in the 21st Century" (analysis of the positive factors for integrating environmental, social and governance factors into investment processes, as generators of market opportunities), "Principles for Responsible Investment" and several others.</p> <p>UNEP FI is part of this structured network that brings together organizations such as GIIN, GRI, the Global Steering Group for Impact Investment, IFC, OECD, PRI, SASB, Social Value International, UNDP, the UN Global Compact and the Global Benchmarking Alliance to build a global consensus on how to measure, report, compare and improve the performance of impact investments.</p>
<p>Casablanca Finance City (CFC)</p>	<p>Economic and financial centre that aspires to become a bridge platform between the north and the south. It seeks to attract and encourage international institutions and investors to invest and operate in North, West and Central Africa and to choose Casablanca as a gateway to this region.</p> <p>UNEP FI and CFC have become partners with the aim of developing UNEP FI initiatives in the African continent. Together with other financial centers around the world (Astana, Dublin, Hong Kong, London, Luxembourg, Milan, Paris, Qatar, Shanghai and Stockholm), they launched the FC4S Network platform, which also includes the Climate Bonds Initiative, the Sustainable Digital Finance Alliance, the Sustainable Stock Exchange Initiative and Principles for Responsible Investment.</p>
<p>Finance for Tomorrow</p>	<p>Initiative recently launched by Paris EUROPLACE, an organization that brings together a diversity of players (issuers, investors, banks, insurance companies, financial intermediaries, ancillary professions, French and international) and active in the Paris Financial Centre, to promote sustainable finance both in France and worldwide. Since July 2017, it works in partnership with UNEP FI.</p>

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)

Activities

In order to achieve its objectives, **UNEP FI** focuses on capacity building and *networking* in the international financial system, to promote the alignment of its activities with ESGs. In this way, its **instrumental objectives can be materialized** in:

- Maintaining and building alliances.
- Taking advantage of the United Nations network.
- Maximizing community building.
- Strengthening communication and commitment.
- Expanding the training program.

The projects carried out are based on four **areas of intervention** (UNEP, 2018b):

- Development of methodologies and tools.
- Sustainability diagnostics.
- Promoting the establishment and adoption of standards.



- Support for leadership and market transformation.

Roles

UNEP FI's roles in working along these lines are:

Resource Mobilizer. This role is played at two levels: a) Mobilization of financial resources from investors to projects, organizations and companies that work in compliance with ESG investment criteria consistent with the United Nations SDGs, b) Mobilization of resources for the activities and management of the organization itself.

The first of these levels is indirect and, in the absence of specific data, it cannot be quantified. However, in light of the data provided by the financial institutions that are **UNEP FI** Members, these financial resources are estimated to be in the billions of dollars. This information is supported by data provided by: ABN AMRO Bank (ABN AMRO, 2018), BBVA Group (BBVA Group, 2019b) and Banco Santander (Santander Group, 2018) 100 billion in ESG-channelled investments by 2019.

The second level includes contributions from its members. United Nations funds contributed with the aim of strengthening the institution and to cover specific projects, one-off donations from its members or other institutions for specific projects, and contributions and income from training activities.

Facilitator of spaces or creation of platforms to connect different players. One of the objectives of **UNEP FI** is to facilitate the exchange between financial institutions and a wide network of players linked to the fulfilment of the ESG objectives.

To this end, a series of activities are developed with the most diverse institutions. This network includes, in addition to the leading players on creating sustainable development policies, service providers in the financial industry, public regulators, and the United Nations system. **One of the Initiative's priorities is public regulators.** The dialogue with them is ensured by being a United Nations Initiative, which is an advantage for its members by contributing to their image and reputation.

Impact measure metrics generator and disseminator. **UNEP FI** provides businesses in the financial sector with the access to metrics that help them measure the impact of their activities. Some examples are: "Exploring Metrics to Measure Banks' Climate Progress" (Stan Dupré, Jakob Thomä, Sophie Dejonckheere, Remco Fischer, Christopher Weber, Cynthia Cummis y Aman Srivastava, 2015) developed in the context of the Carbon Initiative Portfolio (Greenhouse Gas Protocol, 2019) "The Impact Radar" (UNEP, 2018c). The "Responsible Property Investing: Metrics for Performance Measurement" tool (UNEP, 2010) which covers a wide range of investment practices that integrate environmental, social and governance information into investment decision-making.

Promoter of criteria, standards and guidelines for financial institutions in partnership with organizations representing different stakeholders. **UNEP FI** has developed a comprehensive set of documents that define criteria, standards and commitments for its members to be in compliance with the SDGs.

Capacity builder. **UNEP FI's** contribution to building the internal capacity for companies in the financial ecosystem, is one of the most valued roles by its members.

Services and tools

The services that **UNEP FI** offers to financial institutions are (UNEP FI, 2007):



Awareness-raising and training: Workshops on environmental risk management and identification of opportunities; advice and identification of needs; personalized online training.

Exchange of ideas and best practices: exchange of information with other financial institutions at the regional and international level through the **UNEP FI** Regional Groups and Working Groups.

Research at national and regional level: cutting-edge research on finance and sustainability issues (climate change, water scarcity, security, etc.); opportunities to get involved in high-level regional and international events and research (as host or sponsor).

Advice: support for the development of economically viable and sustainable practices and products (from environmental management to achievement reporting mechanisms).

Figure 15. Tools developed by UNEP FI

Analysis and dissemination of SDG-oriented investment cases in the financial sector.
 Definitions and frameworks for "rating" financial products and activities under the SDG (principles, reporting, benchmarking)
 Guidance on including SDGs into investment decisions (asset allocation, financial analysis and commitment)
 Map of innovative financial products for SDGs.
 Laboratory for the development and testing of new solutions.
 Self-diagnosis tools to identify areas for an organization to initiate or deepen its 'green finance' - orientated activities.
 Dialogue and engagement with government on how financial market regulators can support SDGs.
 Development of methodologies and tools that allow each type of actor in the financial sector, from its particular perspective, to evaluate environmental, social and governance (ESG) risks in their decisions (i.e. insurance underwriting, investment portfolio, corporate reputation...).

Research and Awareness-raising Publications.
 Training: Supporting members to build capacity and provide training. It provides a range of training opportunities, both online and in workshop format, covering topics such as the Environmental and Social Risk Analysis Training Program (ARAS).

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)

Table 8. UNEP FI activities

Activities	
Instrumental objectives	Maintain and build alliances
	Take advantage of the United Nations network
	Maximize community building
	Strengthen communication and commitment
	Expand the training program
Types of projects	Development of methodologies and tools
	Sustainability diagnostics
	Promoting the establishment and adoption of standards
	Support for leadership and transformation of the financial market



Services and Tools	Awareness raising and training
	Exchange of ideas and best practices
	Research at national and regional level
	Advice
Roles played	Financial resources mobilizer
	Facilitator of spaces that connect different organizations
	Metrics generator and disseminator
	Standards and guidelines promoter
	Capacity builder

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)

Operation

It is particularly important to understand how **UNEP FI** operates in many of the projects and activities promoted.

On phase one, it attracts the interest of financial system organizations (investors, banks and insurance companies) directly concerned with the specific subject matter to promote and subsequently, it creates a critical mass of interested members to create of a working group.

Each working group prepares the relevant documentation accordingly (agreements, action protocols, guides...).

Then, the process of dissemination and adhesion begins, and finally, the players involved (financial institutions, insurance companies, investors, regulatory bodies, etc.) will apply the protocols, agreements, etc. in their respective fields of action.

Table 9. UNEP FI operation in projects and activities

Phase	Mode of intervention
1	Attract members' interest around a theme
2	Create critical mass of members around the issue
3	Constitution of a working group composed of members
4	The working group prepares operational documentation
5	Dissemination of documentation produced by the working group
6	Membership and other organizations
7	Practical implementation by members and institutions

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)



Table 10. UNEF FI highlighted projects

Outstanding projects	
Scope	Project description
Related to supporting leadership action and market transformation:	PRB - PRINCIPLES FOR RESPONSIBLE BANKING. Development of the Principles for Responsible Banking (PRB) with a group of 28 member banks (UNEP FI, 2019a). The Commission will be responsible for implementing the Convention on Biological Diversity, in line with the SDGs and the Country Agreement on Climate Change. By May 2019, 56 banks worldwide had signed up to the PRB.
	PI - PRINCIPLES FOR POSITIVE IMPACT FINANCE. The Positive Impact Initiative (UNEP FI, 2017b) (PI) was created in 2017 to help banks, investors, corporations and governments jointly create commercially viable, impact-based solutions for SDGs, creating new markets. It focuses on testing funding approaches based on the impact on the different lines of business of financial institutions.
Related to standard setting and acceptance	PSI - PRINCIPLES FOR SUSTAINABLE INSURANCE. The project (UNEP FI, 2012a) was launched in 2012 to create a global framework for the insurance industry to address environmental, social and governance risks and opportunities. More than 120 organizations worldwide have adopted the <i>four Principles for Sustainable Insurance</i> , including insurers that account for more than 25% of global premium volume. The Principles are part of the criteria for the insurance industry of the Dow Jones Sustainability Indexes (S&P Dow Jones Index, 2019) and FTSE4Good (Madrid Stock Exchange, 2019).
	FIDUCIARY DUTY PROJECT IN THE 21ST CENTURY. This program (Fiduciary duty in the 21st Century , 2017) is intended to show financial sector agents that, far from being a barrier, there are positive factors for integrating ESG factors into investment processes, which are generators of market opportunities. It has created a Declaration of Duties and Obligations of Investors (Fiduciary duty in the 21st Century , 2017) which raises the need for investors to take into account in their decisions, the environmental, social and governance challenges facing the world.
	SSE - A SUSTAINABLE STOCK EXCHANGE. Program of the United Nations Conference on Trade and Development (UNCTAD, 2019) (UNCTAD), the United Nations Global Compact (Global Compact, 2019) (UN Global Compact), UNEP FI and the Principles for Responsible Investment (Principles for Responsible Investment, 2019) (PRI) created in 2016. Sixty stock exchanges are associated with the Sustainable Stock Market Initiative (SSE), representing more than 70% of the listed stock markets.
Related to the generation and dissemination of metrics	"Exploring Metrics to Measure Banks' Climate Progress" (Stan Dupré, Jakob Thomä, Sophie Dejonckheere, Remco Fischer, Christopher Weber, Cynthia Cummis and Aman Srivastava, 2015). The Carbon Initiative Portfolio, developed in the context of the Carbon Initiative (Greenhouse Gas Protocol, 2019). The "Metrics" section of the website presents several existing metrics with a guide for their use.
	"The Impact Radar" (UNEP, 2018c) is a tool for holistic impact analysis. UNEP-FI / SBCI'S FINANCIAL & SUSTAINABILITY METRICS REPORT (Lowe, C. Ponce, A. UNEP -FI). A report that brings together current thinking on defining and measuring sustainability in the context of the construction sector environment.
	"Responsible Property Investing: Metrics for Performance Measurement" (UNEP FI, 2010) covers a wide range of investment practices and styles that integrate environmental, social and governance information into investment decision making.
Other projects	PDC - THE PORTFOLIO DECARBONIZATION COALITION. The Portfolio Decarbonization Coalition (UNEP FI, 2015) (PDC) is a project involving a wide range of partners to boost the reduction of greenhouse gas emissions by mobilizing a critical mass of institutional investors committed to the gradual decarbonization of their investment portfolios. UNEP FI is part of its Steering Committee.



ENERGY EFFICIENCY PROGRAM. UNEP FI is involved in cross-cutting work on energy efficiency finance with investors, banks and insurers, leading international policy dialogues, including with the G20 and the European Commission.

NCFA - NATURAL CAPITAL FINANCE ALLIANCE. It's an international coalition (Natural Capital Coalition, 2019), led by UNEP FI and the Global Canopy Program (Global Canopy, 2019) (UK NGO) involving more than 300 organizations interested in integrating natural capital conservation considerations into financial products and services. Signatory financial institutions are working to implement the Natural Capital Declaration commitments (UNEP FI and GCP).

Source: Own elaboration from the UNEP website (<https://www.unenvironment.org/es>)

Governance and administrative operations

Governance (UNEP FI, 2017a) of **UNEP FI** reflects the nature of the initiative as a **partnership between UNEP and a global network of financial institutions**.

The governing bodies of **UNEP FI** are:

- The **Annual General Meeting (AGM)**. Assembly of all Members with the highest decision-making authority for **UNEP FI**. A quorum of 25% of the Members is required for valid constitution. Each member has one vote and decisions are made by simple majority.
- The **Global Steering Committee (GSC)**. It oversees the strategic direction of the Initiative, decides on changes or new thematic areas, advises and approves the work plan and corresponding funding plan, advises and monitors the work of the Industry Committees, and actively promotes and disseminates the work of the Initiative to various audiences. It is composed of 13 members in defined positions.

Positions 1-10 are elected from the three industries (Banking, Investment and Insurance) in the geographic regions (Africa and Middle East, Asia Pacific, Europe, Latin America and North America). Seats 1-8 are assigned to the industry/region combinations with the largest number of members. Positions 9 and 10 are available for members from other industry/region combinations. The first priority in filling these two positions is to ensure that all regions have at least one representative on the GSC. If this objective already exists, then posts 9 and 10 will be allocated on a competitive basis or at the discretion of the GSC, depending on the strategic development of the work program and the geographical scope of its membership. Positions 11 and 12 are filled at the discretion of the GSC itself to recruit specific skills that may not be present in the committee. Post 13 is permanently allocated to UNEP.

- The **Industry Committees**. Under the overall direction of the GSC, there are three Industry Committees to oversee the work of UNEP FI in the banking, insurance and investment sectors. The size and composition of committees depend on specific needs as UNEP FI Members and the program of work is evolving. However, all committees will include: Industry Representatives, Regional Advisors (also part of the Regional Advisory Councils) and Thematic Advisors (also part of the Thematic Advisory Councils).
- The **Thematic Advisory Boards** bring together the Thematic Advisors present in each of the three Industry Committees and a representative from UNEP with high-level responsibilities and expertise in relation to the subject matter. They are internal centres of expertise on the functions, potential and needs of the financial sector in the areas of interest to UNEP:
 - **Climate Change**: focuses on reducing greenhouse gas emissions and decarbonizing the global economy, adapting global consumption and production patterns, lifestyles and supply chains to the physical, weather and water impacts of climate change.



- **Ecosystem Management:** includes all areas of natural capital, such as biodiversity, ecosystem services, sustainable land use and water issues.
- **Positive Impact:** specific area linked to the development of the Positive Impact Initiative (PSI) aimed at rethinking the impacts of financial activities on SDGs. It is a position statement and a call to action based on the potential for positive impacts to generate income and be part of the core business models of financial institutions.
- **Social Issues:** focuses on civil, political, economic, social and cultural issues related to the SDGs. At the same time, they strive to reduce inequality, promote equity and inclusion. Therefore, activities related to gender equality are addressed from this Committee.
- The **Regional Advisory Councils:** these bring together the Regional Advisors present in each of the three Industry Committees. They may also include relevant UNEP representatives with high-level responsibilities in the corresponding region, as well as representatives of UNEP FI supporting institutions, as appropriate. There are five: North America, Latin America and the Caribbean, Europe, Africa and the Middle East, and Asia Pacific.

The **Industry Committees**, with the **Thematic Advisory Councils** and the **Regional Advisory Councils**, constitute the operational component of the Initiative governance. Changes in governance are made under the explicit mandate of the AGM.

Figure 16. UNEP FI Governance



Source: (UNEP FI, 2019b).

Day-to-day operations are managed by the **Secretariat** at its headquarters in Geneva. This body is composed of the Executive Director (Eric Usher) (COP21, n.d.), who has experience at UNEP, with the support of the Program Manager and other UN staff.



The Secretariat supports the work of the three UNEP FI commissions, leads the work of the four thematic areas and contributes to the five regional task forces. In addition, it manages the UNEP FI finances in accordance with UN rules and regulations and is responsible for submitting strategic or material financial issues to the GSC for approval.

The human resources of the Secretariat is formed by 40 people: Secretariat Management (1), Program Management (1), Members and Regional Coordination (1), Banking (1), Insurance (2), Investors (4), Positive Impact Finance Initiative (4), Climate Change (1), Ecosystems and Sustainable Land Use (8), Energy Efficiency (1), Social Issues (1), Training (2), Communication and Events (3), Regional Outreach (8) and Administration (2) (UNEP, 2018a, p. 33).

In terms of its **linkage to UNEP**, it should be noted that **UNEP FI** is a Unit within the Resources and Market Branch, in the Division of Economics, one of the eight central divisions of UNEP and, as such, its management and operations are carried out in accordance with UNEP rules and regulations and broader United Nations guidelines, policies and procedures.

In relation to UNEP's core areas, **UNEP FI** currently cuts across: climate change, ecosystems and resource efficiency. Organizationally, **UNEP FI** reports to the Resource Efficiency Sub-Program, within the Division of Economics.

The Thematic Advisory Committees have parallel strategic areas within UNEP and include UNEP experts, ensuring a direct link to UNEP. **UNEP FI** also has dedicated UNEP coordinators for each Regional Advisory Committee.

The UNEP permanent representative on the Global Steering Committee (GSC) is a senior official with responsibilities for sustainable finance within UNEP and/or with direct responsibility and decision-making power in relation to **UNEP FI**, its Secretariat, administration and team. This representative is a member of the Global Steering Committee (GSC) of **UNEP FI** and is appointed by the Executive Director of UNEP (UNEP FI, 2019b).

Project approval processes not only require the involvement of **UNEP FI bodies** (GSC, Industry Committees and Thematic Committees), but also the approval of UNEP's Project Review Committee (PRC).

In addition, the system for staff recruitment, as well as the administrative, accounting and financial management system applied, is the United Nations' UMOJA system.

What UNEP FI brings to UNEP is the financial sector focus through the three Industry Committees.

Therefore, **UNEP FI** currently operates under separate frameworks for work-plan development, project approval and progress monitoring: one process focuses on **UNEP FI** members through the AGM, GSC and the three sectoral commissions, while the other focuses on the Sub-Program Coordinator, the Project Review Committee and UNEP senior management. The **UNEP FI** team is responsible for ensuring that its work plan meets the needs of both processes. However, according to the UNEP Evaluation Office, this situation is inefficient and limiting (Long, A.D., Siddy D. - UNEP, 2016).



Sustainability

UNEP FI's sustainability is based on a valuable offering for its members: **capabilities for investors to identify business opportunities to invest**. In return, it receives funding for its activities and to meet its structural costs: the annual membership fees

The main source of **UNEP FI** funding (68% of its income) comes from its members contributions, via payment of membership fees.

Income from sources other than membership fees are:

- **United Nations funds:** funds provided for institutional strengthening and for specific projects. In 2017, the following can be mentioned: Fiduciary Duty Project, UNEP Environment Fund, EC - Positive Impact, UN REDD funding.
- **Specific funds and occasional donations** from its members or other institutions, all for specific projects. For example, in 2016, there were donations from the Swedish International Development Cooperation Agency.
- Income from **training activities** which is equivalent to the expenses necessary for its development.

The Initiative also receives **funding from various organizations to carry out specific work**. These "associations" are varied in roles, function and structure. In some cases, the "partner" provides funds through a grant or donation.

In other cases, external funding is channelled through a **partner that directly covers the administrative costs of a project** and avoids UNEP support costs, as well as being more agile in the contracting process and facilitating the maintenance of a less burdensome administrative structure. While these funds do not appear in **UNEP FI** accounts, these contributions are vital to the work plan. However, this also means that they are not visible, i.e. there is no formal financial accounting within UNEP that collects these inputs.

UNEP FI offers excellent value for money to UNEP, particularly considering the **very significant non monetary contributions made by members** (Long, A.D., Siddiqui D. - UNEP, 2016). **UNEP FI's** strong emphasis on cooperation and co-financing also adds up to its cost-effectiveness: for example, the report on *Trust Law in the 21st Century* had a budget of just under \$52,000, and cost **UNEP FI** only \$24,000 due to **co-financing** with PRI and other partners, and has subsequently enabled **UNEP FI** to leverage its initial investment by receiving a three-year, \$1 million **grant** from a foundation to support the report's recommendations implementation.

The following tables, all of which are taken from the 2016 "*UNEP FI Assessment Report*", show its financial structure (which does not reflect the many non-monetary contributions made by its members).

Income from **membership fees represents 68.37% of** total income, while contributions for specific activities are 26.34% (from members 10.80%, UNEP 5.89%, governments 4.22%, UN 5.42%) and training income is 3.02%.

It should be noted that, during the first four years of the period analyzed, income from members varied around 80%, to reach around 60% as of 2014, a figure that seems to have remained stable since then.



In terms of **expenditure**, the operational costs of the organization's structure represent 26% of the total, while those for actions with the financial sector represent 23%, activities in the regions represent 11% and overall activities 6%.

The total income from members amounts to \$10,088,061 for the period 2010 - 2017, while the general and structural expenses were for the same period \$6,382,217, which means that the operational costs of the structure are about 33% of the income from members. This fact is particularly significant if it is considered that **the structural costs are not excessive, rather low for the activities that have been carried out**. In this regard, it should be noted that for extensive periods the executive management has been vacant, and only covered by people from the second organizational line.

Table 11. UNEP FI income in 2010-2017

REVENUES 2010 - 2017	
Membership fees	68,37%
Member sponsorships	6,30%
Sponsorship of specific activities	4,50%
Investment income	0,88%
UNEP's contributions	5,89%
Government grants (from the REDD Program)	4,08%
Government donations (from the NCD Program)	0,14%
UN Donations (from REDD Program)	5,42%
Training activities	3,92%
Others	0,49%
Total income (\$)	25.563.124

Source: (Long, A.D., Siddy D. - UNEP, 2016)

Table 12. UNEP FI expenditures in 2010-2017

EXPENDITURE 2010 - 2017	
Banking	7,83%
Insurance	6,91%
Investors	8,71%
Regions	10,82%
Climate change	7,18%
Biodiversity and ecosystems	20,81%
Positive impact	0,99%
Social problems	0,72%
Online training	3,98%
General activities	6,05%
General and structural expenses	26,00%
Total expenditure (\$)	24,549.053

Source: (Long, A.D., Siddy D. - UNEP, 2016)



The cash flow situation between 2010 and 2013 showed a constant deficit which was compensated from 2014 onwards by government donations and an increase in income from sponsorship of specific activities, which shows that the income from membership fees, although significant, is not sufficient to cover expenses.

Outreach in LAC and Win-Win countries

The UNEP FI Latin American Working Group consists of **47 financial institutions**.

There are 32 members of the banking sector in the region, out of which the *Win-Win* countries are Argentina (2), Brazil (3), Chile (1), Costa Rica (1) and Uruguay (1). Among its members in the investor chapter, there are no members based in Latin America. Insurance sector members in the region are 15, 12 of which are located in Brazil (Win Win country).

Table 13. UNEP FI in the Latin American and Caribbean Region and in the Win-Win countries

Type	LAC	Winning Countries
National Banks	32	8: Argentina (2), Brazil (3), Chile (1), Costa Rica (1), Uruguay (1)
Insurance	15	12: Brazil (12)
Investors	0	0
Supporting Agencies	29	14: Argentina (3), Brazil (2), Chile (6), Costa Rica (1), Jamaica (1), Uruguay (1)

Source: Own elaboration.

In addition, financial entities that are global member with a wide presence in the region are worth mentioning:

- BNP Paribas (France): Argentina, Brazil, Chile, Colombia, Mexico, Peru and Guyana Antilles.
- ABN Amro Bank (Netherlands): Argentina, Brazil, Chile and Mexico.
- BBVA (Spain): Argentina, Chile, Colombia, Mexico, Panama, Paraguay, Peru, Uruguay and Venezuela.
- HSBC Bank (UK): Argentina, Brazil, Chile, Colombia, El Salvador, Mexico, Peru, Uruguay, Bermuda and the Virgin Islands.
- Banco Santander (Spain): Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay.

The support agencies that are part of the **UNEP FI** network with a presence in Win-Win Countries, are:

- Argentina: ABA - Association of Banks of Argentina, ABAPPRA - Association of Public and Private Banks of Argentina, and the Superintendence of Insurance of the Nation.
- Brazil: Adami Advogados Associados and the Brazilian Business Council for Sustainable Development (CEBDS).
- Chile: Universidad Finis Terrae, ACAFI-Chilean Association of Pension Fund Administrators, Action LAC. Latin American Climate Association, Finte Chile Association of Fintech Companies of Chile, GovernArt Advisory Firm, and FIAP. International Federation of Pension Fund Managers. Costa Rica: General Superintendency of Financial Institutions.
- Uruguay: Association of Private Banks of Uruguay.
- Jamaica: Financial Services Commission.



Among these support organizations, the following occupy an important position due to their high influencing capacity and convening at regional level: IFC, IIC, IDB, CAF, ALIDE (Latin American Association of Financial Institutions for Development) and FELABAN (Latin American Federation of Banks).

UNEP FI's activities in the region are connected to the global program and include: networking to foster information exchange, best practices and awareness-raising among financial institutions, engagement with relevant regional actors in sustainable finance, and capacity building through workshops and online training courses.

Table 14. UNEP FI highlights in Latin America

Argentina	The Buenos Aires Stock Exchange (BCBA) is part of the SSE Initiative, Conducting the Argentinean Bank Survey in 2017 by UNEP FI and the CAF. UNEP FI has committed to the new G20 Argentinean presidency through the G20 Energy Efficiency Financing Task Force, of which UNEP FI is part of the Secretariat.
Chile	Facilitation of public-private dialogue and awareness-raising and training events on sustainable finance to develop and expand knowledge and technical capacities that generate a more sustainable development in financial institutions and at the country level. In 2014 the Santiago Stock Exchange became part of the SSE Initiative, in 2016 the Sustainability Guide for Issuers of Financial Instruments was produced (incorporating ESG factors), 26 companies forming part of the Dow Jones Sustainability Index (2017), support for the creation of green and social bond infrastructure since April 2018, for issuers and investors, report "Sustainable Development in the Chilean Banking System" (2017), a study carried out by UNEP FI and CAF - Latin American Development Bank, together with the Association of Banks and Financial Institutions (ABIF) and GfK Adimark.
Costa Rica	UNEP FI and REDD+ provide technical support for financial products designs that are more attuned to the needs of sustainable commodity production. Also, UNEP FI is currently exploring different areas to support the adoption of sustainable financing criteria in Costa Rica, the National Stock Exchange is part of the SSE Initiative, UNEP FI and Ecobanking organized (2016) an Introductory Training Workshop on Environmental and Social Risk Analysis (ARAS), in collaboration with the UN-REDD Program, the Development Banking System (SBD) and its main operators, and the General Superintendence of Financial Entities (SUGEF).
Brazil	The National Monetary Council of Brazil published the Resolution CMN 4.661 / 2018, which revised the rule governing investments by occupational pension funds. The new standard requires pension fund asset managers to consider environmental, social and governance (ESG) risks as part of their investment decision-making process. The Principles for Responsible Investment (PRI), UNEP FI and the Generation Foundation, launched a Roadmap for Brazil in 2017 that concluded that value drivers should not be considered in long-term investments, including environmental, social and governance (ESG) issues, in investor practices is a breach of fiduciary duty, 2017 sees the launch of the Principles for Positive Impact Financing with 13 organizations, including commercial banks and asset managers.

Source: Own elaboration.



Channelling impact investments to SDGs funding: Opportunities and challenges

UNEP FI's action is contributing to a cultural change, a paradigm shift in the activity of financial institutions

This change opens up the private financial ecosystem to the discovery of a new market that generates new business opportunities in the area of SDG compliance. The final objective is directing an increased financial flow towards investments in activities for sustainable development.

This does not imply that **UNEP FI** is in itself a mechanism to channel investments. Many mechanisms already exist that have been designed by financial institutions, investor groups or a variety of associations. In fact, **UNEP FI** members, to a greater or lesser extent, are already generating financial instruments both for attracting resources from investors, and for financing players that demand funds.

UNEP FI is an Initiative that, by articulating and supporting more than 240 leading members of the financial sector, is helping to expand opportunities for the impact investments mobilization into SDG financing, with a powerful multiplier effect.

Opportunities are also open to financial institutions in terms of improving the risk profile of their investment portfolios, as well as in terms of brand and reputation benefits.



Figure 17. Investment opportunities generated

ABN AMRO Bank has investments in sustainable activities worth EUR 14.5 billion in 2019 (ABN AMRO, 2018).

Banco Santander invested EUR 2,747 million in Green Bonds and ESG loans in 2018 (Banco Santander, 2018).

A growing number of banks that are active in the green bond market (as a long-term financial asset that is very attractive for pension funds) and that structure green loans.

At the end of 2018, the BBVA Group, a relevant global banking group, has financed 70 billion euros related to carbon reduction projects, 18 billion euros to financial inclusion and support for entrepreneurs, 12 billion euros to social funds and health and education projects, and has participated in the financing of 7.1 billion euros of sustainable bonds. It has also set up the Fundación Microfinanzas, which invests in generating and consolidating microfinance institutions in Latin America, to provide opportunities for people in vulnerable conditions, with a current presence in five Latin American countries with more than two million clients and, it estimates that by 2030, more than US\$ 25 billion in productive loans will be granted. Pledge 2025 is also a BBVA instrument for mobilizing 100 billion euros between 2018 and 2025 to finance sustainable energy projects (BBVA Group, 2019b).

Source: Own elaboration.

For entities that are part of the financial ecosystem, the major challenge introduced by the action of **UNEP FI**, is the risk of not being included due to the new rules of the game (the change of paradigm) that are gradually imposed. The players who are part of the initiatives launched are precisely the most prominent in the sector, with a high visibility and influence. It is a phenomenon recently started and strongly growing, so it is to be expected that, from a critical phase, companies and citizens will be inclined towards those entities that have certifications and trajectory in this field. This is a very important factor in an industry with very high levels of competition: **anyone who does not follow the trend is left out.**

From the **UNEP FI's** action point of view, one challenge to consider is the lack of capacity and knowledge that still prevails in a significant number of financial institutions. Another important challenge derives from the high number and diversity of stakeholders involved in the complex financial ecosystem, which implies a permanent effort to identify the type of organizations suitable for each intervention.



Figure 18. Opportunities and challenges identified

Opportunities	Challenges
<p>Cultural change, paradigm shift, in the activity of financial institutions</p> <p>This change opens up the private sector of the financial ecosystem to the discovery of a new market that generates new business opportunities</p> <p>Improved risk profile of their investment portfolios, as well as brand and reputation benefits</p> <p>Increased flow of funding facilitating investments in sustainable development activities with a powerful multiplier effect</p>	<p>The members of UNEP FI are the most prominent in the sector, with a high level of public demonstration power</p> <p>It is a very important factor in an industry with very high levels of competition: whoever does not follow the trend, loses</p> <p>For financial institutions, the great challenge arising from the action of UNEP FI is the risk of being left out of the game as new rules are gradually being imposed</p> <p>For UNEP FI, the main challenge is the lack of capacity and knowledge that still prevails in a large number of financial institutions. Another important challenge derives from the high number and diversity of players involved in the complex financial ecosystem, which implies a permanent effort to identify the level within the system and the type of player suitable for each intervention</p>

Source: Own elaboration.

Lessons learned

UNEP, like other international agencies, has been faced with a common problem: the financial resources from official aid were insufficient to achieve the objectives they sought to achieve. The need to **mobilize resources from the private sector** was therefore raised, which posed a considerable challenge since, in order to achieve acceptable levels of effectiveness, amounts up to billions of dollars had to be mobilized in a relatively short time.

UNEP then assessed that it was a challenge that could not be taken on alone, requiring the assistance of organizations that were close to private funding sources. Its first step was to engage a small group of five large banks and create a working group with them. After that, the result was the launch of an initiative that, being dependent on UNEP, could act with a high degree of autonomy.

The main lessons learned from the experience of **UNEP FI** are described below.

Choosing the role of UNEP

"For impact investing to achieve greater development, the active participation of social and economic agents in the so-called "impact investing ecosystem" is needed. In addition to social enterprises and impact investors, we must also take into account intermediary agents, governments and administrations and, ultimately, social needs and environmental conflicts that we are trying to solve collectively". (Joan Fontrodona Felip, David Levy Faig, Pablo Sanz Fernández y Miguel Casas Huguet).

It has to be focused on players with real capacity to mobilize the large amounts of financial resources required and, consequently, to create the conditions capable of triggering events so that these players actively participate in achieving ambitious goals.

The understanding of the challenge led to the launch of a **Financial Initiative (UNEP FI)** which, with a high profile of players identified as levers for the mobilization of the financial resources needed, was able to create the conditions for those to actively participate, **setting up a platform to catalyze events**.



Choosing the right positioning as a central factor in an innovative approach

The origin of Social Impact Investments (SII) lies in the detection of a **social need to be met**. And meeting these needs is the ultimate aim of this type of investment.

The SII market involves several groups of players, all with different interests and motivations. It is essential for the development of this market that they work together and build trust. Specifically, investors, social organizations and intermediaries are involved, with governments and public administrations also playing an important role.

The conventional view of the SII market by social purpose organizations, is conditioned by their own history and dynamics, and can be defined as such:

- **Investors** act on the **supply** side. They provide capital to finance investments with social impact.
- **Companies and organizations with a social purpose** act on the **demand** side. They are demanding capital to be invested in the production of goods and services that meet social needs.
- **Intermediaries** play the role of facilitators, **connecting supply and demand**, and reducing transaction costs in the market. They operate through transactions and financial instruments.

This conventional approach sees the market from the perspective of the demand for financing by economic and social agents to undertake SII.

Since there is nothing better than attracting investors to encourage increased financial resources for SDGs, it seems logical to look at the investors' perspective. It is in this change of perspective that **UNEP FI's** main innovation lies, so that its approach becomes the following:

- **Investors** act on the **demand** side. They demand financial assets that meet certain security and profitability conditions to finance investments with social impact.
- **Business initiatives and social purpose organizations** act on the side of the **final supply of financial assets**. They are providers of economic projects that meet social needs.
- **Intermediaries** play the triple role of **supply**, creating financial assets (products) attractive to investors, of **demand** (acquiring financial assets from others) and of facilitators, **distributing financial assets through a network composed of other intermediaries**, and reducing transaction costs in the market. They operate through transactions and financial instruments.

UNEP FI's innovative approach involves a market view from the perspective of the financial assets demand by investors interested in investing with ESG criteria and aligned with SDGs.

Figure 19. Performance perspectives: conventional vs. innovative

Conventional perspective	Innovative approach
Investors act on the supply side of capital.	Investors act on the demand side of financial assets.
Companies and organizations with a social purpose act on the side of the demand for capital.	Companies and social organizations act on the side of the final supply of financial assets.



Intermediaries play the role of facilitators, connecting supply and demand.

Intermediaries play a triple role: supply by creating financial assets, demand by acquiring assets from others, and facilitators by intermediating and distributing financial assets.

Source: Own elaboration.

Importance of the initial driving group of private financial institutions

The initial driving group of the Initiative supported by UNEP was very small: five banks and six insurance companies. Today there are 278 members.

The implementation of an essentially complex initiative (the financial ecosystem is), seemed to require an initial core with the sufficient solidity, commitment and coherence needed to enlight the project. Certainly, the definition of the game rules and commitments to be made by the members, as well as the establishment of an initial strategy, is not a task that can be solved efficiently with a large number of opinions. Once the fundamental principles were defined with the help of leading financial institutions, the rest of the members joined the Initiative.

Consequently, the good practice lies in an **initial reduced core of participants with high potential to influence the rest of the ecosystem.**

Providing value to members and the ecosystem

UNEP FI provides support to its members **collectively** and to the financial sector in general. This support often focuses on different subgroups or groupings of financial institutions that show specific demands, for example, according to the sub-sector, the geographical market or the thematic/specific interest of the project. The concept of **providing tailored support to individual financial institutions is not part of the UNEP FI strategy or mode of operation.**

UNEP FI's presence and impact in the banking sector to date, has been mainly in the **retail and commercial banking segment** (where demand from members has emerged) and **no emphasis has been placed on investment banking.**

Much of the value that **financial institutions** receive from **UNEP FI** membership is the ability to work on cutting-edge projects that help them take the lead in shaping sustainable finance, which gives them the ability to identify new niches and business opportunities. Members can also learn from each other as part of the largest global network of UN-backed banks, insurers and investors.

Supporting institutions such as banking associations, non-governmental organizations and central banks that want to align with ESG practices in their local markets, also benefit from **UNEP FI's** activity, as they can receive advice on the adoption of metrics and on their regulatory activity, as well as support in their outreach activities and training to improve their practices.

Policymakers, regulators and civil society can also be helped by **UNEP FI** to raise awareness of the frameworks needed to expand the key role that the financial industry can play in achieving a sustainable economy.

Individuals, companies and organizations with economic activities from an ESG perspective receive, through the final activity of the financial institutions, the **increased financial resources** needed to achieve ESG achievements, framed in the SDG.

Organizational alignment



Finding the right balance between supervision and support is key. Effective monitoring by UNEP helps facilitate **UNEP FI's** efforts to engage the private sector and better align itself within UNEP. If UNEP focuses primarily on the public sector, it is a challenge for **UNEP FI**, which is focused on the private sector (Long, A.D., Siddy D. - UNEP, 2016).

However, this difference in approach raises divergences between the practices required as a result of the partnership with the private sector and the general approaches and operational set-up of UNEP for engaging with the private financial sector (Long, A.D., Siddy D. - UNEP, 2016).

This brings some questions about UNEP's position regarding its engagement with the private sector and its aim of influencing policymakers and regulators at the national and international levels, as well as how it ensures that the private sector interests are better incorporated into UNEP's direct activities in the same field (Long, A.D., Siddy D. - UNEP, 2016).

This is a relational difficulty between the public administration logic and that which derives from the behaviour and expectations of the private sector.

Flexibility regarding ownership of works

An important aspect of the successful operation of the activities has been the **flexibility in the ownership of work**. In some cases, **UNEP FI** has retained ownership (PSI), while in others, **UNEP FI** systems have allowed an activity to be split (PRI), shared ownership with members (Trustee Study), or collaborated with an NGO (NCD project GCP). **UNEP FI has not required total ownership to be a major issue, considering that this flexibility is a positive factor** (Long, A.D., Siddy D. - UNEP, 2016).



SDG Impact

Reference framework

Unlike the Millennium Development Goals (**MDGs**) (Naciones Unidas, 2019a), the **Sustainable Development Goals (SDGs)** were designed by the United Nations in 2000 to address health, education and poverty problems in developing countries and called for the participation of governments. (United Nations, 2019b) They were announced in September 2015 within the framework of Agenda 2030 as a substitute for the MDGs. They have a wider thematic (17 Goals) and geographical scope, and incorporate more key players. One of these new key players is the **private sector**.

The inclusion of the private sector as a strategic player within **Agenda 2030** and the call by the UN Secretary-General to seek innovative solutions for financing the SDGs (UNDP, UNFPA, UNOPS, UNICEF, UN-Women and WFP, 2019) are key to understand the set up of the **SDG Impact initiative** by the **United Nations Development Program (UNDP)** in 2018.

SDG Impact (UNDP, 2019c) is among the diverse and extensive group of programs, tools and initiatives developed by UNDP in partnership with the private sector. More specifically, **SDG Impact** is part of the innovative financing initiatives currently being undertaken by UNDP, along with the **SDG Impact Finance Initiative (SDGIFI)** and the Tobacco Social Impact Bond (**T-SIB**).

Additionally, the United Nations System has actively participated over the last ten years in the development of initiatives and tools aimed at involving the private sector in a voluntary, active and responsible manner in the Sustainable Development world and, in some of them, UNDP has played and still plays a key role, such as Business Call to Action (UNDP, 2018), SDG Fund (UN, 2014), Business and the United Nations (SDGF, 2015), UN-Business Action HUB (UN Global Compact 2015), Matrix Industry SDG (UN Global Compact, 2016), The Principles for Positive Impact Finance (UNEPFI, 2016), Better Business, Better World (UN Foundation, 2017), Impact Indicators SDG (UNSTATS, 2017).

Among all these initiatives, the following stand out:

- **Impact Finance Initiative (UNSIIF)**. It is a financial initiative that supports Agenda 2030, bringing together the public and private sectors to invest in SDGs. It is based on dialogue, impact measurement and management, impact fund developments, SDG bonds, incubators and accelerators, and innovative finance such as Fintech (Financial Innovation Technology). There is a pilot of this initiative in India, recently announced by UNDP (UNDP, 2019f).
- **Tobacco Social Impact Bond (T-SIB)**. Innovative funding initiative of UNDP and the World Health Organization (WHO), within the Agenda 2030 framework, to facilitate the transition of Zambian farmers from the current profitable tobacco crop to an alternative crop that is not only profitable but also environmentally sustainable (UNDP, 2019g).
- **Business Call to Action (BCTA)**. It was launched in 2008 to accelerate progress towards SDGs by inviting companies to develop business models including the base of the economic pyramid (BoP). It is a multilateral partnership between donor governments such as the Netherlands Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency (SIDA), the Swiss Agency for Development and Cooperation, the United Kingdom Department for International Development (DFID) and UNDP which hosts the Secretariat.
- **Sustainable Development Goals Fund (SDG-FUND)**. The SDG Fund was created by the United Nations in 2014, with an initial contribution from the government of Spain, to foster partnerships between the United Nations, national governments, academia, civil society and business to address the challenges of poverty, promote the Agenda 2030 for Sustainable Development and achieve the SDGs. The SDG Fund is considered by the United Nations to be the first international cooperation mechanism to support sustainable development activities through multidimensional and integrated joint programs. The SDG Fund is administered by the UNDP Multi Partner Trust Office (MPTO), which also provides the Secretariat through its Bureau of External Relations and



Advocacy (BERA). The SDG Fund replaces the MDG Fund (MDG-F), created in 2007 to finance government programs that promote public policies aimed at meeting the needs of the most vulnerable groups in Developing Countries (United Nations, 2019c).

- *Business and United Nations. Working Together towards SDG.* It is a tool that provides a business action framework for SDGs. It was developed for the SDG Fund by the Harvard Kennedy School's CSR Initiative and Business Fight for Poverty (Business Fight for Poverty, Harvard Kennedy School, 2015).

Origin and objectives

During the Agenda 2030 development and throughout its first years of implementation, the enormous need for funding, the importance of the **private sector as a key player** and the significant challenges remaining to achieve the SDGs, have become clear (UNDP, 2019e):

- Achieving SDGs requires greater private sector involvement and a transformation in the way economic growth is generated and business activities are conducted.
- The current level of private sector investment supporting the achievement of SDGs is low.
- Only a small portion of the assets of banks, pension funds, insurance companies and transnational corporations invested globally contribute to the progress of SDGs.
- Only a small share of all private investment goes to most developing countries (United Nations, 2019d).
- The absence of an agreed definition, metrics and standards on what qualifies or does not qualify as private investment in SDGs, represents a major barrier to this type of investment becoming the main trend in this sector, and those that already exist do not allow for comparability between companies.
- In developed countries, a significant increase in investment is required to achieve SDGs. It is estimated that there is an investment gap of US\$ 2.5 billion per year in developed countries, while investment opportunities for the private sector are estimated at US\$ 1-2 billion per year.

SDG Impact responds to the UN Secretary-General's mandate to seek funding strategies for Agenda 2030 and its SDGs

This initiative was presented in September 2018 at the 73rd General Assembly of the United Nations in New York, to accelerate private capital investment towards achieving the goals of Agenda 2030.

It is, according to the UN Secretary General, a *Financing Strategy that (...) is calling for an alliance of global investors for sustainable development, as well as strengthening capacities to support governments in mobilizing domestic resources and unlocking new sources of private and public finance* (United Nations, 2019e).

SDG Impact was launched by UNDP in September 2018 as a startup, emphasizing experimentation, innovation and technical partnerships with private sector standards and impact measurement experts in support of increased private investment focused on the reach of SDGs.

Its motto is *investment solutions for global impact. Empower investors with clarity, insights and tools to achieve the Sustainable Development Goals (SDGs).*

The essence of **SDG Impact** is the generation and leveraging of private sector capital to achieve SDGs through three areas of work (UNDP, 2019c) in order to:



1. Provide investors, businesses and others⁶ with unified standards, tools, and services required to authenticate their contributions to achieving the SDGs.
2. Identify investment opportunities for the private sector in emerging economies and developing countries (North and South), with Agenda 2030 and the SDGs as references. That is, opportunities to catalyze their private investment funds towards achieving the SDGs.
3. Convene and gather the demand and supply stakeholders to align common interests of all sectors involved towards the achievement of the SDGs, taking into account local and regional specificities.

UNDP's added value in leading SDG Impact

UNDP is the leading UN development organization with a broad sustainable development mandate, working to eradicate poverty while protecting the planet. It is based in over 170 countries and territories through its global network of offices, and helps countries develop strong policies, capacities, partnerships and institutions to sustain their progress.

With these references, in the framework of SDG Impact, UNDP offers (UNDP, 2019h):

- Authority and credibility along with its strategic role in supporting the 2030 Agenda, which allows to develop a globally unifying vision, framework and standards for what it means to invest for SDG achievement.
- Development expertise and local knowledge produce trusted market intelligence on SDG investment opportunities and related impact data.
- Global network in 170 countries and relationships with local partners in the government, private sector and communities allows to facilitate connections and flows of SDG investments, within and between countries.

Partners and alliances

UNDP partnered with **Impact Management Project (IMP)** to create **SDG Impact**. IMP is an experienced player in social impact investment, whose contribution is considered central to achieving SDGs, thus capitalizing on its knowledge and experience for the benefit of **SDG Impact**. Equally important is the fact that it is this same player that will pay for the services offered by **SDG Impact**, aimed at standardizing measurement and evaluation criteria to give a unified certification to the impact investment aligned with the SDGs.

SDG Impact can therefore be understood as a strategic partnership, through a Memorandum of Understanding (MOU) between UNDP and IMP (UNDP, 2018b). The IMP's network of initiatives, leaders and companies, as well as all the resources represented, are therefore of great benefit.

The IMP is a project created by Bridges Fund Management (2002, UK), which brings together over two thousand organizations committed to achieving a global consensus on how to measure, report, compare and improve the performance of business and investment impact, and to share good practice (Bridges Fund Management, 2019).

In partnership with UNDP, IMP is now evolving, through **SDG Impact**, into an even more ambitious phase: developing a set of shared principles, reporting standards and impact benchmarks. In order to achieve this, it has brought together nine of the world's leading standard setters, known as the **IMP Structure Network (IMP-SN)**: UNDP, IFC, OECD, Social

⁶ Large multinationals, small and non-profit companies are included.



Value International, the Global Reporting Initiative (GRI), the Global Impact Investing Network (GIIN), the Principles for Responsible Investment (PRI), the Global Benchmarking Alliance and The Global Steering Group for Impact Investment.

While the **IMP** brings together more than two thousand companies and focuses on promoting and sharing good practices, the **IMP-SN** works with a smaller group of expert organizations specialized in generating global standards for measuring, managing and reporting business and investment activity with a social impact approach. The outcomes produced by **IMP-SN** will be validated and used by the IMP business community.

In addition to the above organizations, it is also joining this initiative two organizations committed to ethical and responsible business practice: The **Business for Peace Foundation**, and the **United Nations Department of Economic and Social Affairs (UNDESA)**. They are responsible for convening and bringing partners together at local, regional and global events.

In line with that, on June 20th 2019 the **SDG Impact Steering Group** met in Oslo (with the sponsorship of the **Business for Peace Foundation**), to launch the first pilot initiative to a Nordic group of investors led by **EQT Summa Equity and LGT Bank**. This rider has been called **SDG Springboard** (Business for Peace Foundation, 2019).

Table 15. SDG Impact participating organizations

Type of participation	Organization
Partners (MOU)	United Nations Development Program (UNDP)
	Impact Management Project (IMP)
Collaborators + Members of IMP-SN (*)	Global Steering Group for Impact Investment (GSG)
	Principles for Responsible Investment (PRI)
	Global Reporting Initiative (GRI)
	World Benchmarking Alliance (WBA)
	Global Impact Investing Network (GIIN)
	The International Finance Corporation (IFC)
	UN Global Compact (UNGC)
	Organization for Economic Cooperation and Development (OECD)
	UNEP Finance Initiative (UNEP-FI)
	Social Value International (SVI)
	The Sustainability Accounting Standards Board (SASB)
Convener	Business for Peace Foundation
	United Nations Department of Economic and Social Affairs (UN DESA)

Source: (UNDP, 2019e)

Services

SDG Impact gathers a set of specific services and products oriented to the achievement of the established objectives and implemented by different players, with an experimental approach, derived from its pilot, **SDG Springboard, in charge of EQT Suma Equity and LGT Bank**, to be validated within **SDG Impact**. It is known that the pilot development will involve UNDP's local and regional offices in the Asia region and in countries such as India, China, the Philippines, Bangkok, Thailand, Colombia and Brazil.



These services are grouped into three areas: **Impact Management, Impact Intelligence and Impact Facilitation**, aimed at awarding the **SDG Impact Seal** to companies or investors that meet the Agenda 2030 and SDGs requirements (UNDP, 2019h).

Impact Management Area

This area focuses on the development of several services and products: the development of unified or agreed standards, modular distance training for third parties responsible of evaluating and certifying the alignment with the SDGs and the awarding of the **SDG Impact Seal** to companies or investors that meet the requirements.

The **SDG Impact Practice Standards** refer to a set of **global standards** on how investors and companies manage and measure their impacts on SDGs. This product aims to avoid the multiplicity and inefficiency that currently exists in standards that claim to be aligned with SDGs in the private sector.

The **SDG Impact Seal** is a certificate for investors and companies to authenticate their alignment with **SDG Impact** standards. Both audits and certification will be carried out by local and international **independent certifying** bodies, for which they will be trained and certified. These certifiers, who have been called Accredited Independent Certifiers (AICs), receive a **Certificate of Training** and may be supported by UNDP experts based in their local offices. This certificate is not permanent and must be renewed periodically (annually) under the supervision of **SDG Impact**.

The above-mentioned services will be supported by a **modular online training program**, which includes everything related to the standards and certification process. This training program will use the accumulated experience of the IMP.

These services are neither pro bono by companies nor free of charge by UNDP. They will have a cost for investors and companies that demand them. The fee will be set by **SDG Impact**.

Impact Intelligence Area

This area provides knowledge about economic sectors, companies and projects at the local level related to the advancement of SDGs. It draws on the strengths of UNDP as a key player in Agenda 2030, in its operational capacity through its network of offices in 170 countries and in its established public-private partnerships around the world.

The **SDG Investment Opportunities and Impact Data** service allow the direct involvement of each UNDP office in decisions related to **research, production of reliable market intelligence, preparation of local reports and maps**, which guide investors on market opportunities and priority gaps in SDGs at the local level.

Funding for this service will come from new donor partnerships sought by UNDP, complemented by technical contributions, pro bono, made by companies linked to IMP.

Impact Facilitation Area

Facilitation in this initiative refers to convening, organizing meetings and dialogues with different stakeholders in countries where there is a need/opportunity linked to SDGs. In this service area, UNDP offers added value due to its project portfolio, the partnerships developed and the network of investors it has already established at the local level.



The **SDG Impact Investor Convenings** service is an instance of the **SDG Impact**, and responsible for **organizing and facilitating local meetings and forums**, so that investors can dialogue with the different local public and private players, to align strategies and objectives and improve investment environments within the framework of the SDG gaps and priorities.

This service is led by two organizations: **Business for Peace Foundation** and **UNDESA**. It is planned that local and regional meetings and forums will be funded through local sponsorship.

Table 16. SDG Impact areas, products and services

Development Areas		
Impact Management	Impact Intelligence	Impact Facilitation
Services		
Distance and modular training	Research and data collection	Identification of corporate sponsors, both public and private sector
Training and certification for independent certifiers	Preparation and dissemination of reports	Request of donations for organizing the call or setting fees to participate in the meetings
Annual renewal of both the Training and Auditing License and the SDG Impact Seal for companies		
Products		
SDG Impact Seal	Reports with Local Maps with SDG Impact focus	Calls, conventions and meetings between stakeholders
Certificate for Audit and Training Companies		
Income		
The Seal and the Certificates will be paid by companies that aspire to be certified and the organizations that aspire to be Certifiers and/or Auditors	The Maps will be funded by donor contributions or pro bono techniques from the organizations involved in their development, initially from the IMP, depending on the nature of the study	The meetings and forums will be funded through local and global sponsorship (which in turn means giving visibility to the sponsoring organizations)

Source: <https://sdgimpact.undp.org/fag.html>

Accreditation System contributing to SDG

One of the **most innovative features of the SDG Impact** is its ecosystem of stakeholders involved in delivering services to attract new SDG investment and increasing existing investment, namely:

- Institutional investors seeking to invest capital towards achieving SDGs.
- Philanthropic foundations that wish to quantify their impact and/or articulate it with the SDGs.
- Companies and groups of companies that wish to validate and communicate that their processes comply with SDGs.
- Academic institutions that can advise and review the standard-setting process.
- Consulting companies that can train and act as independent accredited certifiers. These Accredited Independent Certifiers (AICs) will evaluate and award the SDG Impact Seal. UNDP will support and monitor the AICs.



- UNDP with expert and customized assistance to investors seeking to refine their alignment with SDGs. It proposes that this assistance will be provided by a combination of technical experts and development professionals located at the local levels.

The process for obtaining accreditation of SDGs alignment by investors and companies is structured in several parts that work in parallel to give the **SDG Impact Seal**.

An important part of the **SDG Impact** service system is a change from a traditional corporate culture to one that embraces SDGs. Companies must incorporate new global and local practices, aimed at standardising business efficiency with the scope of SDGs, and to do so, companies must train in a new culture of management called **Impact Management**.

In order to achieve this change in management culture, companies will be able to use the online training system that **SDG Impact** plans to develop under the Agenda 2030 principles and with IMP technical support. This service will have a cost for the companies that request it. This is because the **SDG Impact** platform works as a business model just like the private sector, to which it is directed.

This training system developed for companies will be a service provided by independent organizations (AICs) previously accredited by **SDG Impact**, which will be in charge of training, auditing or granting certificates to companies.

AICs will also be trained by **SDG Impact** to audit and award the **SDG Impact Seal**. Only those AICs who have obtained a license from **SDG Impact** can award this Seal. This License is not permanent and will be periodically revised. This service offered by AICs will also be paid for by companies wishing to obtain the **SDG Impact Seal**.

Another important part of the **SDG Impact** service system is to attract companies to invest in countries and SDGs previously validated by **SDG Impact**. This is where UNDP plays an important role with its regional and country offices. With the technical support of specialists, maps and reports will be prepared to integrate and guide the common needs of companies, the country and the rest of the sectors, all within the Agenda 2030 and the SDGs framework.

Figure 20. SDG Impact service platform roles

SDG Impact	Ensures that the sealers (SDG Impact Investment Certifiers) are trained, certified and monitored
Independent Certifiers	Investor/company audit according to SDG Impact criteria Awarding the seal to eligible investors/companies
SDG Impact	Periodic reviews and renewal of certifiers' licenses Audits and renewal of the seal for investors
Local Regional Offices	Support and advice investors and companies in aligning their practices and policies to achieve SDGs. They produce the Maps of Opportunities
Investors and companies interested in aligning with SDGs	Once prepared, investors and companies apply for review and accreditation as an investor or company contributing to the SDGs



Source: Own elaboration from the information available on <https://sdgimpact.undp.org/faq.html>

SDG Impact is therefore conceived as a platform of impact investment support services in terms of SDGs, aimed at investors and companies, which perform the following **roles**:

- Mobilize large amounts of private capital to finance SDGs.
- Identify investment opportunities with impact in terms of SDGs.
- Support the private sector decision-making towards SDGs impact investment by providing specific tools.
- Promote alliances with interested organizations at a global and local level to develop impact investment projects.

Governance

The governance of **SDG Impact** is based on the MOU between **UNDP** and **IMP** which is complemented by the **Steering Group**. It is a highly technical and convening body, multidisciplinary and multi-sectoral, composed of twelve world leaders, a representative sample of Northern and Southern industries that collectively influence investment around the world (UNDP, 2019e).

Their role, ultimately, is to validate and confirm the work of the SDG Impact platform, and thus, the global effort to authenticate SDG enabled investment, as well as to work globally with organizations and leaders to promote, disseminate, and mobilize impact investment in SDGs.

Table 17. SDG Impact Steering Group

Current members of the SDG Impact Monitoring Committee	
1	GSG, The Global Steering Group for Impact Investment (UK)
2	ICC, International Chamber of Commerce
3	EQT Partners, (Sweden)
4	IDFC BANK (India)
5	LADOL, Lagos Deep Offshore Logistics Base (West Africa)
6	SUMMA EQUITY (Norway-Sweden)
7	ADM CAPITAL FOUNDATION, (Hong Kong)
8	CASVI, China Alliance of Social Value Investment (China)
9	TEMASEK TRUST (Singapore)
10	STANDARD CHARTERED (UK)
11	ITAU (Brazil)
President	ACHIM STEINER (UNDP)

Source: (UNDP, 2019e).

The **Group** consists of experts on metrics and standards from the IMP-SN organizations and additional experts from the ecosystem organizations. This is the technical unit of the Impact Management Area, which ensures the production of unified and agreed standards for measuring the impact of investments made in SDGs. These standards are those that will be taken as reference by the Accredited Certifiers in the audits to grant the Seal.

In addition, there is a permanent **SDG Impact management and technical team**, reporting directly to the UNDP Administrator (who in this case is the Chair of the Monitoring Committee), as the lead entity of the initiative. It is made



up of five women experts in standards, metrics and impact investments, with a Director at the helm and four consultants. This team additionally reports to the **SDG Impact Steering Committee**.

Lessons learned

In the recent **SDG Impact** history, several **key elements have been identified** that determined the way in which SDG Impact is structured [BOGGS-DAVIDSEN, SDG IMPACT].

Public sector financing has lost its importance

Public sector financing, through funding from governments, national development funding organizations or others, has been losing ground in development financing. Therefore, **the private sector is the main actor for "attracting" SDGs funding**.

This is a major challenge, because the private sector operates differently from the public sector or international organizations such as the United Nations. In fact, *the most important challenges of SDG Impact are to train and strengthen the staff of the UN System for the link with the private sector* [BOGGS-DAVIDSEN, SDG IMPACT].

New investment opportunities must be identified

Investors need to access investment opportunities and have guarantees at the local level that their investment will be secured and generate returns.

The **SDG Impact** platform or service system is already fully structured. However, now the work begins to support investors in their investment decisions, which will be made in countries and investment areas where opportunities have been identified. This is where UNDP becomes indispensable in the SDG Impact project.

There is a need to **promote partnerships at the local level between investors and local governments, organizations and businesses**, which will guide investment opportunities and help to initiate and ensure the implementation of investment projects at the local level. Without local maps that indicate where, with whom and in what should be invested, and without local multi-sector convening power, the entire system of cultural change proposed by Impact Management, audits and the **SDG Impact Seal** will not make any sense for the private sector. And without it, there will be no investment to make progress in the reach of SDGs.

Standards and metrics are needed

Investors also need standards and metrics to ensure that their investment is having SDGs impact. For investors, it is not only essential to ensure that their investment will generate returns (either market or below market), but also that it will generate a social, environmental or gender impact, depending on the corresponding SDG. In this regard, it is essential to **provide them with metrics that help them measure the impact of their investments both in SDGs and seals of approval**.

Catalyzing large investments as quickly as possible requires a strategy of intermediation rather than finalist

The ultimate goal is to mobilize large amounts of private funds, as quickly as possible and globally, to promote SDGs impact investments. These three characteristics of the final objective require the implementation of **a strategy based on attention to the needs of investors and companies at the global level**, not focused on the needs of each type of organization, in order to **jointly and extensively offer them tools to allow them making SDGs impact investment decisions and quickly generate investment projects at the local level**.



In this sense, **SDG Impact** does not entail the implementation of specific funds to finance any or all of the SDGs, because this would require stable capital donors (in existing funds, these are usually governments, organizations or international public bodies). Nor is it the design of financing instruments or mechanisms (bonds, loan lines or others) envisaged, because they must be considered with a final result in mind, i.e. aimed at a specific outcome in terms of an SDG or several, and whose implementation and management will require specialized intermediaries to channel the funds from investors to final demand with the appropriate guarantees. All of these would slow down the achievement of the final objective set.

Allied with those who already know the "market"

UNDP has sought as a partner, an organization interested in the same ultimate goal (catalyze funding for SDGs) but with the capital to do so.

UNDP realized that there was already one organization, IMP, with a genuine interest and involvement in achieving SDGs and that it was already making investments with impact, but that it was operating in a dispersed manner, without a common strategy and according to particular interests.

In this regard, UNDP invited them to participate in a mutually beneficial partnership: high amounts of capital toward financing SDGs in exchange for investment opportunities in terms of SDG impact.

Opportunity for resources to be explored in the Nordic countries

Some Nordic countries, such as Sweden and Norway, have announced that they will achieve gender equality by 2030 (UN Women, n.d.).

This is relevant because these countries are leading the implementation of UNDP's **SDG Impact** pilot and this is where the main sources of support for this initiative are located, thus opening an opportunity for UN Women to explore the establishment of direct links with Nordic organizations and financial players, in order to mobilize innovative financing and investments with a gender perspective.

Key aspects to consider

The in-depth approach to the two initiatives described, as already mentioned, seeks to keep elements that are susceptible to transfer to an innovative financing initiative with a gender impact, which could potentially be promoted by UN Women.

In line with this point of view, the question is: what key aspects can be highlighted out of the above analysis?

Mission/Objectives and focus players

UNEP FI focuses on engaging the private financial sector, investors and funders, with the **mission** of increasing the number of private financial institutions worldwide whose operations are driven by sustainability (sustainable finance), including the achievement of SDGs as a strategic priority throughout the business.

This is done by providing unique services, tools and opportunities to lead the change to finance for a sustainable economy: participation in market-leading initiatives to transform the global financial marketplace, setting and adopting standards, developing sustainable finance diagnostics and guidelines, generating metrics to measure impact, and building capacity and training.

SDG Impact, on the other hand, focuses on **investors and companies** (private or public investors, large and small companies, and non-profit organizations), considering the private sector as a whole, with the **objective** of providing



consistent tools, services, standards for measuring and accrediting SDGs impact, as well as identifying SDG investment opportunities in emerging economies and developing countries.

The roles of the initiatives are focused on responding to the needs of players that perform in line with the objectives being pursued

In both cases, engaging the private sector to mobilize SDGs investments requires a good understanding of needs, summarized below, in order to guide investment decisions in the right direction.

- **A favourable country environment for investments and access to governments and/or regulators** to obtain legal/institutional guarantees for their investments. Many institutional investors, companies or others, do not have guaranteed access to invest in some markets, especially in countries with an underdeveloped institutional, legal and social base.
- **Knowledge of niches or investment opportunities in the corresponding SDG, in exchange for a return.** Potential private investors have the objective of generating, in addition to environmental or social results and/or impacts, an economic return when carrying out their investment activity. Facilitating access to niche investment opportunities in SDGs, based on rigorous studies and data in developing and emerging countries is, therefore, another element of investment attraction.
- **Accreditation systems, tools and methodologies**, such as indexes, rankings, seals and other standards, in order to be part of the investments ecosystem with environmental and social impact.
- **Results measurement systems**, which ensure that the investments made generate the expected results / impacts, such as systems of indicators and metrics to measure progress or impact on SDGs.
- **Training / awareness-raising on environmental and social impact** issues to stakeholders on strategic and operational aspects to carry out their activity with sustainable financial objectives and / or impact in terms of SDGs.

To address these needs, **UNEP FI** and **SDG Impact** play various roles:

- Investment opportunity identifier.
- Promoter of criteria, standards and guidelines.
- Generator and/or disseminator of metrics to measure performance and impact.
- Facilitator of spaces and/or creation of platforms that connect different players.
- Capacity builder.

Roles of UNEP and UNDP

From a **strategic point of view**, UNEP and UNDP contribute:

- Strategic and technical authority in their corresponding subjects of reference as United Nations programs.
- Ability to reach out to governments, national authorities in their respective fields and/or communities to guide, advice and influence policy.
- Credibility to partner with public or private players within the ecosystem that can facilitate the achievement of their mission/objective.
- Ability to convene and participate in national and international forums of interest.

At the **operational** level, UNEP acts in **UNEP FI** as:

- Ultimate guarantor of the standards, metrics and tools generated for the financial sector.
- Driver of strategic alliances and community building (at a global level).
- Decision maker on governance, administrative, budgetary and human resource management aspects of the Initiative.



UNDP plays its roles in **SDG Impact** as:

- Guarantor of standardized metrics on SDG impact investment.
- Trust builder on sustainable development and promoter of strategic alliances at the local level with relevant public and private players.
- Liaison for opportunities in SDGs at the local level and between countries.

The partnership strategy is based on identifying the most relevant players to achieve the proposed objectives

The **UNEP FI** initiative was a pioneer in this investment market and had the vision of establishing a financial arm, UNEP-FI, initially with a small group of banks and insurance companies as partners. Currently, **UNEP FI** maintains its hard core **with banks, insurers and other investors as preferred partners**, which acquire membership status upon signature of the UNEP Declaration of Commitment of Financial Institutions, providing them the right of accessing exclusive and specific services and tools for member organizations, while engaging them to active participation in the initiative's governance bodies and activities.

In addition, it has been involving different types of players through various partnerships to develop its mission/objective: 1) institutions involved in financial market regulatory policies, financial sector service providers and also knowledge-creating organizations such as universities and research centers; 2) institutions in charge of regulatory policies affecting the environment, social issues and governance, and institutions influencing policies for sustainable development (among others, the United Nations system).

UNDP has sought a **preferred partner already in the market, Impact Management Project**, which is a large network or platform of more than 2,000 organizations that aims to generate agreed tools and standards for measuring and managing impact by investors and businesses, and its **Structured Network IMP-SN**, in order to build on impact management practices already accepted as part of an ecosystem that promotes sustainable investments.

UNDP, unlike UNEP, has sought an existing network to partner with in a strategy that will allow it to quickly attract large amounts of private funding to finance SDGs in exchange for facilitating access to investment opportunities that impact on SDGs.

The initiative governance is shaped by considering the participation of the preferred players and the degree of control over the ultimate decisions sought

UNEP FI's members participate in all governance bodies, which are the Annual General Meeting (AGM), the Global Steering Committee (GSC), the Industry Committees and the Thematic and Regional Advisory Councils. UNEP's role is global in the **UNEP FI** governance: it participates in all governance bodies except the Industry Committees (which report to the GSC where UNEP has a permanent seat), runs the Secretariat and validates the approval of projects developed by **UNEP FI**.

SDG Impact's governance is embodied in a Steering Group, composed of twelve world leaders with the capacity to collectively influence private investment around the world (ultimate purpose), with UNDP as chair.

The economic sustainability of the initiative is founded differently, depending on the type of alliance generated with the preferred partners

UNEP FI's income is mainly derived from membership, with membership fees depending on the size of the entity (about 70% of income, but declining), sponsorships, donations, UN funds, service income (only to cover expenses), non-monetary income from members and partners of different nature, depending on the case. As far as expenditure is concerned, structural and operational costs are approximately one third of the expenditure, the rest being mainly for actions with/for the financial sector and activities in the regions.



SDG Impact's main sources of income are payments for services rendered and donations, local and global sponsorships, and pro bono technical contributions from companies, with the expense of structure being minimal.

Tabla 18. United Nations Innovative Financing Initiatives: UNEP FI and SDG Impact

UNEP	UNDP
Ultimate goal	
Mobilizing private funds to finance SDGs	
Changing finance towards a more sustainable economy	Offer investment solutions with impact
Focus players	
The financial sector: banks, insurance companies and investors	Investors and companies: private or public investors, large and small companies, and non-profit organizations
UNEP FI	SDG Impact
Type of initiative	
Financial Initiative	SDG Impact Initiative
Focus player's needs	
<ul style="list-style-type: none"> • A favourable country environment for investment and access to governments and/or regulators • Knowledge of SDG investment opportunities • Accreditation systems, tools and methodologies • Results and impact measurement systems • Training / awareness raising 	
Roles of UNEP FI / SDG Impact	
<ul style="list-style-type: none"> • Resource mobilizer • Investment opportunity identifier • Criteria, standards and guidelines promoter • Metrics generator and/or disseminator to measure impact • Facilitator of spaces and/or creation of platforms that connect different players • Capacity builder 	
Strategic and operational roles	
UNEP	UNDP
<ul style="list-style-type: none"> • Strategic and technical authority in their respective fields of reference as United Nations Programs • Ability to reach out to governments, national authorities in their respective fields and/or communities to guide, advise and influence policy • Credibility to partner with public or private players that can facilitate the achievement of mission/objective • Ability to convene and participate in national and international forums of interest 	
<ul style="list-style-type: none"> • Ultimate guarantor of the standards and tools generated • Driver for strategic alliances and community building • Decision-maker on administrative, budgetary and human resource management aspects of the initiative 	<ul style="list-style-type: none"> • Guarantor of unified standards on SDG investment • Trust builder on sustainable development at the local level • Facilitator of connections and opportunities for investment in SDGs at the national level and between countries
UNEP FI	SDG Impact
Partnership strategy	
<ul style="list-style-type: none"> • Members (signatories of UNEP Declaration of Commitment of Financial Institutions on Sustainable Development): banks, insurance companies and other investors • First level: Institutions influencing financial market regulatory policy, financial sector service providers and universities and research centres • Second level: Institutions influencing policies regulating the environment, social issues and governance, and policies for sustainable development 	<ul style="list-style-type: none"> • Partner: Impact Management Project • First level partners: IMP-SN Structured Network



Governance

- Governance bodies: Annual General Meeting, Global Steering Committee, Industry Committees, Thematic and Regional Advisory Boards
- Members (Banking, Insurance, Investors) participate in all governance bodies
- UNEP: participates in all governance bodies except Industry Committees, runs the Secretariat, and supports final approval of projects developed in **UNEP FI**, through the UNEP Project Review Committee
- Monitoring Committee: 12 world leaders with the capacity to influence investment around the world
- UNDP is in the chair

Sustainability

- Income: membership (about 70%), sponsorships, donations, UN funds, service income (to cover expenses only), non monetary income from members and partners
- Expenditure: operational expenditure (around 33%), actions with the financial sector and activities in the regions
- Income: payments for services rendered, donations, local and global sponsorships, and pro bono technical contributions
- Costs: reduced structural costs

Source: Own elaboration.





