



PROMOTING GENDER  
EQUALITY THROUGH  
PERFORMANCE-BASED  
FINANCIAL INCENTIVES  
AN ANALYSIS OF  
IDB INVEST'S EXPERIENCE

*December 2023*



Blended Finance

**Dalberg**

**we-fi**  
WOMEN ENTREPRENEURS  
FINANCE INITIATIVE

 **IDB** | **Invest**

A photograph of two women in a professional setting. The woman on the left, with curly hair, is wearing a light blue button-down shirt and a watch. The woman on the right, with long dark hair, is wearing a dark blazer over a light top. They are both smiling and looking at a tablet held by the woman on the right. The text 'Table of contents' is overlaid in the center-right of the image.

*Table of*  
**contents**

---

**Acknowledgements** (4)

**Glossary** (7)

**Executive Summary** (8)

**1.** (10)

**Introduction**

**2.** (20)

**Methodology**

**3.** (24)

**Results and Findings**

**4.** (40)

**Recommendations**

**5.** (51)

**Case studies**

**6.** (142)

**Annex**

**7.** (159)

**References**

## *About this report*

---

This report aims to assess the impacts of Performance-Based Incentives (PBIs) within IDB Invest's Blended Finance portfolio, with a focus on gender-related PBIs. Through a qualitative assessment of the portfolio, seven case studies were conducted with IDB Invest clients. The objective was to gain insights into the impact of IDB Invest's PBI and gender-smart Technical Assistance (TA) program on gender equality outcomes. The case studies aim to explore internal and external changes resulting from PBI implementation, understand the design and implementation of the gender incentive and TA, and identify both success drivers and constraints affecting PBI implementation.

## *About* **IDB | Invest**

---

IDB Invest, a member of the Inter-American Development Bank Group, is a multilateral development bank committed to promoting the economic development of its member countries in Latin America and the Caribbean through the private sector.

IDB Invest finances sustainable companies and projects to achieve financial results and maximize economic, social, and environmental development in the region. With a portfolio of \$16.3 billion in assets under management and 394 clients in 25 countries, IDB Invest provides innovative financial solutions and advisory services that meet the needs of its clients in a variety of industries.

## *About* **Dalberg**

---

Dalberg is a strategic advisory firm specialising in addressing pressing global issues. The firm has completed more than 1000 projects in over 90 countries for both public, multilateral and private institutions. Dalberg's work in the finance & investment space spans the spectrum from at-scale capital allocation to end-user financial health.

The Women Entrepreneurs Finance Initiative (We-Fi) supports women entrepreneurs by scaling up access to financial products and services, building capacity, expanding networks, offering mentors, and providing opportunities to link with domestic and global markets. We-Fi provided financial support to produce this study.

## *Acknowledgements*

---

This report was prepared with support and inputs from the following teams:

**Dalberg** Marcos Paya, Kusi Hornberger, Daniela Casas, Alexander Dow, Alexander Raymond, Fabiola Salman and Rachna Saxena.

**IDB | Invest** Patricia Yañez-Pagans, Matthieu Pegon, Galia Rabchinsky Krawetz, Sofia Ahualli, Laura Juliana Giraldo Martinez, Jimena Serrano Pardo, Maria Alejandra Barrientos Chavez, Angeles Barral Verna.

*The opinions expressed in this publication are those of the authors and do not necessarily reflect the views of the Inter-American Development Bank Group, its respective Boards of Directors, or the countries they represent.*

# Glossary

**Basis Points (BPS):** Unit of measurement used in finance to express small percentage changes or differences in interest rates, bond yields, or other financial indicators.

**Behavioral Bias:** Irrational behaviors that unconsciously influence decision-making processes.

**Blended Finance:** Financial strategy or approach that combines public and private sector resources and expertise to address development challenges, achieve sustainable development goals (SDGs), and promote economic growth in emerging markets and developing countries.

**Canadian Climate Fund for the Private Sector in the Americas (C2F):** Initiative aimed to financing private sector climate mitigation and adaptation projects in Latin America and the Caribbean that need concessional financing to become viable projects.

**Diversity, Equity, and Inclusion (DEI):** Interconnected concepts and principles that address various aspects of fairness, representation, and social justice in workplaces and organizations.

**Development Finance Institutions (DFIs):** Specialized development banks or subsidiaries set up to support private sector development in developing countries.

**Engineering, Procurement, and Construction (EPC) contractors:** Company or organization that provides comprehensive services for the design, procurement, and construction of various types of projects, typically in the fields of engineering and construction.

**Imperfect Information:** Situation where individuals or entities do not have access to complete or accurate information about a particular economic transaction, market, or situation.

**Information Asymmetries:** Situations in which one party in a transaction possesses more or better information than the other party. This disparity in information can create an imbalance of power or influence in the transaction, potentially leading to adverse outcomes or inefficiencies.

**Interest rate adjustments:** Changes made to the prevailing interest rate on a financial instrument, such as a loan or bond.

**Market Failures:** Situation when the competitive market mechanism fails to produce results that align with societal goals or when it leads to suboptimal outcomes.

**Market Inertia:** Refers to the tendency of markets, industries, or businesses to resist or be slow in responding to changes, disruptions, or shifts in demand, technology, or competitive forces.

**Performance-based incentives (PBIs):** Transfers of capital or other material rewards from the investor to the investee or employers, provided contingent on improved performance or a particular type of behavior change.

**Performance Grants:** Type of financial assistance or funding mechanism provided by governments, philanthropic organizations, or other grant-making entities to individuals, organizations, or projects based on specific performance criteria or outcomes.

**STEM:** Science, Technology, Engineering, and Mathematics.

**Technical Assistance (TA):** Refers to a range of services, support, and expertise provided to individuals, organizations, or governments to help them address specific technical, operational, or managerial challenges or needs.

**Unconscious Bias:** Automatic and often unintentional attitudes, beliefs, stereotypes, and prejudices that people hold about certain groups, characteristics, or attributes, without being consciously aware of them.

**Women Entrepreneurs Finance Initiative (We-Fi):** Multi-stakeholder partnership and financing mechanism to address the unique challenges faced by women entrepreneurs, particularly in developing countries.

