



Investing in Women Initiative Design Document



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Women's Economic Empowerment Regional Profile

The gender gap for economic participation and opportunity now stands at 60% worldwide, having closed by 4% from 56% in 2006. Based on this trajectory, with all else remaining equal, it will take 81 years for the world to close this gap completely.

GLOBAL GENDER GAP REPORT 2014, WORLD ECONOMIC FORUM

Addressing limits on women's participation in the workforce could potentially add up to US\$89 billion a year to the (APEC) regional economy.¹ (APEC 2013). The OECD "found that eliminating the gap between male and female labor participation, as measured in 2010, would create a growth dividend of 12 percent by 2030."²

- In the Philippines, the labour participation rate for women is low at an estimated 49.9% compared with 78.1% for men.³
- Labour force participation of women in Indonesia is also low at 50% in 2014, compared with 80.5 % for men. Women are twice as likely as men to work in the informal sector, and they are paid less than men for similar work.
- The labour force participation rate for women in Vietnam is 72.8% compared with 81.9% for men.

Leaders of the G20 countries have committed to reducing the gender gap in labour force participation by 25 percent by 2025. This would mean that Indonesia and Philippines need to increase female participation in the workforce by over 7% in the next 10 years.⁴

SMEs make up 98% of all businesses and provide jobs for 66% of the labor force in Asia.⁵ Women-owned SME's represent 31 to 38 percent of all SMEs in emerging markets. Yet on average, only about 10% of SMEs have the capital needed to grow their businesses.

The IFC (2014) estimates that as many as 70% of women-owned SMEs in the formal sector in developing countries are unserved or underserved by financial institutions – a financing gap of around \$285 billion. There are nearly 6 million formal, women-owned small businesses in East Asia and they are growing fast.⁶

- In the Philippines, MSMEs account for 32% of GDP and employ almost 70% of the workforce⁷.
- In Indonesia, SMEs represent over half of GDP and more than 96% of employment (IFC, 2014).
- In Vietnam, 30% of formal SMEs are owned by women, and approximately 25% of business leaders and CEOs are women.

Closing the credit gap for women-owned SMEs across the developing world as a whole could boost income per capita growth rates by over 110bp on average (Stupnytska et al., 2014).

The Rockefeller Foundation believes Southeast Asia is an untapped region for impact investing. There is reportedly \$10 trillion in combined assets among high net worth individuals in the region, and mobilizing even one percent of that for impact investing would make a significant difference.

¹ National Center for APEC and the APEC Business Advisory Council, 2013.

² OECD Social, Employment and Migration Working Papers, No. 138, OECD Publishing. 2012.

³ ILOSTAT, 2014

⁴ G20 Summit in Brisbane in November 2014.

⁵ Asia SME Finance Monitor, ADB, 2013.

⁶ US Department of State Speech of Hillary Rodham Clinton at the APEC Women and the Economy Forum, 12 June 2012.

⁷ ILOSTAT, 2014.

1. Executive Summary

Program Rationale

Australia's national interest is served by strong and enduring growth in the Indo-Pacific region. The Government's new aid paradigm makes clear that the role for Australian aid is to catalyse economic growth and poverty reduction, particularly in the Indo-Pacific. A strong and active private sector is a key to strong economies and small medium enterprises are an engine for economic growth. This new aid paradigm gives increased attention to empowering women and girls as a central objective in the aid program, recognising the significant benefits that flow to whole communities and economies from women's participation.

While some progress has been made to close gender gaps in labour market outcomes, substantial challenges remain globally, and in East Asia. Detailed examination of the data indicates that it is not just the number of women in the labour force that should concern policy-makers hoping to lift growth. Women are much less likely to work full-time than men and are less likely to progress their careers. They earn much less than men on average, even when individual characteristics are taken into account. They also bear the burden of much higher unpaid work. Women-owned businesses could be a large source of job creation for women, stimulating innovation and change in production and marketing, but face systemic barriers to their growth including that they are unserved or under-served by financial institutions. These gender gaps are a constraint to economic growth in the region.

There is a strong case to be made for working with businesses to improve their approach to employing women, to working with impact investors to increase investment in women SMEs, to supporting other DFAT programs improve their gender impact, and to advocate regionally for the economic empowerment of women. Addressing these gender gaps is good for business, and for growth. It is smart economics. This Design Document brings together these components to form the Investing in Women Program. Investing in Women is a long term approach to improving women's economic participation, building markets for women, and influencing the private and public sector environment to promote women's economic empowerment.

Outcomes and Work Streams

The overall goal of Investing in Women is to contribute to women's economic empowerment in South East Asia with the understanding that this will, in turn contribute to continued inclusive economic growth in the region. This builds on the premise that 'continued growth depends upon harnessing all resources available' (see annex 16: Investing in Women concept note). Investing in Women intends to do this by achieving the following four end of investment outcomes:

1. More businesses achieve gender equity in their workplaces
2. Impact Investment in women SMEs has increased
3. National policy makers and regulators remove barriers to women's economic empowerment
4. Public attitudes are more supportive of women's economic empowerment

In order to achieve these outcomes the design comprises four components of work:

Component 1 – Business Partnerships

In order for more businesses to achieve gender equity in their workplaces, Investing in Women will fund the establishment and support the diagnostics of in country business coalitions committed to gender equity in workplaces. The business coalitions will be made up of influential businesses that are large employers. These businesses will take the appropriate steps to improving gender equity in their own workplaces and to influencing businesses, both in their supply chains and other large businesses, to also become better employers of women. This component is built on the premise that certain large businesses, with the right profile, act as role models to others and can therefore influence their practices. Businesses in the coalition will be able to influence other businesses by demonstrating the benefits of gender equitable workplaces, supported by the evidence of their own experiences that have been measured through the M&E activities. Over time the business coalitions would be self-financed by the coalition members.

Component 2 – Investing in Women in Business

To increase impact investments in women's SMEs, Investing in Women will work closely with a few impact investors to tailor their services to women's SMEs and increase their access to investment financing. It is expected that credible evidence will be produced to demonstrate the social and financial benefits of Investing in Women's SMEs, giving other investors the confidence to also invest in women's SMEs and thereby multiplying the value of the project. This component aims to effect these changes by incentivising, through financial and other support, a small number of impact investors operating in the region to focus investments on women led SMEs.

Component 3 – Government partnerships

Under this component, Investing in Women will provide DFAT, and DFAT investments, with technical assistance on gender equality in order to improve the effectiveness of relevant Australian Government economic and aid for trade investments. The Investing in Women program will proactively engage with Australian Government posts in order to work with economic and trade related sections and initiatives to identify women's economic empowerment issues within their portfolios, and implement changes that will encourage partner government regulatory reform. For this component, an accessible supply of expertise will be made available to Australian Government programs to improve the quality of their activities.

Component 4 – Advocacy platform

This component recognises that achieving women's economic empowerment faces not only institutional barriers but also the barriers associated with gender norms in the broader society. In order for public attitudes to be supportive of women's economic empowerment, Investing in Women will initiate and support public diplomacy activities in South East Asia aimed at raising broad-based awareness to help shift social, organisational and institutional norms that affect / define women's economic opportunity and related domestic and public roles and responsibilities. This would be caused by the production and dissemination of credible information, largely drawn from the other Investing in Women components. This will be shared within DFAT in the region and with regional organisations including ASEAN and the ASEAN Women's Entrepreneurship Network; APEC and their work on integrating women's led SMEs into global value chains; and other key donors active on these issues such as UNCDF, ADB, the World Bank, IFC and UN Women. The information will be credible and influential because it will be grounded in local examples and delivered by local high profile individuals.

This design is a complex program that traverses relatively new territory for the Australian Aid Program. DFAT recognises the need to be flexible and realistic about achievements within the short term. This is reflected in a draft Inception Work Plan that seeks to provide adequate time for the managing contractor to mobilise and gain in depth understanding of the country context and the program before implementation. In addition, DFAT has

provided budget for the contractor to front-load mobilisation in order that the implementation team not be overwhelmed with multiple tasks related to inception and developing the first annual plan. The contractor is also provided with opportunity to update the Inception work plan such that it reflects their own insights into the demands of the first year of implementation, and their own understanding of the challenges they will face. The contractor will be also be resourced and encouraged to ensure that the program's approach in different country settings is able to adapt to the specifics of that context, rather than applying a standard approach across the various country contexts.

Innovation and Risk

Innovation, by its very nature, introduces elements of risk. The Investing in Women Program brings an innovative approach to women's economic empowerment by introducing new approaches / modalities to an aid investment for DFAT. For example, the Investing in Women program will work closely with the most senior people in large corporations through component one, and will consider innovative investment through component two. This design carries additional risks associated with lack of institutional experience in DFAT with these types of approaches. DFAT, through this investment, acknowledges these risks and expects that the risks will be proactively managed throughout implementation including through the structure and resourcing of the delivery method (an ISP which includes a senior experienced Impact Investing Partnership Director), a strong, senior governance mechanism, the focus on monitoring, evaluation and learning, the realistic timetable for delivery of results, and the resourcing to engage a broad range of stakeholders across DFAT in the program's implementation. DFAT further expects the program to bring a good deal of learning to DFAT, so that it may develop in-house capability and experience for future similar investments should Investing in Women demonstrate positive outcomes.

Program Governance

The program will be delivered initially through an Implementing Service Provider (ISP), contracted to the Australian Government. The ISP will establish the business coalitions and manage DFAT's funding agreements with them. It will manage the financing agreements with impact investors and generate evidence regarding the benefits of investing in women. It will provide access to technical skills for other DFAT programs aiming to improve economic empowerment outcomes for women in South East Asia. It will run the advocacy platform in the short term and manage program monitoring, evaluation and learning. The feasibility of supporting a separate private sector or not for profit entity to manage key functions of Investing in Women (particularly components 1, 2 and 4) will be tested in the first year of implementation. If found feasible, the ISP will support the establishment of a separate entity and then handover to it a range of key ISP functions, with ongoing support, to ensure sustainability.

Investing in Women is a 4+4 program (as of April 2016, with the length of the second phase to be subject of evaluation), generating the evidence of impact to ensure long-term private sector support for components 1, 2 and 4 will not be possible in a shorter period.

There is a need for an over-arching governing body for the purposes of program-wide accountability. Investing in Women will have activities in a range of countries in South East Asia (SEA), in particular Indonesia, the Philippines, Vietnam and Burma but could expand to other SEA countries as needed. It will also support regional public diplomacy efforts around women's economic empowerment.

The Investing in Women Program will be managed by a single point in DFAT, the Multilateral Policy Division in Canberra. It will set aside funds for DFAT to employ a fulltime EL1 level position as DFAT Program Manager. This position will manage the contract, coordinate with posts and across DFAT sections, and support knowledge building and diplomatic activities. The DFAT Principal Gender Specialist and Senior Gender Specialist will proactively engage with the program, particularly in support of cross departmental coordination, learning and knowledge sharing. The success of the Investing in Women program will rely on early and active leadership from DFAT, particularly from the gender unit where a good deal of knowledge about the program is vested. Their committed leadership will support and steer the program through its establishment phase, ensuring it has a solid foundation with good direction from the beginning.

As a multi-country program, the Investing in Women Program requires country level coordination, input and liaison with Posts. It will be important for the program to prove its relevance and contribution to Posts in-country, and for Posts to proactively engage with a view to taking on increasing ownership of activities over the life of the program. In order to support country level coordination and liaison, the program will fund a full time locally engaged program coordinator at each Post where it has significant activities occurring in country (Indonesia, Philippines, and Vietnam). The Multilateral Policy Division will regularly review the staffing needs of posts to ensure that they are adequately resourced to coordinate the program in-country. The first year workload is likely to be Canberra heavy and lighter touch at Post, however in later years Posts workload may increase.

The ISP location will be proposed by tenderers. The only position designated to be located in Canberra is the Gender Specialist in component three. The location (or locations) of all other positions (technical and operational) will be proposed by tenderers. Tenderers will need to balance issues of cost effectiveness, staffing considerations (including securing exceptional senior level staff for the program), and the location(s) ability to support effective coordination and communication with stakeholders (including Australian Government stakeholders).

2. Analysis and Strategic Context

Australia's national interest is served by strong and enduring growth in the Indo-Pacific region. The Government's new aid paradigm makes clear that the role for Australian aid is to catalyse economic growth and poverty reduction, particularly in the Indo-Pacific. It also needs to give increased attention to empowering women and girls as a central objective in the aid program, recognising the significant benefits that flow to whole communities from women's participation⁸.

Australia is not alone in recognising the importance of fostering growth for development, and in recognising the link between growth and women's economic empowerment. At the its Summit in Brisbane in November 2014, the G20 committed to develop appropriate policies to lift collective GDP by more than 2 per cent above the trajectory implied by current policies; increasing women's labour force participation rates, and their quality of work, are recognised as critical to reaching this goal. To that end, G20 leaders committed to reduce the gender gap in workforce participation by 25% for each 5-year age group by 2025. In June 2015, G 7 leaders recognized that women's entrepreneurship is a key driver of innovation, growth and jobs, and called on G7 countries and others to address constraints for women starting and growing businesses⁹. It has been recognized by ASEAN in the AEC Blueprint for Small Medium Enterprises, including in the establishment of the ASEAN Women's Entrepreneurship Network, and APEC members are leading work to increase the integration of women-led small medium enterprises into global value chains¹⁰.

This focus on catalysing growth and women's participation is based on the large and growing body of evidence that points to the relationship between female participation in the labour force and economic growth, and an increasing recognition of the important contribution women-led businesses can make to increasing trade and economic growth¹¹. Various studies highlight that gender gaps in labour force participation, entrepreneurial activity and education constrains potential economic growth¹², as evidenced throughout the Investing in Women Literature Review (annex 14).

Development Problem/Issue Analysis

While some progress has been made to close gender gaps in labour market outcomes, substantial challenges remain globally, and in South East Asia (for details, see the Investing in Women Literature Review and Aide Memoires). Detailed examination of the data indicates that it is not just the number of women in the labour force that should concern policy-makers hoping to lift growth. Women are much less likely to work full-time than men and are less likely to progress their careers. They earn much less than men on average, even when individual characteristics are taken into account. They also bear the burden of much higher unpaid work. Women only hold 37.0 per cent of all wage jobs – and men 63.0 per cent, progress to gender parity is very slow.

⁸ MINISTERIAL FOREWORD TO AUSTRALIAN AID: PROMOTING PROSPERITY, REDUCING POVERTY, ENHANCING SECURITY.

⁹ LEADERS DECLARATION, G 7 SUMMIT 7-8 JUNE 2015: THINK AHEAD. ACT TOGETHER.

¹⁰ ASEAN STRATEGIC ACTION PLAN FOR SME DEVELOPMENT (2010 – 2015); ASEAN WOMEN'S ENTREPRENEURSHIP NETWORK; ASEAN SOCIO-CULTURAL COMMUNITY BLUEPRINT 2011-2015; APEC WOMEN AND THE ECONOMY FOR A, THE - THE POLICY PARTNERSHIP ON WOMEN AND THE ECONOMY (PPWE); THE PUBLIC PRIVATE DIALOGUE ON WOMEN AND THE ECONOMY (PPDWE) AND THE HIGH LEVEL POLICY DIALOGUE ON WOMEN AND THE ECONOMY (HLPD).

¹¹ AUSTRALIA HAS LED IMPORTANT WORK ON THIS WITH THE ESTABLISHMENT OF AUSTRADE'S WOMEN IN GLOBAL BUSINESS NETWORK.

¹² WORLD BANK WORLD DEVELOPMENT REPORT 2012; IMF ... 2013; WORLD ECONOMIC FORUM'S GLOBAL GENDER GAP REPORT 2014; OECD G20 ACHIEVING STRONGER GROWTH 2014; CUBERES AND TEIGINER 2014; ESTEVE-VOLART 2004; KLASSEN AND LAMANNA 2009)

Women-owned businesses could be a large source of job creation for women, stimulating innovation and change in production and marketing. Of the nearly 7 million women-owned SMEs in the formal sector in developing regions, over one-half – around 3.5 million – are in South East Asia. What is more, the number of female enterprises is growing at a faster pace than that of male counterparts — with no evidence that women-owned enterprises fail at a faster rate. This notwithstanding, women-led businesses face barriers to growth that those led by men do not. The International Finance Corporation (IFC) estimates that as many as 70% of women-owned SMEs in the formal sector in developing countries are unserved or under-served by financial institutions – a financing gap (and also market opportunity) of around \$285 billion. According to a recent Goldman Sachs study, “if the credit gap is closed by 2020 in just 15 countries (including the Philippines, Indonesia and Vietnam), per capita incomes could on average be 12% higher by 2030¹³. Other barriers facing women SMEs identified by the IFC include institutional and regulatory issues, lack of access to finance, relatively low rates of business education or work experience, risk aversion, confinement of women’s businesses to slower growth sectors, and the burden of household management responsibilities.

Despite the barriers faced by women and women-run SME’s there is significant evidence that increasing female labour force participation and growth of women-run SMEs is not just good for women and the economy, but is good business practice. UN Women, the UN Global Compact, other leading UN agencies, the World Bank and the World Economic Forum have all produced and reference current research that demonstrates that gender diversity helps business perform better, and that women’s inclusion drives development. Solid data regarding women’s enterprises and work can be found in the data sets of large multilateral institutions. For example:

- The ILO has a data set for about 124 countries that provides statistics on status in employment by gender covering both the formal and the informal economy.
- The World Bank carries out enterprise surveys in around 135 countries and these include an indicator on whether the ownership includes at least one woman. Small, medium-sized and large firms are included in the World Bank’s enterprise surveys.
- Women in business surveys and indexes are carried out by the Economist Intelligence Unit, the Global Entrepreneurship Monitor, and the Center for International Private Enterprise.
- The IFC produces annual comparative data regarding the regulatory environment for business in 187 countries.

Sitting beneath the barriers described above is the powerful underlying theme of discrimination and bias that prevents women’s economic empowerment. Entrenched views regarding women’s abilities, appropriate role and position in society operate to undermine women’s economic empowerment. Gendered power relations in the household and in socio-economic and political spheres all (at some level) work against women’s economic advancement. However, greater visibility and voice of women in the economy will likely have ripple effects at the household level and in the political sphere, thus generating momentum for change. Likewise changes to women’s and men’s roles and behaviour in the home, particularly around unpaid work, can provide women with greater economic opportunities.

The Investing in Women initiative adopts the DFAT definition of women’s economic empowerment as follows:

Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in ways which recognises the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of the benefits of growth. Economic empowerment

¹³ GOLDMAN SACHS GLOBAL MARKETS INSTITUTE, GIVING CREDIT WHERE CREDIT IS DUE: HOW CLOSING THE GAP FOR WOMEN-OWNED SMES CAN DRIVE GLOBAL GROWTH. FEBRUARY 2014

increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information. Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and exert influence in society.

Evidence-Base and Lessons Learned

Investing in Women makes good development sense. As stated in the 2012 World Development Report:

"Gender equality is a core development objective in its own right. It is also smart economics. Greater gender equality can enhance productivity, improve development outcomes for the next generation, and make institutions more representative."

As many countries in South-East Asia move to middle-income status, continued growth depends on harnessing all productive resources. Countries will need to increase the size of their formal sector and bring more enterprises and employees into the formal workforce. However, gender gaps and discrimination in labour force participation, entrepreneurial activity and education and persistent social norms that limit women's opportunity, present a constraint to potential economic growth¹⁴. Women's economic empowerment is therefore key to not only realising gender equality, but to support continued and inclusive economic growth in South-East Asia. There is growing evidence that increasing the number and quality of female labour force participation, and supporting the growths of women in SMEs, is not just good for women and the economy, but it is good for individual business performance. A recent study by Booz & Company asserts *"if female employment rates were to match male rates in the United States, overall GDP would increase by 5 per cent. In developing economies, the effect is even more pronounced"*.

The IFC (2014) argues that economic growth is more robust and sustainable when women and men alike participate fully in the labor market. Research undertaken by the G8 Social Impact Investing Taskforce (2014) found that gender sensitive workplace practices can lead to potentially significant returns. Yet despite the persuasive evidence that gender equality has a transformative effect on productivity and growth, women's full economic and productive potential remains unrealised in many parts of the world.

Donors are not alone in investing in improving women's economic empowerment, an increasing number of private sector companies such as the Nike Foundation, Exxon Mobil and Goldman Sachs, are also Investing in Women's economic potential, including by supporting women's education, training and development; promoting women entrepreneurial enterprises; and advocating the business case for Investing in Women (see annex 13).

There are emerging lessons from more recent innovative approaches (both donor and private sector led), that has informed this Investing in Women Design Document, and there is some evidence around what works to support the growth of women SMEs through provision of both skills development and access to capital. A summary of lessons learned from interventions in the following broad areas is provided below:

¹⁴ WOMEN'S WORLD BANKING, JUNE 2015, ACCESS TO FINANCE OF WOMEN-OWNED SMEs: AN ASSESSMENT OF FIVE COUNTRIES IN WOMEN-OWNED SMEs: AN ASSESSMENT OF FIVE COUNTRIES IN SOUTH EAST ASIA.

Removing regulatory/social impediments to women's economic empowerment (DFID, USAID, IFC, World Bank, ILO). Key lessons include:

- Most impediments are local and need to be addressed by local actors;
- Impediments include socio-cultural and regulatory constraint;
- Social policy can either promote or diminish women's economic empowerment (e.g. access to family planning, sexual discrimination policy and implementation, etc.).

Encouraging businesses to adopt better gender equality standards (UN Women, ILO, IFC, Harvard, and Male Champions of Change, Australian Workplace Gender Equality Agency, ADB).

- CEOs need to be engaged and lead change
- Businesses will pay to implement changes if they are convinced of the business case for better gender equality workplaces
- Analysis of barriers can galvanise action
- Businesses are influenced by their peers and competition can spur faster adoption
- Business leaders can not only transform their organisations and their value chains but can influence government and are prepared to advocate for change.

Strengthening women entrepreneurs (World Bank, Goldman Sachs, IFC, USAID, Austrade Women in Global Business, ASEAN, APEC). Key lessons:

- Women don't just lack access to finance, they lack access to market information, networks, and skills for business growth;
- Women run businesses do better in the long run and through crises;
- Women led businesses tend to employ more women.

Encouraging the banking sector to develop new lending instruments better suited for women-run SMEs (IFC, UNCTAD). Key lessons include:

- Women's business tend to be collateral poor which makes capital secured lending instruments difficult for them to access;
- Financial services to SMEs constitute "the missing middle": micro enterprises are serviced through micro-finance institutions, and large enterprises are serviced by banks, SMEs are not serviced;
- The banking sector need incentives, plus capability, plus institutional mind-set change, in order to effectively service women and SMEs.

Discussions with businesses during design field visits indicated a strong interest in understanding and acting on the benefits of better gender equality work practices and using business networks to extend good practice to other companies. Discussions with regional impact investors indicated interest in working with DFAT to develop gender lens investment instruments, testing their efficacy through investment guarantees and gathering the evidence to market these instruments to other investors.

Overall, the evidence base on effective interventions to promote women's economic empowerment particularly related to the scope of this initiative is uneven and patchy. The Investing in Women initiative will endeavor to build upon and expand this evidence base through implementing interventions that have a good track record and also pilot innovative different approaches with new development partners.

Strategic Rationale for Australian Government Engagement

The 'Smart Economics: Evaluation of Australian Aid support for women's economic empowerment' released by the Office of Development Effectiveness (ODE) in September 2014 found that Australia has had some success in promoting women's economic empowerment in its aid program. However, like other donors, Australia has had less success integrating gender equality into its key economic and private sector investments (agriculture, rural development, transport, energy, trade and business and banking). This represents a missed opportunity, and provides a strong rationale, to help women in developing countries improve their economic status, and contribute to local, national and regional economies.

Programs in the Australian aid for trade sector currently deliver significantly lower spending on gender equality than the average across the aid program (30 per cent of aid for trade programs report a significant gender equality objective compared with the overall aid program which has a 50 per cent principal or significant gender equality objective). The Australian aid program, through *Australian Aid: Promoting prosperity, reducing poverty, enhancing stability*, has set a target of 20% of all programs classified as aid for trade by 2020. This initiative will help meet both the aid for trade and women's economic empowerment goals of Australian Aid.

Meeting both the aid for trade and gender equality targets will require significantly increased attention to gender equality across all economic, private sector, and aid for trade investments. Investing in Women brings scaled up aid for trade programming with a gender focus, and also contributes to integrating gender equality into other programs in the aid for trade sectors across South East Asia.

Investing in Women responds directly to Australia's economic diplomacy agenda and the Government's commitment to innovation in how we deliver aid. The Minister for Foreign Affairs, the Hon. Julie Bishop, has called on DFAT and the Australian aid program to innovatively partner with the private sector to achieve long-term, sustainable growth outcomes. Australian companies are playing an increasing role in South-East Asia, and DFAT is regularly approached by companies wishing to partner on development initiatives, or advocate for business enabling reform. Investing in Women will respond to these calls and build coalitions of companies to advance gender equity in the workplace, and will provide an opportunity to create new partnerships between Australian, multinational and domestic companies, benefitting our economic diplomacy more broadly.

This program will draw upon three decades of Australian experience and leadership on equal employment opportunity and anti-discrimination work by government, civil society and particularly the private sector. It will engage Australian initiatives such as Austrade's Women in Global Business, and companies such as Westpac and Telstra which are demonstrated leaders in equal opportunity employment and which have a presence in South East Asia, in addition to other global corporations.

Furthermore, Investing in Women will pilot opportunities for innovative finance mechanisms with Impact Investors as a way to reduce barriers to growth for women's SMEs. Investing in Women represents a sizable contribution to the sector, which will expand impact investments in the region, and leverage private capital for development goals. In so doing, DFAT will play a pivotal role in shaping this emerging stream of development finance.

Australia is a major donor in all ASEAN developing member countries, and we have built close working relationships with partner governments on promoting economic reform. We are often a preferred source of technical assistance as we are regarded as a "neutral" source of advice, and we are good practice leaders in many areas of economic reform. Our active engagement with ASEAN, the EAS and APEC provides us with regional platforms to advocate for change that promotes women's economic empowerment. Investing in Women

will work closely across the Australian Government economic and trade diplomacy agenda to spotlight women's economic empowerment as a key driver for growth, and to build effective approaches towards its achievement.

The investment will capitalise on learning, results, networks and partnerships to promote innovative models and financing mechanisms that recognises the key role of the private sector in development and promotes a closer engagement between the Australian Aid program and private sector stakeholders.

In summary, after reviewing the technical and geographic scope and lessons emerging from this range of interventions, and through our discussions with private sector organisations, other donors and financial institutions in the region, we believe there is a strong case to be made for:

1. Working with business leaders in select South East Asian countries to promote better gender equality in their workplaces
2. Working with regional impact investors to develop, test and market new gender lens social impact investments in key countries
3. Support DFAT staff and other DFAT programs to work with national and regional policy makers and regulators to remove key barriers to women's economic advancement
4. Working at a regional/multi-country level to build awareness and understanding of the importance of women's economic empowerment and build demand for the products and services being produced by the Investing in Women initiative.

The entire investment requires an Implementation Service Provider (ISP) to support the establishment and ongoing functioning of each component. But this program's success and sustainability will depend on securing commitment, including financial resources, from the private sector.

