

Review of Australia's Partnership with Women's World Banking (2020-24) Mid-Term Review, June 2023

Review undertaken by Melissa Wells (Lead Adviser/Economist) and Heni Pancaningtyas (Technical Adviser/Gender Specialist)

Summary of Review and Management Response

The Department of Foreign Affairs and Trade (DFAT) thanks those who participated in the mid-term review of the current phase of Australia's partnership with Women's World Banking (WWB). The review team has independently validated results reported through WWB's high quality reporting through document review and consultation with over 50 key informants, including a field visit to Jakarta. DFAT and WWB welcome the findings of the review report.

DFAT agrees with the overall findings that WWB is a sound partner that has made '*remarkable progress*' and demonstrated '*strong performance*' in implementation of activities in Southeast Asia since the previous review in 2019. "*WWB has moved from a Southeast Asia market entry strategy to successful implementation. This includes several productive rollouts with financial service providers in Southeast Asia, significant contributions to policy to financially include more women, and growing evidence of women's economic empowerment through financial inclusion.*" Globally and regionally, WWB has a clear strategy to increase scale and impact, aligned with government priorities in Southeast Asia and the review found this provides value to DFAT. Against the primary review questions, WWB rated either excellent or good. The approach to disability inclusion remains foundational and further work is required to clarify and systematise WWB's approach.

The review found DFAT's core funding to WWB to be an essential enabling factor underpinning WWB's effectiveness in delivering on the 2017-27 strategy to drive financial inclusion to empower 100 million women globally, and to support program delivery in Southeast Asia. The review recognised that "DFAT has made a significant contribution to all WWB activities through ongoing core funding". The split of 60% core funding (which also covers operations in Southeast Asia) is deemed appropriate.

The review's recommendations for the partnership have been fully or partly accepted (with a number requiring further consideration by DFAT and WWB). The reviewers have recommended that should DFAT move forward into a further phase of partnership (from 2024) the effective elements of the program should be preserved. These include: core funding, regional presence in SE Asia, adaptive management approach and support for WWB's 10 year strategy through to 2027 (and transition).

The review findings of excellent effectiveness, efficiency and relevance, and good coherence and impact confirms DFAT's intention to request WWB design a further phase of partnership (core funding and Southeast Asia activities) from 2024. The review recommendations will be considered as part of a design process. The review outlines a range of recommendations for the future to highlight evidence of impact, continue to enhance visibility with posts, action disability-inclusion, be selective with policy engagement, explain safeguards and keep ahead of emerging issues.

Review recommendations and management responses

Recommendations	Response	Explanation	Action plan	Timeframe
<p>Recommendation 1 Highlight outcomes and evidence of impact</p> <ul style="list-style-type: none"> • <i>WWB consider organising Southeast Asia program logic in the next phase around 2-3 key investment outcomes, and report on contribution of activity outputs to these outcomes</i> • <i>DFAT share annual Investment Monitoring Review feedback with WWB as a learning experience and consider funding more outcomes research (i.e. impact of governments and financial service providers taking action to financially include more women).</i> • <i>WWB report more qualitative data during implementation to match strong indicator tracking and outcomes research. This could include most significant change stories, performance stories, policy change case studies and focus group sessions with female clients post solutions rollout.</i> • <i>WWB consider sharing knowledge-capture and insight briefs with DFAT (already generated for internal purposes) either</i> 	Agree	DFAT is supportive of this recommendation in light of a new phase of partnership from 2024.	<p>Assuming DFAT agrees to a further phase of the partnership a preferred approach will be discussed within DFAT and WWB. DFAT will:</p> <ul style="list-style-type: none"> • share with WWB the most up to date DFAT design guidance (including guidance on program logic and outcomes) and negotiate appropriate application of those principles. • Consider funding availability for and necessity of additional outcomes research (on advice from WWB of options, potential pipeline for research products) • Share key findings and management responses from the 2022 IMR (noting this information is largely covered in this review). <p>WWB will:</p> <ul style="list-style-type: none"> • Reorganise the Southeast Asia program logic as per the review's recommendations. • Build its capacity and seek ways to report more qualitative data during implementation, such as case studies, change stories and insights from focus group sessions with female clients post roll-out. 	<p>During design discussions. To commence Q4 2023.</p> <p>Starting 2025 (next phase of partnership)</p>