6.

CONCLUSIONS



Assessment of the GII ecosystem in LAC

This study diagnostic has collected and analyzed relevant information about the status of enterprises with gender lenses, the state of innovative investment mechanisms (in particular the gender ones) and the initiatives launched in this area. The ultimate objective is to use the main findings as references for the design of an innovative financing gender focus initiative led by UN Women.

The potential for gender impact investment shown by companies in the region has been demonstrated in all three gender lenses, both in terms of growth expectations in the coming years and in terms of profits and profitability.

However, **the GII market is still emerging in LAC**. It is a market with some success in other regions of the world, such as the United States, Canada and Europe, but yet at its early stages in the LAC region. Without a doubt, this represents an enormous opportunity but also a challenge for those players of the ecosystem that are promoting it. This is the case of UN Women.

The analysis of the different initiatives shows that progress in the region has been made, particularly on **lens 1**. As seen, microfinance has been the preferred investment mechanism whilst other types of financial initiatives have been gradually introduced, such as the recently launched gender bond for women entrepreneurs in Panama.

The major added value of the initiatives in this lens is that they are very much **adapted to the real needs of the demand**, with a close approximation to the profiles and characteristics on the ground. Another strength identified is that financing usually goes along other support services for women's entrepreneurship and business: financial education, business training, advice, mentoring, networking... In this sense, the strategies that have made the way are those that realized the need to lift the barriers of financial capital, along with those of physical and technological capital, and human and social capital, that women face when starting up or moving their business forward.

The ecosystem of players that support capacity building and enterprise development is showing significant growth; the approach used is the stronger the demand the more profitable the investment. Accelerators and capacity building organizations, especially in innovation, have understood the need of including the gender approach in their organizations and the organizations they work with, to address gender biases in decision making and in their programs. They support organizations to improve their financeability, consolidate and grow.

Investment under this lens, nonetheless, can be rather biased as it is mainly focused on **necessity-driven entrepreneurship** (an example of this is the microfinance market) and that restricts the impact on high growth companies or in consolidation and development phases. This is the niche with more potential to have an impact on economy, employability and new equality-sensitive roles and models, therefore, it requires more innovative and flexible financing systems. Support for necessity-driven entrepreneurship must be maintained as it produces important and substantive results, however the unmet financial needs of women in terms of opportunity, innovation and growth, and in other stages of the business process, must also be explored.

Lens 2 and lens 3 are significantly less developed in the LAC financial markets and this is due to the lack of clarity about who the companies with real and measurable impact on these lenses are. **For investors, there is a lack of visibility or differentiation of potential companies to invest**.

Some questions arise from this context. Who are the companies in lens 2? What is the evidence to demonstrate they are indeed having an impact on gender equality within their organizations? Is the internal work enough, or are impacts also required to be measured at the community level and value chain?

What about lens 3? Is it enough to generate products and services specifically targeted at women, or is it about influencing the strategic interests of women and girls that will lead to real change in their well-being, opportunities and changes in gender roles and patterns? And, logically, how can this change be measured?



Finances are looking for business opportunities and new markets to invest, and they need knowledge, data and unmistakable signs for investments.

Consequently, it can be said that **the market in lenses 2 and 3 is not sufficiently developed** for investors as an opportunity to expand their business.

Women's Market offers increasing opportunities for investment, but it is a relatively narrow market in the region and incorporates large differences between countries. It is not fully visible to investors

The lack of data to support the positive relationship between gender equality and profitability, the low awareness of gender equality in the financial sector and/or the lack of visibility of the opportunity market for these two gender lenses investment are clear barriers affecting investment.

Within the lens 2 and 3 framework in the LAC region, some pioneering initiatives have been analyzed. This is the case of some venture capital funds linked to having women in leadership and decision-making positions (founders and partners), such as Cantera Capital and Ignia Ventures, and also two cases of investment funds in companies that are signatories to the WEPs, launched by Banco de Brasil and Ágora Partners.

For all the above reasons, the players consulted throughout the diagnostic and the specialized studies, have insisted on the need to make a significant effort to define consensual, understandable and measurable criteria to clearly identify the demand within these two lenses. There are already tools, such as WEPs and corporate indices, however a commitment should be made to consolidate a standard model accepted by a wide range of actors within the GII ecosystem.

In this regard, some interviewees noted an important **dilemma**: the more rigid the standards on gender equality impact are the greater the risk of leaving out a large majority of companies in a context where gender equality at the corporate level has only recently begun to be implemented. Mechanisms such as investment funds or private equity require a large market in which to place their portfolios, so a balance must be found between the definition of a real gender equality impact criterion and the possibilities of being achieved by the vast majority of companies. For example, a fund such as Valeurs Feminins has been considered a risky investment because the number of eligible European listed companies barely exceeds 40. This makes it very difficult for the fund to diversify its investments, hence its definition as a risky product.

A second dilemma arises from this last point: it has also been advised that in order to generate a viable investment market, GII must be incorporated into the social impact investment market in such a way that gender criteria is to be included without generating an isolated/independent focus for investment. Clearly, the ideal way forward would be to have a dual strategy where both approaches (i.e. market integration and independent market) are combined.

Defining and shaping the market for lenses 2 and 3 involves, at the same time, raising **awareness and training the entire ecosystem**, both on the supply and demand sides. Companies that make up the demand are barely introducing equality as a principle within their corporate policies and few still understand the benefits and profitability of working under this principle. Investors, on the other hand, do not seem to understand either the market or its profitability at the moment. Financial intermediaries have an important role to play here, but they also need to be aware of it.

The strategy of promoting women as intermediaries, as well as increasing the number of women investors, is aimed at producing positive results in the GII ecosystem. This is an area that needs to be explored and supported in the region.



Similarly, the institutes and specialized knowledge centers, that have already highlighted experiences in this field, must continue with the research to generate evidence regarding the benefits of GII and its potential for the region. The knowledge produced must obviously be accompanied by maximum dissemination efforts.

It has been demonstrated that **Multilateral Development Banks and Development Finance Institutions** are the ones giving significant momentum to GII. These institutions **have taken the lead in creating investment funds with explicit gender focus, highlighting** the need for them to energize the ecosystem by investing, mobilizing other investors, opening markets and investment opportunities, testing financing vehicles and influencing other financial actors in the ecosystem.

Thanks to them, the financial intermediary sector can be reached. In this GII stage of growth and expansion, they play a key role as promoters and incentivizers, at least until the profitability of the investments are demonstrated, proving to be essential actors for their development.

At present, the intersection (or *match*) between effective supply and effective demand is relatively narrow in the LAC region, however as the capacities of supply and demand are enhanced or, in other words, the needs and barriers that both have to overcome to make the leap from "potential" to "actual" are being addressed, this space will for sure be expanded.

The LAC region's IIG ecosystem is yet to be built and consolidated and UN Women can play a key role as an articulator



UN Women's role in this new ecosystem

As an organization aimed at promoting gender equality and the empowerment of women at the global level, **UN Women must position itself in the GII ecosystem**, since this is the space for the advancement of women and equality in the economic sphere.

Potential models

Three models of initiatives have been identified throughout the study diagnostic that can be used as a reference to guide options for structuring the future initiative promoted by UN Women.

These models are:

- **Payment membership initiatives**, e.i. UNEP FI, Financial Alliance for Women, LAVCA, AMEXCAP, GIIN or ANDE.
- **Provision of services initiatives**, e.i. SDG Impact.
- **Non-payment membership initiatives with provision of services**, e.i. She for Social Impact and Women Moving Millions.

Table 19. Models of initiatives

Models	Common characteristics of these initiatives:
<p>Payment Membership Initiatives</p>	<p>Membership begins to be generated from a small core of institutions that are the focus or objective of the services to be provided. In this group, there are usually profiles of players with capacity building in the ecosystem in terms of funding, technical support and ability to attract other players to start up the membership and make it grow.</p> <p>It is based on the provision of exclusive services to its members. They can be accessed through the payment of an annual fee, dependant of type of member and according to different criteria, for example, size, location, player profile (investor, service provider, DFI or other).</p> <p>The services provided to members will depend on the features of each organization and the target players, however, in all cases they are closely related to access to research, data and metrics, training and peer learning, and access to stakeholder networks and events.</p> <p>For example, UNEP FI provides advice, tools, training, networks and market access to financial institutions globally.</p> <p>ANDE offers access to networks, peer learning, databases, preferential access at events, metrics and research queries, and grants and scholarships to investors, capacity and research providers, donors, foundations, DFIs, and corporations globally.</p> <p>Financial Alliance for Women provides tools for peer learning, networking, access to events and opportunities, data analysis and knowledge products to banks and other organizations interested in the women's (insurance) market globally.</p> <p>LAVCA produces specific research, detailed trend and market analysis, and private equity industry-specific data for investors, investment funds and private equity fund managers in the LAC region.</p> <p>In addition to exclusive services, they offer some research, data and tools for free, accessible to any organization or interested individual.</p> <p>The economic sustainability of the initiative relies mainly on membership fees, with other income being added, as appropriate, from sponsorships and/or donations from members</p>



Models	Common characteristics of these initiatives:
	and other public and/or private institutions, and payment for some services by non-members.
Provision of Services Initiatives	<p>SDG impact is a partnership between UNDP and a broad network of stakeholders in the impact investment ecosystem. Its main features are as follows:</p> <ul style="list-style-type: none"> ⦿ The alliance is based on the search for: a private partner with clear commitment to the objectives of the Initiative, an already established network to facilitate technical, convening and financing capabilities to provide the services to be offered. ⦿ It provides accreditation, metrics and investment opportunities to a wide range of players (public and private, for-profit and non-profit), investors and businesses in general. ⦿ As a service provider initiative, this is the main contribution to its sustainability.
Non-Payment Membership Initiatives with Provision of Services	<p>It is a free membership however, there are requirements for organizations to become members.</p> <p>For example, She for Social Impact admits members among female angel investors and entrepreneurs, but the right of admission is reserved. And Women Moving Millions requires its members to sign a commitment to pledge or donate \$1 million or more to non-profit organizations and/or initiatives that benefit women and girls along 10 years.</p> <p>This model is based on the provision of tailor-made payment services to its members: training, specialized advice, events organization and networking (investors and companies, non-profit organizations and donors). All in line with the objectives of the organization and the target players.</p> <p>The economic sustainability of the initiative comes from the services fee charged to members and even potential members of the network, as well as from donors.</p>

Source: Own elaboration



The players in the ecosystem

Knowing the ecosystem and its capabilities is key for the initiative promoted by UN Women. Only with this knowledge will the initiative be able to create its own space and to position itself in the ecosystem and be able to involve more players, promote more innovative financial instruments and mobilize more resources, with the final goal to achieve gender equality and women's empowerment.

Table 20. Ecosystem players and roles

Players	Roles
Microfinance Institutions	<ul style="list-style-type: none"> → They facilitate access to credit for low-income population or those excluded from the traditional financial system, with a high percentage of women clients (over 60%). → They provide services (education, health and/or others) to women and financing entrepreneurs to improve their capabilities to manage the finance received.
Multilateral and Development Banks	<ul style="list-style-type: none"> → They contribute as investors with their own resources and/or mobilize significant amounts of resources from other investors. As a result of their ordinary financial activity they have close relations with commercial banks in the region having an extensive network of contacts in the financial system and a great capacity to draw in other financial players. → They can create or support the development of new strategies for investment with a gender lens, new financial instruments, design and trial new products and open new markets.
Commercial Banking	<ul style="list-style-type: none"> → They transform, distribute and channel funds to entrepreneurs and to businesses. → They market financial products both in the savings and investment ends of the market. → They provide financial services. → Leading banks in the region have the power to draw in other banks.
Asset and fund managers	<ul style="list-style-type: none"> → They manage assets and/or investment funds (venture capital, private equity, patient capital). → They mobilize and pool the resources of many individual investors. → They design financial products adapted to the specific characteristics of niche markets beyond the reach of traditional (bank) finance. → They finance projects riskier than those of more traditional financial players. → They adapt their processes and modus operandi to the needs of specific market niches.
Players in the entrepreneurial ecosystem	<ul style="list-style-type: none"> → Incubators, accelerators, mentors, organizations of women entrepreneurs, entrepreneur and business development organizations, and organizations/networks of women entrepreneurs and businesses. → They provide training, supporting services and, in some cases, finance with a gender approach as innovations that increase the financeability of women entrepreneurs and businesses helping them to consolidate.
Capacity-building organizations	<ul style="list-style-type: none"> → Research and academic institutions; generators of metrics, data and standards; trainers and advisory organizations, networks connecting players (investors and/or companies) → They produce and disseminate data, research and analysis. → They design tools and programs. → They produce metrics, standards and rankings. → They train in social, leadership and technical skills. → They create networks connecting supply, demand or mixed players.



Players	Roles
Public institutions in LAC countries	<p>Governments have the capacity to make policy and legislation on investment with gender lenses and to regulate the ecosystem towards women's empowerment and gender equality. Also, fiscal policy influences the activities of investors and financial intermediaries. They also provide public services essential for women and for business development.</p> <p>Central banks and superintendencies in the region are financial regulators and/or supervisors ensuring a stable environment for investment.</p> <p>They can contribute to</p> <ul style="list-style-type: none"> → Gender equality policies, fiscal policy (e.g. tax incentives) and financial supervision. → Sovereign authority in their fields. → Influence and convening power over other players in the ecosystem → Funding (donations, grants, in-kind contributions)
Other public institutions from countries outside the LAC region	<p>Foreign governments, Development Finance Institutions and development cooperation agencies can contribute by:</p> <ul style="list-style-type: none"> → Using their influence and convening power over other players in the ecosystem → Funding (donations, grants, in-kind contributions)
Non-Profit Organizations	<p>Non-governmental and non-profit organizations are a heterogeneous group with diverse objectives and capacities. They can contribute in several ways, including</p> <ul style="list-style-type: none"> → Facilitating women and final beneficiaries' access to finance. → They provide information in the field. → They implement training and other programs. → They raise awareness and promote a gender agenda.
Other entities	<p>Foundations, corporations and other organizations can contribute to the Initiative as donors or sponsors or contribute with their experience and knowledge</p>

Source: Own elaboration

Challenges in each lens

There are still several challenges that need to be addressed to involve more players and draw in more resources to promote women's empowerment and gender equality through investment with gender lenses. **Those challenges will guide UN Women action in the ecosystem.**

Tabla 21. Challenges in each lens

Lens 1	Lens 2	Lens 3
<p>Generate research and diagnostics of the needs of women entrepreneurs and businesses owned or led by women to fine tune the design of financial products specific for them.</p> <p>Develop tools and training for gender mainstreaming in the banking business that will drive change towards a culture and ways of working in banks and credit institutions more committed to</p>	<p>Provide research on the cost-effectiveness of investing in gender equality</p> <p>To make visible and screen a critical mass of companies committed to equality in the LAC region in order to foster new investment instruments like ETFs and gender bonds.</p> <p>Boost gender bonds beyond financing women entrepreneurs and companies owned or led by women (Lens 1), towards investment in companies committed to equality (Lens 2).</p> <p>Establish baseline metrics to measure the</p>	<p>Develop tools and spaces to highlight companies that develop products and services that positively impact the well-being of women and/or girls, in order to promote investment in this type of businesses.</p> <p>Develop and</p>



<p>financing women entrepreneurs and women's businesses.</p> <p>Lift the economic, social and cultural barriers that women face in accessing finance, so that more funding can be channeled to their businesses.</p> <p>Raise awareness and involve more funds and fund managers in investment in women entrepreneurs.</p> <p>Provide fund managers with tools to mainstream gender in investment decisions.</p>	<p>outcomes of investment in gender equality and measure its impact in the field.</p> <p>To promote labelling businesses committed to equality to make them visible to investors.</p> <p>Promote the presence of women in leadership and decision-making positions in financial institutions to encourage investment in women entrepreneurs and women's businesses.</p> <p>To make visible and promote the role of women investors as a model for women</p>	<p>disseminate metrics to measure the impacts of investment on gender equality in the field.</p>
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Cross-cutting experiences

Generate and disseminate knowledge about gender lens investing, especially among less sensitized private investors, to stimulate more financing and investment.

Develop metrics of impact with a gender perspective that can be consolidated as reference tools for investment with impact.

Source: Own elaboration

Ecosystem needs for gender lens investments

Finally, the future UN Women's Initiative must take into account the following **needs to enhance the capabilities of the ecosystem**. Meeting these needs will result in more investors and financial institutions committed to gender equality making innovative financial instruments and mechanisms, as well as resources for gender lens investing, more readily available.

Tabla 22. The GII ecosystem needs

Ecosystem needs
<ul style="list-style-type: none"> • Raising awareness of opportunities for gender equality and gender lens investment and their economic and social benefits. • Research and data on the relation between gender equality and investment and on how to scan investment opportunities • Tools and training for mainstreaming gender in investment decisions. • Criteria and standards to characterize financial institutions' commitment to gender equality. • Metrics for investment with gender impact. • Fostering networks in the ecosystem for peer learning and to facilitate access to investment opportunities • Design and implement models of comprehensive intervention to strengthen demand. • Visibility and differentiation of demand, particularly for businesses committed to equality and companies that produce goods and services that have a positive impact on women equality.

Source: Own elaboration



Proposal for an Innovative Financing and Gender Lens Investment Initiative

Based on the three proposed models of initiative (payment membership, provision of services and non-payment membership initiative with provision of services),⁷ an additional model was proposed at the Working Group of Experts⁸ held in Sao Paulo on 11 October 2019 (the Sao Paulo meeting). This model could be a **connecting platform for a variety of players of the ecosystem to join**.

Since this model was widely accepted by the participants in the Sao Paulo meeting, it was proposed that **UN Women will promote an Innovative Financing and Gender Lens Investment Initiative**, based on:

Fundamentals of the connecting platform

- Create an innovative space to articulate the LAC region's ecosystem worldwide, with the ultimate goal of contributing to gender equality and women's empowerment.
- Focus on the three lenses as a specific reference for gender investments.
- Propose a menu of services that addresses the needs of demand, supply and environment, to be implemented on the basis of projects in different areas, with specialized partners in each area.
- Offer a meeting point for the players of the innovative investment ecosystem with interests in the LAC region, to work together in the development of projects to be carried out within the menu of services framework, in order to facilitate and catalyst gender lens investments.

This model works as a **membership space available for any player to join, regardless its profile** (financial, entrepreneurship and business development ecosystem, capacity builder, network generator, resource mobilizer, policy promoter and/or regulator or other), as long as they are sensitive to **the gender investment ecosystem in the LAC region**.

⁷ These models are presented in **Annex 3: payment membership initiative and provision of services initiative**. The case of non-payment membership with provision of services is understood to be more similar to provision of services but focused on meeting the needs of its members according to the mission or objectives of the initiative.

⁸ This Working Group was organized with the objective of presenting and discussing the initial proposal for Innovative Financing with a Gender Perspective that UN Women sought to promote in the LAC region in alliance with strategic partners. The Roundtable was attended by twelve experts representing players from the ecosystem with varied profiles who had already participated in the interviews previously conducted, as well as the Regional Director for the Americas and the Caribbean of UN Women, Specialists from the UN Women Regional Office for the Americas and the Caribbean, and Specialists from the *Win-Win* program in the six countries in which it is implemented. In this Working Group, there was a debate on the different aspects that characterize the proposal of initiative that was presented, as well as proposals for projects to be developed within the framework of its services menu.



Promoting the Initiative

Based on its capacities, UN Women seeks to bring together the players of the ecosystem to promote an Innovative Investment Initiative with a positive impact on gender equality.⁹

UN Women's capacities to lead the Initiative

- United Nations Entity for Gender Equality and the Empowerment of Women and strategic and technical authority on the subject.
- Credibility for public and private players as a United Nations Entity
- United Nations System Entity and therefore able to profit from information synergies, methodologies, tools and contacts.
- Partner in the United Nations Global Compact.
- Ability to work with governments, policy makers and civil society organizations concerned with gender equality to provide guidance and advice on gender policies.
- Capacity to connect players in the supply, intermediation and demand sides of the ecosystem of gender lens investing.
- Capacity to develop tools, indicators, data and research on gender equality.
- Capacity to provide training on gender equality and women's empowerment.
- Presence in international forums influential in gender equality and women's empowerment
- Agenda defined by the Women's Empowerment Principles (WEPs). Direct dialogue with WEPS signing companies, particularly in the six Win-Win countries (Argentina, Brazil, Chile, Costa Rica, Jamaica and Uruguay)
- Contacts in other innovative funding initiatives in the United Nations (UNEP FI, SDG Impact), which might be used as models for the UN Women's Initiative.

Objectives and results

The literature unanimously considers that finance can contribute to systemic changes towards gender equality. Gender lenses, moreover, provide the specific reference for financing with a gender perspective. Combining both, that is, investing with a gender lens, can contribute to the final goal of advancing in gender equality and women's empowerment.

The **objective of the UN Women's Initiative is to contribute to gender equality and women's empowerment by promoting innovative finance and catalyzing gender lens investing.**

⁹ The capacities with bold type were pointed out by the following experts interviewed: Inez Murray, CEO, and Rebecca Ruf, Executive Vice President, Programs of Financial Alliance for Women; Nathalie Hoffman, Gender Coordinator for the LAC Region, and José Félix Etchegoyen, Banking on Women Specialist for the LAC Region of IFC; Patricia Bindi, Commercial Banking Director of HSBC Argentina; Carmen Correa, Regional Director of Promujer; David Fernández, Acceleration Directorate of Start Up Chile.



Expected outcomes of the initiative

- Outcome 1. More women entrepreneurs and businesses owned and/or led by women have access to finance (aligned with lens 1).
- Outcome 2: More businesses that promote equality and the empowerment of women in the workplace, in value chains or in the community attract finance and investment (aligned with lens 2).
- Outcome 3: Increased funding for the development of new products and services with a positive impact on the well-being of women and girls and on gender equality (aligned with lens 3).

Testimonies from the Sao Paulo meeting

It is necessary to know clearly which is the target you are going to work with: if they are women entrepreneurs, owners of more than 50%, more than 20%, with presence in boards of directors, etc. The criteria for the definition of the respective targets are important (...) In my opinion, the objectives and results that have been presented for the initiative are well aligned. (...) In order to specify the final subject of the initiative, the organizations of women entrepreneurs, associations, chambers, etc. can be analyzed. Take into account not only female entrepreneurs, but also professional women [RICARDO GARCÍA, ICF].

Provide opportunities to high-impact entrepreneurs, capable of employing other women, women who think big and employ other women who, in turn, are the breadwinners of other families. That is, to focus on entrepreneurs with multiplier capacity to become accelerators of the ecosystem [MARTA CRUZ, NXTP].

Women's needs are diverse. Focusing only on high-impact investments can exclude other women, including those benefiting from microcredit, who seek to solve their economic problems through much traditional entrepreneurship [EDGAR LARA, CAF].

From my point of view, the focus should be on the entire value chain: women entrepreneurs, workers, suppliers and consumers of products and services [MARÍA PÍA MORANTE, LATAM.]

Finance is the mean or tool to deliver these outcomes. The Initiative seeks to influence the ecosystem in a systemic and cross-cutting manner to guide and mobilize investments with a gender perspective, through:

- **More investors and financial institutions** in the ecosystem get involve and change their internal processes to promote gender equality and women's empowerment.
- **Increased availability of innovative tools and financial mechanisms** that incorporate a gender perspective.
- **More resources** for innovative financing that impacts gender equality and women's empowerment.

Location of the Initiative

- The Initiative is promoted by the UN Women Regional Office in the Latin America and Caribbean region. Members and partners in this Initiative will be global even though their actions will focus on the region.
- Since the initiative is supported by the *Win-Win* program, it will prioritize its initial actions in the Win-Win countries (Argentina, Brazil, Chile, Costa Rica, Jamaica and Uruguay), without discarding other countries in the region.
- It will establish a dialogue and link with UN Women's work promoting innovative finance globally.



Members and alliances

This Initiative proposes to work with long established players as well as newcomers to the gender lens investing ecosystem in the LAC region:

- **The financial sector:** Investors, Microfinance Institutions, Multilateral and Development Banks, commercial banks and asset and fund managers.
- **Players in the entrepreneurial ecosystem:** Incubators, accelerators, entrepreneurial and business development organizations, entrepreneurial organizations/networks and companies.
- **Capacity building organizations:** Research, academic, metrics, institutions producing data and standards; training and advisory organizations; networks (of investors and/or companies).
- **Development institutions:** Cooperation agencies and Development Finance Institutions.
- **Institutions:** Governments and financial authorities (including central banks) of countries in the LAC region and governments of other countries.
- **Other organizations:** Non-profit organizations.

Menu of services

Following the suggestions by the players and people interviewed in the assessment, three spaces of intervention have been identified where the Initiative promoted by UN Women should operate: **demand, supply and environment**.

1. Demand (women entrepreneurs and companies). Strengthen and highlight demand

- This space concentrates on the potential beneficiaries, offering a menu of services focused on improving businesses' financeability and market differentiation to better attract potential investors.

2. Supply (financial sector). Include gender equality in finance, investment and investors' internal practices

- This space focuses on the entire financial sector (investors and institutions), where a menu of services for gender lens investment is offered.

3. Environment. Create positive conditions for gender lens investment

- This is a cross cutting space for the whole ecosystem. The services offered in the menu will promote the understanding, alliances, public policies and awareness of gender equality and gender lens investment

1. Strengthen and highlight demand (women entrepreneurs and companies)

- 1.1. Support the development of tools to increase the financeability of entrepreneurs and companies.
- 1.2. Support the development of tools and spaces to highlight companies to gender sensitive investors.



1.3. Support the creation of spaces to highlight companies that develop products and services with a positive impact on the well-being of women and girls.

2. Mobilizing supply (include gender equality in finance, investments and investors' internal practices)

2.1. Generate evidence on the financial performance of gender investment and disseminate the existing evidence.

2.2. Provide training to investors to mainstream gender in their organizations and activities.

2.3. Support the development of metrics to measure the gender impact of investment.

2.4. Highlight gender sensitive investors.

2.5. Support the creation of financial instruments for gender lens investing.

3. Create favourable conditions for gender lens investing (environment)

3.1. Promote platforms/spaces for collaboration among ecosystem players to mobilize innovative financing and investment with a gender perspective.

3.2. Influence policies and regulations to improve the environmental conditions for gender lens investing.

3.3. Raise awareness about opportunities for gender lens investment and their economic and social benefits.

Testimonials on the menu of services

Players/individuals interviewed who refer to the need of supporting women entrepreneurs and businesses:

- **Acumen Latam Capital Partners.** María Pía Morante, Portfolio Mr. Associate: "Another need is to know and understand how to address the problem of women in rural areas: women do not have access to land and therefore no collateral available for any loan repayment".
- **Financial Alliance for Women.** Inez Murray, CEO, and Rebecca Ruf, Executive Vice President, Programs: "... women have less financial and business education, less networking, so they need more information to strengthen their decision-making skills. They need additional support."
- **Development Bank of Latin America (CAF).** Edgar Lara, Chief Executive of the Gender Equity and Inclusion Unit: "...Business development services that meet the needs of women entrepreneurs."
- **Banco Estado.** Maricho Gálvez, formerly Gender Officer Small Businesses:
 - "There is a lack of knowledge from women entrepreneurs about what they can opt for. See how to reach out more women and to spread all the alternatives available to them."
 - "Going hand in hand with education and empowerment. Creation of soft skills and community for women".
- **Cantera Capital.** Carmen Arreola, Founder and Managing Partner: "It is about education: how to establish a business, how to promote it. Entrepreneurs need the push. In many cases they are co-founders, but the male counterpart is the best-selling one, despite the contributions of the women."
- **International Finance Corporation (IFC).** Nathalie Hoffman, Gender Coordinator for the LAC Region, and Felix Etchegoyen, Banking on Women Specialist for the LAC Region: "...Providing financial education for women, creating opportunities and networking platforms. Not only in strictly financial matters but also in more general skills, such as leadership and, in general, contributing to women's increased self-confidence".
- **Elevor Equity.** Johanna Posada, Founder and General Director:
 - "Business associations collecting good practices."
 - "When talking to the entrepreneurs, they say networking is important, to have access and to connect."
 - "Courses for women entrepreneurs and access to different networks."
 - "Some kind of mentoring, moral support, ..., so that women entrepreneurs have more security."
- **FinDev Canada.** Anne-Marie Levesque, Gender Equality and Women's Economic Empowerment Advisor:



"Convincing women entrepreneurs on their chances by working with banks on products and truly identifying the needs of women entrepreneurs. Understand women's products and market gaps...; look into women's preferences and behaviors in the company."

- **BBVA Microfinance Foundation.** Laura Margarita Fernandez Lord, Women's Empowerment, and Alejandro Lorca, Chief Financial Officer:
 - "Women are necessity-driven entrepreneurs. It is needed to free up their time so that productive work can be undertaken. Tools and financial training must be provided. Banks are not trusted by women.
 - Also, the perception of being rejected need to be overcome; their self-confidence is low when it comes to become a businesswoman and step up to SME. Training is needed so that innovative financing mechanisms will be best aligned."
- **Itau Unibanco.** Laura Maia, Director of Diversity, and Martin Iglesias, Investment Recommendations Manager: "Developing women's finances, including women to achieve financial independence, which is very important to combat gender violence".
- **Start Up Chile.** David Fernández, Acceleration Directorate: "It would be very useful to provide structured diagnostics".
- **Value for Women.** Luis Márquez, Gender and SMEs Expert: "Direct support to SMEs".

Players/individuals interviewed who refer to the need for tools related to evaluation and gender equality accreditation in organizations:

- **Acumen Latam Capital Partners.** María Pía Morante, Portfolio Mr. Associate: "It would be interesting to provide tools to companies for implementing equality measures".
- **BBVA Microfinance Foundation.** Laura Margarita Fernandez Lord, Women's Empowerment, and Alejandro Lorca, Chief Financial Officer: "... WEP compliance and also bond rating developers."
- **Itau Unibanco.** Laura Maia, Director of Diversity, and Martín Iglesias, Investment Recommendations Manager: "Developing quality or equality criteria seals in institutions".
- **NXTP.** Marta Cruz, Co-Founder and Director: "Support through free technical assistance to provide support to women in decision-making positions".
- **Value for Women.** Luis Marquez, Gender and SMEs Expert: "Adding more information on gender mainstreaming in SMEs (such as WEP for SMEs). WEPs are intended for corporations, rather than SMEs, although some are already beginning to sign up. There remains, therefore, a way forward to adapt WEPs as tools to guide gender mainstreaming in smaller enterprises".

Players/individuals interviewed who refer to the need of highlighting potential demand

- **Next Wave Impact Fund.** Alicia Robb, Founder and CEO. "Gender lens well defined."
- **UNEP FI.** Maria Eugenia Sosa, Latin America and Caribbean Network Coordinator: "Financial institutions need guidance to be able to bring gender into their social issues (asset allocation, financial analysis and commitment) and this can be an opportunity for UN Women."

Players/individuals interviewed who refer to the need for studies, research, data and good practices

- **Acumen Latam Capital Partners.** María Pía Morante, Portfolio Mr. Associate: "We need to generate research, benchmarking, best practices by sector".
- **Aspen Network of Development Entrepreneurs (ANDE).** Mónica Ducoing, Regional Chapter Manager, Central America and Mexico: "Documenting cases in Spanish and contextualizing LAC".
- **Latin American Private Equity Association (LAVCA).** Natalia Valencia, Deputy Director of Research and Responsible Investment:
 - "There must be initiatives to know what is happening (lists, surveys), to know how the situation is. Therefore, more data and information need to be produced to keep the community informed.
 - Many organizations extract data and produce information independently. It's important to work together."
- **Itau Unibanco.** Laura Maia, Director of Diversity, and Martín Iglesias, Investment Recommendations Manager: "Disseminate and spread the best practices in the sector, what is done in other countries, know other projects and products in the world".
- **Criterion Institute.** Joy Anderson, Founder and President: "In general, there is not enough knowledge about gender lens investing. This leads to initiatives that are not well developed and have little content".
- **Ignia Ventures.** Christine Kenna, Partner Specialist in Portfolio Management and Evaluation of Investment Opportunities and AMEXCAP promoter, Network connecting women investors in the Mexican venture capital market:



- "Need to generate information, reports, tools for investors, studies and data on profitability, especially telling success stories in Spanish.
- Research on women investors and provide annual data ..."

Players/individuals interviewed who refer to the need for tools and work with investors

- **Value for Women.** Luis Marquez, Gender and SMEs Expert: "Working with impact investors in impact investment strategy".

Players/individuals interviewed who refer to the need for investor awareness, training and advice:

- **FinDev Canada.** Anne-Marie Levesque, Gender Equality and Women's Economic Empowerment Advisor: "Bringing together the team of gender experts with specialists in finance and design of structured finance products and vehicles."
- **Ignia Ventures.** Christine Kenna, Specialist Partner in Portfolio Management and Evaluation of Investment Opportunities and AMEXCAP promoter: "... we must strengthen the training of women as investors and make men believe that women can also be investors... Women need to learn how to be investors".
- **Value for Women.** Luis Márquez, Gender and SMEs Expert:
 - "Investor training. It must be accompanied by incentives because the same ones always come.
 - 70%-80% of gender impact investors are men. Awareness of gender lens investments is required".

Players/individuals interviewed who refer to the need for evaluation, measurement and metrics

- **Acumen Latam Capital Partners.** Maria Pia Morante, Portfolio Mr. Associate:
 - "Investors are interested in gender, they ask for more on gender impacts. Lens 2 is more difficult to measure.
 - Another necessary aspect would be to understand the value chains of the agricultural sector and to measure the corresponding impact with a gender approach".
- **Aspen Network of Development Entrepreneurs (ANDE).** Monica Ducoing, Regional Chapter Manager, Central America and Mexico: "Clear metrics approach, documenting impact."
- **Financial Alliance for Women.** Inez Murray, CEO, and Rebecca Ruf, Executive Vice President, Programs:
 - Ensure that there is gender-sensitive investor intent.
 - Standardization, propose key performance indicators, on which everyone agrees."
- **Elevor Equity.** Johanna Posada, Founder and General Director: "With the specific issue of gender, impact is very focused on outcome, but what the impact is, is a more rigorous issue".
- **Promujer.** Carmen Correa, Regional Director: "There are institutions and countries that are trying to implement impact measurement tools and indicators but do not know how."
- **Value for Women.** Luis Márquez, Gender and SMEs Expert: "More focus on investment than impact in Latin America. There is some filtering of investment decisions but no focus on monitoring and evaluation. Challenges to be more rigorous. Greater emphasis on measurement."

Players/individuals interviewed who refer to "peer learning":

- **Financial Alliance for Women.** Inez Murray, CEO, and Rebecca Ruf, Executive Vice President, Programs: "...members share information with each other (best practices and understanding the market) because they are very excited about the market..."
- **Next Wave Impact Fund.** Alicia Robb, Founder and CEO. "Promoting the investment side of women."

Players/individuals interviewed who refer to the identification of gender lens investment opportunities:

- **FinDev Canada.** Anne-Marie Levesque, Gender Equality and Women's Economic Empowerment Advisor: "Don't be afraid of the field, there is a lot of interest in investing with gender lenses, be quick and face opportunities without being afraid of the probability of success, look for real needs ("reality check"), based on the preferences of women entrepreneurs and incorporating direct contact with local agents".
- **HSBC Argentina.** Patricia Bindi, Commercial Banking Director: "It is necessary to study female clients in order to offer them valuable services".

Players/individuals interviewed who refer to the need for investor accreditation systems:

- **IDB Lab.** Susana Garcia Robles, Senior Investment Specialist, Co-founder of WeXchange: "Among the interesting ideas would be a service for fund managers to have an accreditation that they are actively managing gender lens investments".



- **Ignia Ventures.** Christine Kenna, Specialist Partner in Portfolio Management and Evaluation of Investment Opportunities and AMEXCAP promoter: "Other initiatives such as angel investment and collective financing are necessary. UN could give credibility to new women's fund companies, creating a network and a UN seal".

UN Women roles

As noted, UN Women has much to bring to the Initiative. Based on this, considering what the players interviewed suggested about the role UN Women should play, and also taking as a reference the roles played by UNEP and UNDP in the innovative financing initiatives they are promoting, UN Women should play several roles in the framework of the Initiative being proposed. This should be done at three levels.

Strategic level. Leadership and coordination of the Initiative, vertebration of the ecosystem and mobilization of players and investment.

- To promote and coordinate the Initiative, as the reference agency of the United Nations System for gender equality and the empowerment of women.
- Convene ecosystem players to generate new partnerships to boost innovative finance and investment with a gender perspective.
- To present and publicize the Initiative to attract new members who will contribute to its activities and projects and fund the initiative.
- Generate platforms/spaces for communication and dialogue between the financial sector and other players in the public and private sectors. To raise awareness of the role of finance in promoting gender equality, facilitate access to investment opportunities and catalyze more resources for gender lens investment.
- To promote a dialogue among governments, policy makers, the financial and the business sectors to change the legislation towards favoring the financing of women entrepreneurs and gender sensitive businesses.

Technical level. Support, development and management of the technical aspects of project development.

- Support the development of standards, tools and metrics to assess and measure the impact of investment on gender equality.
- Provide technical assistance in gender equality and to incorporate a gender perspective to the activities of players in the financial ecosystem.
- Manage and coordinate projects to be developed under the framework of the Initiative.
- Establish a permanent dialogue with members/allies/collaborators to develop and implement the menu of services.
- Develop and implement the menu of services in partnership with members, allies and collaborators of the Initiative.
- Encourage players in the financial sector to implement investment and financial mechanisms with a gender perspective.

Governance level. Institutional, administrative and financial management of the Initiative.

- Lead and manage the Initiative.
- Approve the Initiative's Action Plan and annual budget.
- Raise the funds that will ensure its sustainability.



Status of the Initiative

The Initiative will be based on **membership**. Players in the financial ecosystem who have an interest in actively promoting innovative financing and gender lens investing in the LAC region, can join as members.

Some **features related to its operations** have been analyzed, which include: advantages and challenges, members, requirements and benefits for members, governance and sustainability.

Advantages and challenges

A **membership** would allow for **recognition and commitment**. Players in the ecosystem can immediately adhere to the Initiative goals and it would be relatively easy for them to join it (as initially free of charge). However, the main advantage of this scheme would be to enable its members to meet and exchange ideas on gender lens investing projects and at the same time, a way for UN Women to become a reference in the ecosystem. Once the Initiative is consolidated, a significant number of members and the UN Women role well established, a second phase with paid membership could be introduced to provide economic sustainability.

The **main challenges** would be: getting the Initiative consolidated in relatively short period of time (e.g. one year), a wide variety of players (especially from financial sector, as potential promoters of gender lens investment), the commitment of members to the Initiative activities and projects, the implementation of projects that attract new members and the funding needed for the economic sustainability of this scheme.

Members

This Initiative proposes to work with long established players as well as newcomers to the gender lens investing ecosystem in the LAC region: investors and financial institutions, entrepreneurial ecosystem players, capacity building organizations, development institutions, non-profit institutions and organizations.

What it takes to be part of this Initiative:

- To be an actor with interests in the LAC region that is promoting or interested in promoting innovative finance with a gender perspective or committed to generate such finance.
- To support the achievement of the objectives and expected results of the Initiative.

What it is offered to its members:

- More visibility.
- Access to other players within the ecosystem.
- Access to new markets and opportunities to develop new innovative financing mechanism or instruments, and to promote gender lens investments.
- Opportunity to sponsor activities and projects arising from the Initiative.
- Access to research, best practices, tools, training, forums and contacts.
- Specialized technical assistance.



Governance

The governance of the Initiative would be very simple involving only UN Women. UN Women would take the decisions on action plans, budgets and will run the administration and institutional management of the Initiative. UN Women will also decide the structure needed at any time to manage the Initiative.

A **Technical Secretariat** will carry the daily management of the Initiative. This Secretariat will initially be formed by 3 persons from UN Women and could be expanded later according to needs. Initially it will be composed of a communication profile, a technical profile and a financial profile (part time) (see the section on Start-up Activities of the Initiative – Composition of the technical team to manage the Initiative).

The role of the Technical Secretariat, under the supervision of the Regional Director or the person she delegates upon, includes:

- Preparing the Annual Action Plan and the annual budget.
- Managing the initiative's finances and securing the funds it needs
- Managing and coordinating its projects and other activities
- Dissemination and publicity of the Initiative.
- Communication and interaction with members

Communication with the members of the Initiative will be key to involve them in its activities and projects, and to motivate them to attract new members. Therefore, care will be taken to keep them informed about the activities carried out and other aspects of interest that may arise under the framework of the Initiative.

The **members** will become **a group with activities both in the strategic and technical planes**. Their role will be:

- To act as ambassadors for the Initiative and influence other players to join in.
- To actively disseminate, promote and socialize the work of the Initiative and its results to a wide audience.
- To actively participate in the activities of the Initiative.
- To contribute with ideas about projects including what alliances would be needed for them.
- To participate in projects.



Institutional risks

The Initiative faces two types of risks: budgetary, related to the future sustainability of the Initiative; and reputational, associated with the broad typology of potential players that could become members. The following table outlines the risks to UN Women, the assessment of these risks and mitigation measures¹⁰.

Table 23. Risks identified. Evaluation and mitigation measures

Risks	Risk assessment			Preventive/mitigating actions
	Prob.	Impact	Risk	
Budgetary risks				
Failure to achieve economic sustainability for the Membership Initiative, once the resources provided by the <i>Win-Win</i> program have been depleted	2	2	Lower-middle	Develop a business plan including a strategy to raise income from: donations/grants, UN Women contributions, payment for services and sponsorships
Reputational risks				
To identify any member engaging in practices contrary to the founding principles of UN Women	1	3	Lower-middle	Establish and implement a protocol of adhesion, acceptance and permanence as a member of the Initiative (see section Members and alliances) UN Women reserves the right of admission and the right to remain in the membership of member organizations

Source: The probability and impact of the risk is evaluated from 1 to 4, from lower to higher probability of the risk occurring and impact produced, respectively (Palma, C., 2011).

¹⁰ Each risk has been assessed by assigning: 1) a probability of occurrence, with values from 1 to 4, from lowest to highest probability; and 2) the potential impact, with values from 1 to 4, from lowest to highest impact (Palma, C., 2011). From the combination of probability and impact, a final risk assessment was established at four levels: low, low-medium, medium-high and high, from lowest to highest risk and therefore, from lowest to highest urgency in applying mitigating measures, according to the following table:

Risk Assessment Matrix						
RISK	IMPACT					
	Under	Lower-middle	Medium-high	High		
	1	2	3	4		
Probability	Download	1	Under	Under	Lower-middle	Lower-middle
	Medium-low	2	Under	Lower-middle	Medium-high	Medium-high
	Medium-high	3	Lower-middle	Medium-high	Medium-high	High
	Registration	4	Lower-middle	Medium-high	High	High



Economic sustainability

The financial sustainability of the Initiative will depend on balancing the following income and expenditure streams.

Income in-flows:

- Initial investment of the available budget of the Winning Project by UN Women (year 2020).
- Grants and donations from public and private institutions.
- Additional contributions from UN Women.
- Revenues from payments of services (training, attendance at events).
- Income from technical assistance.
- Sponsorship of specific activities or projects by public or private players.

Expenditure out-flows:

- Structural costs including the Technical Secretariat staff.
- Cost of raising funds for the Initiative's activities.
- Communication costs.
- Cost of approved projects and activities

This model of **Membership Initiative**, initially based on non-paying members, should eventually turn to a paying membership, following its development and achievements.



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ANNEXES



ANNEX 1. ANALYZED EXPERIENCES SHEETS



Investment initiatives

2X Challenge

ID	
Name of the initiative	2X Challenge
Short description	The "2X Challenge" challenge proposes that the G7 member countries, their development aid institutions and other agencies from other countries, join together to collectively mobilize US \$ 3 trillion, that can provide women in the developing countries with improved access facilities to leadership opportunities, quality employment, financing, business support and products and services that foster economic participation and equal access.
Promoting entities that create and lead the initiative	FinDev Development Financing Agency of Canada - Investor Development financing agencies in Italy (CDP), United Kingdom (CDC), France (Proparco), USA (OPIC), Germany (KfW) and Japan (JBIC and JICA) - Investor
Allied players	Private sector investors and other development finance agencies from non-G7 countries (Swedfund and Finnfund, FMO of the Netherlands, IFU of Denmark)
Country or countries where it operates	Africa, South Asia, Eastern Europe, LAC, East Asia and Pacific, Middle East and North Africa
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: gender gap-oriented to mobilize capital and credit from different players and mechanisms for women. (Lens 1) - Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2) - Invest in companies that develop products and services that positively impact women. Targets companies whose products and services are intended to promote an improvement in the well-being of women and girls. (Lens 3)
Starting date	2018
Contact person	Anne Marie Levesque
Email	ALevesque@findevcanada.ca
Phone / Skype	1-514-876-6119
Web / Link	www.findevcanada.ca
Type of instrument (only if financing initiative)	- Bank loans (commercial, investment banks, etc.) - Banking and financial products for women and companies led by women - Venture Capital Fund or Private Capital
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	The initiative aims to meet the following financing needs: Credit access gap for women of US \$ 320 billion in spite of women being linked to a lower failure rate. Opportunity to narrow this gap, according to a study led by McKinsey, could add 28 trillion US \$ to global GDP in 2025. The most significant emerging market on the planet. The economy of women doubles the size of the market in China and India together. In 2028, women consumers will control around 15 trillion US \$ of final consumption.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners - Women business managers - Women workers in companies committed to gender equality - Rural women



	<ul style="list-style-type: none"> - Indigenous women - Women in general
Identified risks and challenges	FinDev believes that the innovative financing mechanism is a challenge, the infrastructures and operations related to women's businesses (on the ground) must be looked at, the product or vehicle sources of concession + commercial capital must be united. Finally, it is important to know what return to look for so as not to discourage commercial investment in countries.
OBJECTIVES	
Description of the objectives	The objectives of the fund are to invest in women because these investments are a secure way to multiply the impacts on their families, their communities and their countries. The same name of the 2X initiative refers to the multiplier effect of each monetary unit invested in women.
Target country or region	Africa, South Asia, Eastern Europe, LAC, East Asia and Pacific, Middle East and North Africa
Incidence in LAC region	The initiative affects the LAC Region as a whole.
Incidence in Win Win countries	<ul style="list-style-type: none"> - Brazil - Chile - Costa Rica - Argentina - Jamaica - Uruguay
Commitment to gender equality	Projects with a gender lens are the main objective.
Gender lens (own classification)	<p>Lens 1:</p> <ul style="list-style-type: none"> - Access to capital for women entrepreneurs or business women owners <p>Lens 2:</p> <ul style="list-style-type: none"> - Gender equality in leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the beneficiary organization (Corresponds to principle 2, 3 and 4) - Gender equality in the value chain (Corresponds to principle 5) - Gender equality in the community (through corporate social responsibility practices) (Corresponds to principle 6 of the WEP) - Gender equality in the world of finance and investment - Gender equality in the internal practices of the investor <p>Lens 3:</p> <ul style="list-style-type: none"> - Specific products and services tailored for women and / or girls - Products and services oriented to gender transforming processes
START AND OPERATION OF THE INVESTMENT INITIATIVE	
Background	The initiative was born at the G7 summit held in La Malbaie, in the Charlevoix region in Quebec on June 8 and 9, 2018. Previously, Canada had created a development financing agency, FinDev, whose start as a development agency is closely linked to this initiative.
Description of the financial instrument and its operation	The financial instrument is a US \$ 3 trillion fund to invest in loans and venture capital with a gender lens in all emerging and developing countries. Each agency provides the committed funds and executes the approved projects of its portfolio of applications. The G7 cooperation agencies, the private sector and other mobilized Development Finance Institutions have contributed \$ 922 million to date. For projects in execution, whether they are loans or capital, the agencies use local partners and intermediaries of their own networks, whose projects qualify according to pre-established criteria.
Players involved and type of entity in each case	<p>On the fund-raising side:</p> <p>FinDev and seven other development financing agencies (CDP, CDC, Proparco, OPIC, KfW, JBIC and JICA) provide financing for their portfolios of funds and investment vehicles.</p> <ul style="list-style-type: none"> - Investor <p>Swedfund, Finnfund, FMO and IFU, development financing agencies mobilized by the 2X Challenge to contribute to the program.</p> <ul style="list-style-type: none"> - Investor <p>Private investors, especially foundations and financial institutions with networks in the target areas.</p> <ul style="list-style-type: none"> - Investor



	<p>2X Challenge, coordinator and flag of the funds provided by each agency / investor to different projects.</p> <ul style="list-style-type: none"> - Financial intermediary <p>On the funds-raised placement side:</p> <p>Foundations and financial agencies supporting companies at destination, promote initiatives, either as co-participants in the beneficiary companies' capital or as lenders of company funds.</p> <ul style="list-style-type: none"> - Financial intermediary <p>Companies owned or led by women. Final beneficiaries when obtaining access to loans and capital under preferential conditions.</p> <ul style="list-style-type: none"> - Demand
Investment initiative operation	<p>The main alliance, among the 8 development financing agencies (two are Japanese), subscribes to the G7 2018 Summit. The agency or flag born of that 2X Challenge agreement develops criteria for project eligibility, so that the initiatives can be considered part of the challenge.</p> <p>From here, and in the first year since its inception, the initiative has been filled with projects that different agencies contribute to the 2X portfolio for compliance with its criteria. These are normally projects executed by each agency, including other intermediaries in their orbit and a selection of beneficiaries that meet these criteria.</p> <p>In May 2019, in The Hague, the initiative incorporated four new financing agencies to the founding group, the aforementioned Swedfund, Finnfund, FMO and IFU.</p> <p>A significant project, from IndusInd Bank (US \$ 100 million from OPIC), offers microcredits with this loan to microfinance institutions, which subsequently facilitate access to credit for women borrowers throughout India.</p>
Initial capital invested (percentage, amount)	\$ 922 million
Capital expected to be mobilized	Up to US \$ 3 billion
Eligibility criteria	<p>At least one of the following criteria must be met to make a project eligible:</p> <ul style="list-style-type: none"> Company owned by 51% by women or founded by women. 20-30% of women on board or more than 30% on board. 30-50% of women in the workforce in addition to quality criteria. Products or services that benefit women. If intermediaries, 30% of the value of the loan or portfolio of companies must meet these criteria.
Implementation time	The temporary investment and return cycles for FinDev have been established in three years as capital turnover to enter, exit and re-invest in new vehicles.
Expected financial return	<ul style="list-style-type: none"> - Recover the investment (capital) - Obtain preferential performance - Get market performance
Payback of investment	Variable, depending on the agreement signed with the company or financial intermediary. The expected cycles are three years for recovery and reinvestment of benefits.
Gender Impact measurement	- Yes
Impact measurement method (if any)	They use a method that analyzes the compliance of each vehicle based on four metrics 1) female entrepreneurs 2) female leadership 3) female employment 4) female consumption
Impact verification	- Investor
SUPPLY	
Name and description of the investor	<p>FinDev Canada</p> <p>Development Finance Institute Canada (DFIC)</p> <p>Development finance agency of the Government of Canada (100% owned by the Export Development Canada EDC agency, Canada's export credit agency). Created in January 2018 in the image of OPIC and other similar agencies in industrialized countries. Its main objectives are:</p>



	<p>Provide easy access to capital to entrepreneurs in developing countries. Provide innovative financial solutions to companies with the potential for job creation, women's empowerment and climate change mitigation. Help entrepreneurs to build a sustainable future for their companies, which will in turn increase the support for their communities. The main objectives are local development, women's economic empowerment and climate action.</p> <p>The agency is headed by an Advisory Council (7 members) under the Ministries of International Trade and International Development and by an Executive Committee of 11 executives.</p>
Role / Roles of the investor	- Financer
Character	- Public
Type	- Development Finance Institution
Investor location	- North America
Geographical scope of investor	LAC and Sub-Saharan Africa
Commitment to gender equality	<p>FinDev, due to its youth, is in a process of developing its gender strategy, of which the main axes are:</p> <p>Support for the property, leadership and decent employment of women in the company. Improvement of equal access and control of basic services and economic tools.</p>
SUPPLY	
Name and description of the investor	<p>Development financing agencies of the G7 Countries and other associated countries. CDP, CDC, Proparco, OPIC, KFW, JBIC and JICA Swedfund, Finnfund, FMO and IFU</p>
Role / Roles of the investor	- Financer
Character	- Public
Type	- Development Finance Institution
Investor Location	- North America, Europe and Asia
Geographical scope of investor action	Developing countries
Commitment to gender equality	All agencies have a gender balance and equality policy both at the level of funded projects and in their internal management.
SUPPLY	
Name and description of the investor	Private investors support the 2X initiative by investing jointly with the agencies in the projects chosen for development in each country.
Role / Roles of the investor	- Financer
Character	- Private
Type	- Institutional Investor - Foundation
Investor location	Any country in the world
Geographical scope of investor action	Developing countries
Commitment to gender equality	Normally there is such a commitment, simply because of the link to projects of the 2X Challenge.
INTERMEDIARIES	
Name and description of the intermediary	2X Challenge Global initiative to support women's entrepreneurship and investments with gender lenses.
Role / Roles of the intermediary	- Resource Mobilizer - Metrics generator to measure gender impact
Type / Subtype	- Financial - Other Combined Funding and Mobilization Initiative
Geographical scope of action	Developing countries



INTERMEDIARIES	
Name and description of the intermediary	Financial intermediaries in demand countries participate in providing information on loans on demand and sometimes participate in capital or provide guarantees.
Role / Roles of the Intermediary	- Finance the final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Commercial Bank - Reciprocal financing company - Social banking
Geographical scope of action	Developing countries
DEMAND	
Name / Profile of Beneficiary Organizations	Women in general and companies owned or led by women, according to the eligibility criteria mentioned above. It includes women as consumers of goods and services, as well as beneficiaries of personal consumer loans.
Type	- Entrepreneur - Company owned / led by women - Company committed to equality - Company that offers goods and services to improve the well-being of women
Size	- Autonomous / entrepreneurial - Micro and small businesses
Development stage	- Early stage - Growth / consolidation stage
Geographical scope of action	Developing countries
OVERALL ASSESSMENT	
Innovations introduced	FINDEV is a bilateral development institution for the private sector only for a year and a half. They want to have a catalytic role in the ecosystem with a strong gender focus - international feminist assistance. They apply gender lenses throughout. They work with early entrepreneurs ("early stage investing"). They want to be a voice in the investment industry with gender lenses, play a catalyst role. They will be presidents of the 2X Challenge of 2019-2020 when OPIC presidency ends.
Identified challenges	Take a role in the financing market with gender lenses that does not discourage commercial investment. Collect real data on preferences of women entrepreneurs to develop appropriate products. Challenge in the avoidance to formalize entrepreneurship for taxation's fears or greater obligations.
Lessons learned	Not being afraid of the field, there is a lot of interest in investment with gender lenses, being quick and facing opportunities without being scared by the probability of success, looking for real needs ("reality check"), based on the preferences of women entrepreneurs and incorporating direct contact with local agents.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Join the team of gender experts to specialists in finance and product design and structured financial vehicles. FinDev would finance formal studies and ground research to revert risk avoidance on products that do not meet the beneficiaries needs.

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- <https://www.jbic.go.jp/en/>



- <https://www.jica.go.jp/english/>
- <https://www.swedfund.se/en>
- <https://www.finnfund.fi/en/>
- <https://www.fmo.nl/>
- <https://www.ifu.dk/en/frontpage-english/>
- Interview with Anne-Marie Levesque, from FinDev Canada, on August 13, 2019

Acumen Fund (ACUMEN)

ID	
Name of the initiative	Acumen Fund (ACUMEN)
Short description	Long-term investment (patient capital) and managerial support (support in sales and access to new markets, human talent advice, measurement of impact and perception of target groups, evaluation and technological consulting, consulting, support and planning financial) to companies that have a high social impact and in sectors such as agribusiness, education or energy .
Promoting entities that create and lead the initiative	ACCUMEN - Financial intermediary ACUMEN donors (listing https://acumen.org/partner-community/) - Investor
Country or countries where it operates	Colombia (also operates globally in Asia, Africa and North America)
Gender lens (es) targeted	- Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2) - Invest in companies that develop products and services that positively impact women. Oriented to companies whose products and services are intended to promote an improvement in the well-being of women and girls. (Lens 3)
Starting date	ACUMEN operates globally, since 2001 and in the LAC region since 2013. As ACLP (Acumen Capital Latam Partners), since 2016. Sponsored by ACUMEN but to support larger companies. It manages private equity funds different from those of ACUMEN, for profit.
Contact person	Maria Pia Morante
Email	mmorante@acumen.org
Phone / Skype	pia.morante
Web / Link	http://acumenlatamcapitalpartners.com/es/maria-pia-morante-senior-investment-associate/
Type of instrument (if financing initiative)	- Patient Capital ACLP: - Venture Capital Fund or Private Capital
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Patient capital allows companies with high social impact to have long-term financing to support their consolidation and growth, contributing to their economic sustainability. Otherwise, they would not be able to access sufficient financing and have the conditions for them to meet their social objectives. As a financing tool, it is a third way between market financing and philanthropy.



Group in need (Final beneficiary)	- Women in general
Identified risks and challenges	The risk is the lack of long-term economic sustainability. Patient capital acts in the long term but also with technical support services that contribute to make the company profitable and sustainable.
OBJECTIVES	
Description of the objectives	Support the development of companies with high social impact.
Target country or region	Colombia, Peru, Ecuador, El Salvador, Guatemala, Nicaragua (also operates globally in Asia, Africa and North America)
Incidence in LAC region	ACUMEN works worldwide, although it has a specific presence in LAC.
Incidence in Win Win countries	(in principle, open to any country)
Commitment to gender equality	In 2015 they conducted a worldwide analysis of their portfolio from a gender perspective, in order to see the gender impact of their investments. As a consequence, they have adopted a Gender Sensitivity Policy, which describes an intentional approach to gender sensitivity in their programs and operations.
Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> - Gender equality in the leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the beneficiary organization (Corresponds to principle 2, 3 and 4) - Gender equality in the value chain (Corresponds to principle 5) <p>Lens 3:</p> <ul style="list-style-type: none"> - Products and services oriented to gender transforming processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	In 2013, ACUMEN decided to open operations in Latin America with a focus on Colombia and Peru. An in-depth analysis of the causes of poverty and inequality in the region led them to develop a strategy focused on benefiting communities that have suffered political, economic and social exclusion (small farmers, female heads of household, Afro-descendant and indigenous communities); as well as a special interest in rural areas, particularly post-conflict zones in Colombia, and the Sierra and Oriente regions in Peru.
Description of the financial instrument and its operation	ACUMEN makes investments of patient capital and debt in social enterprises. Once they invest in a company, they work hand in hand with their teams and help them improve their business models to achieve the expected sustainability and scalability. They combine their financial support with strategic support from the board of directors, where they seek to actively collaborate in identifying and overcoming the challenges that companies present. They also carry out annual training programs for senior executives and middle managers to develop leadership skills and foster a learning community among the executives of their company portfolio.
Name of the players involved and type of entity in each case	<p>On the fund-raising side:</p> <p>Donors who contribute funds to ACUMEN. They provide philanthropic funds.</p> <ul style="list-style-type: none"> - Investors <p>On the funds raised placement side:</p> <p>ACUMEN, patient capital fund and service provider.</p> <ul style="list-style-type: none"> - Financial intermediary <p>Beneficiary Companies, receive financing in the form of capital and / or debt.</p> <ul style="list-style-type: none"> - Demand
Operation of the investment initiative	<p>ACUMEN is an organization that directly connects supply (investors) and demand (companies with high social impact). It collaborates only with studies or impact measurement. In this last aspect, it has collaborated with another fund, Root Capital. But they practically perform the entire process.</p> <p>For impact measurement (Lean Data) they have created a social enterprise as a spin-off, called 60 Decibels: www.60decibels.com</p> <p>These collaborations are carried out through initiatives such as ACLP, aimed at attracting</p>



	<p>investors for profit, for companies already in an advanced stage of maturity (after the “exit” of the patient capital). The ultimate goal is to recover the investment made, when the company reaches its breakeven point, and invert the recovered capital to another company.</p> <p>Modalities: Equity (most) Convertible note Debt</p> <p>As ACLP (Acumen Capital Latam Partners), since 2016, sponsored by ACUMEN but to support larger companies. It manages private equity funds different from those of ACUMEN, and with profitability objectives. It is proposed as a strategic complement. For ACLP, at the moment, the companies that receive the investments are encouraged to incorporate gender equality, although it is not an exclusive requirement, the advice and the action in equality is being incorporated into the portfolio of advisory services they receive. In particular, they are invited to perform the self-diagnosis offered by the consultancy firm Aequales, for free. This allows them to have an analysis of their own situation and a comparison with the companies in each country (it is carried out in Peru and Colombia).</p> <p>ACUMEN provides a proactive participation in its policy with investments to promote gender equality, both in terms of external stakeholders (producers or customers) and internal stakeholders (employees, board members, etc.) to address the fact that, as a result of discrimination rooted where the fund operates, women are disproportionately affected by poverty.</p>
Initial capital invested (percentage, amount)	<p>World level (2018, accumulated): US \$ 117 million investment in 116 companies. US \$ 28 million capital recovered and reinvested in 14 countries, with 263 million lives impacted, 83 companies, 8 of LAC. ACLP has mobilized a first \$ 20M fund for LAC.</p>
Capital expected to be mobilized	Due to its characteristics, ACUMEN does not focus so much on mobilizing capital, but on ensuring the sustainability of companies.
Eligibility criteria	<p>Companies that have a high social impact.</p> <p>Sectors: agribusiness, education, energy, health (and with less presence: housing, water and sanitation, workforce development and financial inclusion).</p>
Implementation time	
Expected financial return	- Obtain preferential performance (lower than market)
Payback of investment	The term of patient capital is, by definition, long (up to 15 years).
Gender impact measurement	- Yes
Impact measurement method (if any)	- Other: LEAN DATA: (own method, which they have developed to measure impact). They have made specific applications for gender impact, see: https://acumen.org/investinwomen-pt2/
Impact verification	- Investor
SUPPLY	
Name and description of the investor	<p>ACUMEN donors, investors with tranches of more than US \$ 5 million, more than US \$ 1 million and more than US \$ 500,000, for example:</p> <p>STEWARDS (more than US \$ 5,000,000) Bill & Melinda Gates Foundation IKEA Foundation Metlife Foundation Unilever Leadership (more than US \$ 1,000,000) Anonymous (2) • Barclays • The Bernard and Anne Spitzer Charitable Trust • Ricardo Cisneros • Dalio Foundation • Martin Dow • Essar Foundation • Future Foundation • The Gilder Foundation • Giving Wings • Hashoo Foundation • Mahvash & Jahangir Siddiqui Foundation • Craig & Kirsten Nevill -Manning • Oak Foundation • The Page Family Foundation Donor Advised Fund • Prana Foundation • Shaiza Rizavi & Jon Friedland • Robert Wood Johnson Foundation • The Sapling Foundation • Skoll Foundation • Small Foundation</p>



	<ul style="list-style-type: none"> • Andrea Soros Colombel & Eric Colombel • UK Department for International Development • USAID
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	- Financer
Character	- Public - Private
Type	<ul style="list-style-type: none"> - Development Finance Institution - Institutional Investor - Foundation - Family Business - Individual High Equity Investor - Corporation
Investor Location	<ul style="list-style-type: none"> - Latin America and the Caribbean - North America - Europe - Rest of the world
Geographical scope of investor action	Worldwide
Commitment to gender equality	Several, depending on investor.
INTERMEDIARIES	
Name and description of the intermediary	ACUMEN, patient and investment capital fund, initially non-profit (foundation)
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	<ul style="list-style-type: none"> - Financer - Strategic advisor and technical assistance - Promoter and creator of networks (networking) - Trainer and trainer
Type / Subtype	<ul style="list-style-type: none"> - Financial - Fund Manager
Investor Location	<ul style="list-style-type: none"> - Latin America and the Caribbean - North America - Rest of the world
Geographical scope	Asia, Africa, North America and LAC
DEMAND	
Name / Profile of Beneficiary Organizations	<p>Companies that have a high social impact.</p> <p>Sectors: agribusiness, education, energy, health. And with less presence: housing, water and sanitation, workforce development and financial inclusion).</p>
Type	<ul style="list-style-type: none"> - Cooperative - Other: Companies with high social impact
Size	<ul style="list-style-type: none"> - Small and medium enterprises - Large companies
Development stage	<ul style="list-style-type: none"> - Early stage - Growth / consolidation stage
Geographical scope of action	Asia, Africa, North America and LAC
OVERALL ASSESSMENT	
Innovations introduced	<p>Direct contact between philanthropists and high-impact social economy companies.</p> <p>Absence of intermediaries.</p> <p>Concept of patient capital.</p> <p>Rigorous impact measurement - Creation of its own methodology (LEAN DATA).</p> <p>Specific approach to gender impact (to be developed).</p> <p>Active involvement in the invested companies.</p> <p>Reinvestment of benefits.</p>
Identified challenges	Complexity of addressing the measure of gender impact.
Lessons learned	The gender issue is approached from the perspective of development and poverty reduction, with emphasis on lenses 2 and 3, but also on the 1 for microenterprises.
Main challenges and risks as	ACUMEN is important for its power as a philanthropic investor. Especially with lens 3, to



potential allies of the mechanism to be established by UN Women

improve the lives of women with projects of high social impact (associated with patient capital).

The development of the Acumen gender strategy is pending. It could be a good time to collaborate with them, probably with the implementation of the Lean Data methodology. Also with ACLP, to use this type of approach and incorporate investors for profit into larger and with better prospect companies.