3. Program Logic

This section describes principles guiding the design and eventual implementation, what the investment aims to achieve and how it will do this. It provides the individual components and the expected broader goals and end-of-program outcomes.

End of Investment Outcomes

Investing in Women aims to ultimately contribute towards women's economic empowerment¹⁵ to enable inclusive economic growth in South East. This builds on the premise that 'continued growth depends on harnessing *all* resources available' (concept note p.1) including women.

Investing in Women's contribution to women's economic empowerment focuses on three goals 1) increasing the number of women in the formal sector and the number of quality work opportunities for women, 2) growing women SMEs and 3) influencing the enabling environment (the legal and policy structures, economic systems, market structures, marriage, inheritance and education systems and individual gender roles, attitudes and behaviours) to support and promote women's economic empowerment.

These three goals link and delineate Investing in Women's actual contribution (end of program outcomes - EOPOs) to improving women's economic empowerment. Investing in Women's specific contribution to these goals is to achieve the following four end of investment outcomes (EOPO) (see Figure 1):

- EOPO1: More businesses achieve gender equity in their workplaces
- EOPO2: Impact Investment in women SMEs has increased
- EOPO3: Public attitudes are more supportive of women's economic empowerment
- EOPO4: National policy makers and regulators remove barriers to women's economic empowerment

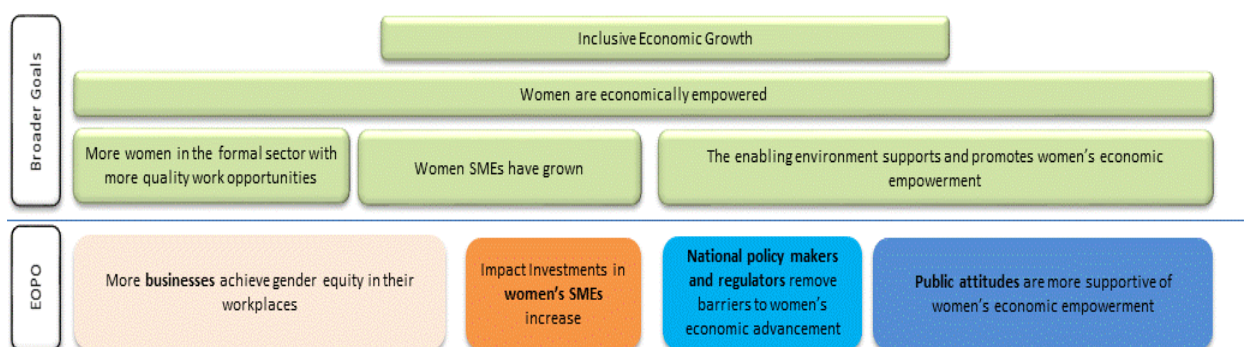


Figure 1. How IWI will contribute to inclusive economic growth in South East Asia

¹⁵ THE INITIATIVE ADOPTS THE DFAT DEFINITION OF WOMEN'S ECONOMIC EMPOWERMENT AS FOLLOWS: ECONOMIC EMPOWERMENT IS THE CAPACITY OF WOMEN AND MEN TO PARTICIPATE IN, CONTRIBUTE TO AND BENEFIT FROM GROWTH PROCESSES IN WAYS WHICH RECOGNISES THE VALUE OF THEIR CONTRIBUTIONS, RESPECT THEIR DIGNITY AND MAKE IT POSSIBLE TO NEGOTIATE A FAIRER DISTRIBUTION OF THE BENEFITS OF GROWTH. ECONOMIC EMPOWERMENT INCREASES WOMEN'S ACCESS TO ECONOMIC RESOURCES AND OPPORTUNITIES INCLUDING JOBS, FINANCIAL SERVICES, PROPERTY AND OTHER PRODUCTIVE ASSETS, SKILLS DEVELOPMENT AND MARKET INFORMATION. WOMEN'S ECONOMIC PARTICIPATION AND EMPOWERMENT ARE FUNDAMENTAL TO STRENGTHENING WOMEN'S RIGHTS AND ENABLING WOMEN TO HAVE CONTROL OVER THEIR LIVES AND EXERT INFLUENCE IN SOCIETY. ADOPTED FROM THE OEC DAC DEFINITION OF WOMEN'S ECONOMIC EMPOWERMENT. INTERNATIONAL CENTRE FOR RESEARCH ON WOMEN (ICRW), 2011, UNDERSTANDING AND MEASURING WOMEN'S ECONOMIC EMPOWERMENT, DEFINITION, FRAMEWORK AND INDICATORS

Outcome pathways

There are four outcome pathways in the Investing in Women program logic, each built from distinct components of work and each aligned to one of the EOPOs. These articulate the changes, or intermediate outcomes, that are expected and need to be achieved for the EOPOs to be realised. In other words they describe how change is expected to happen under each of Investing in Women's four components. These are:

1. **Business Partnerships** that aim to influence large employers to adopt gender equitable work practices, and encourage others to do the same. (EOPO1)
2. **Impact Investing in Women in Business** to grow women-led SMEs, leverage private investments in women's SMEs, and influence the impact investing eco-system such that it is women SME-friendly. (EOPO2)
3. **Government Partnerships** that aim to improve the regulatory environment for women in business and women in the workplace by working through and supporting existing Australian Government initiatives. (EOPO3)
4. **Advocacy Platform** that draws attention to, and aims to change, the constraints to women's economic empowerment in the broader enabling environment (such as institutional and societal norms). (EOPO4)

Component 1 – Business Partnerships

In order for more businesses to achieve gender equity in their workplaces, Investing in Women will fund the establishment and support the M&E activities of in country business coalitions committed to gender equity in workplaces. The business coalitions will be made up of influential and leading large businesses. These businesses will take the appropriate steps to become accredited gender equity workplaces and to influence businesses, both in their supply chains and other large businesses, to also become accredited. As a result more businesses will achieve gender equity in their workplaces.

This component is built on the premise that certain large businesses, with the right profile, act as *role models* to others and can therefore influence their practices. Furthermore, the businesses in the coalition will further influence other businesses by *demonstrating* the benefits of gender equitable workplaces to businesses through the outputs from the M&E activities. The key assumptions for this outcome pathway are:

1. We assume that gender equitable workforce practices in large businesses will lead to improved business performance and positive socio-economic outcomes for women in South East Asia.
2. We assume that demonstrating, through case studies, the benefits of Investing in Women (at work and in business) will trigger positive changes across the business sector in the region.
3. We assume that there will be interest from large domestic businesses to join the coalition and that their goals will align with those of Investing in Women (see the attached aide memoires for evidence demonstrating interest from large businesses).
4. We assume that DFAT will be able to maintain a relationship with the business coalitions.

Component 2 – Investing in Women in Business

To increase impact investment in women SMEs, Investing in Women will work closely with a few investors to appropriately tailor their services to women SMEs. If these services are tailored to women SMEs then it is expected that women SMEs will successfully use these services, in other words women SMEs will be seen as good investment opportunities. And then more investors will tailor their services to make the most of the investment opportunity. As a result the amount of investment specifically going to women SMEs will increase.

This component aims to effect these changes by incentivising through financial and other support a small number of impact investors operating in the region to focus their services on women led SMEs. As with component one, it is expected that credible evidence will be produced to demonstrate the benefits of Investing in Women SMEs giving other investors the confidence to also invest in women SMEs. The key assumptions for this outcome pathway are:

1. We assume that gender lens investing will lead to positive socio-economic outcomes for women in SEA.
2. We assume that demonstrating, through case studies, the benefits of Investing in Women will trigger positive changes across the financial sector in the region.

Component 3 – Government Partnerships

Under this component, Investing in Women will provide technical assistance in working on gender equality in the private sector to DFAT staff across the region, to improve the effectiveness of relevant Australian Government investments targeting changes to the policy and regulatory environment. For this component, it is proposed that by creating an accessible supply of expertise people will utilise this expertise thereby improving the quality of their activities. The key assumptions for this outcome pathway are:

1. We assume that DFAT programs will use the expertise and knowledge products produced through Investing in Women and that this will result in DFAT delivering more effective programs.

It should be noted that there are some interdependencies between the components the first and second components of work will produce outputs to support the achievement of the fourth end of investment outcome. The third and fourth end of investment outcomes will further enable the first and second end of investment outcomes by supporting advocacy campaigns and supporting government investments focused on women's economic empowerment to influence the environment in which the private sector operates.

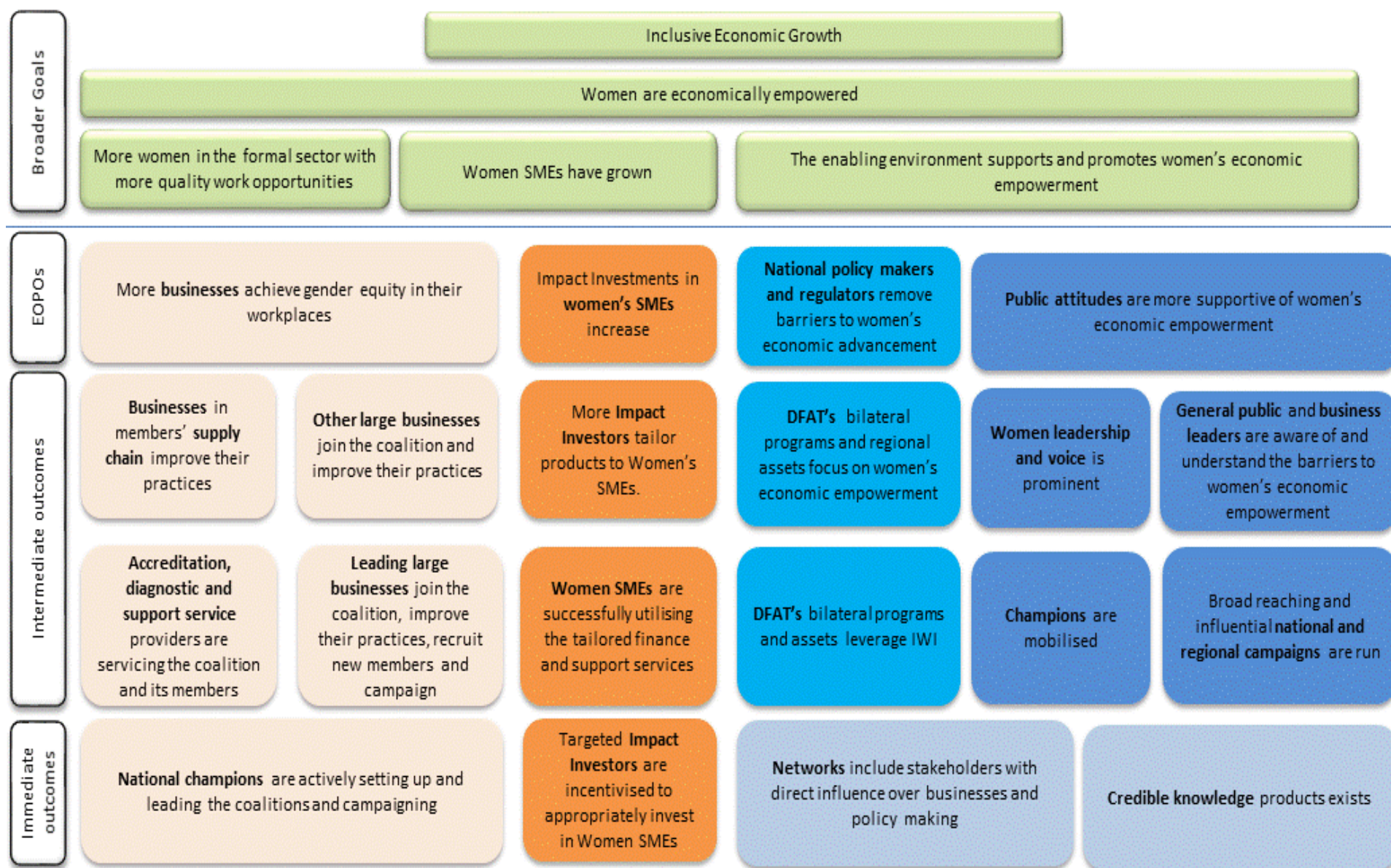
Component 4 – Advocacy Platform

In order for public attitudes to be supportive of women's economic empowerment Investing in Women will initiate and support advocacy activities aimed at raising broad-based awareness to shift social, organisational and institutional norms that affect / define women's economic opportunity and related domestic and public roles and responsibilities. Investing in Women will leverage the knowledge products and networks developed through Component's 1 and 2 to identify and mobilise champions for women's empowerment and to initiate and/or support national and regional campaigns for women's empowerment. As a result women's leadership and voice will become more prominent and the general public and business leaders will be aware and understand the barriers to women's economic empowerment. Public attitudes to women's economic empowerment will become supportive.

This component aims to amplify existing actions focused on women's economic empowerment by providing it with credible evidence of the benefits of investing in women and connecting further new and existing actors in women's empowerment movement in South East Asia. The key assumptions for this pathway are:

1. We assume that other influential actors in SEA are also committed to women's economic empowerment.
2. We assume that initiative will produce outputs that are useful to advocacy actors.
3. We assume that a regional advocacy platform is feasible and will be influential at both the country and regional level.

Figure 2 Investing in Women Program Logic



Principles

Principles are developed to identify the values that underpin an investment. Principles capture what is *important* and should inform the design and implementation of an investment. The following six principles inform Investing in Women, in particular how it should be implemented. They were developed in consultation with DFAT at the design workshop. They are:

1. Catalyse widespread change: the targeted actions need to intentionally effect changes that will bring benefits for many women in South East Asia.
2. Complementing, not duplicating: ensuring activities do not disadvantage or duplicate other DFAT regional and country programs and the work of other actors.
3. Adaptability and flexibility: to manage for current funding insecurity and the potential for multiple funders; the need to work politically and opportunistically that gives rise to new and emergent directions; and to cater for the innovative nature of Investing in Women.
4. Light management touch: reducing the amount of new work created for DFAT staff at posts and in Canberra, protecting funds for activities and investments, and meeting private sector expectations.
5. Leverage funds: the investment made through this initiative must leverage private sector investment.
6. Acceptable risk: Investing in Women must fit within the levels of risk DFAT is comfortable with.

Component One: Business Coalitions for Women's Economic Empowerment

End of Investment Outcome: More businesses achieve gender equality in their workplaces.

Investing in Women will establish national coalitions of CEOs from companies that are committed to improving the quality of women's work in their own businesses, their supply chains, and more widely amongst the business community. Globally and in East Asia, there is strong and growing momentum in both the public and private sector to redress gender inequality in the economy including in important regional/international fora such as the G20, the G7, APEC and ASEAN. It is seen as good for business growth, good for economic growth and good for gender equality. Discussions with private companies and business councils across the region indicate demand for tools and approaches to help companies adopt better gender practices and a willingness to form coalitions around this issue.

Structure and Governance

The Business Coalitions in each country will be tailored to the context and stakeholders in each country. They will be based on the following model, forming as independent not-for-profit corporate entities. Each Business Coalition will be owned and managed by its corporate members, in effect as its shareholders. This approach will drive ownership. Ownership by its members is critical to the success of this strategy.

The Investing in Women ISP will establish the Business Coalitions by identifying a single committed CEO to be the Founding Chairperson, and work with that person to identify and recruit other founding members, establish the legal entity, and recruit key executive personnel, starting with the Manager. Business Coalition members will appoint a Board of Directors made up of the founding members, an Investing in Women representative and, possibly, a subject matter expert or the head of a chamber of commerce. The Boards will be responsible for governance, setting national objectives and strategies and directing the executive.

The Business Coalition Board members will include large domestic employers and multi-national companies. Multi-national corporations (MNCs) are generally perceived to have higher gender equality standards than domestic companies. Inclusion of MNCs brings to each coalition experience and lessons from their operations around the globe, and MNCs can influence their own supply chains. This approach also enables Australian companies to become involved in coalitions, particularly companies that have good practices but are not necessarily large employers in the region (e.g. Australian banks).

The role of the Investing in Women ISP in the establishment and recruitment phase of Business Coalitions will be where the ISP (and by extension, DFAT) will have the most influence. Once established with its own governing structures, the Investing in Women ISP will continue to have influence through its position on the board, and by way of the funding agreements between DFAT (through the ISP) and each of the business coalitions, and through its ability to support linkages and knowledge sharing between coalitions.

The Board of the Business Coalition will comprise CEOs of participating companies who attend at their own costs. The executive arm will initially be funded by DFAT, through the Investing in Women ISP, with a view to becoming self-sustaining by the end of year 4 of the program. Investing in Women funds will be provided through grant agreements to the national coalitions and will be tapered down in year 3 and again year 4, as income generation activities of the Boards increase. The Business Coalition Boards may fund additional positions, and will provide for office space and running costs, including the costs of campaigns. Where there are delays in the process of establishing a legal entity (some countries take longer to formalize this process than others), the Investing in Women ISP will administer funds for the Coalition until such a time this function can be legally transferred to the Business Coalition.

Coalitions may fund-raise through events and through the provision of diagnostic and advisory services to companies on a fee-for-service basis. Although yet to be negotiated, it is recommended that coalition membership fees apply. Not only will the fees serve to generate income for the coalition, it also ensures that coalition members are serious about gender equality in the workplace. Past experiences of diverse groups involved in convening business groups and coalitions have found that a

financial contribution brings a level of integrity and commitment to the membership, and tends to attract CEOs rather than more junior staff.

Business Coalitions need to suit the country context, and could look a little different in different country settings. For example, in the Philippines the Business Coalition may sit under the umbrella of an existing structure that is currently doing similar work; In Burma it will need to start off more slowly and build towards a full coalition; and in Vietnam it may need more Government participation given the large role of state owned enterprises in the Vietnamese economy. In some countries it could include a close engagement with UN Women, connecting with their outreach on the women's Empowerment Principles. In others, it may lead to a deeper engagement with the IFC's She Works initiative with local representatives of participating global multinationals.

Outcomes and Strategies

The Business Coalitions have two outcome logic chains that each lead to different yet inter-connecting sets of strategies.

Outcome Logic Chain 1



The Business Coalition members will be required to commit to improvements in their own workplaces and potentially in their supply chains with the assistance of the coalition executive team, on the basis of a detailed workplace diagnostic. The Gender Equality Diagnostics technical units will work alongside the leadership of each member company (usually the HR Manager and team), to undertake a review of workplace practices, and deliver an assessment that includes recommendations for improvement. The diagnostic tool will be developed by the Coalition, borrowing from existing tools and diagnostics used around the world (e.g. those developed by EDGE, the Australian Workplace Gender Equality Agency, or the ILO) or may implement an established process. The executive team will provide ongoing support to the members in implementation of the recommendations and supporting sustained change and continuous improvement.

The initial assessment, changes, and outcomes achieved, represent a body of evidence that will be collated by the Coalition Executive team for the purposes of campaigning at national and regional levels. Member companies would need to accept that approved and anonymized information, data and learnings would be made public. The evidence will be used by the Investing in Women ISP for the purposes of M&E and also to build the business case for gender equality, and it will be used by the Business Coalition to promote the efficacy of gender equality and generate coalition membership.

Potentially a more difficult challenge is providing guidance and assistance to companies to work with their supply chains to improve gender equality in their workplaces. The coalition and its executive will work with member companies to develop a strategy for influencing supply chains. Strategies will be tailored to the particular supply chain and take account of factors such as the amount and type of leverage a buyer has, the contracting environment and competition, the current practices within supply chains, the incentives for change, and so forth. Whilst the costs associated with the diagnostics and technical advice from the Coalition will be supplied to member companies free of charge, the costs associated with improvements will be borne by the company. Once the business case has been demonstrated, any ongoing costs to the employer will make good business sense.

Companies achieving a strong positive direction of change may be recognised through an award or citation, specifically developed for the purpose. The Business Coalitions may explore the possibility of an accreditation scheme with existing bodies such as EDGE, ISO or CSR Asia, or citation through national governments (such as seen with the Australian

Workplace Gender Equality Agency). The accreditation needs to carry with it enough status and recognition that it becomes an attractive offering to potential coalition members. Accreditation schemes already exist in some of countries of the region, for example the Philippines. In other cases, accreditation may be a new idea and the potential for its success will be assessed by the Business Coalitions on a case by case basis. The Investing in Women ISP will provide support to the Business Coalitions to explore accreditation possibilities and processes.

Successful coalitions will see an expanding demand for gender equality diagnostics and should seek to re-coup the costs through a fee for service option. Alternatively, the coalition may seek the aid of firms that offer specialised business consulting services and that may see some benefit in developing a gender equality diagnostic product as a service offering, potentially on a subsidised basis. The Investing in Women ISP will explore these options on behalf of all the Business Coalitions.

Outcome Logic Chain 2



Advocacy and campaigning are essential strategies for business coalitions to grow and for them to catalyse change beyond their initial membership. The coalition members bring skills, networks and influence that can leverage change politically, across the business community, and potentially influence broader socio-cultural and institutional norms. Coalition members should be prepared to act as role models to their peers and to a wider audience. Strategies may include:

- An effective website to promote gender equality workplaces, provide self-assessment toolkits, and to promote coalition membership;
- Events, awards and media releases to draw attention to gender equality in the workplace and provide incentives for businesses to sign on;
- Work with Chambers of Commerce and Industry, existing employer groups, and national stock exchanges to promote the business case for gender equality in the workplace, to advocate for transparency and develop standards to measure compliance (similar to environment standards), and to create a groundswell of change;
- Utilise media (TV, print, radio and social networking) and run advertising campaigns to promote gender equality principles and the work of the coalition. Examples include: engage an advertising firm to develop a campaign pro bona and seek free advertising space for promotional work; use social media to conduct awareness raising, and undertake research and campaigns; use popular television shows to run themes to raise awareness; etc.
- Utilise personal networks of people with influence to build champions of workplace gender equality and leverage political and/or private sector change.
- The Investing in Women ISP and the Business Coalitions could learn from the successful Male Champions of Change approach that has been sponsored by the Australian Human Rights Commission, the UN Women's Economic Empowerment Principles platform, and the 'She Works' initiative by the IFC .
- Work in partnership with the Investing in Women ISP and civil society groups, both nationally and regionally, to build the evidence base and promote the business case for workplace gender equality.
- Advocate for change with national governments to address key regulatory and policy barriers that impede workplace gender equality. Specific issues may be identified through the diagnostics and reform work of the coalition membership.

The strategies will be tailored to suit each Business Coalition. A senior, proactive and innovative chairperson, and support from the Investing in Women ISP, will be important ingredients for developing the above-mentioned types of strategies. A short summary of roles and responsibilities of the executive team positions is presented at annex 2.

Generating Evidence

Business coalitions will generate evidence from within their own membership regarding gender equality in the workplace, contributing to the Investing in Women, regional and global knowledge base. The evidence will be generated by the diagnostics that each member will carry out, and the outcomes of reforms to workplace. In implementing gender equality reforms in the workplace, companies and coalitions would expect to see some of the following types of outcomes: reduced staff turnover; ability to attract the best employees; less days lost to industrial disputes; increased workforce productivity and organisational efficiency; and enhanced reputations that translate into greater sales. These changes will be measured and the evidenced used by the coalitions and by the Investing in Women ISP to build the evidence base and advocate for gender equality in the workplace.

The Investing in Women ISP will work with the business coalitions and their gender equality diagnostics team to develop the diagnostics and survey tools, such that they provide relevant and comparative data from across the region. Domains to be covered by the analysis should be:

- Pay equity
- Gender balance at all classifications including at board level
- Recruitment and promotion by sex
- Workplace flexibility including access and take up, by sex
- Leadership and development
- Incidence of sex discrimination and sexual harassment

Data analysis outcomes will contribute to the regional evidence base for workplace gender equality that can be used to advocate for widespread endorsement of workplace gender equality and reform, education and awareness raising, and policy and regulatory changes. In addition, the data collected will be used for the purposes of M&E for coalitions, helping them to continuously improve their strategies and approaches to achieve the best outcomes. It is envisaged that the Investing in Women ISP will coordinate cross-coalition learning and exchanges to generate ideas and innovate for future directions.

We note there is potential that companies will be protective of their data and statistics for fear of a vulnerability to backlash or litigation. The founder of the Boston Women's Workforce Council (a highly successful example of a business coalition for gender equality in the USA), Iris Bohnet, found that they were able to collect data to identify trends in terms of where the gender wage gap was most significant (number of female senior executives, board members, etc.) but couldn't get data that provided the attributes (education, background etc.) of individuals. This may limit the breadth of learning IWI is able to generate. However, robust analytics should be a precondition of participation, to avoid dilution of the aims of coalitions. Data collection and analytics will need to be negotiated carefully with interested companies and data anonymized.

Risk and Risk Mitigation

Risks for DFAT associated with Business Coalitions, predominantly derive from the relationships between the DFAT investment and large companies that may, or may not, have a good track record and reputation on a range of various cross-cutting issues. For example, there may be CEOs on the Business Coalition whose companies have poor environmental standards, or are known to be involved in rent-seeking behaviours and other corrupt practices. There may possibly be companies on the Coalition that have very poor track records on women's rights.

The Investing in Women ISP, together with DFAT colleagues, will need to provide clarity on the types of companies it seeks on Business Coalitions and, importantly, the types of companies it will reject (if any). This component has drawn upon the Male Champions of Change initiative in Australia that deliberately engages with influential CEOs who need to change (read

more at www.malechampionsofchange.com). Component One of this investment takes a like-minded approach to engaging large businesses in change. The starting place is to work with companies that are willing to consider gender equity and help move them forward. Direction of change is the critical indicator. Other cross-cutting issues are outside of the scope of work and therefore should not play a determining part in decisions regarding inclusion on the Business Coalitions. There are likely to be some exceptions and the Investing in Women ISP will need to make clear where it draws the line on these issues. It will need to determine what factors will be the subject of due diligence checks and what factors are irrelevant to the work at hand.

This design includes some significant approaches to mitigating risks including:

- The Business Coalitions will become independently incorporated over time, giving the ISP opportunity to influence the governance, staffing and direction of the Business Coalitions without carrying ultimate responsibility for the Business Coalitions;
- Initial financing for business coalitions will be direct from the ISP for activities, in advance of their formal incorporation;
- Due diligence checks will be designed and implemented by the Investing in Women ISP in the formation and early years of the Business Coalitions;
- The Investing in Women initiative will have a low profile in relation to its role in the establishment of Business Coalitions, more important for the ISP is to undertake diagnostics and garner evidence that can promote change;
- The grants to independently incorporated Business Coalitions provide opportunity for the ISP to have influence over the funded aspects of the program and staffing;
- The Investing in Women ISP will use its resources to provide high quality diagnostics that are in keeping with international standards and not influenced by individual companies.

These and other design characteristics notwithstanding, the Investing in Women ISP will need to be constantly vigilant in early identification and mitigation of risks, as well as supporting DFAT's institutional learning regarding this approach to aid interventions.

4. Component Two: Impact Investing in Women's SMEs

End of Investment Outcome: Impact Investment in Women's SMEs has increased.

This will be achieved by working with Impact Investors to leverage greater attention to, and investment in, women's SME growth. Investing in Women aims to leverage substantial impact investments in women's SMEs, and catalyse positive change of the impact investing eco-system. To realise the end of investment outcome, Investing in Women will achieve the following intermediate outcomes through the Outcome Logic Chain:



This component is scalable: it can be scaled up or down depending upon funds availability. The more funds that are invested in this component, the more women's SMEs that will benefit. This component can also be scaled up geographically. This component of the Investing in Women Program will start in Philippines, Vietnam and Indonesia but could readily be scaled up to other countries.

