

# INVESTMENT CLIMATE REFORM FACILITY 2022

## ANNUAL PROGRESS REPORT September 2021 – August 2022

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## THE INVESTMENT CLIMATE REFORM (ICR) FACILITY SUPPORTS ORGANISATIONS IN AFRICAN, CARIBBEAN AND PACIFIC (ACP) COUNTRIES TO CREATE BETTER CONDITIONS FOR BUSINESSES TO THRIVE AND FOR WOMEN'S ECONOMIC EMPOWERMENT AND INCLUSION.

Fostering a more favourable, gender-sensitive business environment will enable local and international businesses to generate opportunities, **especially for women and youth**, and boost economic growth and sustainable development.



To contribute to this objective, the European Union (EU), the Organisation for African, Caribbean and Pacific States (OACPS), the German Federal Ministry for Economic Cooperation and Development (BMZ), and the British Council joined forces and set up the Investment Climate Reform Facility (ICR). The ICR Facility is implemented by four European implementing partners – Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, the British Council, Expertise France and SNV. Originally set for the period 2019-2022, in May 2022 the donors and implementing partners jointly decided to continue the operations of the facility for three more years extending the project until August 2025. The team of The ICR Facility remains committed to **provide high quality, demand-based expertise to its partners in ACP countries**. Building on the experience and learnings from its first three years of operation, continuous efforts will be made to **make business environments work for all** – especially for women and young people. More insights about the new focus and other highlights and achievements of the past year can be found in this report.

## EXECUTIVE SUMMARY

This Progress Report reflects the progress on the activities of the ICR Facility achieved until August 2022, with a particular focus on the period 1 September 2021–31 August 2022. The ICR Facility is implemented through **three Output Areas**.

OA1



In **Output Area 1** (see [page 8](#))

Implementation of demand-based interventions was in full swing throughout the year. High numbers of requests were received and 27 interventions concluded. First interventions showed sustainable outcomes, described in more detail in this report. Numerous activities included gender-equality as a secondary or primary objective and the team managed to raise awareness of the importance of Women’s Economic Empowerment for the Business Environment with an increasing number of partners.

OA2



In **Output Area 2** (see [page 15](#))

The bulk of the six workplans developed with development finance institutions (DFIs) across the ACP regions were successfully concluded. In preparation for the coming three years, a call for proposals for DFIs was published, with a focus on the banks’ role for Women’s Economic Empowerment (WEE).

OA3

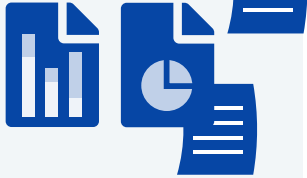


In **Output Area 3** (see [page 23](#))

The outreach of the ICR Facility increased significantly throughout the year, with the organisation and participation in various internal and external events and the social media audience growing constantly. The knowledge series continued to grow further with three series concluded and a new series on Women’s Economic Empowerment.

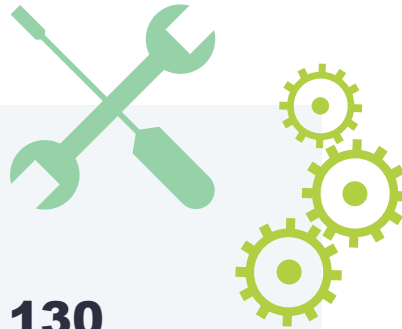
# HIGHLIGHTS OF OUR WORK

DECEMBER 2019 –  
AUGUST 2022



**105**

knowledge products  
and technical reports



**130**

technical assistance  
requests received

**69**

ACP countries covered  
through interventions



**96**

ACP partner organizations  
supported



**4201**

participants of  
ICR Facility's events



**+1800**

followers  
on Social Media  
([LinkedIn](#) + [YouTube](#))



**+2000**

subscribers  
to our Newsletter

## BUSINESS ENVIRONMENT REFORM FOR WOMEN'S ECONOMIC EMPOWERMENT (WEE): A STRENGTHENED FOCUS



Gender equality and Women's Economic Empowerment are recognised as a top priority for sustainable economic development. However, women are still largely under-represented in decision-making processes and face various structural legal and social framework challenges. Therefore, significant gender gaps still remain in labour force participation, wages, access to finance, access to formal and informal networks, etc.

Promoting equal participation and equal opportunities in the labour market is a challenging task that requires levelling the playing field for women through regulatory and behavioural changes. Gender-sensitive investment climate and business environment reforms can contribute to this.

The new phase of the ICR Facility (September 2022–August 2025) will focus on creating better legal, institutional, and regulatory conditions for businesses to grow and operate, as well as to improve women's participation in policy-making processes.

Increasing the focus and expanding our activities on WEE will make a direct contribution to achieving the EU Gender Action Plan 2021-2025 (GAP III), and especially its thematic priority of promoting economic and social rights and empowering girls and women, end poverty and boost economic prosperity (SDG5).

»» An overview of all our publications on the topic has been published [here](#).

### Focus Group Discussion on Women's Economic Empowerment

To better understand the needs of ACP partners and adjust the role the ICR Facility can play to tackle gender inequalities in ACP countries, the ICR Facility organised two focus group discussions with women's organisations from ACP countries. The sessions were attended by 30 organisations from 19 countries with a total of 51 participants. Participants shared critical input about how women are differently affected by business environment barriers and what kind of actions need to be undertaken to support women entrepreneurs and workers, how to strengthen the role and voice of women in policy-making and the role of regulatory, administrative and institutional reforms in promoting Women's Economic Empowerment.





## MID-TERM REVIEW: MAKING SURE WE ARE ON TRACK

We always aim to improve what we do and how we work in order to achieve the best results with our partners. Bringing in expertise from outside the Facility could help identify new opportunities for development. Therefore, we decided to undergo an external review, conducted by an independent consultant and concluded in October 2021.

The midterm review entailed a desk review and key informant interviews. Team members of the Project Management Unit (PMU), representatives of the donor organisations (EU and OACPS), and beneficiaries were interviewed in the process. The evaluation made use of the Organization for Economic Cooperation and Development Development Assistance Committee (OECD DAC) standard evaluation criteria of Relevance, Effectiveness, Efficiency, Sustainability and Impact.

The review concluded that partners and stakeholders of the ICR Facility are generally very pleased with the implementation progress and particularly the smooth and collaborative team work between the four implementing partners.

The project was found to be relevant for its partner organisations, aligned with its objectives and efficiently implemented. As only very few interventions were concluded at the time, it was however not yet possible to assess whether the objectives were effectively reached, and whether long-lasting sustainable impact/development was ensured.

The consultants recommended to increase the outreach to partner organisations further. Efforts were made in this sense with the introduction of the ICR Facility newsletter, the diversification of our knowledge products, including with different training formats, videos and text-based products, and a streamlined approach to result and outcome measurement in our interventions, to make sure intended and unintended outcomes are captured and reported.