Information sources:

- <https://acumen.org>
- <http://acumenlatamcapitalpartners.com>
- Women_And_Social_Enterprises_Report_Acumen_ICRW_2015
- A LEAN DATA HOW-TO GUIDE: UNDERSTANDING GENDER IMPACT. Phase I
- A LEAN DATA HOW-TO GUIDE: UNDERSTANDING GENDER IMPACT. Phase II
- About-Acumen-One-Pager-Q2-2017.pdf
- Acumen-2018-Annual-Report
- Gender-policy-final-11-30-2015
- Interview with Maria Pia Morante, from Acumen Latam Capital Partners, on August 2, 2019



AL INVEST 5.0

ID	
Name of the initiative	AL INVEST 5.0
Short description	AL INVEST is one of the most important international cooperation projects of the European Commission in Latin America, its purpose is to promote internationalization and boost the productivity of micro, small and medium enterprises (MSMEs) in Latin America. AL INVEST 5.0 is the fifth phase of this program, initiated in 2015 with the title “an inclusive growth for social cohesion in Latin America”.
Name of the promoting entities that create and lead the initiative	AL INVEST, European Commission Cooperation Agency. - Investor Consortium of 11 international organizations coordinated by the Chamber of Industry, Commerce, Services and Tourism of Santa Cruz, Bolivia (CAINCO). - Financial intermediary
Allied players	Organizations for the promotion of MSMEs internationalization
Country or countries where it operates	Bolivia
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the capital and credit mobilization from different players and mechanisms for women. (Lens 1)
Starting date	AL-INVEST operates since 1994, the 5.0 initiative since 2015
Contact person	Nicoletta Favaretto
Email	favaretto@eurochambres.eu
Phone / Skype	
Web / Link	http://www.alinvest5.org/
In case of financing initiative indicate the type of instrument	- Philanthropic capital, donations and grants
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Fight against poverty through the development of the productive, associative and business capacities of MSMEs in Latin America. The focus is primarily on associationism (Chambers of Commerce and other collective development organizations) and internationalization of Latin American companies as a means of economic and social growth.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	The initiative is the 5th edition of the program, so most of the risks have been foreseen and have been managed since the start of the first phase in 1994. One of the ways to implement risk management has been the association with institutional entities of each country (chambers) and business organizations that act in the field. Near the end of this 5th phase, the risks and challenges are not too many, perhaps only reputational. This phase of the program has already served 34,000 MSMEs in 18 countries in Latin America, through 110 organizations in 67 partnership and business promotion projects.
OBJECTIVES	
Description of the objectives	Contribute to productivity growth and sustainable internationalization of MSMEs in Latin America with support from organizations representing the private sector, such as Chambers of Commerce and other similar organizations.
Target country or region	Latin America (not including island territories of the Caribbean, or non-Spanish speaking territories (Suriname, Guayanas))
Incidence in LAC region	Latin America region as a whole (18 countries)
Incidence in Win Win	- Brazil - Costa Rica



countries	- Chile - Argentina - Uruguay
Commitment to gender equality	Gender equality is not a strategic axis of the program, although due to the presence of women in Latin American enterprises, the gender impact is significant.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	AL INVEST started with a two-year pilot program in 1994. The success of this pilot phase mobilized the approval of four additional programs: AL-INVEST I - 1995-1999 AL-INVEST II - 1999-2004 AL-INVEST III - 2004-2007 AL-INVEST IV - 2009-2013
Description of the financial instrument and its operation	The AL INVEST 5.0 instrument is a 25 million-euro financing initiative that includes a program of non-refundable grants of at least 15 million for the promotion of associative organizations with MSMEs as final beneficiaries.
Name of the players involved and type of entity in each case	On the fund-raising side: European Commission, AL INVEST program, provides the funds of the EC budgets for cooperation. - Investor On the funds raised placement side: Consortium led by the Chamber of Commerce and Industry of Santa Cruz, CAINCO, obtains by tender the project management and calls for rounds of competitions for beneficiary entities. - Financial intermediary Business organizations, consortiums and companies present projects to support the internationalization and development of MSMEs. - Demand
Operation of the investment initiative	The European Union awards the management of the AL INVEST 5.0 program through a competitive tender to an association led by the Chamber of Commerce and Industry of Santa Cruz Bolivia (CAINCO). This association has the following members: Guatemalan Association of Exporters (AGEXPORT) Uruguay Stock Exchange Chamber of Commerce and Industry of El Salvador Lima Chamber of Commerce Chambre de Commerce et d'Industrie de Région Paris Ile-de-France (DGA AIE) Confederacao das Associacoes Comerciais e Empresais Do Brasil Costa Rican Chamber of Commerce EUROCHAMBRES Association of European Chambers of Commerce and Industry IDB Inter-American Development Bank SEQUA - Partner of German Business The managing consortium publishes annual calls for associations to compete for grants and support. The consortium evaluates the projects submitted and awards rounds of 10 to 25 winning proposals with approximate average amounts of 200,000 - 400,000 Euros per proposal. CAINCO coordinates the work of the winning associations in the implementation of business development actions, such as training, creation of sector centers, participation and organization of productive fairs, business missions, internationalization, implementation of continuous improvement methods and increase of business services. The awards seek to provide the largest geographical coverage in terms of countries in the Americas as well as incorporate added-value contributions from other European programs and experts.
Initial capital invested (percentage, amount)	10 million Euros
Capital expected to be mobilized	More than 25 million Euros



Eligibility criteria	Business organization that supports MSMEs Chamber or organization that delivers training or assistance
Implementation time	Six months
Expected financial return	- No return (lost fund - help)
Payback of investment	Does not recover
Gender impact measurement	- No
Impact measurement method (if any)	There is no gender impact measurement metric, but there are social impact data, beneficiaries, etc.
Impact verification	- Investor - Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	AL INVEST initiative of the European Commission EC since 1994, linked to the creation of opportunities through facilitating Latin American MSMEs internationalization, in collaboration with European business partners.
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	- Financer
Character	- Public
Type	- Government - Development Finance Institution
Investor Location	- Europe
Geographical scope of investor action	Above all, in cooperation, in Latin America, Asia and Africa
Commitment to gender equality	Gender equality is a fundamental value of the European Union that the European Commission promotes through strategic frameworks. The current strategic framework of the Commission on gender equality (2016-2019) ends this year. The Union aims to promote equality between men and women in all its activities, prioritizing five key areas for action, equal economic independence for women and men, equal pay for work of equal value, equality in decision-making, dignity, the integrity and elimination of gender-based violence and promotion of gender equality beyond the EU.
INTERMEDIARIES	
Name and description of the intermediary	Program management consortium led by CAINCO, Chamber of Commerce and Industry of Santa Cruz de la Sierra Bolivia. The consortium is formed by the leading Chamber in addition to the following 10 organizations: Guatemalan Association of Exporters (AGEXPORT) Uruguay Stock Exchange Chamber of Commerce and Industry of El Salvador Lima Chamber of Commerce Chambre de Commerce et d'Industrie de Région Paris Ile-de-France (DGA AIE) Confederacao das Associacoes Comerciais e Empresarias Do Brasil Costa Rican Chamber of Commerce EUROCHAMBRES Association of European Chambers of Commerce and Industry IDB Inter-American Development Bank SEQUA - Partner of German Business This consortium was awarded the management of the 25 million-program in financing, of which 15 million should be used in various calls to expand the list of associations supporting the Latin American export sector.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Manager of the funded initiative - Capacity building, advice and / or support for women entrepreneurs
Type / Subtype	- Capacity builder - Accelerator - Networking platform
Geographical scope of action	Latin America, countries with AL-INVEST 5.0 projects:



	<p>Argentina 12 projects, 1,301 MSMEs (201 Women)</p> <p>Bolivia 11 projects, 4,844 MSMEs (593 Women)</p> <p>Brazil 11 projects, 9,378 MSMEs (934 Women)</p> <p>Chile 4 projects, 1,180 MSMEs (221 Women)</p> <p>Colombia 11 projects, 2,270 MSMEs (338 Women)</p> <p>Costa Rica 2 projects, 946 MSMEs (481 Women)</p> <p>Ecuador 7 projects, 3,095 MSMEs (627 Women)</p> <p>El Salvador 3 projects, 937 MSMEs (240 Women)</p> <p>Guatemala 2 projects, 967 MSMEs (809 Women)</p> <p>Honduras 3 projects. 432 MSMEs (17 Women)</p> <p>Mexico 7 projects, 663 MSMEs (92 Women)</p> <p>Nicaragua 3 projects, 1,404 MSMEs (145 Women)</p> <p>Panama 1 project, 81 MSMEs (22 Women)</p> <p>Paraguay 3 projects, 379 MSMEs (136 Women)</p> <p>Peru 5 projects, 4,301 MSMEs (1,024 Women)</p> <p>Uruguay 2 projects, 701 MSMEs (132 Women)</p> <p>Venezuela 3 projects, 313 MSMEs (271 Women)</p>
DEMAND	
Name / Profile of Beneficiary Organizations	Associations and organizations supporting entrepreneurs with a view to internationalization.
Type	- Community organization - Social organization with commercial activity
Size	
Development stage	
Geographical scope of action	Latin America, excluding island territories of the Caribbean and countries with an official language other than Spanish / Portuguese.
OVERALL ASSESSMENT	
Innovations introduced	Sectoral cores of integral support to SMEs with a diagnosis and previous plan. Introduction of three levels of support for women entrepreneurs (awareness, empowerment networks and mentoring scheme).
Identified challenges	
Lessons learned	The multiplier effect of the support networks linked to commercial channels, causes productive improvements in groups of companies and fosters a sense of inclusive development in production. It is necessary to improve possibilities of access to bank financing, beyond the microcredit to underpin the operational improvements promoted by this project.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	AL Invest 5.0 is already over. In addition, it is not a gender initiative but of business development and improvement through the strengthening of commercial channels, basically for microenterprises, without differentiating gender from entrepreneurship.

Information sources:

- https://ec.europa.eu/europeaid/regions/latin-america/al-invest-regional-aid-programme_en
- <http://www.alinvest5.org/index.php?lang=en>
- <http://www.cainco.org.bo/empresaydesarrollo/>
- Interview with Nicoletta Favaretto of Eurochambres and Julio Silva (CAINCO), on October 15, 2019



Banistmo Gender Social Bonus

ID	
Name of the initiative	Banistmo Gender Social Bonus
Short description	The initiative launched by Banistmo bank includes the private placement of a single social bond for the financing of women-led SMEs to a single investor (IDB Invest subscribes 100%).
Name of the promoting entities that create and lead the initiative	Banistmo Panama - Financial intermediary IDB Invest of the Inter-American Development Bank Group - Investor
Allied players	
Country or countries where it operates	Republic of Panama
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	July 2019
Contact person	Aimeé Sentmat de Grimaldo / Executive President
Email	
Phone / Skype	
Web / Link	www.banistmo.com
In case of financing initiative indicate the type of instrument	- Bonds - Bank loans (commercial, investment banks, etc.)
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Globally, it is expected that by 2025, women will control 75% of consumer spending and will own most of the wealth. In response to these trends, companies in Latin America will be able to identify the specific needs and preferences of their clients and ensure a gender approach in production, services, design, marketing and supply chain management.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	
OBJECTIVES	
Description of the objectives	Support Banistmo's growth strategy in the medium term in the segment of women-led SMEs and support the Impulsa Program. The issuance of the social bond with a comprehensive approach (100% of the resources) is to expand the financial resources available for the financing of SMEs led by women with greater granting of credits and loans. The bond will be issued privately, with a term of up to 5 years.
Target country or region	Panama
Incidence in LAC region	Panama only
Incidence in Win Win countries	
Commitment to gender equality	The financing obtained with the loan program has been specifically dedicated to financing projects of lens 1.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The Social Bonus initiative with a Gender Approach is a continuation of the initiatives previously led by Banistmo, including the Impulsa Program (supported by IDB Lab), the



	women entrepreneurs advice agreement signed with the City of Knowledge Foundation, the initiatives for women entrepreneurs studies carried out with support from the GBA and the Im-pactamos program. The Social Bonus comes to support the Impulsa Program.
Description of the financial instrument and its operation	The financial instrument includes a line of loans and credits of US \$ 50 million, according to the bank's eligibility criteria and in the product lines: working capital, inventory purchase, purchase or remodeling of premises and capital investment. The funds from the gender bond will be allocated primarily to productive financing, working capital and leasing operations under the bank's commercial conditions. This bonus can potentially contribute to four United Nations Organization Sustainable Development Goals (SDGs): Gender equality (SDG 5), Decent work and economic growth (SDG 8), Industry, innovation, infrastructure (SDG 9) and Reduction of inequalities (SDG 10).
Name of the players involved and type of entity in each case	On the fund-raising side: IDB Invest investment agency of the Inter-American Development Bank Group. It provides funds (US \$ 50 million) for the 100% private subscription of the Gender Bonds attending the Social Bond Principles SBP. - Investor On the funds raised placement side: Banistmo markets the funds through the granting of loans and loans to companies owned or led by women. - Financial intermediary Companies owned or led by women. Final beneficiaries when obtaining access to credit in favorable conditions. - Demand
Operation of the investment initiative	The operation must follow Banistmo's operational processes and the conditions of exclusion and measurement of the IDB: 1. Prospecting in the field: the potential client is identified through various methods. 2. Executives visit: it seeks to advise the client to identify their needs and be able to make a comprehensive proposal aligned with them. 3. Credit documentation: the client is asked for the documents, requirements and regular requests that show the legality, formality and financial, environmental and social situation of the company, in order to complete the file and then send it to the credit analysis area. 4. Credit analysis for the corresponding area: taking into account the corresponding requirements, a comprehensive credit analysis is carried out with a robust model for large SMEs and with a parametric model for small SMEs, through which the analyst issues a recommendation or non-recommendation of the case. This analysis includes compliance with exclusion lists or risks to activities listed by Banistmo as very high risk. 5. Approval of commercial area: the commercial area then monitors cases with a recommendation to then give approval and move on to the next stage. 6. Formalization of the credit: at this stage, the client is given the letter of credit terms and conditions to document the characteristics and conditions of the facility. The commercial loan contract includes compliance with the general provisions of the Environment Law, as well as clauses regarding anti-corruption and LAFT. 7. Disbursement: once all documents, requirements, approvals, are validated and reviewed, the area of operations then proceeds with the disbursement. 8. Validation of disbursements to be refinanced with bonus funds: the Banistmo Gender Social Bonus Forum will meet monthly or whenever necessary to select the loans to be refinanced. The forum is responsible for monitoring loans to ensure that once the financing deadlines are met, the proper selection of new loans is made. 9. Portfolio maintenance: by policy, a renewal of the main documents associated with the financial information of the client that has credits with the bank is made annually. Banistmo must ensure that all backed loans comply with the provisions of the IDB Invest Exclusion List and local laws applicable to environmental and social matters. Additionally, projects that meet one or more of the following criteria may not use resources from the Social Bonus: Consumer loans Clients or projects considered environmentally and socially as Category A, as defined by the



	IDB Invest Environmental and Social Sustainability Policy. High risk sectors IDB Invest Exclusion List Projects that finance controversial activities such as alcohol, animal abuse, genetic engineering, credits at abusive interest rates, pornography and reproductive medicine.
Initial capital invested (percentage, amount)	US \$ 50 million, the portfolio will follow the following tranche rules: At least 50% will be allocated to the commerce and services sectors At least 80% of subloans will have a maximum amount of US \$ 250,000; and the remaining 20% will not be greater than US \$ 500,000
Capital expected to be mobilized	
Eligibility criteria	Investments in SMEs that meet the following eligibility criteria: <ul style="list-style-type: none"> • Sales: companies with annual revenues between US \$ 12,000 and US \$ 10 million. • A woman has the power to sign the company's operating current account.
Implementation time	
Expected financial return	- Get market performance
Payback of investment	Five years
Gender impact measurement	- Yes, through a set of indicators developed by Banistmo
Impact measurement method (if any)	Number of small SMEs led by women with current balance in the portfolio at the end of the period Balance of the portfolio of loans to small SMEs led by women at the end of the period Number of loans to large SMEs led by women in the portfolio at the end of the period Balance of the loan portfolio to large SMEs led by women at the end of the period Growth of the total portfolio of loans to SMEs led by women at the end of the period Balance of loans disbursed to small SMEs led by women during the period Balance of loans disbursed to large SMEs led by women during the period Balance of loans disbursed to women-led SMEs during the period by sector of economic activity Percentage of resources from the bond allocated to the SME portfolio led by women located outside of Panama City Percentage of resources from the bond allocated to partially refinance loans in force in the portfolio SMEs led by women beneficiaries of training and advisory / mentoring activities Percentage of resources from the bonus allocated to the women-led SME portfolio
Impact verification	Banistmo commercial bank operator of the initiative is the one that provides the impact verification data. - Financial intermediary of the initiative
SUPPLY	
Name and description of the Investor	IDB Invest Member of the Inter-American Development Bank (IDB) Group, a multilateral development bank whose objective is to promote the economic development of its member countries through the private sector. IDB Invest finances sustainable companies and projects in the LAC region. It maintains a portfolio of US \$ 12,440 million in assets under management with 342 clients in 24 countries.
Role / Roles of the investor	The IDB acts as an investor, most of the investment comes from the bank. - Financer
Character	- Public
Type	- Multilateral Development Bank
Investor Location	- Latin America and the Caribbean - North America
Geographical scope of investor action	LAC Region
Commitment to gender equality	IDB Invest has EDGE Assess certification, which recognizes the commitment to progress in areas such as gender balance in the organization, gender equality policies and practices, salary equity and other factors. Likewise, the IDB group considers gender equality one of its cross-cutting axes at the organizational level, as well as one of the general objectives in



	investment projects.
INTERMEDIARIES	
Name and description of the intermediary	<p>Banistmo has the support of the Bancolombia Group, a financial entity with a presence in Colombia and Central America, which offers financial products and services to more than 14 million active clients and provides commercial and consumer banking, stock brokerage, investment banking, leasing services financial, factoring, fiduciary services, asset management and private banking, among others.</p> <p>Banistmo is the second most important financial institution in Panama by volume of deposits and loans, has a workforce of 2,200 employees, 65% of them women. It belongs to the National Council for Entrepreneurship led by the Micro, Small and Medium Enterprises Authority (AMPYME). In addition, it is part of the Council for Gender Parity, the Seal of Gender Equality, the Principles of Empowerment of Women of UN Women, the Emprende Equality Network and the Global Banking Alliance for Women GBA.</p>
Role / Roles of the Intermediary	- Finance the final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Commercial Bank
Geographical scope of action	Panama
DEMAND	
Name / Profile of Beneficiary Organizations	Companies owned or led by women. Given the banking origin of the initiative, those are considered to be those in which a woman has the power to sign the operating current account of the company.
Type	- Company owned / led by women
Size	- Micro and small businesses - Small and medium enterprises
Development stage	There are no requirements in this regard
Geographical scope of action	Panama
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Information sources:

- <https://www.idbinvest.org/es/medios-y-prensa/bid-invest-y-banistmo-filial-del-grupo-bancolombia-anuncian-la-emision-del-primer-bono-de>
- <https://www.banistmo.com/wps/portal/banistmo/acerca-de/informacion-corporativa/relacion-con-inversionistas/bono-genero>



Banking on Women Bond Program

ID	
Name of the initiative	Banking on Women Bond Program
Short description	Thematic bonds used to finance the “Banking on Women” initiative. This initiative provides resources to the financial sector to support preferential terms for companies owned or led by women.
Promoting entities that create and lead the initiative	International Finance Corporation (IFC) - Financial intermediary
Allied players	Placement agencies; financial services companies that are responsible for distributing bond issuances among their client banks in the wholesale market. - Financial intermediaries Wholesale investor banks and retail commercial banks. They become IFC allies through bilateral agreements. - Financial intermediaries
Country or countries where it operates	The bonds were issued in Australia, Turkey, Japan and Brazil.
Gender lens (es) targeted	- Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2013
Contact person	José Felix Etchegoyen, IFC, Banking on Women specialist in charge of the LAC region Nathalie Hoffman, IFC, gender coordinator for the LAC region.
Email	jetchegoyen@ifc.org nhoffmann@ifc.org
Phone / Skype	+1 (202) 458-7035
Web / Link	www.ifc.org
In case of financing initiative indicate the type of instrument	- Bonds
Other initiatives and instruments	
Status of implementation of the initiative	- Finished The “Banking on Women” bond program has been absorbed by the IFC social bond program.
NEED	
Description of the existing need	According to IFC estimates, around 30% of companies are owned by women and, despite it, only 10% of them can access financial markets without barriers. To solve this problem, IFC launched the bond program to support the financial sector and lend to companies owned or led by women.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners - Women business managers
Identified risks and challenges	IFC decided that its social bond program would absorb the Banking on Women program in order to provide more depth (the depth of a market basically refers to its size) and liquidity to its thematic bond lines. This highlights the double risk faced by a thematic bond program, both on the side of the program it finances and on that of the issue itself. Both must keep a certain balance in the volumes of financing and the times of issuance and initiation of projects. If the issuance of bonds were greater than the program it finances, the issuer would be paying interest for idle money while if it were the other way around, the issuance of bonds would be less than the program it finances, then it would not assure all the funds needed.



OBJECTIVES	
Description of the objectives	Obtain the necessary financing to finance Banking on Women projects at a lower cost than the market. The objective of the bonds is that investors are willing to accept a lower return than the market in exchange for their investment supporting gender equality, additionally incorporating the gender impact measurement of their investments. Products financed with these bonds can be marketed by collaborating banks at competitive prices, that is, that companies owned or led by women pay reduced interest.
Target country or region	The bonds were issued in Australia, Turkey, Japan and Brazil.
Incidence in LAC region	Brazil, Chile, Costa Rica, Dominican Republic and Ecuador
Incidence in Win Win countries	- Brazil - Costa Rica - Chile
Commitment to gender equality	The financing obtained with the bond program has been specifically dedicated to financing projects of lens 1.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies.
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	No immediate background regarding thematic bonds to finance gender equality, however, the previous experience of IFC in the issuance of bonds and the implementation of the Banking on Women initiative in 2011, should be taken into account.
Description of the financial instrument and its operation	This is a program for the issuance of medium-term bonds, 5-8 years, with a fixed coupon and measuring the impact of projects financed to encourage investors to accept returns slightly lower than the market. The bonds are negotiable in secondary fixed income markets. The resources obtained are dedicated to financing projects throughout the scope of lens 1, financial support to companies owned or led by women.
Name of the players involved and type of entity in each case	<p>On the fund-raising side:</p> <p>Investors are the buyers of the bonds issued by IFC and provide the necessary financing.</p> <ul style="list-style-type: none"> - Investors <p>IFC. Receives the money from the bonds sale that will be dedicated to financing the Banking on Women initiative. This phase, whose players are cited below, is already outside the bond issuance initiative but within the funded initiative, Banking on Women:</p> <ul style="list-style-type: none"> - Financial intermediary <p>Placement agencies Financial services companies that are responsible for distributing bond issues among their client banks in the wholesale market. The Japanese Placement Agency that participated in the issuance of bonds in Japan is Daiwa Securities.</p> <ul style="list-style-type: none"> - Financial intermediaries <p>Investment banks They buy bonds on their own or to resell them to their customers.</p> <ul style="list-style-type: none"> - Financial intermediaries <p>On the funds raised placement side:</p> <p>Banks and financial institutions that sell the funds through the granting of loans to companies owned or led by women. They enter the chain of placement of the funds raised, after signing a collaboration agreement with IFC.</p> <ul style="list-style-type: none"> - Financial intermediaries <p>Companies owned or led by women. Final beneficiaries obtain access to credit at favorable cost conditions.</p> <ul style="list-style-type: none"> - Demand
Operation of the investment initiative	<p>IFC issues bonds within the Banking on Women program, guaranteeing investors that their investment will be used to benefit women through lens 1, incorporating the program's impact measurement. Thanks to this commitment to gender equality, investors are willing to accept below market returns.</p> <p>For the IFC bonds sale, a placement agency is selected such as, for example, Daiwa Securities of Japan, which is responsible for the specific operation in the issuing countries: advertising, bond marketing, etc. The agency agrees with IFC the characteristics of the issue such as the amount, interest to be paid, the maturity of the product, etc., based on experience and knowledge of the issuance market. Subsequently, the agency publishes the tombstone (in the financial jargon explanatory booklet that summarizes the main characteristics of the</p>



	<p>issue) and contacts its client banks in the issuing country to market the bonds, assigning an amount to each of the participating banks. Depending on the characteristics of the issue, each client bank communicates to the agency the amount it is willing to market. These banks may in turn choose to keep the bonds as their own investment or market them among the bank's clients. Once the issuance is covered or after the end of the issuance period agreed between Daiwa and IFC, the commercial banks transfer the money obtained from the sale of the bonds to Daiwa and Daiwa, in turn, to IFC, subtracting the amounts agreed for administration and commercialization expenses of the issue previously agreed between IFC and the agency, and between the agency and its client banks.</p> <p>IFC allocates the resources obtained from the sale of these bonds to finance projects within the Banking on Woman initiative. This initiative consists of granting loans to women-owned or led companies. For this, collaboration agreements are signed with banks in the countries where the initiative is present, agreements that will meet the requirements for measuring the impact and eligibility of the issuance of IFC bonds.</p> <p>The collaborating commercial banks are responsible for marketing the credit, that is, offering it to beneficiary companies, selecting those that, due to their credit and collateral history, adjust to the risk parameters of the initiative, meet the eligibility criteria, collect the information necessary to measure the impact of the projects and, finally, grant the credit and subsequent collection of the loan repayments.</p> <p>As the beneficiary companies are returning the loans, the collaborating banks repay the money to IFC discounting the necessary margins to cover the marketing costs. With this money, IFC can pay the coupons (interest) and, upon expiration, return the principal of the bonds issued to investors.</p>
Initial capital invested (percentage, amount)	The Banking on Women bond program had awarded US \$ 0.3 billion before being absorbed by the more generic IFC social bond program. In total, funding granted to companies owned or led by women since 2010 has been US \$ 1.84 billion.
Capital expected to be mobilized	The objective for the IFC set of gender / Banking on Women credits is to reach between 40 and 90 thousand credits granted to women in 2022.
Eligibility criteria	<p>Companies must meet one of the following two requirements:</p> <p>At least 51% of the property belongs to women.</p> <p>At least 20% of the property belongs to women and have at least one woman in the management positions: executive director, chief operating officer, president, vice president and have at least 30% of women board of directors in case this board exists.</p>
Implementation time	
Expected financial return	- Obtain preferential performance (lower than market).
Payback of investment	Medium term (5-8 years).
Gender impact measurement	- Yes
Impact measurement method (if any)	<p>Harmonized Indicators for Private Sector Operations (HIPSO), a set of impact indicators for the financial world aligned with IRIS prepared by IFC.</p> <p>- Report on the impact of investment standards (IRIS).</p>
Impact verification	<p>- Financial intermediary of the initiative</p> <p>The collaborating banks are the ones in charge of collecting and verifying the basic information to elaborate the indicators.</p>
SUPPLY	
Name and description of the Investor	Buyers of bonds in issuing countries. The profile can be very diverse, from small savers to financial institutions for their own portfolio.
Role / Roles of the investor	Investors are limited to acquiring the bonds thus providing the funds necessary to finance the Banking on Women initiative.
Character	- Private
Type	- Individual savers and investors



Investor Location	Any country in the world
Geographical scope of investor action	
Commitment to gender equality	When buying bonds on preferential terms, there are individuals and other investors willing to give up some profitability in exchange for contributing to gender equality.
INTERMEDIARIES	
Name and description of the intermediary	International Finance Corporation (IFC) IFC is the institution within the World Bank group specialized in financing operations to the private sector. It is, therefore, a multilateral financial institution that offers its financial products and services in the markets with a per capita income below a certain threshold while capturing its resources in the financial markets, especially in developed countries. IFC works with more than 2,000 companies worldwide, using capital, experience and influence to create markets and opportunities in the most difficult areas of the world. In fiscal year 2018, it delivered more than US \$ 23 billion in long-term financing to developing countries.
Role / Roles of the Intermediary	<ul style="list-style-type: none"> - Finance commercial banks that act as intermediaries - Resource Mobilizer - Metrics generator to measure gender impact (adaptation of IRIS, HIPSO) - Capacity building, advice and / or support for women entrepreneurs - Creation / Adaptation of financial instruments (first gender thematic bond issuance initiative)
Type / Subtype	<ul style="list-style-type: none"> - Financial - Multilateral Development Bank
Geographical scope of action	Worldwide (the World Bank Group can only lend to countries that meet certain criteria such as having a per capita income below a certain threshold)
INTERMEDIARIES	
Name and description of the intermediary	Placement agencies Daiwa Securities information from Japan, for example
Role / Roles of the Intermediary	- Facilitate the commercialization of bonds in the wholesale capital markets
Type / Subtype	<ul style="list-style-type: none"> - Financial - Financial services company
Geographical scope of action	Each agency distributes the emissions in a market
INTERMEDIARIES	
Name and description of the intermediary	Banks that collaborate with IFC to distribute credit among potentially beneficiary companies. These are important banks in the countries where the initiative is present. In total, the IFC has distributed the Banking on Women credits through 52 financial institutions. Banking on Women credits are distributed in Ecuador by Banco Pichincha, in the Dominican Republic by Banco BHD León or, in Brazil by Banco Itaú (information retrieved from IFC press releases).
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize financing)
Type / Subtype	<ul style="list-style-type: none"> - Financial - Commercial Bank
Geographical scope of action	Each of the collaborating banks is selected to distribute the product in one of the countries where Banking on Women is present.
DEMAND	
Name / Profile of Beneficiary Organizations	Companies owned or led by women according to the eligibility criteria mentioned above
Type	- Company owned / led by women
Size	- Small and medium enterprises
Development stage	There are no requirements in this regard
Geographical scope of action	Countries where the initiative is present. Brazil, Chile, Costa Rica, Dominican Republic and Ecuador.



OVERALL ASSESSMENT	
Innovations introduced	The initiative was one of the first attempts to issue thematic bonds in the gender section and served to gauge the size of the potential market and the willingness of investors towards these types of products.
Identified challenges	The market proved insufficiently deep (in terms of size), so this bond program had to be regrouped with the IFC social bond program.
Lessons learned	Greater ease of introducing the gender issue when working with subsidiaries of larger banks and difficulty in accessing countries where the financial market is smaller, less developed and these large groups are not present. In these countries, the previous persuasion effort is important and very intense since the gender issue is not usually present in the financial system despite the large number of SMEs owned or directed by women. In any case, the situation in each country has its specificities although, in general, it can be concluded that large multinational banks are opening the way to the smaller ones.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Risks are not visualized for UN Women allies. They focus more on the role of UN Women in terms of demand, using its presence in the region to provide financial education to women, creating opportunities and networking platforms. Not only on strictly financial issues but also on more general skills such as leadership and, in general, contributing to women gaining greater confidence in themselves. They also consider, with respect to investments, a certifying role in order to reduce the cost of financing towards gender lenses, by reducing the risk for investors.

Information sources:

- Daiwa Securities brochure for the issuance of Women's Banking bonds
- (http://www.daiwa-grp.jp/data/attach/1412_press-3482-attachment.pdf)
- (documents.worldbank.org/curated/en/201371500623070110/pdf/115718-WP-ENGLISH-CFI-Social-bonds-impact-report-PUBLIC.pdf)
- Incidence in Latin America
https://www.CFI.org/wps/wcm/connect/news_ext_content/CFI_external_corporate_site/news+and+events/news/impact-stories/banking-on-women-lac)
- Interview with José Félix Etxegoyen and Nathalie Hoffmann, from the IFC, August 7, 2019



BBVA Microfinance Foundation (FMBBVA)

ID	
Name of the initiative	BBVA Microfinance Foundation (FMBBVA)
Short description	Non-profit entity created by BBVA in 2007 in order to promote the sustainable and inclusive development of vulnerable entrepreneurs. It works through a network of 6 microfinance entities in 5 Latin American countries, which provide financial services (credit, savings and insurance) and financial education and training to more than 2 million entrepreneurs, 60% women.
Promoting entities that create and lead the initiative	BBVA Microfinance Foundation - Investor Microfinance financial entities in 5 LAC countries - Financial intermediary
Allied players	Alliances with UN Women, IDB Lab, IDB Invest, IFC World Bank, CAF, AECID, among others.
Country or countries where it operates	Spain
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2007
Contact person	Laura Fernández Lord - Women's Empowerment Alejandro Lorca - Chief Financial Officer
Email	lfernandez@mfbbva.org
Phone / Skype	
Web / Link	http://www.fundacionmicrofinanzasbbva.org/institucional/sobre-la-fundacion/
In case of financing initiative indicate the type of instrument	- Microfinance
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	According to the latest estimates, 182 million people (29.6% of the population) in LAC live in conditions of monetary poverty (8 out of 10 are women), and 203 million are excluded from the formal financial system. In addition, it is the most unequal region in the world, with an index of 0.47 over a maximum value of 1 (OECD 0.32). The BBVA Microfinance Foundation is established to incorporate microentrepreneurs into the formal financial system through microcredits (average microcredit 1,298 US \$) and other basic financial services.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	The initiative is a success after 12 years of execution and a gross portfolio of US \$ 1,155 million, but continues to face risks, mainly financial (default). To fight against these types of risks and strengthen the microfinance initiative, the Foundation also conducts training in financial education, sanitary projects (access to drinking water and sanitation) and, in addition, grants credits for housing improvement.
OBJECTIVES	
Description of the objectives	The ultimate purpose is that entrepreneurs are able to create improvements in their business surplus through microcredits (productive finance) in order to improve the economic situation of their families and that the progress of the people served is sustainable and broad. To this end, the FMBBVA Group puts financial and digital innovation at the service of its entrepreneurs in six countries. The objectives of FMBBVA coincide with 11 of the 16 SDGs, specifically numbers 1, 2, 4, 5, 6, 8, 10, 11, 13, 16 and 17.



Target country or region	LAC
Incidence in LAC region	The initiative operates in five countries, Chile, Peru, Panama, Colombia and the Dominican Republic.
Incidence in Win Win countries	- Chile
Commitment to gender equality	The FMBBVA does not apply a gender lens specifically, although the contribution to SDG 5, gender equality is one of the 6 strategic lines of work of the Foundation.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The initiative is developed within BBVA as an act of corporate responsibility of the Group, more specifically its social action policy (2007).
Description of the financial instrument and its operation	FMBBVA microfinance organizations design models of financial initiatives to meet the objectives of the Foundation, but each entity operates independently and adapted to the needs of each national environment or ecosystem. These initiatives must be based on the concept of productive finance (creation of surpluses to escape poverty) and must align with social objectives, including: Entrepreneurship Credits Scheduled Savings Products Insurance Financial education Others All of them, in addition, must have the acceleration of impact provided by technology and digitalization in financial attention models (online banking, financial apps, telephone attention, etc.).
Name of the players involved and type of entity in each case	From the fundraising side: BBVA Microfinance Foundation. Mobilizes resources for the projects of intermediary entities. - Supply On the funds raised placement side: Microcredit entities in each country. There are currently six entities in five countries and they distribute the financial resources to the applicants. - Financial intermediary Entrepreneurs and entrepreneurs in sectors with formality gaps and need for accessing credit and other financial products. - Demand
Operation of the investment initiative	The FMBBVA is the owner of the six American microcredit entities, which operate as quasi-banking networks (offices, kiosks and light points) for microcredit, savings, financial education and other operations, specifically: Bancamía (Colombia) 202 offices, 3,350 employees. Financiera Confianza (Peru) 196 offices, 2,375 employees. Apodem Bank (Dominican Rep.) 74 offices, 1,441 employees. Fondo Esperanza (Chile) 56 offices, 629 employees. Emprende Microfinanzas (Chile) 17 offices, 98 employees. Microserfin (Panama) 27 offices, 266 employees. In total, the FMBBVA has more than 2,145,000 customers, 572 offices and 8,159 employees in the five countries in which it operates. It has disbursed US \$ 12,467 million since 2007, with an average credit amount of US \$ 1,388. They operate with free telephone lines, credit and operations information and attention apps and virtual line, like other banks and financial institutions. As an example among the multiple products of these entities, a Bancamía loan has the following conditions: Applies to natural or legal persons. Opening amounts from \$ 50,000. Deadlines from 30 days onwards (depending on the amount). Free to choose the type of ownership management, either individually, jointly or



	<p>alternatively.</p> <p>The interest rate is the one in force at the time of opening or renewal and according to the amount and term.</p> <p>The interest payment may be at maturity or monthly, bimonthly, quarterly or semiannually.</p> <p>The extension or renewal is automatic, for a period equal to that initially agreed and may only be redeemed on the expiration date.</p> <p>The entities also carry out numerous training and financial education activities for rural groups, youth, etc.</p>
Initial capital invested (percentage, amount)	US \$ 300 million
Capital expected to be mobilized	US \$ 1,155 million
Eligibility criteria	Depending on each entity and product, information about the applicant and their company or business.
Implementation time	Variable
Expected financial return	- Obtain preferential performance (lower than market)
Payback of investment	Long term
Gender impact measurement	- Yes
Impact measurement method (if any)	- Other: Impact Management Project (metrics aligned with this initiative)
Impact verification	- Investor - Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	BBVA Microfinance Foundation (FMBBVA), a non-profit organization, is part of the Banco Bilbao Vizcaya Argentaria Group, the second largest banking group in Spain.
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	- Financer
Character	- private
Type	- Corporation
Investor Location	- Europe
Geographical scope of investor action	Latin America
Commitment to gender equality	Gender equality and the empowerment of women make up for one of the six strategic lines of the FMBBVA, together with corporate governance, human capital, digitalization and technological innovation, measurement of social impact and environmental sustainability.
INTERMEDIARIES	
Name and description of the intermediary	Microcredit institutions in the five FMBBVA intervention countries: Bancamía (Colombia) 202 offices, 3,350 employees. Financiera Confianza (Peru) 196 offices, 2,375 employees. Apodem Bank (Dominican Rep.) 74 offices, 1,441 employees. Fondo Esperanza (Chile) 56 offices, 629 employees. Emprende Microfinanzas (Chile) 17 offices, 98 employees. Microserfin (Panama) 27 offices, 266 employees.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing) - Capacity building, advice and / or support for women entrepreneurs. Microfinance institutions carry out training and financial education services for their clients, especially rural groups, youth, etc.
Type / Subtype	- Financial - Social banking
Geographical scope of action	Colombia, Peru, Dominican Republic, Chile and Panama
DEMAND	



Name / Profile of Beneficiary Organizations	Entrepreneurs (57% women) mainly from the commerce, services and agribusiness sectors.
Type	- Entrepreneur - Company owned / led by women
Size	- Autonomous / entrepreneurial - Micro and small businesses
Development stage	- Early stage - Growth / consolidation stage - Seed stage / incubation
Geographical scope of action	Colombia, Peru, Dominican Republic, Chile and Panama
OVERALL ASSESSMENT	
Innovations introduced	Customer support education in finance and technology. Group blending but without joint guarantee of the group. Extensive incorporation of measurement and data.
Identified challenges	Extreme vulnerability of women. Lack of time to do productive work. Lack of self-esteem to make the leap to be entrepreneurs. Lack of financial education and trust in banks.
Lessons learned	Importance of giving products + technology + training to customers and following with metrics all the generation of value of financial products. Support banks with methodologies.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Challenge of creating a specific seal / rating of UN Women. See and measure double profitability, economic and social and communicate it. Be a connector / matchmaker between investment funds and demand. Give spaces to think about innovative mechanisms for women entrepreneurs.

Information sources:

- <http://www.fundacionmicrofinanzasbbva.org/institucional/>
- <https://www.bancamia.com.co>
- <https://www.confianza.pe/>
- <https://bancoadopem.com.do/>
- <https://www.fondoesperanza.cl/>
- <http://emprendemf.cl/>
- <http://microserfin.com/>
- Interview with Laura Fernández (Women's Empowerment) and Alejandro Lorca (Chief Financial Officer) on September 18, 2019



Calvert Impact Capital Win Win

ID	
Name of the initiative	Calvert Impact Capital Win Win
Short description	Program to raise capital from retail and institutional investors to grant loans to organizations for projects to empower women. With the delivery of loans to small businesses, a mechanism (on ramp) for women investors is established. It has led actions to invest with a gender focus and make impact investment more accessible to retail investors.
Promoting entities that create and lead the initiative	Calvert Impact Capital / Calvert Foundation - Financial intermediary Citi Foundation - Financial intermediary
Allied players	Criterion Institute - Service provider
Country or countries where it operates	Fundamentally USA
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2012
Contact person	Jennifer Pryce, CEO
Email	https://www.linkedin.com/in/jennifer-pryce-71456936
Phone / Skype	
Web / Link	https://www.calvertimpactcapital.org/initiatives/gender
In case of financing initiative indicate the type of instrument	- Investment fund
Other initiatives and instruments	
Status of implementation of the initiative	- Finished
NEED	
Description of the existing need	Research consistently shows that economic growth for women has an important multiplier effect, if women advance, societies also advance. Women worldwide invest 90% of their income back in their families and communities, which translates into greater possibilities of access to food, education, health and economic growth. Apart from this evidence, the community of women who manage wealth is growing in the US and the investment community is increasingly interested in investing in women and girls. That is why the Women Investing in Women (WIN-WIN) initiative was launched. It is focused on empowering women as investors, as well as empowering women and girls through gender-based investments.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners - Rural women - Indigenous women
Identified risks and challenges	The main challenges were to create a portfolio of investments suitable for the purposes of the fund, in collaboration with The Criterion Institute. On the other hand, the financial program was complemented with a grant and donation program sponsored by the Citi Foundation.
OBJECTIVES	
Description of the objectives	Lend to organizations around the world that empower women and offer a gender impact investment fund that anyone could use to invest in women.
Target country or region	Worldwide
Incidence in LAC region	LAC region as a whole.



Incidence in Win Win countries	- Brazil - Costa Rica - Jamaica - Chile - Argentina - Uruguay
Commitment to gender equality	The Criterion Institute provided a gender lens methodology to incorporate into the social impact analysis.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The founders of Calvert created the foundation in 1988 to offer investors new forms of direct investment in the communities. The first portfolio was launched in 1995, and the entity changed its name in 2017 to Calvert Impact Capital. They offer impact investments to investors who have a bank account and want to invest from US \$ 20, making impact investment accessible. The fund in question WIN WIN was modified to a clean energy investment fund in 2014, having served 1,098 women companies and 699,934 women in 2017.
Description of the financial instrument and its operation	It is an investment fund open to individual investors who wish to include the gender impact in their portfolios, allowing contributions from US \$ 20. Invest in organizations around the world that empower women in different fields, especially access to clean energy.
Name of the players involved and type of entity in each case	On the fundraising side: Participants in the fund provide the necessary financing. - Investors The Calvert Foundation structures the investment vehicle, raises funds and receives requests for investment in women's empowerment programs. - Financial intermediary On the funds raised placement side: Companies owned or led by women. Final beneficiaries to get access to financing in favorable conditions.
Operation of the investment initiative	The WIN WIN initiative was launched on International Women's Day 2012, thanks to the investment partners that joined it by providing complementary assets, in this case retail and institutional investors. Criterion Institute provided a gender lens to incorporate in the social impact analysis and the Citi Foundation supported the development and philanthropic launch of the WIN WIN investment product. In the years before the launch, these partners prepared the design space to properly structure the fund. The Calvert Foundation imagined WIN WIN as a ramp for women investors from its base of more than 15,000 investors. They set up the fund as an investment product that speaks to investors in a different language, a language between financial advisor and client that also includes their social values. Likewise, the Calvert Foundation had to prepare a portfolio of borrowers that included in their values a gender approach, educating institutions and candidates to include the gender lens in their initiatives. Over time, the fund was increasingly incorporating projects of independence and energy sufficiency of women entrepreneurs (in Africa with solar panels, etc.) and the object of the fund was modified to be a vehicle for promoting clean energy.
Initial capital invested (percentage, amount)	US \$ 20 million
Capital expected to be mobilized	US \$ 20 million more were incorporated in 2014 to promote clean energy technologies
Eligibility criteria	Companies owned or led by women, in the initial fund.
Implementation time	Two years
Expected financial return	- No return (lost fund - help) - Recover the investment (capital)
Payback of investment	Medium to long term
Gender impact measurement	- Yes
Impact measurement method (if any)	



Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	Individual and institutional investors participating in the WIN WIN investment fund, from small savers (US \$ 20) to individual investors with high assets and philanthropic foundations.
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	- Financer
Character	- private
Type	- Institutional Investor - Foundation - Family Business - Individual High Equity Investor - Corporation
Investor Location	- North America - Europe
Geographical scope of investor action	Worldwide
Commitment to gender equality	Total commitment, being the pioneer funds to include gender lenses in their investment perspectives. The values of this community define the structure and beneficiaries of the WIN WIN fund.
INTERMEDIARIES	
Name and description of the intermediary	Calvert is an organization dependent on Calvert Impact Capital, managing entity of social, environmental and gender impact funds. Calvert has more than 20 years of experience in fund management with: 107 structured capital and debt vehicles. Experience in more than 100 countries Total portfolio of more than US \$ 309,000,000 100% investor repayment rate
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance the final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	Global, 65.2% of funds in North America, 11.3% of funds in LAC
DEMAND	
Name / Profile of Beneficiary Organizations	Companies owned or led by women benefiting from loans and financing of the WIN WIN program.
Type	- Entrepreneur - Company owned / led by women - Company committed to equality
Size	- Autonomous / entrepreneurial - Micro and small businesses - Small and medium enterprises
Development stage	- Early stage - Seed stage / incubation
Geographical scope of action	Emerging and developing countries
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	



Information sources:

- <https://www.calvertimpactcapital.org/portfolio>
- <https://www.citigroup.com/citi/foundation/about/grant-guidelines.htm>

Cantera Capital

ID	
Name of the initiative	<i>Cantera Capital I</i>
Short description	Venture capital fund (<i>venture capital</i>) that invests in <i>deep tech</i> innovation in the health, education and agribusiness sectors.
Promoting entities that create and lead the initiative	Cantera Capital is a venture capital fund, which was created and is led by four founding partners. - Financial intermediary
Allied players	Recently they have been working with the IDB Lab, who has shown interest in their collaboration model with Israel and its impact approach. They also work with GIIN as a reference organization in impact measurement metrics.
Country or countries where it operates	Israel and Mexico
Gender lens (es) targeted	- Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2) - Invest in companies that develop products and services that positively impact women. Oriented to companies whose products and services are intended to promote an improvement in the well-being of women and girls. (Lens 3)
Starting date	2017
Contact person	Carmen Arreola
Email	carmen@cantera.co
Phone / Skype	+521 (3) 5551064847
Web / Link	https://cantera.co/
In case of financing initiative indicate the type of instrument	- Venture Capital Fund with focus on the seed stage and series A investment round
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	The Fund responds to two needs: first, the need for Israeli <i>startups</i> to search for new market opportunities in Latin America and, second, the lack of disruptive innovation in Latin America.
Group in need (Final beneficiary)	- Women in general. This responds to the cross-cutting strategy of having an inclusive work team, of actively seeking gender diversity in terms of founders and teams of companies that make up the investment portfolio and of meeting certain impact objectives that include the improvement of women's health, rural development and access to education for girls.
Identified risks and challenges	In the context of Mexico, which is the Latin American market where the Fund is most active, a challenge to face is the exit of the companies from the portfolio, due to the low activity of the Mexican stock market, which hinders the possibility of successful IPOs and, to the small number of private equity funds in more advanced stages that want to keep the companies that are <i>graduating</i> from venture capital funds.



	<p>Another challenge is the difficulty in raising funds, given the lack of understanding of venture capital investment by traditional investors and the small number of institutional investments that can invest in these types of assets.</p> <p>There is also a lack of interest from private investors because they are interested in the return on investment rather than the issue of gender impact.</p>
OBJECTIVES	
Description of the objectives	Support investments in <i>deep tech</i> , through the exchange between Israel and Latin America, facilitating access to the Latin American market to Israeli <i>startups</i> and access to the Israeli innovation and growth (scalability) model for Latin American <i>startups</i>
Target country or region	Spanish-speaking Israel and Latin America
Incidence in LAC region	Spanish speaking Latin America
Incidence in Win Win countries	They are in the process of closing an operation in Chile.
Commitment to gender equality	<p>There is a commitment to gender equality, through lens 2. Cantera Capital seeks gender equality in its team, at the management level, investment committee and advisory council. It also actively seeks gender diversity in the teams and founders of the companies in which they invest.</p> <p>There is also a commitment through lens 3, because the Fund's impact objectives include improving women's health, rural development and access to education for girls, including the fields of science, technology, engineering and mathematics (STEM).</p>
Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> - Gender equality in the leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the beneficiary organization (Corresponds to principle 2, 3 and 4) - Gender equality in the value chain (Corresponds to principle 5) - Gender equality in the community (through corporate social responsibility practices) (Corresponds to principle 6 of the WEP) - Gender equality in the world of finance and investment - Gender equality in the internal practices of the investor <p>Lens 3:</p> <ul style="list-style-type: none"> - Specific products and services tailored for women and / or girls - Products and services oriented to gender transforming processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	There is no background. The Fund was recently created by four partners from different institutions.
Description of the financial instrument and its operation	It is a venture capital fund with offices in Mexico and Israel that invests in <i>deep tech</i> innovation, applied to health, education and agribusiness. The fund invests in the <i>advanced seed</i> stage (they already have a prototype) and the <i>series A</i> investment rounds. The investment amounts are between US \$ 250,000 and US \$ 1 million. Most of its investments are Israeli companies that want to open up to the LAC market. To do this, <i>Cantera Capital</i> offers help to these Israeli companies to develop and open the market (help in obtaining permits, contacts, etc.)
Name of the players involved and type of entity in each case	IDB Lab, investor; GIIN, collaboration on impact reports and impact standards.
Operation of the investment initiative	<p>The initiative seeks opportunities in <i>deep tech</i> ventures in both Israel and Spanish-speaking Latin American countries. Some of the Israeli entrepreneurs did not know the potential of the Latin American market and, in addition, require support to develop in this market (in LAC, connections and a good knowledge of procedures and regulation are needed).</p> <p>From the supply point of view, the investor's profile has been of family office and individuals but they are beginning to work with institutional investors as for them, impact is a priority.</p> <p>In the IDB Lab case, they are interested in investing in the fund due to the innovative nature of seeking synergies between Israel and Latin America and its impact investment fund nature. The IDB Lab has certain requirements that are being implemented, e.g. ex: more rigorous impact monitoring.</p>



Initial capital invested (percentage, amount)	US \$ 30 million from private investors
Capital expected to be mobilized	-
Eligibility criteria	The investments are aimed at <i>deep tech</i> , specifically health, education and agribusiness sectors. The investments take place in the advanced seed stage (they must have a prototype) and in the rounds of series A. In addition, they must be scalable.
Implementation time	-
Expected financial return	- Get market performance
Payback of investment	Short and medium term.
Gender impact measurement	- Yes Cantera Capital evaluates and measures the impact prior to making the investments and during the life of each investment. To do this, it uses an impact monitoring system based on IRIS metrics (GIIN), which includes gender lenses. In addition, their investments contribute to the United Nations Sustainable Development Goals, including SDG5 for gender equality. Also, they are complying with the most demanding impact monitoring requirements made by IDB Lab
Impact measurement method (if any)	- Impact Report on Investment Standards (IRIS) - Impact monitoring reports required by IDB Lab
Impact verification	- Investor
SUPPLY	
Name and description of the Investor	Initially the investors were <i>family offices</i> and individuals. They are currently working with other investors, such as institutional investors and multilateral banks: Capria Ventures, Mexican State Funds and IDB Lab.
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	- Financer - Co-manager of the investment initiative - Strategic advisor and technical assistance (IDB Lab)
Character	- Public - Private
Type	- Multilateral Development Bank - Development Finance Institution - Institutional Investor - Family Business - Individual High Equity Investor
Investor Location	- Latin America and the Caribbean - North America - Rest of the world
Geographical scope of investor action	Global (institutional investors), Mexico (Mexican State Funds) and LAC (IDB Lab)
Commitment to gender equality	Investments in startups with women as founders are very few. In contrast, they have found women in key positions (eg, quite a few finance directors). Therefore, they expanded the focus approach to women <i>key positions</i> . They also include investments in product and service <i>startups</i> focused on women.
INTERMEDIARIES	
Name and description of the intermediary	Cantera Capital Venture Capital Investment Fund. Its investment thesis is to connect Latin America with Israel's technology, through <i>deep tech</i> investments of US \$ 250,000 to US \$ 1 million in the seed or series A stage.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Venture Capital Fund Manager



Geographical scope of action	The main operative areas are Israel and Mexico. They also include other Spanish-speaking countries in Latin America.
INTERMEDIARIES	
Name and description of the intermediary	IDB Lab IDB Lab is the innovation laboratory of the IDB Group. They mobilize financing, knowledge and connections to catalyze innovation for inclusion in LAC. At IDB Lab, they believe that innovation is a powerful tool that can transform the LAC region, providing unprecedented opportunities for populations in vulnerable situations due to economic, social and environmental conditions.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries - Resource Mobilizer
Type / Subtype	- Financial - Multilateral Development Bank
Geographical scope of action	Latin America and the Caribbean
INTERMEDIARIES	
Name and description of the intermediary	Global Investment Network Impact (<i>Global Impact Investing Network, GIIN</i>) Reference platform in the impact investment ecosystem. It is a membership organization. It summons more than 2,000 impact investors to facilitate the exchange of knowledge, propose innovative investment approaches, build the evidence base for the industry and produce tools and resources, in order to accelerate the development of the industry through leadership focused and collective action. GIIN covers the following areas: industry networks and events; tools and resources for measurement and impact management; transparency in the landscape of impact investment funds; training programs for impact investors and fund managers industry research, market data and publications; and leadership initiatives in the market.
Role / Roles of the Intermediary	- Metrics generator to measure gender impact committed to gender equality (<i>IRIS +</i>) - Promoter of platforms and connection networks in the different ecosystem links (networks of investors, entrepreneurs or cross-cutting) (<i>ImpactBase</i>) - Capacity building, advice and / or support to investors. (<i>Navigating Impact, IRIS +</i>)
Type / Subtype	- Capacity builder - Search platform for investments and impact products - Strategic advice
Geographical scope of action	Global
DEMAND	
Name / Profile of Beneficiary Organizations	Companies that promote gender equality (including women in <i>key positions</i>) and companies that create products and services for women
Type	- Company committed to equality - Company that offers goods and services to improve the well-being of women
Size	- Autonomous / entrepreneurial - Micro and small businesses
Development stage	- Early stage - Growth / consolidation stage - Seed stage / incubation
Geographical scope of action	Spanish-speaking Israel and Latin America.
OVERALL ASSESSMENT	
Innovations introduced	Despite being a venture capital fund focused on <i>deep tech</i> , it includes a gender mainstreaming strategy. Look for synergies between the Latin American region (market of more than 400 million people) and Israel (it presents a more mature venture capital ecosystem, with lessons to learn). Use IRIS and IDB Lab metrics
Identified challenges	The Mexican (and Latin American) ecosystem is still at an early stage and, therefore, requires



	<p>more players to support <i>startups</i> during the different stages, such as incubators, accelerators and private equity funds.</p> <p>Another challenge is the exit strategy of the portfolio of companies that are <i>graduating</i>, either through public offers of shares in the stock market or the purchase by private equity funds specialized in more advanced stages. Finally, there is the challenge of raising capital to invest in <i>startups</i>, due to the lack of understanding of venture capital investment by traditional investors and the small number of institutional investors that can invest in these types of assets.</p> <p>Level of demand in terms of monitoring indicators, is different depending on the type of organization. For example, IDB Lab is more demanding than GIIN.</p>
Lessons learned	<p>Institutional investors have more interest in the impact than other private investors.</p> <p>IDB Invest / IDB Lab's role in the ecosystem to provide capital and knowledge.</p> <p>Importance of supporting companies from outside (Israel in this case), providing contacts, knowledge of procedures and local regulations to be able to grow in the LAC market.</p>
Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>Entrepreneurs do not find financing to support their projects.</p> <p>Business education for women, including how to establish a business and how to promote it.</p> <p>Women entrepreneurs often need a <i>boost</i>, as men tend to stand out more and <i>sell better</i>, despite the valuable contributions of women.</p> <p>Lack of companies in the <i>deep tech</i> sector that promote the role of women in their work teams and managers.</p>

Information sources:

- <https://serebrisky.com/2018/03/21/e-entrevista-sandra-sainz-cantera-capital/>
- https://issuu.com/whartonsocialimpact/docs/sage2.0_v7
- <https://cantera.co/>
- Interview with Carmen Arreola, from Cantera Capital, on August 6, 2019

Elevare Equity

ID	
Name of the initiative	<i>Elevare Equity: Human Centered Venture Capital</i>
Short description	Manager of venture capital funds that seeks to identify investments in developing countries where the customer-centered impact and commercial profitability are aligned.
Promoting entities that create and lead the initiative	Elevare Equity - Financial intermediary
Allied players	In addition to its investor base, which comes from private sources, Elevare has mobilized resources from commercial investors (TPG Capital), impact investors (The Rise Fund), Multilateral Development Bank (IDB Invest).
Country or countries where it operates	United States, India and Colombia
Gender lens (es) targeted	<p>There is no definite rule regarding gender, since they do not want to place restrictions and, therefore, opt for investments to be based on the employer's potential, regardless of gender. However, they are finding that more and more of the new investments, specifically in the 4th (and last) fund, have been aimed at women entrepreneurs.</p> <p>Therefore, although not actively, part of its portfolio is aligned with:</p> <ul style="list-style-type: none"> - Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2006
Contact person	Johanna Posada
Email	Johanna Posada <johanna@elevarequity.com>
Phone / Skype	+1 206 372 9595
Web / Link	https://www.elevarequity.com/



In case of financing initiative indicate the type of instrument	- Venture Capital Fund or Private Capital
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Lack of essential services in underserved populations in low-income communities (financial services, education and health) in developing countries.
Group in need (Final beneficiary)	Unattended clients in low-income communities in developing countries, where women can be found, in general.
Identified risks and challenges	A challenge currently presented is to establish the exit strategy for funds that are already invested (fund 2 and funds 3), whether through a public offering of shares, a financial investor or a company. There are also increasing demands regarding the destination and impact of investments, which requires more sophisticated tools and systems for measuring results and impact. Expand to instruments other than venture capital funds (VC), such as debt funds.
OBJECTIVES	
Description of the objectives	Understand the priorities, aspirations, capital flows and challenges of underserved clients in low-income communities, to identify investments in transformative and scalable enterprises
Target country or region	India and Latin America
Incidence in LAC region	Mexico, Peru, Argentina and Brazil
Incidence in Win Win countries	- Brazil - Argentina
Commitment to gender equality	They have worked with IDB Invest on their investment initiative with a gender focus. While they have investments that align with SDG 5, they do not have a policy that requires investments to be directed at female entrepreneurs. However, recently they are identifying women entrepreneurs, who are part of their pipeline, not because they are women but because of their excellent qualities (e.g., the first two investments of the fourth fund were two women entrepreneurs)
Gender lens (own classification)	Although not contemplated in a policy or rule of the organization, part of its investments is aligned with: Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The first fund managed by Elevar Equity, consisting of USD 24 million in 2006, was mainly destined to investments in India in the microfinance sector, given the high business expectations and impact of the sector at that time. The second fund, constituted in 2010 for USD 70 million, invests in both India and Latin America, and seeks to respond to other identified needs, through investments in microfinance companies, entrepreneurs, SMEs or housing for low-income people.
Description of the financial instrument and its operation	Investment funds that aim to increase the flow of capital destined to serve underserved clients of low-income communities. The <i>Elevate Method</i> is based on five components: Client: through field visits, Elevar seeks to know the needs, priorities, challenges, spending patterns and aspirations of large communities with limited resources. The client that Elevar supports has purchasing power (although limited), works independently (autonomously) and is aware of business opportunities. Business model: reorient existing and coherent networks through the supply of affordable products and services aimed at serving repressed demand. The affordability of the product is essential to obtain a significant scale. Entrepreneur: Elevate meets entrepreneurs through their own network of contacts that they have cultivated over the years. These entrepreneurs focus on bringing value to their customers, eliminating inefficiencies and understanding how to offer more for less. Scale: Elevate seeks to generate high-value but cost-efficient solutions, through reduced margins, high efficiency and innovative distribution channels to achieve a larger scale.



	<p>Conservation: support to companies in its portfolio in areas such as governance, strategy, contracting, organizational development, identification of operational and financial metrics and capital raising.</p> <p>Elevar Equity contributes part of the investment capital, since it considers the importance of having a voice in the Board of Directors.</p>
Name of the players involved and type of entity in each case	Elevar Equity investments mobilize capital from the private sector, including both commercial investors (TPG) and impact investors (The Rise Fund).
Operation of the investment initiative	<p>They seek the alignment of all the players in each investment: real accessibility for clients, optimized organizational design to guarantee the success of the employees, investment conditions that encourage entrepreneurs to succeed, have common interests with other investment partners and high Return rates for investors.</p> <p>In addition, they improve the environment for the success of entrepreneurs through collaboration during lonely and challenging moments, directing innovation during product design and distribution and identifying incentives and metrics (operational and financial) that guarantee impact on the client and performance improvement.</p> <p>When the invested companies reach a stage where they need capital to produce at scale, they count with The Rise Fund collaboration.</p>
Initial capital invested (percentage, amount)	<p>First fund: US \$ 24 million for microfinance institutions.</p> <p>Second fund: US \$ 70 million destined mainly to microfinance institutions and other financial services.</p> <p>Third fund: US \$ 73.5 million</p> <p>Fourth fund: expected to be US \$ 125 million</p>
Capital expected to be mobilized	Approximately 10 times the capital invested by Elevar Equity. To date, this represents US \$ 1 billion.
Eligibility criteria	Elevar Equity has three criteria: the ability to execute business to transform businesses at scale, the intent to empower its customers to participate in markets to which they did not previously have access and dedication to their entrepreneurship.
Implementation time	-
Expected financial return	- Get market performance
Payback of investment	-
Gender impact measurement	<p>- Yes</p> <p>They use the GIIRS Fund Rating impact measurement strategy, which is a generic one and not only for gender impact measurement.</p>
Impact measurement method (if any)	- Global Impact Investing Rating System (GIIRS)
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the Investor	In addition to its investor base (limited investors, LP), which comes from private sources, Elevar Equity has mobilized some US \$ 1 billion in investments for its portfolio companies throughout the series A and series B capitalization rounds, out of which 75% correspond to commercial investors and 25% impact investors. It has collaboration agreements with The Rise Fund, which is an impact investment fund and TPG Capital, a venture capital fund.
Role / Roles of the investor	- Financer
Character	- Private
Type	<p>- Institutional Investor</p> <p>- Private investors</p> <p>- Impact investment fund</p>
Investor Location	<p>- Latin America and the Caribbean - North America</p> <p>- Europe - Rest of the world</p>
Geographical scope of investor action	Global
Commitment to gender	-



equality	
INTERMEDIARIES	
Name and description of the intermediary	<p>Elevar Equity</p> <p>It is a venture capital fund manager that seeks to identify investments in developing countries where the customer-centered impact and commercial profitability are aligned.</p>
Role / Roles of the Intermediary	<ul style="list-style-type: none"> - Finance the final beneficiaries (commercialize the financing) - Resource mobilizer. Raising equity estimates that it has mobilized around US \$ 1 billion in different financing rounds - Manager of the funded initiative - Capacity building, advice and / or support for women entrepreneurs
Type / Subtype	<ul style="list-style-type: none"> - Financial - Fund Manager - Capacity builder - Support in creating the organizational structure
Geographical scope of action	Global, although, to date, its investments take place in India and LAC.
INTERMEDIARIES	
Name and description of the intermediary	IDB Invest
Role / Roles of the Intermediary	- Resource Mobilizer
Type / Subtype	<ul style="list-style-type: none"> - Financial - Multilateral Development Bank
Geographical scope of action	LAC
DEMAND	
Name / Profile of Beneficiary Organizations	The demand includes more than 35 ventures in a variety of sectors such as education, health, financial services, housing or technology.
Type	<p>Although not exclusively, the demand includes:</p> <ul style="list-style-type: none"> - Entrepreneur - Company owned / led by women
Size	<ul style="list-style-type: none"> - Autonomous / entrepreneurial - Micro and small businesses
Development stage	<p>Elevar Equity participates in the following phases:</p> <p>1st stage: US \$ 2-4 million: first 12-18 months, build a replicable unit that is profitable. During this stage the company receives capital from series A (first round of financing).</p> <p>2nd stage: US \$ 5-10 million, from 12-24 months, build the organization (risk management, managers, technology governance). During this stage the company receives capital from the B series, usually through an external company.</p> <p>3rd stage: Scalar, amount in US \$ in this phase will depend on the demand potential. This stage occurs after 24 months.</p>
Geographical scope of action	India and Latin America
OVERALL ASSESSMENT	
Innovations introduced	<p>Focused on essential services.</p> <p>Customer-oriented approach that is replicable (scale).</p> <p>Support in the creation of organizations (managers, governance, etc.) where they invest in.</p>
Identified challenges	The importance of analyzing the distribution of products before replicating (creating scale).
Lessons learned	<p>Spend a lot of time on the ground to understand the needs and aspirations of potential clients.</p> <p>Adaptability to different profiles of entrepreneurs that have different needs and profiles and, therefore, require different types of support.</p> <p>Need to limit the initial investment objectives (reduce them) because, subsequently, they will need capital to “follow-on rounds”.</p>



	In his experience, the 2nd stage is the most complicated and risky part because despite having found a good opportunity, mistakes may be made when building the organization (eg choosing the wrong CEO).
Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>Creation of a business association that collects good practices and connects business owners with investors.</p> <p>Lack of mentoring, moral support and contact networks so that women entrepreneurs have more self-confidence.</p> <p>Support change in the investors perception in order to correct biases and allocate more funds to women-led enterprises.</p>

Information sources:

- <https://www.elevarequity.com/>
- <https://www.youtube.com/watch?v=UQagrGrH1KQ>
- <https://impactalpha.com/elevarequity-growing-demand-growing-companies-and-growing-opportunities-for-impact-at-scale-2/>
- Interview with Johanna Posadas, of Elevar Equity, on August 12, 2019



IGNIA Ventures investment fund

ID	
Name of the initiative	IGNIA Ventures investment fund
Short description	<p>Investment fund created in order to contribute to a more inclusive country, supporting entrepreneurs and investing in leading change companies. Being a traditional investment fund, the fact that one of its partners is a woman has brought a clear implication with working with female investors.</p> <p>They have included twice as many women-managed companies (11% vs. 6%) in their fund compared to other Mexican funds.</p> <p>They include numerous women investors and directives in capital / workforce.</p> <p>They promote the equality and diversity committee of the Mexican Association of Private Capital.</p> <p>They promote informal capacity development platforms for women investors.</p>
Promoting entities that create and lead the initiative	<p>IGNIA Ventures</p> <ul style="list-style-type: none"> - Financial intermediary <p>Inter-American Development Bank (IDB) and Multilateral Investment Fund (MIF), today called IDB Lab (since November 2018).</p> <ul style="list-style-type: none"> - Investor
Allied players	<p>Private investors of the IGNIA fund</p> <ul style="list-style-type: none"> - Investor
Country or countries where it operates	Mexico
Gender lens (es) targeted	<ul style="list-style-type: none"> - Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) - Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2)
Starting date	2008
Contact person	Christine Kenna
Email	ck@ignia.mx
Phone / Skype	+ (52) 55 8000 7294
Web / Link	www.ignia.mx
In case of financing initiative indicate the type of instrument	<ul style="list-style-type: none"> - Investment funds that are not publicly traded - Venture Capital Fund or Private Capital
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	<p>According to IGNIA estimates, the emerging middle class represents 70% of the population of Mexico, with an annual purchasing power of US \$ 426 billion and a 7% growth in the last 10 years. There is a huge opportunity to improve access and the value proposition of products and services for this population segment and products for women. IGNIA's proposal is to combine entrepreneurs with attractiveness with the contribution of capital, knowledge and networks of the fund to obtain extraordinary returns for investors.</p>
Group in need (Final beneficiary)	<ul style="list-style-type: none"> - Women business managers - Women workers in companies committed to gender equality
Identified risks and challenges	<p>When investing in commercial companies, there is a market risk, of failure of the companies invested by the fund, as well as a lower return risk than that required by investors. 11% of the companies in which IGNIA invests are directed or owned by women compared to 6% of other Mexican funds.</p>
OBJECTIVES	



Description of the objectives	Invest in areas of housing, health, education, basic services and nutrition that present profitable business opportunities. The fund supports developing companies that are commercially viable and that respond to the unmet needs of the communities at the base of the pyramid, that is, those LAC residents with incomes below US \$ 3,260.
Target country or region	LAC
Incidence in LAC region	Small and medium sized companies and enterprises of LAC
Incidence in Win Win countries	Most of the companies are Mexican, two of them work intensely in Win Win countries - Brazil - Argentina
Commitment to gender equality	Entrepreneurs supported by the fund must share their values of teamwork, respect, integrity, professionalism and humility.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies Lens 2: - Gender equality in the world of finance and investment - Gender equality in the internal practices of the investor
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	IGNIA starts in 2007 as a venture capital fund based on the initiative of two related entrepreneurs (Michael Chu and Álvaro Rodríguez) through its connection to the Harvard Business School. In 2008, this fund is the first beneficiary of IDB financing under the “Opportunities for the Majority” initiative. Currently, IGNIA manages two funds worth US \$ 200 million. One of them is owned by Mexican pension funds.
Description of the financial instrument and its operation	The financial instrument channeled by the IDB to IGNIA projects consists of: A secured principal loan (US \$ 25 million) A capital investment of IDB Lab (US \$ 5 million) A IDB Lab donation for technical assistance (US \$ 205,000) The main loan is part of the fund that IGNIA intends to mobilize up to US \$ 75 million, capital investment is direct in those companies that IDB Lab decides and the donation of IDB Lab is dedicated to studies and evaluation.
Name of the players involved and type of entity in each case	Private investors and pension funds. They provide resources to the IGNIA fund in exchange for returns above the market. - Investors IDB Lab. Provides financing, capital investment in the beneficiaries and resources for studies. IDB Lab funds are located within the “Opportunities for the Majority” initiative. - Investors IGNIA Mexican venture capital fund, receives money from private investors and IDB Lab and supports with these funds the launching of enterprises in the final phase of the value chain: providers of direct services to consumers. - Financial intermediary Companies and enterprises of small and medium size of LAC. - Demand
Operation of the investment initiative	IGNIA and its associates receive the business investment proposals from companies demanding funds. If the business proposal is within the investment parameters of the fund, a meeting with the employer is scheduled. If the project is attractive to IGNIA, the fund's investment conditions are negotiated through social participation (equity), loans, credits and / or other financing instruments of the company. IGNIA expects to withdraw from these investments after an estimated period of 12 years, having obtained significant returns on its investments. To this end, it has established alliances with a group of private investors in a venture capital fund participated by the IDB Lab, in which investors, advised by the IGNIA team, participate



	<p>in capital investment projects, participatory loans and ordinary loans.</p> <p>IDB Lab financing costs are structured on the basis of LIBOR plus funding margin plus IDB loan margin, currently being, for current products, between 3.24% and 3.52%.</p> <p>In the capital contributions of IDB Lab and private investors, the IGZIA fund projects its exit and withdrawal before 12 years, returning the investment to the financial entities within that period. Being high-risk projects, the returns demanded exceed the market return.</p> <p>In most cases, the exit of a project, once the objectives have been fulfilled, is done through the sale of the fund's shareholdings and / or through a new investor in the company, which provides financing to repay loans to the fund.</p>
Initial capital invested (percentage, amount)	The fund initially starts with US \$ 25 million
Capital expected to be mobilized	The objective is to complement up to US \$ 75 million with other investors
Eligibility criteria	<p>Small and medium sized companies.</p> <p>Earnings below US \$ 10 million annually.</p> <p>Final phase value chain, consumer products and services.</p> <p>Aim to improve the quality of life of the low-income population.</p> <p>Solid and experienced business model.</p> <p>Low fixed costs.</p> <p>Ability to generate enough liquidity in a short period of time.</p>
Implementation time	
Expected financial return	- Obtain market performance (or higher)
Payback of investment	12 years maximum
Gender impact measurement	- No
Impact measurement method (if any)	No impact metrics are applied to currently active funds.
Impact verification	
SUPPLY	
Name and description of the Investor	<p>Multilateral Investment Fund MIF part of the IDB Group Inter-American Development Bank. Called IDB Lab as of 2018.</p> <p>The IDB Lab is the innovation laboratory of the IDB Group and one of the main providers of technical assistance for the private sector in Latin America and the Caribbean. It is one of the most important investors in microfinance and entrepreneurial capital funds for small businesses. It always works with local partners, mainly private. It grants subsidies, loans, guarantees, investments and near capital investments, as well as consulting services to trade associations, non-governmental organizations, foundations, public sector agencies and financial institutions, and private sector companies, across the 26 countries borrowing members from Latin America and the Caribbean of the IDB Group. It does not directly finance micro and small businesses.</p>
Role / Roles of the investor	<ul style="list-style-type: none"> - Financer - Strategic advisor and technical assistance
Character	- Public
Type	- Development Finance Institution
Investor Location	Washington, USA
Geographical scope of investor action	- Latin America and the Caribbean
Commitment to gender equality	As part of the IDB Inter-American Development Bank group, IDB Lab applies a gender equality strategy, both at a cross-cutting level and in most of the technical assistance and investment projects it executes. The institution publishes a multiannual action plan, carries



	out dissemination campaigns and, for some years, executes specific investment projects with a gender lens.
SUPPLY	
Name and description of the Investor	Private investors with a very diverse profile, from financial institutions to institutional investors, pension funds, foundations, family businesses, individual investors with high assets, etc.
Role / Roles of the investor	- Financer
Character	- private
Type	- Individual savers and investors
Investor Location	Any country in the world
Geographical scope of investor action	Global
Commitment to gender equality	Not necessarily.
INTERMEDIARIES	
Name and description of the intermediary	IGNIA Ventures IGNIA is a private venture capital fund, located in Mexico City and with interests in the promotion of companies, enterprises and technological start-ups aimed at the final consumer and BtoC. Its team is composed of 10 partners / associates and 4 staff collaborators, of these 14 positions, 6 are women. They manage two venture capital funds for a total value of US \$ 200 million.
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize the financing) - Resource Mobilizer
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	LAC initially, but they also have some operation in Europe - Spain (GoTrender + Chicfy).
DEMAND	
Name / Profile of Beneficiary Organizations	Small and medium-sized companies and entrepreneurs with products aimed at the emerging middle class in the areas of housing, health, education, basic services, nutrition and development of mobile application technologies. Attachment is attached to the 30 companies currently benefiting http://www.ignia.mx/companies/
Type	- Entrepreneur - Company owned / led by women
Size	- Autonomous / entrepreneurial - Micro and small businesses - Small and medium enterprises
Development stage	- Growth / consolidation stage
Geographical scope of action	LAC
OVERALL ASSESSMENT	
Innovations introduced	They have included twice as many women-managed companies (11% vs. 6%) in their fund compared to other Mexican funds. They include numerous women investors and directives in capital / workforce. They promote the equality and diversity committee of the Mexican Association of Private Capital. They promote informal capacity development platforms for women investors.
Identified challenges	In general, the situation of LAC and Mexico in terms of investment with a gender lens is very behind the US and Europe. This is influenced by cultural reasons for the role of man apart from the economic situation and entrepreneurship. There is a great cultural challenge, another formative one (women prefer to work in non-financial sectors) and another one for dissemination and communication.
Lessons learned	It is necessary to create groups and networks to promote informal training of investors, also



	offer data and success stories and force the presence of women investors in events and panels.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	They believe that UN-Women has to act as a lobby, bringing more capital to the sector, providing solvency and eligibility to initiatives, providing communication of success stories, dissemination and pushing the supply and demand of funds to create the initiatives that allow the lens to be developed. Public entities must take more risks to become actors of change.