Background and Context

The Australian Government (including DFAT) has, in recent years, been active in promoting impact investing in Australia and globally. Impact investing refers to investments that intentionally seek both a financial returns and a broader social benefit (as opposed to investments for purely financial returns). This design borrows its definition of impact investing from the Global Impact Investing Network (GIIN):

Impact Investments are investments made into companies, organisations and funds with the intention to generate social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market-to-market rate, depending upon the circumstances.

The dual goals of Impact Investing (financial and social / environment impact) align well with the purpose of Australia's international aid program for inclusive economic growth. DFAT has been proactive in building its own knowledge of, and engaging with, the emerging impact investing market. This investment represents an early foray for DFAT into the market, and will contribute to DFAT's growing knowledge base on how to intersect with impact investing to promote aid and development goals. The Investing in Women ISP will need to be mindful of its role in facilitating the building of DFAT's knowledge of the industry, so that it can situate and manage investments in this sector now and into the future.

The Donor Committee for Enterprise Development (DCED) provides a large store of assessments, evaluations and recommendations for donor programs in private sector development. The evidence on donor activities that support private sector risk sharing can be found at their website (<http://www.enterprise-development.org/>). They posit the following:

- Reviews of DFID challenge funds conclude that they encourage investment with high social returns. For example, with funding through DFID's Business Linkages Challenge Fund, the Malawi Cotton Seeding Treatment Programme invested a grant of £290,000 to provide capital and training to poor farmers - thereby reducing the risk to processors providing business development services to smallholders on credit. [UNCTAD](#) finds that the number of smallholder

farmers involved in the MCSTP amounted to 62,000 farmers in the first year of the programme, and 180,000 farmers in the second year.

- Literature on loan guarantees by international agencies to agro-dealers suggests that these have enabled the agro-dealers to expand the volume of their operations.

However, the authors note that 'additionality question' often remains unresolved; it may not be clear whether the public contribution was really necessary for the private investment to proceed. The Investing in Women Program should take note of the DCED's practical guidelines to demonstrating additionality, available at the above-mentioned website.

Market Builder and Market Participant

DFAT's investment will play a critical role in reducing risk and providing incentives for investments in women's SMEs that would not otherwise occur. Through the suite of options available within component two, DFAT will play two distinct roles that contribute to the growth of impact investing in women's SMEs in target countries – as a market builder and market participant:

Market Builder: As a market builder, the Investing in Women program will: build knowledge and evidence to build investor confidence and support the growth of the impact investing market; provide expertise to assist impact investors develop a gender lens and thereby "see" opportunities to invest in women's SMEs; and provide incentives for innovation in financing mechanisms.

Market Participant: Investing in women will mitigate risks and "crowd-in" private capital agreement with impact investment houses that reduce risk, reduce costs and strengthen the attractiveness of lending to women-led SMEs.

The role of market participant is intended to catalyse or stimulate the market and will therefore not be long term. If successful, the market participant interventions will become increasingly irrelevant to the market and DFAT will need to channel funds into other interventions that build the market.

What is a Women's SME?

Investing in Women uses the term "women's SMEs" and "women led SMEs" interchangeably. The definition of a women's SME is as follows:

Is wholly or partially (over 50%) owned by a women; and/or

Has at least 40% female representation on its board and at the first three levels of management.

Investing in Women does not include SMEs that provide goods or services to women because Investing in Women seeks to increase the space for women in the SME sector as a whole and this leads to a definition related to ownership and management. This notwithstanding, the Investing in Women ISP will have the space to negotiate the definition with Impact Investment houses where it contributes to the growth of women-led or women owned SMEs. For example, there may be a good case for inclusion of investments in larger SMEs that primarily (i.e. as part of their core business) provide goods or services (i.e. low interest loans), to smaller women's SMEs. Some flexibility is also required in order to ensure that the Investing in Women program *influences* but does not overly *constrain* the market.

Why Impact Investment Houses?

Investing in Women target countries of Indonesia, Vietnam and the Philippines have a nascent impact investing environment, although it is growing. No more than ten impact investors have investment deals in place in these countries and most have less than 5 or 6 investments. Investing in Women will not work with the banking sector because Australia has other programs that work in this space and other donors are already effectively engaging there. Although Impact Investing is relatively new to the South East Asia region, it has the potential to grow significantly, as it has in South Asia and, to a lesser extent, Africa. The Investing in Women program can influence this nascent environment, helping to shape its gender direction.

Which Impact Investment Houses?

The Investing in Women program will be selective in deciding which Impact Investors to partner with. The active impact investment community is small in the region and there are substantial differences in model /approach between the different companies. Some of the differences include:

- There is variation on the size of investments that different impact investment houses target. This, in turn, leads to a variation in the size/capability of the SMEs that investment houses seek out. Some impact investment houses provide investment sizes of USD 1 to 3m, whilst others provide investments between USD 500,000 and USD 1.5m. Some investment houses have a larger number of smaller investments, and others have fewer number but larger size investments.
- The extent to which impact investment houses consider, and measure, social impact outcomes varies, with some applying a narrow definition with no measurements social impact outcomes, and others requiring a larger social impact and measuring impact outcomes.
- Some investment houses have an established portfolio of investments in the region, or a history of success in other regions, whilst others have little or no track record in either.
- There also appears to be variation in the degree of pre-investment and ongoing support supplied to the SMEs that have achieved investments.

The Investing in Women ISP will need to develop specific criteria for establishing which impact investment houses that it will partner with, and include due diligence checks. The selection criteria outlined below provides a starting point and will need to be tested by the Investing in Women ISP.

Selection Criteria. Partner Impact Investors will need to:

- Demonstrate an existing commitment to impact investment business development in the region and have at least three existing investments in the region.
- Demonstrate their financial viability and sustainability through a history of successful impact investing in the region or elsewhere.
- Apply an agreed definition of “Social Impact” and methods to measure social impact.
- Welcome the application of a gender lens to the investments.
- Meet due diligence expectations.

Once the criteria are agreed the ISP will need to formally map which impact investors meet the

criteria.

It is unnecessary for the Investing in Women ISP to undertake a competitive process in order to select the Partner Impact Investors because of the very limited number in the market. Instead, the Investing in Women ISP will seek to establish relationships with all compliant Impact Investment Houses in order to increase influence in the sector. No competitive advantage will be given to any single firm as Investing in Women will seek to have agreements in place with all firms who meet the agreed criteria.

As the market grows, the Investing in Women ISP will seek new partners that meet its criteria in order to support the expansion of the number of Impact Investors operating in the region that apply a gender lens to their impact investment portfolios. Depending upon the number of emerging impact investment houses in the coming years, the Investing in Women ISP may want to undertake a competitive process in order to select companies. The Investing in Women Design Team identified numerous Impact Investors that operate in other regions and in the developed countries of South East Asia, many of them indicated that they are planning on entering the target markets in the coming years. A well targeted competitive process in years 3 and 4 of implementation should act to attract these impact investment houses to the region.

The Investing in Women ISP will need to negotiate the agreements with selected Partner Impact Investment Houses and through those agreements effectively manage the risks of additionality (ensuring DFAT funds genuinely leverage additional finances) will be managed; how to obtain and manage an optimum balance between public good and private benefit to impact investors; and how to define and collate data on social impacts. The Investing in Women ISP should draw upon the Impact Reporting and Investment Standards (IRIS) – a set of metrics developed by the Global Impact Investing Network (GIIN) that can be used to measure and describe an organisation's social, environmental and financial performance. In order to develop robust agreements between Investing in Women ISP and Impact Investment Houses, the Investing in Women ISP will need to access specific expertise to develop the agreements.

In developing agreements with Partner Impact Investment Houses, the Investing in Women ISP will need to be mindful of the fact that existing firms / organisations will already have conditions on investment eligibility, risk parameters, focus areas, exit strategies, liquidity risks, etc. based on the fund thesis and prospectus. Thus, the approach taken by the Investing in Women ISP to influence an existing Investment House (or bolt initiatives on to it) will need to be shaped and negotiated on a fund by fund basis.

Outcomes and Strategies

Achievement towards each of these outcomes is supported by three distinct intervention objectives and concomitant strategies, that seek to address the multi-dimensional nature of the obstacles that women's SMEs face. They are summarised here and set out in detail in annex 3.

1. To leverage an increase in impact investments in women's SMEs, and stimulate growth of the market, through the use of financing. These could include a) Investment Guarantees (subject to approval) b) Operational Co-financing; c) an Innovative Financing Fund, or other measures that can influence greater investments.
2. To support the successful growth of women led SMEs through the application of business accelerator services; and
3. To increase the number of impact investors applying a gender lens to their SME portfolio of investments.

These three strategies can be offered as a suite of options, tailored to needs, to selected Partner Impact Investors to leverage investments in women's SMEs. A Glossary of Terms is presented at annex 1.

- 1. To leverage an increase in impact investments in women's SMEs, and stimulate growth of the market, through the use of a) Investment Guarantees; b) Operational Co-financing; c) an Innovative Financing Fund.**

Leveraging increased impact investment in women's SMEs will require a range of market building and market participation strategies. The design has identified three strategies to influence this emerging market: investment guarantees; operational co-financing and an innovative financing fund, which will be considered during implementation to increase their reach, influence and effectiveness. Given the nascent impact investment environment in the region, and the opportunity for significant change to occur quickly, the ISP will review the feasibility of these proposed strategies and approaches, providing advice to DFAT on the most effective option during implementation. The feasibility of investment guarantees, in particular, will be assessed. Should these proceed DFAT will obtain any necessary approval under the Public Governance Performance and Accountability Act 2013 (Commonwealth). Broadly, the approach Investing in Women will take to agreements with impact investment houses is to reduce costs of lending, reduce risks, and strengthen the attractiveness of investing in women-led SMEs. This could include agreements that also deliver the following results:

1. Simply providing the additional investment necessary to enable a greater number of investments to be made;
2. Lowering the interest rates on loans for women's SMEs which can then be leveraged for additional investments;
3. Helping to cover the transaction costs of searching for, identifying, appraising, and conducting due diligence on potential investment deals with businesses;
4. Lowering the required financial return on investment of each investment;

There are three specific options outlined below. These were identified in the design process, to be explored in the inception phase. Australia's Aid Program continues to explore the potential of different financial instruments beyond grants – such as loans, equity and other forms of returnable capital. We note that the Public Governance Performance and Accountability Act 2013 (Commonwealth) places particular requirements in s 60 and s 23 on the Commonwealth in relation to contingent liabilities and investment guarantees.

a) Investment guarantees

Investment guarantees reduce the risk for investors in financing (either through equity or debt) women's SME growth, and attract more investors to the market. If used in Investing in Women, they position the Australian Government as a Market Participant – designed to catalyse growth as opposed to being a long term participant. The purpose for utilizing investment guarantees is to stimulate the impact investment market in targeted countries, correct the market failure in financing women's SME growth, and increase women's SMEs access to finance. There is ongoing international discussion about the ODA eligibility of investment guarantees, which will shape how this can proceed. As noted above, there are also specific

requirements for Commonwealth of Australia under the Public Governance Performance and Accountability Act 2013 (Commonwealth). If these are used, subject to DFAT obtaining all the necessary approvals, the Investing in Women ISP will form an agreement with Partner Impact Investment Houses that includes an approach to measuring social impact, drawing from emerging international standards, and an approach to managing additionality. Partner Impact Investment Houses will be charged with responsibility for selection and ongoing portfolio management of women's SMEs. The Investing in Women ISP will focus on gathering data for knowledge generation, and the communication and marketing of results.

The agreements will likely be shaped differently for each Partner Impact Investment House. It is expected that investment guarantees would be in the order of 50% and 60% of the total investment (estimate based upon a review of existing investment guarantee funds). Investors may be required to pay a premium in order to obtain the investment guarantee, similar to buying insurance, leaving the choice to take advantage of the investment guarantee in the hands of the investors. Investment Guarantees could leverage substantial private investments, estimates from investors suggest that they can achieve a 1:10 ratio leverage. In other words, an AUD \$10m investment from DFAT could unlock AUD \$100 million in investments. The Swedish International Development Agency (SIDA) has been in negotiation with Impact Investment Exchange Asia (IIXAsia) to establish an investment guarantee fund mechanism. These negotiations have been ongoing for two years and are now near completion. The Investing in Women Program could take advantage of this, and similar agreements, to inform its own work and potentially utilise existing mechanisms, rather than duplicate efforts.

The life span of investment guarantees is usually 3-6 years, after which time the investor exits and the investment guarantee is freed up to be applied to a new investment or used for another purpose that serves the outcomes of the Investing in Women Program. Should investment guarantees be used, the Investing in Women ISP, together with DFAT, would conduct a review in year four of the program. The review would assess the impact the investment guarantees have had on the market, and recommend future use for the funds that are freed up as the first cycle of investment guarantees draws to a close. DFAT could expect that 20% of the investment guarantees would be lost with each investment cycle or life span, therefore 80% of the original investment would become available after the first cycle of investments. The review may choose to turn over the funds for another round of investment guarantees (depending upon where the market is at that time), or it may choose to invest the funds into a different part of the eco-system such as business accelerator services, or a range of other options. Importantly, the funds would not be returned to DFAT but instead re-invested in activities that promote the program outcomes.

The agreements with Partner Impact Investment Houses may include the ability to shift funds between the suite of options. For example, where investment guarantees were not fully utilised, the funds may be better used for business accelerator services. These types of shifts may be necessary to enable flexibility to respond to the changing market. The Investing in Women ISP would need to approve such shifts to ensure the protection of principles such as additionality. The ISP should refer to the DFAT supported PNG Small and Medium Enterprise Risk Share Facility with the IFC which helps mitigate the default risk that participating banks face by guaranteeing 50 percent of loans that they extend to small and medium enterprises.

b) Operational Co-Financing Fund

Operational Co-Financing directly addresses obstacles that constrain market growth of the impact investing sector in the region. Impact investment houses lack funds to maintain continuing presence in the region. This restricts their capability to identify and close deals with SMEs in each country, resulting in slower growth of the market than might otherwise be achieved. The Investing in Women ISP will address this constraint by offering Partner Impact Investment Houses a co-financing grant in order that they may scale up operations in-country or in the region. These funds will enable impact investors to operationalise in-country, do more investments, and grow the market. It will also support the success of SME investments through direct on the ground support, particularly through the establishment of women's SMEs networks and access to mentors. Co-financing needs to be set at an amount that will be attractive enough for Partner Impact Investment Houses to establish local presence in target countries, or a regional presence.

c) Innovative Financing Fund

The Investing in Women ISP will support innovative financing pilots for women's SMEs. There are a number of emerging initiatives in target countries that are innovative and have potential for large-scale impact on the SME financing sector. Some

examples include an online peer-to-peer investment platform in Indonesia that aims to bring financing to 50,000 small enterprises per year (Sampoerna Foundation); a Women's Livelihood Bond (WLB) that seeks to raise \$20+ million of capital through a bond listed on Impact Exchange, the world's first Social Stock Exchange (IIX Asia); a revolving business accelerator services fund mechanism that enables SMEs to deploy the support of business experts and repay that support from an investment of capital (Shujog); and the newly created Peace and Equality Holdings that brings together women entrepreneurs to invest in and mentor emerging women's SMEs (Philippines Great Women program). These and other innovations may be supported by Investing in Women to test new approaches to women's SME financing and demonstrate results for the benefit of the entire eco-system.

2. To support the successful growth of women led SMEs through the application of business accelerator services.

The Investing in Women ISP will establish Business Accelerator Funds with Partner Impact Investment Houses with the aim of providing services to women's SMEs that want to attain an investment deal but require business services to help them become investment ready; and/or women's SMEs that have attained an investment deal but seek ongoing business accelerator services in order to grow. The provision of tailored business support services provides the SME with the best possible chance of growth and therefore contributes to the minimisation of risk for both the investor and Investing in Women. The funds may be used to provide business or financial management skills development, mentoring and women's business networks, information services, training and development opportunities, trade shows and other kinds of services that support SMEs to grow. Services would be tailored to the needs of each eligible SME.

3. To increase the number of impact investors applying a gender lens to their SME portfolio of investments.

Investing with a gender lens can create financial and social impact by increasing women's access to capital, promoting workplace equity, and creating products and services that improve the lives of women and girls:

Looking through a "gender lens" helps investors gain new perspectives, highlight poorly understood inequalities, uncover new opportunities, identify blockages in the system, and find value where none was found before¹⁶.

Most impact Investors in target countries do not currently apply a gender lens to their investment decisions, development of deals, or ongoing portfolio management. Investing in Women is well positioned to influence the entire Impact Investing community to turn their gaze to women's SMEs and be more responsive to their needs, in turn reducing risks for investors. The Investing in Women ISP will achieve this by building and sharing knowledge on the business case for Investing in Women's SMEs, and by providing technical assistance to Partner Impact Investment Houses to enable them to learn how to bring a gender lens to their investments. The Investing in Women ISP will draw upon the in house expertise of the Investing in Women ISP in order to work with the Investing in Women Partner Impact Investment Houses.

The generation and sharing of robust evidence provides a significant value-add to the Impact Investment eco-system. This information enables the eco-systems (investors, fund managers, intermediaries, incubators and accelerators, etc.) to gain useful insights into what works and what doesn't work to create successful SME investments in the region. Neither investors nor investment houses are in a position to provide this type of in-depth market analysis. The Investing in Women ISP will lead on the work with Partner Impact Investment Houses to help them incorporate a gender lens to their investment strategy, and work across components to share evidence and knowledge with a wide range of stakeholders.

Risk and Risk Mitigation

Impact Investing in South East Asia, and indeed globally, is a relatively new market and therefore brings risks associated with a lack of experience, and a lack of institutionalised standards that have been informed by experience. What's more, Investment Guarantees are a new aid modality for DFAT. Some of the risks and risk mitigation strategies include:

- DFAT (and the OECD DAC) are yet to determine if the proposed Investment Guarantees meet ODA eligibility criteria. The Investing in Women ISP will need to support DFAT through the process (possibly by providing examples

¹⁶ Sarah Kaplan & Jackie VanderBrug, "The Rise of Gender Capitalism" in Stanford Social Innovation Review, Fall 2014

of other donor programs that have been eligible), and monitor the outcome. The ISP will need to be willing to adjust the program approach should this be required;

- DFAT will seek approval for investment guarantees, as they are outlined in this design, as required by the Public Governance Performance and Accountability Act 2013 (Commonwealth). The other options for co-financing and engagement outlined with impact investors in this design do not require this specific approval and can be pursued immediately.
- The broader aid community lacks experience in managing impact investment guarantees. A lack of in-house expertise within the Investing in Women ISP will lead to delays and an inability to effectively manage risks. Therefore, this design has included a senior position with an investment background lead this component, in order to traverse these knowledge and experience gaps, (see the position description for the Impact Investing Partnership Director, annexed). In addition, funds have been set aside for the ISP to obtain external independent technical advice on the financial agreements with Impact Investment Houses.
- DFAT's ability to manage a new approach to aid investment is limited by a lack of institutional knowledge and experience. The Investing in Women ISP will be expected to support DFAT, across sectors and locations, to build its knowledge on impact investing in order that it is better positioned to manage Investing in Women, and also develop similar program approaches should it prove successful.
- It is expected that some of the investments will not achieve the growth goals required to bring investors financial returns. Although some failure is expected, there is a risk that the rate of failure is higher than anticipated and is unacceptable to DFAT. The Investing in Women ISP will need to clearly establish its acceptable failure rates so that it can monitor the situation and identify problems early. This, in turn, will enable the program to act quickly to turn around poor performance. In addition, the selection of Partner Impact Investment Houses should "weed out" those with unrealistically high expectations of women's SME growth rates.

The Investing in Women ISP will need to include a robust risk identification and mitigation strategy with its first annual plan. DFAT colleagues should be involved in the process from the outset.

5. Component Three: Government Partnerships

End of Investment Outcome: National policy makers and regulators remove barriers to women's economic empowerment.

The Government Partnerships component aims to improve the regulatory environment for women's economic empowerment. The Investing in Women ISP will work in partnership with the Australian Government's bilateral and regional programs in Canberra and in target countries, to support economic and trade related reforms that enable equality for women as entrepreneurs and employees. The end of investment outcome will be realised through achievement of three intermediate outcomes in the Logic Chain.

DFAT's bilateral programs and regional assets focus on women's economic empowerment.

DFAT's bilateral programs and assets leverage IWI.

Credible knowledge Products exist.

In terms of achieving regulatory reform, the Investing in Women ISP will not work directly with key regional fora (ASEAN, EAS and APEC), or with governments bilaterally. Instead, the Investing in Women ISP will support, on a demand basis, existing DFAT efforts to work with regional institutions and bilateral governments. By working through the existing regional and bilateral program, Investing in Women will leverage greater attention to gender equality issues by drawing upon a wider network of relationships and initiatives than it can harness on its own.

Investing in Women will focus on providing technical support to DFAT initiatives in the economic, finance, private sector development, and aid for trade sectors, bringing to their efforts at regulatory reform a gender lens. Investing in Women will also proactively support Posts and regional and bilateral programs across South East Asia to identify and develop specific regulatory reform initiatives that draw from evidence and complement Investing in Women work under Components 1 & 2.

Outcomes and Strategies

The Investing in Women ISP will seek to address the regulatory and policy barriers to women's economic empowerment through support to DFAT's current and future policy and economic diplomacy dialogues and its bilateral and regional investments in these sectors. Investing in Women will provide DFAT with access to highly skilled gender specialists in economic, trade and finance sectors. Investing in Women will draw upon both its in-house expertise, its networks, and contracted experts to support the work.

To support the ongoing technical needs of Australian Government initiatives across the region, the Investing in Women ISP will develop a Panel of Gender Specialist who are experts in the field of gender lens economic regulatory reform and women's economic empowerment. The Panel will pre-qualify technical specialists through a competitive recruitment process that includes actively identifying and targeting high quality personnel. Panel specialists will be contracted as required on a fee for service basis. Australian Government users of the Panel will be expected to pay for the technical specialist, but will not pay for the resources utilised by Investing in Women ISP to manage the Panel. The funds to manage the Panel are provided for in this design. As an alternative, the Investing in Women ISP could engage a fulltime gender economic / aid for trade advisor.

The Investing in Women ISP will proactively engage with the Australian Government at posts, particularly but not exclusively DFAT, to promote the objectives of Investing in Women. The Investing in Women ISP will achieve this by:

- Proactively providing opportunities for key economic, private sector and trade related personnel to see how gender intersects with their work, and understand why women's economic empowerment is important and learn ways to advance it.
- Working alongside Australian Government personnel, and the personnel of Australian aid program investments in economic and trade related sectors, to identify how current and planned for activities may adopt a more informed gender lens, and also target women's economic empowerment specifically.
- Identify specific regulatory issues that impede or may support women's economic empowerment and work with key Australian Government stakeholders to develop and implement strategies to promote regulatory reform.

Key stakeholders in Canberra and at Australian Embassies will include the DFAT economic diplomacy sections, DFAT's aid investments in economic and trade related sectors, DFAT's support for ASEAN, APEC, EAS, and other regional initiatives, government to government partnerships (e.g. Australian Treasury, Finance, and/or Attorney Generals' officers operating in-country on regulatory reform issues), AUSTRADE, and other relevant sections. Existing DFAT aid programs include (but are not limited to) Coalitions for Change in the Philippines, MAMPU and Australia Partnership for Economic Governance in Indonesia, RCV in Vietnam). In this way, Investing in Women will contribute to the broader Australian Government objectives in the region and assist in achievement of DFAT's aid for trade and gender equality development targets.

As a result of the increased utilisation of gender expertise, and application of the Investing in Women evidence base and knowledge products, the Australian Government can expect to see an increase in implementation of reform activities specifically targeting women's economic empowerment. This may include, for example, anti-discrimination policy and regulation, development of child-care policies and financing mechanisms, business regulatory and banking reform. Although these initiatives will not be managed by the Investing in Women ISP directly, they will contribute to relevant analysis, results and lessons learned in cooperation with bilateral programs. Investing in Women ISP may for example, help source gender expertise to provide analysis on the impact on women from major economic changes such as trade liberalisation in the ASEAN Economic Community, or provide gender expertise in the design of major DFAT infrastructure aid investments. DFAT will also apply the gender expertise, networks, and evidence base and knowledge products from Investing in Women to its engagement with regional organisations such as ASEAN, APEC and EAS.

Risk and Risk Mitigation

The risks associated with this component can be summarised as supply risks, and demand risks. In terms of supply, there is a risk that the Investing in Women ISP does not (or cannot) supply DFAT with high quality technical advice that is suitably qualified for economic and trade-related interventions. To mitigate this risk, the Investing in Women ISP will need to be highly proactive and innovative in its sourcing of TA. For example, if the panel approach has not attracted the right technical experts, the ISP may need to look at using retainers or having an institutional arrangement with a technical outfit. The Annual Planning process should assist the ISP work with technical experts to plan for inputs well in advance, increasing the likelihood of availability. These and other supply side risk mitigation strategies should be fleshed out by the Investing in Women ISP.

On the demand side, there is a risk that DFAT economic and trade related personnel and sections (at Post and/or in Canberra) do not perceive a need for gender technical advice, and therefore do not seek the services of the Investing in Women Panel. To mitigate this risk, the Investing in Women ISP will need to proactively engage DFAT at posts and in Canberra to gently but determinedly assist colleagues to understand the benefits of considering gender issues in their work and to offer practical support to achieve better gender outcomes, consistent with the Government's clear priorities in this area. The selection of the component three gender advisor is critical to the success of the component. In addition to strong and appropriate technical skills, they will need to be strong advocates for the work of this program and successful at building productive relationships with the managers of aid for trade programs and with a broad array of DFAT staff working on economic diplomacy in the region.

6. Component Four: Advocacy Platform

End of Investment Outcome: Public attitudes are more supportive of women's economic empowerment

By the end of the investment, Investing in Women aims to have built support for removing the barriers to women's economic empowerment and creating opportunities for full and fair participation in the formal economy. This approach will be guided by a measurable, defined advocacy and communications plan that will be developed and updated by the ISP or its successor.



Component 4 will support the development of, and draw upon, the data, knowledge, networks, and champions that emerge from Components 1, 2 and 3, for the purposes of awareness raising and advocacy. This will take a variety of forms and be opportunistic regarding potential for impact. The program will draw upon existing and emerging evidence, both from within and from other sources, and commission specific research to fill data and information gaps. The Investing in Women ISP will actively share this knowledge with DFAT posts and programs in the region. It will also share this with regional organisations including ASEAN, given their work with the ASEAN Women's Entrepreneurship Network, and APEC, given their work on integrating women's led SMEs into global value chains, as well as with other key donors active on these issues such as UNCDF's work on inclusive finance, ADB given their work on private sector development and enabling business environment reforms, the World Bank, IFC and UN Women.

Component Four recognises that changes to country policies and regulations (Component 3), to the financial sector (Component 2) and to business practices (Component 1) need to be underpinned by social and institutional norms that facilitate women's economic participation. Component 4 will utilise evidence to support national and regional fora and campaigns that aim to influence public and institutional attitudes. In addition, Investing in Women will communicate effectively as part of DFAT's public diplomacy work, engaging with the media and providing platforms for the Minister, HOMS and the AWG to share learnings from the program.