“The beauty of the ICR Facility is seeing the European Commission, four European countries and the OACPS Secretariat working together with public and private stakeholders in our countries and regions to promote a brighter future for our private sector. Everyone is very committed to move the project forward.”

Escipión Oliveira Gómez – Assistant Secretary General, Structural Economic Transformation and Trade, Organisation of African, Caribbean and Pacific States (OACPS)



## OUTPUT AREA 1

### WE SUPPORT BUSINESS ENVIRONMENT REFORM FOR SUSTAINABILITY THROUGH PUBLIC-PRIVATE DIALOGUE

78 interventions	27 finalised	27 in design or in implementation	24 under assessment
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#### Our on-demand mechanism

Based on requests from public and private stakeholders, such as governments, regional organisations, chambers and business associations as well as EU Delegations, we deliver targeted technical assistance interventions supporting ACP countries in their efforts to promote a more conducive, sustainable and inclusive business environment.

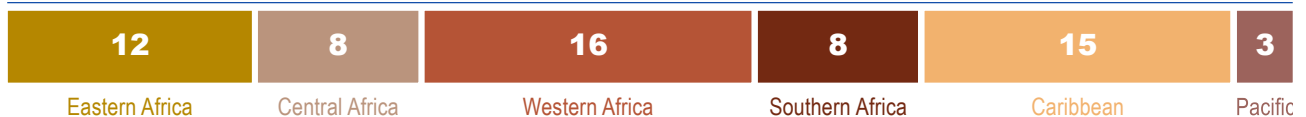
#### Areas of on-demand support

We implement technical assistance interventions at **three levels**:

1. by identifying, designing and implementing business environment reforms in areas such as business registration and licensing, investment policy, and customs administration. Special focus is given to reforms which resolve barriers to economic participation of women and youth;
2. by promoting sustainability in the business environment through innovative approaches such as social entrepreneurship, climate-smart investment, inclusive businesses or gender-specific reforms;
3. by strengthening interaction between private sector, government, civil society and other key stakeholders to achieve more impactful and sustainable development policies.



#### 78 INTERVENTIONS



#### TYPE OF BENEFICIARIES OF OUTPUT AREA 1'S INTERVENTIONS







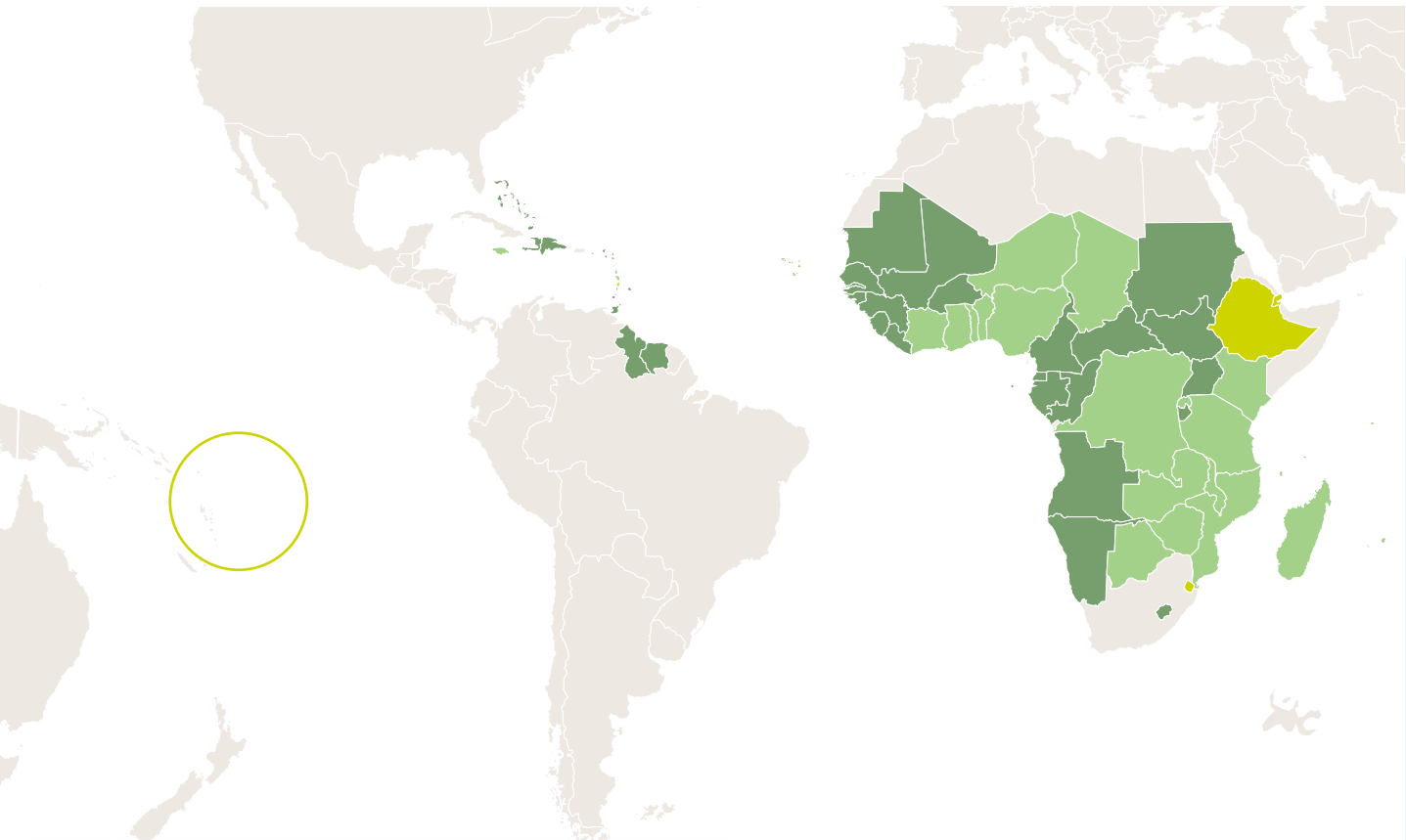
OA1

## OUR OUTCOMES

We conduct post-assessment evaluations 3–6 months after the end of our interventions to evaluate whether our beneficiaries have achieved the expected outcomes. Our evaluations have shown that:

OUTCOMES ACHIEVED		
<b>13</b> <b>business reform programmes have been initiated or implemented</b> <b>(regulations or policies: 7 initiated / 5 implemented)</b>		<b>4</b> <b>private-public dialogue processes strengthened</b>
9 of those are prioritising social and environment sustainability	7 of those are expected to influence gender-equality and WEE positively	1 of those strengthened with regard to gender-equality and WEE

### All ACP sub-regions covered by our interventions:



**6** countries covered by **national** interventions only



**31** countries covered by **regional** interventions only



**25** countries covered by **national and regional** interventions



OA1

## OUR OUTCOMES IN DETAIL



### Antigua & Barbuda (›››)

Initiation of 3 new sector profiles for Agriculture and Fisheries, Renewable Energy, and Financial Services by the Antigua & Barbuda Investment Authority (ABIA).