Information sources:

- <http://www.ignia.mx/#About>
- <https://www.iadb.org/es/node/379>
- <https://www.iadb.org/es/resources-businesses/fondo-multilateral-de-inversiones>
- <http://www.ignia.mx/companies/>
- Interview with Christine Kenna, of Ignia Ventures, on August 16, 2019



CAF credit line to expand access to credit for small and medium enterprises (SMEs) owned by women in Brazil

ID	
Name of the initiative	CAF credit line to expand access to credit for small and medium enterprises (SMEs) owned by women in Brazil
Short description	Itaú Unibanco credit line to expand access to credit for small and medium-sized women-owned businesses in Brazil
Name of the promoting entities that create and lead the initiative	CAF - Development Bank of Latin America - Financial intermediary Itaú Unibanco - Intermediary
Allied players	
Country or countries where it operates	Brazil
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	March 2019
Contact person	Edgar Lara
Email	ELARA@caf.com
Phone / Skype	+58 (212) 209-8887
Web / Link	https://www.caf.com/es/actualidad/noticias/2019/03/fondos-para-ampliar-el-acceso-a-credito-de-pymes-brasilenas-propiedad-de-mujeres/
In case of financing initiative indicate the type of instrument	- Line of credit
Other initiatives and instruments	USD 50 million line to Santander Brazil to expand financing to women-controlled SMEs
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Existence of a deficit for financing women-owned SMEs, as well as inadequate access to financial services.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	In the first place, since CAF is at a fairly incipient stage, they want to assess the lessons learned from the instruments they are putting into practice (credit lines and some technical support for studies and strategies of financial institutions). They are assessing whether they will follow the IDB line (replicate their instruments) or if they will have other initiatives. CAF is working on initiatives to support financial institutions through technical cooperation to carry out market studies, financial studies or to support the strengthening of existing capacities and tools. Itaú bank does not report the interest rates at which they grant loans to their clients. It is very difficult for CAF to be able to influence these rates.
OBJECTIVES	
Description of the objectives	Expand access to credit for women-owned SMEs in Brazil.
Target country or region	Brazil
Incidence in LAC region	Brazil
Incidence in Win Win countries	- Brazil



Commitment to gender equality	This CAF initiative is directly related to Lens 1 of access to capital for women and / or entrepreneurs, as it is a line of credit aimed at women. In order for Itaú Unibanco to make use of the credit line, the SMEs to which they grant the credit must meet the criteria for eligibility of majority participation by women.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	Following the initiatives of other multilaterals, within the framework of a new gender strategy, CAF has recently begun to explore financing with a gender impact through 2 credit lines: one with Santander (year 2018) and another with Itaú Unibanco (2019). CAF sees these two initiatives as two pilot exercises.
Description of the financial instrument and its operation	It is a credit line to Itaú Unibanco for US \$ 150 million to expand access to credit for women-owned SMEs in Brazil. The resources collected by Itaú Unibanco have the objective of financing companies whose corporate participation of women is at least 51% and the turnover of up to US \$ 17 million per year, and will follow the bank's credit concession policy.
Name of the players involved and type of entity in each case	CAF - development bank of Latin America, a development bank made up of 17 countries in the LAC region, Spain and Portugal.
Operation of the investment initiative	Itaú Unibanco had already worked with similar instruments offered by other multilaterals. Therefore, the line arises from a very specific demand that already exists offering financial products for women. On the other hand, CAF identified indicators already managed by banks and through which they could monitor the impact (e.g., company sizes, shareholding).
Initial capital invested (percentage, amount)	US \$ 150 million
Capital expected to be mobilized	-
Eligibility criteria	The resources collected by Itaú Unibanco have the objective of financing companies whose corporate participation of women is at least 51% and the turnover of up to US \$ 17 million per year
Implementation time	-
Expected financial return	- Get market performance
Payback of investment	Short and medium term
Gender impact measurement	- Yes Itaú Unibanco periodically reports indicators about its portfolio. However, these are financial indicators that are part of the bank's portfolio monitoring.
Impact measurement method (if any)	- Bank portfolio monitoring indicators (eg, amount of loans, size of companies, participation of companies).
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the Investor	CAF Development Bank of Latin America It is a development bank established in 1970 and made up of 17 countries in the LAC region, Spain and Portugal, and 13 private banks in the region. It promotes a sustainable development model, through credit operations, non-reimbursable resources and support in the technical and financial structuring of projects in the public and private sectors of Latin America. CAF encourages the inclusion of the principle of equal opportunities between gender and the empowerment of women in LAC through effective recruitment and resources and the provision of financing and knowledge services.
Role / Roles of the investor	- Financer
Character	- Mixed (19 countries and 13 private banks)
Type	- Multilateral Development Bank
Investor Location	- Latin America and the Caribbean
Geographical scope of	Argentina, Barbados, Bolivia, Brasi, Chile, Colombia, Costa Rica. Ecuador, Spain, Jamaica,



investor action	Mexico, Panama, Paraguay, Peru, Portugal, Dominican Republic, Trinidad and Tobago, Uruguay and Venezuela
Commitment to gender equality	CAF created a gender strategy across the board for the entire institution. The Vice Presidency Private Sector, which is responsible for addressing the financing needs of companies and the financial sector, wants to move forward in credit lines aimed at the financial sector, so that the impact can be traced in relation to its final beneficiaries.
INTERMEDIARIES	
Name and description of the intermediary	Itaú Unibanco Bank Itaú Unibanco is the largest private bank in Latin America. Has worked with MIF (current IDB Lab) since 2013 to develop products and services designed specifically for women entrepreneurs and with IDB Invest since 2017, through a loan to scale the <i>Women Entrepreneur</i> program, which aims to empower women entrepreneurs from Brazil. The <i>Woman Entrepreneur</i> program, created in 2013, aims to train, inspire and connect the female audience through content and management and <i>networking</i> tools for the evolution of their companies. Some of the solutions available through the program are: articles, videos, online classes, workshops, acceleration program and business management talks.
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Commercial Bank
Geographical scope of action	It is present in 19 countries in America, Europe and Asia.
DEMAND	
Name / Profile of Beneficiary Organizations	SMEs owned by women whose corporate participation of women is at least 51% and turnover of up to US \$ 17 million per year
Type	- Entrepreneur - Company owned / led by women
Size	- Small and medium enterprises
Development stage	- Early stage - Growth / consolidation stage
Geographical scope of action	Brazil
OVERALL ASSESSMENT	
Innovations introduced	In general, it is an instrument similar to that Itaú Unibanco had been working with IDB Invest.
Identified challenges	Analyze if the impact objectives have been obtained through the credit line. Have an understanding between supply and demand, to know which solution suits each need. Assess what the next step will be: instruments to offer and if they will be accompanied by technical cooperation.
Lessons learned	CAF offered an advantage in terms of rate: it offered a very attractive (low) rate for being an important objective / goal within its corporate strategy. CAF has been more flexible and adapted to Itaú Unibanco, which already had defined products and established monitoring indicators.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	UN women has political capital and could attract investors (catalyze resources). It could also raise nonrefundable resources to strengthen governments or financial entities. Understanding between supply and demand to be clear about which solution suits each need. Comprehensive approach to financial services. Opportunity for UN Women to offer business development services that adapt to the needs of women entrepreneurs. Analyze whether existing instruments (eg, IDB, IFC) have achieved their objectives. Understanding with national development banks, such as 2nd floor banks.

Information sources:

- Women's Financial Inclusion Report in Latin America
- <https://www.caf.com/es/actualidad/noticias/2019/03/fondos-para-ampliar-el-acceso-a-credito-de-pymes->



brasilenas-propiedad-de-mujeres/

- <https://www.iadb.org/es/noticias/bid-invest-e-itaunibanco-financian-mipymes-dirigidas-por-mujeres-en-brasil>
- Interview with Edgar Lara, from the Development Bank of Latin America (CAF), on August 8, 2019

CreceMujer Emprendedora and Crece Mujer Activa Programs

ID	
Name of the initiative	CreceMujer Emprendedora and Crece Mujer Activa
Short description	<i>Crece Mujer Emprendedora</i> is a BancoEstado program aimed at providing financial resources and providing information of interest and guidance on financial and non-financial services (state benefits, training, etc.), with the purpose of promoting entrepreneurship and the empowerment of Chilean women. <i>CreceMujer Activa</i> : this is an extension of the program to address the rest of active women, through boosting their autonomy and promoting their economic empowerment (eg, salaried women, students or housewives).
Name of the promoting entities that create and lead the initiative	State Bank - Financial intermediary
Allied players	Government of Chile, the Ministry of Women and Gender Equity, Financial Alliance for Women, Women of the Pacific and UN Women
Country or countries where it operates	Chile
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2014
Contact person	Maricho Gálvez (formerly responsible for the program, currently at ASECH) and Lilian Rocha (currently in charge of the Program)
Email	mgalvez@asech.cl and lrocha60@microempresas.bancoestado.cl
Phone / Skype	Skype id: Maricho Gálvez Bastidas
Web / Link	https://www.crecejmujer.cl/
In case of financing initiative indicate the type of instrument	- Bank loans
Other initiatives and instruments	- Organization of building capacity for women entrepreneurs - Connection network between entrepreneurs
Status of implementation of the initiative	- Active (Crece Mujer Activa is not active)
NEED	
Description of the existing need	Difficulties in accessing credit, lack of financial training and knowledge about business management and lack of contact networks with other entrepreneurs.
Group in need (Final beneficiary)	- Women entrepreneurs (CreceMujer Emprendedora) - Women who own companies (CreceMujer Emprendedora) - Women in general (CreceMujer Activa)
Identified risks and challenges	The main challenge is the lack of initial goals linked to a business model that started from a public policy. On the other hand, the expansion of the program through CreceMujer Activa and thus the possibility to incorporate working women, students or housewives, turned out to be such a wide offer so it was difficult to make a value proposition.
OBJECTIVES	
Description of the objectives	<i>CreceMujer Emprendedora</i> is a BancoEstado program aimed at providing financial resources and information of interest and guidance on financial and non-financial services (state



	benefits, training, etc.), with the purpose of promoting entrepreneurship and promoting the empowerment of Chilean women. <i>Crece Mujer Activa</i> : this is an extension of the program to address the rest of active women, through boosting their autonomy and promoting their economic empowerment (eg, salaried women, students or housewives).
Target country or region	Chile
Incidence in LAC region	Chile
Incidence in Win Win countries	- Chile
Commitment to gender equality	Given a state policy, it is a commitment of the Chilean public banks, through loans, training and contact networks between entrepreneurs and, therefore, it is aligned with lens 1. Access to capital for women's businesses and / or entrepreneurs.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
COMMISSIONING AND OPERATING OF THE INITIATIVE	
Background	The CreceMujer Emprendedora initiative stems from a State policy of President Michelle Bachelet, under its Innovation, Productivity and Growth agenda. In this sense, the mandate is given to Banco Estado to specify and carry out this program to grant possibilities to women entrepreneurs.
Instrument description	Banco Estado offers the same financial products that was offered before launching the initiative. These include: RUT account (account that does not require payment of commissions or income), checking account, leasing, factoring, etc. Additionally, training, workshops, event seminars and a network of contacts are offered.
Type of service	- Promoter of platforms or network spaces that connect investors / beneficiaries - Capacity building, advice and / or support.
Name of the players involved and type of entity in each case	Government of Chile, the Ministry of Women and Gender Equity, Financial Alliance for Women, Women of the Pacific and UN Women
Instrument Operation	Following the initiative implementation, the credit policy was reviewed to identify if Banco Estado was discriminating when granting loans to women. The review concluded that there was no discrimination in the Bank's policy but that differences between men and women come from system failures. On the other hand, given that the initiative is produced as a result of a state policy to respond to challenges faced by women entrepreneurs, several of the public institutions also had gender mandates, hence they began to form alliances with different players from the public and private sector. For example, in 2017, a collaboration agreement was signed between Banco Estado and the Ministry of Women and Gender Equity, to carry out an action plan to promote women's financial autonomy, in order to reduce gaps and gender inequalities. Likewise, a special budget was assigned to Banco Estado to be able to execute the program, which mainly consisted in granting loans, education and networking. At the beginning of CreceMujer Emprendedora, 90% of the beneficiaries had turnover levels of microenterprises. Subsequently, as companies grew and larger companies showed interest, they decided to implement the program in the SME segment. The <i>CreceMujer</i> Emprendedora Program offers tools for strengthening business, events, contacts with other entrepreneurs and offers personalized guidance for every business. The <i>CreceMujer Activa</i> Program offers tools that foster economic benefit and boost women's growth.
Capital mobilization	-
INTERMEDIARIES	
Name and description of the intermediary	State Bank It is the only state commercial bank in Chile. Provides financial services to individuals and companies.
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize the financing) - Capacity building, advice and / or support for women entrepreneurs
Type / Subtype	- Financial



	<ul style="list-style-type: none"> - Commercial Bank - Capacity builder - Accelerator - Incubator - Consultant - Networking Platform
Geographical scope of action	Chile
DEMAND	
Name / Profile of Beneficiary Organizations	<p>For the CreceMujer Emprendedora Program, the target profile is women entrepreneurs who own SMEs.</p> <p>The profile of the CreceMujer Activa Program is extended to all types of <i>active</i> women: wage earners, students or housewives.</p>
Type	<ul style="list-style-type: none"> - Enterprising (CreceMujer Emprendedora) - SME company owned / led by women (CreceMujer Emprendedora) - Other women (housewives, employees or students).
Size	<ul style="list-style-type: none"> - Autonomous / entrepreneurial - Micro and small businesses - Small and medium enterprises
Development stage	<ul style="list-style-type: none"> - Early stage - Growth / consolidation stage - Seed stage / incubation
Geographical scope of action	Chile
OVERALL ASSESSMENT	
Innovations introduced	<p>Credit Policy Review</p> <p>Initiative that comes from state policy</p> <p>Alliances with public and private players</p> <p>Measurement of indicators</p>
Identified challenges	<p>Lack of objectives / goals at the beginning</p> <p>Loss of leadership due to political changes</p>
Lessons learned	Initiative too broad that could not offer a value proposition: CreceMujer Activa.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>Be able to offer women with all the alternatives of financial and non-financial services to which they can opt.</p> <p>Offer service packages that include financing, education, empowerment and other services.</p> <p>Promotion of <i>softskills</i> in women that facilitate the success of entrepreneurship (trust, communication, leadership, etc.).</p>

Information sources:

- <https://www.crecemujer.cl/>
- https://www.bancoestado.cl/imagenes/_campanas/crece-mujer/crezcan-crecemujer.asp
- <https://www.minmujeryeg.gob.cl/prensa/noticias-prensa/noticias-nacionales/lanzan-programa-crece-mujer-emprendedora-de-bancoestado/>
- <https://www.minmujeryeg.gob.cl/prensa/noticias-prensa/ministerio-la-mujer-bancoestado-suscriben-convenio-nuevo-programa-impulsa-empoderamiento-economico-la-mujer/>
- Interview with Maricho Gálvez, until May 2019 at BancoEstado, on August 26, 2019



Fondo Mujer Program

ID	
Name of the initiative	Fondo Mujer Program
Short description	Investment fund with a gender perspective for Latin America still in the creation phase. The fund is promoted jointly by IDB Invest and OPIC. The objective of the promoters is to capture up to US \$ 200 million of which they jointly contribute US \$ 60 million. The fund will invest in companies owned or run by women with an indicative objective of 30% in debt and 70% in capital.
Promoting entities that create and lead the initiative	IDB Invest is the institution within the IDB group, the multilateral bank of Latin America, specialized in the private sector. - Investor Overseas Private Investment Corporation (OPIC) is an agency of the US government whose objective is to favor the presence of American companies abroad and contribute to development. - Investor
Allied players	The promoters are currently looking for fund manager and investors.
Country or countries where it operates	Latin America
Gender lens (es) targeted	- Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) - Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2) - Invest in companies that develop products and services that positively impact women. Oriented to companies whose products and services are intended to promote an improvement in the well-being of women and girls. (Lens 3)
Starting date	In the constitution phase
Contact person	Gema Sacristán - General Director Business IDB Invest
Email	gemas@idbinvest.org
Phone / Skype	
Web / Link	https://www.idbinvest.org/es
In case of financing initiative indicate the type of instrument	- Investment funds that are not publicly traded - Institutional and MDB investment in commercial banks and others
Other initiatives and instruments	
Status of implementation of the initiative	- In Preparation
NEED	
Description of the existing need	Eliminate gender barriers in access to financing. Although the private sector in Latin America is mostly made up of small and medium-sized businesses, they face strong barriers to access credit and in particular, those companies belonging to women.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners - Women business managers
Identified risks and challenges	In accessing credit, women tend to have more problems than men "for a psychological issue of risk aversion: a woman has family pressures behind her" and doubts before being "more impulsive" and take a little more of financial risk, according to Sacristan. In addition, banks are not able to see the business opportunity that involves investment with a gender lens.
OBJECTIVES	
Description of the objectives	Reduce the female credit gap in Latin America by being the first fund with a gender focus in the region.



Target country or region	Latin America
Incidence in LAC region	Latin America
Incidence in Win Win countries	- Brasil - Costa Rica - Chile - Argentina - Uruguay
Commitment to gender equality	The fund is explicitly committed to financing women entrepreneurs and businesses owned or led by women
Gender lens (own classification)	<p>Lens 1: - Access to capital for women and / or enterprising companies</p> <p>Lens 2: - Gender equality in the leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the recipient organization (Corresponds to WEP 2, 3 and 4) - Gender equality in the value chain (Corresponds to principle 5) - Gender equality in the community (through corporate social responsibility practices) (Corresponds to principle 6 of WEP)</p> <p>Lens 3: - Specific products and services tailored for women and / or girls - Products and services oriented to gender transforming processes</p>
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	<p>The fund is part of the 2XChallenge initiative. Initiative led by the development financing entities of the G7 countries, which consists in catalyzing US \$ 1 billion to invest in women in developing countries to increase access to finance, jobs and services that improve economic opportunities.</p> <p>The first operation of Fondo Mujer has materialized in the signing of a MOU with the Colombian funds, MAS Equity Fund IV (promoter MAS Equity Partners) and Altra Fund III. These funds will address this challenge by investing in businesses that are owned by, run by, or that support women in the region. Both projects have a comprehensive review and approval processes of IDB Invest and OPIC before being finalized.</p> <p>These funds will support investments in women entrepreneurs, companies with a significant percentage of women in leadership positions, and companies that generate jobs or consumer products for women.</p> <p>Fondo Mujer will support the ongoing work of the IDB Group with weB (supporting women-led companies) and its commitment to increase women's economic empowerment, as well as the recently launched OPIC 2X Women's Initiative, which will invest in projects that support women in developing countries.</p>
Description of the financial instrument and its operation	Since it is currently in the promotion phase, the specific details of its operation are not yet known, which will be defined as new investors are incorporated until the objective of raising US \$ 200 million is completed.
Name of the players involved and type of entity in each case	<p>IDB Invest. Subsidiary of the IDB group specialized in financing the private sector. IDB is a multilateral development bank that is financed by using its members quotas as a guarantee. The members are the countries of the region, Latin America, and developed countries, which contribute with capital, such as the United States or Spain.</p> <p>OPIC US government agency specializing in development financing and financially supporting US companies that want to establish themselves abroad or increase their external presence.</p>
Operation of the investment initiative	To be defined
Initial capital invested (percentage, amount)	\$ 60 million committed
Capital expected to be mobilized	\$ 200 million
Eligibility criteria	To be defined



Implementation time	
Expected financial return	To be defined
Payback of investment	To be defined
Gender impact measurement	To be defined
Impact measurement method (if any)	
Impact verification	
SUPPLY	
Name and description of the Investor	IDB Invest is the institution within the IDB group, the multilateral bank of Latin America, specialized in the private sector. Founded in 1984 is the investment arm in the private sector of the IDB Group, supporting private and state companies with financing in the form of loans, capital investments and guarantees. It also partners with its clients to offer advisory and training services.
Role / Roles of the investor	- Financer
Character	- Public
Type	- Multilateral Development Bank
Investor Location	- North America
Geographical scope of investor action	Latin America
Commitment to gender equality	As part of the IDB Inter-American Development Bank group, IDB Invest applies a gender equality strategy, both at the cross-cutting level and in most of the technical assistance and investment projects it executes. The institution publishes a multiannual action plan, carries out dissemination campaigns and, for some years, executes specific investment projects with a gender lens.
SUPPLY	
Name and description of the Investor	The Overseas Private Investment Corporation (OPIC) is an agency of the US government aimed at favoring the presence of American companies abroad and contribute to development, provided that this development does not imply a reduction of jobs in the US.
Role / Roles of the investor	- Financer
Character	- Public
Type	- Government
Investor Location	- North America
Geographical scope of investor action	Worldwide
Commitment to gender equality	OPIC has reinforced its commitment to gender equality through this fund and the 2X Challenge initiative, as a complement to the US administration's strategies to globally empower women.
DEMAND	
Name / Profile of Beneficiary Organizations	The first statements to the press in the project presentation refer to companies owned or led by women in Latin America. On September 3, a first operation was signed with two Colombian funds, MAS Equity Fund IV and Altra Fund III that will invest in businesses that are owned by, directed by, or that support women in the region. Both projects have the comprehensive review and approval processes of IDB Invest and OPIC before being finalized.
Type	- Entrepreneurs - Company owned / led by women
Size	Unspecified
Development stage	Unspecified
Geographical scope of action	LAC
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	



Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Gender Equality Bond

ID	
Name of the initiative	Gender Equality Bond
Short description	Gender equality bonds from QBE Insurance (Australia) to finance or refinance investments in qualified bonds of companies that support gender equality in the workplace, which implement the Women's Empowerment Principles (WEPS) and / or are one of the 200 best rated companies in the Equileap Global Gender Equality Report.
Name of the promoting entities that create and lead the initiative	QBE Insurance - Financial intermediary
Allied players	
Country or countries where it operates	Australia
Gender lens (es) targeted	- Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2)
Starting date	2017
Contact person	Catherine McNair - Head of Diversity & Inclusion QBE Insurance
Email	https://www.linkedin.com/in/catherine-mcnair-b279577/?originalSubdomain=au
Phone / Skype	
Web / Link	www.qbe.com
In case of financing initiative indicate the type of instrument	- Bonds
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	QBE acknowledges that it has got responsibility not only towards its own customers, employees and shareholders, but also in relation to the countries and communities where it operates. Therefore, not only does gender equality apply indoors, but it recognizes and supports the commitment of gender as an investment institution, reinvesting its clients funds in opportunities of the growing social impact industry. Currently, 32% of its managers are women, aiming to reach 35% in 2020.
Group in need (Final beneficiary)	- Women business managers - Women workers in companies committed to gender equality
Identified risks and challenges	The initiative has been running successfully for two years, only mentioning the risk of candidates shortage in terms of corporate bonds, because in 2018 the investment portfolio only had three placements within the top 200 positions of the Equileap ranking (ANZ, CBA and Westpac, numbers 61, 22 and 7 of the ranking respectively).
OBJECTIVES	
Description of the objectives	Promote gender equality in companies by SII in corporate bonds that are signatories of the UN WEPS or that are among the top 200 corporations in the Equileap ranking of gender



	equality globally. Above all, it is intended to encourage the increase in the number of women managers and business advisors.
Target country or region	Worldwide
Incidence in LAC region	
Incidence in Win Win countries	
Commitment to gender equality	Fully apply the gender 2 lens by requiring the signature of UN WEPs, which is the basis of gender 2 lens.
Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> - Gender equality in the leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the beneficiary organization (Corresponds to principle 2, 3 and 4) - Gender equality in the value chain (Corresponds to principle 5) - Gender equality in the community (through corporate social responsibility practices) (Corresponds to principle 6 of the WEP)
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	No background has been detected, although together with the Gender Bonus Program, QBE also launched a Green Bond Program in 2017, both initiatives are part of its Social Impact Bond program.
Description of the financial instrument and its operation	QBE bonds are issued for acquisition in the capital markets by private investors. The funds raised by QBE from its issuance are invested in the acquisition of bonds of large corporations with gender equality. These corporations will be making the return of the borrowed nominal and the coupons according to the program of returns for their emissions.
Name of the players involved and type of entity in each case	<p>On the fund-raising side:</p> <p>Private investors buy the bonds issued by QBE providing the necessary financing for the instrument.</p> <ul style="list-style-type: none"> - Investors <p>QBE receives the funds from the issue directed to buying corporate bond issues from large entities involved with gender equality in the workplace. The purchase of these issues can be partial or total, and for generic or specific programs, depending on the case.</p> <ul style="list-style-type: none"> - Financial intermediary <p>On the side of the funds raised placement:</p> <p>Signatory companies of the WEPs and / or the top 200 corporations of the Equileap gender equality ranking.</p> <ul style="list-style-type: none"> - Demand
Operation of the investment initiative	<p>The QBE investment team identifies corporate bond issues or corporate bonds for sale in the secondary market that meet the risk / return criteria of QBE. The identified bonds are communicated to the Gender Equality Bond Portfolio Manager.</p> <p>This Manager and the risk analysts subsequently carry out an evaluation to ensure that the bonds meet the program's eligibility requirements and are not affected by the exclusion requirements (belonging to one of the 12 industries of pernicious or polluting activities). This evaluation will determine whether or not QBE bonds can refinance the issuance of the aforementioned corporate bond program.</p> <p>Once the eligibility is determined, the proposal is presented to a Gender Bonus Committee, which will be annually verifying its suitability and eligibility. Four of the main executives of QBE participate in this committee.</p> <p>Annually, in addition to the program performance report, an external advisor (Sustainalytics) is hired to issue an independent opinion on compliance with the SBP (Social Bond Principles) bond program.</p>
Initial capital invested (percentage, amount)	US \$ 400 million, to date, the portfolio is US \$ 422.3 million
Capital expected to be mobilized	



Eligibility criteria	UN WEP signatory corporations First 200 corporations of the Equileap equality ranking
Implementation time	
Expected financial return	- Obtain a market return (biannual coupon with interest of 5.25% per year)
Payback of investment	Perpetual bonus, refundable after 7.5 years
Gender impact measurement	- Yes
Impact measurement method (if any)	- Presence of women in council and senior management
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	Private investors who purchase the Gender Bond Program issue (funds 86% of the issue, banks 9%, other 3%).
Role / Roles of the investor	- Financer
Character	- Private
Type	- Institutional Investor - Investment fund
Investor Location	- Latin America and the Caribbean - North America - Europe - Rest of the world
Geographical scope of investor action	Worldwide, although the broadcast is made in the US, United Kingdom and Australia
Commitment to gender equality	
INTERMEDIARIES	
Name and description of the intermediary	QBE Insurance, one of the 20 largest insurers in the world, with a presence in 31 countries, 12,500 employees worldwide, of which 52.7% are women and 32% women in management positions. Headquartered in Sydney, the company was created in 1886 by two bankers from Scotland who settled in Queensland. QBE maintains its commitment to gender equality not only because it is the broadcaster of the Gender Equality Bond program, it also imposes equality objectives, such as having 35% of female managers by 2020.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	It operates in 31 countries, but with a greater presence in North America, Australia and New Zealand, Southeast Asia and the United Kingdom.
DEMAND	
Name / Profile of Beneficiary Organizations	Corporations committed to gender equality, either because of their affiliation with the UN WEP principles or because of the gender measures that make them part of the top 200 companies in the Equileap gender equality ranking. In December 2018, the portfolio consisted of only three bonus programs: ANZ Nº 61 Equileap 201.2 million US \$ invested. CBA Nº 22 Equileap US \$ 81.6 million invested. Westpac Nº 7 Equileap 139.5 million US \$ invested.
Type	- Company committed to equality
Size	- Large companies
Development stage	- Growth / consolidation stage
Geographical scope of action	Worldwide
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	



Main challenges and risks as potential allies of the mechanism to be established by UN Women

Information sources:

- <https://www.qbe.com/investor-relations/debt-investor-centre/debt-investor-centre/social-bonds>
- <https://www.reuters.com/article/qbe-debt-bonds-idUSL3N1NJ2QG>

Golden Seeds Venture Fund (GSVF)

ID	
Name of the initiative	Golden Seeds Venture Fund (GSVF)
Short description	Venture capital investment fund that includes a network of 275 “angel” investors and a training institute. It manages four funds with a gender lens including 170 companies and more than US \$ 120 million in management.
Promoting entities that create and lead the initiative	GSVF Investor Community - Investors Golden Seeds Venture Fund (GSVF) - Financial intermediary
Allied players	A network of sponsors and a network of collaborators collaborate with GSVF in which large corporations and venture capital associations, seed capital and angel capital initiatives associations stand out.
Country or countries where it operates	USA
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	The fund is created in 2005, and the funds started operating in 2008 and 2011
Contact person	Jo Ann Corkran
Email	https://www.linkedin.com/in/jo-ann-corkran-6261371b/
Phone / Skype	+1 888 629-6774
Web / Link	www.goldenseeds.com
In case of financing initiative indicate the type of instrument	- Venture Capital Fund or Private Capital - Capital Seed / Angel
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	According to GSVF, there are currently 12.3 million women-owned companies in the US, having grown between 2007 and 2018 at an annual rate of 58%, compared to the average growth rate of 12% in the number of companies. Women entrepreneurs are determined innovators, with the potential to increase business and contribute to economic growth in many ways. Its main need for success is to have access to capital and influence networks to underpin growth, the same needs that make companies market leaders. In 2005, women entrepreneurs received less than 3% of risk capital; In 2018 this figure was 20%.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	In the current state of the ecosystem of investments with a gender lens in the US, the main



	risks faced by companies owned or run by women begin to be similar to those of any other company due to the current size of the sector. The main risk is to have the same tools as the rest of the companies to successfully address the markets.
OBJECTIVES	
Description of the objectives	The objective of GSVF for entrepreneurs and investors is to contribute to the creation of wealth, increased knowledge and determination to generate impact to change the world.
Target country or region	US only
Incidence in LAC region	
Incidence in Win Win countries	
Commitment to gender equality	Fully aligned with lens 1, as it is a fundamental requirement that demand companies are owned by women or with women in executive positions.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The fund currently in operation, has its background in three funds that began operating in 2008 (Golden Seeds Fund LP) and 2011 (Golden Seeds Innovative NY LP Fund and Golden Seeds Fund 2 LP). These funds are still active but are closed at the level of additional investment.
Description of the financial instrument and its operation	The fund invests in companies owned by women or with at least one woman in executive positions (C-Level). It is a venture capital fund, so it does not issue private debt. Each fund incorporates investments from the community of 275 angel investors and invests in portfolios of around 30-50 companies in the technology and health sectors, mainly. Maximum of US \$ 5,000,000 per company.
Name of the players involved and type of entity in each case	On the fund-raising side: GSVF Investor Community, 275 angel investors with an impact focus on gender lenses, distributed in New York and 5 geographical areas, Atlanta, Boston, Dallas, Houston and Silicon Valley. - Investors Golden Seeds Venture Fund (GSVF). Coordinating and structuring the funds, it also provides an educational program of investment in gender lenses. - Financial intermediary On the funds raised placement side: Companies owned or led by women, final beneficiaries when obtaining seed or growth capital in the medium term. - Demand
Operation of the investment initiative	Women entrepreneurs with capital needs can reach GSVF through the networks of sponsors, institutional collaborators, through the network of investors distributed by the US or directly access the pipeline by filling out a form on the website. The evaluation process of a candidate is 12-14 weeks, including presentations, 4-8 weeks of audit (due diligence), with comprehensive review of the company, equipment, products / services and customers. An agreement is reviewed and negotiated during the audit (term sheet). Once the agreement has been accepted by the parties, it is completed with an official accounting and legal audit to document the investment. Out of all the applications that GSVF receives, only 3% is invested, currently 170 companies.
Initial capital invested (percentage, amount)	Currently, more than US \$ 120 million have been invested in tranches of at least US \$ 250,000, maximum US \$ 5,000,000.
Capital expected to be mobilized	
Eligibility criteria	Team with experience and capacity At least one woman in executive management positions Scalable business model Market of at least US \$ 500 million Opportunities that can be accelerated by angel investors Plausible exit strategy in 5-8 years



	Product or beta tests Technology sector, health, consumer products Specific health requirements
Implementation time	12-14 weeks
Expected financial return	- Get market performance
Payback of investment	Medium term of 5-8 years
Gender impact measurement	- Yes
Impact measurement method (if any)	
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	GSVF Investor Community, 275 individuals, angel investors located in the US in six different regions.
Role / Roles of the investor	- Financer - Co-manager of the investment initiative - Strategic advisor and technical assistance - Promoter and creator of networks (networking)
Character	- Private
Type	- Individual High Equity Investor
Investor Location	- North America
Geographical scope of investor action	Mainly USA
Commitment to gender equality	All are committed to gender equality and impact although their expectations of return are at market level.
INTERMEDIARIES	
Name and description of the intermediary	Golden Seeds Venture Fund (GSVF), a venture capital fund that evaluates and structures the portfolios and negotiates the entry and exit into the capital of the beneficiary companies. It also manages The Knowledge Institute, a training entity dedicated to best practices dissemination and education for investors.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing) - Manager of the funded initiative - Capacity building, advice and / or support to investors.
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	USA exclusively
DEMAND	
Name / Profile of Beneficiary Organizations	Companies owned or led by women according to the eligibility criteria mentioned above, usually from the technology and health sector.
Type	- Entrepreneur - Company owned / led by women
Size	- Autonomous / entrepreneurial - Micro and small businesses - Small and medium enterprises
Development stage	- Early stage - Growth / consolidation stage - Seed stage / incubation
Geographical scope of action	USA exclusively
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	



Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Information sources:

- <https://goldenseeds.com/>

HSBC Women to the World

ID	
Name of the initiative	HSBC Women to the World
Short description	The initiative launched by the HSBC Argentina bank aims to connect women entrepreneurs in SMEs with new opportunities and local and international markets.
Name of the promoting entities that create and lead the initiative	HSBC Argentina, a subsidiary of the Hong Kong Shanghai Banking Corporation - Financial intermediary
Allied players	They are closing an agreement with IFC to extend this program to another called “Women's Banking”
Country or countries where it operates	Argentina
Gender lens (es) targeted	- Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	March 2019
Contact person	Patricia Bindi - Business Banking Director
Email	patricia.bindi@hsbc.com.ar
Phone / Skype	+541143443373
Web / Link	www.hsbc.com.ar
In case of financing initiative indicate the type of instrument	- Bank loans (commercial, investment banks, etc.)
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	In Argentina, only half of women have a bank account, compared to almost 60% of men with accounts. Only 30% of Argentine women have access to credit, compared to 35% of men. And although women own about 20% of Argentine SMEs, more than 80% of these women entrepreneurs face difficulties in accessing the financial system.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	At present, the main risks are the general economic situation of the country, the fear of the entrepreneurs to formalize their situation, adding the expenses that it entails and for the businesswomen, the additional risks of the export markets.
OBJECTIVES	



Description of the objectives	Connect SME businesswomen with new opportunities and local and international markets, increasing their access to credit, offering equal financial opportunities and improving economic conditions, as women are more efficient than men and contribute their wealth to basic economic sectors such as food, medical care and education.
Target country or region	Argentina
Incidence in LAC region	Local initiative of the Argentine subsidiary of HSBC
Incidence in Win Win countries	- Argentina
Commitment to gender equality	The financing obtained with the loan program has been specifically dedicated to financing projects of lens 1.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The Women to the World initiative of HSBC Argentina bank aims to connect businesswomen in the country with new opportunities and local and international markets. It is the culmination of several previous initiatives of the bank aimed at women, both in their role as private and business clients (60,000 clients).
Description of the financial instrument and its operation	The financial instrument includes a line of loans of US \$ 50 million, with a rate of 4.75% for 180-day terms, and 6.00% for one-year terms. The funds have a special focus on agribusiness, one of the most dynamic sectors of Argentine exports and with the presence of women entrepreneurs. In addition, they focus on the energy, commerce / franchise sectors.
Name of the players involved and type of entity in each case	On the side of the funds raised placement: HSBC markets the funds through the granting of loans to companies owned or led by women. - Financial intermediary Companies owned or led by women. Final beneficiaries when obtaining access to credit at favorable cost conditions. - Demand
Operation of the investment initiative	HSBC Argentina is responsible for marketing the loan, that is, offering it to the beneficiary companies, selecting those that, due to their credit and collateral history, adjust to the initiative's risk parameters and meet the eligibility criteria. In addition, it carries out activities to support businesswomen, including: Missions to Europe of exporting businesswomen. Training and support in brand design. Communication, networking and establishment of commercial ties. Etc.
Initial capital invested (percentage, amount)	US \$ 50 million
Capital expected to be mobilized	Line conditions have been paralyzed due to changes in control measures established by the government in response to the current situation in the country. Signature of agreement with IFC that will expand the initiative with a new value product proposal. IFC will act as an advisor and also lend money.
Eligibility criteria	Women entrepreneurs, entrepreneurs, owners or managers of companies with export intention or reality.
Implementation time	
Expected financial return	- Obtain preferential performance (lower than market)
Payback of investment	One year maximum
Gender impact measurement	- No
Impact measurement method (if any)	
Impact verification	
INTERMEDIARY	
Name and description of the intermediary	HSBC is one of the most important banking and financial services organizations in the world, with 40 million clients, and dedicated to retail banking, wealth management, Commercial



	Bank, global markets and global private banking. Its network extends to 65 territories in Europe, Asia, the Middle East, Africa, North America and Latin America. Listed on the London, Hong Kong, New York, Paris and Bermuda stock exchanges, its shares are held by a collective of more than 200,000 shareholders in 130 countries. The company bases its values on dignity and respect, seeking an inclusive culture, with equal opportunities. It does not tolerate any kind of discrimination and tries to encourage the creation of a diverse and inclusive team.
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize the financing)
Type / Subtype	- Financial - Commercial Bank
Geographical scope of action	Argentina
DEMAND	
Name / Profile of Beneficiary Organizations	Exporting companies owned or led by women.
Type	- Company owned / led by women
Size	- Small and medium enterprises
Development stage	There are no requirements in this regard
Geographical scope of action	Argentina
OVERALL ASSESSMENT	
Innovations introduced	First line of support for real businesswoman in the country. Much more concrete than Santander.
Identified challenges	In addition to the current situation, there are important limitations in terms of training, networking and commercial ties of Argentine women entrepreneurs. Until recently it was not common for them to attend business forums and meetings.
Lessons learned	Need to work together, no competitiveness among women, concept of sorority, more loyalty and accept that they have to occupy a more important place.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	HSBC already shares its initiatives with the UN Women Regional Office and collaborates with UN Women and other organizations such as Promujer. They believe that UN Women should be the unifier of initiatives and concentrator of programs under its strong umbrella.

Information sources:

- <https://www.mundomarketing.com/hsbc-sigue-celebrando-el-dia-de-la-mujer-con-sus-colaboradores/>
- <https://www.ambito.com/hsbc-otorga-prestamos-us50-millones-pymes-lideradas-mujeres-n5046068>
- <http://www.latinspots.com/sp/noticia/el-xito-viral-de-hsbc-y-david-contra-el-acoso/50198>
- Interview with Patricia Bindi, of HSBC Argentina, on September 13, 2019



IGNITE: Women Fueling Science and Technology

ID	
Name of the initiative	IGNITE: Women Fueling Science and Technology
Short description	Project linked to a fund (Technology Fund of the Global Fund for Women Foundation) that provides resources to promote women's human rights. Invest in brave, local organizations run by women. The IGNITE project focuses on reducing the current gap of women and girls innovating in science, technology, engineering and mathematics (STEM).
Promoting entities that create and lead the initiative	Global Fund for Women (GFW) - Financial intermediary
Allied players	UN Women, principal partner of IGNITE, together with 12 science and women's empowerment platforms
Country or countries where it operates	USA
Gender lens (es) targeted	- Invest in companies that develop products and services that positively impact women. Oriented to companies whose products and services are intended to promote an improvement in women and girls well-being. (Lens 3)
Starting date	2014
Contact person	Sharon Bhagwan Rolls / Blythe Masters
Email	https://www.linkedin.com/in/sharon-bhagwan-rolls-4a7b5914/ https://www.linkedin.com/in/blythemasters/
Phone / Skype	
Web / Link	https://www.globalfundforwomen.org/key-issues/ www.ignite.globalfundforwomen.org
In case of financing initiative indicate the type of instrument	- Philanthropic capital, donations and grants
Other initiatives and instruments	
Status of implementation of the initiative	- Finished
NEED	
Description of the existing need	According to GFW estimates, the digital and technological gap of women is very wide and not narrowing. Globally, women face numerous obstacles to accessing and defining technologies. There is a gap of 200 million more men with internet access and 21% fewer women in possession of a mobile phone. In addition, while women account for 40% of the global workforce, they are only present in 25% in the technology industries. Digital technology is a critical point in political participation; access to information and economic development, hence its importance in terms of diversity and inclusion.
Group in need (Final beneficiary)	- Women in general
Identified risks and challenges	The origin of the problem is twofold, on the one hand educational - less access to the disciplines of science, technology, engineering, mathematics (STEM) and computer science (ICT) - and on the other cultural, which relates to the form of women's relationship with digital platforms (internet, mobile) and stereotypes created by the aforementioned technology companies, dominated by men. The challenges are many, from the problem's approach in schools, to digital and cyberbullying violence, use of social networks, etc. The main risk is to get the funded projects to really reduce the digital gap.
OBJECTIVES	
Description of the objectives	Leading the change of direction for the digital gender gap in science and technology, demonstrating that if women earn a place in this area, an effect of improvement in creativity, innovation and equality will be triggered.
Target country or region	Worldwide



Incidence in LAC region	LAC as a whole
Incidence in Win Win countries	- Brazil - Argentina
Commitment to gender equality	Gender is the project's main objective.
Gender lens (own classification)	Lens 3: - Specific products and services tailored for women and / or girls - Products and services oriented to gender transforming processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The Technology Initiative, general framework of action in which IGNITE and The Technology Fund are part of the GFW.
Description of the financial instrument and its operation	The financial instrument consists of a fund that draws on private and institutional donations. With the funds raised, platforms, organizations, events and activities for the empowerment of women and girls in digital environments and early access to science and technology are financed.
Name of the players involved and type of entity in each case	On the fund-raising side: GFW Global Fund for Women. American organization for the support and empowerment of women with financing and promotion of feminist movements worldwide. GFW raises funds and receives requests to support women's empowerment programs. - Financial intermediary On the side of the funds raised placement: Companies and institutions supporting women, NGOs, projects and impact programs, as well as companies owned or led by women. Final beneficiaries to get access to funds in favorable conditions. - Demand
Operation of the investment initiative	GFW has been working with women's empowerment organizations worldwide for over thirty years. Receive proposals for potential projects or directly by request, or through proposals from partners and collaborators, as well as business and institutional sponsors. In everything related to selection, execution, completion and impact evaluation, the organization acts as a foundation, framing each project in its particular campaign.
Initial capital invested (percentage, amount)	It starts in 2014 with 2 million US \$
Capital expected to be mobilized	
Eligibility criteria	
Implementation time	
Expected financial return	- No return (lost fund - help)
Payback of investment	
Gender impact measurement	- Yes
Impact measurement method (if any)	
Impact verification	- Financial intermediary of the initiative
INTERMEDIARY	
Name and description of the intermediary	Global Fund for Women. Created in 1987 in California by four women, this foundation began with philanthropic funds of US \$ 30,000 in 1988. To date, it has more than US \$ 140 million generated in grants and loans. The foundation directly supports gender equality organizations across the globe, empowering women and girls through networks that seek, fund and amplify the courageous work of women who create social movements to challenge the status quo. In March 2014, it merged with the International Museum of Women (IMOW), which brought its experience in dissemination, online campaigns and digital environments to the union.
Role / Roles of the Intermediary (in the gender	- Finance the final beneficiaries



lens investing ecosystem)	
Type / Subtype	- Capacity builder - Accelerator
Geographical scope of action	Worldwide
DEMAND	
Name / Profile of Beneficiary Organizations	Social organizations and women's businesses, as well as any support movement that struggles for women's rights.
Type	- Entrepreneur - Company owned / led by women - Company committed to equality - Company that offers goods and services to improve the well-being of women - Nonprofit organization - Community organization - Social organization with commercial activity - Cooperative
Size	- Autonomous / entrepreneurial - Micro and small businesses - Small and medium enterprises
Development stage	- Early stage - Growth / consolidation stage
Geographical scope of action	Worldwide
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Information sources:

- <https://www.globalfundforwomen.org/campaigns/>
- <http://ignite.globalfundforwomen.org/>



Inspiring Women in Enterprise Grant Funding Program

IDENTIFICATION OF THE INITIATIVE	
Name of the initiative	Program of Grants to Women Entrepreneurs “Inspiring Women in Enterprise Grant Funding Program”
Short description	Project of grants to fund and support women entrepreneurs. The initiative is part of a broader program (RBS Inspiring Enterprise) to support social entrepreneurship, youth and women, through successive rounds of grants.
Promoting entities that create and lead the initiative	Royal Bank of Scotland - RBS - Investor
Allied players	Program management company. PNE Group. It manages the global Inspiring Enterprise program for RBS. - Service provider Entities supporting civil society entrepreneurship, non-governmental organizations (NGOs) and local community development associations. They become part of the program through an open tender process. - Service provider
Country or countries where it operates	United Kingdom
Gender lens (es) targeted	- Access to capital of women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2012
Contact person	Yvonne Greeves
Email	
Phone / Skype	https://www.linkedin.com/in/yvonne-greeves-591a2b31/
Web / Link	www.rbs.com
In case of financing initiative indicate the type of instrument	- Philanthropic capital, donations and grants
Other initiatives and instruments	
Status of implementation of the initiative	- Finished Both the Inspiring Women program and the Inspiring Women in Enterprise Grant Funding Program ended in 2015
NEED	
Description of the existing need	According to RBS statistics that justifies the program, women (which are 48% of the active population) are only business owners or self employed in 26% and 17% of cases. Additionally, there is double propensity to undertake in the case of men (10% men vs. 5% women), a proportion that, as RBS understands, has to be rebalanced, narrowing the gender gap through support for organizations that provide training and support to introduce women to entrepreneurship.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	RBS, through its Sustainability and Community Programs departments has successively supported different gender initiatives to promote women entrepreneurs since 2007. The gap in the propensity to undertake for women is intended to be reduced through the provision of services like specialized support and mentoring, offered by NGOs and civil society players. To avoid the risk of inefficiencies in the grant packages award, the bank has hired a professional manager, PNE Group, who acts as administrator. The administrator manages the allocation of the lots through a mixed short list and public voting process. Likewise, it monitors the progress of the objectives of each NGO and verifies the metrics of results.
OBJECTIVES	
Description of the objectives	Capacity building in organizations to promote and support women who, without even being in the business world, wish to explore entrepreneurship and business.



	Provide women entrepreneurs with support, advice and financing with business start-up initiatives, business training, innovative networking events, business knowledge development, among others.
Target country or region	Grants are awarded exclusively to organizations in the United Kingdom
Incidence in LAC region	None
Incidence in Win Win countries	None
Commitment to gender equality	Grants from the Inspiring Women in Enterprise Grant Funding Program are specifically dedicated to financing Lens 1 projects.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	Since 2007 RBS has provided specialized assistance to companies run by or owned by women through a program called "Women in Business Ambassadors". This initiative is incorporated and extended with Inspiring Enterprise to the three groups that RBS understands can promote the economy of entrepreneurship: women, young people and social enterprises.
Description of the financial instrument and its operation	Three rounds of GBP 500,000 per year are scheduled from 2012 to 2014, with maximum grant packages of GBP 50,000 per organization. The packages are awarded in a mixed merit and public voting procedure on the internet. Being a subsidy with lost funds, there is no return / refund.
Name of the players involved and type of entity in each case	<p>Royal Bank of Scotland - RBS. Under its annual commitments of sustainability and contribution to community development, dedicates a fund of GBP 500,000 from its corporate resources.</p> <p>- Investor</p> <p>Program management company. PNE Group. Manages the project, directs the mechanism for awarding subsidy packages and verifies progress and compliance of support entities.</p> <p>- Service provider</p> <p>Entities supporting women entrepreneurs, non-governmental organizations (NGOs) and community associations. They become recipients of maximum 50,000 GBP grant packages through an open tender process.</p> <p>- Service provider</p> <p>Companies owned or led by women. Final beneficiaries to get assistance and support for entrepreneurship.</p> <p>- Demand</p>
Operation of the investment initiative	<p>Each year of the 2012-2014 period, RBS publishes on its website (www.inspiringenterprise.rbs.com/inspiring-women) the issuance of up to four rounds of the Inspiring Women in Enterprise Grant Funding Program worth GBP 500,000 annual to be distributed in maximum grant packages per organization of GBP 50,000.</p> <p>The publication window remains open for a month. In this period, organizations that can qualify for the program complete an online questionnaire presenting their project to support women entrepreneurs. The digital advice platform is the work of the PNE Group, creators of a web system that provides information, promotion, facilitates online registration, manages a public voting system and generates results tracking.</p> <p>PNE Group and its specialist advisors review the applications (more than 100 per round) comparing the assessment criteria and prepare an internal short list of finalists (between 15-20). Finally, the valuation of this short list by a group of judges and the integration of the public vote are combined with the allocations of subsidies to award the nominations and final amounts (8-9 winners).</p> <p>The winning organizations receive the funds awarded from RBS and begin to execute the proposed advice and support project.</p>



	<p>The administrator, PNE Group, continuously monitors the winners in order to ensure that the proposed objectives are met. Winning organizations have a custom-made computer package that signals milestones and additional opportunities.</p> <p>During the execution of each project, the administrator, PNE Group, conducts audits of all candidates to assess financial and reputational risks.</p>
Initial capital invested (percentage, amount)	In the first round of grants, RBS contributes a total of GBP 0.5 million. In the three years of the Inspiring Enterprise program, 3 million GBP are awarded, of which 1.5 million GBP is for the Inspiring Women in Enterprise Grant Funding Program.
Capital expected to be mobilized	
Eligibility criteria	<p>Female entrepreneur or business owner</p> <p>Registered in the United Kingdom</p> <p>With the intention of exploring entrepreneurial potential</p> <p>With additional difficulties or barriers to undertake for personal or economic reasons.</p>
Implementation time	<p>Projects implemented according to objectives</p> <p>Program ends before 2015</p>
Expected financial return	- No return (lost fund - help)
Payback of investment	
Gender impact measurement	- Yes
Impact measurement method (if any)	Number of women beneficiaries attended and number of entrepreneurship initiatives launched.
Impact verification	- External manager hired by RBS
SUPPLY	
Name and description of the Investor	<p>Royal Bank of Scotland RBS</p> <p>Scottish commercial bank, part of the RBS Group, listed on the London Stock Exchange and highly diversified property, mainly of sovereign wealth funds and institutional investors. Owner of various retail and investment banking brands in the United Kingdom. It has 67,400 workers, of which 51% are women.</p>
Role / Roles of the investor	- Financer
Character	- Private
Type	- Commercial Bank
Investor Location	- Europe
Geographical scope of investor action	United Kingdom, mainly, in its role as commercial and retail bank
Commitment to gender equality	<p>The bank qualifies as an inclusive bank both in gender balance, and in support of people with disabilities, ethnic diversity, LGBT innovation and family inclusion. Some of its efforts include the annual publication of a sustainability report, as well as the allocation of economic and human resources to a strategy of community support and sustainability.</p> <p>Its gender policy includes the adoption of quantitative equality objectives such as the promotion of women in management (40% commitment in 2020) or the complete gender balance in the bank in 2030.</p> <p>In 2017, the bank was recognized by the Gender Equality Index from Bloomberg Financial Services.</p> <p>The continued existence of a sustainability department and community programs in the bank, equipped with human, material and economic resources, and promoter of numerous community support initiatives guarantees the commitment to social and gender initiatives.</p>
INTERMEDIARIES	
Name and description of the intermediary	<p>PNE Group</p> <p>Program Manager</p> <p>PNE is a British non-profit institution specializing in developing entrepreneurship and business support services for corporations with entrepreneurship and social support</p>



	<p>programs in the United Kingdom.</p> <p>Its clients include private corporations with business development programs, public institutions for local development, multilateral institutions and European programs, among others (RBS, Natwest, Shell Oil, Leonardo da Vinci).</p>
Role / Roles of the Intermediary	<p>It specializes in project and program management, grant management, monitoring and evaluation, research, coaching, leadership, etc.</p> <ul style="list-style-type: none"> - Metrics generator to measure gender impact - Capacity building, advice and / or support to investors.
Type / Subtype	<ul style="list-style-type: none"> - Capacity builder - Consultant
Geographical scope of action	North of the United Kingdom
INTERMEDIARIES	
Name and description of the intermediary	<p>Non-profit organizations supporting women entrepreneurs in the United Kingdom (it is estimated that there are more than 150).</p> <p>Examples include the organization "Women and Manual Trades", which promotes the creation of women-led companies in the construction and machinery sector in the London area.</p> <p>Another example is the Scottish organization GrowBiz, which offers advice and support in the creation of businesses for women with additional health impairments or long-term unemployment.</p>
Role / Roles of the Intermediary	<ul style="list-style-type: none"> - Capacity building, advice and / or support for women entrepreneurs - Incubation / acceleration of companies
Type / Subtype	<p>Organizations develop a series of activities to support entrepreneurship, ranging from assistance during the creation of the company, incubators, network development, etc.</p> <ul style="list-style-type: none"> - Capacity builder - Accelerator - Incubator - Consultant - Networking Platform
Geographical scope of action	United Kingdom
DEMAND	
Name / Profile of Beneficiary Organizations	<p>Women entrepreneurs and women-owned businesses that need support for the start-up and / or consolidation of their business activities.</p> <p>The grant fund, during the three-year period, encouraged more than 33,500 women to explore entrepreneurship (exceeding the objectives by 142%), reaching more than 56,625 final beneficiaries, with employment creation results of 1,682 direct jobs and 2,173 new business ventures.</p>
Type	<ul style="list-style-type: none"> - Entrepreneur - Company owned / led by women
Size	- Autonomous / entrepreneurial
Development stage	- Early stage
Geographical scope of action	United Kingdom
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	



Information sources:

- <https://www.pne.org/about/>
- <https://www.rbs.com/rbs/sustainability/sustainable-banking-at-rbs.html>
- <https://www.rbs.com/rbs/news/2017/01/rbs-recognised-in-the-2017-bloomberg-financial-services-gender-e.html>
- www.inspiringenterprise.rbs.com/inspiring-women
- <https://investors.rbs.com/annual-report.aspx>



Mulher Empreendedora Itau Unibanco

ID	
Name of the initiative	Mulher Empreendedora Itaú Unibanco
Short description	Initiative to grant financing and develop a package of innovative tools to promote women's access to credit.
Promoting entities that create and lead the initiative	International Finance Corporation (IFC) - Investor Itaú Unibanco - Financial intermediary
Allied players	Other multilateral and Development Finance Institutions such as IDB and CAF, also contribute funds to the program. - Investor
Country or countries where it operates	Brazil
Gender lens (es) targeted	- Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2013
Contact person	Laura Maia - Diversity Director Martin Iglesias - Investment Recommendations Manager
Email	laura.maia-castro@itau-unibanco.com.br
Phone / Skype	55 11 4003-7464
Web / Link	https://imulherempreendedora.com.br/quem-somos
In case of financing initiative indicate the type of instrument	- Bank loans (commercial, investment banks, etc.) - Banking and financial products for women and companies led by women
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	At the banking level in Brazil, it is observed that women's access to microfinance and microcredit is normal, with 56% of the operations, but when it goes to the level of SME clients of Itaú, women who own bank client companies go down to 35%. As the size of the company grows, women clients decrease to 10%, with the number of women who do not have satisfactory access to 70% credit in the LAC region (IFC study). The Global Banking Alliance for Women (GBA) also estimates that 73% of women bank clients are not satisfied with the banking services they receive.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners - Women business managers
Identified risks and challenges	In addition to dissatisfaction with banking services and the lack of specific products, IFC studies detected a lack of inspiration and self-confidence in women entrepreneurs, lack of movement of business opportunities through contact networks and a high need for professionalization of the activity through courses, workshops, classes and conferences.
OBJECTIVES	
Description of the objectives	Expand the specific value proposition of Itaú Unibanco's financial services, providing a complete package of business management tools and a training platform, contacts and events.
Target country or region	Brazil
Incidence in LAC region	Brazil



Incidence in Win Win countries	- Brazil
Commitment to gender equality	Support is sought with management tools that facilitate access to bank financing to SMEs and businesses run by women.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The Mulher Empreendedora program has been a commercial flag of Itaú, to which various institutional partners have been attached to during its existence. It was created in 2013 with the IFC and under the Banking on Women protection; it subsequently received additional funding from Women Entrepreneurship Banking (IDB) of US \$ 50 million in 2014 and another from IDB Invest (loan of US \$ 100 million). In March 2019, it received a loan of US \$ 150 million from CAF.
Description of the financial instrument and its operation	The financial program develops specific products for women entrepreneurs but linked to the bank's commercial portfolio. Banking products that can be marketed under this program are incorporated with the bank's financial conditions and standard risk requirements. The Mulher Entrepreneur platform is an added-value proposal that offers tools to women, both in terms of networks, events, training, etc.
Name of the players involved and type of entity in each case	On the fund-raising side: Institutional investors and others buy IFC bonds, which finance the program. - Investor IFC. Receive funds from the bonds sale to finance the Banking on Women initiative. - Investor IDB Invest. It uses the funds from its development finance portfolio to lend to commercial banks under the Women Entrepreneurship Banking program. - Investor CAF It uses the funds from its development finance portfolio to lend to commercial banks. - Investor On the side of the funds raised placement: Itaú Unibanco. It receives loans from the previous institutions, the funds derived from these loans join the funds for bank financing and, with them, the proposal for promotional tools and associated financing is developed. - Financial intermediary Companies owned or led by women. Final beneficiaries of the project by getting access to bank credit that they did not enjoy before. - Demand
Operation of the investment initiative	Itaú Bank is one of the main Brazilian banks. In 2013, together with CFI, they decided to develop a business line that was underserved until then: women entrepreneurs. During the first year, the bank conducted a market investigation that served as a diagnosis and, through design thinking techniques, it defined its value proposition for women entrepreneurs. This proposal is set on a platform where clients can exchange experiences, take courses or sign up for face-to-face training, download business management tools, learn inspiring stories and access new business opportunities. Subsequently, the IDB, through IDB Invest, allied with Itaú to continue supporting this initiative with several loan lines in 2014 and 2016. The results of this initiative, in 2017 for Itaú as promoter were (CFI): Growth of women-owned SMEs as clients of the bank's portfolio from 22% to 34% and with an increase in their consumption of credit products. Loans worth US \$ 500 million were placed The margin of women-owned SMEs rose by 130% Customer payment delays are 9 days less than in the rest of the portfolio Approved credit limits rose 46% 8,550 women SMEs were served Clients expanded their network of contacts, accessed new business opportunities, managed their companies better and billed 10% more in their businesses.
Initial capital invested (percentage, amount)	\$ 50 million



Capital expected to be mobilized	\$ 900 million
Eligibility criteria	Women SMEs, owners of at least 51% of the company. Sales under US \$ 2.5 million
Implementation time	
Expected financial return	- Get market performance
Payback of investment	Medium 5-8 years
Gender impact measurement	- Yes
Impact measurement method (if any)	- A specific method created for the initiative
Impact verification	- Investor - Financial intermediary of the initiative
SUPPLY	
Name and description of the Investor	International Finance Corporation (IFC) Institution under the World Bank group specialized in financing operations to the private sector. It is, therefore, a multilateral financial institution that offers its financial products and services in the markets with a per capita income below a certain threshold while capturing its resources in the financial markets, especially in developed countries.
Role / Roles of the investor	- Finance commercial banks that act as intermediaries - Resource Mobilizer - Metrics generator to measure gender impact (adaptation of IRIS, HIPSO) - Capacity building, advice and / or support for women entrepreneurs - Creation / Adaptation of financial instruments (first gender thematic bond issuance initiative)
Character	- Public
Type	- Multilateral and Development Bank
Investor Location	- North America
Geographical scope of investor action	Worldwide (the World Bank Group can only lend to countries that meet certain criteria such as having a per capita income below a certain threshold)
Commitment to gender equality	The IFC, as part of the World Bank Group, applies the corporation's gender strategy (2016-2023), both in the provision of services to client countries, and in relation to the corporations and companies supported. IFC applies a comprehensive approach in all projects to reduce gender inequalities, creating alliances, expanding access to financial services and investing in innovative technologies that expand options for consumers, as well as providing training and training to women entrepreneurs.
SUPPLY	
Name and description of the Investor	Inter-American Development Bank (IDB) The Inter-American Development Bank is an international financial organization, created in 1959 with the purpose of financing viable economic, social and institutional development projects and promoting regional commercial integration in the LAC area. It is the main source of financing for the development of Latin America and the Caribbean. It offers loans, donations and technical assistance; and conducts research.
Role / Roles of the investor	The IDB acts as an investor mainly, most of the investment comes from the bank. - Financer
Character	- Public
Type	- Multilateral and Development Bank
Investor Location	- North America
Geographical scope of investor action	LAC Region
Commitment to gender equality	The IDB applies a gender equality strategy, both at the cross-cutting level and in most of the technical assistance and investment projects it executes. The institution publishes a



	multiannual action plan, carries out dissemination campaigns and, for some years, executes specific investment projects with a gender lens.
SUPPLY	
Name and description of the Investor	Development Bank of Latin America (CAF)
Role / Roles of the investor	- Financer
Character	- Mixed (19 countries and 13 private banks)
Type	- Multilateral and Development Bank
Investor Location	- Latin America and the Caribbean
Geographical scope of investor action	Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Spain, Jamaica, Mexico, Panama, Paraguay, Peru, Portugal, Dominican Republic, Trinidad and Tobago, Uruguay and Venezuela
Commitment to gender equality	CAF created a gender strategy across the board for the entire institution. Work is being done to advance credit lines aimed at the financial sector, so that the impact can be assessed in relation to its final beneficiaries.
INTERMEDIARIES	
Name and description of the intermediary	Itaú Unibanco, one of the main banks in Brazil, with more than 90 years of history, presence in 19 countries, 96,000 employees, 4,000 branches and 46,000 ATMs. It is listed on the stock exchanges in Sao Paulo, Buenos Aires and New York, having been part of the Dow Jones Sustainability World Index for 18 consecutive years.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing) - Capacity building, advice and / or support for women entrepreneurs
Type / Subtype	- Financial - Commercial Bank
Geographical scope of action	19 countries of America. Europe and Asia, mainly Brazil, Argentina and Uruguay
DEMAND	
Name / Profile of Beneficiary Organizations	Companies owned or led by women according to the eligibility criteria mentioned above
Type	- Company owned / led by women
Size	- Small and medium enterprises
Development stage	There are no requirements in this regard
Geographical scope of action	Brazil
OVERALL ASSESSMENT	
Innovations introduced	First credit product for entrepreneurs in Brazil. It includes an important aspect of financial education and dissemination. Increase the full use of customer possibilities.
Identified challenges	There are several imbalances in terms of equality between men and women as investors. Itaú acknowledges the differences in different attitudes towards risk, a different time horizon vision and a difference in investment objectives. Normally, men only talk about money as profit and women about goals and objectives, money as an instrument. These differences affect the choice of financial products, Itaú has studied that, for example, pension funds are a product in high demand by women and less attractive to men. They also see a cultural problem, in Brazil men believe they understand more about investments and only accept that women manage money for domestic expenses.
Lessons learned	Importance of communication and dissemination, Itaú believes that, in general, investors are very segmented. Therefore, they create working groups to serve different types of potential client investors with diverse messages. They also attend talks by women entrepreneurs and investors, to know their preferences and needs in detail. Itaú is in a study phase and it is not very clear that it is time to design specific investment products with a gender lens. Mulher Empreendedora was aimed at taking advantage of the portfolio of women private clients in its businesswomen, offering credit products to bank companies.



Main challenges and risks as potential allies of the mechanism to be established by UN Women

They believe that the future of UN Women must be in quality assurance initiatives for institutions (quality labels, etc.), and above all, disseminate best practices. Likewise, they believe that it is necessary to create a more feminine culture of finance, because money is freedom, especially when faced with extreme cases such as gender violence or inequality. Taboos on money that still exist in the country's culture must be broken.