The Investing in Women ISP will develop an Advocacy and Communications Plan to be submitted with the Annual Plan, for approval of the Board and DFAT. The Plan will be preceded by a series of consultations with relevant stakeholders including DFAT, NGOs, multi-laterals, women's groups, individuals of influence, and global groups that have successfully implemented advocacy campaigns (such as Male Champions of Change). The consultations will identify opportunities within the region and thereby inform the Advocacy and Communications Plan. The Plan will provide clarity on the scope of component four and include an MEL strategy. The DFAT Principal Gender Specialist should be closely involved at each stage of the Plans' development and subsequent implementation.

Outcomes and Strategies

Immediate Outcome 1: Credible knowledge products exist

Fundamental to the achievement of the End of Investment and Intermediate Outcomes will be the establishment of a credible evidence base and development of knowledge products that will support advocacy and public awareness raising efforts. The evidence base and knowledge products will draw from both Investing in Women's own efforts and the research and efforts of external stakeholders in the region and globally. For example:

- Under Component 1: gender equity in the workplace – there is a growing amount of evidence globally to support the business case for investments in gender equality, and the work of the business coalition members to analyse and improve their own workplace practices will contribute to that knowledge; both will be drawn upon and contribute to Component 4.
- Under Component 2: Impact Investing to promote growth of women SMEs - there will be substantial knowledge building regarding the business case for Investing in Women that will contribute to the emerging global focus on impact investing as well as contribute to component 4 efforts to seek regulatory and institutional normative change for women in business.
- Under Component 3: specific initiatives to address the regulatory constraints women face in the workplace and in business will be monitored and measured in order to demonstrate the positive economic growth benefits of women economic inclusion.

In addition, Component 4 will commission specific research and analysis that contributes to the aim of transforming gender norms in support of women's economic empowerment and to generate learnings across components. For example business coalitions might find taxation arrangements present a disincentive to women's workforce participation. Research on this could help generate appropriate reforms. Research could investigate why women prefer to work in their own enterprises rather than seek employment in large businesses. Time use surveys could be supported to shed light on the gendered division of labour as a constraint on women's workforce participation.

The knowledge products will be tailored for and used by key stakeholders in the program, including National Business Coalition members, advocacy champions (including male champions for change), DFAT, media and any other relevant groups identified through stakeholder network analysis. Knowledge products may include, for example, media briefing kits, short form reports on results and impact, dashboard/ info graphics, report cards for business, policy briefs, etc. Knowledge products will be disseminated and promoted through an Investing in Women website, to stakeholders at national and regional level, at events, through campaigns, through networks (including social network options), and links through other related websites. Knowledge products will also be utilised in relevant DFAT bilateral and regional programming analysis. The Advocacy and Communication Plan will provide specific details on the creation and dissemination/ uptake of knowledge products.

Immediate Outcome: Networks that support women's economic empowerment expand and diversify

Investing in Women will convene networks of existing and new stakeholders active in promoting women's economic empowerment in the region. This will include the hosting and/or supporting of events, workshops, and forums at national and regional level, and support for the development of new partnerships and coalitions. This will include, for example, national business coalition members, civil society/ women's rights organisations, international and national NGOs, other donors, women's entrepreneur networks, chambers of commerce, government, research institutes and media organisations. Emphasis will be placed on convening new and diverse stakeholders that can influence business practices and policy making.

Intermediate Outcome: General public and business leaders understand issues affecting women's economic empowerment

The Investing in Women ISP will draw upon the evidence base and knowledge products produced under Components 1, 2 and 3, to inform advocacy campaigns that aim to increase the awareness of the general public, policy and business leaders of the constraints that women face in realising their economic potential and rights. The precise focus of the campaigns will be determined by the advocacy and learning plan. Advocacy activities will be implemented, as much as possible, on a cost-share or pro-bono basis by private sector or government partners, or utilise relatively inexpensive media such as social media, and be carried out in concert with related advocacy activities in Components 1, 2 and 3.

Intermediate Outcome: Champions and role models are mobilised

The Investing in Women ISP will identify and support champions for women's economic empowerment that participate in national and/or regional advocacy campaigns. Champions will likely be high profile advocates, male or female, and may be drawn from business, government or civil society. They will be supported by the Program to undertake advocacy campaigns and direct engagement with business and political leaders.

Investing in Women will explore the potential to establish a Male Champions of Change initiative, modelled on the successful Australian initiative, at national and regional levels in South East Asia. Investing in Women will work closely with the Australian leaders of the Male Champions of Change initiative to develop strategies that aim to build a group of male leaders who take action for gender equality within their own organisations, and then promote change amongst their networks and peers. Male Champions of Change has proved successful in Australia by employing a strategy that works closely with men of

influence to “listen, learn and lead”. Investing in Women will also promote male role models who take a greater share in domestic responsibilities

The heart of The Male Champions of Change strategy involves men of power and influence forming a high profile coalition to achieve change on gender equality issues in organisations and communities. They take the following approach to get moving, get momentum and accelerate our impact.

- Meet at least four times a year as a group. As this is a leadership strategy, no delegates are accepted.
- Agree on a shared purpose, clear priorities and publicly commit to using our individual and collective leadership and resources to advance gender equity.
- Establish a support team that works with us to ensure we deliver on our individual and shared commitments.
- Share our experiences, data and reflect on our own leadership.
- Listen widely and develop personal insights into the issues and opportunities for improvement.
- Work together to identify and implement progressive, high impact actions that disrupt the status quo and create meaningful and lasting change.
- Lead with action and advocacy, working within and across our organisations and collectively at a community level.
- Hold ourselves accountable, evaluating and sharing our experiences and results widely. We encourage our peers and teams to participate in the strategy.

“The male champions recognize that change starts with them. Every single one of them admits to being imperfect as a role model on gender equality. On occasion their actions and words can still unconsciously and inadvertently come across as impolitic or outdated in a world of gender-nuanced norms and language. But they are committed to learning from their mistakes. This is what strong leadership for gender equality looks like. Listening first, learning through collaborating with others and the taking strong action.” (Liz Broderick, Australian Sex Discrimination Commissioner, November 2014).

Read more at www.malechampionsofchange.com

and are supportive of women's participation in paid work outside the home. Positive images/ role models of men that challenge stereotypes of men as sole traditional breadwinner/ provider and promote their role in domestic work and shared decision making over domestic resources will be promoted to help shift norms around what is regarded as men's and women's work.

Intermediate Outcome: Women leadership and voice is prominent

Women's leadership and voice is vital to drive the types of social, political and institutional changes needed to support women's economic empowerment. Promoting women as leaders in the business sector and amongst the networks that promote women's economic empowerment, and giving a voice to women as employees is critical to not only ensure that women have a say in how and whether barriers to women's economic empowerment are actually being addressed, but in promoting positive role models for women as decision makers who exert control over their own resources, and who are capable business women and valuable employees. Investing in Women, through its networks and advocacy campaigns and platform, will provide a space for strong leadership and voice on these issues.

Intermediate Outcome: General public and business leaders are aware of and understand the barriers to women's economic empowerment (cross over with C1 and C3).

Investing in Women will disseminate information in accordance with its communication plan, to raise awareness and understanding of the barriers to women's economic empowerment amongst business leaders and the general public. This will be pursued through advocacy campaigns that highlight discriminatory practices and the status of women in work. Through linkages with the national business coalitions (Component 1), Investing in Women will seek to increase the public reporting and transparency of gender equality in the workplace/ businesses in a manner that encourages and incentivises business participation.

Advocacy and campaigns will be implemented at a national level in partnership with key national actors, including women's rights organisations, research institutions, national business coalitions, media agencies, civil society organisations and women's entrepreneur networks. The advocacy platform will develop strategic partnerships with media agencies in the region to increase their awareness of the issues affecting women's economic empowerment with the aim of increasing positive coverage and attention to underlying constraints and opportunities arising from women's more equitable economic participation. Social media will also be used for campaigns and awareness raising.

The Investing in Women advocacy platform will be led by a prominent and well respected leader and champion for women's economic empowerment who has deep and strong connections into business in the region. The advocacy platform will draw upon the evidence and networks of actors from Component 1 and Component 2, and position itself to be a strong advocate and trusted spokesperson on the issues.

Feasibility Study

This Design Document recognises that successful Advocacy Platforms take time to build, and ideally will become independent of the Investing in Women ISP. An independent advocacy platform brings numerous value-added benefits such as the ability to attract numerous sources of funding, independence from a single donor, and potential for longevity beyond the life of the Investing in Women program. An independent body that picks up the advocacy work from the Investing in Women ISP may build on an existing group or may be created by the Investing in Women ISP specifically for the purpose of sustaining and building momentum on women's economic empowerment in the region. It is envisaged that such a group would be a not-for-profit entity with a base, or bases, in the region.

The Investing in Women ISP will test the feasibility of establishing and handing over responsibility for component four (and potentially component one if there is demand from national Business Coalitions), to an independent entity charged with responsibility for the advocacy platform. In recognition that the Investing in Women ISP contractor has a potential conflict of interest in recommending an action that would see itself out of work, the Feasibility Study will be contracted out to an independent group in its first year of operation. The Investing in Women ISP will draft the Terms of Reference for DFAT approval, and DFAT will be involved in the selection process. Ideally, a DFAT representative will join the selected Feasibility Study team (although resource constraints may make full participation difficult). The report will be submitted by the Feasibility Study team directly to the Board of Investing in Women, and to DFAT. It will not be vetted by the Investing in Women ISP. The Investing in Women ISP will carry the administrative and contracting workload, and be a participant in consultations.

Risk and Risk Mitigation

The Investing in Women Advocacy Platform carries risks associated with the outcomes it seeks to achieve, as well as the opportunistic nature of its approach. Success is impacted by numerous external variables that are not within the control of the Investing in Women Program, resulting in difficult risk mitigation efforts. For example, an advertising campaign in the Philippines designed to call attention to women's double burden of work will require substantial resourcing from external sources that have not yet been identified. In addition, it is difficult to measure changes in social norms that are attributable to the advertising campaign as opposed to a range of other factors that may be causing change. This may include potentially highly conservative political push factors that are not supportive of women's economic empowerment. Additional risks emerge from the role, and perceived role, that the Australian Government should (or should not) play in seeking change to broader social norms. Some may argue the case for cultural relativism, as often occurs in international gender related dialogues. This risk may be mitigated by supporting the establishment of an independent advocacy NGO (or not-for-profit), the feasibility of such will be the subject of a study in the first year of program implementation. Another risk is that the ambitions of the component will not be realized and that efforts are unfocussed and impacts are dissipated. This risk will be mitigated by the need to develop an advocacy and communications plan and regular review of the implementation of that plan by the program's governance board.

7. Monitoring, Evaluation and Learning

The changes (or outcomes) that the Investing in Women program seeks includes change for individuals as well as systemic changes. The design recognises that women's economic empowerment requires a multi-faceted approach that includes changes on many fronts, including changes to formal institutions, systems and processes, and changes to the less formal institutional and social norms. Success therefore needs to be measured across all of these fronts, or domains of change. The MEL needs to recognise that although the outcomes sought may be consistent across different country contexts, the drivers of changes (and therefore approaches) will vary. The approach to Monitoring, Evaluation and Learning that is outlined here takes account of these complexities.

Rationale for Monitoring, Evaluation and Learning (MEL)

Due to a high demand for accountability and strong need to learn and demonstrate outcomes from this ground breaking investment; Investing in Women will invest significantly in MEL. Investing in Women's theory of change relies on the production of key knowledge products from its Monitoring, Evaluation and Learning (MEL) activities under components 1 and 2.

A review of existing MEL frameworks and evaluations of women's economic empowerment programs found that there is a lack of evidence emerging from the South East Asia region to support the business case for Investing in Women. MEL activities have not produced strong evidence to demonstrate the effectiveness of these investments; the evidence produced so far has been mostly limited to tracking the inputs, activities, outputs and immediate outcomes of investments. None of the investments reviewed undertook evaluations to assess the effectiveness, sustainability and impacts of the investments. In the MEL, and the knowledge building role of the program, it will be important to track what has changed as a result of Investing in Women, using the following four clusters or domains:

- women's voice and agency;
- women's access to resources;
- informal cultural norms and practices that exclude women's economic participation; and
- formal institutions law and policies that affect women's economic participation¹⁷.

There are strong accountability, management and learning drivers for good MEL under Investing in Women. The funding for Investing in Women comes from separate DFAT funding streams. Investing in Women will be accountable for reporting on its performance against the Aid policy as a whole and by funding stream. Investing in Women also faces a number of management challenges due to its innovative nature and its focus on working with private sector actors. Specifically, Investing in Women will need to demonstrate additionality (i.e. that aid funds are not used to displace private funds and/or subsidise private investors) and monitor and test the effectiveness of the new interventions. This initiative also presents an opportunity for the Australian Government to further understand and learn how best to work with the private sector to support the achievement of Australia's development goals.

Furthermore, components 1, 2 and 4 all rely on robust evidence to catalyse widespread change. As described in the previous section both components 1 and 2 target a small number of stakeholders (large businesses for component 1 and impact investors for component 2) to demonstrate the benefits of Investing in Women. It is these case studies which are expected to influence other businesses and investors to also invest in women. The evidence demonstrating the case for Investing in Women will also be leveraged by component 4 to support any regional advocacy activities.

Purpose

The MEL framework will guide the monitoring, evaluation and learning activities for the Investing in Women ISP, and will respond to the information needs of the Investing in Women ISP and its partners (e.g. business coalitions and impact

¹⁷ THESE ARE BASED ON THE LINKAGES BETWEEN INFORMAL AND FORMAL INSTITUTIONS, CHANGE FOR INDIVIDUALS AND SYSTEMIC CHANGE, OUTLINED IN THE "DOMAINS OF CHANGE" FRAMEWORK. SEE ARUNA RAO AND DAVID KELLEHER, 2005, 'IS THERE LIFE AFTER GENDER MAINSTREAMING?' GENDER AND DEVELOPMENT VOL. 13, NO. 2, JULY 2005.

investors) and DFAT. In addition, it will contribute to the regional and global body of evidence that seeks to identify and quantify the economic benefits of women's economic empowerment.

The purpose of the MEL framework is three fold:

1. To **support the management** of Investing in Women to track progress; inform decision-making; support continuous improvement and inform knowledge products.
2. To **enable accountability** to the Australian public and the Department (DFAT), specifically reporting against the Aid policy, on how the funding was invested and what it achieved.
3. To **learn** from Investing in Women to improve and to inform future investments, specifically to better understand how to effectively work with the private sector.
4. The **build and share evidence and knowledge** across a wider range of targeted and public audiences including, but not limited to: Business Coalitions; Impact Investors; Australian Government personnel and initiatives in the region; to inform advocacy strategies; others.

Principles

The following principles inform the way in which the MEL activities should be planned and delivered:

1. Gender sensitive: to enable data to be collected, analysed and reported disaggregated by gender and for all MEL activities to be delivered in a gender sensitive way. This means recognizing the power dynamics, enabling participation of women and ensuring that women are not adversely affected by taking part in the MEL activities.
2. Adaptability and flexibility: to manage for current funding insecurity and the potential for multiple funders; the need to work politically and opportunistically that gives rise to new and emergent directions; and to cater for the innovative nature of Investing in Women.
3. Light management touch: reducing the amount of new work created for DFAT staff at posts and in Canberra, protecting funds for activities and investments, and meeting private sector expectations.
4. Learning focused: ensuring that M&E contributes to broad-based learning both within Investing in Women program and beyond.

Key Evaluation Questions

The key evaluation questions (KEQ) which will guide the MEL activities for Investing in Women were developed by the design team. There are five KEQs which align with DFAT's evaluation criteria, specifically the effectiveness (KEQ1 and 2), impact (KEQ2), sustainability (KEQ3) and efficiency (KEQ4 and 5) criteria. The gender criterion is addressed across all KEQs, they and the sub evaluation questions are presented in table 1.

Approach

The approach for the MEL Framework has been influenced by the gender focus, modularity (four distinct components) of Investing in Women, the expectation from the DFAT for early (within 12 months at most) results reporting and the focus on the private sector.

The MEL activities will need to enable gender disaggregated reporting and be planned and delivered in a gender sensitive way. The modularity of Investing in Women has resulted in a modular MEL framework with four separate approaches one for each component and a common shared MEL activity to enable initiative level reporting (see figure 1 for the MEL document hierarchy). To meet DFAT's reporting requirements, MEL activities will need to be included in contractual agreements with business coalitions and impact investors to ensure that these are delivered within the required timelines.

It is assumed that the private sector has different expectations of MEL to the public sector and a relatively low tolerance for potentially time-consuming outcome focused MEL. For example, the private sector may be highly targeted in the data it collects and uses. Therefore, it is expected that to support the success of the MEL activities with the private sector, MEL will

need to be collaboratively designed and negotiated, be 'light touch' and that Investing in Women will need to provide good technical and financial support for MEL. Lastly, given the innovative nature of Investing in Women and the reliance on producing grounded knowledge products, the MEL activities will need to include regular reflection on Investing in Women, sharing of these learnings and use of these in decision making.

Given these implications the MEL framework for Investing in Women will need to be tailored for each component and include a small number of indicators that are common to all components to provide a whole of initiative overview and regular reflection activities to draw out learnings across Investing in Women and convert these into useful outputs.

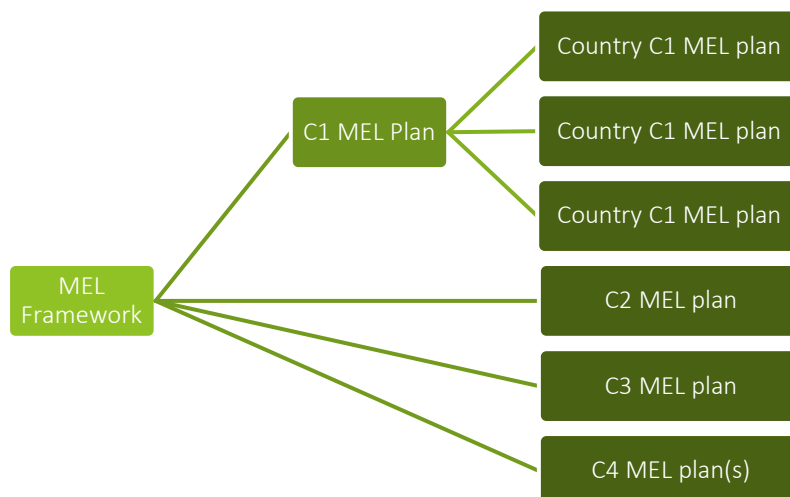


Figure 3 MEL Document Hierarchy

Investing in Women MEL Framework

The purpose of the Investing in Women MEL framework is to guide all of the MEL activities for Investing in Women, reporting at the initiative level (including the initiative level quantitative indicators) and the identification, sharing and use of learnings from the initiative. The Investing in Women MEL framework will be developed to respond to the KEQs, the Component level frameworks and plans will be developed to a) respond to the sub-evaluation questions and b) produce results and findings to respond to the KEQs:

1. How effective has Investing in Women been in contributing to women's economic empowerment in South East Asia?
2. What relevant changes have occurred nationally and regionally, did Investing in Women contribute to these?
3. What is the likely legacy of our work and sustainability of the benefits?
4. How well are we working with the private sector towards women's economic empowerment in South East Asia?
5. How well are our management and governance arrangements supporting the performance of Investing in Women?

The Investing in Women MEL framework will capture the overall approach for MEL (including the purpose, KEQs, principles, quality expectations, resourcing and milestones) and will articulate the MEL (including reporting and learning) activities at the initiative and component level. All MEL activities for all components will be developed using a gender sensitive approach. As part of contributing to DFAT's and international evidence on MEL with this investment, the MEL framework will also draw on and align with indicators on gender equality and private sector development recommended by the Donor Committee for Enterprise Development (DCED)

At the whole of initiative level the MEL framework will focus on enabling reporting against 3 to 4 shared indicators. These indicators are simple quantitative indicators, and are expected to provide DFAT with a snapshot of how Investing in Women is performing against the Australian aid program, and the reach of the investment. Here we propose three indicators others could be added, these are:

- Total funds in Australian dollars leveraged from the private sector through Investing in Women's' activities in each operational year.
- Number of people reached by Investing in Women (Disaggregated by country, gender, component and activity)

- Number of women reached by Investing in Women (Disaggregated by country, component and activity)

Also, at the whole of initiative level, the MEL framework will coordinate activities to ensure that the learnings from Investing in Women are identified and utilised. These activities will include the capture and analysis of reflections on the initiative from the perspectives of all stakeholders and the creation of knowledge products and other products to support Investing in Women's performance and contribution to the broader knowledge base. These activities will draw on all of the MEL outputs from the MEL activities delivered at the component level, and require additional data collection and analysis activities at the initiative level.

Finally, the Investing in Women MEL framework will enable the synthesis of results and findings from the component level MEL activities against the KEQs.

In table 1, the KEQs and sub-evaluation questions are mapped against the components. Not all of the KEQs and sub-evaluation questions are relevant to all of the components.

Table 1 Key Evaluation Questions (KEQs)

KEQs	Sub-evaluation questions	Component			
		1	2	3	4
1. How effective has Investing in Women been in contributing to women's economic empowerment in South East Asia?	a. How well did each component achieve expected results associated with the end of investment outcomes? i. What did we do with whom, and how did it vary from the plan? ii. Who did we reach, was it sufficient and were they the right actors and beneficiaries? iii. Are we on track to achieve the expected outcomes? iv. What have been the unexpected outcomes (positive and negative)?	√	√	√	√
	b. How much investment has Investing in Women leveraged from the private sector? (Components 1, 2 and 4)	√	√		
	c. How many men and women have benefitted and in what ways?	√	√	√	√
2. What relevant changes have occurred nationally and regionally, did Investing in Women contribute to these?	a. What policies and regulations have changed in a positive way for women?			√	
	b. To what extent are there more women in the formal sector?	√			
	c. To what extent are there more quality work opportunities for women in the formal sector?	√			
	d. In what ways have women SMEs grown?		√		
	e. To what extent have women's social status changed?				√
	f. For all of the above (a. to e.), what was Investing in Women's contribution?	√	√	√	√
3. What is the likely legacy of our work and sustainability of the benefits?		√	√	√	√
4. How well are we working with the private sector towards women's economic empowerment in SEA?	a. Who do we work well/not well with and why?	√	√		
	b. What activities are working and not working well and why?	√	√		
	c. In what ways can we improve Investing in Women to be more effective?	√	√		
5. How well are our management and governance arrangements supporting the performance of Investing in Women?	a. To what extent are resources being efficiently allocated and utilized?	√	√	√	√
	b. How well is Investing in Women being delivered? (delivery of outputs/immediate outcomes)	√	√	√	√
	c. Have DFAT and the 'contractors' been sufficiently flexible in their governance and operations to enable Investing in Women being effective? (Utilisation of learnings and adaptation to changing context).	√	√	√	√

Component 1 MEL Plan

The MEL plan for Component 1 is expected to align with the Investing in Women MEL framework and guide the MEL plans for each business coalition in each country and for the regional business coalition (if there is one). The MEL plan will aim to a) report on the whole of initiative snapshot indicators, b) respond to the KEQs and sub-evaluation questions identified in table 1 and c) identify and communicate learnings.

The MEL plan for component 1 will guide and coordinate the creation of co-designed MEL plans for each business coalition. This means that the MEL plans will be developed through a collaborative process between the M&E officer for Investing in Women and each business coalition. We expect these MEL plans to differ from country to country. The intention is to produce MEL outputs that are useful to both the businesses and DFAT and can be used to create influential knowledge products.

The country MEL plans for Component 1 are expected to produce:

- a. An annual reporting product that presents what is viewed as important (could be different in each country but is expected to include inputs, activities, outcomes, learnings);
- b. Stories of influence/change through a DFAT led interview process (e.g. Most Significant Change technique) and a sense making process.
- c. Three to four snap-shot indicators for the whole of initiative reporting.

The component 1 MEL plan is expected to synthesize the indicators, results, findings and learnings produced by the country level plans against the KEQs relevant to Component 1.

Component 2 MEL Plan

The MEL plan for Component 2 will need to align with the Investing in Women MEL framework and will guide MEL activities for Component 2. The MEL plan for component 2 will aim to a) report on the whole of initiative snapshot indicators, b) respond to the KEQs and sub-evaluation questions identified in table 1 and c) identify and communicate learnings.

The approach for MEL under component is expected to differ significantly from the approach taken for Component1. In Component 1 a key concern is to encourage and secure the involvement of the coalition businesses in the MEL activities. Component 2 is different, as we anticipate that the agreement with the private sector organisations will include commitments to taking part in MEL activities. The key intent of the MEL activities under component 2 will be to demonstrate that Investing in Women SMEs creates economic benefits for investors and the women SMEs.

As a result the MEL plan will need to produce a rigorous assessment of the effectiveness of this component. The plan will need to produce:

- a. A baseline study of the impact investing market in South East Asia
- b. A report from a process evaluation to understand how component 2 operates and why it operates in this way and inform how to improve and replicate it
- c. A report on the impacts to understand what has changed since the baseline study
- d. A report on the effectiveness of component 2 including stories of influence/change to understand how component 2 has contributed to the observed changes
- e. Three to four snap-shot indicators for whole of initiative reporting.

It is anticipated that finance, investment and economic analysis will underpin MEL for this component.

Component 3 MEL Plan

The MEL plan for Component 3 will need to align with the Investing in Women MEL framework and will guide MEL activities for Component 3. The MEL plan for component 3 will aim to a) respond to the KEQs and sub-evaluation questions identified in table 1 and c) identify and communicate learnings. The approach for MEL under Component 3 is expected to be less onerous than for component 1, 2 and 4 and will likely rely on M&E outputs from the DFAT investments that utilised the Investing in Women expertise. The MEL plan should focus on the efficiency and effectiveness of and learnings from the activities under component 3.

Component 4 MEL Plan

The MEL plan for Component 4 will need to align with the Investing in Women MEL framework and will guide MEL activities for Component 4. The MEL plan for component 4 will aim to a) report on the whole of initiative snapshot indicators, b)

respond to the KEQs and sub-evaluation questions identified in table 1 and c) identify and communicate learnings. Component 4 will be further tested and developed during implementation, an appropriate MEL approach should be selected then too.

The MEL plan will seek to track the dissemination of knowledge and key messages, track uptake and influence using tools such as social media tracking, event evaluations, SNA (social network analysis), influence logs, episode studies, and so forth.

The MEL plans for Component 4 is expected to produce:

- a. A report on the reach and influence of the activities under component 4
- b. Stories of influence/change
- c. Three to four snap-shot indicators for the whole of initiative reporting.

Results Framework

The results framework presents possible indicators which could be tracked to demonstrate the effectiveness of Investing in Women. All indicators should be appropriate disaggregated by gender and country. We present these in table 2 below.