### Benin (›››)

Design and implementation of a new internal gender policy by the Chambre de Commerce et d'Industrie du Bénin.



### DR Congo (›››)

Adaptation of National Centre for Arbitration, Conciliation and Mediation (CENACOM) rules and regulations in accordance with the Uniform Act of Organization for the Harmonization of Business Law in Africa (OHADA), training of arbitrators on arbitration rules and processes, a reform of the CENACOM pricing system, and the development of a communication strategy for CENACOM.



### Ethiopia (›››)

Implementation of the actions 'Policy Think Tank', 'Partnership with organisations' and 'Social Media Drive' on the Action Plan for the realisation of Social Enterprise Policy Development in Ethiopia.



### Ghana (›››)

Implementation of

- the Ghana Green Jobs Strategy by the Ghanaian Ministry of Employment and Labour Relations.
- the updated Ghana Social Enterprise Policy to support the social enterprise ecosystem in Ghana.



### Jamaica (›››)

Development of the Social Enterprise Legal Act by the Jamaican Ministry of Industry, Investment and Commerce along with marketing and resource mobilisation plans for the social enterprise sector.



### Kenya (›››)

Re-evaluation of internal procedure considering minorities' needs and PPD mechanism with stakeholders in the clean cooking sector was strengthened.



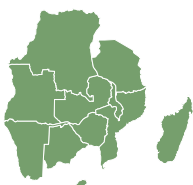
### Mozambique (›››)

Opportunities to enhance the Beluluane Industrial Park's economic, social and social sustainability were identified, such as the development of a SME zone & SME support programme.



### Tanzania (›››)

Implementation of a new gender & youth strategy and policy by the Tanzania Agricultural Development Bank.



### SADC (›››) – Angola, Botswana, Comoros, Democratic Republic of Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, United Republic Tanzania, Zambia and Zimbabwe

Development and implementation of a strategy and action plan for the SADC Business Council: including developed a paper on economic positioning with sectors of interest in tourism, agriculture, renewable energy and Green Economy, and creation of working groups on non-tariff barriers and tax regulation issues and harmonisation among other things.



## FEATURED INTERVENTIONS – OUR SUPPORT TO PUBLIC ORGANISATIONS

### Overview of interventions

- ↳ Supporting Agribusiness Financing for Women and Youth in Tanzania
- ↳ Promoting Single Window for Trade Facilitation for the Commonwealth of Dominica
- ↳ Promoting a More Inclusive and Favourable Business Environment for the Apiculture Sector in Northern Benin
- ↳ Supporting Public Private Dialogue to Develop a Private Sector Recovery Plan in Botswana
- ↳ Developing a Gender Sensitive Investment Strategy in Support of Local Businesses in Tuvalu



### Supporting Agribusiness Financing for Women and Youth in Tanzania (»»)

**BENEFICIARY:** Tanzania Agricultural Development Bank (TADB)

**STATUS:** Completed

The ICR Facility supported the Tanzania Agricultural Development Bank (TADB) to develop a gender and youth scheme to increase financial inclusion among women and youth in the agricultural sector.

The first step was assessing and outlining the landscape of agribusiness financing to women and youth in Tanzania, including a comparison of activities of other Development Finance Institutions (DFIs) and commercial financial institutions on the African continent.

»» *Read the agrifinance landscape report comparing approaches in different DFIs and across value chains [here](#).*

To tailor TADB's new gender and youth scheme to the target groups, an assessment was conducted to see which agricultural value chains are of particular interest for women and youth, respectively, disaggregated by Tanzanian regions. Coupled with a detailed analysis of and recommendations for amendments in TADB's own institutional set-up, a basis was created to develop a new scheme. Building



on the discussion of a proposal for this scheme with public and private partners of TADB at a validation workshop, the bank is now working on finalizing the new gender and youth scheme with its launch planned in late 2022. Furthermore, a gender policy and a gender strategy were developed for TADB, both documents were approved by TADB's Board and are now being used in the institution.



## ACCESS TO LOANS WILL NOW BE EASIER FOR WOMEN AND YOUTH FARMERS IN TANZANIA

The Tanzanian agriculture sector depends heavily on the contributions of women and young people. Many of them would like to invest in new machinery, in more land or to use better farming methods. But often they fail because they do not qualify for bank loans. The Tanzania Agricultural Development Bank (TADB) has set out to change this.

The bank wants to expand its focus to improve its lending to women and youth in the agricultural sector. The goal is that farmers can access loans that address their unique needs. For instance, the repayment periods and frequency, the interest rates, the processing time, and the collateral requirements shall be adaptable to individual needs of these borrowers. The bank is currently working on the details of the new lending scheme and by the end of 2022 it should be launched.

To develop and roll out the new scheme, TADB also tapped into external resources. The ICR Facility assisted TADB to develop a new gender strategy and a revised market approach to women and youth in rural areas. The strategy contained an analysis of value chains to highlight those that are particularly profitable and also where women/youth involvement in these commodities is high. Based on the strategy and value chain analysis, TADB plans to focus its funding primarily to borrowers who are active in the dairy, horticulture, fish, poultry, maize, and sunflower sectors, which are value chains of strong interest and presence of women and youth.

TADB's new scheme will be made available to women and youth in the identified sectors but also leave flexibility for their own business ideas.



»» The full article with further insight is available via [this link](#).





## Promoting Single Window for Trade Facilitation for the Commonwealth of Dominica (»»)

**BENEFICIARY:** The Government of the Commonwealth of Dominica

**STATUS:** Ongoing

The ICR Facility supported the Government of the Commonwealth of Dominica, particularly the National Trade Facilitation Task Force, to advance the implementation of the Single Window for import, export and transit operations.

The technical assistance included evaluating existing regulations, proposing needed reforms and involving private and public sector stakeholders in the implementation. Based on that, a proposal on a single payment mechanism was made and accepted by all stakeholders.

The intervention led to an implementation plan for the Single Window for the selected sectors, as well as the development of a single payment mechanism. The ICR Facility also delivered evidence-based recommendations on the necessary reforms for an effective and sustainable implementation of the Single Window.

*Based on the intervention, the ICR Facility also conducted a Peer-to-Peer Exchange (see [page 24](#) for insights). Check out the summary of the event [here](#).*

“Thanks to the ICR intervention we were able to direct our efforts towards what we consider, at the Ministry, the most important enterprise not only for our agency but for all other cross-border regulatory agencies. It will enhance our trade facilitation efforts in Dominica. The Single Window ecosystem will, certainly, become a one-stop-shop for investors, the issuing of approvals, and the making of payments, providing an end-to-end facilitation for trade. This would not have been possible without the assistance of the ICR.”