Information sources:

- <https://imulherempreendedora.com.br/quem-somos>
- Interview with Laura Maia and Martin Iglesias, September 20, 2019



Next Wave US Impact Fund I

ID	
Name of the initiative	Next Wave US Impact Fund I
Short description	Impact investment fund with a diversified portfolio that maximizes financial and social returns following a triple line or investment model (people - planet - prosperity).
Promoting entities that create and lead the initiative	Next Wave Impact - Financial intermediary
Allied players	Other gender and seed / angel capital investment funds associated with Next Wave Impact - Investors - Financial intermediary
Country or countries where it operates	USA
Gender lens (es) targeted	- Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2)
Starting date	2017
Contact person	Alicia Robb, CEO and Founder
Email	alicia@netwaveimpact.com
Phone / Skype	alice
Web / Link	www.nextwaveimpact.com
In case of financing initiative indicate the type of instrument	- Investment funds not publicly traded (third and fourth years) - Capital Seed / Angel (first two years)
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	The fund does not offer situation data, but the need to support the growth of companies in the early stages of development is defined in its mission. These are companies oriented to impact, diversity and inclusion both in their foundational team and in the target markets, always keeping a focus on people, the planet and prosperity. The gender approach must be represented in the founding team.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	In the entrepreneurship projects financed by Next Wave Impact Fund, there is a market risk in terms of success and future sustainability of each initiative. There is also a financial risk, in the sense of not adequately sizing the company's plan needs. In general, the fund acknowledges that there are present, all the normal challenges in venture capital and seed capital.
OBJECTIVES	
Description of the objectives	Increase diversity, impact and inclusion in early investments in the entrepreneurial ecosystem, with a progressive fund model that fosters learning through action. Made through a team of angel investors with a focus on social impact and financial returns.
Target country or region	U.S.
Incidence in LAC region	None. Only one of the 99 investors is Latin American (Venezuela) and none of the beneficiary companies
Incidence in Win Win countries	It has no incidence.
Commitment to gender equality	The Next Wave Impact Fund actively engages with gender equality by giving preference in its investments to companies run and created by women and / or minorities.
Gender lens (own classification)	Lens 2: - Gender equality in the leadership positions of the beneficiary organization (Corresponds to



	<p>WEP principle 1)</p> <ul style="list-style-type: none"> - Gender equality in the world of finance and investment - Gender equality in the internal practices of the investor
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	<p>This fund has been preceded by two others called “The Rising Tide US Pilot Fund Portfolio (2015-2016)” and “The Rising Tide Europe Pilot Fund Portfolio (2015-2016)”. Both funds have been completed at the investment level.</p>
Description of the financial instrument and its operation	<p>It is a mixed seed / angel and venture capital fund (four years in duration, two of each type) in business projects and ventures that already operate in the market and need several rounds of investment to achieve their growth objectives. In each fund, 99 women (25 of them afro-american descent) are involved as investors, in addition to an investor union formed by charities, foundations and other investors with gender impact objectives.</p>
Name of the players involved and type of entity in each case	<p>On the fund-raising side:</p> <p>Private Investors They invest in the portfolio of each fund by providing financing.</p> <ul style="list-style-type: none"> - Investor <p>Venture capital funds, angel / seed, mainly with a gender and / or minority focus. They invest in the portfolio of each fund.</p> <ul style="list-style-type: none"> - Investor <p>Investors private partners of Next Wave Impact. They invest in the portfolio of each fund.</p> <ul style="list-style-type: none"> - Investor <p>Next Wave Impact Venture capital / seed fund, defines and creates the portfolios evaluating candidates, participates as a business angel during the first two years of the fund, and as venture capital for the third and fourth years, before departure.</p> <ul style="list-style-type: none"> - Financial intermediary <p>Companies owned or run by women. Final beneficiaries upon receiving investment from the fund.</p> <ul style="list-style-type: none"> - Demand
Operation of the investment initiative	<p>Companies that require financing for this initiative must complete an application form on the Next Wave Impact website taking into account their eligibility criteria.</p> <p>Once the application is completed, the candidates are screened to reach a portfolio of 6-10 companies. The screening is carried out by associates (99 investors) and the investment committee of Next Wave Impact (General Director and 9 main investors). The screening is done by using various technological means of management, communication and survey:</p> <p>Proseeder - manages applications and their documentation.</p> <p>Zoom - communication platform</p> <p>Survey Monkey - feedback and voting platform to include companies in the audit prior to their inclusion in the fund.</p> <p>If the company is a final candidate for inclusion in the fund, a full audit is carried out by an associate and one or more assistants (fellows) previously trained in the fund's investment procedures. The audit is focused on whether social and environmental impact assurance is critical in the companies' business models and their proper definition.</p> <p>If the company's entry into the portfolio is validated, the fund approves an initial investment of US \$ 100,000 - 150,000 for the first two years (seed) and can be extended with US \$ 250,000 - US \$ 500,000 in the third and fourth years. Normally, the investment includes a minimum tenure of a seat on the board of directors.</p> <p>In most cases, investments are syndicated with other US seed / angel platforms, including:</p> <ul style="list-style-type: none"> Toniic Investors Circle Golden seeds Astia Angels Pipeline Angels 37 Angels Blue tree angels



	Portfolia In the fourth year, the fund leaves companies to sell to other investors, whether internal or external; The output must be defined from the initial moment.
Initial Capital Invested	US \$ 5 million
Capital expected to be mobilized	Up to US \$ 20 million
Eligibility criteria	Sustainable competitive advantage or unique position in niche. Strong and balanced management team, enthusiasm and skill. Serious entrepreneurs, with a successful past in similar initiatives. Markets with growth potential. Growth strategy defined, balanced and diverse. Differentiation of products and services. Having a plan B as well as a plan A and a clear investment exit / repayment strategy plus return.
Implementation time	Variable
Expected financial return	- Obtain market performance (or higher)
Payback of investment	Two to four years
Gender impact measurement	- Yes
Impact measurement method (if any)	They currently use different impact assessment methods, depending on the development objectives of each initiative, however, for subsequent funds they are developing a custom metric with the help of Social Impact Projection (Philadelphia consultant). - A specific method created for the initiative.
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the Investor	Private Investors Institutions and foundations with fund investment programs
Role / Roles of the investor	- Financer
Character	- Private
Type	- Institutional Investor - Foundation - Family Business - Individual High Equity Investor
Investor Location	- North America
Geographical scope of investor action	Any country in the world
Commitment to gender equality	Normally, these institutions invest in Next Wave Impact funds for the gender and return approach.
SUPPLY	
Name and description of the Investor	Seed and angel capital funds
Role / Roles of the investor	- Syndicated Financer
Character	- Private
Type	- Institutional Investor - Foundation - Investment fund
Investor Location	- North America
Geographical scope of investor action	Any country in the world
Commitment to gender equality	Typically, these institutions invest in Next Wave Impact funds for the gender and return approach, as well as for links in common gender impact platforms.
SUPPLY	
Name and description of the Investor	Private investors associated in Next Wave Impact (99 women)



Role / Roles of the investor	- Financer
Character	- Private
Type	- Individual High Equity Investor
Investor Location	- Latin America and the Caribbean - North America - Europe - Rest of the world
Geographical scope of investor action	Any country in the world
Commitment to gender equality	They are the basis of the fund's investments, which is why they are all committed to gender equality and minorities in their role as investors.
INTERMEDIARY	
Name and description of the intermediary	Next Wave Impact Social impact fund created to focus the investment of 99 women and seed capital platforms related to impact, diversity and inclusion in industries in the US and Europe. The intermediary has already completed two funds in 2015-2016 and is currently promoting a third fund in the US, which also aims to demonstrate that impact investment can achieve attractive returns. It uses a seed / angel capital strategy in the first two years, being able to expand two more in a more risk capital approach. The companies included in the funds are detailed in: https://nextwaveimpact.com/portfolios/
Role / Roles of the Intermediary	- Resource Mobilizer - Manager of the funded initiative - Capacity building, advice and / or support to investors.
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	USA and Europe
DEMAND	
Name / Profile of Beneficiary Organizations	Early development companies with market traction to solve sectoral problems and incipient operation, with emphasis on diversity, of the following sectors and industries: Education Health (not products as they must be FDA approved) Sustainability in the feeding Clean and saving energy technologies Population aging
Type	- Entrepreneur - Company owned / led by women - Company committed to equality - Company that offers goods and services to improve the well-being of women
Size	- Autonomous / entrepreneurial - Micro and small businesses
Development stage	- Early stage (exceptionally) - Growth / consolidation stage
Geographical scope of action	USA and Europe
OVERALL ASSESSMENT	
Innovations introduced	They are one of the pioneering platforms in considering women from the perspective of investors, their next initiative will even expand the number of participants to 249 women, all accredited investors and large assets. Because of their specialty, they recommend UN Women not to forget the lens of women as an investor, which is believed to be the least developed today.
Identified challenges	In LAC Region (except Mexico) and Africa, the main challenge for a fund is the return by the beneficiaries (successful exit strategy). They also understand that the ability to mobilize funds with sufficient value to be economically significant for investors, is a real challenge.
Lessons learned	In the US, for economic ratios to be obtained in investment funds with a gender lens, they believe that the minimum amounts to be mobilized must be US \$ 15 to 20 million.



Main challenges and risks as potential allies of the mechanism to be established by UN Women

Next Wave Impact is open to collaborations with UN Women in any area of investment in gender lenses, such as consulting, ally / partner initiatives, support in the development of funds, etc.

They believe it is essential that UN Women has got a clear definition of the gender lens they want to promote, and to remember that the ultimate goal is not gender, but the people and communities in which women are immersed.

On a personal level, Alicia Robb already participates in the WeXChange initiatives and the WEAmericas accelerator, whose objectives are already including certain projects in the LAC region.

Information sources:

- <https://nextwaveimpact.com/>
- <https://tarahealthfoundation.org/next-wave-impact-fund/>
- <http://impactinvestorlandscape.org/>
- Interview with Alicia Robb, of Next Wave Impact, on August 12, 2019



NXTP Venture capital investment in high-growth businesses

ID	
Name of the initiative	NXTP Venture capital investment in high-growth businesses
Short description	Fund for entrepreneurial capital, accelerator and provider of integration services between entrepreneurs and corporations that operates in the Latin American region. It considers that Latin America's ventures requires specialization (Fintech and Agtech), creation of value for entrepreneurs (through support for its consolidation) and creation of value for large companies (connecting large companies that require innovation with ventures).
Name of the promoting entities that create and lead the initiative	NXTP - Financial intermediary - Service provider
Allied players	MIF (current IDB Lab), IDB Invest, International Finance Corporation (IFC) and Development Bank of Latin America (CAF) Entrepreneurs Secretariat of Argentina, the Trust Fund for the Development of Entrepreneurial Capital (FOND'CE), the Chilean Development Corporation (CORFO), the National Institute of Entrepreneurs of Mexico <i>Family Offices</i> of the LAC region Individual mentor investors - Investor
Country or countries where it operates	LAC Region
Gender lens (es) targeted	- Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) - Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2)
Starting date	2011
Contact person	Marta Cruz
Email	marta.cruz@nxtplabs.com
Phone / Skype	+5411.3221.3628
Web / Link	www.nxtplabs.com
In case of financing initiative indicate the type of instrument	- Venture Capital Fund or Private Capital
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	The need to support entrepreneurs to become solid businesses and the need for large companies to introduce innovation in their processes, add value to their processes or make disruptive innovation in their industry. Particularly, on the gender issue, there is a lack of equality and empowerment that leads to the existence of very few entrepreneurs with high growth potential (most enterprises necessity-driven).
Group in need (Final beneficiary)	- Women entrepreneurs
Identified risks and challenges	After evaluating the continuity of the venture capital fund business or the provision of services to corporations and entrepreneurs, NXTP makes the decision to do both under a new structure: in 2019, NXTP Labs becomes NXTP, separating on the one hand, the area of venture capital fund (NXTP Venture) and on the other, the area of acceleration and investment solutions to corporations through entrepreneurship (NXTP Corporate Partners).
OBJECTIVES	



Description of the objectives	Investments through venture capital fund, support for high-potential ventures (acceleration services) and corporate solutions.
Target country or region	LAC
Incidence in LAC region	LAC
Incidence in Win Win countries	- Brazil - Chile - Argentina - Uruguay
Commitment to gender equality	In 2014, NXTP Labs launched the LAC Woman Entrepreneur Manifesto, which consists of a series of commitments, both by women entrepreneurs, to actively lead their businesses successfully, as well as by the venture capital industry (entrepreneurial capital) to diversify and promote entrepreneurship carried out by women. The manifesto is aligned with gender lenses 1 and 2. Currently 25% of the NXTP portfolio has women in its founding team.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies Lens 2: - Gender equality in the leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the beneficiary organization (Corresponds to principle 2, 3 and 4) - Gender equality in the world of finance and investment - Gender equality in the internal practices of the investor
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	NXTP partners started working in 2009 in a digital marketing company. In 2010 they got involved in supporting ICT entrepreneurship. In 2011, the agency's spin-off takes place, NXTP Labs is created and it is designed an acceleration program consisting of: training, networking, inspiration and <i>cross-fertilization</i> (entrepreneurs learned from each other) and investments of no more than 25k per part of each investor. In 2014, NXTP draws up the Manifesto of Women Entrepreneurs. In 2019, NXTP Labs becomes NXTP, separating the area of venture capital (entrepreneurial capital) from the area of acceleration and corporate services. In addition, it was decided to specialize in Fintech and Agtech.
Description of the financial instrument and its operation	Initially NXTP Labs was a fund that included a 4-month acceleration program and whose investors offered <i>mentoring</i> to entrepreneurs. In 2019, the decision is made to establish two areas under the umbrella of the NXTP organization: a venture capital fund, NXTP Ventures, and a service provision area, NXTP Corporate Partners. Although the first fund, NXTP Fund I, specialized in seed investment, the NXTP Fund II, focuses on investment in the series A round (greater maturity). On the other hand, NXTP Corporate Patners seeks to bring enterprises closer to corporations, so that the latter can innovate processes, innovate products or optimize distribution channels. NXTP provides support during the proof of concept and the integration of entrepreneurship in the corresponding corporation. Subsequently, the corporation can invest or buy the venture.
Name of the players involved and type of entity in each case	MIF (current IDB Lab), CFI and CAF Entrepreneurs Secretariat of Argentina, the Trust Fund for the Development of Entrepreneurial Capital (FONDCE), the Chilean Development Corporation (CORFO), the National Institute of Entrepreneurs of Mexico <i>Family Offices</i> of the LAC region Individual mentor investors - Investor
Operation of the investment initiative	The NXTP, NXTP Fund I funds of US \$ 38 million and NXTP Fund II of US \$ 42 million (US \$ 120 target), include among their investors: MIF (current IDB Lab) and CFI as <i>lead investors</i> (<i>lead investor</i>), CAF, the Secretariat of Entrepreneurs of Argentina, the Trust Fund for the Development of Entrepreneurial Capital (FONDCE), the Chilean Development Corporation (CORFO), the National Institute of Entrepreneurs of Mexico, <i>family offices</i> throughout the region. NXTP has individual investors of recognized trajectory and entrepreneurial experience, which, in turn, serve as mentors. The Secretariat of Entrepreneurs and SMEs of the Government of the Argentine Nation selected NXTP as the number 1 Entrepreneurial Capital institution, receiving USD 12 million. The Superintendency of Insurance of the Nation together with the Ministry of Production announced that insurers can invest up to 1% of their coverage status in venture capital institutions



	(entrepreneurial capital). In addition, NXTP has been referenced as a case study at Harvard Business School.
Initial capital invested (percentage, amount)	80 US \$ million through two funds
Capital expected to be mobilized	More than US \$ 1 billion
Eligibility criteria	Partners from the region, at least two members in the venture, <i>full-time dedication</i> and prototype, beta or demo of their product or service developed
Implementation time	
Expected financial return	- Get market performance
Payback of investment	
Gender impact measurement	- Yes
Impact measurement method (if any)	- System B metrics
Impact verification	- Investor
SUPPLY	
Name and description of the Investor	Multilateral Development Banks: MIF (current IDB Lab), IFC and CAF
Role / Roles of the investor	- Financer - Market maker
Character	- Public
Type	- Multilateral Development Bank
Investor Location	- Latin America and the Caribbean (CAF) - United States (IDB Lab and IFC)
Geographical scope of investor action	LAC (CAF and IDB Lab) and global (CFI)
Commitment to gender equality	Both the IDB Group and the World Bank Group (of which the IFC is a part) and CAF have gender commitments and strategies
SUPPLY	
Name and description of the Investor	Public institutions: Development Corporation of Chile (CORFO), the National Institute of Entrepreneurs of Mexico (INADEM) and the Secretariat of Entrepreneurs of the Government and SMEs of the Argentine Nation
Role / Roles of the investor	- Financer
Character	- Public
Type	- Government
Investor Location	- Latin America and the Caribbean
Geographical scope of investor action	Chile, Mexico and Argentina
Commitment to gender equality	Argentina: Gender Parity Initiative to promote public policies to move towards gender equality and the empowerment of women (2017). Chile: Gender Parity Initiative (2016). Mexico: there is a Gender Equality Policy 2013-2018.
SUPPLY	
Name and description of the Investor	<i>Family Offices</i>
Role / Roles of the investor	- Financer
Character	- Private
Type	- Family Business
Investor Location	- Latin America and the Caribbean



Geographical scope of investor action	LAC
Commitment to gender equality	-
INTERMEDIARIES	
Name and description of the intermediary	NXTP
Role / Roles of the Intermediary	<ul style="list-style-type: none"> - Finance final beneficiaries (commercialize the financing) - Resource Mobilizer - Promoter of platforms and connection networks in the different links of the ecosystem (networks of investors, businesswomen or cross-cutting) - Capacity building, advice and / or support for women entrepreneurs
Type / Subtype	<ul style="list-style-type: none"> - Financial - Fund Manager - Capacity builder - Accelerator
Geographical scope of action	LAC
DEMAND	
Name / Profile of Beneficiary Organizations	Start Ups with high growth potential of the LAC region
Type	<ul style="list-style-type: none"> - Entrepreneur - Company owned / led by women
Size	<ul style="list-style-type: none"> - Autonomous / entrepreneurial - Micro and small businesses
Development stage	<ul style="list-style-type: none"> - Early stage - Growth / consolidation stage - Seed stage / incubation
Geographical scope of action	Argentina, Brazil, Chile, Colombia, Mexico, Uruguay
OVERALL ASSESSMENT	
Innovations introduced	<p>NXTP has evolved as a company, from a digital marketing company to be a benchmark in venture capital investments in the region.</p> <p>Integration of entrepreneurs with corporations.</p> <p>Two business areas: one for services and one for venture capital investments.</p> <p>Specialization in Agtech and Fintech.</p>
Identified challenges	<p>Consolidate the new areas: NXTP Ventures and NXTP Corporate Partners.</p> <p>Achieve the goal of US \$ 120 million for the second investment fund.</p>
Lessons learned	<p>Integration of entrepreneurs and corporations that require process innovation, product innovation or improvement of distribution channels.</p> <p>Collaboration with public, private entities and multilateral banks.</p> <p>Importance of women's inclusion in technology sectors and promoting founding teams with gender diversity in the portfolio.</p> <p>Companies that do not have partners in the region generally fail to know the region's idiosyncrasy.</p> <p>Currently, the acceleration business is not viable because there are many costs. It is necessary to search through governments for possible sponsors or charge a fee to entrepreneurs.</p> <p>Having <i>skin on the game</i> (to be involved in the investment) to make it work.</p>
Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>Support through in-depth technical assistance to support women in decision-making positions.</p> <p>Support to investment funds that have a mandate to invest in diverse teams in terms of gender.</p> <p>It would be interesting to return to the background scheme where one has the possibility of using LP funds (investors) for acceleration programs.</p>



Information sources:

- <https://www.mujeremprededorlac.org/manifiesto/>
- <https://www.youtube.com/watch?v=TiNA6YapmdU>
- <https://www.nxtplabs.com/wp-content/uploads/2018/08/NXTP-ICE-Ago-2018-V12.pdf>
- <http://www.caf.org.uy/site/wp-content/uploads/2017/12/16-Ciro-NxtpLabs.pdf>
- Interview with Marta Cruz, on August 27, 2019



ProMujer Banca Comunal

ID	
Name of the initiative	ProMujer Banca Comunal
Short description	Microcredit initiative for local groups of women in poverty. The credits are managed by local groups of beneficiaries that jointly respond to the repayment. Pro Mujer provides services attached to the granting of loans, mainly financial and business training.
Promoting entities that create and lead the initiative	Pro Mujer is a social enterprise, which was founded in 1990 by two teachers, one American and one Bolivian, who started the project with USAID financing. It is an investor since it uses its own funds (even if these come from donations, i.e., no need for return). - Investor - Service provider
Allied players	In order to finance this Pro Mujer initiative, part of the contributions of private anonymous donations and <u>54 stable partners</u> , mainly foundations of the United States and Europe and, to a lesser extent, large multinational companies and a development agency, USAID, that provide the necessary financing.
Country or countries where it operates	Pro Mujer is headquartered in the United States and operates in Argentina, Bolivia, Guatemala, Mexico, Nicaragua and Peru.
Gender lens (es) targeted	- Access to capital for women entrepreneurs and companies led by women : oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	1990
Contact person	Carmen Correa (Regional Director)
Email	Carmen.Correa@PROMUJER.org
Phone / Skype	
Web / Link	
In case of financing initiative indicate the type of instrument	- Microfinance - Financing or reciprocal guarantee
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Women in poverty in the countries where it operates, lack access to traditional financial markets to request financing, either for their businesses or other needs, due to the lack of assets that can act as collateral or guarantors.
Group in need (Final beneficiary)	- Women entrepreneurs - Rural women - Indigenous women - Women in general
Identified risks and challenges	ProMujer Banca Comunal has concentrated its activities in a small group of countries. This concentration entails a certain risk since any negative event in these countries would increase the unpaid ones and could compromise the continuity of the initiative. Since the group of countries where it operates has not diversified, there would be no others where it could compensate for the bad results in this region.
OBJECTIVES	
Description of the objectives	The economic empowerment and improvement of the quality life of the neediest women in the countries where it operates.
Target country or region	Argentina, Bolivia, Guatemala, Mexico, Nicaragua and Peru.
Incidence in LAC region	Its activities are carried out in the mentioned countries.
Incidence in Win Win countries	- Argentina
Commitment to gender	Its activities are mainly framed in lens 1, improving access to capital for women



equality	entrepreneurs.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	
Description of the financial instrument and its operation	These are microcredits granted to groups of women from the same community. The credits are managed by the beneficiary groups, who jointly and severally guarantee their return.
Name of the players involved and type of entity in each case	Pro Mujer is a fund's provider since it lends its own funds obtained from donations and the return of previous loans. Donations have a double origin: private anonymous donors and 54 stable partners. - Investor Claimants-beneficiaries: communal groups of women in poverty.
Operation of the investment initiative	Pro Mujer acts through Pro Mujer Inc. based in New York, which is responsible for the management of the group and its subsidiaries outside the United States, which take the form of a social enterprise or foundation.
Initial capital invested (percentage, amount)	In 2018, Pro Mujer's gross portfolio was \$ 293 million in loans and other financial assets granted that year to 300,000 women. Throughout its history, loans worth \$ 3.6 billion have been granted, benefiting some 2 million women.
Capital expected to be mobilized	The capital mobilized coincides with the disbursed.
Eligibility criteria	The beneficiaries must be women in poverty, being the local advisors of Promujer who determine the suitability of the potential beneficiaries.
Implementation time	
Expected financial return	<u>Being an initiative of a non-profit organization, Promujer is exempt from taxing according to US tax legislation</u> . Its objective is that the loans repayments together with the donations, allow to renew the loan portfolio and cover expenses. For this, it charges an initial commission of up to 5% of the loan amount. - Recover the investment (capital).
Payback of investment	Initially 4-6 months, although the maturity and amount of the loans increases as the beneficiaries build their credit history.
Gender impact measurement	- No Pro Mujer keeps the financial accounting of its portfolio of assets, but does not measure the gender impact of its activities except through the value of the portfolio and the number of women beneficiaries.
Impact measurement method (if any)	
Impact verification	
SUPPLY	
Name and description of the Investor	Pro Mujer Women leaders' organization in Latin America's development that offers access to financial, health and educational services. Its co-founder, Carmen Velasco, was recognized in 2012 by the International Alliance for Women (IAW) World of Difference 100, as a woman committed to the economic empowerment of women.
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	In addition to granting loans, it offers a wide range of services attached to its beneficiaries. These services can be financial, such as insurance, or non-financial, among others: financial and basic business management training, English courses, digitalization training, mobile payment platform, health services for women, incubators, etc. - Financer - Strategic advisor and technical assistance - Trainer and trainer
Character	- Private non-profit
Type	- Foundation - Retail (Crowdfunding) The parent company is a foundation, which also owns social enterprises and other



	foundations in the countries in which it operates. This structure gives more operational flexibility.
Investor Location	- North America The headquarters are located in New York.
Geographical scope of investor action	Argentina, Bolivia, Guatemala, Mexico, Nicaragua and Peru.
Commitment to gender equality	Pro Mujer is an institution clearly committed to gender equality. Its financing and provision of services initiatives are aimed exclusively at women in poverty.
DEMAND	
Name / Profile of Beneficiary Organizations	Women in poverty, with an important presence of women from the rural and indigenous world.
Type	- Entrepreneur - Community organization - Women in general
Size	- Autonomous / entrepreneurial
Development stage	Any of the business project phases: - Early stage - Growth / consolidation stage - Seed stage / incubation
Geographical scope of action	Argentina, Bolivia, Guatemala, Mexico, Nicaragua and Peru.
OVERALL ASSESSMENT	
Innovations introduced	It is a mature initiative, which can already be considered successful after 30 years of existence and about \$ 3.6 billion in disbursed loans. The fact that managing community loans are granted, offering a collective solidarity guarantee, promotes the commitment and personal and economic empowerment of the beneficiary women and, consequently, reduces the risk of default.
Identified challenges	The vulnerability of the countries where it operates in the face of natural disasters. When a natural disaster affects almost all beneficiaries simultaneously in an area or a country, there is a risk to the entire Pro Mujer loan portfolio. The acquisition of new donors, whether anonymous or stable, to increase capital collection, in order to expand their activities to other countries in Latin America where there is a great need for such actions. Pro Mujer is advancing tools to identify the most appropriate instruments for each type of need (<i>matchmaking</i>). The structuring of new financial instruments has a high cost and could be reduced by means of replicas and support from multilateral organizations.
Lessons learned	While it is true that the initiative is a very solid instrument in the rural context, there are other market segments that require a new supply of products, such as SMEs or women entrepreneurs that respond to opportunities and not to need. The services go beyond the financial and should continue to cover other issues, such as education and health, in order to facilitate entrepreneurship and insertion in the women's labor market. Some ventures that were not considered through impact measurement in the gender perspective investing, are demonstrating that they are generating gender equity. Pro Mujer is promoting <i>joint ventures</i> with other institutions to complement those capabilities that are not present (eg, health service issues or investment fund structuring).
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Pro Mujer could be a good partner of UN Women on the ground and UN Women could help its expansion to other countries in Latin America and the Caribbean by providing institutional coverage. The main challenges would be those derived from the need for time and resources to finance such expansion or the difficult fit of the institutional and governance structures of both organizations, Pro Mujer and UN Women. UN Women can facilitate the generation and dissemination of information, that is, contribute to the democratization of information about gender initiatives. Recently, there has been a change at the institutional level in the ecosystem, through programs, awards, or recognitions, which can be of help to raise awareness about gender



Information sources:

- <https://promujer.org/>
- <https://promujer.org/es/get-know-us/financial-reports/> (annual reports, audit reports and financial reports)
- https://promujer.org/content/uploads/2018/06/2017_ProMujer-International-Financial-Statements-2017-1.pdf
- <https://www.guidestar.org/profile/98-0115409>
- Interview with Carmen Correa, from Promujer, on August 7, 2019



The Loan Fund NESsT

ID	
Name of the initiative	The Loan Fund NESsT
Short description	Patient capital fund for products and services with gender impact. Invest in social enterprises that generate decent jobs for people with needs. It includes gender impact metrics and gender-related assessments among its requirements and investment processes.
Promoting entities that create and lead the initiative	Private investors who contribute to the investment fund with varying amounts. - Investor NESsT Fund management organization that leverages donations and patient capital from collaborators and supports worldwide to turn them into investments in social enterprises that generate decent jobs for the beneficiaries. - Financial intermediary
Allied players	
Country or countries where it operates	US and UK
Gender lens (es) targeted	- Invest in companies that develop products and services that positively impact women. Oriented to companies whose products and services are intended to promote an improvement in women and girls well-being. (Lens 3)
Starting date	1997
Contact person	Nicole Echart, Co-CEO
Email	https://www.linkedin.com/in/nicole-etchart-437a171/
Phone / Skype	
Web / Link	https://www.nesst.org/loan-fund
In case of financing initiative indicate the type of instrument	- Patient Capital
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Traditional companies are not able to complete work in emerging countries, 25% of workers in these countries live in conditions of extreme poverty or moderate poverty, 46.8% of workers face low income and difficult working conditions. Therefore, workers in these countries deserve access to decent work, stable income and the dignity of supporting their families and contributing to the community.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners - Rural women - Indigenous women - Women in general
Identified risks and challenges	Businesses and social enterprises are institutions created to serve a social object in a way that is financially sustainable. Therefore, the greatest challenges are found in 1) ensuring that the funds reach these beneficiary groups and 2) ensuring that the effects of the investments achieve the desired effects and impacts in the medium and long term.
OBJECTIVES	
Description of the objectives	Investing in social enterprises as a solution to the problem of the growing inequalities in terms of wealth that is caused by modern economic models in emerging countries. Social enterprises offer income generation opportunities, are sustainable, scalable and contribute to the solution of the problems of unemployment, poverty, social exclusion, deteriorated public services and environmental degradation. They can become an innovative solution in places where neither the pure market approach nor the public sector intervention have managed to solve the aforementioned problems.



Target country or region	Latin America and Eastern Europe
Incidence in LAC region	Brazil and Peru
Incidence in Win Win countries	- Brazil
Commitment to gender equality	By contributing to social impact in low-income or at-risk communities, the fund uses a gender lens to support women and girls in the beneficiary communities.
Gender lens (own classification)	Lens 3: - Products and services oriented to gender transforming processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The initiative is the result of more than 20 years of work with social companies in LAC and other emerging countries. The Loan Fund is a patient capital fund for impact investments in early stages, considered to be of greater impact potential.
Description of the financial instrument and its operation	The financial instrument is a medium-term patient capital fund, composed of investments of 5-7 years maturity that try to address the so-called "pioneer gap", referred to an early phase that goes from the idea and conception of the social enterprise to the stage of possibility of investment to make the company scalable.
Name of the players involved and type of entity in each case	<p>On the fund-raising side: Individual investors who donate funds through crowdfunding and / or contributions to the cash fund and institutions that multiply the contributions. - Investors</p> <p>NESsT Investment fund that selects social business projects in LAC and Eastern Europe, invests patient capital in these companies and also provides them with strategic advice and access to networks to ensure their success. - Financial intermediary</p> <p>On the funds raised placement side: Social enterprises, final beneficiaries obtain funds to develop the ideas of social entrepreneurship and poverty reduction. - Demand</p>
Operation of the investment initiative	<p>The fund raises patient capital in the form of donations and contributions from individual investors and institutions that multiply each contribution to reach the assigned economic objectives. In the NESsT Board, there are various business institutions that finance patient capital initiatives, including: Itaú Asset Management Elevar Equity Partners Corsair Capital Deliveroo Aberdeen Asset Management Demeter Foundation Arx Equity Partners Top Tier Capital Partners DLA Piper EBRD European Comission Lemelson Foundation</p> <p>Most of the contributions comes from donations, consulting services, volunteering, but donations of business services are also offered by institutional collaborators, such as events, legal guides on business in various countries, etc.</p> <p>NESsT has been awarded, together with Dr. Ruta Aidis, one of the ANDE Gender Lens & Impact Measurement Fund grants called "Contribution of a gender lens to early phase investments for greater impact".</p>
Initial capital invested (percentage, amount)	To date, in the tranche of the internet crowdfunding, they have raised US \$ 66,000, that are then complemented with institutional donations, for which there is no updated data.



Capital expected to be mobilized	US \$ 100,000 in this public portion of the fund's crowdfunding, since its inception they have invested US \$ 17,000,000
Eligibility criteria	Social companies derived from ideas to reduce poverty and that need support to structure and receive scalability investments. They are evaluated by the fund partners, especially looking for the greatest impact on workers, families and community.
Implementation time	Medium term, 5 to 7 years
Expected financial return	Concessional (lower than market)
Payback of investment	
Gender impact measurement	- Yes, although they do not specify method
Impact measurement method (if any)	
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	Individual and institutional investors, donors of patient capital funds.
Role / Roles of the investor	- Financer
Character	- Private
Type	- Institutional Investor - Foundation - Individual High Equity Investor
Investor Location	- North America - Europe
Geographical scope of investor action	
Commitment to gender equality	It does not appear as an organizational objective, but since the fund is a social impact tool the importance of GE is understood.
INTERMEDIARIES	
Name and description of the intermediary	NESST patient capital fund with social impact objectives through projects carried out by social companies in the targeted countries.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing) - Manager of the funded initiative - Capacity building, advice and / or support for women entrepreneurs
Type / Subtype	- Financial - Fund Manager - Crowdfunding Platform
Geographical scope of action	South America and Eastern Europe
DEMAND	
Name / Profile of Beneficiary Organizations	Social companies dedicated to promoting solutions to poverty issues and unemployment, environment, circular economy, agribusiness, etc.
Type	- Entrepreneur - Company owned / led by women - Company that offers goods and services to improve women well-being
Size	- Autonomous / entrepreneurial
Development stage	- Early stage
Geographical scope of action	South America and Eastern Europe
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	



Information sources:

- <https://www.nesst.org/>



Valeurs Feminines Fund

ID	
Name of the initiative	Valeurs Feminines Fund
Short description	This is an investment fund in publicly traded securities of companies with significant numbers of women in senior management positions and companies that produce goods and services for women. Its main investments are: shares (90.6% of the portfolio), obligations (3.5%), short-term liquid assets (5.5%), others (0.4%)
Promoting entities that create and lead the initiative	Conseil Plus Gestion (CPG) - Financial intermediary
Allied players	
Country or countries where it operates	Based in Aix en Provence, the fund invests in exchanges throughout Europe and is marketed in France
Gender lens (es) targeted	- <u>Invest in companies that promote Gender Equality</u> : Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2) - <u>Invest in companies that develop products and services that positively impact women.</u> Oriented to companies whose products and services are intended to promote an improvement in women and girls well-being (Lens 3)
Starting date	2005
Contact person	Julien Meunier, Director General
Email	
Phone / Skype	linkedin.com/in/julienmeunier-cpg
Web / Link	https://www.cpgfinance.com/
In case of financing initiative indicate the type of instrument	- Publicly traded funds
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	Financing, recognition and visibility of companies with a high presence of women in senior management positions and those that produce products and services aimed at women.
Group in need (Final beneficiary)	By investing in companies with a highly feminized direction, women managers of publicly traded companies are favored. - Women business managers
Identified risks and challenges	This fund is small in size compared to others (it does not reach 9 million euros) and has a relatively high risk (5 on a scale of 7) as it is a publicly traded investment fund (and such funds are always at risk) and because it is limited to a number of companies in which to invest relatively small (just over a hundred). This can detract more conservative investors.
OBJECTIVES	
Description of the objectives	Obtain a higher than average return for their investors in a less exploited investment niche than other funds: companies committed to equality and companies that produce goods and services with a positive impact on women.
Target country or region	Europe
Incidence in LAC region	None
Incidence in Win Win countries	None
Commitment to gender equality	The fund invests in publicly traded companies with a feminized direction and in companies whose market is women.
Gender lens (own classification)	Lens 2: - Gender equality in the leadership positions of the beneficiary organization (Corresponds to



	WEP principle 1) Lens 3: - Specific products and services tailored for women and / or girls
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	CPG is a portfolio investment company, so before the launch of this fund there was previous experience in fund management.
Description of the financial instrument and its operation	It is a stock investment fund whose shares can be bought and sold in France. The fund managers select those companies that are publicly traded in Europe, with a greater female presence in the management or that are mostly directed to the female market. Next, they assess the revaluation of the shares of approximately one hundred companies with these characteristics and invest in those with better prospects.
Name of the players involved and type of entity in each case	Investors: savers who buy shares in this fund waiting for a return. Financial intermediaries: Conseil Plus de Gestion invests the capital contributed by savers in European stocks. Beneficiaries: large European companies listed on the stock market whose management has a high female presence or its products are intended for women.
Operation of the investment initiative	Investors are small savers who buy shares in the fund. The yield obtained will depend on the difference between the value of the participation at the time of purchase and its price at the time of sale. The fund managers analyze European publicly traded companies, usually very large and multinational companies, based on the female presence in their management bodies and select those with a greater female presence. They also select those companies whose products are basically aimed at a female audience (Inditex, L'Oreal, etc.). The approximately one hundred companies that meet these requirements are monitored and as fund analysts see possibilities of revaluing the shares of these companies, investing is made (or disinvesting if they foresee a loss of the shares value), seeking the highest possible return for the fund, which is rated as venture capital. Depending on how the shares price are revalued and with it the price of the shares in the fund. The fund managers are independent and do not maintain relationships with the companies in which they invest.
Initial capital invested (percentage, amount)	
Capital expected to be mobilized	The <u>value</u> of the fund , as of July 25, 2019, was € 8.8 million.
Eligibility criteria	The fund has two investment criteria: women-owned companies (women-owned companies or companies with a significant presence of women in the administrative bodies) and sectors and subsectors with products and services for women.
Implementation time	
Expected financial return	- Get market performance
Payback of investment	Medium term, a stay in the fund of 5 years is recommended.
Gender impact measurement	- No
Impact measurement method (if any)	
Impact verification	
SUPPLY	
Name and description of the Investor	Investors, savers, usually small savers, who invest buying shares in the fund.
Role / Roles of the investor	- Financer
Character	- Private
Type	- Investment fund
Investor Location	- Europe



Geographical scope of investor action	Europe
Commitment to gender equality	
INTERMEDIARIES	
Name and description of the intermediary	Conseil Plus Gestion (CPG) It is a portfolio management company that manages the fund and decides the investments to be made within the objectives of the fund. - Financial intermediary
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize the financing) - Creation / Adaptation of financial instruments
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	European, focuses on shares of CAC40 companies (Paris stock exchange index) or EurostockXX50 (Eurostock European stock market index).
DEMAND	
Name / Profile of Beneficiary Organizations	Large companies listed on European stock exchanges, usually multinationals, run by women or with a large presence of women in the management bodies, and companies whose market is essentially female.
Type	- Company committed to equality - Company that offers goods and services to improve the well-being of women
Size	- Large companies
Development stage	- Fully consolidated.
Geographical scope of action	Everyone, although the headquarters are in Europe.
OVERALL ASSESSMENT	
Innovations introduced	It is a novel initiative as soon as it adapts a traditional instrument to gender lenses. In fact, this fund is a pioneer in terms of the eligibility of the companies in which to invest, in the French financial market, which is one of the most important European markets.
Identified challenges	Being competitive in the financial market, is a challenge in itself. This portfolio company has designed a product focused on gender investments, hoping to find a niche market with more opportunities.
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Information sources:

- <https://www.cpgfinance.com/wp-content/uploads/2019/02/Reporting-Valeurs-Feminines-janvier-19.pdf>
- <https://www.cpgfinance.com/wp-content/uploads/2019/06/Reporting-Valeurs-Feminines-mai-19.pdf>



Women Entrepreneurship Banking

ID	
Name of the initiative	Women Entrepreneurship Banking
Short description	MIF - IDB program that facilitates access to financial credit to women-led companies through a network of commercial banks. It also drives capacity building and technical advice.
Promoting entities that create and lead the initiative	<p>Inter-American Development Bank IDB (Dept. Corporate Finance, in 2017 IDB Invest)</p> <p>- Investor</p> <p>MIF Multilateral Investment Fund (of the IDB Group). Since 2018 it has been renamed as IDB Lab</p> <p>- Investor</p> <p>GBA Global Alliance of Banks for Women, empowers women entrepreneur programs among the 46 member banks of the organization.</p> <p>- Service provider</p>
Allied players	<p>Retail banks and financial intermediaries become allies of the program through bilateral agreements.</p> <p>- Financial intermediaries</p>
Country or countries where it operates	El Salvador, Costa Rica, Ecuador, Bolivia, Paraguay, Brazil, Nicaragua, Guatemala, Jamaica, Dominican Republic, Panama
Gender lens (es) targeted	- Access to capital for women entrepreneurs and women-led companies: Oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2012
Contact person	Daniela Carrera-Marquis
Email	DANIELAC@iadb.org
Phone / Skype	1-242-396-7817
Web / Link	www.iadb.org
In case of financing initiative indicate the type of instrument	<ul style="list-style-type: none"> - Bank loans (commercial, investment banks, etc.) - Banking and financial products for women and companies led by women - Financing or reciprocal guarantee
Other initiatives and instruments	
Status of implementation of the initiative	- Active (ends 2019)
NEED	
Description of the existing need	<p>In traditional credit models, women-owned businesses may be excluded due to informality, lack of credit history and guarantees, because they do not fit with the marketing strategies or customer profiles of banks, due to their low levels of education, or lack of participation in business networks. This has prevented microentrepreneurs, despite having strong payment records, to find larger commercial loans to grow their businesses beyond the micro level. At regional level, the credit gap in Latin America and the Caribbean for small and medium-sized businesses run by women is estimated at US \$ 86,000 million.</p> <p>Only one in five SMEs run by women has the working capital needs, that is, the resources it requires to operate, financed by banks.</p> <p>Poverty was reduced by 30% between 2000 and 2010 as a result of the growth of women's income.</p> <p>60% of micro businesses are led by women, but less than 10% become market leaders and less than 20% grow to become small businesses.</p> <p>Attracting the female population in addition to contributing to the development of communities is a good business for banks. Some of the underlying characteristics of women as bank clients are as follows:</p> <p>They stop paying their loans 54% less frequently than men.</p> <p>They are more loyal and more willing than men to take advantage of cross-selling.</p> <p>Despite investing on average 50% less capital than enterprising men, they tend to make profits of up to 20% higher.</p>



	They control 64% (according to GBA, in 2017 up to 80%) of household spending decisions.
Group in need (Final beneficiary)	- Women entrepreneurs - Women business owners
Identified risks and challenges	The program seeks to support the commercial risks of banks in the LAC area, providing a package of incentives to help intermediaries cover the costs of searching and implementing solid models to support clients in this segment.
OBJECTIVES	
Description of the objectives	The objective is to enable Latin American financial institutions to implement financing models that support the growth of women's businesses. Facilitate access to credit for solvent women entrepreneurs. Reduce the world's largest credit access gap and reduce entry barriers for women's businesses. Provide help and guidance on financial products for women.
Target country or region	LAC
Incidence in LAC region	The initiative affects the LAC Region as a whole although there have been no experiences in all the countries of the Region. The countries with experiences are: Jamaica Dominican Republic Guatemala El Salvador Nicaragua Costa Rica Panama Ecuador Brazil Bolivia Paraguay
Incidence in Win Win countries	- Brazil - Costa Rica - Jamaica
Commitment to gender equality	Experience applies a gender lens, to finance projects of lens 1.
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The initiative was launched in April 2012 during the Summit of the Americas of Cartagena, Colombia by the Department of Structured and Corporate Finance SCF of the IDB (within its beyondBanking program) and the MIF (within its Line of Activity for the Promotion of Financing for SMEs). Subsequently, the IDB is assigned to a new internal group IDB Invest (2017).
Description of the financial instrument and its operation	The program provides two types of incentives; grants in technical assistance for training programs and transfer of technology and financial products, such as shared risk facilities and partial credit guarantees to banks and financial intermediaries, in order to support them to test and develop innovative and inclusive financing models aimed at SMEs owned and directed by women.
Name of the players involved and type of entity in each case	On the fund-raising side: IDB Inter-American Development Bank. It provides funds (US \$ 50 million) from its beyondBanking program to intermediary banks. These funds are provided in the form of loans, shared risk facilities and credit guarantees. - Investor MIF Multilateral Investment Fund (since 2018 IDB Lab). It provides funds (US \$ 5 million) from its Activity Line for the Promotion of Financing to SMEs to intermediary banks. These funds are provided in the form of grants for technology transfer in efficient financing models for women-owned SMEs and for training bank staff in such products and services. - Investor GBA Global Alliance of Banks for Women. Supplementary service provider in the program. It



	<p>carries out studies, events and provides its network of 46 associated banks.</p> <ul style="list-style-type: none"> - Organization providing services for banks committed to gender equality <p>On the funds raised placement side:</p> <p>Banks and financial institutions. They incorporate funds into their loan programs with a gender focus or develop initiatives aligned with the objectives of the program. The banks are Scotiabank (Jamaica), BHD León (Dominican Rep.), Banco Industrial (Guatemala), Banco G&T Continental, Banco Agrícola, Banco Davivienda (El Salvador), Lafise Bancentro (Nicaragua), Banco Nacional, BAC San José (Costa Rica), Banistmo, Banco Delta (Panama), Banco Pichincha, Banco D-MRO (Ecuador), Itaú Unibanco (Brazil), Banco Economico (Bolivia), Interfisa Banco and Banco Regional (Paraguay).</p> <ul style="list-style-type: none"> - Financial intermediary of the initiative <p>Companies owned or led by women. Final beneficiaries when obtaining access to credit in favorable conditions.</p> <ul style="list-style-type: none"> - Demand
Operation of the investment initiative	<p>Under multilateral financial institutions programs, thematic investment programs are designed to support the development objectives established by the member countries in the various international summits.</p> <p>In this case, the Women Entrepreneurship Banking initiative aims to be a support and reinforcement to other multilateral programs already initiated, both by the aforementioned MIF / IDB institutions and by other relevant players and intermediaries in the Latin American financial landscape (for example, the Mulher Empreendedora program of Itaú Unibanco of Brazil).</p> <p>Normally, the MIF and IDB departments receive a proposal to support women-owned SME financing programs made by commercial banks in program countries.</p> <p>If this proposal is approved by investors, a financial support or technical cooperation contract is signed with the bank. As an example, projects are detailed:</p> <p>National Bank of Costa Rica. Subordinated loan of US \$ 37.5 million for portfolio growth.</p> <p>Itaú Unibanco of Brazil. US \$ 1.2 million in technical assistance to develop financial products, training loan staff and incorporate credit assessment tools aimed at the women's segment.</p> <p>Scotiabank of Jamaica. 1 million US \$ in technical assistance to conduct capacity building and mentoring activities.</p> <p>Normally, these developments are complemented by other financing products, such as in the case of Itaú Unibanco of Brazil, an institution that was subsequently financed with an IDB loan (IDB Invest) of US \$ 100 million to disseminate the tools designed and scale its program to a higher dimension.</p> <p>In some other cases, intermediary banks in the beneficiary countries support the measure with contracts with local NGOs, so that they support the initiative with dissemination and training initiatives. An example of this is the support of the NGO Vital Voices to the initiative of the Salvadoran bank G&T Continental Bank (G & TCES).</p>
Initial capital invested (percentage, amount)	US \$ 50 million in A / B loans, credit sharing facilities and credit guarantees (IDB) plus US \$ 5 million in grants for technology transfer and training (MIF).
Capital expected to be mobilized	US \$ 675 million in loans in the 17 participating banks.
Eligibility criteria	The criteria left to the decision of each intermediary, for example, in the case of Itaú are: Companies that belong in more than 51% to women. Companies with turnover of less than US \$ 2.5 million
Implementation time	
Expected financial return	- Get market performance
Payback of investment	Medium term (6-7 years)
Gender impact measurement	- Yes
Impact measurement method (if any)	Program coverage indicators: Attention to women's SMEs Increase in the number of women in the bank's portfolio



	Entrepreneurs financed Trained women
Impact verification	- Investor - Financial intermediary of the initiative
SUPPLY	
Name and description of the Investor	<p>Inter-American Development Bank IDB</p> <p>The Inter-American Development Bank is an international financial organization based in the city of Washington DC, created in 1959 with the purpose of financing viable economic, social and institutional development projects and promoting regional commercial integration in the LAC area.</p> <p>It works to improve the quality of life in the LAC Region, helping to improve health, education and infrastructure through financial and technical support to countries that work to reduce poverty and inequality. Its objective is to achieve development in a sustainable and climate-friendly way. It is the main source of financing for the development of Latin America and the Caribbean. It offers loans, donations and technical assistance; and conducts research.</p> <p>Current priority issues of the bank include development challenges - social inclusion and equality, productivity and innovation and economic integration - and three cross-cutting issues - gender equality and diversity, climate change and environmental sustainability, and institutional capacity.</p>
Role / Roles of the investor	The IDB acts as an investor mainly, most of the investment comes from the bank. - Financer
Character	- Public
Type	- Multilateral Development Bank
Investor Location	- Latin America and the Caribbean - North America
Geographical scope of investor action	LAC Region
Commitment to gender equality	It is one of the cross-cutting axes of the bank's strategy, as well as one of the main objectives of the investment projects. In addition, and as in the current case of Women Entrepreneurship Banking, the creation of gender-based financing mechanisms has become one development line for specific investment initiatives in all IDB-dependent agencies.
SUPPLY	
Name and description of the Investor	<p>MIF Multilateral Investment Fund. Since 2018 called IDB Lab</p> <p>Part of the IDB Group, the MIF / IDB Lab is founded by 39 donors to support the development of the private sector, benefiting low-income population and their businesses.</p> <p>It is the main provider of technical assistance for the private sector in Latin America and the Caribbean. It is also one of the most important investors in microfinance and entrepreneurial capital funds for small businesses. Projects that need financing should increase access to financing, markets and capacities, and basic services.</p> <p>The MIF / IDB Lab always works with local partners, mainly private, to help finance and execute projects. It grants subsidies, loans, guarantees, investments and near capital investments, as well as consulting services to trade associations, non-governmental organizations, foundations, public sector agencies and financial institutions, and in some cases, private sector companies to support projects that benefit the low-income population (their businesses, their farms, and their homes) through the 26 borrowing member countries of Latin America and the Caribbean. It does not directly finance micro and small businesses.</p> <p>Most of the financing is made in the form of grants, which can reach US \$ 2 million per project. It also offers long-term loans of up to US \$ 1 million and capital investments that can reach US \$ 5 million.</p> <p>Since 2018, MIF has become IDB Lab, boosting its characteristic development laboratory,</p>



	pioneer and leader in experimentation and impact evaluation.
Role / Roles of the investor	The MIF / IDB Lab mainly provides grants for technical assistance, technology transfer and training. - Financer
Character	- Public
Type	- Multilateral Development Bank
Investor Location	- Latin America and the Caribbean - North America
Geographical scope of investor action	LAC Region
Commitment to gender equality	As part of the IDB Inter-American Development Bank group, IDB Lab applies a gender equality strategy, both at a cross-cutting level and in most of the technical assistance and investment projects it executes. The institution publishes a multiannual action plan, carries out dissemination campaigns and, for some years, executes specific projects for each of the three gender lenses.
INTERMEDIARIES	
Name and description of the intermediary	GBA Global Alliance of Banks for Women, empowers women entrepreneur programs among the 46 member banks of the organization.
Role / Roles of the Intermediary	- Promoter of platforms and connection networks in the different ecosystem links (networks of investors, businesswomen or cross-cutting) - Creation / Adaptation of financial instruments
Type / Subtype	- Capacity builder - Organization of membership providing services to its member banks - Networking platform (sector)
Geographical scope of action	It has associated banks in the five continents. In the LAC region, the member banks are: BAC Credomatic of Costa Rica, Banco BHD León of Dominican Republic, BancoEstado of Chile, Banco G&T Continental of El Salvador, Banco Nacional de Costa Rica, Banco Pichincha of Ecuador, Banistmo of Panama, BanRegio of Mexico and Itaú Bank of Brazil.
INTERMEDIARIES	
Name and description of the intermediary	Banks and financial institutions in the target countries. The banks are Scotiabank (Jamaica), BHD León (Dominican Rep.), Banco Industrial (Guatemala), Banco G&T Continental, Banco Agrícola, Banco Davivienda (El Salvador), Lafise Bancentro (Nicaragua), Banco Nacional, BAC San José (Costa Rica), Banistmo, Banco Delta (Panama), Banco Pichincha, Banco D-MRO (Ecuador), Itaú Unibanco (Brazil), Banco Economico (Bolivia), Interfisa Banco and Banco Regional (Paraguay).
Role / Roles of the Intermediary	- Finance final beneficiaries (commercialize the financing) - Resource Mobilizer - Creation / Adaptation of financial instruments
Type / Subtype	- Financial - Commercial Bank
Geographical scope of action	LAC Region
DEMAND	
Name / Profile of Beneficiary Organizations	Companies owned or run by women according to the eligibility criteria of each intermediary and within the scope agreed with the funders.
Type	- Company owned / led by women
Size	- Small and medium enterprises
Development stage	- Early stage - Growth / consolidation stage
Geographical scope of action	LAC Region
OVERALL ASSESSMENT	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as	



potential allies of the mechanism to be established by UN Women

Information sources:

- <https://connectamericas.com/es/content/fomin-incentiva-nuevos-modelos-de-financiamiento-para-las-mujeres-emprendedoras>
- <https://www.iadb.org/es/resources-businesses/fondo-multilateral-de-inversiones>
- <https://www.iadb.org/es/acerca-del-bid/estrategias>
- <https://www.smefinanceforum.org/post/women-entrepreneurship-banking-by-the-idb>
- <https://idbinvest.org/en/news-media/idb-invest-finances-women-owned-msmes-brazil-together-itaunibanco>

Women Entrepreneurs Opportunity Facility (WEOF)

ID	
Name of the initiative	Women Entrepreneurs Opportunity Facility (WEOF)
Short description	<u>Initiative</u> aimed at the empowerment of women through credit access for SMEs owned by women in developing countries. The <u>overall</u> objective <u>amount</u> of the credit mechanism was \$ 600 million, which would be specifically allocated to loans for women. The International Finance Corporation (IFC) contributed \$ 100 million and the Goldman Sachs Foundation \$ 40 million. The initial objective of the fund has been exceeded and currently the amount of credits granted already exceeds \$ 1 bn.
Promoting entities that create and lead the initiative	Goldman Sachs Foundation - Investor International Finance Corporation (IFC) - Initial investor and financial intermediary
Allied players	In 2017, IFC launched the <u>Women Entrepreneurs Debt Fund</u> to facilitate the participation of new investors willing to provide additional financing. Other funding was obtained through Swedfund, the Swedish Pension Fund AP2 or public financial development entities such as, for example, the <u>OPIC</u> Development Finance Institution in the United States or the <u>FMO</u> in the Netherlands. - Investors Collaborating financial entities (26 institutions in 26 countries). Collaborating banks grant loans within the mechanism. - Financial intermediaries
Country or countries where it operates	<u>26 developing countries</u> (Brazil, Vietnam, India, Lebanon, Kenya, Cambodia, China, Mongolia, Sri Lanka, Dominican Republic, Chile, Costa Rica, etc.)
Gender lens (es) targeted	- Access to capital for women entrepreneurs and companies led by women: oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	March 2014
Contact person	José Felix Etchegoyen, IFC Banking on Women specialist in charge of the LAC region Nathalie Hoffman, IFC gender coordinator for the LAC region.
Email	jetchegoyen@ifc.org nhoffmann@ifc.org
Phone / Skype	+1 (202) 458-7035
Web / Link	www.ifc.org
In case of financing initiative indicate the type of instrument	- Bank loans (commercial, investment banks, etc.) - Banking and financial products for women and companies led by women - Institutional and BMD investment in commercial banks and others
Other initiatives and instruments	



Status of implementation of the initiative	- Active The initiative term for its implementation was 10 years.
NEED	
Description of the existing need	Women own or manage a little more than a third of small and medium-sized enterprises (SMEs) in emerging markets. Around 70% of formal SMEs owned by women in developing countries are excluded by financial institutions or cannot receive financial services in adequate conditions to meet their needs. This results in a credit deficit for formal SMEs owned by women of at least US \$ 287 million annually.
Group in need (Final beneficiary)	- Women business owners
Identified risks and challenges	<p>Most studies show the <u>need for global approaches</u> to address gender inequality in access to credit.</p> <p>Risks: That the greater ease of access to credit is not supported by changes on other fronts: access to the technology necessary to manage a company, lack of networks and knowledge resources, legal, regulatory and political obstacles to property and development of companies, ability to sign contracts, etc.</p> <p>Challenges: 1) In addition to access to credit, there is a need for other types of support for women, such as basic access to services such as health and education: women in the workplace should have access to childcare as well. If access to childcare services is not improved, many women entrepreneurs will not be able to fully grow their businesses. 2) A holistic solution aimed at the private sector is required to ensure that the support provided is sustainable and benefits women in a meaningful, measurable and scalable manner. It is essential to develop adapted financial services and financial infrastructure that correspond to the business needs of women-owned businesses.</p>
OBJECTIVES	
Description of the objectives	Double objective: expand access to finance for women-owned SMEs in developing economies and demonstrate to the investor market the commercial viability of investing in women. Specifically, provide access to capital to 100,000 women, stimulate economic growth and build stronger and more prosperous communities.
Target country or region	Developing countries. The initiative is currently present in <u>26 countries</u> .
Incidence in LAC region	Several countries: Dominican Republic, Brazil, Costa Rica, Chile.
Incidence in Win Win countries	- Brazil - Costa Rica - Chile
Commitment to gender equality	- Access to capital of women entrepreneurs and companies led by women: oriented to gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Gender lens (own classification)	Lens 1: - Access to capital for women and / or enterprising companies
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The <u>background</u> to this initiative is the Banking on Women initiatives of the IFC (see file) and the 10,000 Women initiative of Goldman Sachs launched in 2008.
Description of the financial instrument and its operation	<p>Mechanism dedicated to facilitating access to credit to small and medium-sized enterprises owned by women in developing countries. These are traditional bank loans, granted in preferential terms regarding risk and cost to commercial banks to stimulate their granting to women.</p> <p>The service also provides experience to financial institutions to develop services offer for female clients; it provides and mobilizes investments to financial institutions to finance the growth of their loan portfolios to women-run businesses, and advises for financial institutions to increase and improve services to women.</p> <p>IFC finances investments from a combination of its own account and from mobilized investors, and uses performance incentives, first loss financing and advisory services co-financed with selected projects.</p> <p>The Goldman Sachs Foundation committed US \$ 43 million in donations: a) reimbursements</p>



	<p>to financial institutions on the interest rates and costs of currency swaps by reaching the pre-established objectives to finance SME women, b) first losses due to risk distribution services in the portfolios of loans to women SMEs, c) cost sharing of advisory services from banks to financial institutions to create platforms for women clients, and d) feasibility studies research, business development, dissemination of knowledge, personnel / experience, supervision and evaluation, and administration fees.</p>
<p>Name of the players involved and type of entity in each case</p>	<p>IFC and the Goldman Sachs Foundation. - Initial investors</p> <p>In 2017, IFC launched the Women Entrepreneurs Debt Fund to facilitate the participation of new investors willing to provide additional financing. Among those, Swedfund, the Swedish Pension Fund AP2 or public financial development entities such as, for example, the OPIC or the Dutch FMO joined the initiative. - Investors</p> <p>IFC and Goldman Sachs Bank grant loans to banks in the wholesale market, part of which are finalists for women-owned businesses. - Financial intermediaries</p> <p>Placement agencies: facilitating intermediaries for the distribution of funds to retail intermediaries. International Finance Corporation (IFC) - Financial intermediaries</p> <p>Financial intermediaries (a total of 26 in 26 countries): the collaborating banks receive a loan from IFC of the wholesale intermediaries to market it in the retail market to women-owned SMEs. - Financial intermediaries</p> <p>Beneficiaries: SMEs owned by women. - Last beneficiaries (demand)</p>
<p>Operation of the investment initiative</p>	<p>When a capital wholesale market placement agency is commissioned to place a loan to a commercial bank in a developing country, Goldman Sachs or IFC invite them to participate.</p> <p>When this occurs, <u>within its usual activity</u> IFC grants loans to banks in developing countries. According to the bank that receives the loan, IFC assigns a portion of the loan (normally at least 25% is established) to the WEOF Mechanism, which provides part of the financing.</p> <p>With this funding, the collaborating banks commit and grant loans to small and medium-sized businesses owned by women in their countries. That is, collaborating banks must dedicate at least 25% of the total credit received to loans for SMEs owned by women.</p> <p>In the case of Goldman Sachs (Bank) the operation would be very similar, when Goldman Sachs receives the order, either directly or through a placement agency, they grant a loan to a bank in a developing country and offer the possibility that part of the financing is made through the WEOF Mechanism, the percentage being the same as in the case of the IFC: 25%. These credits can be individual, when Goldman Sachs is the only lender, or <u>syndicated</u> , that is, in addition to Goldman Sachs or IFC other entities contribute within the total loan.</p> <p>In order to make loans to women's businesses more attractive, the interest charged to the banks to which the loan is granted is reduced if certain loan objectives are reached for women's businesses, the "first loss" risk of the women loan portfolios. This means that the WEOF mechanism, and not the banks that grant loans to women, are the first to bear the losses resulting from possible non-payment of the loans. In addition to capital, the WEOF mechanism helps participating banks in the selection of the target customer and the solution of credit access problems.</p>
<p>Initial capital invested</p>	



(percentage, amount)	
Capital expected to be mobilized	It was expected to mobilize US \$ 600 million although this objective has been exceeded and the mobilized capital already exceeds US \$ 1 bn .
Eligibility criteria	Small and medium enterprises owned by women from developing countries.
Implementation time	
Expected financial return	- Obtain <u>preferential</u> performance (lower than market)
Payback of investment	
Gender impact measurement	- No
Impact measurement method (if any)	
Impact verification	
SUPPLY	
Name and description of the Investor	IFC, International Finance Corporation, is the institution within the World Bank group specializing in private sector financing operations. It is, therefore, a multilateral financial institution that offers its financial products and services in the markets with a per capita income below a certain threshold while capturing its resources in the financial markets, especially in developed countries. IFC works with more than 2,000 companies worldwide, using capital, experience and influence to create markets and opportunities in the most difficult areas of the world. In fiscal year 2018, it delivered more than US \$ 23 billion in long-term financing to developing countries.
Role / Roles of the investor	- Financer - Resource Mobilizer - Co-manager of the investment initiative - Strategic advisor and technical assistance IFC provides technical assistance and training to collaborating banks, those that distribute the mechanism's credit
Character	- Public
Type	- Multilateral Development Bank - Development Finance Institution
Investor Location	- North America
Geographical scope of investor action	Everyone with per capita income qualification already mentioned.
Commitment to gender equality	IFC has paid great attention to the GII so that several of its financing initiatives have the GII as an objective, for example, Banking on Women.
SUPPLY	
Name and description of the Investor	Goldman Sachs Foundation The Goldman Sachs Foundation is a private non-profit foundation based in New York, which is a subsidiary of the Goldman Sachs financial services firm and aims to improve humanity worldwide, especially in health and education.
Role / Roles of the investor	- Financer
Character	- Private
Type	- Foundation
Investor Location	- North America
Geographical scope of investor action	United States and United Kingdom, and developing or emerging countries
Commitment to gender equality	
SUPPLY	
Name and description of the Investor	Other public and private investors Among the private ones: Swedfund, the Swedish Pension Fund AP2.



	And among the public, public financial development entities are distinguished, such as Overseas Private Investment Office (OPIC) in the United States or the Entrepreneurial Development Bank (FMO) in the Netherlands.
Role / Roles of the investor	Investors. In 2016, IFC launched the <u>Women Entrepreneurs Debt Fund</u> to facilitate the participation of new investors willing to provide additional financing. Like the IFC or Goldman Sachs, they contribute to the capital that will be subsequently lent to the collaborating banks for granting loans to women-owned businesses.
Character	Both public and private.
Type	<ul style="list-style-type: none"> - Government - Development Finance Institution - Institutional Investor - Investment fund
Investor Location	Developed countries
Geographical scope of investor action	Worldwide
Commitment to gender equality	
INTERMEDIARIES	
Name and description of the intermediary	<p>Goldman Sachs Bank</p> <p>Goldman Sachs is one of the main wholesale banks in the world and, therefore, directs an important part of its usual activity in granting loans to other banks. This gives them a privileged situation when it comes to placing financial products with a gender approach for distribution among women worldwide and, on the other, they have in-depth knowledge of market operations that allows them to adapt these products to make them attractive to the market.</p>
Role / Roles of the Intermediary	
Type / Subtype	<ul style="list-style-type: none"> - Financial - Investment bank (intermediary in the wholesale market)
Geographical scope of action	Goldman Sachs is one of the main players and pioneers in the private financial sector in the gender equality commitment, through initiatives promoted by its foundation, both for the volume of resources it mobilizes and for its experience in promoting gender equality in the financial sector.
INTERMEDIARIES	
Name and description of the intermediary	Placement agencies
Role / Roles of the Intermediary	<ul style="list-style-type: none"> - Facilitate the distribution of loans to retail market banks by dividing them and make it easier to cover them in the wholesale market. Thus, in the example of the Daycoval bank, the US \$ 250 million loan was divided among 12 wholesale entities in the capital market.
Type / Subtype	<ul style="list-style-type: none"> - Financial - Financial services company
Geographical scope of action	Each agency distributes high-volume credits in a market.
INTERMEDIARIES	
Name and description of the intermediary	<p>Collaborating banks (26 banks in 26 countries).</p> <p>Identified example: Daycoval of Brazil. Daycoval is a medium-sized Brazilian bank that provides individual and corporate loans. With about 2,000 employees and a stock valuation of about 3,000 billion Rs, it manages an asset portfolio of just under 30,000 billion Rs. Current credit rating, July 2019, is BB- (Standard and Poors).</p>
Role / Roles of the Intermediary	<ul style="list-style-type: none"> - Finance final beneficiaries (commercialize the financing) <p>Following the previous example, Daycoval received a syndicated loan of US \$ 250 million granted by IFC and other 11 banks. Of this loan, US \$ 63 million will be allocated to loans for SMEs owned by women within the WEOF facility.</p>



Type / Subtype	- Financial - Commercial Bank
Geographical scope of action	In the example's case: Brazil. In terms of the global initiative: 26 countries.
DEMAND	
Name / Profile of Beneficiary Organizations	SMEs owned or led by women
Type	- Company owned / led by women
Size	- Small and medium enterprises
Development stage	
Geographical scope of action	Developing countries worldwide
OVERALL ASSESSMENT	
Innovations introduced	The mechanism is specifically dedicated to women-owned businesses, thus providing viability to facilitate credits with an explicit gender focus in countries where women have special access difficulties. In addition, this initiative is a boost to the awareness and training of retail financial entities, such as commercial banks collaborators, incorporating gender equality in their business portfolios and understanding the specific needs of women.
Identified challenges	Breaking corporate culture in a sector as traditional as the financial one. According to the World Bank report cited in the bibliography, this conservatism translates into barriers in women's access to credit. Given that the initial objectives have been widely exceeded, this initiative can be considered on track and it has become a role model.
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Both IFC and Goldman Sachs can become allies of UN Women given their commitment to the GII by contributing with their experience in the financial sector and their ability to mediate significant volumes of resources. In these operations, UN Women could provide related services such as impact measurement, accreditation, etc.