**WEP Tool:** Women's Empowerment Principles Gender Gap Analysis Tool is a business-driven tool designed to help companies from around the world assess gender equality performance across the workplace, marketplace, and community.

**Women-led/owned small-and-medium enterprises (WSMEs):** SME with 51% or more ownership by a woman (or women) and/or has a female Chief Executive Officer/Chief Executive/C Suite Executive/Senior Sales Manager and/or  $\geq 30\%$  of the board of directors are women.

**2X Challenge:** Initiative by the DFIs from the G7 and other countries to mobilize capital for investments that empower women in developing countries.



# Executive Summary

**Despite progress in narrowing gender gaps across the Latin America and the Caribbean (LAC) region, systemic barriers remain<sup>1</sup>.** Gender imbalances persist for women in access to credit, education, and better-rewarded jobs, held back by chronic market failures such as market inertia, asymmetric information, and long-standing behavioral biases<sup>2,3,4</sup>.

**Blended Concessional Finance<sup>5</sup>, in the form of gender-focused performance-based incentives (PBIs) offered to private companies, is a possible model for addressing some of these market failures.** PBIs can include transfers of capital (e.g., a grant) or other material rewards (e.g., an interest rate adjustment, shares transfers to employee's pool) from investor to investee or employees, provided contingent on achieving a set of outcomes.

**This review seeks to establish an initial evidence base on the impacts of PBIs, leaning on a qualitative, non-causal assessment of IDB Invest's portfolio of Blended Finance investments, with a particular focus on a sample of projects that included gender-focused PBIs, and in most cases complementary Technical Assistance (TA).** The analysis anchors on a case study review of

<sup>1</sup> World Bank, *Closing Gender Gaps in Latin America and the Caribbean*, 2020

<sup>2</sup> World Bank, *Gender-Based Employment Segregation: Understanding Causes and Policy Interventions*, 2023

<sup>3</sup> IRENA, *Renewable Energy: A Gender Perspective*, 2019

<sup>4</sup> Inter-American Development Bank, *Leveraging Behavioral Insights for a More Equitable Workplace*, 2019

<sup>5</sup> IDB Invest and partners, *DFI Working Group on Blended Concessional Finance for Private Sector Projects*, 2023



seven IDB Invest clients across a diversity of sectors (energy and infrastructure, corporates and financial institutions), including a variety in gender milestones (some occupational, others educational or operational) and situated in several geographies.

**Findings show that PBI programs were perceived to have increased the likelihood of success in expanding access to finance for Women led-owned Small and Medium Enterprises (WSMEs) and women's employment opportunities.** They also contributed to the achievement of gender targets beyond those initially set, and provided critical justification for resource allocation toward gender programming within client organizations. Incentives also resulted in positive spillovers, like the shifting of internal mindsets, the creation of demonstration effects, and the generation of new networks. Despite the absence of historical benchmarks, targets were perceived to be both achievable and sufficiently ambitious as a result of proper early investment in baselining. Case study interviews also revealed that the implementation of TA alongside the application of incentives built necessary capacity across clients and aligned interests across stakeholders; and that the introduction of flexibility in program design and supervision empowered clients to achieve gender targets.

**Twelve practices stand out for investors to consider in order to enhance the future effectiveness of gender PBI transactions, structured across the investment lifecycle.** These include defining sector-specific impact logics for integrated programming; prioritizing clients with interest in gender programs or in sectors with significant gains when constructing the PBI portfolio; investing early in enhancing benchmark-setting and measurement processes for accuracy, especially building solid baselines; piloting transaction structures that explicitly reward intermediate and ongoing success; deploying TA for all incentivized investees; standardizing measurement and management guidelines for streamlined reporting and evaluation in PBI-specific deals; tracking intermediate progress leading to milestones; creating buffer capacity for investees facing large deviations from targets; encouraging active collaboration beyond the investor-investee relationship to maximize market failure corrections; measuring and aggregating PBI performance data; developing internal learning systems within investee organizations; and strengthening collective PBI learning processes across the Development Finance Institution (DFI) community.

# 1. Introduction

## *The entrenched development challenge of gender inequality in LAC*

**While efforts to address gender equality issues in Latin America and the Caribbean (LAC) have been increasing, systemic barriers persist.** Throughout the region, steps have been taken to narrow gender gaps in primary education, women's life expectancy, and labor force participation<sup>6</sup>. However, LAC still faces difficulties in addressing disparities related to women's ownership of assets, access to sexual and reproductive health services, affordable childcare, and opportunities in higher-paying sectors<sup>7</sup>.

Over the last five years, the gender disparity in account ownership in LAC has narrowed by 2 percentage points<sup>8</sup>. Nevertheless, persistent gaps emerge in saving and borrowing practices: women with accounts are 8 percentage points less inclined to save money than men, while men with accounts are 12 percentage points more likely than their female counterparts to borrow money from formal institutions<sup>9</sup>.

**Additionally, only one-third of Micro, Small, and Medium-sized Enterprises (MSMEs) are owned or led by women, with an associated finance gap of \$98 billion<sup>10</sup>. Despite an increase in female labor force participation in the region, gender imbalances persist in job access, with women typically gaining entry to lower-skilled, lower-paying positions.**

<sup>6</sup> World Bank, *Closing Gender Gaps in Latin America and the Caribbean*, 2020

<sup>7</sup> World Bank, *Closing Gender Gaps in Latin America and the Caribbean*, 2020

<sup>8</sup> World Bank, 'Global Findex Database 2021', 2022

<sup>9</sup> World Bank, 'The Global Findex Database 2021 - Women and Financial Inclusion', 2022