Recommendations	Response	Explanation	Action plan	Timeframe
<i>periodically or annexed to reports as evidence of how change happens.</i>			<ul style="list-style-type: none"> Share internal knowledge-capture and insights briefs with DFAT as relevant and appropriate. 	Starting Q3 2023
<p>Recommendation 2 Continue to enhance visibility with posts</p> <ul style="list-style-type: none"> WWB could systematically give an overview of WWB work in Indonesia and Cambodia each six months in the form of a ‘brown-bag’ knowledge share with a wide cross section of the embassies to continually build awareness and diverse program supporters. WWB should link periodically with other DFAT post-managed programs working in Southeast Asia on financial sector and/or women’s economic empowerment issues and collaborate where it makes sense. Programs could include INKLUSI and Prospera in Indonesia, CAPRED in Cambodia, GREAT in Vietnam, and Investing in Women regionally. 	Agree	DFAT is supportive of the intent of this recommendation.	<p>DFAT (GEB) will liaise with post contacts to discuss options for taking these recommendations forward.</p> <p>Subject to posts’ availability, WWB will be able to present to posts in Indonesia and Cambodia on relevant areas of work every six months or according to their preference, and link periodically with DFAT post-managed programs related to financial sector development and/or women’s economic empowerment issues, to determine synergies. WWB will also continue to invite DFAT posts to its public events.</p>	<p>Q 4 2023</p> <p>Starting 2024.</p>
<p>Recommendation 3 Disability inclusion is actioned more <i>Ways to action disability-inclusion in a more purposeful manner include:</i></p>	Agree	DFAT is supportive of WWB developing a disability inclusion strategy for future work in SE Asia and will explore in the context of a new phase.	DFAT and WWB to attend to this recommendation in design discussions. DFAT (GEB) to liaise with DFAT Disability section colleagues about possible technical assistance for design/strategy.	During design discussions – to commence Q4 2023.

Recommendations	Response	Explanation	Action plan	Timeframe
<ul style="list-style-type: none"> • <i>WWB develop a disability inclusion strategy for the next program proposal. Strategies could include:</i> <ul style="list-style-type: none"> ○ <i>Research on financial needs of women with disability and women caregivers of people with disability to share with policy-makers and financial service providers.</i> ○ <i>Disability inclusion in business solutions work (e.g public bank leveraging government mandate to serve citizens with a disability, or piloting an approach with a digital finance start up and organisations of people with disability).</i> ○ <i>Disability-inclusion as a category for the WWB fintech innovation challenge.</i> • <i>DFAT support WWB to draw on DFAT's disability-inclusion technical assistance.</i> 			<p>WWB will consider ways to action disability inclusion across its research, policy and advisory initiatives, including exploring the proposed options (research study, business solutions, Fintech Innovation Challenge) as well as additional ones (insights Notes, Point of View publications), drawing on technical assistance provided by DFAT, when shaping the new design.</p>	
<p>Recommendation 4 <i>Selective policy advocacy engagement focused on outcomes</i></p> <ul style="list-style-type: none"> • <i>WWB scale up engagement in G20 where there is a good line of sight to WWB priority markets and outcomes (and scale down</i> 	Agree	<p>Based on experience to date, DFAT is satisfied that WWB's approach will continue to ensure well-targeted engagement with a line of sight to how these interactions link to WWB's intended outcomes. WWB has excellent access to and</p>	<p>DFAT and WWB will ensure this intent is reflected in a next phase design and theory of change.</p> <p>WWB will seek to maximize impact while being selective in its G20 engagement, prioritizing governments' requests for advisory support, and ensuring research</p>	<p>During design discussions – to commence Q4 2023.</p> <p>2024 onwards</p>