Information sources:

- Wikipedia
- https://en.wikipedia.org/wiki/10,000_Women
- IFC
- <https://CFIext.CFI.org/CFIext/pressroom/CFIPressRoom.nsf/0/46E12EAD05D0619B85257C9200595A41>
- https://www.CFI.org/wps/wcm/connect/news_ext_content/CFI_external_corporate_site/news+and+events/news/perspectives/perspectives-i1c6
- <https://ifcextapps.ifc.org/IFCExt/Pressroom/IFCPressRoom.nsf/0/ED2A2B17050EA8B885258291004BB72C>
- Goldman sachs
- <https://www.goldmansachs.com/citizenship/10000women/about-the-program/10kw-CFI-partnership-summary.pdf>
- <https://www.goldmansachs.com/citizenship/10000women/index.html#about-the-program>
- <https://www.goldmansachs.com/citizenship/10000women/news-and-events/vietnam-prosperity-bank.html>
- <https://www.goldmansachs.com/citizenship/10000women/capital-for-women-entrepreneurs/index.html>
- world Bank
- <http://documents.worldbank.org/curated/en/969911498960845681/pdf/Women-Entrepreneurship-Facility-06082017.pdf>
- Others
- <https://www.bnamericas.com/en/news/banking/CFI-mobilizes-11-banks-for-us250mn-financing-to-daycoval/>
- Interview with José Félix Etxegoyen and Nathalie Hoffmann, of the International Finance Corporation, on August 7, 2019



Women's Inclusion Portfolio (WIP)

ID	
Name of the initiative	Women's Inclusion Portfolio (WIP)
Short description	Investment fund with social and gender impact objectives. Among its products are the Women's Inclusion Portfolio (WIP), investment portfolio to invest in publicly traded securities (stock market), leading companies that recruit, advise and promote women to senior management positions. This project uses the commitment of shareholders to increase gender diversity and salary equality in companies.
Promoting entities that create and lead the initiative	VWP Investor Community - Investors Veris Wealth Partners (VWP) - Financial intermediary
Allied players	Aperio Group, an investment management company based on research and specialized in portfolios designed to measure for investors with high level of assets and funds.
Country or countries where it operates	USA
Gender lens (es) targeted	- Invest in companies that promote Gender Equality: Attract capital and invest in companies that promote gender equality in the workplace, in value chains and in the community (Lens 2)
Starting date	The fund was created in 2014, VWP was founded in 2007 as an investment fund manager
Contact person	Patricia Farrar-Rivas (CEO)
Email	https://www.linkedin.com/in/patricia-farrar-rivas-8014274
Phone / Skype	+ 1- 212.349.4172
Web / Link	https://www.veriswp.com
In case of financing initiative indicate the type of instrument	- Funds of publicly traded companies
Other initiatives and instruments	
Status of implementation of the initiative	- Active
NEED	
Description of the existing need	According to ILO studies, the employment gap for women is 49% in participation in the labor market, compared with 75% for men. Regarding the wage gap, in the US, the economic value of the average salary of women compared to that of men is 80%. Finally, regarding the participation of women in positions of responsibility, only one in five business leaders is a woman (McKinsey 2018), only 38% of managers and intermediate managers are women.
Group in need (Final beneficiary)	- Women business managers - Women workers in companies committed to gender equality
Identified risks and challenges	The fund is an initiative of a private investor and its objective is to combine the gender equality approach within listed companies with an expectation of market return or higher. Therefore, the greatest risk or challenge is of a financial nature, in terms of the volume of the investment and the return on the portfolio.
OBJECTIVES	
Description of the objectives	The objective of WIP is to position itself as a market return investment fund, composed of investments in listed companies that favor the incorporation of women to the boards of directors and high levels of leadership.
Target country or region	US only
Incidence in LAC region	
Incidence in Win Win countries	



Commitment to gender equality	Fully aligned with lens 2, on companies that promote gender equality: Attract capital and invest in companies that promote gender equality in the workplace.
Gender lens (own classification)	Lens 2: - Gender equality in the leadership positions of the beneficiary organization (Corresponds to WEP principle 1) - Gender equality in the workforce of the beneficiary organization (Corresponds to principle 2, 3 and 4)
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The fund, custom-designed by VWP, mandated by a client (identity unknown) together with the investment company Aperio, is structured around a completely diversified investment portfolio with leadership and gender impact. Aperio developed the criteria for selecting companies that recruit, advise and promote women to senior management positions.
Description of the financial instrument and its operation	It is an investment fund in listed companies of SMA type (Separately Managed Accounts) with reinforced gender criteria, and voting objective in the Boards of Directors of the listed companies. The minimum investment per company is US \$ 1,000,000, the current funds under management are US \$ 128,000,000.
Name of the players involved and type of entity in each case	On the fund-raising side: VWP Investor Community. The fund started with an investor passionate about gender equality with an investment of US \$ 9,000,000; today, more clients have been incorporated. - Investors Veris Wealth Partners (VWP). Structuring the fund, together with Aperio, designs the conditions of the vehicle and provides the first customer. - Financial intermediary Aperio Group. Partner of Veris, designs selection criteria and gives name to the fund. - Financial intermediary On the funds raised placement side: Companies listed in the US with advanced inclusion strategies for women in senior management positions. - Demand
Operation of the investment initiative	Aperio and VWP structure the investment fund for the promoter client following their mandate and on a custom design basis based on: Market exhibition Socially responsible indexing (ESG) Active tax management Inclination factors (investment strategies / economic factors) The design process and subsequent fund management follows the below phases: Clarify customer values and create policy and values statement. Exclusions, inclinations, activism. Custom design tool in ESG. Balance values and investment characteristics. Portfolio building compared to ESG strategies and monitoring of the expected return error versus reality. Optimization of social values. Implement portfolio and voting shares. Proxy voting system for clients (investors) in resolutions of the beneficiary companies. Sponsorship of resolutions initiatives in beneficiary companies. Follow-up and progress reports. Annual client report. Research and resources. At the tax level for different investment and / or donation policies. At the level of different impacts and values systems (general social, environmental, inclusion of women, LGBT, animalist, governance, ethnicities, religions, geographic or activism as a shareholder). In the case of the WIP fund, a strategy is emphasized in accordance with the eligibility criteria detailed below.
Initial capital invested (percentage, amount)	\$ 9,000,000
Capital expected to be mobilized	Mobilized to date US \$ 128,000,000
Eligibility criteria	Companies with more women in councils. Companies with the largest number of women in senior management.



	They offer equal access and respect for human rights. Companies that do not have at least one woman on board and at least one woman on the steering committee are excluded. Companies with more than 10% of income derived from adult entertainment are excluded.
Implementation time	
Expected financial return	- Get market performance
Payback of investment	
Gender impact measurement	- Yes
Impact measurement method (if any)	
Impact verification	- Financial intermediary of the initiative
SUPPLY	
Name and description of the investor	VWP Investor Community, the fund is started by an unknown promoter partner, more investors aligned with the objectives since 2014.
Role / Roles of the investor (in the context of the investment ecosystem with a gender focus)	- Financer
Character	- Private
Type	- Individual High Equity Investor
Investor Location	- North America
Geographical scope of investor action	USA
Commitment to gender equality	Passionate about gender equality and social impact. Expectations of return in this fund are market.
INTERMEDIARIES	
Name and description of the intermediary	Veris Wealth Partners (VWP), a fund that structures the portfolios and negotiates the entry and exit into the capital of the beneficiary companies. It also participates in the SAGE 2.0 research project of the gender lens market, together with the Wharton Social Impact Initiative.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Finance final beneficiaries (commercialize the financing) - Manager of the funded initiative - Capacity building, advice and / or support to investors.
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	USA
INTERMEDIARIES	
Name and description of the intermediary	Aperio Group LLC, a fund that selects investment strategies and structures the portfolios. Names the fund and designs investment and tax strategies for investors.
Role / Roles of the Intermediary (in the gender lens investing ecosystem)	- Capacity building, advice and / or support to investors.
Type / Subtype	- Financial - Fund Manager
Geographical scope of action	USA
DEMAND	
Name / Profile of Beneficiary Organizations	Companies listed on the US stock exchanges with women on boards of directors and senior management positions, according to the eligibility criteria mentioned above.
Type	- Company committed to equality
Size	- Large companies
Development stage	- Growth / consolidation stage
Geographical scope of action	USA



OVERALL ASSESSMENT

Innovations introduced

Identified challenges

Lessons learned

Main challenges and risks as potential allies of the mechanism to be established by UN Women

Information sources:

- <https://www.veriswp.com>
- <https://www.aperiogroup.com/about/overview/firm-profile>



Other instruments and players of the ecosystem

AMEXCAP

IDENTIFICATION	
Name of the initiative	AMEXCAP
Brief description	Women in Private Equity and Venture Capital Committee. Network connecting women investors in the Mexican venture capital market
Promoting entities that create and lead the initiative	Mexican Association of Private Capital (AMEXCAP) — Service Provider
Allied players	
Country or countries where it operates	Mexico
Gender lens(es) targeted	— Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	2018
Contact person	Sofia Garrido Freyria - Co-founder of AMEXCAP's Women's Committee
Email address	
Telephone / Skype	https://www.linkedin.com/in/sofiagarridofreyria/?originalSubdomain=mx
Web/ Link	https://en.amexcap.com/nav/about-amexcap/
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking among women investors
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	In Mexican investment funds, only 2% of the partners are women. According to APLI, only 11% of venture capital transactions in the Mexican market are carried out through companies co-founded by women. Therefore, of the \$1.2 billion of capital managed by the Mexican venture capital industry, only 100-120 million include startups with women on the founding team.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners
Identified risks and challenges	The main challenges in Mexico are of cultural and economic nature. On the one hand, men must be involved, so that they understand that without them and their support, there will be no change. Also, to change their stereotype of women and to be considered as individuals who have professional fields of interest. On the other hand, the idea of the entrepreneurial woman must be promoted, since only 6% of the companies created in Mexico are owned by women.
OBJECTIVES	
Description of the objectives	Generation of a community of women investors and construction of an active support network where an open exchange of ideas and information is performed, as well as building-up of knowledge and strengthening of the skills of women investors in Mexico. Generate a space to celebrate successes, learnings and share failures.
Target country or region	Mexico
Incidence in LAC region	Initially only in Mexico, although women members also invest in Europe and the USA
Incidence in Win Win countries	Not applicable
Commitment to gender equality	Initiative developed on the basis of gender commitment in an industry with a very small presence of women.



Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in finance and investment — Gender equality in the investor's internal practices
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START AND OPERATION THE INVESTMENT INITIATIVE

Background	Several of the founding women (María Ariza, Mariana Garzón, Christine Kenna, Sofia Garrido) had met at meetings of AMEXCAP and other informal women's associations (MBA Mujeres México). Likewise, this current platform in AMEXCAP has generated the creation of an Inclusion and Diversity Committee in the association. Today, more than 50 women from this industry are already part of this initiative.
Description of the instrument	Network to promote the presence of women entrepreneurs and women investors in the Mexican venture capital industry. It began as a non-formal platform, which has gradually become an institution within AMEXCAP.
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries
Name of the players involved and type of entity in each case	AMEXCAP. Mexican Association of Private Capital, A.C. is the employers' association where the Committee is maintained. AMEXCAP partner companies, today 120 members, including advisors, venture capital firms, institutional investors and family members.
Instrument operation	<p>The committee is a newly established body, operating informally and very specifically to try to create an environment conducive to the emergence of more women in the private equity industry. Therefore, it carries out acceleration and networking activities, and offers a mentoring space for women entrepreneurs, in a supportive environment. For example, the first session invited 4 women entrepreneurs to talk about their capital raising strategies, and they were given feedback on their way of presenting or pitching to investors. These sessions are repeated regularly.</p> <p>Closed-door networking sessions are also held, to talk in confidence with women who support investors in Latin America.</p> <p>On the other hand, they also create spaces to talk to experts in the industry, both men and women, to continue trying to improve skills and knowledge relevant to the sector.</p>

Mobilization of capital

INTERMEDIARIES

Name and description of the intermediary	AMEXCAP, Mexican Association of Private Capital Private equity and venture capital sector employers' organization in Mexico, made up of 110 private investment and advisory institutions. It comprises the sector interests, offers networking possibilities, courses, presentations, speeches, studies and other usual services of the employers' associations.
Role/Roles of the Intermediary (in the context of the gendered investment ecosystem)	— Promoter and creator of networks (networking)
Type / Subtype	— Capacity Builder — Networking Platform
Geographical scope of action	Mexico

DEMAND

Name/Profile of beneficiary organizations	Women working in the venture capital investment industry, whether partners or managers of companies in this sector.
Type	— Entrepreneur or fund partner — Directive of a fund
Size	
Stage of development	
Geographical scope of action	Mexico



OVERALL EVALUATION

Innovations introduced

Identified challenges

Lessons learned

Main challenges and risks as potential allies of the mechanism to be established by UN Women

Sources of information:

- <https://en.amexcap.com/content/objectives/>



Catalyst at Large

IDENTIFICATION	
Name of the initiative	Catalyst at Large by Suzanne Biegel (international expert in gender-lens investment and owner)
Brief description	Catalyst at Large is a partnership owned by international gender lens expert Suzanne Biegel, who leads a global community of investors and philanthropists that invest or want to invest with gender impact. It aims to connect those who want to invest with gender impact and those who need a boost to make it happen. Catalyst at Large provides consultancy, lectures and facilitation in the field of gender-sensitive investment. This covers the intersection of investment, philanthropy, international development and entrepreneurship. It seeks to expand the role of women in impact investing and to invest with a gender perspective.
Name of the promoting entities that create and lead the initiative	Suzanne Biegel (international gender lens investment expert and owner of) Catalyst at Large –Service Provider Women Effect (now part of the Wharton Social Impact Initiative) –Service Provider
Allied players	
Country or countries where it operates	United Kingdom
Gender lens (es) targeted	– Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	Ms. Biegel has been working as a mentor and business angel since 2000
Contact person	Suzanne Biegel
Email address	https://www.linkedin.com/in/suzannebiegel
Telephone / Skype	
Web/ Link	http://www.catalystatlarge.com/about
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	– Networking among women investors – Networking among women angel investors – Technical assistance and training
Status of implementation of the initiative	– Active
NEED	
Description of the existing requirement	Catalyst At Large understands that there is a need in the investment world to deepen the understanding of gender-lens investment, generate stable relationships with like-minded innovators and entrepreneurs, target investments to projects that maximize impact and profitability, discover opportunities in the gender-lens investment ecosystem, and foster communities that can move the system forward with greater speed.
Collective in need (Final beneficiary)	– Women entrepreneurs – Women business owners – Women business managers – Women working in companies committed to gender equality
Identified risks and challenges	As a consultant and advisor, Ms. Biegel and her company/initiative Catalyst at Large have been working on the gender lens ecosystem for twenty years. It also participates with the main players of the ecosystem in the study of the sector (WSII, Criterion Institute, etc.). The main challenge at this time is for gender-lens impact investment to go beyond the borders of the Anglo-Saxon world and to develop equally in the rest of the Americas, Europe and Asia.
OBJECTIVES	
Description of the objectives	Catalyst at Large aims to provide consulting, conference and brokerage services in the area of gender-lens investment.
Target country or region	UK and USA
Incidence in LAC region	Participated in the conception of the 2X Challenge and collaborated with CDC



Incidence in Win Win countries	
Commitment to gender equality	Absolute, with gender equality as the basis of their work at all levels.
Gender lens (own classification)	Lens 2: – Gender equality in the investor's internal practices
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	Catalyst at Large has participated in numerous developments of gender initiatives as well as gender ecosystem studies. The society is created in 2011 as an institutional configuration of the work and initiatives in which Ms. Biegel participates.
Description of the instrument	It is a limited partnership that brings together Ms. Biegel's involvement in studies, networking initiatives, acceleration projects, lectures and other gender ecosystem activities.
Type of service	– Capacity building, advice and/or support – Funds mobilizer
Name of the players involved and type of entity in each case	Suzanne Biegel and Catalyst at Large have participated as consultants in the following projects related to gender lens investment: Gender Smart Investment Summit 2X Challenge CDC Group DFI Gender Finance Collaborative CDC Group Gender Finance Systems Mapping Project Tribe Impact Capital Humanity United Working Capital Fund Getting Gender Smart - Impact Investing with a Gender Lens Course Duke University Criterion Institute Women Effect, today part of Wharton Social Impact Initiative Clearly Social Angels The Spring Accelerator Wharton Social Impact Initiative Project SAGE The Sky's The Limit – The Young Foundation
Instrument operation	Being an international expert, it is understood that the operation is that of a mediator, who tries to put in contact the agents and players needed for each initiative. Likewise, it is understood that she also leads a consulting team in the projects she participates in.
Mobilization of capital	One of the main areas in which the company and the specialist stand out is that of putting initiatives and companies in contact with potential investors, whether they are foundations, individual investors, large estates, investment funds, etc. Its detailed knowledge of the ecosystem allows to align opportunities and seek to meet investor expectations.
INTERMEDIARIES	
Name and description of the intermediary	Suzanne Biegel / Catalyst at Large. Company founded in 2011 with headquarters in London. Ms. Biegel began her career at IBM in the 1980s, developing two startups founded by IBM. In the 1990s, she was appointed General Manager of IEC, an education technology company. Since leaving IEC in 2000, Ms. Biegel has been a venture capitalist, business angel, philanthropist, member of various boards of directors, etc. She has held leadership positions in several companies and projects.
Role/Roles of the Intermediary (in the context of the gendered investment ecosystem)	– Strategic advisor and technical assistance – Promoter and creator of networks (networking) – Trainer and coach – Market maker – Supporting innovation
Type / Subtype	– Capacity Builder – Consultant
Geographical scope of action	United Kingdom
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	



Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <http://www.catalystatlarge.com/about>
- <http://www.womeneffect.com/what-is-gender-lens-investing>
- <http://www.womeneffect.com/about-women-effect>



Criterion Institute

IDENTIFICATION	
Name of the initiative	Criterion Institute
Brief description	It is a non-profit think-tank that works with players who promote social change to demystify finance and broaden their perspective on how to modify and interact with financial systems.
Promoting entities that create and lead the initiative	Criterion Institute — Non-financial intermediary / think tank
Allied players	Criterion Institute work with several associates like Calvert Foundation, The Caprock Group, Eileen Fisher Foundation, Fulcrum Capital, Grand Challenges Canada, Honeybee Capital, Trillium Asset Management, USAID or Veris Wealth Partners.
Country or countries where it operates	Worldwide
Gender lens (es) targeted	<ul style="list-style-type: none"> — Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2) — Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3) <p>In addition to the three lenses, through analysis and discussions with investment managers and advisors, Criterion concludes that the role of gender in investment analysis needs to be reformulated with a gender lens. The implications are as follows: Go beyond the internal company level and consider external and market concerns (e.g. in addition to women's participation in the company, look at patterns of domestic violence in the community). Change the understanding of gender patterns from static to dynamic Understand specific patterns that affect market risks and the performance of companies in a sector, industry or geography.</p>
Starting date	2002
Contact person	Joy Anderson
Email address	anderson@criterioninstitute.org
Telephone / Skype	joyfebos
Web/ Link	https://criterioninstitute.org/
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Think-tank that works on initiatives to use finance as a tool to create social change.
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	Need to transform financial decisions, breaking with existing assumptions and authorities, so that the financial system is used to generate social justice.
Collective in need (Final beneficiary)	— Women in general
Identified risks and challenges	<p>Certain assumptions, biases and confusion surrounding the use of the term gender. Lack of knowledge about investments with a gender lens, resulting in underdeveloped initiatives with little content. Expand the perception of the type of investments that can be made. Raise standards in public policy. Change the strategy of gender perception, moving from an identity perspective to a power perspective.</p>



	Analyze changing patterns and not see gender as static. Analyzing communities in localized environments
OBJECTIVES	
Description of the objectives	Addressing structural injustices through a perspective of power (who has it, who doesn't and why), transforming the language and processes of the financial system to build a more equitable future
Target country or region	Global
Incidence in LAC region	While no specific work has been identified for LAC, much of the Criterion Institute's resources are global in scope.
Incidence in Win Win countries	— Brazil — Costa Rica — Jamaica — Chile — Argentina — Uruguay
Commitment to gender equality	The Criterion Institute is a pioneering organization for its contribution to the creation of the gender-sensitive investments field through the intentional inclusion of gender into the financial analysis. This originally included the three gender lenses. However, the organization's mission has been evolving, aligning itself with a second definition of investment with a gender lens: the intentional use of finance as a tool for gender-equitable social change that considers the benefits for women and girls. Therefore, its analysis is based on a framework that ranges from counting the number of women involved to making gender assessments.
Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses Lens 2: — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP Principle 6) — Gender Equality in Finance and Investment — Gender equality in the investor's internal practices Lens 3: — Specific tailor-made products and services for women and/or girls — Products and services oriented to gender transformation processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	-
Description of the instrument	Think Tank created to challenge the limits on the use of finance as an instrument of social change. To achieve their objectives, they use a variety of resources, such as: reports, tools or workshops.
Type of service	— Promoter of new criteria, standards and strategies to obtain social change through finance.
Name of the players involved and type of entity in each case	Some associates and partners are: Calvert Foundation, The Caprock Group, Eileen Fisher Foundation, Fulcrum Capital, Grand Challenges Canada, Honeybee Capital, Trillium Asset Management, USAID or Veris Wealth Partners.
Instrument operation	Approximately 40% of the resources come from donor agencies. This facilitates the establishment of long-term collaborations with other organizations, without having to worry about identifying resources. The Criterion Institute works with multiple stakeholders to produce its reports, design its tools, or conduct its workshops: from Christian church representatives to explore the role of finance through the Church, to collaborations with other organizations such as the Global Fund for Women and the MS Foundation to report on strategies and recommendations for financial intermediaries, to development agencies such as USAID to do regional work on gender-sensitive investment in Asia. In addition to a permanent staff, Criterion has a Board of Directors, an advisory committee for gender-based violence and a number of advisors and partners, such as Suzanne Biegel or



	Sarah Kaplan.
Mobilization of capital	
INTERMEDIARIES	
Name and description of the Intermediary	<p>Criterion Institute</p> <p>Think Tank created to push the limits on the use of finance as an instrument of social change. They are the pioneers in defining the three gender lenses. To achieve their objectives, they use a variety of resources, such as: reports, tools, or workshops.</p>
Role/ Roles of the Intermediary	<p>— Capacity building, advice and/or support to investors.</p> <p>— Research, awareness raising and dissemination</p>
Type / Subtype	<p>— Capacity Builder</p> <p>— Think-tank</p>
Geographical scope of action	Global scope
OVERALL EVALUATION	
Innovations introduced	<p>Identify the three gender lenses.</p> <p>Identify investment biases.</p> <p>Expand the organization's mission to incorporate not only investments with a gender lens but to prepare people to participate in the process of making connections between gender and finance.</p> <p>Linking gender-based violence to finance.</p> <p>Influence financial institutions to integrate gender into their analyses, structures and processes.</p>
Identified challenges	<p>Expand the perception of what can be invested in.</p> <p>Raise standards in public policy.</p> <p>Change the strategy of gender perception, moving from an identity perspective to a power perspective.</p> <p>Analyze changing patterns and not see gender as static.</p> <p>Analyzing communities in localized environments</p>
Lessons learned	<p>Advocate for the use of gender analysis in finance</p> <p>Realigning power relationships through structures and terms</p> <p>Rethink the investment objectives and benchmarks against which they are measured</p> <p>Be intentional in the design of strategies, both internally and externally, to obtain the desired results</p> <p>Create space to design processes that allow for questioning existing assumptions, exploring multiple strategies and building trust during relationships with other players.</p>
Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>UN Women has established contact with the Criterion Institute for collaboration. The Criterion Institute is willing to collaborate once its strategy for UN Women's role in gender-responsive investment is formulated, as long as it is aligned with the organization's mission and objectives.</p>

Sources of information:

- <http://financialallianceforwomen.org/download/the-state-of-the-field-of-gender-lens-investing/>
- <https://www.usaid.gov/sites/default/files/documents/1861/Advancing%20Gender%20Lens%20Investing%20in%20Asia%20%282015%29.pdf>
- <https://criterioninstitute.org/resources/blueprint>
- <https://criterioninstitute.org/about/people>
- <https://criterioninstitute.org/explore/resources>
- <https://www.youtube.com/watch?v=WbtUvH1-YT8>
- Interview with Joy Anderson of the Criterion Institute, August 13, 2019



Gender Lens & Impact Measurement Fund

IDENTIFICATION	
Name of the initiative	"Gender Lens & Impact Measurement Fund"
Brief description	Grant fund to support partnerships between Small and Growing Businesses (SGBs) and research institutions on projects to measure the impact of gender initiatives.
Name of the promoting entities that create and lead the initiative	ANDE Aspen Network of Development Entrepreneurs network promoted by The Aspen Institute —Financial Intermediary IDRC International Development Research Centre (Canada) —Investor
Allied players	Research entities oriented to the development of metrics for impact evaluation with a focus on gender equality and inclusion. SGBs with a gender focus that wish to manage their impact on gender inclusion.
Country or countries where it operates	USA
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2) — Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3)
Starting date	June 2018
Contact person	Monica Ducoing
Email address	monica.ducoing@aspeninst.org
Telephone / Skype	Monaadg
Web/ Link	https://www.andeglobal.org/page/genderlens
In the case of a funding initiative, indicate the type of instrument	— Philanthropic capital, donations and grants
Other initiatives and instruments	
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	ANDE's research in LAC provides the following data on gender gaps: Only 15% of social enterprises have a female CEO (Chief Executive Officer). Only 22% of these social enterprises have at least one female founding partner. Only 8% of these companies have only women as founding partners, while for men the percentage is 78%. Only 20% of the companies studied are considered to be "in gender balance", i.e. they have between 30% and 70% of women in the management team. Only 11% of the companies analyzed include among their objectives, social impact with a gender lens. The startup of the project aims to advance the understanding of SGBs and gender inclusion through collaboration between social enterprises with a gender profile and research entities in short and medium-term projects.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners — Women workers in companies committed to gender equality — Rural women
Identified risks and challenges	The main risks relate to the characteristics of the grants in terms of implementation time,



	collaborating players and the alignment of expectations among partner players. Since the objectives are not long-term and given the differences between the partner institutions (company - researcher) that have to execute the projects, there are significant risks of differences in languages and adequacy of operating times.
OBJECTIVES	
Description of the objectives	The main objective of the grants is capacity building, experimentation and quick start impact assessment with a focus on gender and equality inclusion. The fund seeks to improve the rigour and quality of impact measurement practices in the sector so that SGBs can better manage its impact on gender equality.
Target country or region	LAC
Incidence in LAC region	Latin American and Caribbean countries exclusively.
Incidence in Win Win countries	<ul style="list-style-type: none"> — Brazil — Chile — Costa Rica — Argentina — Jamaica — Uruguay
Commitment to gender equality	The funding obtained with the amount of the grants is entirely dedicated to financing projects of inclusion and gender equality.
Gender lens (own classification)	<p>Lens 1:</p> <ul style="list-style-type: none"> — Access to capital for women's and/or entrepreneurs' businesses <p>Lens 2:</p> <ul style="list-style-type: none"> — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP Principle 6) — Gender Equality in finance and investment — Gender equality in the investor's internal practices <p>Lens 3:</p> <ul style="list-style-type: none"> — Specific tailor-made products and services for women and/or girls — Products and services oriented to gender transformation processes
IMPLEMENTATION AND OPERATION OF THE INVESTMENT INITIATIVE	
Background	The Gender Lens & Impact Measurement Fund has its origin in the ANDE Catalyst Fund (experimental funds) launched in 2009 with an endowment of US\$ 1,000,000 of seed capital provided by the Lemelson Foundation, the Bill & Melinda Gates Foundation and the Shell Foundation. Since then, grants worth more than US \$ 2.5 million have been awarded to more than 39 beneficiary organizations. The fund has received additional donations from the Citi Foundation, MasterCard Worldwide, Goldman Sachs 10,000 Women and S&P Global. The Gender Lens & Impact Measurement Fund round is sponsored and funded by IDRC Canada.
Description of the financial instrument and its functioning	This is a grant fund with an initial endowment of US \$ 150,000 to be distributed to 4-6 projects with a maximum amount of US \$ 35,000. Grants are awarded to partnerships of a research organization (lead researcher) and a business organization (lead practitioner), which will be an SGB or capacity building providers. Projects with a maximum duration of 12 months are eligible. These will be projects that carry out tests of methodologies, analytical innovations or data collection technologies that develop knowledge on the impact of SGBs on gender inclusion, as well as on the measurement of such impact. Since it is a non-refundable grant, there is no return.
Name of the players involved and type of entity in each case	<p>On the fundraising side:</p> <p>IDRC International Development Research Centre (Canada). The Canadian development agency provides the funds for the non-refundable grant program.</p> <p>-Investor</p> <p>ANDE Aspen Network of Development Entrepreneurs. It receives the money from the fund, carries out a tender based on of merit between alliances, offers services for the development of partnerships and awards the grants.</p> <p>-Financial intermediary</p>



	<p>On the raised funds placement side: Alliance / partnership between: Research entities oriented to the development of metrics for impact evaluation with a focus on gender equality and inclusion, and SGBs with a gender focus that wish to manage their impact on gender equality. These alliances submit competitive proposals, and, if awarded, sign grant agreements to implement their projects within 12 months — Organization/beneficiary company</p>
<p>Investment Initiative Operational</p>	<p>As part of its projects to support entrepreneurial sectors of SGBs (commercially viable companies with 5-250 employees, significant potential and growth ambitions) ANDE has mobilized various funds since 2009. In the area of gender, ANDE has promoted the Gender Lens & Impact Measurement Fund, with funding from the Canadian agency IDRC. In its first section, the Gender Lens & Impact Measurement Fund aims to promote collaborations between research organizations and entrepreneurs to manage and measure impacts with a gender lens. The objective is to increase the knowledge, rigour and quality of gender impact measurement practices so that SGBs and intermediaries can better manage impact and thus address the gender inequality gap and enhance balance and equality. The fund starts in June 2018 with the issuance of the RFP Request for Proposals, submission of projects and partnerships in October 2018 and proposal of successful bidders in February 2019. The prioritized projects will be those that: Incorporate the focus on measuring gender lens impacts for women's SGBs in LAC. Build capacity in the entrepreneurs for impact measurement, preferably through the provision of methodologies, tools and skills in the SGBs. Promote collaboration between research/academia and experts and companies and intermediaries. Focus on the inclusion of women participants and on the tools that serve this purpose. And create lessons and learning for the industry at large. No funding is provided for training, events, technology development or studies. The deadline for completion of projects is 12 months. Projects outside LAC are not considered; although comparative projects LA-Africa (South-South) will be prioritised. The projects awarded will provide a clear vision of the long-term benefits of each initiative for SGBs, industry and the academic community. The structure of the proposals is detailed in the RFP (including cover, organizational presentation, project description, list of other funders, total budget and breakdown, timetable) as well as the evaluation criteria: Clarity Feasibility and internal capacity Impact and relevance Relevance of the measurement approach Construction and capacity building in the field</p> <p>In the first two quarters of 2019, six proposals have been awarded for start-up: NESsT & Dr. Ruta Aidis. Bringing a gender lens to early stage investments for greater impact. Root Capital & Value for Women. Capacity building for SGBs to improve the climate resilience of women in the field Impact Hub & INCAE. How can SGB accelerators apply a gender lens to the measurement of programme activities and impact and become generators of gender equality in the SGB sector? Bolivian Catholic University San Pablo & Practical Action Bolivia. Tools for quantitative and qualitative measurement of the impact of including the gender perspective in productive development projects. MEDA, Agora Partnerships. GEMIM Pilot - Integrating Gender Equality into Impact Measurement People of the Future & WDI. Using gender impact data to develop strategies to increase women's engagement in the coffee sector (Colombia). The various initiatives are signing agreements with ANDE and starting the implementation of the projects.</p>



Initial capital invested (percentage, amount)	US\$ 150,000 from IDRC, an agency of the Government of Canada, in packages of up to US\$ 35,000 per grant
Capital expected to be mobilized	An additional US\$ 1,000,000 is being mobilized with the SGB Evidence Fund and is expected to increase it further.
Eligibility criteria	Alliances between SGBs/enterprises (minimum one) and research entities (minimum one) Projects in LAC Quick feedback projects, maximum 12 months
Implementation time	12-24 months
Expected financial return	— No return (grants)
Payback period	Not applicable
Measuring gender impact	— Yes
Method of measuring impact (if available)	Each project proposes a gender impact assessment methodology, and standard or other indicators designed specifically for the initiative can be used by the research entities. The main metric is the fulfillment of the particular objectives of each case. — A specific method created for the initiative
Impact verification	— Organization/beneficiary company
SUPPLY	
Name and description of the investor	IDRC International Development Research Centre (Ottawa, Canada) IDRC is a federal development agency established by the Parliament of Canada in 1970 with a mandate to initiate, promote, support, and research the problems of the developing regions of the world and the means to apply and adapt scientific and technical knowledge to the economic and social advancement of these regions. IDRC supports research in developing countries to create real and lasting change. This knowledge can be used as a tool to face global challenges, by sharing the tools with others through provision of financial resources, advice and training to researchers in developing countries so that they can find solutions to local problems, sharing knowledge with researchers, policy makers and communities around the world, promoting talent through scholarships and awards; and placing the knowledge developed in the hands of those who can best use it to address global challenges. IDRC has carried out more than 1,900 projects in the last decade.
Role/ Roles of the investor	— Financer
Character	— Public
Type	— Development Finance Institution
Inverter location	— North America
Geographical scope of investor	Developing countries, mainly South East Asia, LAC and Africa.
Commitment to gender equality	The agency has an important commitment to gender equality by requiring that its investments increase employment and economic opportunities for women and youth.
INTERMEDIARIES	
Name and description of the intermediary	ANDE Aspen Network of Development Entrepreneurs The Aspen Institute The Aspen Institute was founded in 1949 by Chicago businessman Walter Paepcke following a massive intellectual event that brought thousands of thinkers to Aspen, Colorado to celebrate the 200th anniversary of Goethe's birth. Today, the Aspen Institute is an educational and policy studies organization based in Washington, DC. Its mission is to foster leadership based on enduring values and to provide a non-partisan venue to discuss and address critical issues. The Aspen Network of Development Entrepreneurs (ANDE) is a global network of organizations (now 297 members) promoting entrepreneurship in emerging markets. Its members offer and provide crucial financial, educational and business services to SGBs based on the belief that these entities are job creators, long-term growth stimulators and environmental and social benefitters. As such, SGBs are able to lift countries out of poverty.
Role/ Roles of the intermediary	— Capacity building, advice and/or support to investors.



Type / Subtype	— Capacity Builder — Networking Platform
Geographical scope of action	Emerging countries: Andean Countries Brazil Western Africa East Africa South Africa Central America & Mexico India Southeast and East Asia
DEMAND	
Name/Profile of beneficiary organizations	SGBs that wish to build capacity to improve their gender equality impact measurement practices in the given geographical area.
Type	— Women-owned/leadership company — Company committed to equality
Size	ANDE defines a company profile, the SGB, different from the SME and determined by employment (5-250), growth potential and ambition and capital requirement of 20,000 - 2,000,000 US \$. — Micro and small businesses — Small and medium enterprises
Stage of development	— Growth/consolidation stage
Geographical scope of action	LAC (and Africa for comparison)
DEMAND	
Name/Profile of beneficiary organizations	Research entities that join the previous player in temporary alliances or partnerships to execute the awarded initiatives.
Type	— Other: Research Organization / Consultant
Geographical scope of action	LAC
OVERALL EVALUATION	
Innovations introduced	Development cases of gender lens evaluation metrics with a mixed academy/practice generation system and with a goal of disseminating and communicating learning to the LAC impact lens ecosystem.
Identified challenges	Different operational and temporal languages in academics and business players.
Lessons learned	They will begin to be documented in December 2019.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Search for clear metrics and documentation of impact in Spanish, attracting more players and the importance of contextualizing, documenting cases and lessons learned on the ground for the LAC ecosystem. The presence of UN Women is very necessary.

Sources of information:

- <https://www.aspeninstitute.org/>
- <https://www.andeglobal.org/page/AboutANDE>
- <https://www.idrc.ca/en/what-we-do/programs>
- <https://www.idrc.ca/en/stories/annual-report-2017-2018>
- <https://www.globalinnovationexchange.org/funding/gender-lens-impact-measurement-fund>
- https://www.andeglobal.org/page/MetricsConMex19?&hsearchterms=%22gender+and+lens+and+impact+and+measurement+and+fund%22&#rescol_6091403
- Interview with Monica Ducoing, Aspen Network of Development Entrepreneurs (ANDE), August 15, 2019



Equileap

IDENTIFICATION	
Name of the initiative	Equileap
Brief description	An organization that provides data and knowledge to measure, analyze and rank companies in developed countries that make a difference in gender equality and demonstrate how they benefit from improved performance (known as the gender dividend).
Name of the promoting entities that create and lead the initiative	Equileap —Service Provider
Allied players	Equileap has been supported by EY, Netherlands External Affairs Ministry, Wallace Global Fund, Oak Foundation, Barrow Cadbury Trust, Gapsquare, Friends Provident Foundation, The Educational Foundation of America, Tara Health Foundation, The Sigrid Rausing Trust and Simpson Thacher. Main clients are: Rothschild & Co, QBE, NN investment partners, UBS, storebrand, Swedbank, As You Sow, Clarity AI, M/Capital, Lyxor etf, Evolve ETFs, Impact Shares and Avanza.
Country or countries where it operates	Netherlands
Gender lens (es) targeted	— Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	2016
Contact person	Diana van Maasdijk - Co-founder and CEO
Email address	-
Telephone / Skype	-
Web/ Link	https://equileap.org
In the case of a funding initiative, indicate the type of instrument	Although it is not the bulk of its activity, with the net profits obtained and donations, Equileap carries out women's empowerment programs through soft loans and donations.
Other initiatives and instruments	— Company rankings — Gender Equality Indexes — Results matrix (scorecard) — Research reports
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	Limited availability of data on gender equality: data restricted both in scope within each company (e.g. focus exclusively on women on boards of directors) and in the number of companies included in the sample (small number of countries and sectors).
Collective in need (Final beneficiary)	— Women business managers — Women workers in companies committed to gender equality
Identified risks and challenges	Reliability and data errors Enlarge the sample of companies Other organizations involved in other data collection and measurement initiatives
OBJECTIVES	
Description of the objectives	To provide data and understanding about gender equity in the corporate sector through data collection and classifications of companies and indexes for investing in listed funds (ETFs) that are established, according to different criteria: gender balance, compensation and work-life balance, policies to promote gender equity and transparency.
Target country or region	Developed countries in Asia-Pacific, Europe and North America
Incidence in LAC region	None
Incidence in Win Win countries	None
Commitment to gender	The products (data, indexes, reports) show the organization's commitment to measuring and



equality	disseminating good practices carried out by companies internally in terms of gender equality, using the Women Empowerment Principles (WEP) as a reference.
Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> – Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) – Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) – Gender equality in the value chain (corresponds to principle 5) – Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP Principle 6)
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	-
Description of the instrument	<p>-Data about gender equity for use by professional investors, so that they can understand how gender equity impacts their investments</p> <p>-The Equileap results matrix (scorecard) is based on the Women Empowerment Principles, assigning a score and weight to questions aligned with 19 criteria, corresponding to 4 categories: gender balance, compensation and work-life balance, policies to promote gender equity and transparency/accountability.</p> <p>-Gender equity indices based on the Equileap results matrix (scorecard), so that quoted funds can invest in the companies that contribute most to gender equity.</p> <p>-Equileap publications focus on the analysis of companies with a strong gender equity focus, making use of the data collected. Some of the publications are regional in nature and also global, including Europe, Asia-Pacific and North America.</p> <p>-Through the Equileap Foundation, Equileap allocates all its benefits to support women and girls, addressing the causes of gender inequality. Equileap allocates resources for grants and soft loans to projects that empower women related to four themes: education, violence, education and discrimination at work.</p>
Type of service	– Promoter of criteria and standards for investor eligibility
Name of the players involved and type of entity in each case	<p>- Some of the clients that benefit from the data collected by Equileap: Rothschild & Co, QBE, NN investment partners, UBS, Storebrand, Swedbank, As You Sow, Clarity AI, M/Capital. Equileap has designed 5 indexes in conjunction with Solactive and Morningstar. Its clients include Lyxor ETF, UBS, Evolve ETFs, Impact Shares and Avanza.</p> <p>-For research report preparation, Equileap collaborated with: Sasakawa Peace Foundation, Tara Health Foundation, The Educational Foundation of America, The Grove Foundation, Barrow Cadbury Trust, Business & Human Rights Centre, Deilinden, Friends Provident Foundation, Generation Foundation, Hogan Lovells, Maastricht University, Dutch Ministry of Foreign Affairs, Open Society Foundations, The Sigrid Rausing Trust, Simpson Thacher and Triskeles Foundation.</p>
Instrument operation	<p>Equileap is divided into two entities. Through Equileap Investment Support Services, a non-profit company, it is dedicated to the research and development of the following solutions and services:</p> <p>-Gender equity data and the results matrix (scorecard): its sample includes 19 criteria from over 3,000 companies in 23 developed countries.</p> <p>-Indexes: Equileap publishes the information related to the methodologies of the 5 indexes it has designed together with Solactive and Morningstar. The indexes, prepared for listed funds (ETFs), comprise shares of listed companies that meet a liquidity criterion, a basic review of their environmental and social safeguard policies and an in-depth analysis using the criteria set out in the Equileap results matrix.</p> <p>-Reports on gender equality, Equileap sends a questionnaire to more than 3,000 companies listed in its database. Equileap tracks the level of accuracy of the data and possible errors and requests support where appropriate. The database is constantly updated.</p> <p>Through the Equileap Foundation, they carry out grant and soft loan projects, which are financed from the net benefits of Equileap and donations. In the case of donors, the donated funds are earmarked for one or more programs chosen by the donor.</p>
Mobilization of capital	-



Name and description of the intermediary	Equileap An organization that provides data and knowledge to measure, analyze and rank companies in developed countries that make a difference in gender equality and demonstrate how they benefit from improved performance (known as the gender dividend).
Role/ Roles of the intermediary	— Promoter of certifications/Indexes/Ranking of companies committed to gender equality — Research, awareness and dissemination
Type / Subtype	— Capacity Builder — Consultant
Geographical scope of action	Asia-Pacific, Europe and North America
OVERALL EVALUATION	
Innovations introduced	Ranking of large consolidated companies. Specialization in developed countries. Double legal figure to offer services and to carry out projects.
Identified challenges	By specializing in developed countries, they have not had experience in Latin America. Chile's option to initiate data collection and measurement could be explored, with a view to introducing it into the region.
Lessons learned	-
Main challenges and risks as potential allies of the mechanism to be established by UN Women	At the moment, the entity is not working in the Latin American region

Sources of information:

- <https://equileap.org/>
- <https://www.solactive.com/wp-content/uploads/2017/09/Solactive-Equileap-North-American-Gender-Equality-Index-1.pdf>
- <https://equileap.org/wp-content/uploads/2018/10/Equileap-Gender-Equality-Global-Report-and-Ranking-2018.pdf>



Financial Alliance for Women (FAW)

IDENTIFICATION	
Name of the initiative	Financial Alliance for Women (FAFW). Former Global Banking Alliance for Women (GBA)
Brief description	Consortium of 55 financial institutions interested in creating wealth for women worldwide.
Promoting entities that create and lead the initiative	FAFW —Service Provider
Allied players	FAFW has the following partners with whom it seeks to promote the economic empowerment of women. Strategic partners: Data2x, FMO, IDRC, IFC. Knowledge partners: Mercer and McKinsey. Promotion partners: Alliance for Financial Inclusion (AFI), SME Finance or W20.
Country or countries where it operates	United States
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2000
Contact person	Inez Murray, Rebecca Ruf
Email address	inez.murray@financialallianceforwomen.org, rebecca.ruf@gbaforwomen.org
Telephone / Skype	
Web/ Link	https://financialallianceforwomen.org/
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking between financial institutions — Technical assistance and training
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	Unlocking the potential of the women's market, including financial and non-financial services adapted to women's needs, services to manage women's assets, insurance products for women and the inclusion of women in the financial sector
Collective in need (Final beneficiary)	— Women in general
Identified risks and challenges	In relation to financial services offered to women, data collected by FAFW indicate that the lack of representation of women in banks worldwide persists: lower % of female clients, lower share of loans and lower share of deposits. In addition, on average, the amounts of loans women receive are lower and they have less savings. As for the presence of women in the financial sector, despite the fact that they represent almost half of the companies' payroll, they are less represented on the boards of directors and in management positions.
OBJECTIVES	
Description of the objectives	Through the sharing of good research and impact practices, FAFW seeks to empower women economically and financially by catalyzing private sector resources to drive women's economic development.
Target country or region	Global
Incidence in LAC region	There are no restrictions in the countries where the initiative operates. However, at present the members of the region are from Mexico, Honduras, Costa Rica, Panama, Dominican Republic, Ecuador, Brazil and Chile.
Incidence in Win Win countries	— Brazil — Costa Rica — Chile
Commitment to gender equality	There is a commitment to gender equality, as all their activities are aligned with one of the three gender lenses.



Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	It was created as the Global Banking Alliance for Women in 2010. However, in recent years, non-banking organizations such as AXA or MasterCard have joined as members of the alliance. This prompted a change in name to the Financial Alliance for Women.
Description of the instrument	The FAFW has 55 members worldwide, consisting of financial service provider and insurance organizations. One of FAFW's outstanding products is its peer learning method, which involves members sharing information with each other about best practices and market knowledge. FAFW also conducts research and knowledge products with information obtained from its members. Finally, FAFW participates in initiatives to increase the availability of sex-disaggregated data, through reports that argue the need for data, mapping challenges and offering solutions to overcome them.
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries — Capacity building, advice and/or support — Data Generator
Name of the players involved and type of entity in each case	FAFW has 55 members, consisting of financial and insurance organizations. It also has strategic partners, such as Development Finance Institutions (DFIs), like the IDB, IFC or ERBD, and foundations. FAFW works in a complementary way with these strategic partners by identifying clients, socializing the concept of women's market and encouraging financial or insurance organizations to become members of the alliance. Knowledge Partners: large consulting companies that provide free support related to knowledge and strategy. Since 2018, Mercer supports various activities, such as: design of sessions in annual summits or webinars. They have been working with McKinsey for 7 years, and have helped develop FAFW's strategy as an organization, data strategy or exploring new issues. Promotion Partners: partners with whom to join efforts to participate in panels, presentations, etc. The following are some of the most important financial institutions in the world, such as: Alliance for Financial Inclusion, SME Finance, AFI or W20.
Instrument operation	Peer learning: it consists of sharing with each other, best practices and knowledge about the functioning of the women's market, by the different partners. Includes: annual summit, which is the flagship event, its All-Stars Academy, aimed at increasing the financial services community's capacity to enter the women's market, study tours, mentoring, among others. Knowledge products: with the information gathered, FAFW publishes case studies, reports on specific topics and practical guides. They also have a data analysis program available to members. Finally, they also conduct tactical research to understand market opportunities and how financial service providers can take advantage of them. Some examples of these products are: the Access Bank case study or the collaboration with Mastercard to create the Women by Design campaign, FAFW, Data2X, the Inter-American Development Bank, the IFC, the World Bank, the IMF and the Alliance for Financial Inclusion (AFI) joined forces through the Women's Financial Inclusion Data (WFID) collaboration. Through this collaboration, they have created reports on the need for sex-disaggregated data. Its most recent publication is "The Way Forward: How Data Can Propel Full Financial Inclusion for Women"
Mobilization of capital	-
INTERMEDIARIES	
Name and description of the intermediary	Financial Alliance for Women (FAW) Consortium of 55 financial institutions interested in creating wealth for women worldwide. The Alliance provides member financial institutions with access to a global distributor of best practice information and a platform for peer learning, as well as resources to serve their clients, promoting greater awareness of the economic role of women as consumers, investors and entrepreneurs and job creators.
Role/Roles of the intermediary	— Capacity building, advice and/or support to investors. — Research, awareness-raising and dissemination.



	— Resource Mobilizer.
Type / Subtype	— Capacity Builder — Networking and good practice sharing platform
Geographical scope of action	Global
INTERMEDIARIES	
Name and description of the intermediary	Strategic partners Developmental Financial Institutions, such as IFC, ERBD, etc. and foundations
Role/Roles of the intermediary	— Resource Mobilizer — Creation / adaptation of financial instruments
Type / Subtype	— Financial — Multilateral Development Bank — Others — Foundations
Geographical scope of action	Global
INTERMEDIARIES	
Name and description of the intermediary	Knowledge Partners: Mercer and McKinsey Both are global consultants. Mercer is a human resources consulting company. McKinsey is a strategic consulting firm.
Role/Roles of the intermediary	— Capacity building, advice and/or support to women entrepreneurs — Capacity building, advice and/or support to investors. — Research, awareness and dissemination
Type / Subtype	— Capacity Builder — Consultant
Geographical scope of action	Global
INTERMEDIARIES	
Name and description of the intermediary	Supporting partners: Alliance for Financial Inclusion, which empowers policy makers to increase access to quality financial services for poor populations. The W20 is the G20 commitment group that seeks to give voice to civil society and address the challenges of member states to promote women's economic empowerment, ensure women's rights and gender equity
Role/Roles of the intermediary	— Promoter of platforms and connection networks in the different links of the ecosystem (networks of investors, entrepreneurs or both) — Public policy promoter
Type / Subtype	— Institutions — Public policy and regulation
Geographical scope of action	Global
OVERALL EVALUATION	
Innovations introduced	Its main innovation is Peer Learning, through which members share information with each other about best practices and how to know the market. The Women's Financial Inclusion Data (WFID) initiative is also innovative because it brings together several relevant ecosystem partners to promote disaggregated data collection.
Identified challenges	Creation of new products Standardization of KPIs (key performance indicators) common to all players
Lessons learned	Importance of using information collected by partners to generate reports Relevance of advocating for the generation of disaggregated data Collaborations with different partners: strategic, knowledge and support
Main challenges and risks as potential allies of the mechanism to be established by UN Women	Ensure that UN Women coordinates with other players (IDB, OPIC, etc.) and that not all institutions work with the same players or market segments. The UN has a unique position with governments, so it could favour public-private partnerships and the promotion of public policy. The UN presence on the ground can ensure that initiatives are made at the local level. UN Women can be difficult to understand in terms of collaboration. Facilitate collaboration with other players.



Sources of information:

- <https://financialallianceforwomen.org/>
- <https://www.axa.com/en/newsroom/events/global-banking-alliance-summit>
- http://wwqw.gbaforwomen.org/docs/Corporate-Fact-Sheet_0920_ESP_single.pdf
- http://thiswww.gbaforwomen.org/docs/gba_winningwomenswealth_Brochure_Spanish.pdf
- Interview with Inez Murray and Rebecca Ruf from FAFW on August, 23 2019



Gender Futures / The Young Foundation

IDENTIFICATION	
Name of the initiative	Gender Futures / The Young Foundation
Brief description	Network of Impact Investors and Gender-Sensitive Investors. The UK Young Foundation's Gender Futures initiative focuses specifically on identifying and promoting businesses that address structural gender inequality, social innovation, and the creation of a centre of excellence and potential fund for investment in gender lenses.
Promoting entities that create and lead the initiative	The Young Foundation —Service Provider
Allied players	
Country or countries where it operates	United Kingdom
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2015
Contact person	Ceri Goddard - Director
Email address	
Telephone / Skype	https://www.linkedin.com/in/ceri-goddard-133b6242/
Web/ Link	www.youngfoundation.org
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking between investors and companies
Status of implementation of the initiative	— Finished (last tweet of the Twitter account in March 2016)
NEED	
Description of the existing requirement	The foundation's research showed that, although today in the UK many people think that gender equality is something already achieved (as the country that promotes most of the feminism initiatives), many gaps and inequalities still remain, such as a salary gap of 19% in favour of men, a harassment rate of 65% for young LGBT people and a proportion of 80% of men on university teaching staff. These and many other areas of inequality were detected by The Young Foundation in its work Unequal Nation.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners — Women business managers — Women working in companies committed to gender equality
Identified risks and challenges	The main difficulty in this project is the lack of communication between gender activists and organizations involved in social innovation. The project seeks to overcome this obstacle by creating a network that connects both parties so that gender innovation can be accelerated. The first initiative is a research report on investing in gender lenses.
OBJECTIVES	
Description of the objectives	Using social innovation to address the structural causes of gender inequality in the UK, linking social innovation networks with gender accelerators.
Target country or region	United Kingdom
Incidence in LAC region	No
Incidence in Win Win countries	
Commitment to gender equality	Gender-lens investment in the UK is the subject of his first report, "The Sky's The Limit".
Gender lens (own)	Lens 1:



classification)	— Access to capital for women's and/or entrepreneurs' businesses
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The foundation has four research and activism programs, one of which, Inequality, is the framework for the birth and development of this initiative.
Description of the instrument	The instrument appears to have been completed after one year (2015-2016). Several outreach events and meetings held under the umbrella of Gender Futures are listed on the twitter account, as well as the publication of the aforementioned report on gender-lens investment. There is no data on investments or beneficiary organizations.
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries
Name of the players involved and type of entity in each case	The Young Foundation — Service Provider
Instrument operation	As far as the operation of the instrument is concerned, there are no data on the functioning. The instrument was intended to offer: Resources, space and platform. Strategic support programmes. Partnerships with the education sector. Cultural industries laboratory. Accelerator and incubation. Investment fund. Collaborators on “The Sky's The Limit” report: Barrow Cadbury Trust Big Society Capital Suzanne Biegel, Catalyst at Large Jonathan Jenkins, Social Investment Business Emma Stewart, Timewise
Mobilization of capital	
INTERMEDIARIES	
Name and description of the intermediary	The Young Foundation is a non-profit organization, based in London, whose objectives are to highlight the power of social innovation to address and mitigate the structural causes of inequality. This is the new name of the former ICS Institute for Community Studies, founded by Labour politician Michael Young in 1954. It merged in 2005 with the Mutual Aid Centre.
Role/Roles of the intermediary	— Promoter and creator of networks (networking)
Type / Subtype	— Capacity Builder — Networking Platform
Geographical scope of action	United Kingdom
DEMAND	
Name/Profile of beneficiary organizations	In principle, companies and organizations that combine social innovation with gender equality to be able to offer gender innovation initiatives.
Type	— Company committed to equality — Social organization with commercial activity
Size	
Stage of development	
Geographical scope of action	United Kingdom
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	



Sources of information:

- <https://youngfoundation.org/social-innovation-investment/gender-equality-got-social-innovation/>
- <https://youngfoundation.org/publications/the-skys-the-limit/>
- <https://twitter.com/GenderFutures>



IDB Invest Gender Strategy

IDENTIFICATION	
Name of the initiative	IDB Invest Gender Strategy
Brief description	<p>The IDB Invest gender strategy is a cross-cutting priority of the organization, which aims to integrate the gender approach both internally in the organization and externally in the clients of the various sectors in which it works, including the financial sector, infrastructure, manufacturing, tourism and telecommunications.</p> <p>Internally, as part of the IDB Group, they promote an inclusive environment, capitalizing on the strengths of the entire team and measuring performance against global benchmarks.</p> <p>In relation to the external commitment to its partners in terms of gender equality, the organization offers gender advice and tools, ranging from the definition of the strategy with a gender perspective to the evaluation of the results.</p> <p>The Gender and Diversity Division (GDD) is primarily responsible for promoting the Bank's support for gender and diversity issues. It works every year with each sector division to determine which loan operations in the inventory offer the possibility of integrating a gender approach. It also provides staff and consultants to work with divisions on integrating gender into operations. It is also responsible for developing a relatively small portfolio of loans and technical cooperation operations that invest directly in gender and diversity issues. And finally, it conducts its own research, collaborates with other divisions and organizes policy dialogues and outreach activities in the region to foster the development and dissemination of knowledge related to gender and diversity issues.</p>
Name of the promoting entities that create and lead the initiative	<p>IDB Invest</p> <p>—Financial Intermediary</p>
Allied players	<p>The United Nations Global Compact, UN Women and IDB Lab, for WEP (Women Empowerment Principles) tool design</p> <p>EDGE Certified Foundation, developer of the EDGE certification methodology and standard.</p> <p>S-Network Global Indexes and Thomson Reuters, to create IndexAmericas sustainability index.</p> <p>ESADE Business School, contributors to the Investment Report with a gender approach: how finances can accelerate gender equality for Latin America and the Caribbean</p>
Country or countries where it operates	Latin America and the Caribbean (LAC)
Gender lens (es) targeted	<ul style="list-style-type: none"> — Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2) — Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3)
Starting date	Gender equity and diversity was incorporated into the first Update of the Institutional Strategy 2016-2020 (UIS), approved by the Governors in March 2015, which sets the strategic direction for the IDB Group for the period.
Contact person	Stephanie Oueda
Email address	STEPHANIEO@iadb.org
Telephone / Skype	+12024127608
Web/ Link	www.idbinvest.org
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	<ul style="list-style-type: none"> — Networking in the value chain — Diagnostic tools for GI in working environments



	<ul style="list-style-type: none"> — Gender Equality Indexes — Technical assistance and training
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	The LAC area presents gender gaps in women's participation in the workforce, entrepreneurship and leadership. In addition, IDB Invest clients often find that they do not know how to promote the advancement of women and gender equality. On the other hand, women are under-served by the financial sector. In this respect, it is worth noting: (i) credit gap in the region for women entrepreneurs with innovative, scalable and high-growth businesses of US \$ 5 billion for women's microenterprises and US \$ 93 billion for SMEs led by women; (ii) lack of priority for gender diversity strategy in the region's companies; (iii) lack of investment in companies that develop products and services that positively impact women.
Collective in need (Final beneficiary)	— Women in general
Identified risks and challenges	<p>Women trapped in the informal sector, unable to grow beyond a micro-enterprise.</p> <p>Greater responsibility at home.</p> <p>Less knowledge about funding opportunities.</p> <p>Few model women in the business world.</p> <p>Lack of support networks.</p> <p>Lack of capital and assets and therefore difficulties in accessing financing.</p>
OBJECTIVES	
Description of the objectives	To supply value-added advisory and knowledge services to support clients in creating organizational change that will help provide women with more opportunities in the workplace, the marketplace and the community, as leaders, employees, entrepreneurs, investors and consumers.
Target country or region	Latin America and the Caribbean LAC
Incidence in LAC region	LAC region as a whole
Incidence in Win Win countries	<ul style="list-style-type: none"> <li style="width: 33%;">— Brazil <li style="width: 33%;">— Costa Rica <li style="width: 33%;">— Jamaica <li style="width: 33%;">— Chile <li style="width: 33%;">— Argentina <li style="width: 33%;">— Uruguay
Commitment to gender equality	Commitment by the IDB Group at the internal level of the institution, through the creation of an inclusive environment, which includes: obtaining EDGE Assess certification for its commitment and progress in areas such as gender balance throughout the talent pipeline, gender equality policies and practices, and pay equity.
Gender lens (own classification)	<p>Lens 1:</p> <ul style="list-style-type: none"> — Access to capital for women's and/or entrepreneurs' businesses <p>Lens 2:</p> <ul style="list-style-type: none"> — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP Principle 6) — Gender equality in finance and investment — Gender equality in internal investor practices <p>Lens 3:</p> <ul style="list-style-type: none"> — Specific tailor-made products and services for women and/or girls — Products and services oriented to gender transformation processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The IDB Group, the oldest regional bank in the world (since 1959) groups 48 member countries and has representation in 26 countries in LAC.
Description of the instrument	IDB Invest's gender strategy includes diagnostic tools, partnerships with certification bodies, networks, performance indicators and research reports: Women's Empowerment Principles (WEPs): an analysis of women's potential in the



	<p>workplace, the marketplace and the community. Pilots of internal gender equality initiatives, to encourage fund managers to implement the gender approach within their own companies through the use of WEP tools</p> <p>Economic Dividend for Gender Equality (EDGE): certification and evaluation methodology designed to create an optimal workplace for men and women.</p> <p>ConnectAmericas for Women: a b2b (business to business) platform that connects women-led SMEs to procurement and trade opportunities, helping them to strengthen their management and export capabilities</p> <p>IndexAmericas: uses more than 400 indicators to evaluate companies. The index uses social indicators to evaluate corporate activities, including progress towards equal employment for women.</p> <p>The Gender Investment Report is the first detailed research on investments with a gender impact in Latin America and the Caribbean.</p> <p>In addition, IDB Invest offers financing and technical assistance:</p> <p>Financial institutions: Financing and technical assistance to lenders in the region - banks, cooperatives, microfinance institutions and others - to better reach underserved markets (includes small businesses led by women, who tend to face more difficulties in accessing credit than their male counterparts). It also helps financial institutions to improve their internal policies and procedures towards a culture of equality and diversity.</p> <p>Infrastructure: Incorporates the gender approach in infrastructure issues. For example, a public transport expansion project must consider how to make the system safer for female passengers.</p> <p>Companies: Also offers advice to companies to achieve EDGE certification. For example, Danper, a Peruvian agribusiness, became the first company to obtain such certification.</p>
Type of service	<ul style="list-style-type: none"> — Capacity building, advice and/or support — Funds mobilizer - Promoter of connection platforms in the value chain
Name of the players involved and type of entity in each case	<p>Global Compact (UN Global Pact): voluntary initiative for corporate social responsibility in the world.</p> <p>UN Women: UN entity for gender equality and the empowerment of women</p> <p>S-Network Global Indexes: publishes and develops thematic indexes.</p> <p>ESADE: business school committed to making society more just and sustainable.</p>
Instrument operation	<p>The WEP analysis tool is free, confidential and available to any company. Designed jointly by the United Nations Global Compact, UN Women, IDB Invest and IDB Lab, the tool analyzes corporate policies, implemented practices and assesses the extent to which the company offers equal opportunities, an adequate work/life balance, support for gender equality in the supply chain and respect.</p> <p>IDB Invest is EDGE certified and also supports organizations during the EDGE certification process. The process includes: evaluation of workplace practices, policies and figures, and employee experience in five areas: equitable compensation, selection and promotion process, mentoring and training for leadership development, flexible working, and corporate culture.</p> <p>Through ConnectAmericas for Women, women entrepreneurs can apply to become suppliers to large corporations and governments in the region, connect with each other to explore business opportunities, participate in matchmaking events, and access training tools and business support resources. In 2018, the IDB and nine multinational companies launched an initiative to advise, connect and certify more than 100,000 women entrepreneurs in LAC by 2021.</p> <p>IndexAmericas: collaboration with S-Network Global Indexes to recognize the most sustainable listed companies, using data from Thomson Reuters and the IDB Group</p> <p>The Gender-Sensitive Investment Report was produced through a collaboration between IDB Invest and the ESADE business school research team, which already had experience in analyzing gender-sensitive investments in the Asian and European regions.</p>
Mobilization of capital	-
INTERMEDIARIES	
Name and description of the intermediary	<p>IDB Invest</p> <p>IDB Invest, as the investment arm of the IDB Group, seeks to be the private sector solutions</p>



	bank for Latin America and the Caribbean. As part of the IDB Group, its commitment is to economic growth and social inclusion, central concepts of its identity, focusing on the private sector.
Role/Roles of the intermediary	<ul style="list-style-type: none"> – Resource Mobilizer – Capacity building, advice and/or support to investors. – Creation / adaptation of financial instruments – Research, awareness-raising and dissemination
Type / Subtype	<ul style="list-style-type: none"> – Financial – Multilateral Development Bank
Geographical scope of action	Latin America and the Caribbean
OVERALL EVALUATION	
Innovations introduced	<p>Analysis and diagnostic tools (WEP)</p> <p>Platform for connecting women entrepreneurs with corporations, governments and other entrepreneurs.</p> <p>Regional Gender Initiative Report (Gender-Sensitive Investment)</p>
Identified challenges	<p>Legislative level: regulations require collateral requirements, credit history, among others, for women.</p> <p>Technological level: fintech as a substitute for financial players.</p> <p>Social level: position gender from the beginning, sensitize financial institutions Power dynamics around gender.</p>
Lessons learned	<p>Successful collaborations with other organizations (e.g. WEP).</p> <p>Mobilization of resources through innovative instruments.</p>
Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>Building bridges between public policy and the financial world in terms of gender.</p> <p>Greater coordination between UN agencies.</p> <p>Market creation.</p> <p>Entry of women entrepreneurs to the markets through anchor companies (large corporations).</p> <p>Product structuring in the financial sector.</p>

Sources of information:

- <https://idbinvest.org/es/sostenibilidad/genero>
- <https://idbinvest.org/es/download/publication/532/attachment/2877>
- <https://idbinvest.org/es/download/publication/666/attachment/6015>
- <https://idbinvest.org/es/download/publication/810/attachment/6244>
- <https://digital-iadb.lpages.co/bid-invest-genero-y-finanzas/>
- Interview with Stephanie Oueda, from IDB Invest, August 14, 2019



Institute for Social Innovation ESADE

IDENTIFICATION	
Name of the initiative	Institute for Social Innovation ESADE
Brief description	The ESADE Institute for Social Innovation is a centre for the study of business initiatives with social impact, including corporate social responsibility, social entrepreneurship, leadership, NGOs, climate and environment, exclusion and precariousness, etc.
Name of the promoting entities that create and lead the initiative	Institute for Social Innovation ESADE —Service Provider EY Foundation —Investor
Allied players	Numerous foundations and organizations such as BBVA, Obra Social la Caixa, Price Waterhouse Coopers, among others.
Country or countries where it operates	Spain
Gender lens (es) targeted	<ul style="list-style-type: none"> — Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2) — Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3)
Starting date	2008
Contact person	Mar Cordobés / Leonora Buckland
Email address	marcordobes@gmail.com leonora.buckland@btinternet.com
Telephone / Skype	ESADE +34935543511
Web/ Link	https://www.esade.edu/es/profesorado-investigacion/investigacion/unidades-conocimiento/instituto-innovacion-social
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	<ul style="list-style-type: none"> — Technical assistance and training — Other: Social research
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	In times of global economic crisis and accelerated changes associated with globalization, migration or climate change, the role of social innovation in helping to solve the major social and environmental challenges of the planet is becoming increasingly important. ESADE's Institute for Social Innovation aims to generate and transfer knowledge that provides vision and inspiration and makes a quality contribution, both for company executives and non-profit organizations, and for their own academic environment.
Collective in need (Final beneficiary)	<ul style="list-style-type: none"> — Women entrepreneurs — Women business owners — Women business managers — Women working in companies committed to gender equality — Women in general
Identified risks and challenges	The initiative promoted by the ISI within the scope of the gender lens is related to the gender approach in social entrepreneurship. This is the Women with Impact Report, which is a project that presents the ecosystem of women's social entrepreneurship in Spain, as well as the main initiatives that are focusing on supporting and making visible women social entrepreneurs, both in Spain and internationally. It also identifies the main barriers that social entrepreneurs have to face and the levers of change that would enhance their



	participation. As such, the completion of the research report itself (already completed) does not pose any special risks or challenges.
OBJECTIVES	
Description of the objectives	To combine quality research with appropriate knowledge transfer to ensure a positive impact on social transformation. To develop the capacities of individuals and organizations in the business and non-profit sectors to strengthen, in their own activities, their contribution to a fairer and more sustainable world.
Target country or region	Spain
Incidence in LAC region	Not affected
Incidence in Win Win countries	
Commitment to gender equality	The experience brings a commitment to gender as long as it is part of the social entrepreneurship ecosystem.
Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses Lens 2: — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP principle 6) — Gender equality in finance and investment — Gender equality in the investor's internal practices Lens 3: — Specific tailor-made products and services for women and/or girls — Products and services oriented to gender transformation processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	No background information is known, only that this initiative is one of ESADE's 13 knowledge units in the field of academic and applied research. The 2016 Women with Impact study analyses female entrepreneurship in Spain and is a continuation of the WISE Women Innovators for Social Business in Europe project (2013) and the ISI Momentum Project.
Description of the instrument	The ISI is a research institute that offers courses within the scope of ESADE, its own courses for executives, dissemination through publications, events (forums, annual conference) and online channels (website, newsletter and blog).
Type of service	— Capacity building, advice and/or support
Name of the players involved and type of entity in each case	Institute for Social Innovation ESADE Univ. Center for research in innovation and social entrepreneurship. — Service Provider EY Foundation. Private foundation supporting entrepreneurship in Spain, part of the EY Group. — Promoter
Instrument operation	The EY Foundation is the main promoter of the ISI in Spain (60,000 euros of the total budget of 484,000 per year). There are also 9 other sponsors that provide the rest of the funds, along with subsidies from public entities (European Commission, Generalitat, etc.). These funds are used to carry out ISI research and studies. In terms of structure, ISI has a Director, a Deputy Director, a Research Manager, two Senior Researchers, nine Collaborating Professors, four PhD students and 27 technicians.
Mobilization of capital	No
INTERMEDIARIES	
Name and description of the intermediary	ESADE Institute for Social Innovation / Universidad R. Llull, institution located on the Sant Cugat del Vallés campus, Barcelona. Created in 1958, it is a private civil foundation, Fundació ESADE, which is the legal entity that owns the ESADE centres. Its governing and



	representative body is the Board of Trustees, which is composed of representatives of the Society of Jesus and members of civil society in equal numbers.
Role/Roles of the intermediary	— Research, awareness raising and dissemination
Type / Subtype	— Capacity Builder — Other Research Center
Geographical scope of action	Spain
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://www.esade.edu/esocialhub/centro-de-conocimiento/recursos/mujeres-con-impacto>
- <https://www.esade.edu/es/profesorado-investigacion/investigacion/unidades-conocimiento/instituto-innovacion-social/nosotros/memoria-anual>