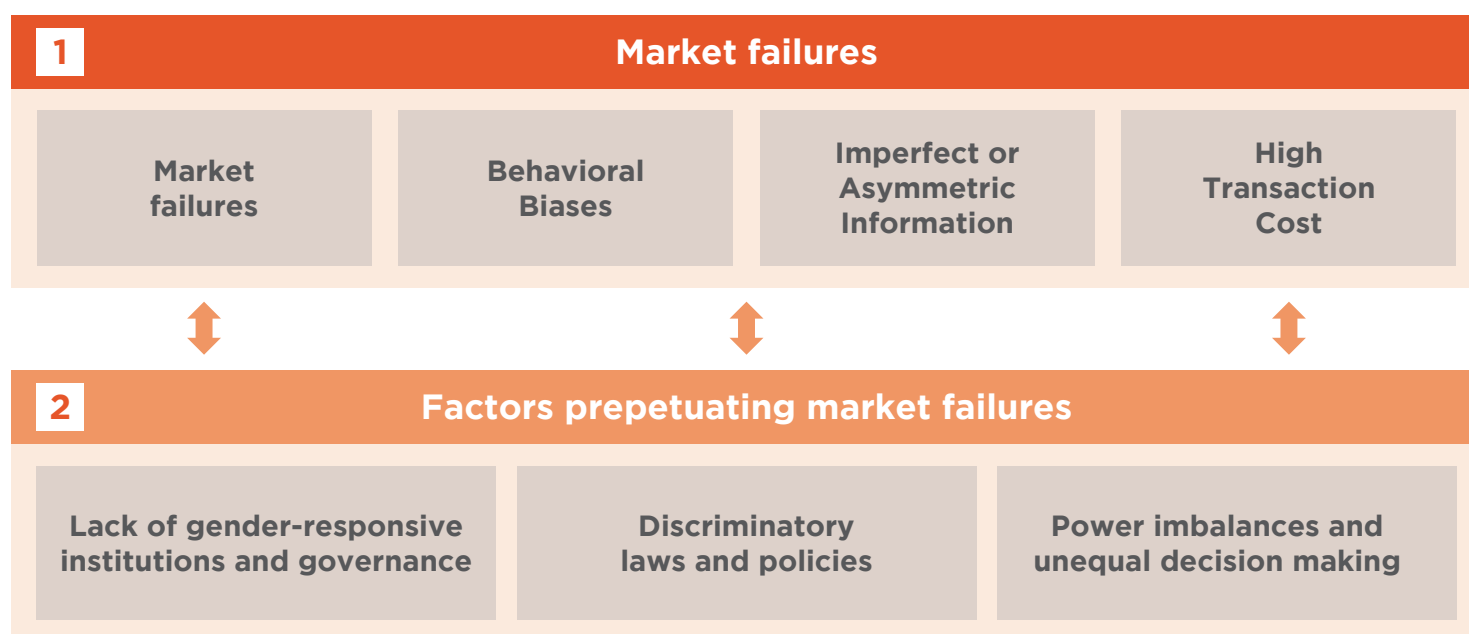
<sup>10</sup> IDB, *The Gig Economy and Financial Inclusion of Women in Latin America*, 2023



Only 36% of women pursue careers in STEM fields, and fewer than 15% of new jobs in the construction and transport sectors are filled by women<sup>11</sup>. Additionally, in the construction sector, the proportion of formally contracted female workers ranges from a mere 1% to 6%<sup>12</sup>.

**A range of pervasive and interconnected market failures continue to exacerbate gender inequalities throughout the LAC region**, occurring when market mechanisms fail to solve for the distinct realities faced by individuals as a result of their gender, which are summarized in *Figure 1* below.

*Figure 1: Key market failures driving gender inequality.*



Source: Dalberg analysis

**Market inertia and behavioral biases prevent women from securing jobs and advancing to higher-level positions in the workplace.** Market inertia<sup>13</sup> is characterized by a resistance to change due to factors such as reluctance to alter behavior or the potential switching costs associated with adapting to new circumstances, along with established market structures. Industry networks, for example, perpetuate recruiting practices from within a small circle of firms and pre-established contractors, often relying on narrow and historically male-dominated pipelines to draw in new talent<sup>14</sup>. Behavioral biases<sup>15</sup>, or irrational behaviors that unconsciously influence decision-making processes, particularly in hiring practices, further exacerbate the problem. For instance, while STEM skills are essential for numerous career paths in the renewable energy sector, prevailing stereotypes about women’s educational paths and abilities, continue to limit their presence in these fields<sup>16</sup>. Biased perceptions result in women earning less than their male counterparts in similar positions and discourage women from applying for the same job openings as men due to the expectation of having to meet more stringent requirements<sup>17</sup>.

<sup>11</sup>IDB Invest, *Towards a Fair, Inclusive Transition: Employing Women in Infrastructure Projects*, 2022

<sup>12</sup>IDB Invest, *Making Women Welcome: The Next Challenge for Renewable Energy Construction Projects*, 2022

<sup>13</sup>World Bank, *Gender-Based Employment Segregation: Understanding Causes and Policy Interventions*, 2023

<sup>14</sup>IRENA, *Renewable Energy: A Gender Perspective*, 2019

<sup>15</sup>Inter-American Development Bank, *Leveraging Behavioral Insights for a More Equitable Workplace*, 2019

<sup>16</sup>IRENA, *Renewable Energy: A Gender Perspective*, 2019

<sup>17</sup>IRENA, *Renewable Energy: A Gender Perspective*, 2019

**Imperfect information and information asymmetries also limit the scale of available opportunities for women.**

Imperfect information, referring to a situation in which parties have access to limited information on a certain subject, can limit the ability of producers, service providers, and users to see the full potential of women-led businesses, as there is a higher perceived risk associated with financing women<sup>18</sup>. For example, financial institutions may not have the systems or capacity to capture gender disaggregated data on loan performance, which limits their ability to calibrate risk accordingly for newer user or product categories, e.g., WSME credit lines<sup>19</sup>. As a result, women may be charged higher interest rates<sup>20</sup> and have historically faced a higher likelihood of being rejected when applying for credit<sup>21</sup>. Existing analysis shows that gender biases in lending to women leaves millions of dollars in foregone profits for banks, even though data shows that women repay as well or even better than men<sup>22</sup>. Information asymmetries, which occur when one party has more information than the other party, limit the ability of market players to tap into the WSME segment and miss out on business opportunities. For example, asymmetries linked to poor information on available employment opportunities in STEM and energy – exacerbated by the fact that this information is distributed through informal channels often not inclusive of women – create barriers for women entering and succeeding in these fields<sup>23</sup>.