Mr. Matthan J. Walter – Director of Trade, Dominica

## Promoting a More Inclusive and Favourable Business Environment for the Apiculture Sector in Northern Benin (»»)

**BENEFICIARY:** Chamber of Commerce and Industry of Benin (CCIB)

**STATUS:** Completed



The ICR Facility supported the CCIB in developing an action plan to improve the business environment for the beekeeping sector in the north of the country. The action plan was discussed through a public-private dialogue (PPD) process, which focused on the promotion and inclusion of under-represented groups such as women and youth.

Furthermore, the ICR Facility collaborated with the CCIB in strengthening their internal capacities for improving the chamber’s support for local enterprises, including women- and youth-led businesses, by training its staff. The intervention supported a self-evaluation of the CCIB’s programs and services to identify and resolve the challenged in which women and youth were differentially affected in three areas: social, legal and institutional. CCIB’s management management took action on the results and recommendations. Amongst others: a new position for a gender focal point was created.

“Thanks to the ICR intervention now we have integrated a gender dimension into our processes to serve our members as well as other institutional partners. A gender focal point has been designated and she supervises our processes, documents, and forms so that they are in line with gender best-practices. Our goal is now to formally develop with our partners a gender policy for the chamber. The intervention also brought to light concrete opportunities to develop the apiculture cluster in the north of the country.”

Mr. Raymond Adjakpa Abile – General Secretary of the Chamber of Commerce and Industry of Benin



OA1

## Supporting Public Private Dialogue to Develop a Private Sector Recovery Plan in Botswana (»»)

**BENEFICIARY:** Business Botswana (BB)

**STATUS:** Completed

The ICR Facility supported BB in developing a private sector recovery plan in order to promote boost economic recovery in Botswana.

In eleven dialogue sessions across major towns and villages business councils and local authorities convened to assess, discuss and translate into actionable tasks the Private Sector Recovery Plan. Delivered effectively, the PPD sessions helped to identify economic activities that can now be implemented for the benefit of the business councils' constituents and to strengthen engagement between local authorities and businesses.

BB now engages more effectively with the government on matters that promote growth of the private sector and development. They have enabled BB to be at the forefront of discussions regarding policy development to support economic recovery, cushion the private sector against future shocks in the post-Covid era and build economic resilience.



*For more information about the intervention, read our [blogpost link](#).*

## Developing a Gender Sensitive Investment Strategy in Support of Local Businesses in Tuvalu (»»)

**BENEFICIARY:** Department of Business, Industries & Investments, Ministry of Finance, Government of Tuvalu

**STATUS:** In implementation

The ICR Facility will support the Government of Tuvalu in conducting a gender sensitive diagnostic analysis of Tuvalu's investment climate, drawing on both desk-based research and stakeholder consultations to produce a report with validated findings and recommendations. The vali-

dated findings and recommendations will be used by the Tuvalu Government's Department of Business, Industries & Investments, Ministry of Finance in drafting a gender sensitive Investment Strategy in support of local businesses (including tourism, fisheries, agriculture, art, crafts etc.).





## OUTPUT AREA 2

### WE STRENGTHEN NATIONAL AND SUB-REGIONAL DEVELOPMENT FINANCE INSTITUTIONS

<b>34</b> workshops implemented for ACP DFIs	<b>50</b> procedures, best practices, manuals and/or training materials shared	<b>54</b> national and (sub-)regional DFIs benefitting from capacity building	<b>337</b> (including 165 women) participants benefitting from capacity building activities
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#### Our tailor-made mechanism

The technical assistance needs of DFIs in ACP countries are very broad and cover different types of support (revision of policies and procedures, trainings, peer-to-peer exchange formats, market studies, etc.). We have worked with six banks to develop individual workplans based on the banks' priorities in order to support their strategic objectives.

When possible, activities targeted towards a specific bank are opened to other beneficiaries: for instance, in the Pacific, the support provided to the Development Bank of Samoa (DBS) on innovative SME financing included two roundtables with four other institutions from the region.