Recommendations	Response	Explanation	Action plan	Timeframe
<p><i>elsewhere). G20 is an important policy-priority and standard setting fora but in any one year there are hundreds of meetings and initiatives, and some are more impactful than others.</i></p> <ul style="list-style-type: none"> • <i>WWB match wide-ranging requests for government collaboration with WWB’s comparative advantage in women’s economic empowerment through financial inclusion.</i> • <i>WWB can endeavour to ensure research is linked with specific policy questions arising from government. WWB Southeast Asia focus on important themes for the region (e.g. very small-scale entrepreneurs, or e-commerce), rather than opportunistic research due to funding availability, stands WWB in good stead.</i> 		<p>relationships with policy makers in target markets (and more broadly).</p> <p>WWB will continue its strong engagement and influence in G20 / GPFi, despite Brazil (2024) and South Africa (2025) not being priority markets. With no WWB teams on the ground, efforts will be scaled down.</p> <p>Policy-related research has been constrained by funding but has adhered closely to initiatives on women's financial inclusion and economic empowerment.</p> <p>E.g. research in Indonesia: 1) G2P recipients’ challenges with account activation, and follow-up research on the prospective clawback of unused funds; 2) ultra-micro entrepreneur borrowers; 3) e-commerce research aligned with government's goal of increasing e-commerce activity in the country; and 4) research to increase women in leadership given the government's goal of increasing women's participation in board seats to 25% of seats by 2025.</p>	<p>is relevant and tailored to the needs of policymakers.</p> <p>In the next phase, WWB will better engage policy stakeholders during the research process to increase responsiveness to specific policy goals and interventions.</p>	<p>Starting 2025 (next phase of partnership)</p>

Recommendations	Response	Explanation	Action plan	Timeframe
<p>Recommendation 5 Further explanation of approach to safeguards</p> <ul style="list-style-type: none"> WWB has described robust due diligence of financial service providers and ethical business practices to the review team. WWB could explain this more (for example using the DFAT risks and safeguards tool) and periodically report measures taken to underscore that risks are being assessed and avoided. WWB can engage in policy advocacy to mitigate risks with greater digital financial inclusion (e.g. consumer protection), and emphasise in solutions work (e.g. personal data protection, awareness of scams), given the potential for digital finance to exacerbate existing vulnerabilities for women along with fast changing, new risks 	Agree in part	<p>The DFAT risks and safeguards tool is the responsibility of the DFAT investment manager. An updated Due Diligence Assessment will be required prior to signing of any new agreement for a next phase.</p> <p>DFAT is supportive of maintaining the risk management approach, with a greater attention to issues/risks relating to digital financial inclusion in any future program.</p>	<p>DFAT will:</p> <ul style="list-style-type: none"> update relevant risks in Aidworks – seeking input from WWB as required. Begin Due Diligence Process <p>WWB will:</p> <ul style="list-style-type: none"> Provide requested documentation to DFAT to enable updating of Due Diligence assessment Will seek to incorporate the additional risks posed by digital financial services into our Solutions, research and Advocacy work. 	<p>ASAP</p> <p>Q1 2024</p> <p>ASAP</p>
<p>Recommendation 6 Keep ahead of emerging issues</p> <ul style="list-style-type: none"> Climate change is likely to be of growing importance in the next phase for both DFAT and WWB. 	Agree	WWB employs an adaptive approach to programming – as noted in the review – that, resourcing permitting, enables emerging issues to be considered.	DFAT and WWB to discuss and prioritise emerging issues to address within the future program, taking into account resources available and other existing priorities.	During design discussions, to commence Q4 2023.

Recommendations	Response	Explanation	Action plan	Timeframe
<ul style="list-style-type: none"> • <i>One issue to keep on the radar as demographics change in Southeast Asia is financial inclusion of older women, often not a target for banks or fintechs and therefore a gap in the financial services market.</i> 		<p>WWB is developing concepts relating to the intersection of climate and gender finance and has extensive experience in deploying health microinsurance.</p>		<p>Starting 2025</p>