**These market failures are perpetuated by a set of deeper root causes, entrenched in the enabling environment for private sector activity.**

A lack of gender-responsive institutions and governance is a major contributor to gender inequality, as even women that can access traditionally male-dominated fields tend to face workplace regulations, norms, and facilities that are not built (and are not required) to accommodate women needs<sup>24</sup>, among which there is the absence of work-family balance policies and the lack of facilities for family-care,

among others<sup>25</sup>. In some sectors, laws and policies are also actively restrictive of female participation, as exemplified by a some regulations that prohibits women from participating in activities with certain types of heavy machinery and that remain actively in place. Moreover, because women are less represented in senior leadership positions, power imbalances and unequal decision making can leave women with more limited networks, worse products and services, and unwelcoming corporate environments<sup>26,27</sup>.

**In tackling gender gaps, investors and companies can unlock opportunities for enhanced profitability, growth, and innovation.**

Gender-diverse teams have shown they can deliver better returns with lower volatility and create stronger markets for products and services that are directed to their needs<sup>28</sup>. An analysis of Calvert Impact Capital's portfolio from over 11 years revealed that greater gender diversity can lead to better financial performance<sup>29</sup> since borrowers with more women in leadership positions yield significant increases in financial performance and had higher returns than those led by men<sup>30</sup>. Moreover, dedicated investments in gender outcomes have shown to improve a company's human capital, market growth, innovation, and other critical business benefits<sup>31</sup>. For example, investing in gender solutions that reduce absenteeism can lead to reduced staffing shortages, reduced overtime, and increased productivity<sup>32</sup>.

<sup>18</sup> IFC, *Closing the Gender Finance Gap Through the Use of Blended Finance*, 2022

<sup>19</sup> IDB Invest, *Advancing Gender Equality with Incentives that Work*, 2022

<sup>20</sup> Alesina et al, 'Do Women Pay More for Credit?', *Journal of the European Economic Association*, 2013

<sup>21</sup> Inter-American Development Bank, *Research Insights: Do Bank Officers Favor Male over Female Loan Applicants?*, 2020

<sup>22</sup> IDB Invest, *Uncovering the Hidden Cost of Gender Biases in Lending to Women*, 2022

<sup>23</sup> IRENA, *Renewable Energy: A Gender Perspective*, 2019

<sup>24</sup> World Bank, *Closing Gender Gaps in Latin America and the Caribbean*, 2020

<sup>25</sup> World Bank, *Closing Gender Gaps in Latin America and the Caribbean*, 2020

<sup>26</sup> Dalberg, *How to Invest in an Inclusive Business Recovery in Latin America*, 2021

<sup>27</sup> ESADE and IDB Invest, *Gender Lens Investing: How finance can accelerate gender equality in Latin America and the Caribbean*, 2019

<sup>28</sup> Dalberg, *Gender Lens Investing: Moving Beyond A Trend*, 2018

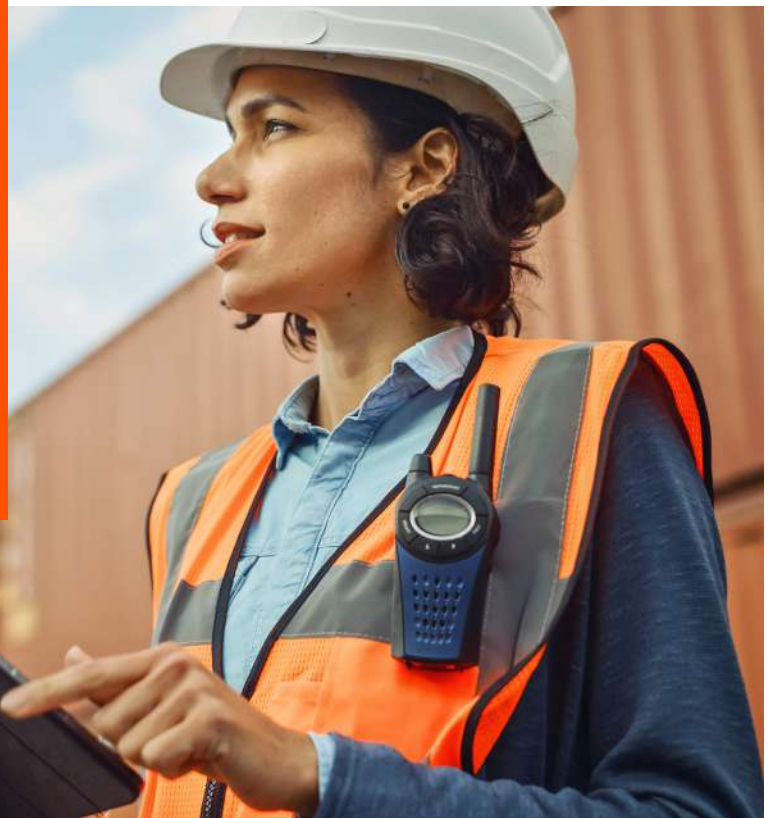
<sup>29</sup> Results are from Calvert's specific portfolio, not about every GLI investment

<sup>30</sup> Calvert Impact, *Just Good Investing: Why gender matters to your portfolio and what you can do about it*, 2018

<sup>31</sup> IFC, *Investing in Women: New evidence for the business case*, 2017

<sup>32</sup> IFC, *Investing in Women: New evidence for the business case*, 2017

## *Blended Finance as a potential solution to systemic gender challenges.*



**Blended Finance is the combination of concessional finance from donors or third parties alongside development finance institutions' (DFIs) own capital and/or commercial finance from other investors, to develop private sector markets, address the Sustainable Development Goals (SDGs), and mobilize private resources<sup>33</sup>.**

This strategy can crowd in private resources and deliver development outcomes, supporting sustainable commercial solutions, reinforcing markets, and promoting quality private sector provision of goods and services. DFIs have used Blended Finance approaches for both direct investments and to support projects or investments indirectly through intermediaries or other financial institutions. Public capital, which may come from governments, development agencies, or philanthropic organizations, is used to rebalance the risk of an investment and make investments more attractive to private investors. The key features of Blended Finance include leveraging concessional funds to

unlock private sector investments, reducing the risks associated with investments in challenging or less financially viable sectors, and mobilizing additional capital for projects that have a positive social or environmental impact. Blended Finance is a potential lever for addressing gender-related market failures like market inertia and asymmetric information. Blended Finance solutions can facilitate the integration of gender objectives, among other development goals, into an existing business case or investment thesis<sup>34</sup>, shifting patterns of behavior through economic incentives or reducing actual or perceived risk. Additionally, they can promote enhanced data collection practices that incorporate gender disaggregation, and, when applied systematically across a portfolio, create new opportunities in investment markets, resulting in expanded market scale<sup>35</sup>. The inclusion of these instruments is particularly relevant in regions like LAC, characterized by persistent gender disparities and market failures that hinder the inclusion of women and the development of transformative solutions to address their unique needs<sup>36</sup>.