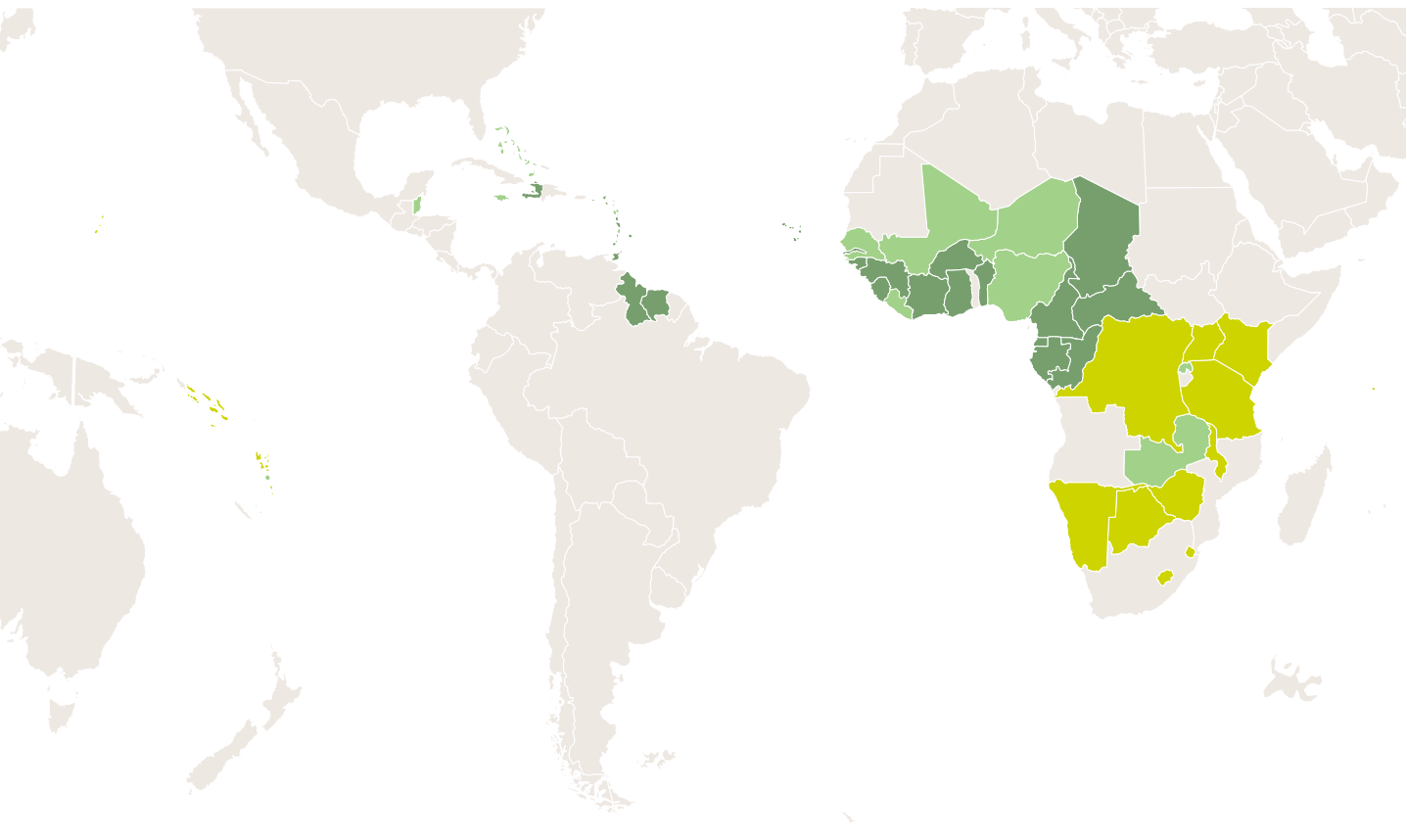




## OUR OUTCOMES

<p><b>2</b> DFIs submitted an application to International Funding Sources</p>	<p><b>2</b> impact assessment tools were developed</p>	<p><b>1</b> study was published</p> <p><a href="#">↩ &gt;&gt;&gt;</a></p>
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### All ACP sub-regions covered by Output Area 2's activities:



**25** countries covered by group activities only



**19** countries covered by tailor-made capacity building only



**14** countries covered by tailor-made capacity building and group activities

## OUR OUTCOMES IN DETAIL



OA2



### Development Bank of Rwanda (BRD) (»») – Rwanda

#### ACTIVITIES

- Monitoring & Evaluation, incl. developing an impact measurement tool
- GCF accreditation

#### RESULTS

- BRD's accreditation application submitted and under review by Green Climate Fund (GCF)



### Development Bank of Zambia (DBZ) (»») – Zambia

#### ACTIVITIES

- Training series on investment products and approaches
- Development of an impact measurement tool

#### RESULTS

- Set up of Local Authority Financing Facility (LAFF)



### Development Bank of Samoa (DBS) – Samoa

#### ACTIVITIES

- Credit Risk Management
- Customer Relations
- SME Finance

#### RESULTS

- Climate Risk Assessment template developed and approved by DBS



### Caribbean Development Bank (»») – Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos Islands

#### ACTIVITIES

- Feasibility study on structuring options for private sector lending
- Feasibility study for a new facility on supply chain and trade finance

#### RESULTS

- Submission of an EFSD + proposal, currently under review by the EU



### ECOWAS Bank for Investment and Development (BIDC - EBID) (»») – Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo

#### ACTIVITIES

- Management Trainings
- Support in identifying and implementing the use of a learning management system
- Technical workshops on trade finance and public procurement

#### RESULTS

- Upcoming launch of an internal e-learning platform



### Development Bank of Central African States (BDEAC) – Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea and Chad

#### ACTIVITIES

- Market study on trade finance in Central African markets

## FEATURED ACTIVITIES



OA2

### Overview of interventions

- Developing skills management at EBID
- Improving and linking credit risk management and customer relations in Samoa
- Improving private sector lending in the Caribbean
- Expanding the investment and lending offer in Zambia

### Developing skills management at EBID (»»)

**BENEFICIARY:** ECOWAS Bank for Investment and Development (EBID)

**STATUS:** Finalisation

The joint workplan developed with EBID covered technical trainings (trade finance, public procurement, ...) and focused on skills management inside the institution. In order to enhance the knowledge and skills of its highly qualified staff, the Bank has defined the bases of a new learning approach and plans to launch an internal Academy.



*Participants in the training of trainers at EBID*

This was supported by the ICR Facility by:

- A market study to determine which Learning Management System (LMS) was best suited to the Bank's needs. A platform was selected, and EBID acquired a license allowing the Bank to access pre-existing courses and to develop and upload their own training material.
- A training of trainers, to take advantage of the existing skills inside the institution and allow people to share their knowledge with their colleagues in a structured and efficient manner.
- A training in leadership and change management for EBID staff and management, which contributed to the creation of a change management process towards a common organisational culture within EBID. A training on results-based management was also delivered.
- These trainings were adapted to online modular formats in order to be uploaded on the new LMS and to be integrated in an internal training programme. Staff from the human resources department and members of the newly created pool of trainers were trained on how to create content and how to manage the platform.

The ICR Facility supported EBID in building a coherent culture of learning and increasing its training offer in order to develop the skills of its staff.



## Improving and linking credit risk management and customer relations in Samoa (»»)

**BENEFICIARY:** Development Bank of Samoa (DBS)

**STATUS:** Finalisation

The DBS mandate is to provide financing services to promote economic and social development for Samoa. The financing assistance is across all sectors for MSMEs and large businesses in agriculture, fishing, inclusive, industry and tourism. The DBS plays a vital role to bridging the gap unserved by other institutions. Currently, 93% of clients are MSMEs and are mainly operated by women. The DBS requested support in strengthening credit risk management (CRM) system and customer relations management to better serve its clients. To that end, the ICR Facility supported DBS in reviewing its credit risk assessment and exchanging with other Pacific DFIs on their approaches to MSME finance.

In 2021, a roundtable on CRM was organised with the support of the ICR Facility, and in 2022, two events were organised: one on SME Financing and one on Agriculture Value Chain Financing. This has contributed to strengthen the network of DFIs in the Pacific, and the number of banks taking part in these roundtables has increased over time.

“The ICR support was very timely as the DBS was seeking partners for technical assistance. The connection to the ICR Facility came through Samoa’s Ambassador in Brussels. This is the first time that we have engaged with the EU and partners in Europe. This was not a one-off support but was longer-term, and we are very appreciative of this opportunity to work with ICR to address capacity priorities of the DBS.”

“The support received from ICR has assisted in the development of the CRM template that aligns with our CRM policy. Our Board has approved the template which has been used since the 1st July 2022. We now expect a timely turn-around to appraise loans as we prepare the automation of our CRM processes. This has been a great support and encouragement to our lending team and we look forward to seeing positive impact to our lending operation and recovery of non-performing loans (NPLs).”

Susana Laulu, CEO of DBS

## Improving private sector lending in the Caribbean (»»)

**BENEFICIARY:** Caribbean Development Bank (CDB)

**STATUS:** Finalisation

**CDB has requested support on how to structure its private sector lending and for a market study on the potential for trade finance in the region.**

- A first confidential study on how to best structure CDB’s private sector lending and on options for on how to access guarantee schemes was finalised in August 2022. The study also provided guidelines on how to apply to selected relevant guarantee programmes. The resulting recommendations have been submitted to CDB senior management and provide guidance for strategic decision-making.
- CDB has also requested support in assessing the feasibility and market potential of setting up a Trade Finance and Supply Chain Finance Facility for the Caribbean region, with the aim of improving access to financing especially for MSMEs. The market study delivered mid-2022 suggests a considerable potential for CDB to become active in trade and supply chain finance in the Caribbean. Guidelines for an appropriate institutional and financial configuration for this facility and the structure of the financial instruments it should offer are currently being developed.