Table 2 Results Framework

Outcome	Indicator
Component 1: More businesses achieve gender equity in their workplaces	<p>Whole of initiative snap shot indicators:</p> <ul style="list-style-type: none"> • Total funds in Australian dollars leveraged from the private sector through Investing in Women activities in each operational year • Number of people reached by Investing in Women (Disaggregated by gender, country, component and activity) <p>Specific indicators:</p> <ul style="list-style-type: none"> • Number of members cumulative and per year • Number of members gender sensitive policies and practices (pre and post joining) • Quality of members gender sensitive policies and practices (pre and post joining) • Tracking of business productivity and profitability pre and post implementation of new policies and practices • Systems in place to track business impacts of the gender sensitive policies and practices • Number of instances of members championing gender equity in the workplace (where, when, audience ...)
Component 2: Investment in Women SMEs has increased	<p>Whole of initiative snap shot indicators:</p> <ul style="list-style-type: none"> • Total funds in Australian dollars leveraged from the private sector through Investing in Women activities in each operational year • Number of people reached by Investing in Women (Disaggregated by gender, country, component and activity) <p>Specific indicators:</p> <ul style="list-style-type: none"> • Number of women SMEs involved • Number of new connections between women SMEs and other stakeholders • Growth of women SMEs involved in the initiative • Partner has incorporated a gender lens into their business/financial/investment service • Number of women SMEs approached • Tracking of investment performance

	<ul style="list-style-type: none"> Tracking of the changes in the proportion of investment in women SMEs to the total amount of investment in SMEs in South East Asia by impact investors
Component 3: National policy makers and regulators remove barriers to women's economic advancement	<p>Specific indicators:</p> <ul style="list-style-type: none"> Number of DFAT staff requesting technical assistance from Investing in Women Use of knowledge products by DFAT staff working on legal and institutional barriers Number of knowledge products
Component 4: Public attitudes are supportive of women's economic empowerment	<p>Whole of initiative:</p> <ul style="list-style-type: none"> Total funds in Australian dollars leveraged from the private sector through Investing in Women activities in each operational year Number of people reached by Investing in Women (Disaggregated by gender, country, component and activity) <p>Specific:</p> <ul style="list-style-type: none"> Influence of coalitions (who they are networked with, their presence in the media, # of followers/members ...) Number of partner champions Reach of partners champion activities (Number of individuals at events + influence of individuals the partner has connected with) Type of advocacy activities Reach and influence of public diplomacy or research (eg media reports, retweets, facebook hits, people at events)

MEL Unit Resourcing and Structure

The Investing in Women ISP will dedicate 10% of program funds to the MEL Unit. The MEL Unit will sit with Component Four of the Investing in Women ISP. It will be staffed by a multi-disciplinary group of professionals and support staff that include the range of specialisations required of the MEL Terms of Reference (attached at annex 11).

Staffing of the MEL Unit will include a fulltime MEL Unit Director/Manager who will be specified in the tenderers proposal. This Design Document does not specify other positions required for the MEL Unit, preferring to leave options open to tenderers. Tenderers may choose to build and put forward an entire MEL Unit team as part of their proposal, or they may choose to associate with a specialised group / firm / organisation as a sub-contractor to deliver the MEL Unit. In either case, the tenderer will be required to present a staffing profile and budget for the MEL Unit, stipulating how it will achieve the requirements set out in the Design Document.

8. Resourcing

The budget envelope for this program is \$46 million over the four years from April 2016, most of which is to be managed by the Implementing Service Provider. Annex 13 presents the budget tables in summary. Across the program (inclusive of program activity costs and personnel fees and support costs), the following broad resource allocations have been set.

Table 3 Broad Allocation Parameters

End Of Investment Outcomes	Notional proportional allocation
More businesses achieve gender equity in their workplaces	17%
Impact Investment in women's SMEs has increased	50.6%
National Policy makers and regulators remove barriers to women's economic empowerment	10.4%
Public attitudes are supportive of women's economic empowerment	12%
Monitoring, evaluation and learning across all four outcomes	10%
Total	100%

To ensure that sufficient resources are invested in monitoring, research and evaluation, 10 per cent is allocated for monitoring, evaluation and research activities. We anticipate that private sector financing of the Investing in Women initiatives will increase to approximately over the 4 years of the program, particularly for components 1 and 4. As Business Coalitions in target countries become increasingly self-funded, the Investing in Women Program will shift its resourcing to start-up Business Coalitions in new locations such as Timor Leste and Cambodia. In addition, we expect that there will be contributions to advocacy and awareness raising campaigns from the private sector, and the Impact investing component will leverage private sector investments to the tune of a 1:10 ratio.

Resource allocations will be assessed on an annual basis against the nominal allocations in Table 1. There should be a strong link between performance and funding in accordance with Australian development policy and an explicit explanation will be required for shifts of greater than five percent in the Annual Plan and Annual Report.

9. Management and Governance Arrangements

Program Delivery

This program is a multi-country investment and will be implemented in accordance with the Australian Government's development policy *Australian Aid: promoting prosperity, reducing poverty, enhancing stability* and the new performance framework, *Making Performance Count: enhancing the accountability and effectiveness of Australian aid (2014)*.

The multi-country program delivery approach has been designed to improve the efficiency and results-focus of Australian support, following analysis of other regional and multi-country programs implemented by DFAT. The model requires a light management touch on the part of DFAT, and an efficient balance of funds between management of the ISP and implementation.

Implementation of the program will be delivered initially through an Implementing Service Provider (ISP), contracted to the Australian Government for four years with a potential four year extension. The ISP needs to ensure it has access to specialised expertise for monitoring and evaluation, the production of knowledge products, and expertise to facilitate learning across wide ranging stakeholders. The ISP may also facilitate the establishment of a separate not-for-profit entity to which it will handover program management and advocacy functions. The feasibility of supporting a separate private sector not for profit entity to manage key functions of Investing in Women (particularly components 1, 2 and 4) will be tested in the first year of implementation by the ISP. If found feasible, the ISP will be required to develop and implement a strategy for establishing such an entity, providing it with "incubation" support, and increasingly hand over program functions with ongoing support to ensure sustainability.

Multi-Country Program Delivery Approach

Multi country programs can bring numerous benefits to DFAT, but also face challenges and therefore will require coordination by the Multilateral Policy Division in Canberra. The DFAT management resourcing (see following section) has been designed to take account of the specific needs of posts within each country that Investing in Women is operationalised. The approach has been informed by experiences of other DFAT multi-country and regional programs and in particular, the Markets for Development Facility (MDF). MDF is managed by the Agricultural and Food Security (AFS) Section within DFAT Canberra, and incorporates a degree of devolved management to the three country posts (Fiji, Timor Leste and Pakistan) where it operates. Investing in Women borrows from this approach.

The Investing in Women ISP will bring a degree of commonality to the approach employed across the program. Common principles, systems and processes, and approaches will assist efficient implementation in country without damaging country specific nuancing of the approach. The systems and fundamental approaches are important to the operationalization of the Investing in Women principles and achievement of outcomes, yet the specific details, or the "how" will differ from country to country. Country level operationalization needs to be bespoke. For example, the diagnostic tool to assess workplace gender equity will be predominantly common to each country, but may include country specific analysis in order to seek information in relation to compliance with local laws for example. In other words, the Investing in Women ISP will build the shared foundations and structural integrity of the program, but the interior design and character will be specific to the country context.

At the heart of the multi-country program delivery approach is clarity regarding the roles of each of the DFAT and Investing in Women program stakeholders. The role of the Canberra based Multilateral Policy Division is different, yet complementary, to the role of the country level program coordinators at Posts. It is important that the DFAT team continuously work to find the right balance between the roles of Canberra Vis a Vis the role of the Post. The following roles and responsibilities offer a starting place for Posts and the Multilateral Policy Division to work from:

FUNCTIONS	Multilateral Policy Division (MPD)	Country Posts
Activity Implementation	Oversight of ISP implementation of the Investing in Women Program; overall approval	Input into planning of country level activities with the ISP; approval of country work plans;

FUNCTIONS	Multilateral Policy Division (MPD)	Country Posts
	<p>of ISP workplan;</p> <p>Support implementation of cross-country systems, processes and approaches.</p>	<p>Support in-country implementation of activities.</p>
Management and Reporting	<p>Primary responsibility for receiving and approving reports from the ISP;</p> <p>Primary responsibility for contract management, including payments, approvals, aidworks, etc.</p>	<p>Provide inputs for reports to the ISP;</p> <p>Provide feedback on reports to the MPB;</p> <p>Monitor expenditure in aidworks</p>
Strategic Relationships and Representation	<p>Build strategic relationships between Australian Government and private sector stakeholders relevant to and for the program.</p> <p>Represent or support representation of the Investing in Women Program at events and engagements.</p> <p>Convene relationships between various program relevant stakeholders to achieve program outcomes.</p>	<p>Identify and support the building of strategic relationships between Australian Government at posts and program relevant private sector stakeholders in-country.</p> <p>Represent or support representation of Australian Government at in-country events and engagements.</p>
Coordination	<p>Support and manage ISP coordination across countries and programs;</p> <p>Coordinate with relevant DFAT activities in private sector development, economic and trade related sections, and innovation exchange.</p>	<p>Support in-country coordination of activities with the ISP and MPD;</p> <p>Coordination between relevant Embassy sections and programs (e.g. trade and economic sections) and the Investing in Women ISP</p>
Aid Diplomacy	<p>Identify, coordinate and manage diplomatic opportunities;</p> <p>Support in-country diplomatic events;</p> <p>Engage the Board of Governance in the program, and convene meetings;</p> <p>Keep DFAT and the Minister informed of progress;</p> <p>Liaison with other donors involved in the sector.</p>	<p>Inform Embassy (particularly HOMs) of program activities and progress;</p> <p>Initiate and/or support diplomatic events;</p> <p>Coordinate briefing materials from ISP and MPB;</p> <p>Communications and coordination with counterpart governments;</p> <p>Communications with other donors regarding program activities.</p>
Communications	<p>Manage communications and coordination of activities with Investing in Women Program Coordinators at post;</p> <p>Manage Board of Governance communications with support from ISP;</p> <p>Manage internal DFAT communications about Investing in Women.</p>	<p>Liaison with MPD to support coordination of activities and management of ISP;</p> <p>Liaison and coordination of in-country activities and plans with the ISP;</p> <p>Communications with post regarding the program activities;</p> <p>Communications with counterpart governments.</p>
Knowledge Building and Sharing	<p>Support knowledge sharing and building, and advocacy activities, of the ISP, particularly the MEL unit;</p> <p>Promote knowledge and learning from the ISP</p>	<p>Support knowledge building and sharing activities within post and within country to external stakeholders;</p> <p>Identify and initiate in-country knowledge building</p>

FUNCTIONS	Multilateral Policy Division (MPD)	Country Posts
	across relevant DFAT sections, and from those sections to the ISP;	and advocacy activities;
External Stakeholder Engagement	<p>Identify and engage with Australian based Business Coalition members;</p> <p>Liaison with the Impact Investing Stakeholders in Australia and regionally;</p> <p>Support the ISP to convene coalitions of influence for advocacy work.</p>	<p>Support the Business Coalitions in establishment and support the DFAT in-country representative on the Board;</p> <p>Support the ISP to identify and engage with Impact Investing stakeholders and private sector agents for advocacy in-country;</p> <p>Inform the ISP of in-country issues and activities relevant to the program.</p>

Throughout the inception period, the Multilateral Policy Division and Posts will refine and add detail to the above table, and revisit it during mobilisation and on a regular basis thereafter. It should be noted that the above table cannot replace the importance of goodwill and communication between the relevant DFAT stakeholders.

The Investing in Women Program will be subject to an independent review each two years. The review will include issues of management arrangements and provide recommendations for improvements where necessary.

Program Governance Arrangements

The Investing in Women governance arrangements are designed to reflect the private sector operational context within which this program will be situated. The program requires governance that minimises process and is highly efficient and accountable to all contributors, not just the Australian government. The Investing in Women Board of Governance will comprise five members: a senior DFAT officer from the Asia Division responsible for managing the program; the Principal Gender Adviser for DFAT; a senior private sector champion (we recommend a senior professional with strong links to impact investing in the region but not connected with either a Business Coalition or Partner Impact Investor), and two additional representatives as agreed between the Contractor and DFAT. The Investing in Women Board of Governance will be convened by DFAT and chaired by the FAS of Multilateral Policy Division or their nominee. It will meet twice per year for strategic program governance purposes.

The Board of Governance will:

- (a) Review program annual plans and make recommendation to DFAT for approval;
- (b) Identify and recommend opportunities for Investing in Women and directions for the program;
- (c) Exploit opportunities to raise the profile of the program and its objectives at appropriate fora in the region;
- (d) Promote sector coordination and learning, policies and linkages, including between elements of the program; and
- (e) Review expenditure and endorse recommendations for reallocation of funds if necessary.

The Board of Governance does not have decision making power over the Investing in Women ISP, this rest with DFAT Multilateral Division, however it will have substantial influence and can make recommendations to either the ISP or to DFAT through the Board mechanism. The Investing in Women ISP will provide secretariat support to the Board of Governance, and the CEO and ISP Operations Manager will be at each meeting to provide input (they will not be actual members of the Board). The ISP will be required to draft Terms of Reference for the Board of Governance, for their approval at their inaugural meeting.

Given that at least for the initial years all funding for the program will be provided by non-bilateral sources, there is no need for country level Program Coordination Committees. If partner governments are keen to be involved in the governance arrangements, DFAT can look to include government participation in the country-based business coalition boards,

recognising this will need the agreement of other board members and the board chairperson. The Program Coordinator at each DFAT country post (see DFAT Management Resourcing Requirements below) will be responsible for coordinating with the appropriate counterpart government agency. It is envisaged that the extent of counterpart government interest and involvement in the Investing in Women Program will be different in each country and therefore requires a country specific response.

DFAT Management Resourcing Requirements

The Investing in Women Program will be managed by the Multilateral Policy Division in Canberra. The program will provide resourcing to operationalise management by way of financing an EL1 level fulltime position, to be located within the Branch in Canberra. This role of this position (titled Program Manager) will be to:

- Manage the contract with the ISP, and approve sub-contracting / grant arrangements;
- Ensure the contract is being well implemented by the ISP;
- Proactively identify and address any contracting issues as they might arise;
- Facilitate the knowledge building and sharing of the ISP with the stakeholders identified and across components;
- Support learning across DFAT in Canberra and with posts across the region, and through support to diplomacy and events associated with diplomatic relationship building;
- Draw DFAT attention to any problems and risks to the program or regarding the program.

As a multi-country program, Investing in Women requires a degree of coordination, ownership and buy-in from Posts in each country where it is operational. The resourcing required by Posts to undertake this work will be funded by the Program. The amount of funding provided for this function is balanced against the need for a light touch management approach, thereby securing a large proportion of the program funds for activities rather than management expenditure. In order to resource the required in-country coordination of the Investing in Women Program, DFAT at participating posts (Indonesia, Philippines and Vietnam) will each be resourced for the cost of one full time locally engaged position, titled Investing in Women Program Coordinator. Given that only component one, Business Coalitions, will be operationalised in Burma, there will be no requirement for a fulltime resource at Post.

The role of the Investing in Women in Program Coordinator at each Post will be to:

- To promote diplomatic engagement between the Australian Government and the various program stakeholders such as business coalition members and impact investors, and coordinate with the Investing in Women ISP for appropriate briefing materials;
- To inform and coordinate with counterpart government agencies as required;
- To provide country context information that will assist the Investing in Women Program to navigate local public and private sector institutions and the cultural and political nuances that support successful implementation;
- To provide input and feedback on reports and plans;
- To coordinate with the Program Manager in Canberra, and the Program Coordinators in other country Posts, to promote shared learning across DFAT, and support the knowledge building efforts of the program.
- Facilitate networking between the post and the Investing in Women ISP for the purposes of enabling the component three: government partnerships, gender specialist to work closely with personnel to identify and implement strategies for women's economic empowerment through the economic and trade related agendas of Embassies.
- Support the ISP to share knowledge through facilitating the organising of learning opportunities, seminars, and so forth.
- Provide and prompt leadership to promote the importance of Women's Economic Empowerment throughout the post.

DFAT Communications and Consultation

The Investing in Women governance structure lends itself to clarity and efficiency. This is designed to ensure the program has a clear line of accountability, and is protected from being pulled in numerous directions. The program resourcing to DFAT takes account of and supports, through the provision of additional LES resources, the need for effective coordination across DFAT's numerous country programs and portfolios of interest in this program.

The Investing in Women program has many stakeholders across DFAT that have an interest in the program and a contribution to its direction, particularly those at posts in the country where the program will be working. Two-way collaboration will be important for both the program and for Posts. In addition to the resourcing provided from this Program to support the multi-country program delivery approach (see above), the interests and input of diverse DFAT stakeholders will be served through two other mechanisms: a Six Monthly Roundtable with each post and an Annual Review and Planning Workshop in Canberra with a range of DFAT stakeholders. These mechanisms provide DFAT stakeholders with a formal opportunity to participate in program planning.

Six Monthly Roundtable

The Investing in Women ISP will host a round table within each Post once every six months. The Roundtable will be convened jointly by the point of contact at post and the Investing in Women ISP point of contact. It should invite from the Embassy: the DHOM, the head of the aid program, the head of the economic section with relevant staff, and senior trade related staff. From the Investing in Women ISP it will include the head of component three gender specialist and the head of other relevant components as required. The Roundtable is designed to ensure the Investing in Women Program is evolving to meet post requirements, including the opportunities to build collaboration between Investing in Women and other relevant work supported by DFAT in that country/region. The purpose of the Roundtable includes:

- Enable the posts to provide input and feedback on strategic direction and work plans before they go to the Board;
- Provide a verbal report of progress, and distribute a summary of the written six monthly progress report, to personnel at posts (including MEL findings);
- Consultation regarding potential diplomatic events and dialogues;
- Consultation regarding existing economic and trade related programs and initiatives and the (existing or future) Investing in Women contribution;
- Discuss learning and knowledge sharing opportunities that may be hosted by the Investing in Women Gender Specialist.

The six monthly roundtables will be convened approximately one month prior to the Board meetings, allowing posts time to read plans and provide a considered response. Dialogue between Investing in Women ISP and the posts is not restricted to these meetings, indeed they will likely occur at many other times in addition to the scheduled roundtable, particularly regarding component three.

Annual Review and Planning Workshop: Canberra

The Annual Review and Planning Workshop will be held in Canberra at a time that enables staff input into the strategic direction and annual work-planning process, and enables maximum participation from staff. The workshop will be designed to enable interested stakeholders to be briefed on progress to date and likely directions, and to provide broad-based feedback and input. It will also provide an opportunity for the Investing in Women team (both DFAT and the ISP) to learn about new initiatives and explore potential collaboration. The Investing in Women CEO will convene the workshop, together with the DFAT Principal Gender Advisor and the relevant South East Asia Division SES officer.

10. Implementation Arrangements

Implementing Service Provider (ISP)

The Investing in Women Implementing Service Provider (ISP) will provide strategic, technical, operational, and advocacy support to both the Australian Government and Investing in Women partners including the national business coalitions. The ISP will comprise four units (in line with the four components), and a central Operations Hub to support all of the work. See below for a suggested organisational chart:

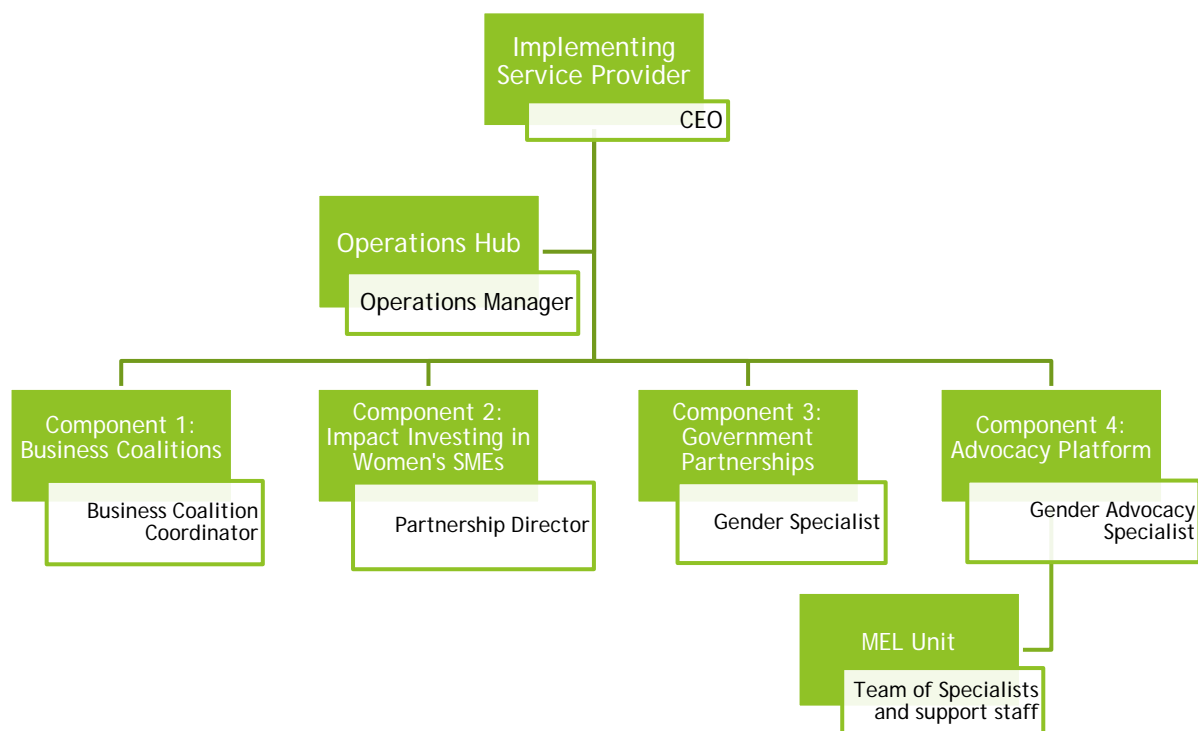


Figure 4 ISP Organisational Chart

The CEO of the ISP will be a person of influence, recruited by DFAT and the ISP managing contractor early in the mobilisation phase. The CEO will take responsibility for high-level diplomacy and representation, developing strategic partnerships, initiating and convening coalitions of influence (including the business coalitions), and exploring ways to promote women's economic empowerment in target countries and regionally. The Position Description for the CEO is attached at annex 5.

The roles and responsibilities of each of the components, and the Operations Hub, is outlined below.

Component One: Business Coalitions

- Identify and build relationships with potential inaugural members and Chairpersons
- Develop, with the inaugural chairperson, a strategy for developing the Business Coalition
- Support the financial and legal establishment of business coalitions in each target country
- Sit on the board of the Business Coalition in each country
- Provide full secretariat services to the Business Coalition whilst it develops its own
- Develop the funding agreement with each business coalition
- Construct criteria for membership (including any due diligence and financial contributions from members)
- Together with the Chairperson, employ the Business Coalition Executive staff
- Establish the gender diagnostic tools and facilitate their implementation by the Business Coalition Executives
- Work with the Monitoring, Evaluation and Learning partner to develop data collection methodology
- Provide opportunities for Australian businesses to join the coalition

- Convene diplomatic events and opportunities
- Once established, convene regional sharing of lessons between business coalitions and support regional efforts if appropriate
- Develop and contribute evidence and knowledge to the business case for gender equity in the workplace

Component Two: Impact Investing in Women's SMEs

- Build close working relationships with the identified Partner Impact Investors
- Develop and implement the criteria for assessing appropriate Impact Investor Partners
- Together with the Partner Impact Investors and an independent expert party (e.g. Impact Investing Australia) develop and implement funding agreements that take in Investment Guarantees (if pursued) and operational grants
- Develop and implement a financing mechanism to support Partner Impact Investors to trial innovative financing mechanisms
- Work with the MEL partner to develop a method for measuring social impact
- Ensure and oversee data collection from SMEs and Impact Investors
- Promote the growth of sustainable and responsible impact investing in the region
- Develop criteria and approaches for expanding the number of Partner Impact Investors
- Build a body evidence that contributes to the business case for investing in women SMEs, and strengthen the impact investing eco-system
- Provide technical support to impact investors to enable them to understand gender lens investing, and assist them in its application to their portfolio
- Provide learning opportunities to impact investors regarding gender lens investing, and practical mechanisms that can assist impact investors to identify and invest in women's led SMEs.

Component Three: Government Partnerships

- Build close working relationships with Australian Embassies in target countries, and personnel involved in Australia's economic diplomacy and aid for trade initiatives in Canberra and at posts.
- Work closely with Australian Government investments in economic growth and trade to bring a gender lens to the portfolio of work.
- Review current work and identify opportunities to bring a gender lens to the work.
- Facilitate the contracting of specialist support to personnel and programs in the economic and trade sectors, enabling them to understand and identify the gender issues in their work, and embed approached to women's economic empowerment.
- Work with the MEL provider to identify ways to monitor and evaluate the TA support, and also draw evidence for broad application across the program.
- Develop deeds of standing offer with high quality gender experts who can be drawn upon to provide assistance to Australia's economic and trade investments.
- Undertake all administrative requirements, including contracting of specialists and agreements with posts, to support the ease of operations in securing TA.
- Provide learning and development opportunities for Australian Government personnel to better see gender issues in the economic and trade portfolios, and are better equipped to address the issues.

Component Four:

- Forge relationships with and between key gender advocates from Australia and target countries and support their efforts to transform gender relations.
- Develop and implement a strategy for a regional Male Champions of Change approach.
- Convene groups of influential people, including business leaders, around the issue of women's economic empowerment and together develop strategies for promoting change to the norms that underpin institutional gender bias.

- Draw upon the networks and leaders who are involved in other components of Investing in Women, particularly the Business Coalitions, to explore and implement ways to influence societal norms (from above or below), and build broad-based demand and momentum for change.
- Engage, with DFAT, in supporting dialogue on effective approaches that work between the key donors promoting gender equality and women's economic empowerment, particularly UNCDF's Shaping Inclusive Financial Transformations, ADB's Mekong Business Initiative, UN Women's advocacy on the Women's Empowerment Principles, IFC's She Works engagement with global corporations; the World Bank's Gender Lab; and ASEAN's Women's Entrepreneurs Network.
- Link leaders and advocates from the region with successful campaigns from other parts of the world (such as Male Champions for Change in Australia, the Boston Harvard Women's Program, the La Pietra Campaign and Vital Voices, etc), for the purpose of shared learning and exchange, with a view to campaign development in South East Asia.
- Contract a study to test the feasibility of establishing a Women's Economic Empowerment not-for-profit entity to pursue objectives over the longer-term and potentially manage components 1, 3 and 4 of Investing in Women. The feasibility study will make recommendations for DFAT consideration and the ISP will be tasked to act upon those recommendations.

MEL Unit:

- Develop, implement and manage the Investing in Women MEL framework, including plans for each component and for each business coalition.
- Develop and manage a results framework that provides for snapshots, stories of success, and dashboards (and potentially other tools) to chart the Programs' performance at both the component and initiative level, and to report on the reach of the initiative.
- Contribute to the selection of data, results and findings that can be used by components to inform the development of tailored knowledge products.
- Pro-actively engage the Investing in Women ISP, DFAT, and other stakeholders (such as Business Coalitions and Impact Investment Houses) in building and sharing knowledge for learning.
- Develop robust evidence based knowledge products, contributing to their publication for targeted or broad based consumption.
- Work closely with component four to contribute to the development of convincing advocacy and awareness raising campaigns.
- Harness knowledge and evidence from across the program, and from other sources, to feed forward to the Investing in Women ISP team across all components.
- Identify knowledge gaps and fund research activities to fill those gaps.
- Convene knowledge building and sharing opportunities such as seminars.
- Contribute to building the regional (and by extension global) business case for investing in women.