<sup>33</sup> IDB Invest and partners, *DFI Working Group on Blended Concessional Finance for Private Sector Projects*, 2023

<sup>34</sup> UNCDF, *Financing Sustainable Women's Economic Empowerment in the LDCs*, 2021

<sup>35</sup> OECD, *Blended Finance for Gender Equality and the Empowerment of Women and Girls*, 2022

<sup>36</sup> World Bank, *Closing Gender Gaps in Latin America and the Caribbean*, 2020

**Blended Finance instruments are gaining traction as tools to tackle gender equality challenges, with more growth expected in the years to come<sup>37,38</sup>.** One quarter of Blended Finance projects worldwide<sup>39</sup> already integrate a gender equality component, though the majority of these have gender as a secondary or partial objective. These projects are reported to be relatively small, with gender-focusing Blended Finance deals averaging only one-third of the average Blended Finance deal value<sup>40</sup>. For LAC, this sum is smaller, with only 14% of gender-related Blended Finance deals having gender as a partial focus and one percent as a principal focus. Still, the sector is expected to experience growth in the upcoming years given the rising number of LAC-focused impact investors and capital mobilizers that have internal gender equality policies and that are incorporating gender goals as a priority within their strategies<sup>41</sup>.

**When embedded into blended deal structures, technical assistance (TA) can also play a relevant role in generating gender-oriented outcomes.** Gender-focused TA initiatives encompass a range of strategies, including the assessment of gender equality performance in the workplace, supply chains, and communities as well as, the implementation of women-centered design of products and services. A 2022 report by the Gender-Smart Enterprise Assistance Research Coalition (G-SEARCH) found that gender-focused TA can contribute to positive business and social outcomes for companies and their stakeholders: 71% of SMEs that received these services reported they increased their pride or loyalty for the company, 67% reported increased knowledge and skills, and 57% reported increased income or job engagement<sup>42</sup>.



## *Performance-based incentives (PBIs) as a Blended Finance mechanism for accelerating gender outcomes<sup>43</sup>.*

**PBIs are transfers of capital or other material rewards from an investor to an investee, provided contingent on improved performance or achieving a particular type of outcome.** According to Consultative Group to Assist the Poor (CGAP), impact-linked finance approaches like PBIs can help investors seize gender opportunities and accelerate gender-specific objectives, encourage accountability and transparency, and foster collaboration among stakeholders<sup>44</sup>. Moreover, incentive-based financing can raise the demand for gender-related technical assistance and education<sup>45</sup>.

<sup>37</sup> OECD, *Blended Finance for Gender Equality and the Empowerment of Women and Girls*, 2022

<sup>38</sup> Chemonics, *Blended Finance for Gender Lens Investing*, 2021

<sup>39</sup> Global estimation based on Convergence's database. Data is collected from i) credible public sources like press releases, ii) data sharing agreements, and iii) validation exercises with Convergence members.

<sup>40</sup> Convergence, *Blended Finance and Gender Equality*, 2018

<sup>41</sup> UN Women, *Gender Impact Investment in the Latin American and Caribbean region*, 2020

<sup>42</sup> G-SEARCH, *Business and Social Outcomes of Gender-Smart Technical Assistance Activities in Small and Medium Enterprises*, 2022

<sup>43</sup> World Bank, *The Global Partnership for Results-Based Approaches, How to close gender gaps with results-based financing in energy projects*, 2020

<sup>44</sup> GCGAP, *Incentivizing Gender Outcomes through Innovative Investment Structures*, 2023

<sup>45</sup> G-SEARCH, *Business and Social Outcomes of Gender-Smart Technical Assistance Activities in Small and Medium Enterprises*, 2022

**PBIs can be set up to address market failures that exacerbate gender inequality, while reducing transaction costs and improving clients' ability to measure and manage impact.**

Through PBIs, Blended Finance providers can seek to reduce imperfect information and information asymmetries related to women's capabilities and participation in key sectors. They can be set up to motivate companies to search more intentionally for women employees, offer career information and networking support for women, and in the case of financial institutions, offer more access to credit to women-led businesses<sup>46</sup>. In targeting specific clients within a broader industry, PBI schemes can aim to create demonstration effects, with investees that push beyond traditional resource constraints, recalibrate traditional risk-return calculations<sup>47</sup> and create a track record of activity that can be replicated by peers. Tying financial results to these programs could force increased coordination across firms, and – especially among senior leadership – align perceptions of the benefits of on-lending to women businesses and their participation in a variety of functions, as a result reducing unconscious bias. Moreover, projects with instruments linked to results typically require an exhaustive monitoring and evaluation system, pushing clients and investors to obtain gender disaggregated data and closely track gender-specific progress in environments that may have been otherwise fundamentally data-scarce.