“As a result of the private sector lending study, CDB decided to dedicate resources to preparing and submitting a proposal to EFSD+ (European Fund for Sustainable Development, a guarantee tool set up by the European Union).”



“The studies provide us with the background and information that we need to make a strategic decision. The great value of the studies is that they serve us with options on how we can enhance our private sector engagement and lending.”

Miguel Almeyda Casillas – Head of the Private Sector Division, Caribbean Development Bank



## Expanding the investment and lending offer in Zambia (»»)

**BENEFICIARY:** Development Bank of Zambia (DBZ)

**STATUS:** Concluded

DBZ recently launched its 2020 – 2024 Strategic Plan and aims to diversify its activities, allowing the Bank to cover markets that are so far underdeveloped or missing. To reach this goal, the Bank intends to develop appropriate and targeted market products for Zambian firms and has requested support from the ICR Facility to improve its capacities on these new topics and products.

As of August 2022, the ICR Facility has delivered twelve trainings to DBZ, each benefitting an average of 21 staff members, out of which 57% are women. According to surveys conducted three to six months after the trainings, around 50% of the trainees declared that they applied the skills acquired regularly in their work, and the quality of the trainings was highlighted by the participants.



*Participants of the Public-Private Partnership training with DBZ*

**Most importantly, these trainings contributed to the development of DBZ's service offer.**

**An evaluation of the support provided has shown that it helped DBZ in taking the following steps:**

- Setting up a credit risk guarantee scheme targeted to SMEs in collaboration with the Central Bank of Zambia. This mechanism works through participating financial institutions.
- Starting to set up a female enterprise facility (technical advisory and loans for women-led enterprises).
- Developing a blended finance instrument for SMEs. Four projects were set up through this instrument, in the manufacturing, industrial and agricultural sectors. Partners include the Zambia Development Agency and Agrisave.
- Creating a Local Authority Financing Facility (LAFF) to facilitate the dialogue between local authorities and the central government on Public Private Partnerships (PPPs). The training on PPPs allowed them to discuss this topic with local authorities, and DBZ investment officers are also considering the opportunity to raise municipal bonds, inspired by the trainings on impact finance and derivatives.



**"It changed my entire outlook towards development impact finance. We are now approaching transactions differently – more like a DFI."**

Chitundu Malunda – Mwape, Investment Officer 'Team Lead Investment Advisory Services' at DBZ, about the Development Impact training



## WE ORGANISE KNOWLEDGE SHARING ACTIVITIES FOR A WIDER GROUP OF DFIS



OA2

In addition to providing tailor-made support to a selected group of DFIs, we organize activities for a wider group of beneficiaries. We disseminate good practices and lessons learned, and promote dialogue and knowledge sharing be-

tween regional and national institutions as well as between geographical regions. This can include trainings, peer-to-peer exchanges, and benchmarking studies.



### INTEGRATING GENDER INTO THE WORK OF DEVELOPMENT FINANCE INSTITUTIONS

The ICR Facility is working to promote gender finance and the integration of gender into the operational and structural activities of DFIs. In 2022, we launched two initiatives:

#### A study on Trends in Gender Finance in ACP DFIs

The ICR Facility published a study on Trends in Gender Finance in ACP DFIs. DFIs have a key role to play in promoting gender responsive finance and women's economic empowerment. While the initiatives of multilateral banks are well-documented and communicated via events and publications, visibility of the efforts of national and sub-regional DFIs on this topic is low. This study identifies those DFIs in the ACP countries with active gender finance or WEE initiatives. Among them, the study showcases good practices and highlights challenges to spark dialogue within and across the ACP region about approaches to gender finance and WEE. This includes activities relating to the DFIs' internal policies and processes, such as those related to gender policy and human resources management, and client-oriented activities, such as financial products or technical assistance.

Check out our report [here](#)



#### A virtual training on Gender Finance for DFIs

The ICR Facility and the Association of African Development Finance Institutions (AADFI) jointly organised a virtual training on Gender Finance for African DFIs in August 2022. The training built an understanding of success factors and introduced participants to diverse approaches that are working well for African DFIs. The training aimed to foster an understanding among participants of the key ingredients and approaches for gender finance and WEE. It also served to inspire DFIs to connect with each other and for them to share experiences in promoting gender finance activities.

"Thank you so much ICR and AADFI for the opportunity to share our story and we trust that our experience will help other DFIs to serve women better in an effort to develop our continent."

O'tlaarongwa Chilume – Executive Coordinator to the CEO, Citizen Entrepreneurial Development Agency (CEDA), speaker in the training





OA2

## SHARING EXPERIENCES IN A PEER-TO-PEER EVENT ON INNOVATIVE SME FINANCE

In February and March 2022, the ICR Facility organised a peer-to-peer event for DFIs in the Caribbean and Pacific region on SME finance. The event was held over two months and allowed 25 participants from seven different countries to share experiences and discuss innovative initiatives. It also provided them the opportunity to engage in a deeper learning about specific topics and tools. In addition to the exchange of technical aspects related to the financing of SMEs, the event contributed to the development of partnerships between institutions and individual participants.

To learn more about this peer-to-peer event, you can read our [blogpost here](#).

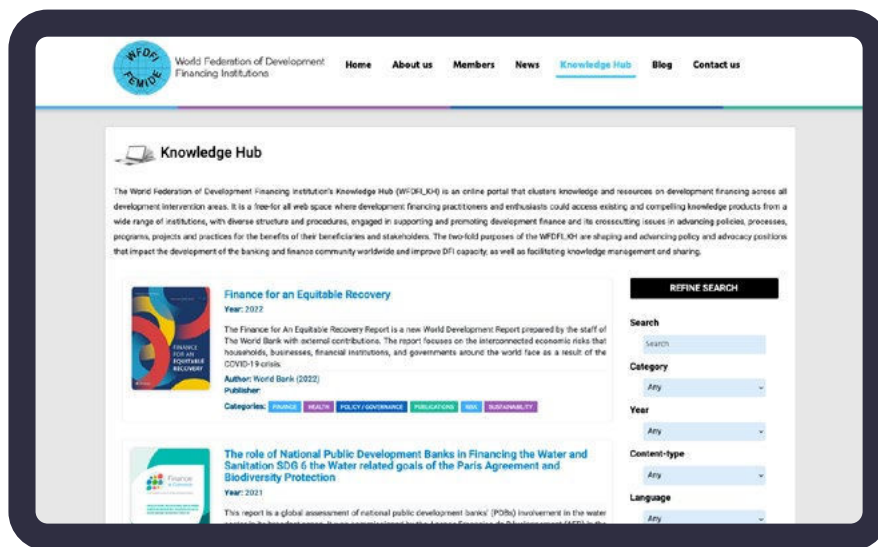
“I’m very satisfied with the course delivery and have learned a lot. The information shared was well explained, learnable, and of high quality. I’m a shy person, I don’t talk very much, especially in sessions like this, but these few weeks have bolstered my confidence. I know that I can contribute too to discussions.”