Operations Hub:

- The Operations Hub of Investing in Women supports the operational needs of the entire program, bringing a consistent approach to financial management, administration, procurement and contracting, human resources management, and related core functions.
- Manage all HR functions including recruitment and contracting, training and development, for the Investing in Women Components.
- Manage the finances, procurement, grants and contracting for the Investing in Women components, ensuring compliance with Australian Government laws and regulations.
- Design and manage an Investing in Women website, and support the IT and ICT needs of the components.
- Provide a customer service approach to the Investing in Women Component teams.
- Undertake all logistics and administration in support of Investing in Women in all target countries.
- Contract the MEL service provider.

Staffing and Management

Staffing for the Investing in Women ISP is set out below, however the ISP contractor may suggest changes to DFAT, particularly as the program evolves and changes following mobilisation. Investing in Women will be led by an influential and effective leader as CEO. The CEO will be recruited by the ISP, together with DFAT (see Procurement and Contracting section). The ISP and DFAT will together proactively seek candidates with exceptional expertise and an exemplary track record in promoting women's empowerment at the most senior levels with business and government. DFAT will consider obtaining the required approval for an ARF exemption for the CEO in order to attract the right person to this influential, high profile role.

This design document has specified each of the Component leaders, but has not specified the number or type of staff required to implement the component agenda. Additional positions to support the implementation of components may be put forward by contractors (either before or after the tender process) within the resourcing envelope provided for under the line item "unallocated staffing funds".

This design document includes a staffing profile for the Operations Hub, including an Operations Manager. However tenderers may choose to put forward an alternative staffing profile for the Operations Hub, or may make suggestions for additional staffing of the Operations Hub where they perceive gaps, drawing down on the "unallocated staffing funds" line item. Position Description for the Operations Manager is attached at annex 6.

The MEL Unit may be separately contracted to an associate (sub-contractor) by the Investing in Women ISP, or they may staff the Unit themselves. The funding envelope for the MEL Unit is approximately 10% of the entire Investing in Women ISP budget. Whether choosing to associate or to build the team within, tenderers will need to specify team positions, their roles and responsibilities, and nominate personnel for the full time role of the director/manager of the MEL Unit. The primary objective of tenderers should be to fulfill the technical requirements of the MEL Unit and demonstrate how it will interact with the rest of the Investing in Women ISP to ensure coherence of the entire team. Terms of Reference for the MEL Unit are attached at annex 11.

Table 4 Investing in Women ISP Staffing

Title and ARF Classification	Roles and Responsibilities
Investing in Women CEO DFAT approval will be considered for this position to be outside of the ARF.	High level relationships and networking; high level oversight and accountability for Investing in Women program; promote objectives of Investing in Women through private sector and senior government sector; convene coalitions to support Investing in Women objectives. This role is linked most strongly with Component Four.
Business Partnerships Coordinator ARF D4	Establish the Business Coalitions in each country (starting in four countries and expanding in later years); manage funding agreements; sit on the board of each business coalition; provide cross-country coordination and support.
Impact Investing Partnership Director ARF D4	Establish agreements with partner Impact Investors; monitor implementation; ensure collection, analysis and dissemination of outcomes; support the growth of the impact investing market and ecosystem.
Gender Specialist ARF C4	Provide ongoing technical support, advice, and opportunities for learning to advance women's economic empowerment through Australian government posts and initiatives throughout the region; work alongside economic and trade related sections at posts to identify and support implementation of specific regulatory reform opportunities.
Gender Advocacy Specialist ARF D4	Plan and implement advocacy campaigns for women's economic empowerment, identify and proactively seek opportunities for advocacy and campaigns; use evidence to build knowledge through advocacy; convene groups of individuals and organisations to support advocacy.
Investing in Women ISP Operations Manager ARF C4	Manage operational and human resources matters; ensure accountability, liaison with, and reporting to DFAT; manage events and functions; promote customer-service orientated operational and logistics support.
Human Resources Manager	Support the human resources needs of Investing in Women including through innovative recruitment, proactive support for quality management of staff,

	training and development opportunities, and implementation of inclusive HR practices.
Finance Manager	Ensure accountability for all DFAT finances; assist in establishment and oversight of financing to components; provide regular reports to the board.
ITC Specialist	Design and maintain the Investing in Women website, and support the ITC needs of the component staff.
Procurement and Contracts Manager	Manage all Investing in Women procurement and contracting processes, ensuring alignment with Australian Government and host country regulations and laws.
Unallocated Staffing	For managing contractors to suggest staffing requirements either at tender stage of mobilization.

Inception Work Plan

The Investing in Women initiative is expected to begin in April 1st 2016 and extend for four years until end March 2020. It is intended that the ISP will be selected and mobilised in time for program commencement. The Inception Work Plan attached focuses on the first year of implementation. Tenderers will be required to update the Inception Plan for DFAT approval soon after mobilisation. The Inception Work Plan will be superseded by the Annual Plan once it is approved. Expectations regarding the inception are set out below.

Mobilisation

- ✓ The managing contractor will be expected to mobilise particular positions (as set out in the RFT) immediately upon contract start date. Mobilisation of remaining positions may be staggered, as set out in the Statement of Requirement and the Inception Work Plan.
- ✓ The managing contractor will be funded to provide their own staffing to support mobilisation in-country, whilst project recruitment is ongoing.
- ✓ By the end of the mobilisation phase the Investing in Women program is expected to be fully functional across all components.

Operations Hub

- ✓ The Operations Hub, together with DFAT Principal Gender Adviser, will give high priority to recruitment of the CEO in the first months of mobilisation and until a candidate has been secured.
- ✓ It is expected that the Operations Hub will require additional support from the contractor during mobilisation.
- ✓ By the end of year one it is expected that the Operations Hub will have in place all systems, policy, procedures, templates, etc. for efficient management of operations, have adopted a customer service orientation towards the components, have achieved all required recruitment for Investing in Women, have provided secretariat support to the governance bodies and events, and have established a high quality website for Investing in Women and supported ITC initiatives of components.
- ✓ The annual plan will have been coordinated through the Operations Hub.
- ✓ The Operations Hub will, by the end of the first year, have developed a key principles document that specifically addresses principles related to working closely with private sector companies (particularly impact investors and large businesses in the business coalitions).

Component 1: Business Coalitions

- ✓ Business Coalitions are expected to be established in the target countries by the end of year one. However in some countries establishment may be slower due to the processes of registration.
- ✓ Interim activities will be handed over to the ISP during the mobilisation phase. It is expected that relationships will have been built with potential Chairpersons in each country and the ISP will be expected to quickly and effectively manage these relationships.
- ✓ By the end of year one it is expected that the Business Coalition Boards will have met at least twice, that the Executive is staffed and offices established, and that diagnostic tools are developed and being utilised with founding Coalition members.

Component 2: Impact Investing in Women's SMEs

- ✓ By the end of year one, the agreements with Partner Impact Investors will be in place, including any investment guarantee funds and support for operational expenses.
- ✓ Data collection methods will be in place.
- ✓ Funds for Partners to trial innovative financing mechanisms will have started to flow. Investments in women's SMEs will have started to increase.
- ✓ The ISP will have developed networks and relationships with the impact investing sector and the eco-system stakeholders.
- ✓ The ISP will have started educating and assisting impact investors to apply a gender lens to the investment portfolio.

Component 3: Government Partnerships

- ✓ Relationships with relevant personnel at Australian Embassies, and relevant project based personnel will be expected to be established in the inception phase.
- ✓ Plans for interventions that improve gender outcomes will have been developed, at least one for each target country.
- ✓ The database of Technical Advisors will be in place and by the end of year one it will most likely have been drawn upon to being implementation of plans.
- ✓ The Component Gender Specialist will have supported awareness raising and learning opportunities for personnel at Australian Posts and working in DFAT funded programs.

Component 4: Advocacy Platform

- ✓ The advocacy platform will have built relationships and convened informal groups (which may lead to more formal coalitions) with people of influence who can support advocacy and campaigning.
- ✓ The Advocacy and Communications Plan will have been developed and approved by the Board and DFAT, with implementation underway.
- ✓ There will be plans in place for a campaign(s), financed by the private sector and focused on women's empowerment.
- ✓ The Feasibility Study will have been contracted and complete, with recommendations to DFAT.
- ✓ There will be knowledge products available and used for advocacy and campaigns.
- ✓ The component will have proactive identified opportunities for diplomacy and staged events, drawing upon the Operations Hub to support their organising.
- ✓ Regular information flows to Australian Government stakeholders are in place.

Monitoring, Evaluation and Learning Unit

- ✓ The MEL Framework and Plan will, by the end of the first year, be in place and functioning.
- ✓ Data collection methods will be established for all components and provided support for implementation.
- ✓ The MEL Unit and the ISP CEO will have identified and begun implementation of a plan for learning across components (internal and with partners), learning for ISP partners such as business coalitions and impact investment houses, and learning for Australian Government personnel and programs at posts.
- ✓ A Research Plan will have been developed and approved by the Board and DFAT, with implementation underway.
- ✓ The MEL Unit will have identified ways to support Australian Government diplomacy, advocacy and campaigns, and information sharing, with MEL knowledge and research products.

Timeframes in the attached Inception Work Plan are not locked in, they are estimates only and may shift once implementation begins as a result of unforeseen circumstances or difficult to predict outcomes. The managing contractor will update the attached Inception Work Plan to reflect these shifts. For example, recruitment of the right person for the CEO position takes precedence over ensuring implementation timeframes are complied with. Should the ISP and DFAT find the right CEO but that person is unavailable immediately (which is likely), then it may be better to wait for their availability rather than appoint a person who was not as highly regarded. Time-frames are negotiable, Investing in Women prefers high quality outcomes wherever possible.

Transition Program

An Investing in Women Transition Program has been in place since July 2015. The transition program was required in order to ensure that momentum with private sector partners was not lost during the DFAT procurement and mobilisation process. The transition program was small, with two STA staff focused on relationship maintenance. One senior level STA (ARF D4)

has led the ongoing communication with potential business coalition board members, and with Partner Impact Investors. The work has included:

- Identification of potential business coalitions CEOs and inaugural members, and early discussions regarding their involvement;
- Planning regarding investment guarantees and foundational work on the Partner Impact Investor agreements;
- Coordination and dialogue with DFAT at Posts regarding interim activities;
- Support to the procurement process as required

The transition activities will overlap with the mobilisation phase in order to promote continuity in relationships. The transition team will hand-over all knowledge products, networks and contacts, and communications to the managing contractor, and providing confident and optimistic introductions to key private stakeholders.

Location

Tenderers will put forward their preferred option for where they propose to locate the Investing in Women Program ISP. The Gender Specialist (component three) will be based in Canberra. This will enable the gender specialist to work closely with Canberra based DFAT staff to identify investments that could benefit from the application of a gender lens to their work. It is expected that this will include both country specific economic and trade related investments as well as regional investments and thematic areas. The Gender Specialist will be required to undertake frequent travel to work with the participating posts. The location(s) of the Investing in Women Operations Hub, and all other positions, will be put forward to DFAT by tenderers. Tenderers will be asked to justify their decision for choice of location(s) and will need to consider factors of cost, convenience, ability to service the program, and staffing opportunities.

Procurement arrangements

The Investing in Women ISP will be contracted through an open and competitive tender process in the latter half of calendar year 2015. Tenderers will be expected to nominate all specified personnel excluding the CEO of the program. The tender price is expected to be between AUD \$40 and \$45m for a four year program of work, with an anticipated start date of April 1st, 2016.

DFAT is keen to source an influential and high profile person for the position of CEO of the Investing in Women ISP. Therefore, it is proposed that the CEO position may be exempt from the ARF, and will be separately sourced after signing of the successful contractor. The process of identifying and selecting the right person for this position will be conducted jointly between the Contractor Representative of the managing contractor, the principal gender specialist of DFAT, the delegated FAS (First Assistance Secretary) of DFAT, and others as suggested or approved by DFAT. The Contractor Representative will be responsible for much of the coordination efforts of the identification and selection panel. The type of person we seek for the position of CEO is unlikely to be actively looking for a job and will therefore need to be "head-hunted". It is expected that panel members will need to be actively involved in making a direct appeal to those candidates that the panel has identified. Decision making regarding selection will be by consensus between the managing contractor and DFAT. We are hopeful that a CEO will be in place by month 4 of the program (as assumed in the attached Inception Plan), but anticipate that it could take longer.

The MEL Unit is critical to the overall success of the Investing in Women, given its high dependence on building and sharing of knowledge to promote women's economic empowerment. DFAT will give tenderers an opportunity to be creative and innovative in their approach to management of the MEL Unit. Tenderers will present their ideas on how best to achieve the diverse MEL outcomes attached to this program across the different components. Tenderers will also have choices as to MEL Unit team composition and contracting. For example, a tenderer may decide to utilise their existing in house expertise, or they may contract and manage all of the Mel Unit staffing in the same way as they will the rest of the ISP team. Alternatively, tenderers may decide to associate with a specialised outfit who will be responsible for the staffing and management of the MEL Unit. Or, they may have an entirely different and innovative approach to present. DFAT welcomes a diversity of ideas to achieving the outcomes.

Sustainability

Sustainability has guided the selection of all activities within the design of the Investing in Women Initiative. This includes sustainability of both outcomes, and the mechanisms that will be established to achieve those outcomes. In order to produce sustainable mechanisms, implementation of the Investing in Women program will need at least four years, and preferably six years of support from an ISP. In order to produce sustainable mechanisms, the ISP needs enough time to build and then embed institutions and mechanisms within the relevant operating environment and in so doing, do itself out of work over the life of the program. A key challenge for the design has been to address how to create the right incentives for the ISP to do itself out of work.

The ISP should maintain, as an operational tool, a Sustainability Framework. The sustainability framework will be established early in implementation, drawing upon the design concepts, and updated annually through the joint review workshop with DFAT. The joint review should facilitate a shared understanding between the ISP and DFAT regarding the sustainability issues and challenges, and the actions that need to be taken to promote sustainability. Some of the actions will reside with the ISP, others with DFAT, and potentially with partners and other stakeholders. The tool provides for mutual accountability for agreed actions. The Sustainability Framework will be designed by the ISP but should include the following key headings and information. The table below is for the purposes of example only and may be revised and improved by the ISP.

Table 5 Example Sustainability Framework

End of Investment Outcome	Sustainability Strategies (examples)	Key obstacles and challenges (examples)	Actions Required (examples)	Responsibilities and timeframes....
C1	Establishment of independent Coalitions that are self-funded. Etc.	- Financial contributions for membership; - Etc.	- Ensure the right balance between cost of membership and commitment to goals; - Etc.	ISP Business Coalition CEOs and Chairpersons.
C2	Revolving loan funds mechanism for partner SMEs independent of ISP.	- Investment guarantee managed by independent third party or partner Impact Investors, not the ISP or DFAT.	- Work with Impact Investing Australia and other independent experts to design and implement investment guarantee mechanism, preferably through Partner Impact Investors.	ISP DFAT
C3	Embed women's economic empowerment goals within DFAT investments across the region.	Etc.	Etc.	Etc.
C4	Establish a not-for-profit entity that obtains private sector funds to undertake campaign and advocacy work.	Etc.	Etc.	Etc.

In relation to each component, sustainability has been at the heart of the development of the design and is promoted in the following ways:

Component One: Business Coalitions for Women's Empowerment

- Business Coalitions to be established as independent not-for-profit entities, with their own governance arrangements and financing initiatives independent of DFAT and the ISP;
- DFAT support to Business Coalitions starts relatively high and tapers over years 4-6;
- Business Coalition members to pay joining fees;
- ISP to identify strong champions and leaders as inaugural chairpersons of each Business Coalition.

Component Two: Impact Investing in Women's SMEs.

- Investing in Women will not directly associate or partner with women led SMEs but will vest that responsibility in the hands of the Partner Impact Investors who will have a longer-term commitment and partnership with the SMEs throughout the life of the investment.

- The Impact Investors selected as Partners for Investing in Women are established companies with demonstrated commitment to social impact outcomes through investments in the region. This notwithstanding, additional due diligence will be required prior to signing agreements, safeguarding DFAT and the Australian aid program from companies that are financially unsustainable.
- Any Investment Guarantee fund established, if pursued, will include input from independent experts, separately from the ISP and ideally, within the Partner Impact Investors company structure (as is often the case), thereby enabling the ISP and DFAT to invest the funds without the requirement for ongoing direct management.

Component Three: Government Partnerships

- Component three, Government Partnerships, is inherently more risky from a sustainability perspective because of its reliance on technical assistance to support the broader aid program initiatives. This notwithstanding, the ISP will be expected to focus technical support at the critical junctures throughout the program life-cycle such as concept, design, and reviews. The goal of the assistance will be to embed women's economic empowerment within initiatives at these critical junctures, thereby promoting a mainstreamed approach. In addition, the ISP will proactively engage DFAT and other Australian Government stakeholders operating in the economic and trade sphere, to impart knowledge and build expertise for seeing gender issues, and responding to gender issues.

Component Four: Advocacy Platform

- The Advocacy Platform may promote sustainability of outcomes through its focus on promoting change to institutional and societal norms. Opening up the dialogue and educating people to see and understand gender issues (within homes, communities, and institutions) produces change that ought to be sustainable, albeit difficult to quantify and measure.
- The Advocacy Platform as a mechanism for sustainable promotion of gender equality dialogue will only succeed if a separate and increasingly independent entity is established that is capable and committed to the agenda. This may be achieved by supporting an existing platform and supporting its development, or it may be achieved by establishing an independent entity. The ISP will conduct a feasibility study to explore viable options for a sustainable advocacy platform in the region, the outcome will address the issue of sustainability of component four as an ongoing mechanism.

Risk Management Plan

Investing in Women represents a relatively new approach to aid investments for DFAT in that it proposes to:

- Work directly with large business in the South-East Asia
- Work directly to support impact investments through investment guarantees
- Pilot innovative financing mechanisms to leverage private sector funds
- Seek co-investment/ funding from private sector partners to finance program activities

There will subsequently be a commensurate level of risk involved in implementation of the program. The Investing in Women program is deliberately innovative, and therefore carries risks that not all innovations will work to achieve the intended outcomes. It is for this reason that the Investing in Women program invests heavily in monitoring, evaluation and learning (MEL). MEL is designed not only to inform the Investing in Women ISP management and direction, but also to ensure that all learning (intended and unintended consequences) is captured and shared for the benefit of the entire industry.

The majors risks identified in the design relate to:

- The ability of the program to attract and retain private sector company interest and participation in relevant components of the program such as business coalition members, impact investment houses, and private sector sponsors of advocacy campaigns.
- Coalition members fail to live up to expectations.

- The provision of investment guarantees to leverage Impact Investing funds into women's SMEs and the potential for an unacceptable failure rate amongst SMEs.
- Potential for impact investment houses to be unable to identify investment ready women SMEs.
- Management and coordination risks associated with multi-country implementation with regional management, in the context of diminished DFAT aid resources and the need to coordinate with existing bilateral programs.
- Reputational risks associated with investing in business coalitions that may include members with poor / questionable track records in areas other than gender such as environmental protection or corruption.
- The need to address perceptions of unfair advantage, ensure environmental, child protection and fraud/ corruption safeguards are upheld/ enforced.
- The need to ensure that the program's outputs, knowledge product, and advocacy efforts are relevant to the varying context and conditions in each of the participating countries.
- Australia's role in leading change towards gender equality creates backlash in the region.

Annex 12 provides a summary of the risks and proposed treatment identified in the design process. The Investing in Women ISP will need to expand upon this matrix and provide greater detail with regards to monitoring, managing and mitigating risks. In particular, the ISP will need to:

- Develop Investing in Women's approach to assessing, monitoring and reporting risks across the different levels.
- Detail the principal areas of risk and develop a management plan to mitigate these as far as feasible and desirable (in line with the DFAT and the Board's risk appetite).
- Develop a specific Impact Investing risk management strategy in close collaboration with the select Impact Investors.
- Produce an Investing in Women Risk Management Strategy and Risk Register, attached to the Annual Plan and to be approved by the Investing in Women Board of Governance.

Thereafter risks should be reviewed regularly by the ISP in a risk register along with latest assessments (pre- and post-mitigation). This should be a living document, for discussion at regular ISP management meeting with DFAT and informing the six monthly and annual reports.

Safeguards

DFAT Safeguards for the Australian Aid Program are applied to environmental protection, displacement and resettlement, and child protection. The Implementing Service Provider (ISP) will be required to adhere and apply these safeguards throughout the program. The ISP will refer to the DFAT website for the most up to date versions of DFAT Safeguards.

Child Protection

Investing in Women will apply the ***Australian Government Child Protection Policy for the Australian Government's aid program***, originally released January 2013 and reprinted June 2014, and any updates released throughout the course of the program. The Child Protection Policy applies to all contractors and agencies funded by the Australian Government aid program. The Policy recognises the shared and collective responsibility of all adults to prevent child exploitation and abuse and DFAT's own responsibilities as the Australian Government's overseas aid agency, to working with its partners to prevent and respond to child exploitation and abuse. It further recognises that child sex offenders often seek employment or volunteer placements in organisations that work with children in Australia or overseas in order to access vulnerable children and therefore the policy is designed to protect children across the world from (or from further) exploitation and abuse and sexual, physical and psychological violation.

The goal of the policy is *to protect children from exploitation and abuse of all kinds in the delivery of Australia's overseas aid program.*

The guiding principles of the policy are:

Zero tolerance of child exploitation and abuse

Recognition of the best interest of the child

Sharing responsibility for child protection

Risk management approach

Procedural fairness

The Investing in Women ISP is obliged, under DFAT's Child Protection Policy, to have a DFAT-compliant child protection policy (see DFAT's website). It currently consists of nine standards that provide a framework for managing and reducing the risks of child exploitation and abuse. The policy applies to the ISP as well as its personnel, partners and subcontractors who are using DFAT funds. Therefore the ISP will be required to ensure that the Coalition Boards, the Partner Impact Investors, and any other organisations engaged or funded, are compliant with the policy.

Displacement and Resettlement

The Investing in Women ISP will be required to adhere to *DFAT's Displacement and resettlement of people in development activities*, May 2014 (or its subsequent updates). Displacement may be physical or economic may occur as a result of development activities such as the building of economic or social infrastructure. Displacement occurs where ever communities are required to move, or when their access to land is restricted, as a consequence of the activity. Resettlement of affected communities to alternative locations needs to be well planned and supported in order to ensure positive outcomes. Appropriate risk assessments and mitigation measures need to be in place in order to ensure positive outcomes for vulnerable people who may be affected by the activities, directly and indirectly.

Although it is not envisaged that the implementation of the Investing in Women initiative will result in displacement and resettlement, the ISP will need to be mindful of, and adhere to, the DFAT guidelines. More specifically:

- The activities of Investing in Women with Coalitions focus on internal improvements to the conditions of work for women and will not lead to large-scale economic or physical upheaval. It is recognised that coalition members may carry out work that leads to displacement and resettlement of individuals and communities. However, the work of Investing in Women will not be involved in these activities, and they are not funded or supported by Australian Government funds. Indeed, no Australian Government funds will go directly to members of Business Coalitions.
- The activities in support of women led SMEs growth are targeting smaller sized SMEs and therefore are unlikely to make an impact that leads to displacement and resettlement. In addition, the SMEs selected for support will have an identifiable and measurable positive social impact. Any SME involved in displacement and resettlement activities would not be eligible for support.
- The activities of both components three and four will not lead to displacement or resettlement and are unlikely to involve any partners with such activities.

Environmental Protection

The Investing in Women ISP must comply with DFAT's Environmental Protection Policy (November 2014) and any updates (see DFAT's website). The Australian aid program and its activities are obliged, under the Environment Protection and Biodiversity Conservation Act, 1999 ('the EPBC Act') to consider whether overseas work we will cause, or is likely to cause, a significant impact on the environment, and take steps to avoid and/or mitigate any negative impacts. Under the provisions of the EPBC Act, potential significant impacts on the environment from the implementation of the Australian aid program must be diligently assessed and managed as prescribed under the EPBC Act.

Policy Principles for Environment Protection under the Australian aid program include the following:

- Principle 1: Do no harm
- Principle 2: Assess and manage environmental risk and impact
- Principle 3: Disclose information transparently
- Principle 5: Work with partners

Principle 6: Promote improved environmental outcomes

The Investing in Women initiative is unlikely to have environmental impacts through its activities, however the Business Coalitions are likely to include company members that do not adhere to the standards expected in the EPBC Act and this represents risks to the Australian aid program, particularly reputational risks incurred as a result of being associated with such companies. The Investing in Women program does not shy away from engagement with “difficult” companies that continue to demonstrate commitment to, and action on, better workplace conditions for women. The ISP will need to develop safeguards that measure ongoing commitment to the goals of the Business Coalitions and penalties for those meeting expectations. The risks and mitigation strategies surrounding this issue are addressed in the risk management plan in the annexes, and will need to be further detailed by the Investing in Women ISP. In relation to component two activities, SMEs will be subject to social impact measures that will affectively negate support for any SMEs with poor environmental track records. Components three and four are unlikely to carry environmental risks.

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1. ANNEX 1: GLOSSARY OF TERMS

Additionality	Additionality is a term that refers to the additional impact that was achieved by the presence of an impact investor (or donor funds). It prompts the question of whether the same impact would have been achieved even without the presence of an impact Investor ¹⁸ (or donor funds).
Angel Investor	An affluent individual who provides capital for a start-up enterprise, usually in exchange for some stake in ownership equity ¹⁹ .
Equity investors	Individuals or institutions that invest money into a company in exchange for a share of ownership in the company. Typically, equity investors have no guarantee of a return on their investment, and may lose their money should the company go out of business. In the event that the company is liquidated, the equity investor may be entitled to a share of the assets. ²⁰
Fund Managers and Financial Intermediaries	<p>Financial Intermediary: An entity that acts as the middleman between two parties in a financial transaction. While a commercial bank is a typical financial intermediary, this category also includes other financial institutions such as investment banks, insurance companies, broker-dealers, mutual funds and pension funds. Financial intermediaries offer a number of benefits to the average consumer including safety, liquidity and economies of scale²¹.</p> <p>Fund Manager: The person(s) responsible for implementing a fund's investing strategy and managing its portfolio trading activities. A fund can be managed by one person, by two people as co-managers and by a team of three or more people. Fund managers are paid a fee for their work, which is a percentage of the fund's average assets under management. Also known as an "investment manager"²².</p>
Gender Lens Investing	<p>Gender lens investors use gender as a category of analysis when making investment decisions. In mapping approaches to gender lens investing WEI has found that most include one or more of three primary investment objectives or "lenses":</p> <ol style="list-style-type: none"> 1. Investments that increase access to capital for women entrepreneurs and businesses that have women in leadership positions 2. Investments that promote gender equity in the workplace by investing in private sector companies with leading gender policies that also extend across their supply chains 3. Investments that increase the number of products and services that benefit women and girls by directing capital to socially responsible

¹⁸ The Case Foundation, A Short guide to Impact Investing, September 2014, <http://casefoundation.org/wp-content/uploads/2014/11/ShortGuideToImpactInvesting-2014.pdf>

¹⁹ Trilinc Global: Invest with Impact, May 2015, <http://www.trilincglobal.com/events-and-resources/impact-investing-glossary/>

²⁰ Entrepreneurial Insights, May 2015, <http://www.entrepreneurial-insights.com/lexicon/equity-investor/>

²¹ Investopedia, May 2015, <http://www.investopedia.com/terms/f/financialintermediary.asp#ixzz3bkusEmzl>

²² Investopedia, May 2015, *ibid*.

	businesses that develop and offer these products and services Investing in funds or other investment vehicles that use one or more of these lenses is gender lens investing. ²³
HNWIs: High Net-Worth Investors	A classification used by the financial services industry to denote an individual or a family in terms of liquid assets over a certain figure, but the exact amount differs by financial institution and region ²⁴ .
Impact investments	Impact investments are investments made into companies, organizations, and funds with the intention to generate social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending upon the circumstances ²⁵ .
Impact Investment Houses	A term used by the Investing in Women Design Document to denote a company or organisation that seeks investments on behalf of impact investors either as an intermediary or as a fund manager.
Impact Investors	Individuals and/or institutions that invest their wealth into impact investments, either directly, by way of a fund, or through an intermediary.
IRIS: Impact Reporting and Investment Standards.	A set of standardized metrics that can be used to describe an organization's social, environmental and financial performance. Like financial accounting standards, IRIS provides a basis for performance reporting, and is increasingly accepted by the impact industry as a universally accepted set of measurement principles. ²⁶
Portfolio Guarantees and Loss Reserve	<p>Portfolio guarantees cover a proportion of the losses on the package of loans (or projects) as a whole. A 'first loss' guarantee would cover part of the first tranche of losses—for example, 80% of losses up to a value of 10% of the portfolio as a whole. A 'second loss' guarantee would cover a second tranche of losses—for example, 80% of losses between 10% and 30% of the portfolio. First loss guarantees provide greater protection to the financier. Second loss guarantees protect against extreme events while also providing strong incentives for the supplier to minimise losses as they bear the first tranche of these. A risk in any such arrangement is that the guarantor has limited control over the loans or projects added to the portfolio.</p> <p>Loss reserves operate in a similar manner, except in this case the actual sums required to cover the guarantee are set aside rather than simply being a promise to pay if the guarantee is called.²⁷</p>
Private Equity	Private equity consists of investors and funds that make investments directly into private companies. Capital for private equity is raised from retail and institutional investors, and can be used to fund new

²³ Criterion Institute, May 2015, <http://criterioninstitute.org/revaluegender/gender-lens-investing/>

²⁴ Trilinc Global, Ibid.