**In practice, only a handful of attempts stand out in which PBIs have been applied to tackle gender equality issues – and evidence on their impact remains wanting.** For deployers like the International Finance Corporation (IFC), PBIs have proven useful in tackling biases in the financing sector, helping to reduce actual

and perceived risks by providing a cushion of additional resources for clients, tying funding to results, and targeting specific gender-based preconceptions that perpetuate gender gaps<sup>48</sup>. Goldman Sachs and IFC established the Women Entrepreneurs Opportunity Facility (WEOF) in 2014, a global finance facility aimed at supporting women-owned enterprises in developing countries by combining financial incentives with advisory services. Initial findings indicate a 94% increase in the number of female-led businesses receiving loans in IFC investments that had a PBI, compared to 84% without such incentives<sup>49</sup>. Additionally, client banks involved in the program observed a growth of 86% in lending to WSMEs over three years vs. baseline<sup>50</sup>. The European Investment Bank (EIB) also has a gender investing strategy that links funding to specific gender outcomes. Among its projects is the Jasmine Private Market Fund, which aims to achieve a workforce composition with over 60% female employees in the new jobs created by portfolio companies<sup>51</sup>. The Global Partnership for Results-Based Approaches (GPRBA), in collaboration with the World Bank, has undertaken seven initiatives since 2017 incorporating gender-focused PBIs, with results expected soon as projects begin their close-out phase. Publicly available descriptions of these transactions have yet provided no evidence on the effects and benefits for women or girls that participated or were tangentially affected<sup>52</sup>. Related publications have centered on the business case of the transaction or on anecdotal examples on initiative progress, rather than empirical evidence on the impact created<sup>53</sup>.

<sup>46</sup> IDB Invest, *Making Women Welcome: The Next Challenge for Renewable Energy Construction Projects*, 2022

<sup>47</sup> *Impact Alpha, How incentives can successfully steer capital toward impact*, 2022

<sup>48</sup> IFC, *Closing the Gender Finance Gap Through the Use of Blended Finance*, 2022

<sup>49</sup> IFC, *Closing the Gender Finance Gap Through the Use of Blended Finance*, 2022

<sup>50</sup> Goldman Sachs & IFC, *IFC & Goldman Sachs 10,000 Women: Investing in Women's Business Growth*, 2019

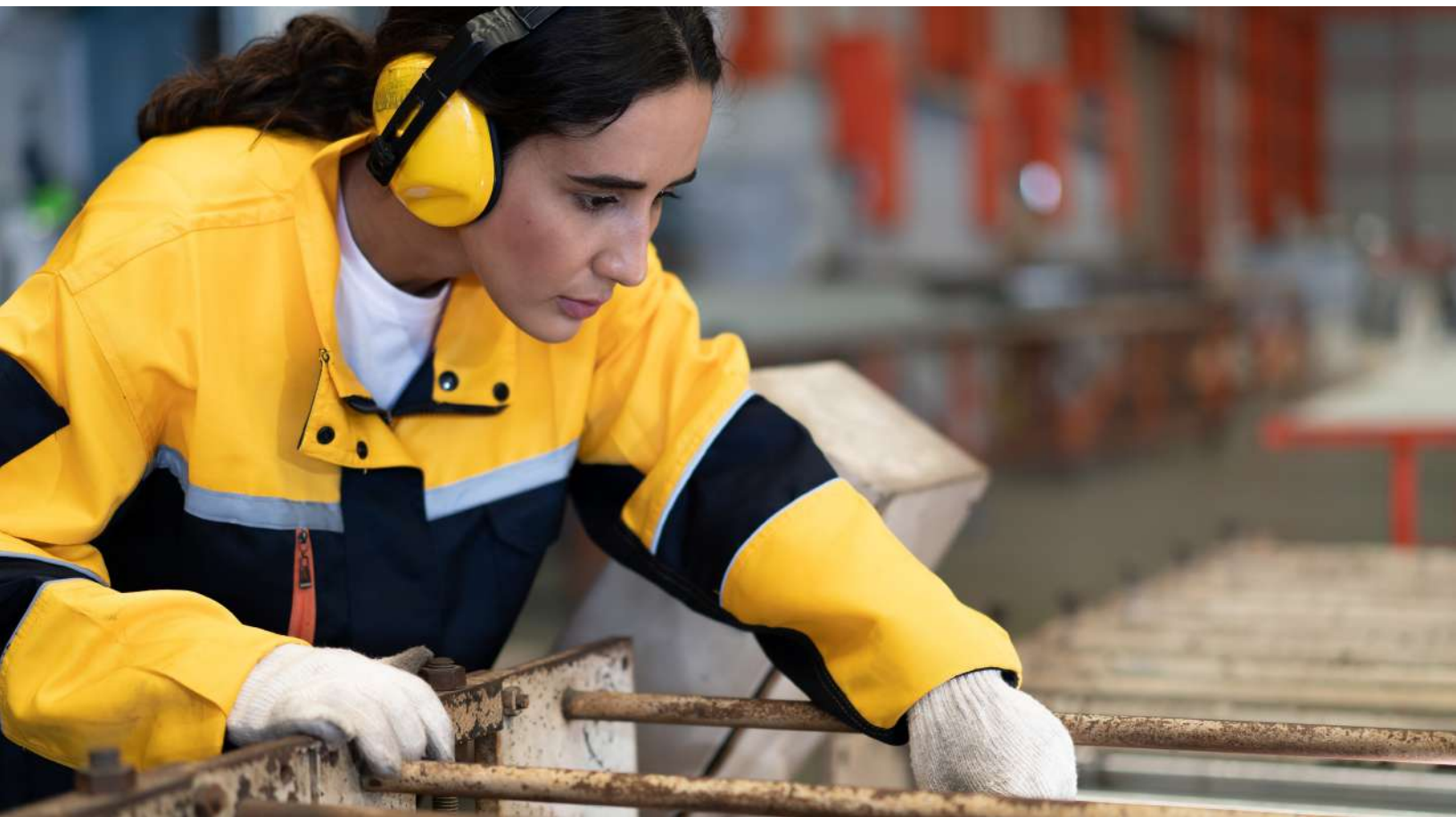
<sup>51</sup> EIB, *Gender Equality and Women's Economic Empowerment*, 2022

<sup>52</sup> *Convergence, Assessing Gender Lens Investing in Blended Finance*, 2020

<sup>53</sup> *Syspans, Research Study on the Transformative Impact of Gender-Lens Investing*, 2021

**Evaluating success in projects that incorporate gender outcomes stands out as particularly difficult given that most implementers have not adopted a systematic approach to monitor and measure the impact of their programs.**