Morgan Stanley's Multicultural Innovation Lab

IDENTIFICATION	
Name of the initiative	Morgan Stanley's Multicultural Innovation Lab
Brief description	Venture capital accelerator program for startups led by the US financial institution that operates as an investment bank and broker.
Promoting entities that create and lead the initiative	Morgan Stanley — Investor
Allied players	
Country or countries where it operates	USA
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2017
Contact person	Lily S. Trager - Director of Investing with Impact
Email address	Lily.Trager@morganstanley.com
Telephone / Skype	
Web/ Link	www.morganstanley.com
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking between investors, companies and intermediaries (throughout the ecosystem) — Incubators and accelerators
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	Most of the startups owned by women and people from different ethnic and cultural backgrounds do not have financial and relational support to start up social impact entrepreneurship projects. Morgan Stanley understands that women entrepreneurs, especially in industries related to research, innovation and technology, need relational and financial support in the start-up process in order to consolidate their business projects.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners
Identified risks and challenges	The main difficulties faced by the initiative are the detection of projects that meet the ideal conditions recommended by the MIL, specifically 1) women directors, managers or partners 2) companies in technology-related environments and with capital in phase from seed to B-series, 3) successful in raising seed capital and friends, family, 4) product launched and with income and 5) commitment of headquarters in the offices of Morgan Stanley during the six months of acceleration. There is also the risk of failed ventures due to a lack of commercial momentum or validity of the management model.
OBJECTIVES	
Description of the objectives	The program aims to address financing gaps for multicultural entrepreneurs, in an intensive 6-month initiative held at the bank's headquarters in Times Square, New York. The objective is to provide projects with relational support (networking) and financial support (cash investment).
Target country or region	USA
Incidence in LAC region	
Incidence in Win Win countries	
Commitment to gender	The gender lens is one of the main objectives of the programme as it focuses on two groups



equality	of entrepreneurs whose participation in the ecosystem is very low.
Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	Inclusive Access and Opportunity Initiative, a corporate MS programme to support women entrepreneurs and multi-ethnic businesses, covering this and other actions in parallel.
Description of the instrument	The instrument consists of a six-month incubator and accelerator program at MS headquarters in New York for ten candidate startups that need support in relational aspects, mentoring and funding (from seed to the different rounds of A/B/C funding).
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries
Name of the players involved and type of entity in each case	Morgan Stanley, US investment bank and broker, investor and financial intermediary, foreign exchange broker and wealth management entity. — Financial Intermediary
Instrument operation	Morgan Stanley Multicultural Innovation Lab provides office space, material means, access to bank relationships, and, above all, mentoring in terms of business model and financing, which would culminate in investments in the companies' capital by MS and other investors. It also organizes an annual round of multicultural business leaders' conferences that can motivate candidates and attract investors to each project.
Mobilization of capital	The main objective of the instrument, besides supporting entrepreneurship, is the mobilization of capital, which varies for each candidate.
SUPPLY	
Name and description of the investor	Morgan Stanley, an investment bank and brokerage and wealth management company, with almost 85 years of existence, presence in 42 countries and more than 55,000 employees globally. It is the 67th company by revenue level (US \$ 40,000 billion) in the Fortune 500 in 2018.
Role/ Roles of the investor (in the context of the gendered investment ecosystem)	— Financier — Promoter and creator of networks (networking)
Character	— Private
Type	— Mutual fund
Inverter location	— North America
Geographical scope of investor	Worldwide
Commitment to gender equality	For several years now, cultural diversity and gender equality have been two main axes in their corporate policy, as they disseminate in their programme "Inclusive access and opportunity initiative".
DEMAND	
Name/Profile of beneficiary organizations	In 2019, companies selected by MS as beneficiaries of the program were ten: BLUEWAVE Technologies: a technological company in the health sector that has developed a waterless sterilization instrument. Care Advisors: user-friendly software that reduces barriers to entry into the Medicaid system Cosynd: custom-made legal and copyright forms generation toolkit. Five to Nine: platform for empowerment, creation of corporate culture and inclusion for HR managers Gappify: automation platform for corporate accounting Looklive: platform and technology to support influencers and celebrities' follow-up. Mighty Well: creation of wearables for medical instrument protection. ShopJenzy: a trading platform that makes it easy for parents to choose sizes when buying clothes for their children. SmartGurlz: educational platform for girls Taina Technology: technology for automation of legal processes.
Type	— Entrepreneur — Women-owned/leadership company — Company committed to equality — Company that offers goods and services to improve women's well-being



Size	<ul style="list-style-type: none"> — Self-employed/entrepreneur — Micro and small businesses
Stage of development	<ul style="list-style-type: none"> — Early Stage — Seeding/ Incubation Stage
Geographical scope of action	USA
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://disruptionbanking.com/morgan-stanleys-multicultural-innovation-lab/>
- <https://www.morganstanley.com/what-we-do/inclusive-innovation-and-opportunity>
- <https://www.morganstanley.com/about-us/diversity/multicultural-innovation-lab/#why-the-multicultural-lab>



Navigating Impact Project, IRIS+; ImpactBase

IDENTIFICATION	
Name of the initiative	<i>Navigating Impact Project, IRIS+; ImpactBase</i>
Brief description	<p>The <i>Navigating Impact</i> project provides a means for investors in the impact investment ecosystem to align their impact objectives with their investment strategies, helping them to measure and manage their impact effectively. This project is in the process of migration to <i>IRIS+</i>.</p> <p><i>IRIS+</i> is an integrated system that provides investors with a common framework and the necessary resources to enable them to measure, manage and optimize the impact of their investments.</p> <p><i>ImpactBase</i> is a platform that allows investors to explore impact investment opportunities through a fund and product search tool.</p>
Promoting entities that create and lead the initiative	<p><i>Global Impact Investing Network (GIIN)</i> — Service Provider</p>
Allied players	<p><i>Navigating Impact</i> is sponsored by the UK Government's Department for International Development Impact (DFID), the Rockefeller Foundation, JP Morgan Chase & Co., the W.K. Kellogg Foundation and the John D. and Catherine T. MacArthur Foundation and has benefited from the contributions of over 150 experts.</p> <p><i>IRIS+</i> has 7 founding partners: USAID, UKAID, The Rockefeller Foundation, BNY Mellon, MacArthur Foundation, W.K Kellogg Foundation and JPMorgan Chase & Co. The Advisory Committee consists of a Strategic Committee and a Harmonization Committee; three expert groups that report to the Advisory Committee on adoption, technical requirements and data; 9 content partners: Social Performance Task Force (SPTF), Center for Health Market Innovations, Criterion Institute, World Resources Institute, Conservation International, FHI 360; FHI Ventures; water.org and Water Equity; and over 800 contributors from different fields.</p> <p><i>ImpactBase</i> is sponsored by the Annie E. Casey Foundation, the Citi Foundation and has <i>Imprint Capital Advisors</i> as a development partner.</p>
Country or countries where it operates	United States
Gender lens (es) targeted	<ul style="list-style-type: none"> — Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2) — Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3)
Starting date	<p><i>Navigating Impact</i>: 2017 <i>IRIS</i>: 2008; <i>IRIS+</i>: 2019 <i>ImpactBase</i>: 2009</p>
Contact person	Kelly McCarthy, Director of Measurement and Impact Management
Email address	-
Telephone / Skype	-
Web/ Link	<p>https://navigatingimpact.thegiin.org/ https://iris.thegiin.org/ https://www.impactbase.org/</p>
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	<p><i>Navigating Impact</i>: — Technical assistance and virtual training <i>IRIS+</i>: — Impact metrics, — Technical assistance and virtual training <i>ImpactBase</i>: — Networking between investors and companies</p>



Status of implementation of the initiative	<i>Navigating Impact</i> : — In the process of migrating to IRIS+ <i>IRIS+</i> : — Active <i>ImpactBase</i> : — Active
NEED	
Description of the existing requirement	<i>Navigating Impact</i> : lack of strategy definition to achieve impact objectives and lack of metrics to evaluate performance towards proposed objectives. <i>IRIS/IRIS+</i> : lack of integrated system to measure, manage and optimize the impact of investments in a transparent, credible and accountable manner. <i>ImpactBase</i> : fragmentation and inefficiency when it comes to finding investment opportunities or impact products
Collective in need (Final beneficiary)	The tools are targeted at investors to achieve their impact objectives, including the three gender lenses. — Women in general
Identified risks and challenges	Challenges: consolidation as the reference tool for impact investments; integrating all tools and services into a single system, challenge of coordinating so many players. Risks: competition from initiatives with similar objectives or specialized initiatives by theme (gender, social and environmental, etc.)
OBJECTIVES	
Description of the objectives	<i>Navigating Impact</i> : identify, in coordination with key stakeholders, best practices, academic research and recommended metrics for different impact investment areas so that a best practice standard can be established. <i>IRIS+</i> provides a generally accepted integrated impact measurement system to measure, manage and optimize impact investments, ensuring a minimum level of consistency in the performance and impact assessment achieved. <i>ImpactBase</i> provides complete coverage of the impact investment market to publicize the funds and products and facilitate the search for opportunities for investors and impact advisors.
Target country or region	Global
Incidence in LAC region	Incidence in the whole region
Incidence in Win Win countries	— Brazil — Costa Rica — Jamaica — Chile — Argentina — Uruguay
Commitment to gender equality	The initiatives are aimed at impact investments, in general. However, the user, whether an investor or representative of a fund or financial product, can select an impact category or the corresponding Sustainable Development Goal (SDG) (in the case of <i>IRIS+</i>), which allows to choose a <i>gender lens</i> or <i>gender equality</i> , respectively. These thematic areas, in turn, provide a taxonomy of issues, implementation models or strategic objectives.
Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses Lens 2: — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP Principle 6) — Indirectly, by encouraging investment and good practice in all three gender lenses, it promotes gender equality in the world of finance and investment — Indirectly, by encouraging investment and good practice in all three gender lenses, it promotes gender equality in the investor's internal practices Lens 3: — Specific tailor-made products and services for women and/or girls — Products and services oriented to gender transformation processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	<i>Navigating Impact</i> : began as a project through which GIIN, along with investors, companies, and other stakeholders in the impact investment ecosystem, identified strategic goals,



	<p>recommended corresponding metrics, and best practices. Since 2019 it is in the process of migrating to the new <i>IRIS+</i> system</p> <p><i>IRIS+</i>: It has its origin in the system of standardized measurement indicators <i>IRIS</i>, originally managed by the Rockefeller Foundation, as a solution to the lack of transparency and credibility in how funds define, monitor and report the environmental and social performance of their portfolios. Over the years <i>IRIS</i> has become a catalogue of reference impact metrics. However, given the need identified by investors to establish strategic objectives and align them with the corresponding metrics, the Navigating Impact project was created, which, as indicated above, begins to migrate to <i>IRIS+</i> in 2019.</p> <p><i>ImpactBase</i>: It was initiated as a result of discussions between investors and GIIN partners about potential platforms and infrastructure that could address inefficiencies in the impact investment market.</p>
Description of the instrument	<p><i>Navigating Impact</i>: is an <i>online</i> technical advice service through which the investor can identify among different pre-established options, the objectives and expectations of a particular impact investment. Then, using <i>evidence maps</i>, look for the strategy that best fits the portfolio, experience or demand from clients. Then, through the <i>Metrics Starter Kit</i>, the product, result and proxy indicators that will provide information about the investment are determined. Finally, impact analysis is measured, monitored and reported.</p> <p><i>IRIS+</i>: offers an integrated system of technical advice that incorporates the <i>IRIS</i> indicator reference system, comparative data and practical guidance for investors to achieve their objectives. The user first selects impact priorities, either under the framework of the United Nations Sustainable Development Goals (SDGs) or through the <i>IRIS+</i> impact categories, followed by a strategic objective. The platform then provides a summary of the selected strategic objective, related publications, a list of main impact measurement indicators, guidance documents for integrating <i>IRIS+</i> into impact measurement and management, and includes a spreadsheet (Google docs, for the time being) to track impact measurement indicators.</p> <p><i>ImpactBase</i>: provides investors with a tool to search databases and profiles of impact investment funds and products, according to their investment interests. For the funds, the platform allows the publication of information about them, offering visibility to investors.</p>
Type of service	<ul style="list-style-type: none"> — Metrics generator to measure gender impact (<i>IRIS+</i>) — Promoter of platforms or network spaces that connect investors/beneficiaries (<i>ImpactBase</i>) — Promoter of criteria and standards for investor eligibility (<i>Navigating Impact</i>, <i>IRIS+</i>) — Capacity building, advice and/or support (<i>Navigating Impact</i>, <i>IRIS+</i>)
Name of the players involved and type of entity in each case	<p><i>Navigating Impact</i> is sponsored by the UK Government's Department for International Development Impact (DFID), the Rockefeller Foundation, JP Morgan Chase & Co., the W.K. Kellogg Foundation and the John D. and Catherine T. MacArthur Foundation and has benefited from the contributions of over 150 experts in different thematic areas working in international agencies, academia, investment funds, foundations and NGOs.</p> <p><i>IRIS+</i> has 7 founding partners: USAID, UKAID, The Rockefeller Foundation, BNY Mellon, MacArthur Foundation, W.K Kellogg Foundation and JPMorgan Chase & Co. The Advisory Committee consists of a Strategic Committee and a Harmonization Committee; three expert groups that report to the Advisory Committee on adoption, technical requirements and data; 9 content partners: Social Performance Task Force (SPTF), Center for Health Market Innovations, Criterion Institute, World Resources Institute, Conservation International, FHI 360; FHI Ventures; water.org and Water Equity; more than 800 contributors from academia, international agencies, Commercial Bank, Multilateral Development Bank, investment funds, foundations or NGOs.</p> <p><i>ImpactBase</i> is sponsored by the Annie E. Casey Foundation, the Citi Foundation and has <i>Imprint Capital Advisors</i> as a development partner.</p>
Instrument operation	<p><i>Navigating Impact</i>: the project offers a tool that is available to all impact (demand) investors, including those targeting gender lenses. The project is sponsored by USAID, MacArthur Foundation, The Rockefeller Foundation, BNY Mellon, UKAID, WK Kellogg Foundation and JP Morgan. Since the objective is to establish standards in impact strategies and metrics, the project has benefited from the contributions of more than 150 experts in different thematic areas working in international agencies, academia, investment funds, foundations and NGOs.</p>



	<p><i>IRIS+</i> has the same founding partners as <i>Navigating Impact</i>. As it is a system that also wants to set standards, it has an advisory group and three expert groups that report to the advisory committee (adoption, technical requirements and data). It also has 9 content partners and over 800 contributors, including individuals, multilateral banks, private companies, foundations, and financial institutions.</p> <p><i>ImpactBase</i> is sponsored by the Annie E. Casey Foundation and the Citi Foundation and has <i>Imprint Capital Advisors</i> as a development partner.</p>
Mobilization of capital	
INTERMEDIARIES	
Name and description of the Intermediary	<p><i>Global Impact Investing Network (GIIN)</i></p> <p>Reference platform in the impact investment ecosystem. It is a membership organization. It convenes over 2,000 impact investors to facilitate knowledge sharing, propose innovative investment approaches, build the evidence base for the industry, and produce tools and resources to accelerate industry development through focused leadership and collective action. GIIN covers the following areas: industry networks and events; tools and resources for impact measurement and management; transparency in the impact fund landscape; training programs for impact investors and industry research fund managers, market data and publications; and market leadership initiatives.</p>
Role/ Roles of the intermediary	<ul style="list-style-type: none"> — Metrics generator to measure gender impact committed to gender equality (<i>IRIS+</i>) — Promoter of platforms and connection networks in the different links of the ecosystem (networks of investors, entrepreneurs or cross-cutting) (<i>ImpactBase</i>) — Capacity building, advice and/or support to investors. (<i>Navigating Impact, IRIS+</i>)
Type / Subtype	<ul style="list-style-type: none"> — Capacity Builder — Investment and impact product search platform — Strategic advice
Geographical scope of action	Global
INTERMEDIARIES	
Name and description of the intermediary	<p>Content partners. <i>IRIS+</i> Tool</p> <p>Social Performance Task Force (SPTF), Center for Health Market Innovations, Criterion Institute, World Resources Institute, Conservation International, FHI 360; FHI Ventures; water.org and Water Equity;</p> <p>These partners include <i>think-tanks</i>, networks of organizations and NGOs, whose objectives include impact generation, impact measurement or knowledge generation. Some have a focus on specific issues (gender, environment or health) and others are general in nature.</p>
Role/Roles of the intermediary	<ul style="list-style-type: none"> — Capacity building, advice and/or support to investors — Metrics generator to measure gender impact — Research, awareness-raising and dissemination
Type / Subtype	<ul style="list-style-type: none"> — Capacity builders — Consultant — Networking Platform — Think-tank
Geographical scope of action	Global scope
INTERMEDIARIES	
Name and description of the intermediary	<p>Development partner. <i>ImpactBase</i> tool.</p> <p>Imprint Capital</p> <p>Imprint Capital Advisors LLC, was one of the largest impact investment and ESG advisors. Its assets were acquired in 2015 by the asset management company <i>Goldman Sachs Asset Management (GSAM)</i> to form part of its Alternative Investment and Manager Selection Group (AIMS). In this regard, AIMS Imprint is a thematic group within AIMS that is dedicated to impact investments and ESG, with a focus on obtaining high financial returns, as well as intended and measurable social and environmental benefits.</p>



Role/Roles of the intermediary	<ul style="list-style-type: none"> – Financing final beneficiaries (marketing the financing) – Resource mobilizer – Manager of the funded initiative
Type / Subtype	<ul style="list-style-type: none"> – Financial – Fund Manager
Geographical scope of action	Global
DEMAND	
Name/Profile of beneficiary organizations	Companies and organizations that can generate impact in relation to any of the three gender lenses.
Type	<ul style="list-style-type: none"> – Entrepreneur – Company or organization owned/lead by women – Company or organization committed to equality – Company or organization that provides goods and services to improve the welfare of women
Size	Any, unspecified.
Stage of development	Any, unspecified.
Geographical scope of action	Global
OVERALL EVALUATION	
Innovations introduced	<p><i>Navigating Impact</i> has been a laboratory of ideas and tests to generate impact indicators and metrics with which to guide investment decisions in different investor themes.</p> <p><i>IRIS+</i> is a step forward from its two track records, <i>Navigating Impact</i> and <i>IRIS</i>, towards agreed impact measurement metrics, tested and supported by a wide range of collaborators from across the ecosystem.</p> <p><i>ImpactBase</i> stands out for the search of consensus based on needs identified by investors and experts.</p>
Identified challenges	<p>Consolidation as a reference tool</p> <p>Impact measurement criteria must be consistent with the requirements of the international financial institutions (IFIs).</p>
Lessons learned	<p>Need to consolidate under a single system and a single tool everything related to support in the investment strategy and impact measurement.</p> <p>Importance of facilitating the alignment of investment objectives with investment strategies.</p> <p>Include in the development of the tools content partners, development partners, contributors, so that they can agree on the progress being made and have the feedback to make the tool more robust.</p>
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://navigatingimpact.thegiin.org/>
- <https://iris.thegiin.org/>
- <https://www.impactbase.org/>



Pax Ellevate (Impax) Global Women's Leadership Index

IDENTIFICATION	
Name of the initiative	Pax Ellevate (Impax) Global Women's Leadership Index
Brief description	Global Women's Index. It manages capital funds for women and guides investments in companies that promote gender equity in the workplace. Global leadership index of companies best qualified in working conditions and advancement for women
Promoting entities that create and lead the initiative	Impax (Manager of) Pax World Funds —Financial Intermediary —Service Provider Global Women's Leadership Fund (first fund based on Pax Ellevate) —Investor
Allied players	
Country or countries where it operates	USA
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	2006 (background)
Contact person	Kelly Coyne - Vice President, Global Women's Strategies
Email address	k.coyne@impaxam.com
Telephone / Skype	
Web/ Link	www.paxworld.com
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Gender Equality Indexes
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	According to McKinsey's Women in the Workplace 2018 report, progress on gender equality in the workplace has stalled in recent years, and a revival of this effort must be encouraged. Women hold only 38 per cent of management positions (manager) and are promoted to these positions only 79 times for every 100 men.
Collective in need (Final beneficiary)	— Women business managers — Women working in companies committed to gender equality
Identified risks and challenges	The index is already well established in the market as a measure of the goodness of gender policies in enterprises and is used by companies and funds. The risks can be found at the level of representativeness, in cases of included companies that are not really so supportive of equality policies. For these cases, Pax Ellevate has a monitoring team and a committee, which analyze and publish adverse events and modify the index when necessary.
OBJECTIVES	
Description of the objectives	Publication of a list of leading corporations worldwide in the representation of women in business. This index is weighted based on the capitalization of these corporations. Its aim is to help investors, funds and other financial agents to incorporate the gender lens into investment decisions and to demonstrate the achievement of greater profitability through the increased incorporation of women into management and leadership positions within companies.
Target country or region	Developed countries (23)
Incidence in LAC region	No



Incidence in Win Win countries	No
Commitment to gender equality	It is an indicator of support for intra-corporate gender lenses, so it is completely aligned with the achievement of gender equality in large corporations.
Gender lens (own classification)	<p>Lens 1:</p> <ul style="list-style-type: none"> – Access to capital for women's and/or entrepreneurs' businesses <p>Lens 2:</p> <ul style="list-style-type: none"> – Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) – Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) – Gender equality in the value chain (corresponds to principle 5) – Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP principle 6) – Gender equality in finance and investment – Gender equality in internal investor practices
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	Since 2006, Impax has managed a "Global Women's Leadership Fund" which is closely linked to the index. Pax World Funds (fund of funds) and Impax (management company) have been developing funds and initiatives of social impact since 1971.
Description of the instrument	The Women's Index is a tailor-made market capitalization weighting of the 400 leading companies in gender equality, based on five gender criteria and one criterion of social and environmental responsibility.
Type of service	– Promoter of criteria and standards for investor eligibility
Name of the players involved and type of entity in each case	<p>All the players are part of the group of institutions under the umbrella of Pax World; some of them are:</p> <ul style="list-style-type: none"> Impax Asset Management LLC - Index Promoter. Pax Ellevate Management LLC - Index Promoter. Impax Gender Analytics - Evaluation and index design agency. Global Women's Leadership Fund - Index licensee fund. Women's Index Committee - Internal management and selection committee
Instrument operation	<p>Pax Ellevate Management is the promoter and investment adviser of Pax World Global Women's Equality Fund (The Women's Fund).</p> <p>The Women's Fund tracks the results of the Impax Global Women's Leadership Index (The Women's Index).</p> <p>Impax Asset Management (Impax) is a promoter, index provider and maintainer of the Women's Index.</p> <p>The design, evaluation and modification methodologies of the index are managed by the Women's Index Committee, staff of Impax and the Impax Gender Analytics Team, which are independent of the Women's Fund.</p> <p>The committee continuously evaluates market information, rebalancing of participants, corporate events, news and data that may affect the index.</p> <p>The index is formed by companies from an initial universe (MSCI World Index, an index of the 23 capital market indices of the most developed countries) that scores:</p> <ul style="list-style-type: none"> Representation of women on the board of directors. Representation of women in executive management. Female CFO (Chief Financial Officer) Female CEO (General Manager) Signatories to UN WEPs. Compliance with ESG standards (environmental, social, governance) Excludes arms and tobacco industries. <p>The membership or non-membership of the index and the score of each of the more than 400 corporations is assessed on an ongoing basis by the aforementioned team, supported by a Calculation Agent, which is an independent company that assesses the market capitalizations of each corporation.</p>



Mobilization of capital	The objective is to serve as a base for managers and investors, so it does try to be a tool that helps in the mobilization of capital from other funds.
INTERMEDIATE	
Name and description of the intermediary	<p>Pax Ellevest Management LLC, part of the Pax World Funds group, a fund creation and management platform founded in 1971 by two prominent Methodist Church activists in Portsmouth, New Hampshire, USA.</p> <p>Today, the group manages several funds, including the Pax Ellevest Global Women's Leadership Fund (PXWEX), a listed fund with over US \$ 360 million under management. This fund is a licensee of the index and its portfolio companies have 38% women on the board and 32% women in senior management, compared to 26% and 19% respectively of the MCSI World Index.</p> <p>The fund continually outperforms the market, the last year reported net return is 8.59% compared to 6.33% for the MCSI, also exceeds it in the last three and five years.</p> <p>The group also heads a foundation to help developing countries, The Mercy Corps.</p>
Role/Roles of the intermediary	— Promoter of certifications/Indexes/Ranking of companies committed to gender equality
Type / Subtype	— Financial — Fund Manager
Geographical scope of action	USA mainly, although the index companies belong to the 23 countries of the MCSI World Index (Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom and USA)
DEMAND	
Name/Profile of beneficiary organizations	Investment funds, use the index as an investment benchmark to tilt the buying decisions of participants.
Type	— Company committed to equality
Size	— Small and medium enterprises — Large companies
Stage of development	— Early Stage — Growth/consolidation stage
Geographical scope of action	
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://paxworld.com/funds/pax-ellevest-global-womens-leadership-fund/#overview>
- <https://www.mckinsey.com/featured-insights/gender-equality/women-in-the-workplace-2018>
- <https://www.morningstar.com/funds/XNAS/PXWEX/quote>



She for Social Impact

IDENTIFICATION	
Name of the initiative	She for Social Impact)
Brief description	Ecosystem of women's networks whose mission is to increase the capacity to influence as investors and leading professionals, women entrepreneurs, investors, scientists and technologists and support specialists for the generation and implementation of their own methodologies for impacting on gender equity. It provides training and specialized support to professional women in the evaluation of impact investment opportunities, in obtaining financial returns, in the growth of their companies, in technological innovations and, in an additional component of personal growth.
Promoting entities that create and lead the initiative	She for Social Impact —Service Provider
Allied players	Gender-lens investors and entrepreneurs with scalable projects
Country or countries where it operates	Germany, Brazil and the USA
Gender lens (es) targeted	— Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	2008
Contact person	Nadine Bruder
Email address	hello@nadinebruder.com
Telephone / Skype	
Web/ Link	https://sheforsocialimpact.com/about/
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking between investors, companies and intermediaries (throughout the ecosystem)
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	For SSI, the social impact market will grow to US \$ 37.5 trillion by 2030, relying mostly on technological and financial innovations. These markets are dominated by men, with only 17% of technology jobs in Europe being held by women. Additionally, only 2.5% of venture capital funds have been allocated to women-owned companies by 2016, even though their returns exceed those of male-owned companies. Therefore, SSI aims to be a tool that enables women to invest in impact.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners — Women business managers — Women working in companies committed to gender equality
Identified risks and challenges	The initiative is capacity building and therefore does not face financial risks and challenges, but rather risks of creating a significant and extensive network, as well as the challenge of finding the investment objectives to advise investors that meet the desired characteristics.
OBJECTIVES	
Description of the objectives	Create or invest in companies that apply societal goals and innovative technologies of scale to produce positive impacts on the lives of millions of people, while addressing the world's most pressing challenges.
Target country or region	Worldwide
Incidence in LAC region	LAC region as a whole
Incidence in Win Win countries	— Brazil — Costa Rica — Jamaica — Chile — Argentina — Uruguay
Commitment to gender	A gender lens is applied as their mission is to increase the influence of women in society as



equality	investors and impact professionals, in any industry and while living by their values.
Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP principle 6) — Gender equality in finance and investment — Gender equality in internal investor practices
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The initiative is started by Nadine Bruder, a German specialist in business strategy and digital sales, founder of leading startups and consultant to global company managers with 11 years of experience. She has developed business initiatives in education, digital payment apps, innovation incubators and is a member of the German Association of Artificial Intelligence.
Description of the instrument	It is a network that provides its members with tailored experiences and events, impact investment training opportunities, exclusive promotion and news from impact industries, and support for its members' impact investment.
Type of service	<ul style="list-style-type: none"> — Promoter of platforms or network spaces that connect investors/beneficiaries — Capacity building, advice and/or support
Name of the players involved and type of entity in each case	<p>On the fundraising side:</p> <p>Private investors (angel investors in the terminology of the network), individuals (annual income >200.000 US \$/investor or >300.000 US \$/partner or assets >1.000.000 US \$)</p> <ul style="list-style-type: none"> — Investors <p>She for Social Impact, a women's network ecosystem offering value-added services for impact investment to its members.</p> <ul style="list-style-type: none"> — Service Provider <p>On the side of the captured funds placement:</p> <p>Entrepreneurs who have a company they want to promote or an idea to develop and require funding and an impact measurement system.</p> <ul style="list-style-type: none"> — Demand
Instrument operation	Angel investors and entrepreneurs have free access to the ecosystem of this network, but the network reserves the right to accept candidates. They have hubs in Berlin and Sao Paulo, and are opening offices in New York, Paris and London. Its trainings are immersive one-day experiences to train as an angel investor or as a creator of impact investment strategies. They also organize events to exchange experiences and to connect angel investors, entrepreneurs, and sponsors in order to launch investment possibilities.
Mobilization of capital	The amount is not known, but capital mobilization seems to be present as a result of the network connections.
SUPPLY	
Name and description of the investor	Angel investors, private investors, individuals (annual income >200.000 US \$/investor or >300.000 US \$/partner or assets >1.000.000 US \$).
Role/ Roles of the investor	— Financer
Character	— Private
Type	— High Net Worth Individual Investor
Inverter location	<ul style="list-style-type: none"> — Latin America and the Caribbean — Europe — North America — Rest of the world
Geographical scope of investor	Worldwide
Commitment to gender equality	When choosing opportunities in this network, it is understood that there are clear values of gender equality among investors.
INTERMEDIARIES	
Name and description of the intermediary	She for Social Impact



Role/Roles of the intermediary	<ul style="list-style-type: none"> – Resource Mobilizer – Capacity building, advice and/or support to women entrepreneurs – Capacity building, advice and/or support to investors.
Type / Subtype	<ul style="list-style-type: none"> – Capacity Builder – Consultant – Networking Platform
Geographical scope of action	Germany, Brazil
DEMAND	
Name/Profile of beneficiary organizations	Companies owned or led by women that require technical assistance and resources to grow or develop a product or service, mainly technological.
Type	<ul style="list-style-type: none"> – Entrepreneur – Women-owned/leadership company – Company committed to equality – Company that offers goods and services to improve women's well-being
Size	<ul style="list-style-type: none"> – Self-employed/entrepreneur – Micro and small businesses – Small and medium enterprises
Stage of development	<ul style="list-style-type: none"> – Early Stage – Growth/consolidation stage – Seeding/ Incubation Stage
Geographical scope of action	Worldwide
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://sheforsocialimpact.com/>



Ship2B

IDENTIFICATION	
Name of the initiative	Ship2B
Brief description	Women with Impact Network. Connection network between supply and demand for access to capital
Promoting entities that create and lead the initiative	Ship2B —Service Provider EY Foundation —Service Provider
Allied players	
Country or countries where it operates	Spain
Gender lens (es) targeted	— Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3)
Starting date	2016
Contact person	Clara Navarro Colomer - Co-founder
Email address	cnavarro@ship2b.org
Telephone / Skype	
Web/ Link	https://www.ship2b.org/
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking between investors and companies
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	According to the McKinsey Global Institute, if there were overall gender parity in the workplace, overall GDP would increase by 26% over the next 10 years. When women and men have equal rights and opportunities, economic development accelerates and poverty rates fall more rapidly for everyone. One of the reasons for this, as the World Bank points out, is that women invest more than 90% of their income in their families. Yet today, women do more than 66% of the world's work and produce more than 50% of the food, receive only 10% of the income and own only 1% of the property. Therefore, women's access to control of productive resources should be promoted.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners
Identified risks and challenges	One of the main difficulties is that, in Spain, only 30% of companies are owned by women, a percentage that falls to 16% in the case of companies with employees. In terms of entrepreneurship, it is also noteworthy that men undertake it out of opportunity and women mostly out of necessity. Therefore, various players in the gender-lensed investment ecosystem are seeking to promote female entrepreneurship around the world, to try to reduce the current gap in access to capital for these women entrepreneurs.
OBJECTIVES	
Description of the objectives	To promote projects of entrepreneurs focused on women and gender issues, which will have a positive impact on society.
Target country or region	Spain
Incidence in LAC region	None
Incidence in Win Win countries	None
Commitment to gender equality	The gender lens is the common denominator of the projects to be promoted, either as women investors or as entrepreneurs.



Gender lens (own classification)	<p>Lens 3:</p> <ul style="list-style-type: none"> — Specific tailor-made products and services for women and/or girls — Products and services oriented to gender transformation processes
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The Ship2B entrepreneurship and accelerator platform maintains several cross-cutting programs of social impact, among them one of health, another of vulnerable groups, another of climate, besides a forum of third sector entities and a philanthropy program with BBK.
Description of the instrument	<p>The 'Women of Impact' initiative seeks to promote entrepreneurial projects in different areas that generate a positive impact on society. A total of 28 senior managers, investors and entrepreneurs are involved.</p> <p>Ship2B's gender accelerator, Women Challenge is dedicated to promoting start-ups that are either led by women entrepreneurs or focus on gender issues. In this sense, the directors and investors who are part of it will be in charge of proposing projects for Women Challenge and selecting those that will be implemented. Later, they will support and advise them on issues such as financing and management, as well as connecting them with and investing in professionals of reference.</p>
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries
Name of the players involved and type of entity in each case	<p>Ship2B. Promoter of the initiative, locates managers and mentors for the impact projects presented.</p> <ul style="list-style-type: none"> — Service Provider <p>EY Foundation. Involved in various projects and awards for entrepreneurship and social enterprise, collaborating with Ship2B in the initiative.</p> <ul style="list-style-type: none"> — Service Provider <p>Companies benefiting from the program. They must be companies with financing needs in excess of 100,000 Euros, which already have a turnover and have developed a pilot programme.</p> <ul style="list-style-type: none"> — Demand
Instrument operation	<p>Ship2B is the platform driving the program, has numerous networks of mentors and "business angels" in Spain and an experience of more than 5 years in social impact projects. The EY Foundation is a player supporting business and social entrepreneurship in Spain. The relationship between EY and entrepreneurship has always been close, as shown by initiatives such as the Entrepreneur of the Year Award.</p> <p>The Women of Impact initiative seeks to promote entrepreneurial projects in different areas that generate a positive impact on society. The project, which has the participation of 28 senior executives, investors and entrepreneurs from various companies and entities, seeks to give visibility to investment, entrepreneurship and female mentoring in companies with social impact.</p> <p>These managers and investors will be responsible for proposing and selecting projects for the Women's Challenge, an initiative aimed at promoting startups that are led by women entrepreneurs or focus on issues related to gender equality. Subsequently, the projects that are chosen will be supported and advised on issues such as financing and management; they will be connected with professionals of reference and will be invested in them.</p> <p>Under the framework of the Women's Challenge, the "gender accelerator" will look for projects with funding needs of more than 100,000 Euros that are already operating and invoicing and have developed a pilot programme.</p>
Mobilization of capital	The projects are presented to potential interested investors to try to mobilize start-up capital.
INTERMEDIARIES	
Name and description of the intermediary	Ship2B, project development platform of support networks and funds for the promotion of entrepreneurship with impact on the environment, health, vulnerable groups, social enterprise and philanthropy. Founded by three social economy activists, it has 137 accelerated startups, 215 mentors, 73 partners and has mobilized funds worth 30 million Euros since its inception. Based in Barcelona, it is linked to various companies with roots in Catalonia (Banco Sabadell, among others). It has various partners from the public sector in Catalonia (Acció, ICF, etc.).
Role/Roles of the intermediary	— Promoter and creator of networks (networking)



Type / Subtype	<ul style="list-style-type: none"> — Capacity Builder — Networking Platform
Geographical scope of action	Spain
INTERMEDIARIES	
Name and description of the intermediary	EY Foundation. Ernst & Young (EY) considers it a priority for society to assume and promote the values of entrepreneurship. It is a Spanish foundation created in accordance with the law 50/2002, with the purpose of promoting, supporting and financing activities related to business and social entrepreneurship in Spain, as well as the promotion and financing of educational, cultural, social, scientific and research activities in the field of financial, economic and legal knowledge.
Role/Roles of the intermediary	<ul style="list-style-type: none"> — Promoter of platforms and connection networks in the different links of the ecosystem (networks of investors, entrepreneurs or both)
Type / Subtype	<ul style="list-style-type: none"> — Capacity Builder — Consultant — Networking Platform
Geographical scope of action	Spain
DEMAND	
Name/Profile of beneficiary organizations	Companies with financing needs in excess of 100,000 Euros, which are invoicing and have developed a pilot gender impact programme.
Type	<ul style="list-style-type: none"> — Entrepreneur — Women-owned/leadership company — Company committed to equality — Company that offers goods and services to improve women's well-being
Size	<ul style="list-style-type: none"> — Self-employed/entrepreneur — Micro and small businesses — Small and medium enterprises
Stage of development	<ul style="list-style-type: none"> — Early Stage — Seeding/ Incubation Stage
Geographical scope of action	Spain
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://www.ship2b.org/contacto/>
- <https://www.ey.com/es/es/about-us/fundacion-ey-1-que-hacemos>



Top Women Investing in Latin American Tech and Emerging Women Investors in Latin American Tech

IDENTIFICATION	
Name of the initiative	Top Women Investing in Latin American Tech and Emerging Women Investors in Latin American Tech
Brief description	It consists of two lists of women working in institutions investing in the technology sector in Latin America. The first, Outstanding Women Investing in the Technology Sector in Latin America is a list of senior level women working in capital investment institutions in startups or outstanding angel investors. The second Emerging Women Investing in the Technology Sector in Latin America is a list of junior investors working in venture capital firms.
Promoting entities that create and lead the initiative	Latin American Venture Capital and Private Equity Association (LAVCA) <input checked="" type="checkbox"/> Service Provider
Allied players	IDB LAB and IDB Invest (sponsors)
Country or countries where it operates	United States and Argentina
Gender lens (es) targeted	— Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	November 2016 (Outstanding Women) and October 2018 (Emerging Women).
Contact person	Natalia Valencia
Email address	nvalencia@lavca.org
Telephone / Skype	(1) 646-315-8942
Web/ Link	https://lavca.org/vc/women-investing-latin-american-vc-decision-makers/ https://lavca.org/2018/10/24/emerging-women-investing-in-latin-american-tech/
Other initiatives and instruments	— Company rankings Recognition of women investors in technology startups
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	Lack of representation of women investors in the technology sector and of women working in venture capital entities working and in the technology sector. It is a very specialized and traditionally male-dominated sector, with little female presence.
Collective in need (Final beneficiary)	— Women business managers — Women working in venture capital investments
Identified risks and challenges	-
OBJECTIVES	
Description of the objectives	By recognizing and increasing the visibility of women investing or managing investments in technology startups, they are expected to become role models and thus increase their representation.
Target country or region	Latin America and the Caribbean
Incidence in LAC region	The entire LAC region
Incidence in Win Win countries	— Brazil — Chile — Argentina — Uruguay In the last update - there may be an impact on Costa Rica or Jamaica, as some of the investor profiles do not show a breakdown by country
Commitment to gender equality	The main objective applies to lens 2 Investing in companies that promote gender equality as it encourages women's leadership, both as investors and in venture capital funds that invest in technology at an early stage.
Gender lens (own classification)	Lens 2: — Gender equality in leadership positions in the beneficiary organization (corresponds to



	<p>WEP principle 1)</p> <ul style="list-style-type: none"> — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in finance and investment — Gender equality in internal investor practices
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	<p>The first edition consisted of a single list, made up of 36 leading investors in technology sector startups, which was drawn up in 2016, under a peer-to-peer nomination process. The second edition, which took place in 2017, incorporated 8 new investors. In the third edition, two lists were produced. The first, the list of outstanding women, was a change in methodology and was developed from research by LAVCA that reviewed and verified the investment teams of all venture capital funds, impact investment funds, accelerators, development financial institutions, angel investors and incubators in Latin America, producing a list of 82 women. The second list is a new list of emerging women, focused on women working in venture capital, in junior positions, and with great potential in the sector, consists of 47 women.</p>
Description of the instrument	<p>The first, Outstanding Women Investing in the Technology Sector in Latin America, is a list of senior level women who have founded or work in venture capital funds, accelerators, incubators, impact investment funds, development financial institutions, as well as angel investors, who invest in technology sector startups, with investments totaling more than US \$ 50k.</p> <p>The second, Emerging Women Investing in the Technology Sector in Latin America, is a list of women in junior positions working in venture capital firms investing in the technology sector.</p> <ul style="list-style-type: none"> — Promoter of platforms or network spaces that connect investors/beneficiaries
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries
Name of the players involved and type of entity in each case	<p>This initiative is led by LAVCA, a non-financial intermediary in the ecosystem that conducts research, analysis and produces data from the private equity and venture capital industry. The initiatives of the two lists are a service of recognition and visibility to the offer of women investors in startups in the technology sector.</p>
Instrument operation	<p>With the sponsorship of IDB Lab and IDB Invest, LAVCA's research team reviews and verifies the investment teams of all venture capital funds and other known financial institutions with investments in Latin America, to produce the list of senior level and junior level investors working in the region's technology ecosystem.</p> <p>The IDB Group has provided monetary resources, as well as advice and support in incorporating players into the lists. However, LAVCA is committed to making the content of its initiatives 100% independent. In addition, through its regional presence and the WeXchange forum, the IDB Lab has provided promotional support.</p> <p>The collection of the information to elaborate the lists has its origin in one of the reports that LAVCA elaborates, for which they must contact all the active players in the region twice a year, asking them questions about capital raising, investment outflows, etc. During this collection of information, they take the opportunity to ask about the women working on the team.</p>
Mobilization of capital	-
INTERMEDIARY	
Name and description of the intermediary	<p>Latin American Venture Capital and Private Equity Association (LAVCA)</p> <p>Non-profit membership organization dedicated to supporting the growth of private capital in Latin America and the Caribbean. LAVCA is comprised of more than 190 firms, ranging from the leading global investment firms active in the region and local fund managers to family offices, global sovereign wealth funds, corporate investors, and international pension plans. Member firms control assets in excess of US \$ 65billion, aimed at capitalizing and growing Latin American companies.</p> <p>LAVCA produces research, analysis and data on the private equity and venture capital industry, as well as training courses for investors in the region.</p>
Role/Roles of the intermediary	<ul style="list-style-type: none"> — Promoter of platforms and connection networks in the different links of the ecosystem (networks of investors, entrepreneurs or cross-cutting) — Capacity building, advice and/or support to investors.
Type / Subtype	— Capacity Builder



	<ul style="list-style-type: none"> – Networking Platform – Training – Research and data production.
Geographical scope of action	Latin America and the Caribbean
OVERALL EVALUATION	
Innovations introduced	Distinguishing women in the male-dominated venture capital sector Distinction for emerging women (junior positions) at the Latin American level.
Identified challenges	Make the list in a rigorous manner, according to specific criteria and with the greatest possible representation. Give continuity to the list on an annual basis.
Lessons learned	The process of producing outstanding women has been professionalized, under more rigorous criteria and expanding the scope of women to be included. Despite the incorporation as LAVCA members of institutional investors, sovereign wealth funds, etc., the main objective of investors is financial return. Organizations with other profiles than venture capital funds have joined as members of LAVCA: sovereign wealth funds, institutional investors, among others, becoming the Association of Private Equity Investors.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	There are many strategies in the market at a high level, but it is necessary to know in detail what is happening through initiatives such as lists, or surveys, so that the picture can be better understood. It is therefore important to produce more data and information to keep the community informed. It is also important to coordinate efforts, work together and avoid a large number of similar initiatives taking place at the same time.

Sources of information:

- <https://lavca.org/vc/women-investing-latin-american-vc-decision-makers/>
- <https://lavca.org/2018/10/24/emerging-women-investing-in-latin-american-tech/>
- Interview with Natalia Valencia from LAVCA, August 28, 2019



The S Factory of StartUp Chile, a Corfo initiative

IDENTIFICATION	
Name of the initiative	The S Factory of StartUp Chile, a Corfo initiative
Brief description	StartUp Chile is part of Corfo, the Chilean Government's Production Development Corporation. Pre-acceleration program for startups led by women and social entrepreneurs
Promoting entities that create and lead the initiative	Start Up Chile —Service Provider
Country or countries where it operates	Chile
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2010
Contact person	David Fernández, Acceleration & Deputy Director
Email address	david@startupchile.org
Telephone / Skype	T: +56 22 862 4384 david.fdz
Web/ Link	www.startupchile.org
Other initiatives and instruments	— Incubators and accelerators
Status of implementation of the initiative	— Active (Since 2010, they are going for the 10th edition)
NEED	
Description of the existing requirement	From the experience of StartUp Chile, they realized that only 5-7% of the people who participated in their acceleration programs (Seed and Footprint) were women, while their chances of success were higher. In 2018, 25.1% of business ownership in Chile was in the hands of women (Mastercard Index of Women Entrepreneurship).
Collective in need (Final beneficiary)	— Women entrepreneurs
Identified risks and challenges	Women have an empowerment deficit, an "impostor syndrome" that makes them limit themselves when it comes to entrepreneurship and especially when it comes to convincing an investor.
OBJECTIVES	
Description of the objectives	Provide pre-acceleration services for startups led by people who identify with gender equality in the company, so that they can then continue their progress (for example, with the Seed program, also of StartUp Chile).
Target country or region	Chile, although they are aimed at entrepreneurs from any country who wish to establish themselves in Chile.
Incidence in Win Win countries	— Chile
Commitment to gender equality	Apply lens 1, as it is specific for female entrepreneurs.
Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The Production Development Corporation (Corfo), created in 1939, is the Chilean state agency in charge of promoting national productive activity. Initially, it managed the public companies in Chile. Over the years, the need arose to separate the administration of public enterprises from the institution, creating an autonomous committee in accordance with the technical, organizational, budgetary and independent institutional relations management objectives. For this purpose, the administration of public companies was transferred in 1997 to a body created for this purpose, the Enterprises Administrator System (now SEP). All these transformations allowed Corfo to fulfill its institutional mission: the promotion of production.



	In the first years, it implied industrialization, with a widely recognized impact on national economic development; at present it means that Chile, through its productive structure, manages to be more competitive as a country. To this end, Corfo implements multiple entrepreneurship and development programs.
Description of the instrument	The S Factory program seeks women leaders who can turn innovative ideas into functional prototypes. It looks for early stage projects, with a technological base and global potential. Offer: 4 months of startup training: workshops and training by experienced entrepreneurs and mentors. Up to US \$ 20,000 of free participation subsidy. Objectives: To turn an idea into a viable business, have the idea validated, build an MVP and prepare for the next phase of investment.
Type of service	— Capacity building, advice and/or support
Name of the players involved and type of entity in each case	The S Factory does not address investor financing, as it is a pre-acceleration program, but it does link up with other programs such as Seed that are more focused on attracting investment. StartUp-Chile maintains and dynamizes an "Investor Club" with up to 60 members, in which they do not charge anything for membership, but ask for active involvement by participating in the events they organize (Investors Lab, Finance Circle, Demo days) and giving feedback to the investment projects they send them. They also have a network of mentors and entrepreneurs (Founders Lab), who provide support in their programs.
Mobilization of capital	Corfo has mobilized a total of US \$ 54.5 million in StartUp Chile, which, in addition to bringing the survival rate of startups to 76.7%, has made it possible to mobilize up to 18.3 times this investment, US \$ 998 million.
INTERMEDIARIES	
Name and description of the intermediary	StartUp Chile is a public start-up accelerator, created by the Chilean government's Corfo society in 2010, so that high-potential entrepreneurs worldwide can use Chile as a base. It is the leading accelerator in Latin America, and from 2016 its new objectives are to ensure that Chile continues to be a global hub for technological innovation. Corfo has 1,230 workers in the 16 regions where it operates and manages 15 initiatives in addition to StartUp Chile.
Role/Roles of the intermediary	— Financing the final beneficiaries — Resource Mobilizer — Business Incubation/ Acceleration
Type / Subtype	— Capacity Builder — Accelerator — Incubator
Geographical scope of action	Chile
DEMAND	
Name/Profile of beneficiary organizations	Women's startups with products preferably with a technological component.
Type	— Entrepreneur — Women-owned/leadership company
Size	— Self-employed/entrepreneur — Micro and small businesses
Stage of development	— Early Stage
Geographical scope of action	Chile, but looking for global market focus.
OVERALL EVALUATION	
Innovations introduced	To be a specific program for women. As an incubator, have a management indicator in place: 40% of entrepreneurs must be women.
Identified challenges	Try to take the gender approach beyond lens 1, also with indicators.
Lessons learned	The initiative is working well.



Main challenges and risks as potential allies of the mechanism to be established by UN Women	<p>Initiative implemented in Chile, due to its public character, although it attracts entrepreneurs from all over the world (there is the possibility of applying for a Visa Tech when participating in the program).</p> <p>But it also presents an opportunity to understand business incubation as a public policy. In this area, the power of UN Women to guide public policy can be very relevant (not only for incubation, but also for investment and financing). Governments must be considered as relevant players.</p> <p>In addition, it is part of an experience that has been replicated throughout the world, including countries in the region, and has numerous international recognitions as an incubator/accelerator. A partnership with them would be a good advertisement for similar entities in other countries (e.g. StartUp Jamaica or StartUp Brazil used it as a model).</p>
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Sources of information:

- <https://www.startupchile.org/es/programs/the-s-factory-2/>
- Investors one pager.pdf
- Interview with David Fernández, Acceleration & Deputy Director, August 5, 2019

Value For Women

IDENTIFICATION	
Name of the initiative	<i>Value For Women</i>
Brief description	A global social initiative that brings together a multidisciplinary team of researchers, business experts and gender specialists to identify and test new solutions to promote gender equality, women's empowerment and women's entrepreneurship.
Promoting entities that create and lead the initiative	<i>Value For Women</i> —Service Provider
Allied players	There are 34 partners in the initiative, including NGOs, foundations, United Nations agencies, international development agencies and financial institutions. Partners contribute in different ways, either through content, design, oversight, review or funding to develop the products. Below is a list of partners: Shell Foundation, Aspen Network of Development Entrepreneurs, Principles for Responsible Investment (PRI), Hershey's, Investing in Women, Vital Voices, Fundes, Banorte Foundation, IDB LAB, Walmart Foundation, International Finance Corporation (IFC), Coffee Quality Institute, InspiraFarms, CapPlus, Agora Partnerships, Islamic Relief Worldwide, Criterion Institute, U.S. Chamber of Commerce Foundation, Rootcapital, Department for International Development (DFID), Engineers Without Borders, World Vision, Global Alliance for Clean Cookstoves, nuup, Cherie Blair Foundation for Women, IPADE, International Labour Organization (ILO), Calvert Foundation, Oxfam, Department of Education and Training (Australia), The Good Partner, WEConnect, Heifer International, Adam Smith International.
Country or countries where it operates	United Kingdom, Canada, United States, Mexico, Nicaragua, Kenya, Argentina and India
Gender lens (es) targeted	<p>— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)</p> <p>— Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)</p>
Starting date	2012
Contact person	Luis Marquez
Email address	lm Marquez@v4w.org
Telephone / Skype	+16178931883
Web/ Link	https://www.v4w.org/
In the case of a funding initiative, indicate the type of	



instrument	
Other initiatives and instruments	<ul style="list-style-type: none"> — Technical assistance and training — Studies
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	Economic growth and social development are considered to be limited due to the lack of empowerment and inclusion of women in the business and entrepreneurial arena.
Collective in need (Final beneficiary)	— Women in general
Identified risks and challenges	In investments, return over impact prevails. There is still no focus on monitoring and evaluation. There must be a greater emphasis on measurement and on being more rigorous. Greater awareness of the ecosystem is required through reports, dissemination workshops and availability of information. Gender impact on SMEs must continue to be mainstreamed.
OBJECTIVES	
Description of the objectives	The adoption of gender-inclusive measures in the business world and the use of women's role to boost entrepreneurship and improve performance, thus contributing to a more prosperous economy, a fairer society and a more sustainable planet.
Target country or region	Global initiative
Incidence in LAC region	It has an impact on the LAC region, among others.
Incidence in Win Win countries	— Brazil — Argentina
Commitment to gender equality	The main objective of this initiative is the promotion of gender equality and the empowerment of women and entrepreneurship, in line with lenses 1 and 2
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	No
Description of the instrument	<p><i>Value for Women</i> has three areas of work underway:</p> <p><i>Research and Development:</i> use practical and collaborative research methods to demonstrate tangible social and economic benefits of promoting gender inclusion, including <i>case-studies</i>, research reports or market analysis. To date, they cover issues such as the role of finance in gender equality, the creation of opportunities for women entrepreneurs or the growth of small businesses run by women.</p> <p><i>Capacity Building:</i> using a combination of training methods and cultural awareness to produce tailor-made training programs to address social and cultural barriers to gender inclusion. The training programs provided include topics such as SME training, microfinance training, support for women entrepreneurs or empowerment of women in the markets.</p> <p><i>Design of Tools and Programs:</i> they design and implement tools to carry out analysis and impact studies, in order to establish references and standards. Under this project, toolkits have been developed to measure performance improvements due to gender inclusion, tools to analyse the role of women in SMEs and the value chain, or tools to assess the benefits of gender inclusion.</p>
Type of service	<ul style="list-style-type: none"> — Capacity building, advice and/or support — Studies
Name of the players involved and type of entity in each case	<p><i>Value for Women</i> offers services in more than 25 countries for research, capacity building and design of tools and programmes, to support gender equality, women's empowerment and entrepreneurship in SMEs. These services are aimed at both investors and SMEs.</p> <p>—Service Provider</p> <p>There are 34 partners in the initiative, including private companies, foundations, commercial banks, multilateral banks, international organizations, NGOs and public institutions.</p>
Instrument operation	<p>The role of <i>Value for Women</i> is to develop ideas, tools and content during the design and implementation of projects carried out in conjunction with other partners involved in the ecosystem.</p> <p>Projects are carried out through collaborations between <i>Value for Women</i> and other organizations with similar objectives that also contribute through content, design,</p>



	<p>monitoring, review, or funding (e.g., the Creating Opportunities report produced as a result of a collaboration between Value for Women, Banorte Foundation, Aspen Network of Development Entrepreneurs, and the Universidad Panamericana's Center for Research on Entrepreneurship). In these cases, members of the <i>Value for Women</i> team are listed as co-authors or co-leaders of the relevant products.</p> <p>In other cases, <i>Value for Women</i> participates through its contributions to the content of studies under the framework of initiatives carried out by third parties (e.g., the Sustainable Stock Exchanges initiative created by UNCTAD, UNEP-FI and PRI).</p>
Mobilization of capital	
INTERMEDIATE	
Name and description of the intermediary	<p><i>Value for Women</i></p> <p>Social enterprise with a multidisciplinary team of researchers, business experts and gender specialists to provide research and capacity building to support gender equity, women's empowerment and entrepreneurship in the sector of small and medium enterprises, business models, value chains and businesses.</p>
Role/Roles of the intermediary	<ul style="list-style-type: none"> — Generator of tools and metrics to measure gender impact (<i>Tool and Program Design</i>). — Capacity building, advice and/or support to women entrepreneurs (<i>Capacity Building</i>). — Capacity building, advice and/or support to investors. — Research, awareness and dissemination (<i>Research and Development</i>)
Type / Subtype	<ul style="list-style-type: none"> — Capacity Builder — Consultant (as a social enterprise)
Geographical scope of action	25 countries in Africa, the Middle East, Asia and Latin America
DEMAND	
Name/Profile of beneficiary organizations	The three areas of work are aimed at the empowerment and inclusion of women in SMEs, women in small growth companies and women entrepreneurs
Type	<ul style="list-style-type: none"> — Entrepreneur — Women-owned/leadership company — Company committed to equality
Size	<ul style="list-style-type: none"> — Self-employed/entrepreneur — Micro and small businesses — Small and medium enterprises
Stage of development	Any, not specified
Geographical scope of action	
OVERALL EVALUATION	
Innovations introduced	<p>Use of tools to measure impact on the performance of companies that incorporate inclusive policies.</p> <p>Identifying the women's role in the value chain</p> <p>Training to IFIs (banks, microfinance institutions) on the value of women entrepreneurs.</p>
Identified challenges	<p>Be more rigorous in measuring impact.</p> <p>Investment funds should incorporate incentives (attractive financing conditions for investors and, for example, pay-per-performance for demand), combined with technical assistance.</p> <p>Creation of a WEP equivalent for SMEs</p>
Lessons learned	The importance of networks of organizations, such as the Aspen Network of Development Entrepreneurs (ANDE), where they have collaborated on different projects, because of their ability to bring together different players.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	UN Women can be an ally in supporting awareness-raising of the ecosystem, through reports, workshops and setting the principles of empowerment for women.

Sources of information:

- <https://www.v4w.org>
- Interview with Luis Marquez of Value for Women, August 5, 2019





Venture Women Brazil

IDENTIFICATION	
Name of the initiative	Venture Women Brazil
Brief description	Networking between entrepreneurs and investors launched in conjunction with the Brazilian Association of Venture Capital Firms (ABVCAP), this initiative is the first forum to enhance women's participation in the country's venture capital industry.
Promoting entities that create and lead the initiative	Venture Women Brasil, networking platform for the sector. —Service Provider ABVCAP Brazilian Venture Capital Association —Service Provider
Allied players	Inspere Business School
Country or countries where it operates	Brazil
Gender lens (es) targeted	— Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2)
Starting date	2016
Contact person	Andrea Minardi - Professor Finance Inspere
Email address	minardi@inspere.edu.br
Telephone / Skype	
Web/ Link	https://www.venturewomenbrasil.com.br/pesquisa
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	— Networking between investors and companies — Networking among women investors — Networking between investors, companies and intermediaries (throughout the ecosystem)
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	According to VWB, the venture capital industry needs a greater presence of women. There is also a need to increase relations in this sector with women entrepreneurs and businesswomen. According to a research conducted in 2017 by this institution, among the 42 main venture capital funds, only 14% of the partners in Brazil are women (world 7%) and only 27% of the managers have at least one woman as a partner (world 38%). Furthermore, only 31% of venture capital team members are women, while 24% of companies do not employ women on their teams.
Collective in need (Final beneficiary)	— Women entrepreneurs — Women business owners — Women business managers
Identified risks and challenges	The initiative seeks to disseminate the role of women as partners and managers in venture capital funds. To this end, it intends to hold events and carry out studies on the presence of women in the sector. The main risks and challenges in this sector are cultural, men need to support equality and see women as investment and entrepreneurial professionals with equal possibilities and capabilities.
OBJECTIVES	
Description of the objectives	VWB's goal is to unite, connect and develop women in the entrepreneurial environment, helping to facilitate a more diversified business environment with greater opportunities.
Target country or region	Brazil
Incidence in LAC region	Brazil, only
Incidence in Win Win countries	— Brazil
Commitment to gender	The main objective is embedded in a gender lens, as the promotion of equality is the



equality	platform/initiative's main purpose.
Gender lens (own classification)	<p>Lens 2:</p> <ul style="list-style-type: none"> – Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) – Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) – Gender equality in finance and investment – Gender equality in internal investor practices
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	No background has been detected although the network is supported by the Brazilian venture capital association, the Insper business school and MIA, women angel investors, the latter having been working since 2013 on women's entrepreneurship and investment.
Description of the instrument	So far VWB has held six meetings since 2016, has published a report on the venture capital sector and its characteristics in terms of inequality and is preparing a seventh event/forum for October 2019.
Type of service	– Promoter of platforms or network spaces that connect investors/beneficiaries
Name of the players involved and type of entity in each case	<p>Venture Women Brasil, a platform for connecting and promoting women investors and entrepreneurs.</p> <ul style="list-style-type: none"> – Promoter <p>ABVCAP, Brazilian association of venture capital companies, main partner and promoter of the dissemination and networking events.</p> <ul style="list-style-type: none"> – Promoter <p>Insper, a non-profit university and business school, technical partner of the platform.</p> <ul style="list-style-type: none"> – Promoter
Instrument operation	<p>VWB is an initiative developed by Insper, as a technical partner of the platform, since it is promoted by the school's finance chair. As for ABVCAP, its membership includes the main women participants in Brazilian venture capital industry managers. In addition, ABVCAP gives visibility to the events and meetings, provides institutional support, as do other sponsors, in particular:</p> <p>APEX Brazil EY Anjos (Angels) do Brasil MIA Women Investors Anjo (Angel)</p>
Mobilization of capital	Directly, no.
INTERMEDIARIES	
Name and description of the intermediary	Venture Women Brasil, a platform for the development of networks of women investors and entrepreneurs within the structure of the venture capital fund industry in Brazil Created in 2016, it usually has a membership of approximately 15-20 women, who develop the meetings and participate in the studies.
Role/Roles of the intermediary	– Promoter of platforms and connection networks in the different links of the ecosystem (networks of investors, entrepreneurs or cross-cutting)
Type / Subtype	<ul style="list-style-type: none"> – Capacity Builder – Networking Platform
Geographical scope of action	Brazil
DEMAND	
Name/Profile of beneficiary organizations	Women partners of venture capital investment funds, executives of this industry and participants in work teams within private equity and venture capital managers. Enterprising women seeking funding for their projects.
Type	<ul style="list-style-type: none"> – Entrepreneur – Women-owned/leadership company
Size	<ul style="list-style-type: none"> – Self-employed/entrepreneur – Micro and small businesses – Small and medium enterprises – Large companies
Stage of development	– Early Stage



	<ul style="list-style-type: none"> — Growth/consolidation stage — Seeding/ Incubation Stage
Geographical scope of action	Brazil
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://www.venturewomenbrasil.com.br/>
- <https://www.insper.edu.br/quem-somos/>
- <http://www.mulheresinvestidoras.net/na-midia.html>
- <https://www.abvcap.com.br/sala-de-imprensa/noticias-abvcap.aspx?c=pt-br>



WeXchange

IDENTIFICATION	
Name of the initiative	WeXchange
Brief description	Annual 2-day event aimed at STEM entrepreneurs in Latin America and the Caribbean, in which they can expand their network of contacts, access mentors and investors, training on key issues to develop their startups, and the possibility of participating in the Pitch Competition.
Promoting entities that create and lead the initiative	IDB Lab —Service Provider
Allied players	Local Partner (partner of the country where the event is held each year, supports the organization. It is usually a service provider/incubator).
Country or countries where it operates	USA
Gender lens (es) targeted	— Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1)
Starting date	2013
Contact person	Susana Garcia-Robles, Chief, Loans and Equity Operations Gender Initiatives Coordinator
Email address	SUSANARO@iadb.org
Telephone / Skype	T. +1 202 942 8220 C. +1 202 288 4698 1300 New York Avenue N.W. Washington, D.C. 20577, USA
Web/ Link	www.idblab.org
Other initiatives and instruments	— Networking between investors and companies — Networking between entrepreneurs — Forums, events and working groups
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	WeXchange was born because IDB Lab, as an investor in venture capital funds, realized that it did not have many companies led or co-founded by women in its portfolio. Thus, in 2012 the thesis emerged that women lacked networking opportunities, inspirational figures, access to tailored training and opportunities to present themselves to investors.
Collective in need (Final beneficiary)	— Women entrepreneurs
Identified risks and challenges	No risks are identified, as it is a promotional initiative. The challenges are to maintain networks between events and to materialize investments in women entrepreneurs. Another challenge is to turn successful women entrepreneurs into investors who choose to invest in other women's businesses.
OBJECTIVES	
Description of the objectives	For female entrepreneurs: Participate in the Pitch Competition, where a jury chooses the most innovative and dynamic entrepreneur in the region Receive personalized and group mentoring, to solve key issues of their companies. Networking with key people in the entrepreneurial ecosystem Attend practical training sessions guided by experienced investors and entrepreneurs. For investors, mentors and guests: Finding projects to invest in. Keep abreast of the latest trends in technology and innovative business models. Get to know the companies that will become the next success stories in the region. Provide support to a platform formed by young talent that is contributing to the creation of wealth and social welfare in the region.
Target country or region	LAC region, as a whole



Incidence in Win Win countries	— Brazil — Costa Rica — Jamaica — Chile — Argentina — Uruguay
Commitment to gender equality	Initiative aimed exclusively at STEM women entrepreneurs in Latin America and the Caribbean. It was born in response to the commitment to gender equality of IDB Lab, but also by acknowledging that women entrepreneurs' initiatives are economically more profitable (opportunity for investors).
Gender lens (own classification)	Lens 1: — Access to capital for women's and/or entrepreneurs' businesses
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	WeXchange was born because IDB Lab, as an investor in venture capital funds, realized that it did not have many companies led or co-founded by women in its portfolio
Description of the instrument	Established in 2013 by IDB Lab, the innovation laboratory of the IDB Group, WeXchange is an annual 2-day event that seeks to unleash the growth potential of STEM (science, technology, engineering and mathematics) entrepreneurs in Latin America and the Caribbean. In just six editions, it has brought together more than 1.600 entrepreneurs, mentors, investors and experts from 24 countries. WeXchange offers Latin American and Caribbean women entrepreneurs the opportunity to expand their network of contacts, access mentors and investors, training on key topics to develop their startups, and the possibility of participating in the Pitch Competition, a business competition that rewards the most dynamic and innovative entrepreneur in the region. The sixth edition of WeXchange was held as part of the International Entrepreneurship Week at the University of the Pacific, on November 6 and 7, at its facilities in Lima, Peru. Main data: 2 days 206 Entrepreneurs 427 participants 13 countries represented + 1,000 views in web streaming 60 Panelists, investors and mentors 17 Sponsoring or collaborating entities The seventh edition of the WeXchange forum will be held in Asunción, Paraguay on November 13 and 14.
Type of service	— Promoter of platforms or network spaces that connect investors/beneficiaries — Capacity building, advice and/or support — Funds mobilizer
Name of the players involved and type of entity in each case	IDB Lab, development financing agency of the Inter-American Development Bank Group, promoter of investment initiatives and programs with impact in the LAC area. — Investor Innovative companies promoted by women or owned by women, come to the event to mobilize capital and increase their networks. — Demand
Instrument operation	As a network event, this instrument is materialized in the agenda of the 2 days that it lasts. It includes: Day 1: Sessions: lectures, panel discussions by specialists. Alumni Founders Panel: experiences of female entrepreneurs from past editions. Day two: Pitch competition. Training for women entrepreneurs. Group mentoring sessions. Networking with a space for the exhibition of ideas and products.
Mobilization of capital	One of the objectives is to present investors with projects to invest in. It does not indicate whether capital is expected to be mobilized under the instrument and, if so, how much for.
SUPPLY	
Name and description of the	IDB Lab (formerly MIF) is the IDB Group's funding agency for private sector support in the



investor	LAC region. It is the innovation laboratory of the IDB Group. It mobilizes funding, knowledge and connections to catalyze innovation for inclusion in Latin America and the Caribbean. It develops innovative projects and early ventures with the potential to generate large-scale impact. It has funded more than 2,300 projects worth US \$ 2 billion since 1993. It is one of the most active funds in the Latin American area with active participations in 50 funds.
Role/ Roles of the investor	— Financer — Promoter and creator of networks (networking)
Character	— Public
Type	— Development Finance Institution
Inverter location	— Latin America and the Caribbean — North America
Geographical scope of investor	38 countries in Latin America and the Caribbean
Commitment to gender equality	As part of the IDB group, gender equality is one of the agency's strategic lines. In addition to being applied at a cross-cutting level in the activities of IDB Lab, gender equality is also an objective of many of the specific women's entrepreneurship projects, such as this WeXchange project.
DEMAND	
Name/Profile of beneficiary organizations	Entrepreneurial women in the LAC region, in STEM work areas
Type	— Entrepreneur — Women-owned/leadership company — Company committed to equality — Company that offers goods and services to improve women's well-being
Size	— Self-employed/entrepreneur — Micro and small businesses
Stage of development	— Early Stage — Seeding/ Incubation Stage
Geographical scope of action	40 countries in the LAC region.
OVERALL EVALUATION	
Innovations introduced	The main strength is that it is an event specifically aimed at women entrepreneurs (although only with a STEM profile). One of the important effects is feedback over time: successful entrepreneurs inspire new entrepreneurs and become investors as well. Another is to put the focus of investors on the gender approach (lens 1), associating women and profitability, getting more and more funds to analyze their portfolio to see the number of companies with women leaders, and publish that figure (call effect).
Identified challenges	None detected.
Lessons learned	Do not focus on the prizes. The pitch competition seeks to make ventures visible, but the prize is not in cash because the entrepreneurs are not expected to become "professional competitors", but to make their business grow.
Main challenges and risks as potential allies of the mechanism to be established by UN Women	WeXchange is the most visible regional initiative in terms of women entrepreneurs and their contact with investors, and focuses on lens 1. It would be very important for UN Women to be associated with this initiative, specifically in terms of investors, to demonstrate the economic potential of women's businesses. No risk of competition is detected.