An anonymous participant in the peer-to-peer event

## KNOWLEDGE HUB OF THE WORLD FEDERATION OF DEVELOPMENT FINANCE INSTITUTIONS (WFDFI)

The ICR Facility worked with the WFDFI to structure part of their website to offer a centralized access point for information on development finance and to function as a knowledge hub for DFIs worldwide. The hub includes relevant studies, reports, audio files and links to other relevant sources such as the Finance in Common Summit.

It is maintained by the regional DFI associations, and representatives from regional DFI associations were trained so that the content management can be handed over from one association to another along with the rotation of the chair role of WFDFI.

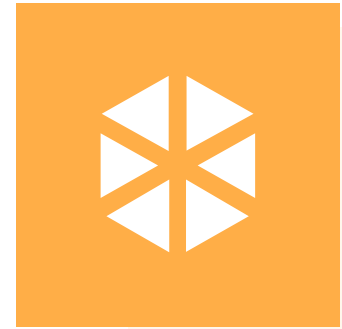


More about the WFDFI Knowledge Hub [here](#).

## OUTPUT AREA 3

### WE COMPILE AND MAINSTREAM LESSONS LEARNED AND GOOD PRACTICES

9 Toolbox + P2P exchanges	35 Live events	14 ICReports	19 Blogposts	+1800 followers on social media	+2000 newsletter subscribers
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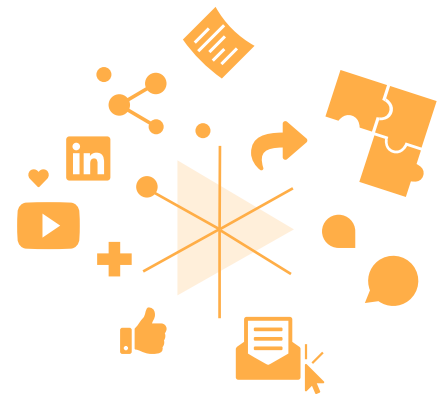
#### OUR KNOWLEDGE HUB

##### INFORM

Through the knowledge hub, we share good practices and lessons learned from the technical assistance to support our partners with their business environment reforms.

##### INSPIRE

In addition, the knowledge hub intends to raise awareness about innovative business environment reforms. It provides information, tools and knowhow about innovative approaches which can be implemented with our support, or independently. It also provides a platform to discuss the learnings in Peer-to-Peer (P2P) Exchanges, which is also an opportunity to network with like-minded practitioners and experts from ACP countries.



The knowledge hub has delivered knowledge series to stimulate interventions in 5 important areas:

- Innovative Finance Solutions and Regulations
- Social Economy
- Green Economy / Climate Smart Investments
- Women's Economic Empowerment
- BER for fragile contexts

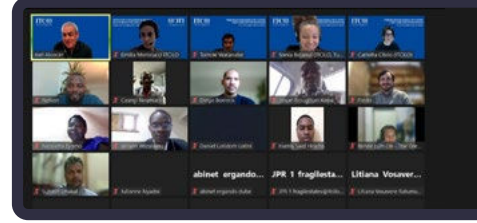
## HIGHLIGHTS OF MAIN ACTIVITIES



OA3

### 4 PEER-TO-PEER EVENTS

We delivered four Peer-to-Peer events which were built around interventions carried out. A Peer-to-Peer Exchange usually includes 3 or 4 half days of interactive sessions where participants are invited to share their experiences on a particular topic and learn from each other. On occasions we brought together stakeholders with very different backgrounds to look at one topic together, to exchange and create understanding from various angles. On other occasions we selected one type of stakeholder and brought them together to discuss common challenges.



#### We delivered:

- A Peer-to-Peer Exchange for public officials on the development of sustainable industrial parks in Africa, which was sharing knowledge from the ICR Facility's intervention *supporting the transformation of the Beluluane industrial park in Mozambique to an eco-industrial park*;
   
[more](#)
- A Peer-to-Peer Exchange about the role Investment Promotion Agencies (IPAs) can play to support Public Private Dialogues. The ICR Facility supported the *Réseau International des Agences Francophones de Promotion des Investissements (RIAFPI) in setting priorities for Business Environment Reforms*;
   
[more](#)
- A Peer-to-Peer Exchange on approaches to drafting legislation and policies for the social economy, which shared achievements from the ICR Facility's intervention *developing a legislative framework for the social economy in Jamaica*;
   
[more](#)
- A Peer-to-Peer Exchange to promote green jobs in agriculture to support climate change adaptation and mitigation, which was built around the support we delivered to successfully implement *Ghana's green job strategy*.
   
*See more information about this event in the box below.*
  
[more](#)

### In Focus: P2P on Green Jobs



“Educative, impactful, inspiring, conceptually strong, uplifting, insightful, fun, connecting and engaging.”

Feedback from the participants

The Peer-to-Peer Learning Forum welcomed over 48 government officials, practitioners, members from relevant non-governmental organisations (NGOs) and professionals from 20 ACP countries who shared their experiences and innovative ideas on the creation of green jobs in agriculture and rural development.

The P2P fostered exchanges between participants on how to effectively design and implement green jobs and green works initiatives to transition to a greener and more resilient society. It identified good practices and discussed related challenges. It has enabled the participants to expand their networking by interacting with international development practitioners, key experts and like-minded peers committed to sustainable development. As a result of the group work discussions, this P2P allowed participants to map and collect good practices, policies, opportunities, and challenges related to financing green jobs and their creation through infrastructure investments in their respective countries. In the evaluation, the participants described the P2P event as educative, impactful, inspiring, conceptually strong, uplifting, insightful, fun, connecting and engaging, amongst others.

## 5 KNOWLEDGE SERIES

The 5 knowledge series continued to expand further in the last year. Those series also triggered interest to implement reforms on the topics promoted. We received and delivered several requests for support and are now able to start complementing our ICReports with first hand experiences from our partners when we participate in events organised by ourselves or our partners.