Organizations often fail to structure gender finance products comprehensively and consistently through a strategy design process. This leads to an ad-hoc process for defining gender objectives for each transaction and a set of milestones, targets, and objectives that may have challenges to be tracked and thus difficult to evaluate. Despite the available resources related to gender assessment methodologies like the GEM Framework<sup>54</sup>, ICRW scoring tool<sup>55</sup>, and SWEEF Gender ROI<sup>56</sup>, there is not a single defined guide to measure impact or set of results metrics that help institutions collect gender data and capture gender equality outcomes. While encouraging compared to prior years, only 33% of blended deals in the Convergence database have reported gender-disaggregated data<sup>57</sup>, but as shown in a 2020 report by Investors for Equality, gender-sensitive impact measurement is nascent and poorly standardized<sup>58</sup>. What's more, each transaction depends on the capacities of the implementing organization or company to track results and their own understanding of gender indicators. As highlighted also by the most recent 2X Challenge learnings report<sup>59</sup>, it remains critical for investors, implementers, and investees to align on a learning agenda, agree upon standards for data collection, and elevate best practices.



<sup>54</sup> MEDA, *The GEM Framework*

<sup>55</sup> ICRW, *Gender Scoring Tool*

<sup>56</sup> Convergence, *SWEEF Gender ROI, 2023*

<sup>57</sup> Convergence, *Assessing Gender Lens Investing in Blended Finance, 2020*

<sup>58</sup> Investors for Equality, *Gender Impact Investment in the Latin American and Caribbean Region, 2020*

<sup>59</sup> 2X Challenge and Dalberg, *Shared Insights Report, 2022*



## The role of IDB Invest in advancing PBIs through its Blended Finance portfolio.

---

**As a Blended Concessional Finance allocator and market shaper, IDB Invest has promoted gender equality through blended solutions in LAC.** As the private sector arm of the IDB Group, one of IDB Invest's aims is to accelerate the current rate of progress to achieve gender parity in LAC and empower women, with focused attention on actions that the private sector can take to generate these impacts and on the basis of setting metrics to measure success.

This has played out through a diverse array of networks and relationships with partners like Women Entrepreneurs Finance Initiative (We-Fi), the Canadian Climate Fund for the Private Sector in the Americas (C2F) and the Clean Technology Fund (CTF), who seek to expand gender impacts across industries such as the financial sector, manufacturing, renewable energy, and construction. More recently, with We-Fi, IDB Invest established the WeForLAC program, with the aim of providing targeted knowledge, technical assistance, and capacity building to clients and supporting the integration of gender considerations into their operations and strategies<sup>60</sup>.

**To support gender equality through the design of its Blended Finance transaction structures, IDB Invest began implementing PBIs in 2015.** Projects are selected in line with the DFI Blended Finance Principles<sup>61</sup>, with PBIs designed to encourage clients in the energy and infrastructure, corporate, and financial institution sectors to hire and educate more women in under-represented roles, and to increase access to finance and markets for women entrepreneurs and WSMEs. IDB Invest has offered interest rate reductions or performance grants, underpinned by gender-related performance milestones such as hiring requirements for women employees in construction and energy projects, participation in internship programs, increases in the number of WSMEs that receive loans from financial institutions, and increases in the number and volume of purchases from WSMEs in the supply chain of anchor companies, among others. These milestones are expected to be achieved within a specific timeframe in order to successfully activate the incentive.

**IDB Invest has offered advisory services designed to support client operations, working in close complement to the incorporation of PBIs when a transaction has specific gender outcome achievement incentives.** Support needs are determined based on materiality analyses that indicate pain points and identify opportunities for impact within clients' operations<sup>62</sup>. Activities offered through advisory services include, for example, developing a more inclusive human capital strategy in infrastructure organizations by creating human resource policy recommendations, diversity and inclusion training, and mentoring programs. Additionally, IDB Invest works with financial institutions to uncover potential opportunities and unserved or under-served segments through market research, product and service development, portfolio identification and segmentation, and strategy development. IDB Invest has also helped corporate clients with their value chain strategy, procurement policy, and service contracting recommendations as well as suggestions for the development of more inclusive value chains.