²⁵ Global Impact Investing Network (GIIN), May 2015, <http://www.thegiin.org/cgi-bin/iowa/resources/about/index.html>

²⁶ Trilinc, Ibid.

²⁷ World Bank, May 2015, <http://www-esd.worldbank.org/refine/index.cfm?Page=glossary>

	technologies, expand working capital within an owned company, make acquisitions, or to strengthen a balance sheet. The majority of private equity consists of institutional investors and accredited investors who can commit large sums of money for long periods of time. ²⁸
SME: Small and Medium Enterprise	Subject to various definitions, but generally a company characterised by the number of its employees or annual sales or assets. The World Bank defines a small enterprise as meeting two of the following three criteria: minimum 50 employees, under \$3 million in each assets and sales, and a medium enterprise as meeting two of the following three criteria: up to 300 employees, total assets and total sales of up to \$15 million. ²⁹
Social Enterprise	An organization that is directly involved in the sale of goods and services to a market, but that also has specific social objectives that serve as its primary purpose. Social enterprises are not volunteer organizations in that they operate as an enterprise by selling in a market, and can be registered as for-profit or non-profit. Profits are principally used to fund social programs. ³⁰
Venture capital financing	Venture capital financing represents equity investments intended to develop high-risk projects followed by exit. Venture capital financing is generally targeted at new technologies and companies, with a high growth potential. Funding of this type is high-risk and the returns required reflect this. It also requires sufficiently developed financial markets for the initial financiers to be able to readily exit their investment through a sale of their shareholding in what may still be a relatively small and risky business ³¹ .

2. ANNEX 2: ROLES AND RESONSIBILITIES OF BUSINESS COALITIONS STAFF

The organisational structure of each Business Coalition executive team will include a Manager who reports to the Board of Directors, and three units: Gender Equality Diagnostics; Communications and Marketing; and Finance and Administration. The roles and responsibilities are summarised as:

- Manager: responsible to the Board for oversight of the day to day operations of the Business Coalition; effective implementation of the strategy; reporting to the Board and Investing in Women ISP on performance and achievements.
- Gender Equality Diagnostics: responsible for the design and implementation of a gender equality assessment tool; working with Coalition member companies to undertake assessments and implement changes to improve gender equality; utilising evidence produced to build the business case for gender equality in the workforce.
- Communications and Marketing: promote and attract membership to the Business Coalition; promote the business coalition brand – making it an attractive proposition for companies to join; proactively identify opportunities for advocacy on gender equality and promote the business case; use media, existing business networks, and events to raise the profile of the business coalition and its work.

²⁸ Investopedia, May 2015, ibid.

²⁹ Trillinc, Ibid.

³⁰ Investopedia, May 2015, ibid.

³¹ Investopedia, May 2015, ibid.

- Finance and Administration: manage the funds, including membership fees and funds from donors; provide administrative and logistics support to coalition members meetings and events; day to day office management.

OUTCOMES AND STRATEGIES

Achievement towards each of these outcomes is supported by three distinct intervention objectives and concomitant strategies, that seek to address the multi-dimensional nature of the obstacles that women SMEs face. The strategy is three-pronged and seeks to achieve the following objectives:

1. To leverage an increase in impact investments in women's SMEs, and stimulate growth of the market, through the use of a) Investment Guarantees, b) Operational Co-financing; c) an Innovative Financing Fund; and
2. To support the successful growth of women led SMEs through the application of business accelerator services; and
3. To increase the number of impact investors applying a gender lens to their SME portfolio of investments.

These three strategies will be offered as a suite of options to selected Partner Impact Investors to leverage investments in women's SMEs.

1. To leverage an increase in impact investments in women's SMEs, and stimulate growth of the market, through the use of a) Investment Guarantees; b) Operational Co-financing; c) an Innovative Financing Fund.

In order to stimulate an increase in financing from impact investors to women's SMEs, the Investing in Women program will offer: a) investment guarantees to partner impact investors; b) seed funding to co-finance increased operations on the ground in target countries; and c) financial support for the testing of innovative financing platforms.

a) Co-Investment in Women's SMEs

Investing in Women program will provide funds to co-invest in women's SMEs through the use of a suite of options that includes investment guarantees to reduce the risk for investors in financing (either through equity or loans) women's SME growth, and attract more investors to the market. The Investing in Women investment guarantee is essentially a promise to investors that should the borrower default (i.e. the SME fails), then the Investing in Women Investment Guarantee will pay the debt in part, the amount depending upon the original agreement. The purpose for utilising investment guarantees is to stimulate the impact investment market in targeted countries, correct the market failure in financing women's SME growth, resulting in more women's SMEs gaining access to finance, and supporting socially beneficial investment outcomes for broad based economic growth.

The Investing in Women ISP will undertake a mapping exercise, and develop the selection criteria, in order to identify Partner Impact Investment Houses. Initial mapping undertaken by the Investing in Women Design Team suggests that there is likely to be between two and three impact investment houses that meet the criteria set out above. The criteria is important for ensuring that Australian Government funds are utilised to support investments that accrue social impact benefits.

The Investing in Women ISP, will form an agreement with Partner Impact Investment Houses for the suite of options available (including investment guarantees, operational co-financing, accelerator funds, and innovative financing funds). The Investment Guarantee component can take a variety of forms and it will be up to the Partner Impact Investment Houses and the Investing in Women ISP (supported by external advisers) to agree the form. For example, the Investment Guarantee may be used by an intermediary to secure investments for SMEs on a case by case basis, or it may be used by a fund to guarantee first loss financing against the entire fund. Importantly, the ISP will not be the holder of the Investment guarantee funds, it will handover that responsibility to either the Partner Impact Investment Houses or a third party charged with that responsibility, depending upon the nature of the agreement and advice received. This ensures that the ISP does not take on any aspect of the role of investor and instead focuses on oversight, evidence and outcomes.

There are two types of Investment Guarantees that are likely to be applied by Investing in Women. The first applies a guarantee against each investment in a single SME (usually between 50-60%), and applies to intermediary investment models. The second applies a guarantee against a fund (or pool of money from investors) that covers a proportion of the first losses on the entire package of investments of the fund as a whole. A 'first loss' guarantee would cover a proportion of the first tranche of losses. — for example, 80% of losses up to a value of 10% of the portfolio as a whole.

Each agreement would require the Partner Impact Investment Houses to have, or put in place, a definition and approach to measuring social impact, drawing from emerging international standards, and an approach to managing additionality. The Partner Impact Investment Houses would be charged with responsibility for the selection of women's SMEs. The Investing in Women ISP would provide contractual oversight and focus on gathering data for knowledge generation, and the communication and marketing of results.

The Investment Guarantee program will likely be shaped differently for each Partner Impact Investment Houses because they each apply different approaches to impact investing. This differentiation will be useful in undertaking comparative research and analysis that informs future investments (both DFAT investments and industry wide). It is expected that loan guarantees will be in the order of 50% and 60% of the total investment (estimate based upon a review of existing investment guarantee funds). Investors may be required to pay a premium in order to obtain the loan guarantee, similar to buying insurance, leaving the choice to take advantage of the loan guarantee in the hands of the investors.

Investment Guarantees can leverage substantial private investments, estimates from investors suggest that they can achieve a 1:10 ratio leverage. In other words, an AUD \$10m investment from DFAT could unlock AUD \$100 million in investments. In addition, investment guarantees diminish slowly, and can be recycled. DFAT can expect that 20% of the investment guarantees will be lost with each investment cycle or life span. The life span of each investment is usually 3-6 years, after which time the investor exits and the investment guarantee is freed up to be applied to a new investment or used for another purpose. Importantly, once freed up, the funds will be used for the purposes of achieving Investing in Women outcomes, and not be returned to DFAT.

This Design Document does not stipulate what should happen to the freed up Investment Guarantees after the first investment cycle (lasting between 3 and 6 years), except to note that the funds will be used to achieve Investing in Women outcomes. The funds may be re-invested into new Investment Guarantees in order to provide access to finance to more women's SME's. However, the Investing in Women ISP, together with its Board and DFAT may decide to use the funds differently in order to achieve similar objectives. For example, should the Impact Investing environment strengthen significantly over the first four years of the Investing in Women program, then the ISP and DFAT may decide to use freed up funds to support incubators or accelerators in order to boost the number of investment ready SMEs in the region. There are numerous potential options however it is currently too early to assess which options will best serve the objectives. A review will be conducted in year four of the Investing in Women Program. The review will assess the impact of investment guarantees to date and the relative merits of guarantees vis-à-vis market building approaches. It will make recommendations regarding where the funds should be invested for the Board and DFAT's consideration.

b) Operational Co-Financing Fund

Operational Co-Financing directly addresses obstacles that constrain market growth of the impact investing sector in the region. Impact investment houses lack funds to maintain continuing presence in the region. Many have no local presence in target countries, relying on fly-in/ fly-out staff to identify new investments and manage their existing portfolio. Others have only one person operating across numerous countries. Impact investment houses are only just starting out in the region and are not yet large enough (in terms of investment size and number) to justify/afford more staffing. This restricts their capability to identify and close deals with SMEs in each country, resulting in slower growth of the market than might otherwise be achieved.

The Investing in Women ISP will address this constraint by offering Partner Impact Investment Houses a once-off co-financing grant in order that they may scale up operations in-country or in the region. These funds will enable impact investors to operationalise in-country, do more investments, and grow the market. It will also support the success of SME investments through direct on the ground support to SMEs, particularly through the establishment of women's SMEs networks and access to mentors. Co-financing needs to be set at an amount that will be attractive enough for Partner Impact Investment Houses to establish local presence in target countries, or a regional presence.

Operational Co-financing will form a part of the Partner Impact Investor Agreement. Up to AUD \$2m is set aside for this purpose (in total, not per Partner), in the Investing in Women ISP budget. The precise amount per partner, and the co-financing ratio, will be determined by the ISP once mobilised. The Investing in Women ISP will need to monitor use of the grant to ensure funds achieve their intended purpose, and use the evidence to demonstrate the efficacy of such an approach to boosting market presence.

c) Innovative Financing Fund

The Investing in Women ISP will set aside AUD \$1m in funds, over four years, to support innovative financing for women's SMEs. There are a number of emerging initiatives in target countries that are innovative and have potential for large-scale impact on the SME financing sector. Some examples include an online peer-to-peer investment platform in Indonesia that aims to bring financing to 50,000 small enterprises per year (Sampoerna Foundation); a Women's Livelihood Bond (WLB) that seeks to raise \$20+ million of capital through a bond listed on Impact Exchange, the world's first Social Stock Exchange (IIX Asia); a revolving business accelerator services fund mechanism that enables SMEs to deploy the support of business experts and repay that support from an investment of capital (Shujog); and the newly created Peace and Equality Holdings that brings together women entrepreneurs to invest in and mentor emerging women's SMEs (Philippines Great Women program). These and other innovations may be supported by Investing in Women to test new approaches to women's SME financing and demonstrate results for the benefit of the entire eco-system.

The Investing in Women ISP will develop a strategy for how the funds will be allocated. A competitive grants process should be avoided because of the high cost associated with management of the fund and because competitive grants do not necessarily reach the right market segment and therefore may not capture worthwhile innovations. It is recommended that the funds be made available to targeted financing innovations that are identified by the Investing in Women ISP and decided jointly with DFAT. As part of development of the Innovative Financing Fund Strategy, the Investing in Women ISP will develop the eligibility criteria, the application and decision making processes, and required data collection methodology, for DFAT approval. The ISP will develop this sub-component with the aim of spurring growth and innovation in the market.

2. To support the successful growth of women led SMEs through the application of business accelerator services.

The Investing in Women ISP will establish Business Accelerator Funds with Partner Impact Investment Houses with the aim of providing services to women's SMEs that want to attain an investment deal but require business services to help them become investment ready; and/or women's SMEs that have attained an investment deal but seek ongoing business accelerator services in order to grow. The provision of tailored business support services provides the SME with the best possible chance of growth and therefore contributes to the minimisation of risk for both the investor and Investing in Women.

The Investing in Women ISP, through the Partner Impact Investment Houses, will seek to provide business accelerator services to SMEs that are close to an investment but not quite ready. In many cases, an SME needs a viable business plan that can demonstrate to investors its growth trajectory and how it intends to achieve it. In other instances an SME may require assistance to upgrade their financial or human resource management capability and/or technological support. Impact investment houses, through the process of assessment, become highly familiar with the strengths and weaknesses of those SMEs that are under consideration for an investment deal. They are well-positioned to advise an SME on the type of assistance they need and where it can be provided. With the support of Investing in Women funding, the Partner Impact Investment Houses may offer to provide business support services in order to assist the SME with specific technical assistance. One option is to provide the support as a grant, however another option is to provide the upfront funds required for the business support services, and put in place an agreement that these funds be reimbursed if / when the SME secures an investment deal, building the costs into the investment financing. The returned funds can then be used to support another SME requiring business development support. This idea is currently being trialled by Shujog and enables the funds to revolve with an expectation that they will diminish over time because not all investments will be successful.

In addition to pre-investment business accelerator services, Investing in Women will provide ongoing funds to support SME growth following the completion of investment deals. Women led SMEs may require ongoing mentoring, information services, training and development opportunities, and market intelligence in order to grow. SMEs may also require networking opportunities and trade shows – both of which can be supported by the Investing in Women funds.

The Investing in Women ISP will include criteria for the use of Business Accelerator Funds in its agreements with Partner Impact Investment Houses, and hand over decision making and management to the Partner Impact Investment Houses whilst providing ongoing monitoring and ensuring data collection for the purposes of knowledge building. For the purposes of the Investing in Women budget, funds have been set aside for the purpose of providing business accelerator support to women's SMEs through Partner Impact Investment Houses, however the amount utilised for this purpose may increase or decrease depending upon the needs of women's SMEs. It is suggested that if investment guarantee funds are under-utilised then more funds can be made

available for business accelerator services. The Investing in Women ISP, with the benefit of independent technical advice (as suggested above) will negotiate the criteria for use of business accelerator funds and the criteria for shifting funds between the suite of options available to Partner Impact Investment Houses for inclusion in agreements.

3. To increase the number of impact investors applying a gender lens to their SME portfolio of investments.

Investing with a gender lens can create financial and social impact by increasing women's access to capital, promoting workplace equity, and creating products and services that improve the lives of women and girls:

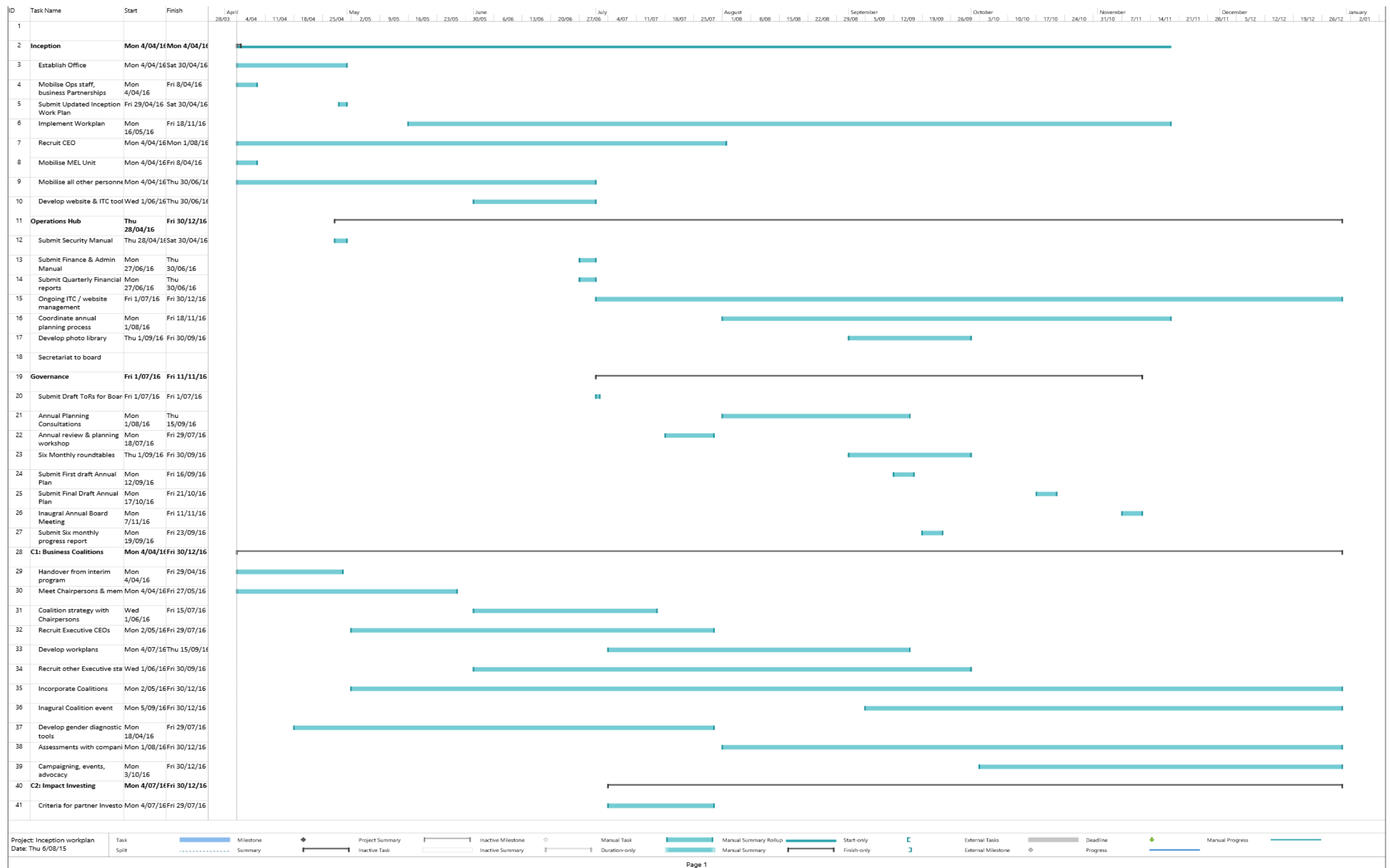
Looking through a "gender lens" helps investors gain new perspectives, highlight poorly understood inequalities, uncover new opportunities, identify blockages in the system, and find value where none was found before³².

Impact Investors in target countries do not currently apply a gender lens to their investment decisions, development of deals, or ongoing portfolio management. Investing in Women is well positioned to influence the entire Impact Investing community to turn their gaze to women's SMEs and be more responsive to their needs, in turn reducing risks for investors. The Investing in Women ISP will achieve this by building and sharing knowledge on the business case for Investing in Women's SMEs, and by providing technical assistance to Partner Impact Investment Houses to enable them to learn how to bring a gender lens to their investments. The Investing in Women ISP will draw upon its in-house capability to work with the Investing in Women Partner Impact Investment Houses to:

- Develop the capacity of impact investors (staff knowledge and skills as well as organisational systems and processes) to better locate and identify women's SMEs with growth potential, tailor services and investment deals that meet the needs of women's SMEs, understand the business case for Investing in Women.
- Establish baselines and build data collection methods that can be readily applied by partner Impact Investors, so that Investing in Women can collate and analyse data to contribute to the global knowledge base regarding women's economic empowerment.
- Assist Impact Investors to convene networks and training opportunities for Women SME borrowers (face to face and online) that provide opportunities for mentoring, training and development, information exchange, and build market access.

The generation and sharing of robust evidence provides a significant value-add to the Impact Investment eco-system. This information enables the eco-system (investors, fund managers, intermediaries, incubators and accelerators, etc) to gain useful insights into what works and what doesn't work to create successful SME investments in the region. For example, if the Investing in Women ISP can demonstrate better than average success for investors that apply a gender lens, and this in turn generates a larger number of investments for women SMEs, then the Investing in Women program can demonstrate a substantial contribution to the "feminization" of Impact Investing in the region. However, it cannot be assumed that the gender lens investment strategy will produce the positive outcomes for investors that the above scenario suggests, hence the need for robust evidence and evaluation of both intended and unintended consequences of gender lens investing. Neither investors nor investment houses are in a position to provide this type of critical market information. The Investing in Women ISP Gender Specialist will lead on the work with Partner Impact Investment Houses to help them incorporate a gender lens to their investment strategy, and work across components to share evidence and knowledge with a wide range of stakeholders.

³² Sarah Kaplan & Jackie VanderBrug, "The Rise of Gender Capitalism" in Stanford Social Innovation Review, Fall 2014



ID	Task Name	Start	Finish																																																	
42	Mapping - Impact Investors	Mon 4/07/16	Wed 31/08/16	April	28/03	4/04	11/04	18/04	25/04	2/05	9/05	16/05	23/05	30/05	6/06	13/06	20/06	27/06	July	4/07	11/07	18/07	25/07	August	1/08	8/08	15/08	22/08	September	29/08	5/09	12/09	19/09	26/09	October	3/10	10/10	17/10	24/10	November	31/10	7/11	14/11	21/11	December	28/11	5/12	12/12	19/12	26/12	January	2/01
43	Identify Partner Impact Investors	Thu 1/09/16	Fri 30/09/16																																																	
44	Due diligence on potential partners	Thu 1/09/16	Fri 28/10/16																																																	
45	Investment Guarantee options/strategies	Mon 1/08/16	Fri 30/09/16																																																	
46	Negotiate & Sign agreemer	Mon 3/10/16	Wed 30/11/16																																																	
47	Methods for measuring impact	Mon 1/08/16	Wed 30/11/16																																																	
48	Data collection & monitori	Wed 30/11/16	Fri 30/12/16																																																	
49	Knowledge building activiti	Thu 1/12/16	Fri 30/12/16																																																	
50	C3: Government Partnership:	Mon 4/07/16	Fri 30/12/16																																																	
51	Relationships with DFAT CBR & Posts	Mon 4/07/16	Fri 30/12/16																																																	
52	Review current GoA initiatives	Mon 4/07/16	Wed 31/08/16																																																	
53	Identify interventions	Mon 5/09/16	Fri 14/10/16																																																	
54	Plan & agree strategies	Mon 5/09/16	Fri 28/10/16																																																	
55	Develop standing offers	Mon 18/07/16	Wed 30/11/16																																																	
56	Implement Plans	Mon 21/11/16	Fri 30/12/16																																																	
57	Manage quality of TA input	Mon 21/11/16	Fri 30/12/16																																																	
58	Collect data for MEL contribution	Mon 21/11/16	Fri 30/12/16																																																	
59	Learning opportunities for DFAT	Mon 5/09/16	Fri 30/12/16																																																	
60	Disseminate good practice examples	Mon 5/09/16	Fri 30/12/16																																																	
61	C4: Advocacy Platform	Mon 4/07/16	Fri 30/12/16																																																	
62	Review global & regional campaigns	Mon 4/07/16	Wed 31/08/16																																																	
63	Convene groups of influenc	Mon 5/09/16	Fri 30/12/16																																																	
64	Explore advocacy opportunities	Mon 5/09/16	Fri 14/10/16																																																	
65	Work with business leaders	Mon 1/08/16	Fri 30/12/16																																																	
66	Submit Feasibility study To	Mon 5/09/16	Fri 9/09/16																																																	
67	Source & contract Feasibility Study	Mon 3/10/16	Fri 30/12/16																																																	
68	Submit Advocacy & Communications Plan	Mon 17/10/16	Fri 21/10/16																																																	
69	Relationships with business coalitions	Mon 5/09/16	Fri 30/12/16																																																	
70	Monitoring, Evaluation and Learning	Mon 4/04/16	Fri 30/12/16																																																	
71	Review evidence / literatur	Mon 4/04/16	Thu 30/06/16																																																	
72	Develop MEL approach & Framework	Mon 6/06/16	Thu 30/06/16																																																	
73	Training for staff	Mon 4/07/16	Fri 29/07/16																																																	
74	Planning & Consultation	Mon 1/08/16	Fri 11/11/16																																																	
75	Submit First Draft MEL Plan	Mon 12/09/16	Fri 16/09/16																																																	
76	Submit Final Draft MEL Plan	Mon 17/10/16	Fri 21/10/16																																																	
77	Implement Plan	Mon 14/11/16	Fri 30/12/16																																																	
78	Collect and collate data	Mon 14/11/16	Fri 30/12/16																																																	
79	Submit Research Plan	Mon 17/10/16	Fri 21/10/16																																																	
80	contract research as requir	Mon 14/11/16	Fri 30/12/16																																																	
81	Develop knowledge produc	Mon 14/11/16	Fri 30/12/16																																																	
82	Submit MEL Progress Repo	Mon 19/09/16	Fri 23/09/16																																																	
Project: Inception workplan Date: Thu 6/08/15		Task Split	<div></div> Milestone <div>.....</div> Summary	<div></div> Project Summary <div></div> Inactive Task	<div></div> Inactive Milestone <div></div> Inactive Summary	<div></div> Manual Task <div></div> Duration-only	<div></div> Manual Summary Rollup <div></div> Manual Summary	<div></div> Start-only <div></div> Finish-only	<div></div> External Tasks <div></div> External Milestone	<div></div> Deadline <div></div> Progress	<div></div> Manual Progress	<div></div>																																								
Page 2																																																				

ANNEX 5: POSITION DESCRIPTION

INVESTING IN WOMEN CHIEF EXECUTIVE OFFICER

Position: Chief Executive Officer

Job Level and Professional Description Classification: ARF Exempt

Location: TBD

Reporting to: DFAT and the Investing in Women Contractor Representative

PURPOSE OF ROLE:

The CEO will have overall responsibility for successful delivery of the program. The CEO will drive the direction of the program and maintain strategic oversight over all components. The Investing in Women CEO is the public face of the program and will play a significant role in creating a profile and drawing interest and participation into the program. The CEO will establish and maintain effective partnerships with the broad range of partners involved in the program and provide high level leadership to the ISP management team.