**OA3**


Here is an overview of the knowledge series and the additions:

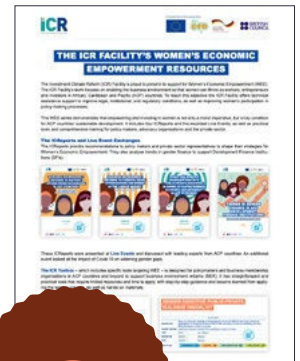
### Women’s Economic Empowerment (»»)

This series focuses on enabling the business environment so that women can thrive as workers, entrepreneurs and investors in ACP countries

- ICReport Business environment reforms to support women-owned businesses in ACP countries ([»» more](#))
- ICReport Business environment reforms to promote equal opportunities for women in the labour market: evidence from ACP countries ([»» more](#))
- NEW** ICReport Promoting women’s organisations into public-private dialogues in order to foster women’s economic empowerment in ACP countries ([»» more](#))
- NEW** ICReport Trends in gender finance in ACP development finance institutions: overview and selected examples ([»» more](#)) \*  
Two **NEW** Live Events were delivered on this topic, one for the African region ([»» more](#)) and one for the Caribbean and Pacific ([»» more](#))

**NEW** This series has **INSPIRED** the following ICR interventions:

- Support for agribusiness financing for women & youth in Tanzania
- Employers Consultative Association of Malawi (ECAM)



### Innovative Finance Series (»»)

This series presents innovative financial instruments to support start-ups and MSMEs and includes the financial rules that should be implemented to make these instruments effective and truly provide companies with financial opportunities. Based on concrete examples from several countries in the ACP region, general regulatory shortcomings and corrective measures are identified and proposed.

- ICReport Honour Loans:  
A comprehensive mechanism to foster development by supporting MSMEs ([»» more](#))
- NEW** ICReport Crowdfunding:  
An opportunity to increase access to finance for MSMEs in ACP countries ([»» more](#))
- NEW** ICReport Start ups:  
An emerging instrument to foster the development of innovative high-growth firms ([»» more](#))

**NEW** **INSPIRED** OA1 Intervention:

- Support for the elaboration of a “Start-up Act” in Togo ([»» more](#))





OA3

## Social Economy (»»)

This series shares experience in developing policies, financial regulations and innovative funding mechanisms to support the development of a social economy, in line with the EU Social Economy Action Plan.

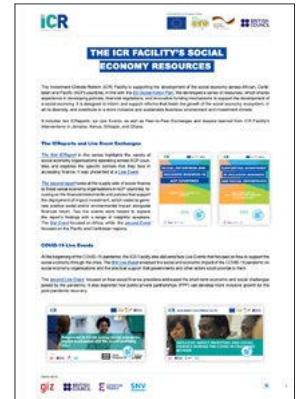
This series complements the Innovative Finance series above.

- ICReport Social enterprise and inclusive business in ACP countries: Variety and access to finance ([»» more](#))
- NEW** ICReport Supporting investment in inclusive business and social enterprises: Best practice for policymakers and investors in ACP countries ([»» more](#))

**NEW** Peer-to-Peer Exchanges amongst beneficiaries of OA1 interventions in Jamaica, Kenya, Ethiopia and Ghana, as well as other ecosystem actors interested in the topic. All 4 interventions were **INSPIRED** by the ICR Facility & have started to **INFORM** other stakeholders through the P2P Event.

**NEW** Live Event sharing lessons learned from OA1 interventions in Jamaica and Ghana approaches to drafting legislation and policies for the social economy in African, Caribbean and Pacific countries.

This activity has **INFORMED** other stakeholders through the Live Event.



## Green Economy / Climate Smart Investments (»»)

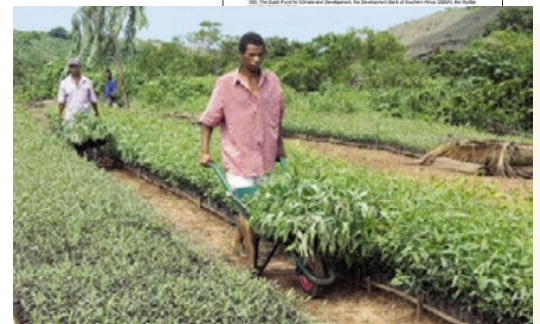
This series supports policy makers and the private sector to shape their strategies for climate change adaptation and pushes for private sector investment, suggesting concrete actions that will increase the mobilisation of private investment for adaptation.

- ICReport Investment climate reform and the adaptation finance gap ([»» more](#))
- NEW** ICReport Supporting business to deliver climate change adaptation in ACP countries: Priority actions and the role of international capital ([»» more](#))
- NEW** ICReport Fiscal and financial policy for climate change adaptation and resilience building in ACP countries ([»» more](#))
- NEW** ICReport National DFIs: critical allies for climate action ([»» more](#)) \*

**NEW** Peer-to-Peer Exchanges between beneficiaries of ICR intervention

- Ministry of employment and labour relations of Ghana: Ghana's green job strategy ([»» more](#)) and other ecosystem actors interested in the topic.

This activity has **INFORMED** other stakeholders through the P2P Event. More information on [page 24](#)



## Business Environment Reform amid fragility and conflict (»»)

This series is designed to support public and private stakeholders in ACP countries characterised by fragility and conflict to improve their investment climate and business environment.

- ICReport Reforming Business Environments amid Conflict and Fragility ([»» more](#))




**OA3**


## In Focus: Women’s Economic Empowerment



The series on Women’s Economic Empowerment will be complemented by a course on business environment reforms for Women’s Economic Empowerment, expected to start early 2023.

Participants will learn to apply a gender-sensitive and gender-transformative lens when they work on their own reforms, taking into account gender differences and promoting reforms that tackle barriers women face in the business environment. The content mirrors the ICReports delivered by the ICR Facility and will look at BER to support women-owned businesses, to promote quality and more inclusive jobs for women and to promote WEE through public-private dialogue. It will be complemented by a component on Gender Lens Investing.

This course will be delivered by facilitators who will be trained by the ICR Facility. We launched a call in June 2022 and received more than 270 applications from both men and women from the ACP regions. 30 facilitators have been selected and will start their training in September 2022.

The facilitators will deliver the training both virtually and in-person. In addition to the facilitated training, all content will be accessible via an online learning platform. The training includes videos and written material to take the course at your own pace from your own home.

[more](#)

[webinar](#)

## In Focus: ICR Toolbox Training



The ICR Toolbox was created to support policymakers and private sector representatives in ACP countries and beyond. Five training courses to help stakeholders implement the tools from the toolbox were delivered. The trainings were well attended and the participants were very active, which also resulted in concrete action plans and requests for ICR support.

[more](#)

“I really appreciate the opportunity, the new learning and the take-home tools. I will update you on the results of their application.”

“The course is an eye opener for me. It has equipped me with appropriate skills in conducting assessment of women in economic empowerment project.”

Participant of the ICR Toolbox training on WEE

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# INVESTMENT CLIMATE REFORM FACILITY

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