Sources of information:

- <http://wexchange.co>
- Forum Report - WeXchange 2018 Full Summary <http://wexchange.co/wp-content/uploads/2019/07/Recap-2018-Baja-calidad.pdf>
- WEGrow: Unlocking the Growth Potential of Women Entrepreneurs in Latin America and the Caribbean, con Ernst & Young, 2014 <https://financialallianceforwomen.org/download/wegrow-unlocking-the-growth-potential-of-women-entrepreneurs-in-latin-america-and-the-caribbean/>
- Interview with Susana García-Robles, August 2, 2019



Wharton Social Impact Initiative WSII, Wharton School at the University of Pennsylvania

IDENTIFICATION	
Name of the initiative	Wharton Social Impact Initiative WSII, Wharton School at the University of Pennsylvania
Brief description	WSII is an institution under the Wharton School of Business that conducts studies and research on impact investments, including general social impact, gender, ethnic minorities, diversity, etc. It publishes its research with a collaborative University - Company approach with the aim of creating a global community of social impact investors. Within this institution, Project SAGE is a publication with a global exploration of private funds, venture capital and private debt with a gender focus.
Promoting entities that create and lead the initiative	Wharton Social Impact Initiative WSII —Service Provider Catalyst at Large (Suzanne Biegel) —Service Provider
Allied players	
Country or countries where it operates	USA
Gender lens (es) targeted	<ul style="list-style-type: none"> — Access to capital for women entrepreneurs and women-led businesses: Focused on gender gaps in the mobilization of capital and credit from different players and mechanisms for women. (Lens 1) — Investing in Gender Equality Enterprises: Attracting Capital and Investing in Enterprises that Promote Gender Equality in the Workplace, Value Chains and the Community (Lens 2) — Invest in companies that develop products and services that positively impact women. Aimed at companies whose products and services are intended to promote an improvement in the welfare of women and girls. (Lens 3)
Starting date	2013
Contact person	Sandra Maro Hunt Senior Director, Wharton Social Impact Initiative
Email address	sandhunt@wharton.upenn.edu
Telephone / Skype	+1 215.688.1153
Web/ Link	https://socialimpact.wharton.upenn.edu/
In the case of a funding initiative, indicate the type of instrument	
Other initiatives and instruments	<ul style="list-style-type: none"> — Forums, events and working groups — Company rankings — Diagnostic tools for GII in working environments — Impact Metrics — Technical assistance and training
Status of implementation of the initiative	— Active
NEED	
Description of the existing requirement	WSII understands that the role of capital markets and private sector players can contribute and be expanded to address social and environmental challenges at the global level. The institution understands that there is a need to increase the talent base and documented evidence to guide and strengthen the practice of impact investing. Impact investment is a strategy to generate positive social and environmental effects, while at the same time generating a financial return.
Collective in need (Final beneficiary)	<ul style="list-style-type: none"> — Women entrepreneurs — Women business owners — Women business managers — Women working in companies committed to gender equality
Identified risks and challenges	The initiative has been in operation since 2013, and its main challenges are to provide data and metrics useful to the global investment community and encourage impact investment in



	new financial initiatives, especially in the private sector.
OBJECTIVES	
Description of the objectives	The SAGE initiative (in 2017 SAGE 1.0, in 2018 SAGE 2.0) aims to provide an insight into the global landscape of financial vehicles (structured private equity, venture capital and private debt) that operate with a gender lens. In addition, it aims to present trends in gender-lens investment and explain why some gender-lens funds do not publish their adherence to this trend.
Target country or region	Worldwide but with a clear bias towards the US and UK
Incidence in LAC region	The initiative has an impact in LAC but from the point of view of companies that are beneficiaries of private financing from the main capital markets, the US and the UK.
Incidence in Win Win countries	<ul style="list-style-type: none"> — Brazil — Costa Rica — Jamaica — Chile — Argentina — Uruguay
Commitment to gender equality	The experience is of research on gender lenses, so the commitment is maximum.
Gender lens (own classification)	<p>Lens 1:</p> <ul style="list-style-type: none"> — Access to capital for women's and/or entrepreneurs' businesses <p>Lens 2:</p> <ul style="list-style-type: none"> — Gender equality in leadership positions in the beneficiary organization (corresponds to WEP principle 1) — Gender equality in the workforce of the beneficiary organization (corresponds to principle 2, 3 and 4) — Gender equality in the value chain (corresponds to principle 5) — Gender equality in the community (through corporate social responsibility practices) (Corresponds to WEP principle 6) — Gender equality in finance and investment — Gender equality in the investor's internal practices
START AND OPERATION THE INVESTMENT INITIATIVE	
Background	The SAGE 2.0 project (2018) is the continuation of the SAGE project (2017), developed by the WSII and Catalyst at Large Ltd (Suzanne Biegel). Its objective is to define the volume and dimension of the gender lens investment ecosystem at the private level, as well as its rate and rhythm of growth.
Description of the instrument	The SAGE initiative is a global research initiative conducted through interviews, surveys, news and other media that dimensions the ecosystem, its participants and characteristics. The 2.0 study offers the vision of the market in July 2018.
Type of service	<ul style="list-style-type: none"> — Metrics generator to measure gender impact — Capacity building, advice and/or support
Name of the players involved and type of entity in each case	<p>Wharton Social Impact Initiative WSII. Directs the study and carries out the research with own resources. It is the entity promoting the study and signing its conclusions.</p> <ul style="list-style-type: none"> — Research entity <p>Catalyst at Large Ltd (Suzanne Biegel). Company / research and investment platform used by Ms. Biegel as a pool of her skills and experiences.</p> <ul style="list-style-type: none"> — Consulting company
Instrument operation	<p>The instrument is a research study conducted by WSII and Suzanne Biegel as principal investigator. It is being carried out during July 2018 throughout the gender investment ecosystem. Its main conclusions are:</p> <p>Global volume of private funds with a gender lens: 2,246,502,000 US \$</p> <p>Number of vehicles: 87 funds compared to 58 in 2017</p> <p>Number of beneficiary companies: 828 compared to 524 in 2017</p> <p>Funds invested by geographic area, more than 40% in North America, less than 10% in LAC, specifically 6 funds have investments in the LAC area:</p> <ul style="list-style-type: none"> Alpha Impact Investment Management Partners Alpha Mundi Group Cantera Capital Global Partnership Social Investment 5 Global Partnership Social Investment 6 Root Capital



	By type of capital, mostly venture capital, mostly seed and early stage capital and mostly funds to technology, health and energy companies.
Mobilization of capital	
INTERMEDIARIES	
Name and description of the Intermediary	Wharton Social Impact Initiative. Wharton has more than 240 faculty and research staff, 5,000 undergraduate students, more than 13,000 executive program participants, 30 research centers (including WSII) and 99,000 alumni worldwide. The WSII offers, in addition to its studies, an MBA with an impact investment approach (MIINT), a network of support for projects with impact in Africa (Wharton Africa Growth Partners) and several projects and competitions to promote impact initiatives in the financial sector (Total Impact Portfolio Challenge) as well as studies (Project Sage) and proposals for metrics (Four for Women).
Role/ Roles of the Intermediary	<ul style="list-style-type: none"> — Metrics generator to measure gender impact — Research, awareness and dissemination
Type / Subtype	<ul style="list-style-type: none"> — Capacity Builder — Consultant
Geographical scope of action	Global, more focused on the US, but with studies and special dedication to Africa as well.
INTERMEDIARIES	
Name and description of the Intermediary	Catalyst at Large Ltd., a business platform from which Suzanne Biegel, one of the world's leading gender lens gurus, operates. She has developed the concept of "gender smart investing" and, in addition to participating in studies, advises companies, offers investment advice and invests directly. She has collaborated with CDC (British cooperation agency), the 2X Challenge, WSII, Criterion Institute, among others.
Role/ Roles of the Intermediary	<ul style="list-style-type: none"> — Research, awareness-raising and dissemination
Type / Subtype	<ul style="list-style-type: none"> — Capacity Builder — Consultant
Geographical scope of action	Worldwide, but preferably in the United Kingdom
DEMAND	
Name/Profile of beneficiary organizations	The studies and tools are aimed at the empowerment and inclusion of women in SMEs, women in small growing businesses, women entrepreneurs, women investors and women in management positions in corporations.
Type	<ul style="list-style-type: none"> — Entrepreneur — Women-owned/leadership company — Company committed to equality — Company that offers goods and services to improve women's well-being
Size	<ul style="list-style-type: none"> — Micro and small businesses — Small and medium enterprises — Large companies
Stage of development	Any, not specified
Geographical scope of action	
OVERALL EVALUATION	
Innovations introduced	
Identified challenges	
Lessons learned	
Main challenges and risks as potential allies of the mechanism to be established by UN Women	

Sources of information:

- <https://socialimpact.wharton.upenn.edu/>
- <https://www.wharton.upenn.edu/>
- <http://www.catalystatlarge.com/>



ANNEX 2. *WIN-WIN* SURVEY RESULTS



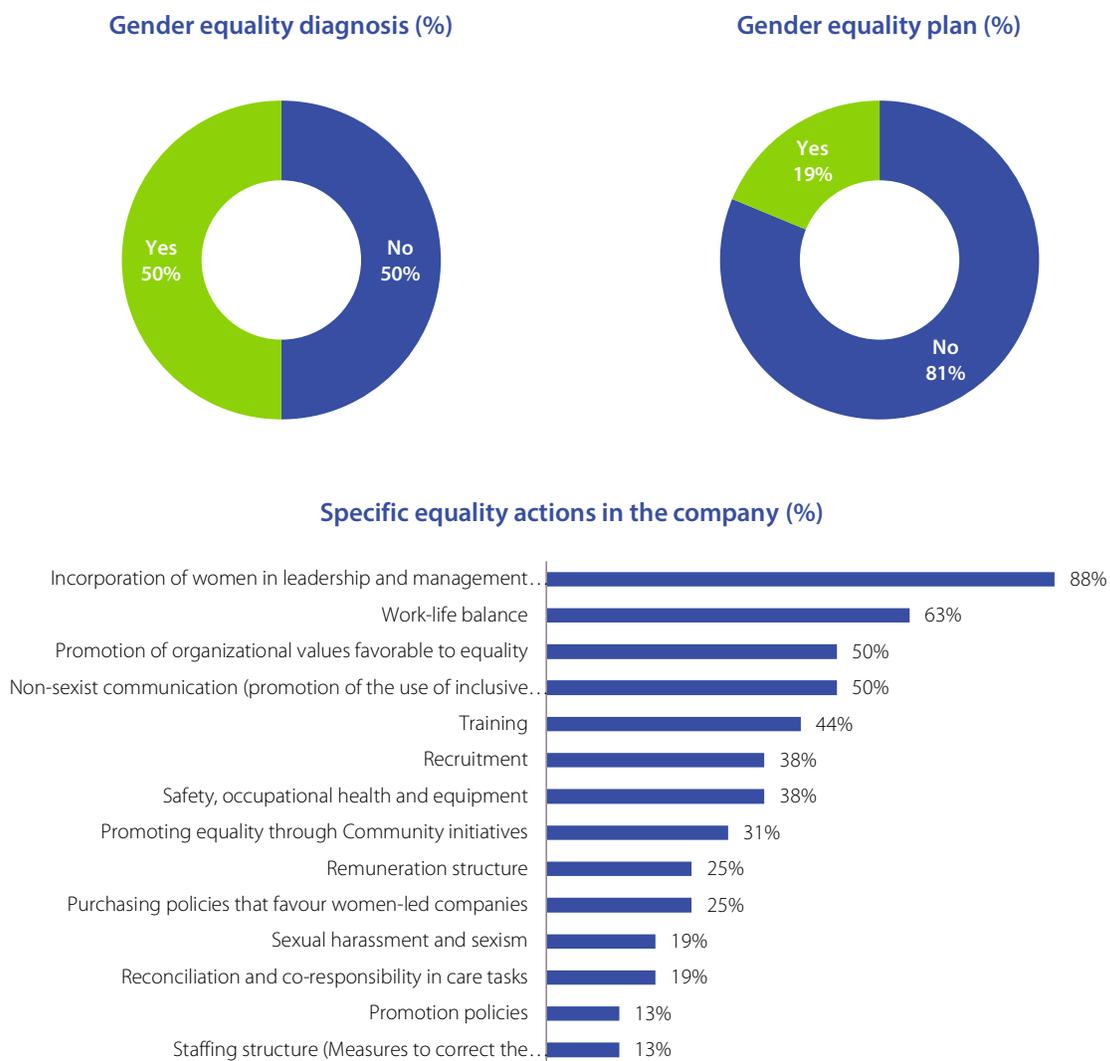
Results for women entrepreneurs (Lens 1)

Company activity on gender equality

The results on lens profile 1 indicate how half of the female entrepreneurs surveyed have made a diagnosis of gender equality in their organization, although only 2 out of 10 have an Equality Plan.

Among the specific actions implemented in the area of gender equality, the following ones stand out: incorporating women into leadership positions (88%); achieving a balance between professional and personal life (63%); promotion of organizational values favorable to equality (50%); and, non-sexist communication (50%). Thirteen per cent have obtained recognition in terms of equality.

Figure 21 Company activity on equality – Women entrepreneurs



Source: Own elaboration from the Win-Win Survey.



Financial and non-financial needs

From the point of view of the financial and non-financial needs of the women entrepreneurs, the survey asks, first of all, about the resources they have used and/or needed throughout the life cycle of their companies.

Out of the different options, the resources most used by the women entrepreneurs have been *information services, administrative and business guidance and processing* (81% of cases), *support and mentoring to support entrepreneurship* (67%), *training* (on administration, finance, IT, new technologies...) (60%), and *advice and training to start a business* (also in 60% of cases). Among the resources they indicate they have needed, but not used, are the generation of networks *connecting investors and fund seekers* (for 47% of the women entrepreneurs), *advice for the internationalization of companies* (with 35%) and *financing to establish, consolidate or expand the business* (with 31%). The resources aimed at promoting gender equality in the company (*sexual harassment protocols, diagnostic tools, or advice on gender equality*) are the ones that have been most often indicated as not being necessary. In any case, this is in a context characterized by microenterprises with a high representation of women.

Among the organizations that women entrepreneurs have turned to for these resources are: commercial banks (63% of them) and professional women's networks (56%), followed, in order of importance, by organizations providing advice and support to women entrepreneurs (44%), and NGOs with specialized programmes aimed at women or incubators/accelerators (with 31% response in each case).

The vast majority of female entrepreneurs surveyed (9 out of 10) have used equity as their main source of business finance. Non-bank external financing has been used by half of them. Bank financing and applying for a loan are the least recurrent routes.

The destination of the financing, for 63% of the women entrepreneurs surveyed, is the start of the activity and, in second place, investment in productive equipment (56%). For half of them, it has been used to finance working capital.

The use of financing instruments is minority, with loans (for 38% of the women entrepreneurs) and seed capital (for 19%) predominating. The remaining funding instruments are hardly significant among the respondents.

Likewise, the main financing institutions for this profile have been governments and financial institutions, both to the same extent (with 31% response).

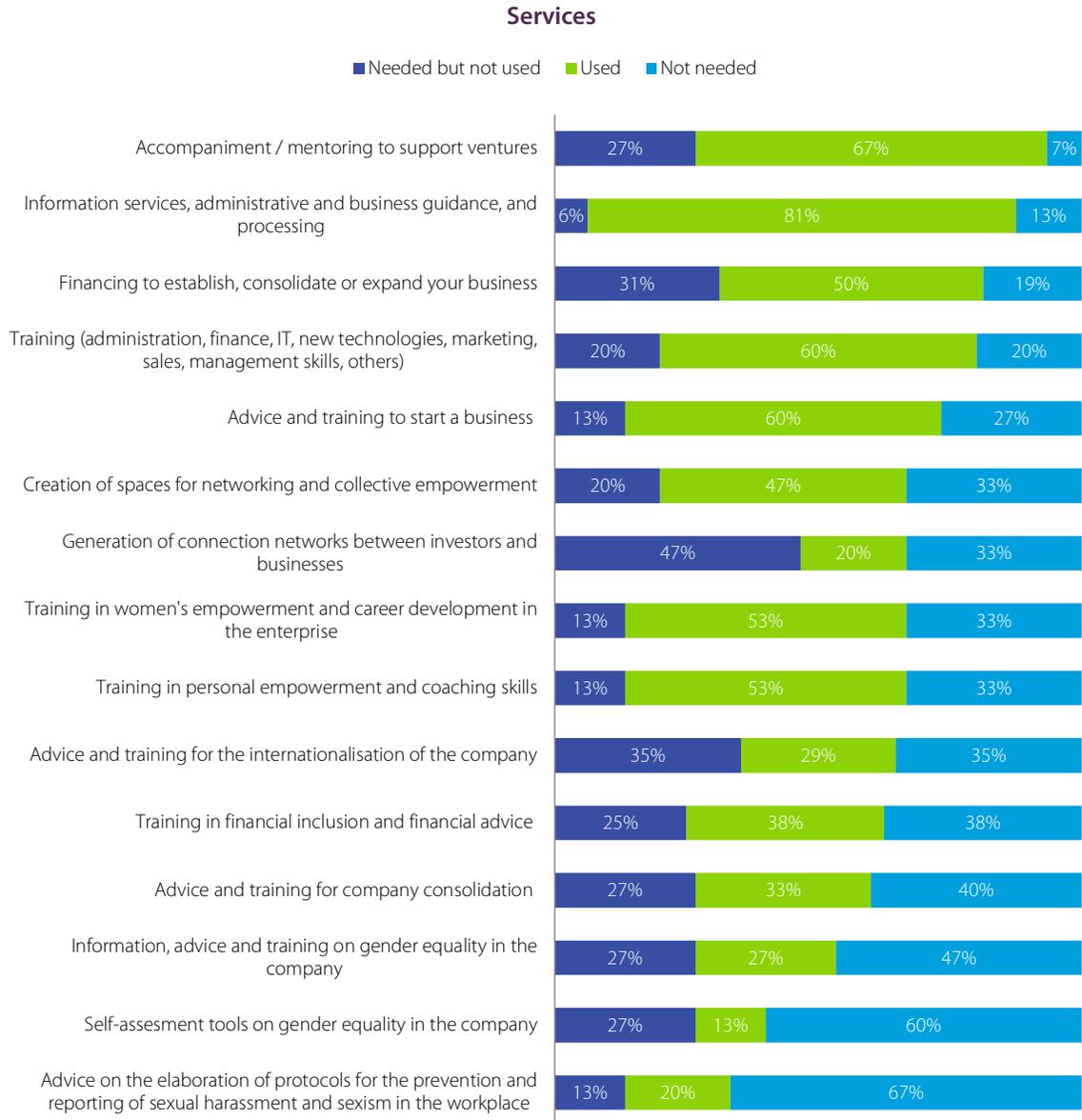
There is a high incidence of refusals to finance among the female entrepreneurs surveyed, with 44% acknowledging that they have been refused an application. Among the most recurrent reasons, it has been noted: the lack of guarantees requested (almost 9 out of 10 who have been refused financing) and excessive requirements requested (7 out of 10). The lack of understanding of the business' capacity to grow by the financial institution and the high price of financing has also been pointed out by most.

The predominant position among women entrepreneurs that being a "gender lens" business favors access to finance is rather neutral, except for lens 1 (being a woman-owned business), which they value as an aspect that hinders access to finance.

Finally, women entrepreneurs seem to agree that there is a need to develop greater awareness among financial organizations and investors about the importance of women as generators of positive impacts, as well as to change women's entrepreneurial culture towards more sustainable ways of doing business. They are more skeptical, however, about the claim that financial institutions still do not fully understand women's needs and ways of doing business.



Figure 22. Non-financial needs. Women Entrepreneurs

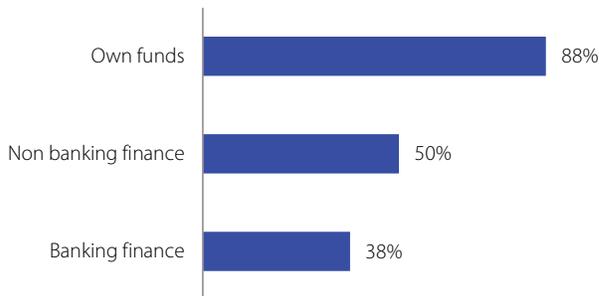


Organizations that have been applied (%)

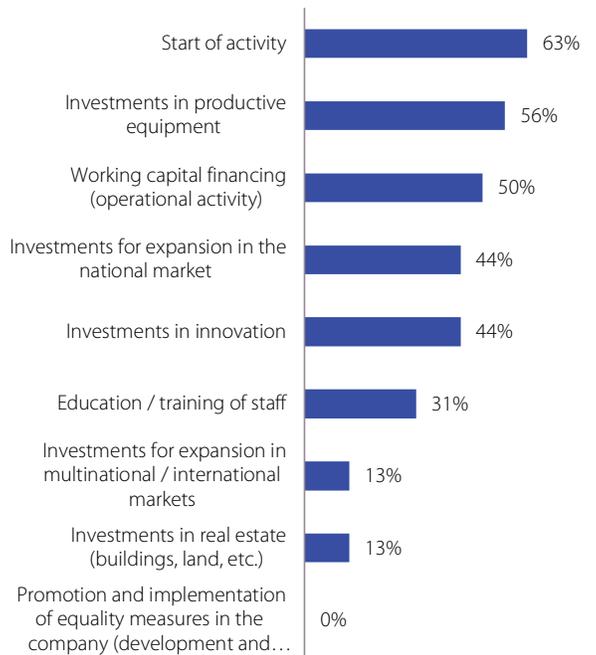


Note: 0% of respondents went to crowdfunding platforms or philanthropic/investor foundations on equality issues.

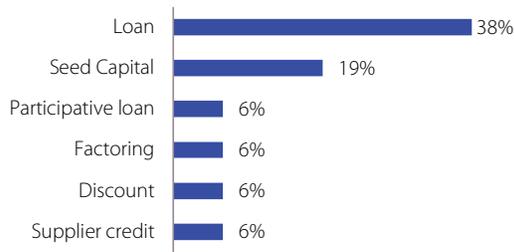
Types of financing (%)



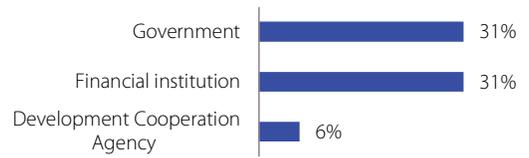
Use of finance (%)



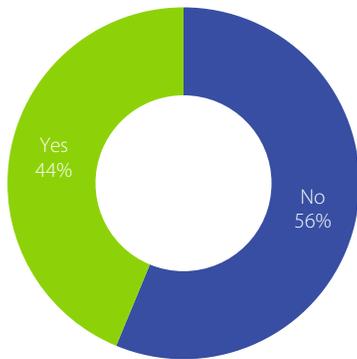
Financial Instruments (%)



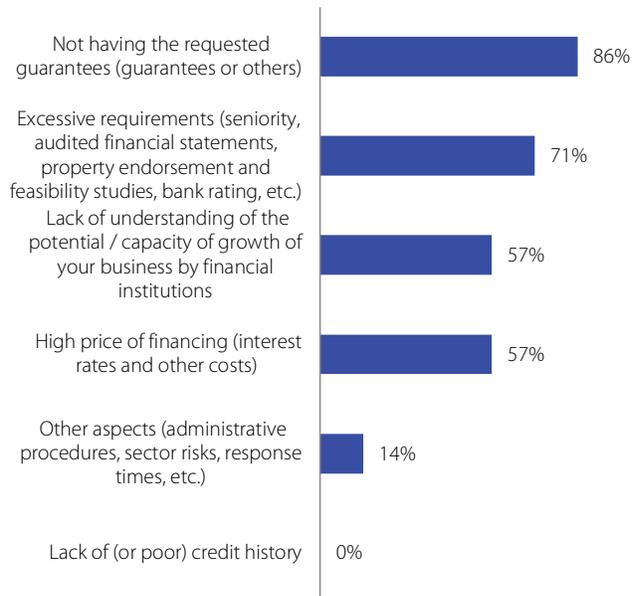
Financial institutions (%)



Reject of finance application (%)

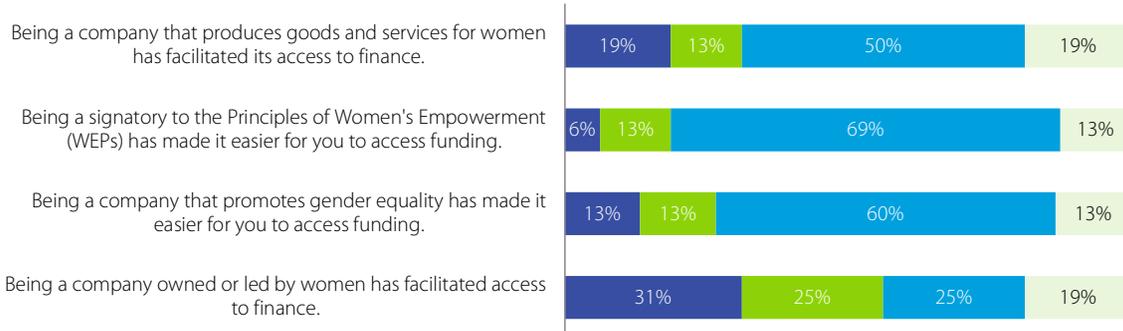


Barriers (%)

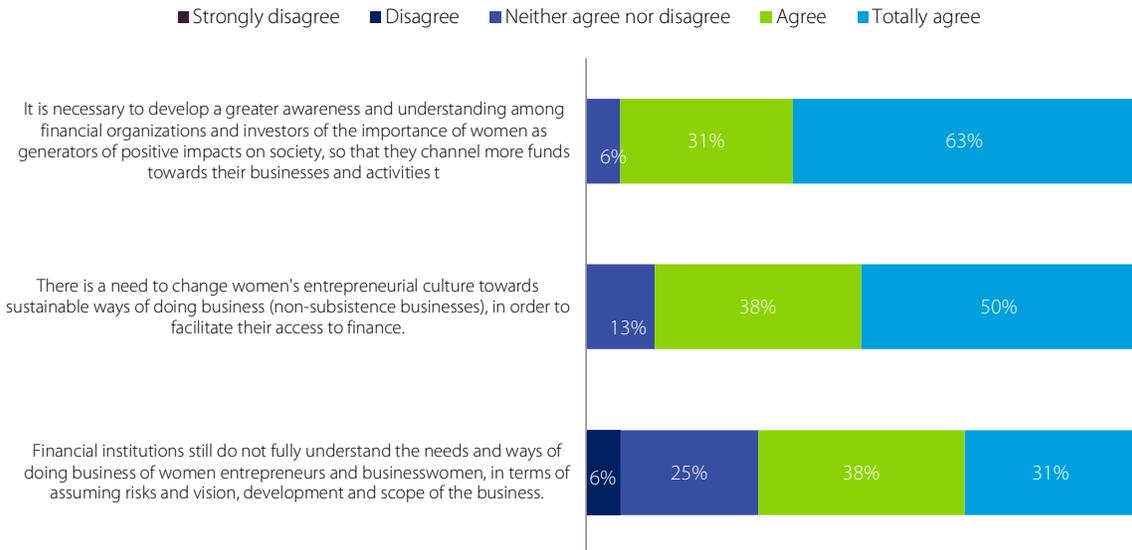


Access to finance (%)

■ Strongly disagree
 ■ Disagree
 ■ Neither agree nor disagree
 ■ Agree
 ■ Totally agree



Measures (%)



Source: Own elaboration from the Win-Win Survey.

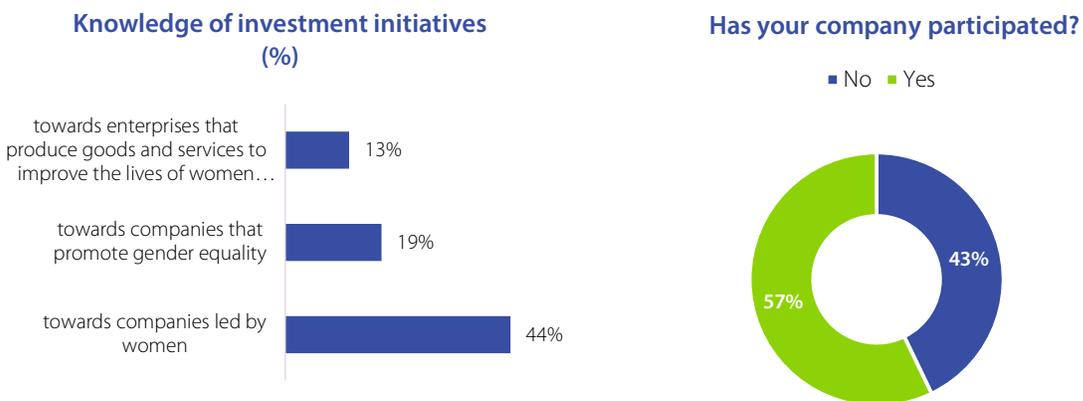
Gender impact investment initiatives

Finally, the survey addresses companies' knowledge of and participation in investment initiatives with gender impact.

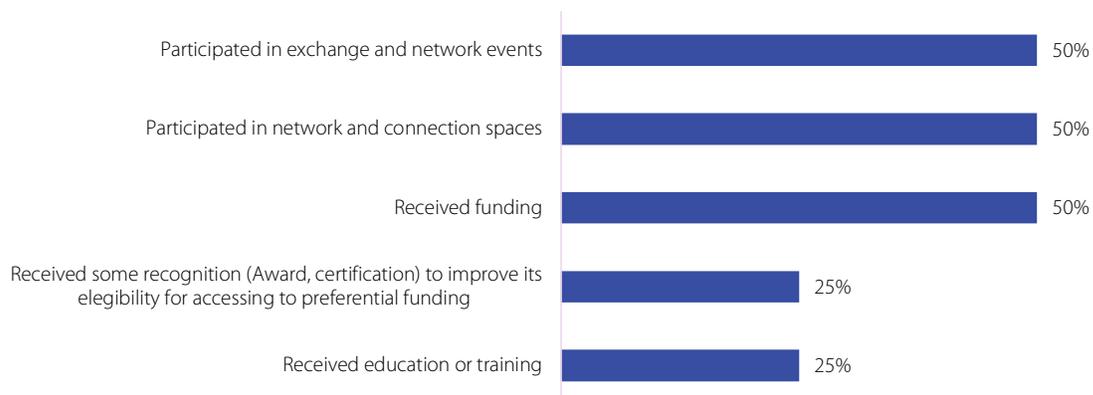
On this issue, 44% of the female entrepreneurs surveyed said they were aware of investment initiatives towards companies led by women. To a much lesser extent, they are aware of those oriented towards companies that promote equality (only 19% of them) or those that produce goods and services for women (13%).

57% of the women entrepreneurs have participated in this type of initiative, basically by attending exchange and *networking* events, generation of networks and also in obtaining financing. The benefit of this participation has been, for most of them, the extension of their contact networks.

Figure 23. Gender impact investment initiatives. Women Entrepreneurs

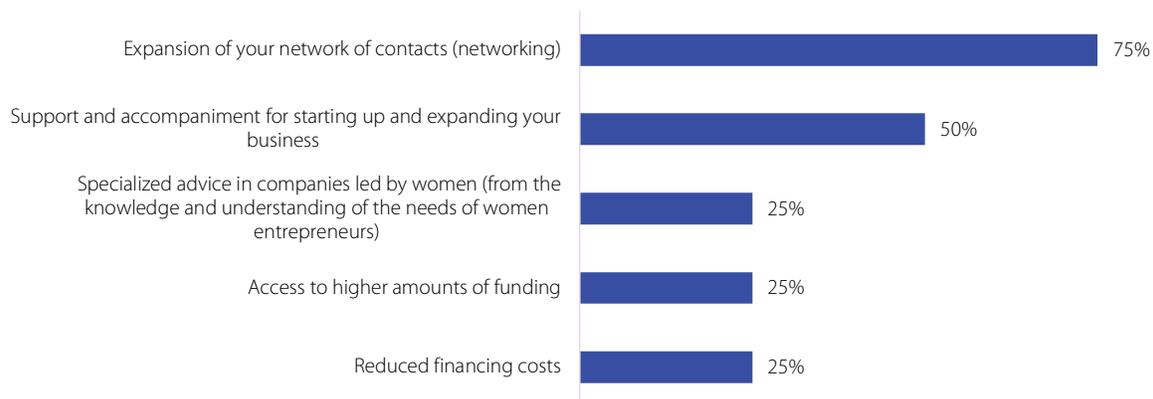


Type of participation (%)



Note: 0% of the respondents chose the following options: participation in the generation of metrics to measure gender impact, some Incubator or Accelerator or in a Crowdfunding Platform.

Result of participation (%)



Note: 0% of the respondents chose the following options: quick access to financing, financial and business advice over the investment period, equality advice to their company over the investment period, access to equality training over the investment period (coaching, equality/leadership training, career development, etc.) or monitoring and measuring the impact generated by the investment.

Source: Own elaboration from the Win-Win Survey.



Results for signatory companies to Women's Empowerment Principles (WEPs) (Lens 2)

Company activity on gender equality

With regards to gender equality policies linked to WEP companies, the vast majority (88%) have made a diagnosis of equality¹¹. To a lesser extent, although they continue to be in the majority (62%), they have a Gender Equality Plan.

In line with this, almost all of them implement specific actions to promote gender equality, being the most recurrent ones:

- The incorporation of women in leadership and management positions (9 out of 10 companies surveyed).
- The promotion of organizational values favorable to equality (79%).
- Actions aimed at facilitating work-life balance (76% of companies)
- Measures to prevent and treat sexual and workplace harassment (74%).
- Staff selection without gender bias (71%)
- Training (67%).
- Promotion policies (55%).
- Non-sexist communication (48%).

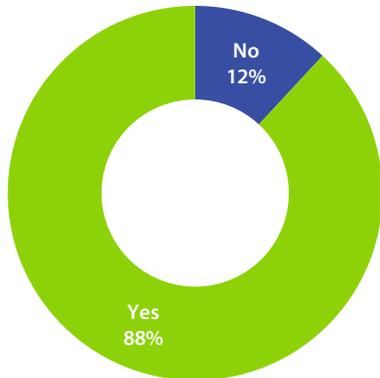
On the other hand, 2 out of 10 companies surveyed have received recognition as promoters of gender equality.

¹¹ It should be noted that in order to adhere to the WEP principles, companies must complete a self-diagnosis questionnaire.

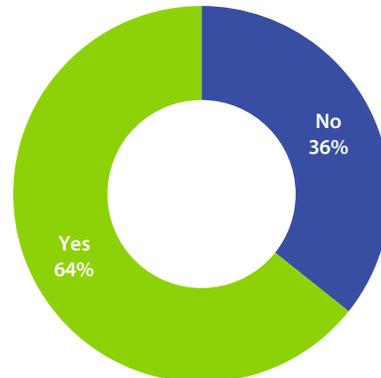


Figure 24 Company activity on equality – WEP companies

Gender equality diagnosis (%)



Gender equality plan (%)



Specific equality actions in the company (%)



Source: Own elaboration from the Win-Win Survey.



Financial and non-financial needs

Among the WEP companies, the vast majority have used *training* resources (*administration, finance, IT, new technologies, marketing, sales, management skills, others*) (71%), *training in personal strengthening skills and coaching* (76%) and *information services, administrative and business guidance, and processing* (65%). About half of them reported to have used *training in financial inclusion and financial advice* (depending on the phase of the company's life cycle), *support and mentoring to support entrepreneurship, creation of spaces for networking and collective empowerment, and self-diagnostic tools on gender equality in the company*. Among the resources identified as less necessary are the *generation of networks with investors* (60% said they did not need it), *advice and training to start a business* (with 50%) or *funding to establish, expand or consolidate the business* (with 44%). The resource with the highest level of response in terms of need is precisely information and advice on gender equality in the company (with 33% of responses in this option).

In search of these resources, the companies surveyed have turned primarily to organizations that support women, such as networks of professional women (47% of them), NGOs specializing in programs for women entrepreneurs, and other organizations that support this profile of women (with 40% of responses each). Only in fourth place commercial banks now appear. Crowdfunding platforms, investor connection platforms or philanthropic foundations have hardly been pointed out.

Eight out of ten companies surveyed use equity as a financing system. In addition, around 30% of them use external financing (bank or non-bank) to finance themselves.

Most of these funds are used to finance working capital (60% of cases) or investment in productive equipment (53%). Investment in the start-up of the activity or innovation, ranks next in terms of response volume (44%). Training is shown as 40%. Expansion into new markets or real estate is less relevant in terms of investment and the promotion and implementation of gender equality measures in the company is the last area in which the companies surveyed invest (with 16% of responses).

The main financing instrument used by the surveyed enterprises has been loans (4 out of 10), followed by supplier credit (2 out of 10). The rest of the instruments are barely marked. Financial institutions have been the main organizations from which these resources have been obtained (for 44% of companies) as well as governments (although with a much lower response level of 23%).

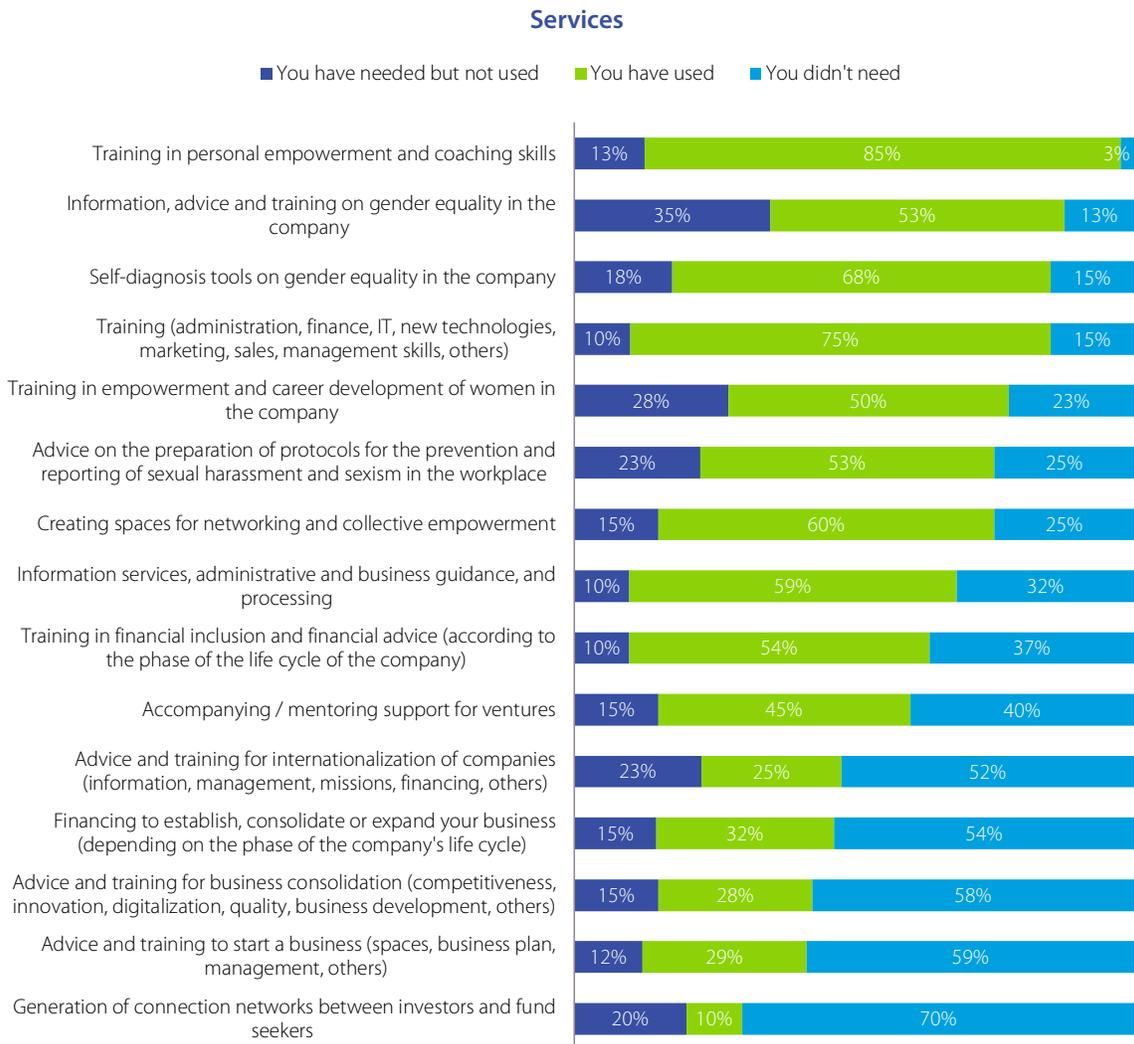
On the other hand, 2 out of 10 companies surveyed acknowledge that they have been refused an application for funding. The type of barriers encountered, in this respect, have found the same level of response (around 20% among those who were denied financing): lack of (or poor) credit history, other aspects (administrative procedures, sector risks, response times, etc.), lack of understanding of the potential / capacity of growth of the business by financial institutions, not having the requested guarantees (guarantees or others), high price of financing (interest rates and other costs), excessive requirements (age, audited financial statements, property guarantees and feasibility studies, bank rating, etc.).

Meanwhile, being a company that has an impact on one of the three areas of gender lenses is valued by the majority (over 60% of respondents) as a neutral factor when it comes to accessing financing. They stand out, due to their slight positive valuation, for being a company adhering to the WEPs or producing goods and services aimed at women, while, on the contrary, they obtain a slightly negative valuation for being a company owned by women or promoting equality (although these ratios do not exceed, in any case, 30% of the answers).

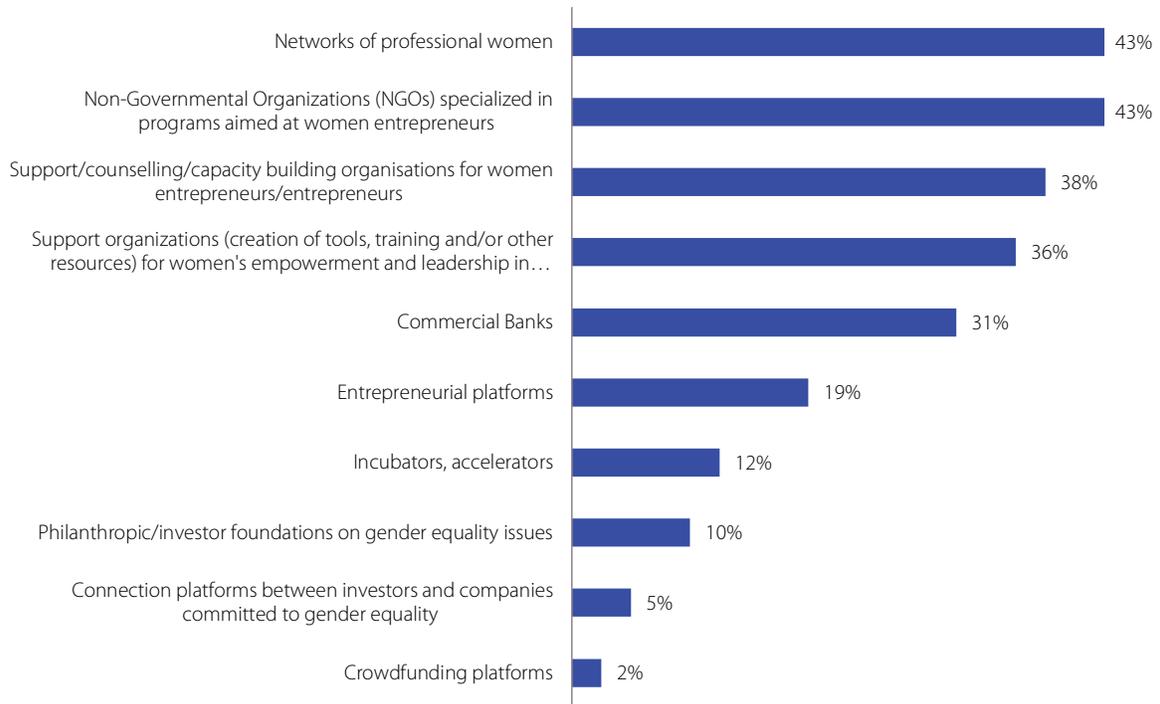
Finally, unlike women entrepreneurs, WEP signatories tend to agree with the statement that financial institutions do not have yet a good understanding of women's needs and ways of doing business, while their position is rather neutral on the need to develop greater awareness about the importance of women among financial organizations and investors, as positive impact generators, as well as to change women's entrepreneurial culture towards more sustainable ways of doing business.



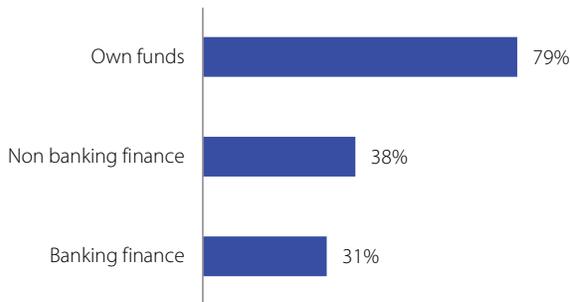
Figure 25. Non-financial needs. WEP companies



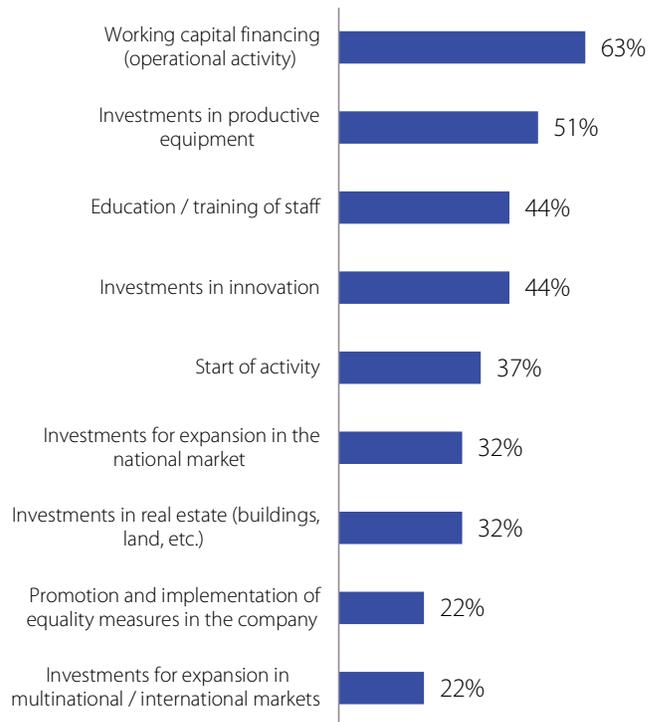
Organizations that have been applied (%)



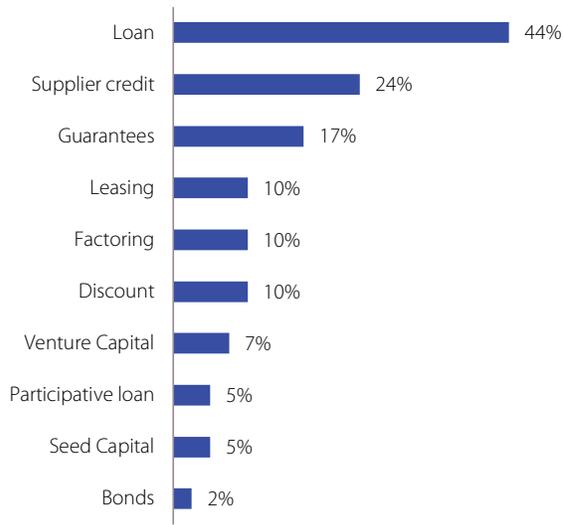
Types of financing (%)



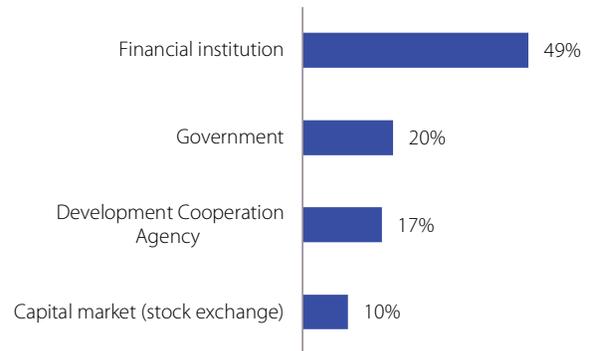
Use of finance (%)



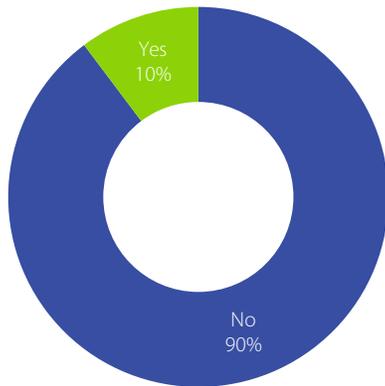
Financial instruments (%)



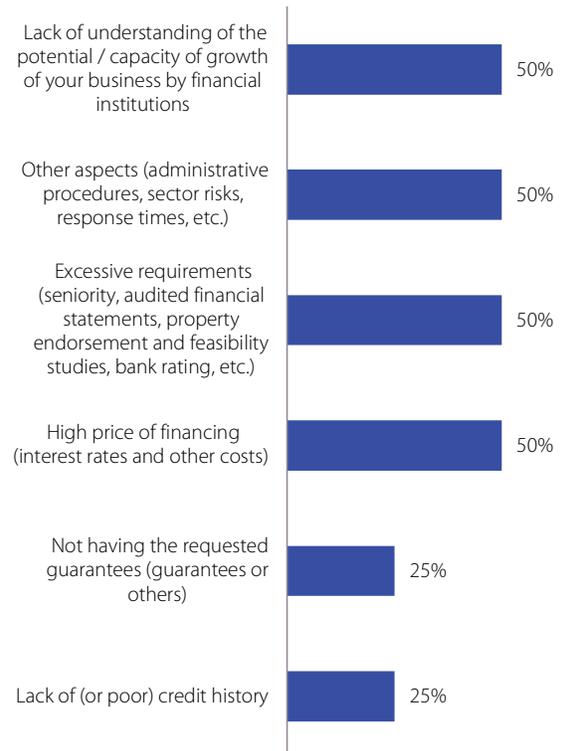
Financial institutions (%)



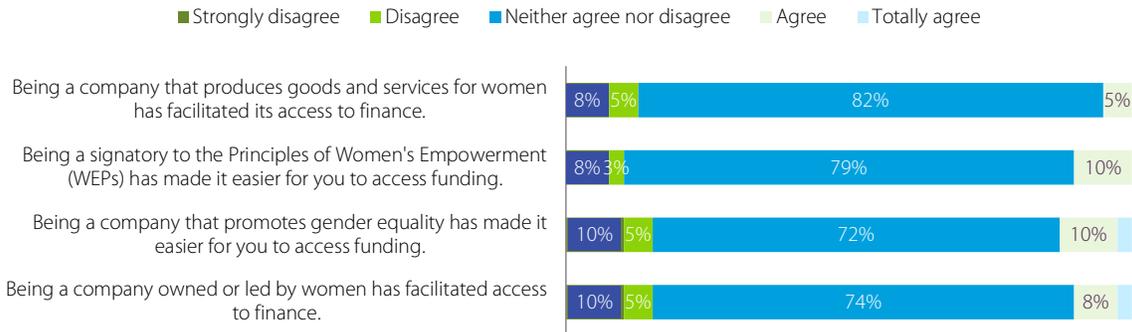
Reject of finance application (%)



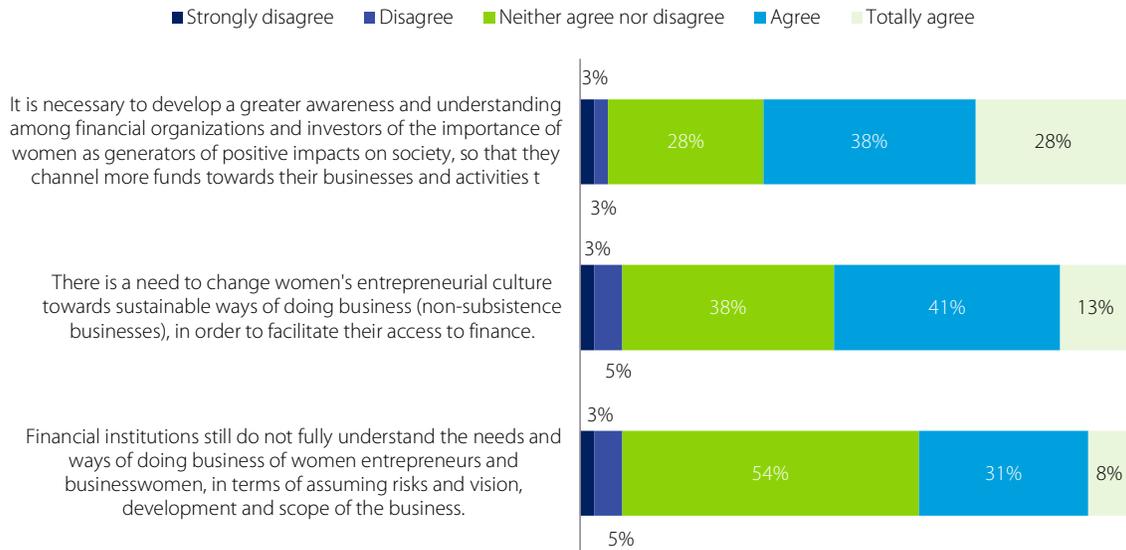
Barriers (%)



Access to finance (%)



Measures (%)



Source: Own elaboration from the Win-Win Survey.

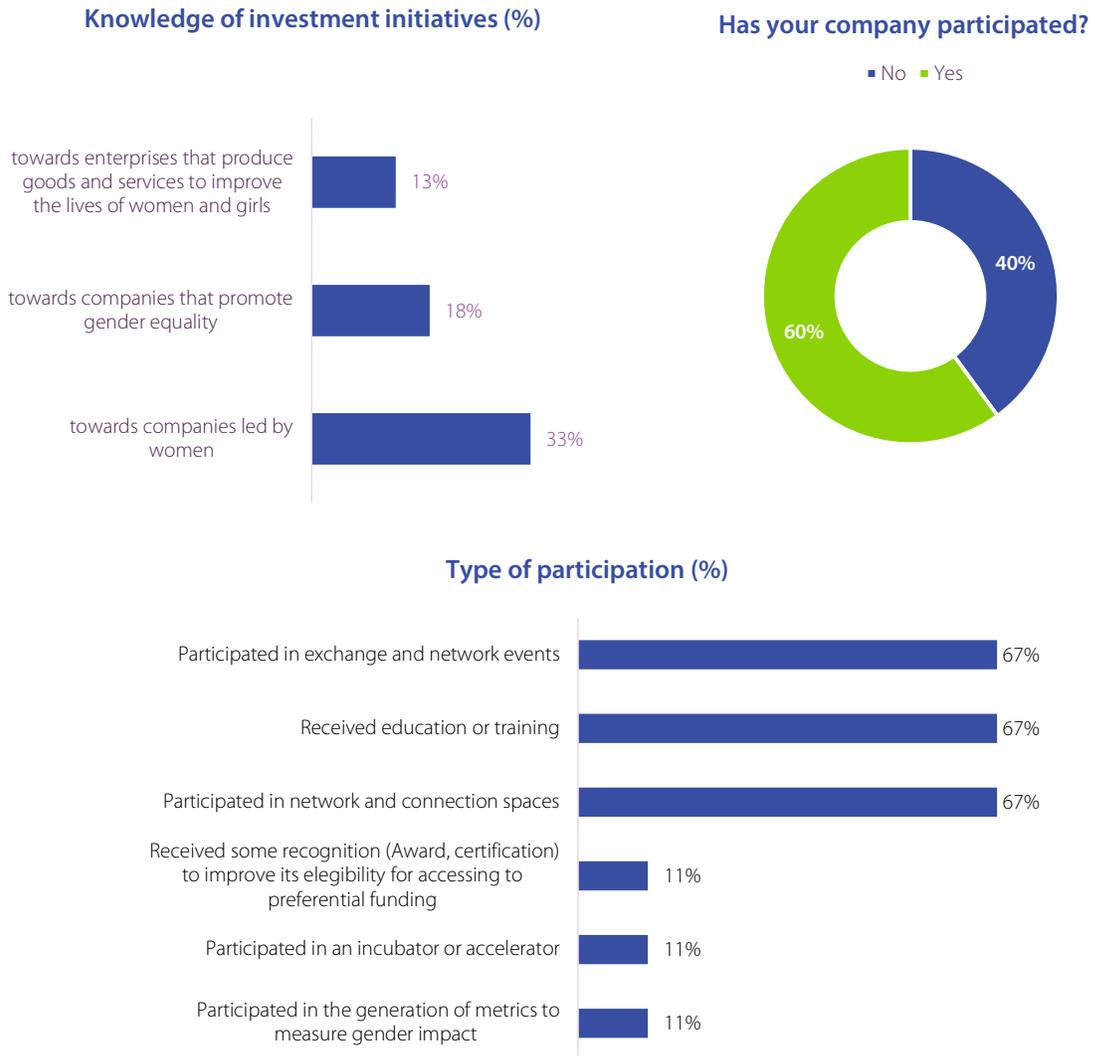
Gender impact investment initiatives

Among the WEP companies, only a minority is aware of this type of initiative, mainly those oriented to lens 1 (investment oriented to women-led companies) (with 33% of answers). 18% are aware of investment initiatives aimed at companies that promote gender equality and 13% at companies that produce goods or services for women.

Out of the number of companies aware of this type of initiative, 60% declared that they had participated in some of them, basically in networks and *networking* events and in training spaces. The result of such participation translates into mentoring and support to undertake and expand their business, expansion of their network of contacts, access to training in equality, or in specialized advice in companies led by women.



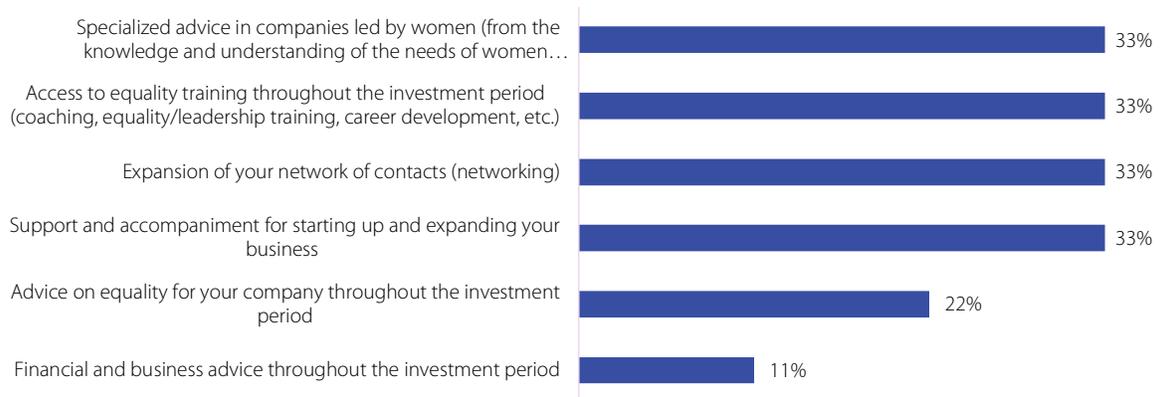
Figure 26. Gender impact investment initiatives. WEP companies



Note: 0% of respondents chose one of the options regarding financing received or participation in a crowdfunding platform.



Result of participation (%)



Note: 0% of the respondents chosen the following options: quick access to financing, reduction of financing costs, access to higher amounts of financing, monitoring and measurement of the impact generated by the investment.

Source: Own elaboration from the Win-Win Survey.



ANNEX 3: PAYMENT MEMBERSHIP INITIATIVE AND PROVISION OF SERVICES INITIATIVE



Payment Membership Initiative

Advantages and disadvantages for UN Women

The benefits would include commitment to gender equality and to the Initiative's goal and the generation of stable resources by member, for the Initiative's economic sustainability, as well as the maintenance of the Initiative's governance control, management and administration by UN Women.

The main disadvantage would be the need to structure a payment membership from the start. This involves a previous work of presentation and socialization of the Initiative to attract potential partners, beginning with a small core of sensitized members already committed with its objective and expected results, and willing to pay a fee so that activities and projects can be developed.

Players status

Members

Stakeholders that are operating or joining the gender investment ecosystem in the LAC region would be proposed to become members of the Initiative, according to the following profiles: investors and financial institutions, players of the entrepreneurial ecosystem, capacity building organizations, development institutions and non-profit organizations.

A membership initiative must be created from the beginning, mobilizing and encouraging future members to join. An initial small group of Initiative members should be established to define the rules, commitments and initial strategy of the Initiative. The initial group of members could have a status to differentiate them from members who join later.

The membership formula could be set out in an institutional and representative manner, for example, a statement of commitment to the goal and expected results of the UN Women's Initiative.

Members' obligations could include paying an annual fee and submitting an annual activity report to monitor progress in contributing to gender equality and women's empowerment under the Initiative. Membership rights may as well be participation/representation in governance bodies and involvement in the activities and/or projects of the Initiative. And the benefits expected are an increased reputation and visibility; membership in an exclusive club; access to new markets and opportunities to develop new innovative financing mechanisms or instruments and promote gender-sensitive investments; and access to research, best practices, standards, training, tools, forums and contacts.

Allies

In a payment membership initiative, other ecosystem players, such as governments, financial authorities and other players from the other non-member profiles, could be allies and contribute to its activities and projects.

The allied players are not to be members (i.e. no need to pay a fee) and according to each case, could maintain a stable or punctual collaboration, endorsed by different formulas that will depend on each legal context: collaboration agreement, memorandum of understanding or others. When it comes to collaboration, the commitments would be established in line with the type of contribution to be made.



The partnership with UN Women, as described for the members, will also provide or strengthen their reputation and visibility in the gender lens investment ecosystem, access to other ecosystem players and participation in projects.

Others

For non-member players in the financial sector who approach the Initiative as demanders of services, there would be a charge fee accordingly, e.g. training courses, specialist advice.

Governance

Membership organizations have governance procedures that include different levels of representation of their members and non-members, to be established in statutes. Governance bodies could be:

General Assembly: to be composed of all the members, where each would have one vote and decisions taken by simple majority. It would conform the highest decision-making authority, to approve the annual activity and financial reports, and set the action plans of the Initiative. It could meet at least once a year.

Leadership Group: to be composed by sector leaders in the innovative investment ecosystem, with a high influencing capacity to other players and who would: support the head of the UN Women Initiative; act as Initiative ambassadors and influence other players to join it; actively disseminate, promote and socialize the Initiative work and its results to a variety of audiences; and participate in flagship projects of the Initiative.

Technical Advisory Group: to be formed by people with high experience and technical knowledge in their competence field, coming from different types of players in the ecosystem to contribute ideas and decide the projects to be carried out, as well as the alliances to be established for their development; to participate in projects; and to support the supervision of the projects to be undertaken.

Technical Secretariat: its composition is to be determined according to the needs of the Initiative and would be under the Regional Director's supervision or the person she delegates. This is a structure to support the Initiative's operational functioning: financial management, preparation of the annual work plan or action plan and its budget, preparation of an annual activity report, preparation of reports for the Assembly, management and coordination of projects, dissemination and communication, recruitment of new members, and support for the tasks of the Leadership Group and the Advisory Group, and liaison between the two Groups and the General Assembly.

Assignment and control of the Initiative:

It would be attached to the UN Women Regional Office for the Americas and the Caribbean in Panama, so that its management and operations are carried out in accordance with UN Women's guidelines, policies and procedures. It will include the Technical Secretariat.

The Initiative would not have a legal personality, but a differentiated cost accounting, to allow accountability to the members of the Initiative.



Institutional risks

The risks to UN Women from a payment membership could be of four types: management, budgetary, reputation and commitment. The following table indicates the risks to UN Women, the assessment of these risks and the mitigation measures to be taken.

Risks	Risk Assessment			Preventive/palliative actions
	Prob.	Impact	Risk	
Management risks				
Delay in the implementation of the Initiative due to the need to adjust UN Women's internal procedures to the Initiative	3	3	Medium-high	Assign internal human resources specialized in legal and financial issues, in order to review and adjust internal procedures to the legal and financial requirements of the Initiative: contractual figures to establish alliances, safeguards with respect to members, collection and management of fees, differentiated cost accounting, etc.
Budgetary risks				
Start-up costs of the Initiative	2	2	Lower-middle	Develop an initial plan for the presentation and marketing of the Initiative and conduct an initial intensive marketing effort to attract members and other contributors (donors, sponsors), in order to obtain as many members and partners as possible who can ensure the economic sustainability.
Impact on UN Women of the assignment of the budgetary management of the Initiative	3	3	Medium-high	To maintain a cost accounting separated from the rest of UN Women's structure, allowing an independent management according to a balanced annual income and expenditure budget, adapting the number of activities and projects to be carried out to the real budgetary possibilities.
Reputational risks				
Impact from reputation and image problems linked to financial sector players who are members of the Initiative (arising from outside causes), which could affect the image of UN Women	1	3	Lower-middle	Create safeguards in the Initiative's internal operating procedures to expel from membership any financial sector player whose reputation could damage the image of the Initiative and UN Women
Commitment risks				
Different institutional cultures, ways of planning and acting of the financial sector and UN Women	2	2	Lower-middle	Establish a governance structure involving the financial sector as a member of the Initiative and UN Women as the lead entity to share rules of operation, decision-making and dynamics of work within the Initiative



Economic sustainability

The economic sustainability of a payment membership initiative will be determined by the development of a budget that includes expected revenues and expenditures.

Type of income

- Membership fees: mandatory for members and annual payment, with an amount that could be established with criteria of proportionality, according to the size and type of player. As a reference, in UNEP FI the average fee is around 10 thousand US \$ per year (Long, A.D., Siddy D. - UNEP, 2016) and the fees paid by ANDE members are 2,500, 6,000 or 12,000 US\$, according to pre-established criteria.¹²
- Sponsorship of specific activities or projects by members, public institutions or private entities.
- Grants, donations from public and private institutions.
- Income from payment of services.

Type of expenditure

- Structural costs: staff costs, administrative support costs and other management costs: travel to events and others.
- Expenses derived from the development of initial services for the recruitment of members (workshops, guides or others).
- Communication and marketing expenses: presentation and launch of the Initiative, recruitment of members and collaborators for the implementation of projects, and awareness rising to different audiences and through various channels.
- Costs to be established by project according to the annual work plan to be drawn up.

¹² https://cdn.ymaws.com/www.andeglobal.org/resource/resmgr/comms_collateral/ande_memberbroch_2019.pdf



Provision of Services Initiative

Advantages and disadvantages for UN Women

The main advantage of a **provision of services initiative** is that it will not need to start from scratch (rapid start-up). It could take advantage of the partners experience and incorporate their strategic, institutional, financing, technical and convening capacities required for its implementation.

Among the disadvantages, in contrast, it would be necessary to find partners very committed to the ultimate objective, fully installed and working in the ecosystem, with a wide network of connections with other players, with technical capacity and the ability to finance the products and services of the initiative. In addition, there could be a possible loss of the role of the United Nations, because the initiative would become something similar to a mercantile society, a locally installed structure would also be needed to work and a high dependence on services fees for the economic sustainability.

Player status

Partners

It becomes apparent the need to seek one or more partners (in reduced numbers) among the different profiles of ecosystem players, taking into account the objectives to be addressed and, above all, the menu of services to be carried out under the Initiative framework, so that these partners can provide the capacities to produce and finance those services.

As partners, they will have an equal status to that of UN Women. This partnership is to be endorsed through a memorandum of understanding (MOU), that will set out all the relevant terms and conditions.

Allies

Allied players are also considered, both public and private, who could contribute as sponsors of projects to be undertaken under the Initiative. In each case of collaboration, the commitments would be established linked to the type of contribution to be made.

The partnership with UN Women will provide or strengthen its reputation and visibility in the ecosystem of investments with a gender lens, access to other ecosystem players and participation in projects.



Others

The demanders of the menu of services to be developed under the Initiative would be the different profiles of ecosystem players, such as investors and financial institutions, entrepreneurial ecosystem players, capacity building organizations, development finance institutions, public institutions and non-profit organizations. A service fee will be paid to access the Initiative services.

Governance

The provision of services will be adhered to a governance structure with the following bodies:

Steering Committee: with profiles and roles similar to those indicated for the payment membership Initiative. Its role involves being the highest decision-making authority, approving the annual activity and financial reports, and setting the action plans of the Initiative.

Technical Advisory Group: with similar profiles, frequency of meetings and roles as for the payment membership's one.

Technical Secretariat: with a composition, supervision and functions similar to those indicated in the case of payment membership.

Assignment and control of the Initiative:

It will be at the UN Women Regional Office for the Americas and the Caribbean in Panama. Management and operations are carried out in accordance with UN Women's guidelines, policies and procedures. It will include the Technical Secretariat.

The Initiative will not have a legal personality, but a differentiated cost accounting, which allows being accountable to the members of the Initiative.

Institutional risks

The risks to UN Women from a provision of services initiative are threefold: partner choice, management and budgetary. The following table indicates the risks, the assessment and mitigation measures to be taken.



Risks	Risk Assessment			Preventive/palliative actions
	Prob.	Impact	Risk	
Risks in choosing partners				
Inadequate choice of partner(s)	2	2	Lower-middle	To specify the menu of services to be offered, to carry out an exhaustive mapping of the players of the ecosystem specialized in the matters related to this menu and to set a plan of presentation to establish the better positioned in the ecosystem
Management risks				
Delay in the implementation of the Initiative due to the need to adjust UN Women's internal procedures to the Initiative	2	3	Medium-high	Assign internal human resources specialized in legal and financial issues, in order to review and adjust internal procedures to the legal and financial requirements of the Initiative: contractual figures to establish alliances, collection of services, differentiated cost accounting, etc.
Budgetary risks				
Costs of developing the Initiative's menu of services	3	3	Medium-high	Develop an action plan for the development of the initial menu of services, with a budget and time frame, and monitor it
Impact on UN Women from the budgetary management of the Initiative	3	3	Medium-high	Maintain separate cost accounting from the rest of UN Women's structure, allowing for independent management of the Initiative in line with a balanced annual income and expenditure budget consistent with expected income from service charges

Economic sustainability

The economic sustainability of a service payment initiative will be determined by the preparation of a budget that includes expected revenues and expenditures.

Income typology:

- Income from the payment of services.
- Sponsorship of specific activities or projects by public or private players.
- Grants, donations from public and private institutions.

Typology of expenditure: these would be similar to those presented for the payment membership organization, with structural costs, costs derived from the development of the menu of services to be offered by the Initiative, communication and marketing costs, and costs established by project according to the annual work plan that is prepared.





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