PRIMARY RESPONSIBILITIES

- Be the primary leader and driver of Investing in Women objectives
- Establish and ensure productive and strategic partnerships with large private sector companies participating in National Business Coalitions
- Establish and maintain effective relationship and dialogue with DFAT
- Establish and build effective relationships with other key DFAT programs as relevant
- Drive innovation in the program, building upon existing and fostering new partnerships with private sector and women's organisations, linking with national and regional networks and opportunities
- Set strategic direction for and oversee advocacy campaigns
- Convene forums with expanding network/ partners to share program evidence/ knowledge products
- Advise DFAT on strategic opportunities to advance gender and aid for trade objectives
- Build and support a cohesive technical, advocacy and implementation team
- Ensure overall value for money and quality in delivery of the program's activities
- Positions directly reporting to CEO: ISP Manager, National Business Coalitions/ Component 1 Manager, Impact Investing/ Component 2 Manager, Senior Gender Advisor

QUALIFICATIONS AND EXPERIENCE

- Established and well-recognised leader with strong reputation as gender equality advocate
- Extensive networks into the private sector in South-East Asia and Australia
- A track record in driving reform and change in business practices
- Ability to engage and influence senior level business leaders in Asia and Australia
- Extensive experience working in gender equality and women's economic empowerment.
- Extensive networks and relationships with leading women's organisations in the region, particularly entrepreneurs networks, advocacy groups and research institutes
- Demonstrated success in managing multiple stakeholders and partners towards achieving mutual objectives and outcomes
- Demonstrated results in strategic leadership and managing for results
- Highly developed and effective public speaking and advocacy skills
- Effective management and leadership skills
- Highly advanced public diplomacy skills

ANNEX 6: POSITION DESCRIPTION

INVESTING IN WOMEN ISP OPERATIONS MANAGER

Position: ISP Operations Manager

Job Level and Professional Description Classification: C3-4

Location: Regional Investing in Women ISP Office (TBD)

Reporting to: CEO

PURPOSE OF ROLE:

The IWI Operations Manager will have overall responsibility for managing the day to day operations of the Investing in Women ISP. S/he will provide high-level operational and management support to ensure consistent, compliant and high quality implementation support to the various Investing in Women ISP components. The Operations Manager will manage the operations unit which will provide services across components in relation to human resources management, procurement and contracting, financial management, logistics, and all operational systems and process. S/he will also play a role in coordination of reporting and support to events.

KEY RESPONSIBILITIES:

- Support delivery of the Investing in Women strategy and work plans by implementing and managing administrative and operational functions on behalf of the program.
- Take overall responsibility for day-to-day management and delivery of financial management, human resources management, administrative services, logistics support, coordination activities, procurement and contracting, security services, and office management.
- Oversee the set-up and ongoing implementation of systems and processes that are compliant with DFAT requirements and also host country laws and regulations.
- Support the recruitment, selection, and placement and performance management of personnel across the program.
- Oversee the financial management system, the expenditure against budget, auditing, and the timeliness and quality of reporting to DFAT.
- Preparation of contractual deliverables, documents and other reports as required by the CEO.
- Provision of risk and fraud management systems and process.
- Ensure a customer service orientation to the unit's primary client which is DFAT and the Investing in Women components.

QUALIFICATIONS AND EXPERIENCE

- Strong leadership skills and a proven ability to deliver results
- Strong experience with DFAT policies, systems and reporting requirements
- Experience in a similar role in either Indonesia, Philippines, Vietnam
- Highly developed project management skills and a demonstrated ability to provide operations support to diverse technical teams, and support program implementation;
- Proven experience in a cross-cultural setting, including staff management, financial management and program reporting.
- High-level interpersonal skills and an aptitude for working effectively in a cross-cultural environment.
- Sound quantitative analysis abilities

ANNEX 7: POSITION DESCRIPTION

BUSINESS COALITIONS COORDINATOR

Position: National Business Coalition Coordinator

Job Level and Professional Description Classification: ARF C4

Location: TBD

Reporting to: CEO

PURPOSE OF ROLE:

The Business Coalitions Coordinator will work together with the CEO to lead the establishment of the National Business Coalitions, initially in Vietnam, Philippines and Indonesia. The Investing in Women CEO will be supported by the Business Coalitions Coordinator in his/her relationships with senior business leaders in each country. The Business Coalitions Coordinator is also responsible for supporting the “incubation” of the National Coalitions. As National Coalitions become increasingly organisationally and financially independent, the relationship with Investing in Women will change to a funding agreement. This position will oversee and support the establishment, incubation and maturation phases.

PRIMARY RESPONSIBILITIES

- Assist the CEO to identify and recruit business champions to chair and/or become a founding member of each National Business Coalition
- Provide support to the work with the Investing in Women CEO and the inaugural Business Coalition Chairperson to Agree with the Chair a business model and supporting business plan for the country in each country
- Assist the Chair in identifying key business sponsors for the National Business Coalition, in the appointment of a non-executive board and country CEO
- Agree with the board strategies, milestones, key performance indicators and financial targets that are thought by the board to be achievable and are acceptable to DFAT as evidenced in the funding agreement between DFAT, the ISP and the National Business Coalition
- Assist National Business Coalition select gender equity corporate development methodologies and tools (i.e. EDGE, WGEA) and adapt to local conditions
- Provide the National Business Coalition with any research and/or marketing material to help recruit sponsors/members.

Following establishment of the National Business Coalitions, the Coordinator will:

- Assist National Coalition Boards, CEO or staff members as requested
- Keep NC up to date with latest research and gender equality issues
- Provide NC with up to date marketing materials to help with recruitment
- Coordinate activities between the RC and the NCs
- Monitor performance of the NC

QUALIFICATIONS AND EXPERIENCE

- Extensive networks into the private sector in home country
- A track record in driving reform and change in business practices
- Ability to engage and influence senior level business leaders
- Knowledge and experience working in gender equality and women’s economic empowerment
- Effective management and coordination skills

ANNEX 8: POSITION DESCRIPTION

IMPACTING INVESTING PARTNERSHIP DIRECTOR

Position: Impact Investing Partnership Director

Job Level and Professional Description Classification: ARF D4

Location: TBD

Reporting to: CEO

PURPOSE OF ROLE:

The Impact Investing Partnership Director will develop and manage engagement between Investing in Women (on behalf of the Australian Government) and Partner Impact Investors (including by establishing and monitoring Investment Guarantee agreements) in order to grow women's SME throughout the region. The Director will also build the business case for, and promote the growth of, social impact investments to women's SMEs throughout the region.

PRIMARY RESPONSIBILITIES

The Impact Investing Partnership Director is responsible for:

- Develop Investment Guarantee agreements with the identified Partner Impact Investors, ensuring due diligence is complete and stated criteria for Impact Investors are met
- Oversee the agreements on an ongoing basis to ensure continued application of investment guarantees for their intended purpose
- Work with Partner Impact Investors to collect data and mine the information and knowledge from the Investment Guarantee portfolio of investments, for use in building the business case for investments in women's SMEs and to promote impact investing in the region.
- Contribute to the Investing in Women, and the global and regional knowledge base on women's economic empowerment
- Identify and build relationships with new impact investing houses in the region with a view to establishing new investment guarantee agreements
- As the impact investing community grows, explore and develop new approaches to identifying Partner Impact Investors, potentially introducing a competitive funding round
- Write and oversee the production of communications pieces for stakeholders and for public consumption

QUALIFICATIONS AND EXPERIENCE

- At least 10 years' experience in investment portfolio management, preferably with an impact investor
- Understanding of the barriers to growth women's SMEs face and the solutions that impact investing can offer
- Ability to operate successfully and build relationships with entrepreneurs, investors, donors and multi-lateral institutions, and other strategic
- Research or knowledge building experience plus sound quantitative analysis abilities
- Ability to proactively engage and influence, the regional and global impact investing eco-system
- Ability to translate complexity into concise, intuitive communication
- Effective management and coordination skills
- Knowledge and experience working in gender equality and women's economic empowerment is preferred

ANNEX 9: POSITION DESCRIPTION

GENDER SPECIALIST, GOVERNMENT PARTNERSHIPS

Position Title: Gender Specialist, Government Partnerships (Component 3)

Job Level and Professional Description Classification: ARF D4

Location: Regional Investing in Women Office (TBD)

Reporting to: CEO

PURPOSE OF ROLE:

The Gender Specialist will deliver high quality technical advice to Australian Government economic and trade-related work in target countries to support achievement of the gender and aid for trade development targets. The Gender Specialist will draw upon a network of specialists to assist Australian Government (particularly DFAT) personnel and Australian aid programs, to understand and see gender within the economic and trade sectors, and to develop and implement strategies that will address women's economic empowerment within their existing portfolio of work. The purpose explicitly acknowledges that many people working in the economic and trade-related sectors are "blind" to gender issues and/or lack knowledge and skills in finding solutions.

PRIMARY RESPONSIBILITIES

- Build relationships with, and win the confidence of, Australian Embassy personnel involved in economic and trade-related diplomacy and programming (particularly DFAT), with a view to assisting personnel to understand and see the gender aspects of their portfolio, and identify and implement ways to address gender and women's economic empowerment.
- Work alongside Australian Government personnel and their contracted aid program personnel to identify how economic and trade related initiatives can ensure women and men benefit equally and promote gender equality and women's economic empowerment.
- Proactively support Posts and bilateral programs to identify and develop specific regulatory reform initiatives that promote gender equality and women's economic empowerment.
- Organise for appropriate and high quality technical support to Australian Government personnel and programs in order to implement planned interventions / activities.

QUALIFICATIONS AND EXPERIENCE

- Advanced degree in gender and development, social science, economics, finance, or related field
- At least 15 years' experience working in women's economic empowerment
- Extensive knowledge and skills in gender and sectors of trade, finance, economics, SME development
- Strong relationship-building, networking, and representational experience.

ANNEX 10: POSITION DESCRIPTION

GENDER ADVOCACY SPECIALIST

Position: Gender Advocacy Specialist, Advocacy Platform

Job Level and Professional Description Classification: ARF D4

Location: Regional Investing in Women Office (TBD)

Reporting to: CEO

PURPOSE OF ROLE

The Gender Advocacy Specialist will lead work under component four of the Investing in Women Program: the Advocacy Platform, including by convening advocacy work that supports broad-based transformation of gendered norms and institutions that (consciously or unconsciously) undermine women's empowerment. The Specialist will also support Australian diplomatic efforts and relationships that promote women's economic empowerment.

PRIMARY RESPONSIBILITIES

- Support development of advocacy strategy; engagement with networks, research institutes, advocacy groups, women's rights organisations; input into/ quality assure knowledge products
- Convene groups of influential people and institutions in ways that encourage them to create and/or promote change within their spheres and influence.
- Develop and seek financial support for public campaigns that aim to open up the dialogue regarding women's economic empowerment issues, particularly the gendered division of labour, wage equality, and the double-burden of waged and domestic duties.
- Look to examples of successful advocacy and campaign strategies from around the world (including those that have emerged in the region), with a view to supporting such efforts to grow, forming linkages, disseminating good practice approaches to like-minded groups.
- Manage the research program, contribute to knowledge building across the program, and draw from the evidence generated from other components and externally, particularly in relation to the business case for investing in women.
- Utilise evidence to support advocacy and campaigning strategies.
- Work together with the Business Coalitions to support implementation of gender equity work place strategies in cooperation with the National Business Coalitions (Component 1) and to design and implement national level campaigns.

QUALIFICATIONS AND EXPERIENCE

- Advanced degree in social science, economics, finance, or related field
- At least 15 years' experience working in women's economic empowerment
- Extensive knowledge and skills in gender and sectors of trade, finance, economics, SME development
- Experience in gender-focused advocacy, campaigning or policy development, and
- Well-developed networks across civil society, private sector and governments across the region
- Strong relationship-building, networking, and representational experience.

ANNEX 11: MONITORING, EVALUATION AND LEARNING (MEL) UNIT

TERMS OF REFERENCE

BACKGROUND

The Investing in Women Program is an initiative funded by the Department of Foreign Affairs and Trade (DFAT), Australian aid program. It aims to contribute to women's economic empowerment in South East Asia with the understanding that this will, in turn contribute to continued inclusive economic growth. This will be achieved by:

- Working with business leaders in select South East Asian countries to promote better gender equality in their workplaces
- Working with regional impact investors to develop, test and market new gender lens social impact investments in key countries
- Support DFAT staff and other DFAT programs to work with national and regional policy makers and regulators to remove key barriers to women's economic advancement
- Working at a regional/multi-country level to build awareness and understanding of the importance of women's economic empowerment and build demand for the products and services being produced by the Investing in Women initiative.

The overall goal of Investing in Women is to contribute to women's economic empowerment in South East Asia with the understanding that this will, in turn contribute to continued inclusive economic growth in South East Asia. This builds on the premise that 'continued growth depends upon harnessing all resources available'. Investing in Women intends to do this by achieving the following four end of investment outcomes:

1. More businesses achieve gender equity in their workplaces
2. Investment in women SMEs has increased
3. National policy makers and regulators remove barriers to women's economic empowerment
4. Public attitudes are supportive of women's economic empowerment.

PURPOSE OF THE MEL FRAMEWORK

The MEL framework will guide the monitoring, evaluation and learning activities for the Investing in Women ISP, and will respond to the information needs of the Investing in Women ISP and its partners (e.g. business coalitions and impact investors) and DFAT. In addition, it will contribute to the regional and global body of evidence that seeks to identify and quantify the economic benefits of women's economic empowerment.

The purpose of the MEL framework is three fold:

5. To **support the management** of Investing in Women to track progress; inform decision-making; support continuous improvement and inform knowledge products.
6. To **enable accountability** to the Australian public and the Department (DFAT), specifically reporting against the Aid policy, on how the funding was invested and what it achieved.
7. To **learn** from Investing in Women to improve and to inform future investments, specifically to better understand how to effectively work with the private sector.
8. The **build and share evidence and knowledge** across a wider range of targeted and public audiences including, but not limited to: Business Coalitions; Impact Investors; Australian Government personnel and initiatives in the region; to inform advocacy strategies; others.

PRINCIPLES

The following principles inform the way in which the MEL activities should be planned and delivered:

7. Gender sensitive: to enable data to be collected, analysed and reported disaggregated by gender and for all MEL activities to be delivered in a gender sensitive way. This means recognizing the power dynamics, enabling participation of women and ensuring that women are not adversely affected by taking part in the MEL activities.
8. Adaptability and flexibility: to manage for current funding insecurity and the potential for multiple funders; the need to work politically and opportunistically that gives rise to new and emergent directions; and to cater for the innovative nature of Investing in Women.
9. Light management touch: reducing the amount of new work created for DFAT staff at posts and in Canberra, protecting funds for activities and investments, and meeting private sector expectations.
10. Learning focused: ensuring that M&E contributes to broad-based learning both within Investing in Women program and beyond.

KEY EVALUATION QUESTIONS

The key evaluation questions (KEQ) which will guide the MEL activities align with DFAT's evaluation criteria, specifically the effectiveness (KEQ1 and 2), impact (KEQ2), sustainability (KEQ3) and efficiency (KEQ4 and 5) criteria. The gender criterion is addressed across all KEQs. The KEQs and sub evaluation questions are:

1. How effective is our contribution to women's economic empowerment in the region?
2. What relevant changes have occurred nationally and regionally, did we contribute to these?
3. What is the likely legacy of our work and sustainability of the benefits?
4. How well are we working with the private sector towards women's economic empowerment in South East Asia?
5. How well are our management and governance arrangements supporting performance?

MEL OUTPUTS

The MEL activities are expected to produce the following outputs:

- A MEL framework, including plans for each component and for each business coalition
- Three to four quantitative indicators, to provide a snapshot of the initiative's performance against the Australian aid program, and to report on the reach of the initiative. Possible indicators include:
 - Total funds in Australian dollars leveraged from the private sector through IWIs activities in each operational year.
 - Number of people reached (disaggregated by country, gender, component and activity)
 - Number of women reached (disaggregated by country, component and activity)
- A results framework to track the initiative's performance and that provides for snapshots, stories of success, and dashboards (and potentially other tools). The results framework should include but not be limited to the above indicators and enable tracking of reporting on performance at both the component and initiative level.
- Annual reports for each component and at the initiative level against the relevant KEQs and sub-evaluation questions.
- Data, results and findings to inform the development of tailored knowledge products.

- Fora for building and sharing knowledge for learning including for the Investing in Women ISP, its partners and stakeholders (such as Business Coalitions and Impact Investors, and DFAT).
- Robust evidence based knowledge products for either targeted or broad based consumption, including contribution to convincing advocacy and awareness raising campaigns.
- Knowledge and evidence that has been fed forward to the Investing in Women ISP team across all components.
- Identification of knowledge gaps and research activities to fill those gaps.
- Contribution to the regional (and by extension the global) business case for investing in women.

EXPERTISE REQUIRED

The MEL Unit will require a broad set of skills to design and manage a complex MEL framework, knowledge building and the communications this includes. The MEL Unit may contain, or may need to contract, a range of differently skilled actors, potentially from private companies and/or research organisations and/or evaluation institutes, knowledge management and communication specialists, at local or international level.

MANAGEMENT EXPERTISE

Strong understanding and demonstrated experience of:

- designing and undertaking large and complex MEL and evaluations, at initiative level with expertise of rigorous impact evaluations at intervention level; using mixed methods approaches that meet recognised standards for credibility and rigour;
- Understanding of and experience in MEL for gender equality;
- stakeholders management skills and ability to work flexibly with DFAT, private sector entities; demonstrated ability to manage sensitive relationships tactfully and productively;
- communication skills - strategic awareness raising and knowledge building, as well as able to communicate complex studies and findings in an accessible way for non-technical people;
- using evaluations as a tool for lesson-learning, advocacy and knowledge building;
- research skills; and
- Knowledge management expertise.

EVALUATION EXPERTISE

Strong understanding and demonstrated experience of:

- The strengths and limitations of different designs and how to interpret and present findings accurately to both researchers and non-researchers;
- Various quantitative and qualitative evaluation methodologies for demonstrating impact; effectiveness and efficiency; and
- Undertaking leveraged funds analysis of complex multi-level initiatives, combining quantitative and qualitative techniques.

SECTORAL EXPERTISE

The MEL Unit will need to include the following a team of people with the following strong understanding and demonstrated experience of:

- Women's economic empowerment issues and constraints, including in the region
- Working with private sector companies and actors
- Impact Investing or similar
- Complex MEL Frameworks
- Communications
- Knowledge Management
- Research requirements and how research can assist in achieving in the objectives
- MEL and Knowledge building for social change and/or knowledge to policy
- Communications for social change, advocacy, sector-wide learning (including for the private sector), and internal learning and decision making.

ANNEX 12: RISK MATRIX OUTLINE

Note: This Risk Matrix is a light on details and should be considered an outline only. A full risk matrix will be required by the contractor during inception.

Risk	Risk Rating			Proposed Treatments	Responsible Entity(ies)	Residual Risk Rating
	Impact	Likelihood	Rating			
External risks						
The investment climate in target countries is such that Impact Investors cannot be attracted to do business even with the incentives.	Major	Unlikely	High	Close monitoring of economic conditions; partners to have risk management plans; diversified partnerships and investments; work closely with potential investors to ensure the incentives are right.	DFAT; ISP	Low
Programmatic risks						
The program does not take account of specific country contexts and therefore the approach fails in countries where tailored approaches are necessary.	Moderate	Possible	High	Consultations and close relationship with Posts; country specific plans and MEL; country level roundtables.	DFAT; ISP	Low
Lack of private sector company interest in joining the National Business Coalitions; Business Coalitions do not grow or attract public attention.	Major	Possible	High	Build on existing interest from international and national companies; use high profile advocates and champions to attract business interest; promote recognition and reward through participation in coalitions.	ISP; Australian Embassies; Board Members	Moderate
Shortage of suitable SMEs ready for investment.	Moderate	Possible	High	Link existing enterprise development programs to Impact Investors; select Impact Investor who has established footprint and network in region; connect with women enterprise networks.	Impact Investor / ISP	Low
High failure rate amongst invested SMEs diminishes loan guarantee fund and damages reputation of program/ DFAT	Major	Unlikely	High	Rigorous risk assessment, selection, skill development and business planning with SMEs prior to investment; ongoing monitoring and provided where required.	ISP / Impact Investor	Low
The Australian Government is publicly criticised by media for working with companies (through the business coalitions) that have a poor environmental (or other) track records, or for poor performing SME (s).	Major	Possible	High	Due diligence on companies; independence of Business Coalitions; clarity of mandate; requirement for commitment to change.	DFAT, ISP; Business Coalition partners	Moderate
Impact Investors unable to attract investment funds	Major	Unlikely	Moderate	Select impact investors with established track record in securing investment funds.	DFAT at onset; ISP in selecting new partners	Low
Program’s impact on investment landscape/ impact investing remains marginal	Major	Unlikely	Moderate	Establish and promote evidence base for gender lens investing; disseminate through an expanding network; connections with regional and global impact investing networks.	ISP/ Impact Investors	Low
Gender TA not utilised by DFAT Posts/ Embassies, gender not given proper treatment in aid for trade investments	Moderate	Likely	High	Senior DFAT Gender Advisor and IWI Advisor engage with Posts at onset of program; build effective relationships to promote change; use evidence to demonstrate gender impacts.	DFAT and ISP	Low

Risk	Risk Rating			Proposed Treatments	Responsible Entity(ies)	Residual Risk Rating
Advocacy platform based at regional office is not connected with national women's rights organisations/ priorities and has little impact at national levels	Moderate	Possible	High	Carry out feasibility study on potential and demand for Advocacy Platform; Ensure ISP has established connections with country-based women's rights groups and other relevant stakeholder groups	DFAT, ISP	Moderate
Program does not attract co-funding in National Business Coalitions or Advocacy Platform	Major	Possible	High	High level engagement and advocacy with partner companies, advocate on business case and benefits to business	ISP	Moderate
Inability to attract suitable CEO and Board members	Major	Possible	High	DFAT help identify and recruit suitable CEO and Board Members; consider exemption to the ARF for key positions	DFAT	Moderate
Program monitoring and reporting requirements do not match private sector expectations, resources	Moderate	Likely	High	Ensure reporting requirements and knowledge products are tailored to private sector partners; Modified reporting formats	ISP, DFAT	Low
Perception that DFAT is aiding profitability of select companies	Moderate	Possible	High	Communications to clearly explain DFAT's policy on private sector development	DFAT supported by ISP	Moderate
The private sector actors are unwilling to provide access to data required for M&E purposes and to dedicate time and other resources to M&E activities.	Moderate	Likely	High	Include in agreements with private sector actors commitment to taking part in and supporting M&E activities; ensure M&E activities do not over-burden partners and is helpful to them.	ISP	Moderate

Risk Matrix Key

Likelihood/Impact	Negligible	Minor	Moderate	Major	Severe
Almost certain	Moderate	Moderate	High	Very High	Very High
Likely	Moderate	Moderate	High	High	Very High
Possible	Low	Moderate	High	High	High
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Moderate	Moderate	High

ANNEX 13: INVESTING IN WOMEN INTERIM PHASE

The Investing in Women Design Team undertook a range of consultations with Australian Government Embassies in the target region, Australian Government programs in the economic, gender and aid for trade sectors, multi-lateral organisations, chambers of commerce, and private sector companies. Although the Design Team made every effort to manage expectations, in undertaking consultations (particularly with private sector companies), enthusiasm and momentum for the Investing in Women Program was generated. It would be beneficial to the reputation of the future Investing in Women Program for this momentum to be maintained through continuous engagement with these stakeholders. In particular, CEOs of some large domestic companies in target countries, and some multi-national companies, have expressed their willingness to commit to the business coalitions. Without follow-up between the design phase and the mobilisation of a managing contractor (expected to be 9-12 months in duration), this enthusiasm may dwindle and there is a risk that private sector stakeholders may lose interest in joining the business coalitions. To mitigate this risk, there will be an Investing in Women Interim phase, from the end of the design process to the mobilisation of the managing contract. The interim phase brings the added benefit of promoting a seamless transition from design through to implementation.

The Investing in Women interim phase will be approximately 9 months in duration. Its purpose is to:

- Maintain momentum with private sector stakeholders, particularly potential business coalition leaders in the time between design consultations and mobilisation of a managing contractor;
- To ensure continuous engagement with stakeholders with the aim of maintaining their confidence in the Investing in Women program;
- To facilitate a smooth and seamless transition from design through to implementation and ensuring ongoing Australian Government engagement and presence in the region regarding this particular investment.

The interim phase does not require significant investment. A relatively small investment can make a large difference in how perception of, and reception to, the Investing in Women program. For example, the Investing in Women design team meet with a number of company CEOs who expressed enthusiasm for the Business Coalitions and are potential inaugural chairpersons of Business Coalitions. These women are generally in very demanding positions, with many demands on their time. Their commitment and enthusiasm is an important resource for the future program but it requires nurturing so that it can be harnessed in the future. Although the design team has conducted some follow-up, ongoing engagement is required.

In addition, the interim phase personnel can continue engagement in key sectors such as gender lens investing, and with impact investment houses in the region. This will support continue engagement in impact investing and enable further work towards development of criteria for agreements with impact investment houses. The interim phase personnel will provide the in-coming managing contractor a solid foundation from which to enter the sector and begin working, saving time and resources during the inception phase.

The interim phase will include a Short Term adviser who has the primary responsibility of engaging with senior private sector actors who are integral to the future business coalitions and to engage in the gender lens investing sector through attendance in seminars and workshops. The person selected for this role should meet the criteria set out in the position description or the Business Coalitions Coordinator. Importantly, this person should have the following skills:

- Extensive networks into the private sector in home country

- Ability to engage and influence senior level business leaders
- Knowledge and experience working in gender equality and women's economic empowerment
- Effective management and coordination skills

The short term adviser will need to travel throughout the region in order to undertake the stakeholder relationship engagement work.

The short term adviser will be supported by a project officer employed on for 1-2 days per week (scaling up and down as needed). The project officer will be responsible for supporting administration, logistics coordination, and other support as required. The following is recommended:

Position	ARF Level	Inputs	Duration
Private Sector Relations Adviser	D4	100 days (approx.)	July 2015 – end April 2016 (10 months)
Program Manager	N/A	60 days (approx.)	July 2015 – end April 2016 (10 months)

The interim phase personnel will be employed on a daily input basis until end of April 2016. This enables a one month handover from the interim personnel to the managing contractor with a handover in the inception phase. A robust handover will include the interim team providing substantial background briefing, and conduct of face to face introductions to key stakeholders for handover of relationships.

The funds required to support the work of a Private Sector Relations Adviser (including travel) plus a project officer, for ten months is AUD \$190,000 for STA salaries and AUD \$60,000 for travel and communications requirements, totalling AUD \$ 250,000.00 for an interim program.