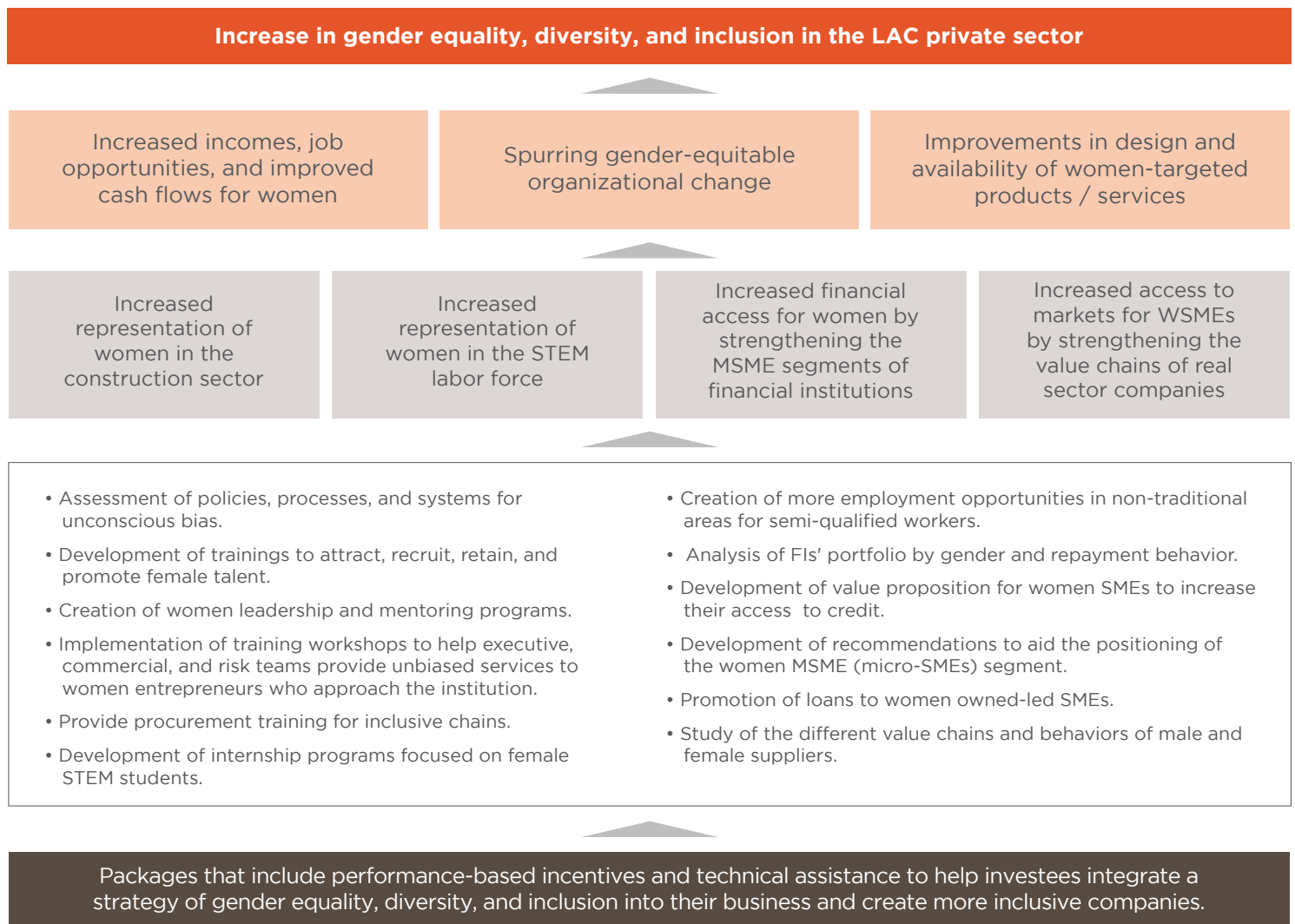
---

<sup>60</sup> IDB Invest, *Gender Lens Investing: How Finance Can Accelerate Gender Equality in Latin America and the Caribbean*, 2019

<sup>61</sup> Development Finance Institutions, *DFI Working Group on Blended Concessional Finance for Private Sector Projects*, 2017 – among which (i) Additionality of the investment; (ii) Crowding-in and Minimum Concessionality; (iii) Commercial Sustainability; (iv) Reinforcing Markets; and (v) Promoting High Standards

<sup>62</sup> IDB Invest is presently in the process of developing a manual to formalize the technical assistance process.

Figure 2: IDB Invest Gender PBI impact theory of change.

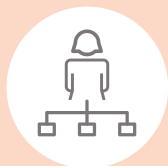


Source: Dalberg analysis

**While IDB Invest has clear expectations for the impact logic of each of its investments, including those that received PBIs, as outlined above, no in-depth assessment had been undertaken up to now on the results achieved by this set of investments, and external evidence is very limited.** Following IDB Invest Impact Management Framework<sup>63</sup>, all projects in the portfolio, including those with PBIs, are supervised on an annual basis and are evaluated after some years of implementation. Despite this, no program evaluation of these initiatives as a whole has been conducted to date by IDB Invest. This is exacerbated by the limited public evidence on the results of gender impact strategies, particularly in LAC. Also, as shown before, the specific evidence of impact for PBI programs, particularly with a gender focus, is very limited worldwide. Given this, the IDB Invest portfolio, which includes some closed and some ongoing PBI projects, provides a unique opportunity to review the potential depth and breadth of impact for a PBI program, complemented with technical assistance, and with a gender focus. This report can help practitioners understand the drivers for continued impact and the main challenges programs such as these could expect to encounter.

<sup>63</sup> IDB Invest, *IDB Invest's Impact Management Framework: Managing a Portfolio for Impact*, 2020.

**This paper gathers learnings on the impacts of both PBIs and the TA applied to PBI programming for gender outcomes by answering three main questions:**



**1. Did the gender program have any reported impacts on gender equality?**

This is evaluated through an assessment of perceived impact by clients and IDB Invest officers. This question is also under assessment through a parallel quantitative analysis which will complement this report, to be published as a technical note at a later date<sup>64</sup>.



**2. Did the gender program achieve impacts beyond what was reported?**

This is evaluated through an analysis of both the intended impacts, the additional perceived direct and indirect impacts, possible knowledge spillovers, creation of networks, changes in behaviors, attitudes, internal capacities, and processes.



**3. What are the drivers behind the successes or constraints of these programs?**

This is evaluated through an assessment of programs' design and implementation approaches, as well as a contextualization of other external factors like cultural barriers, market conditions, and enabling environments that may have played a part in program performance.

Building on the context provided in this section, this report provides: (i) an overview of the methodological process undertaken to develop the analysis; (ii) a summary of the main insights derived from an analysis of IDB Invest's gender Blended Finance portfolio and main results of the undertaken case studies; (iii) recommendations for both IDB Invest and relevant external stakeholders to help improve Blended Finance approaches to advance gender outcomes; and (iv) supplementary annexes, including a set of seven case studies of selected IDB Invest clients that received gender PBIs

<sup>64</sup> This technical note will look specifically at the effectiveness of these instruments of PBI projects against their counterfactuals, using causal impact evaluation techniques



2.

# Methodology



**This evaluation leverages a primarily qualitative approach, combining interviews with IDB Invest officers and case studies with selected client organizations that received a PBI, as well as brief quantitative questionnaires completed by the selected clients as well as IDB Invest Officers.** This approach aims to provide an initial understanding of the program's effectiveness and identify key factors influencing the success or failure of PBI programs. The conclusions reached through this qualitative research should not be understood to be causal in nature.

**The case studies assessed are part of a portfolio of 23 IDB Invest projects that have received support through PBIs aimed at achieving various gender-related objectives,** including operational enhancement, educational initiatives, contracting opportunities, improved access to financing, and market participation. The portfolio includes projects approved from 2015 to the most recent in first half of 2023, and are categorized into three segments: infrastructure and energy, financial institutions, and corporates.

Within the infrastructure and energy sector, these projects were required to fulfill gender-related objectives such as meeting hiring quotas for women in construction and operational roles, providing diversity and inclusion training for employees, offering training opportunities for women to work in their facilities, and implementing gender action plans.

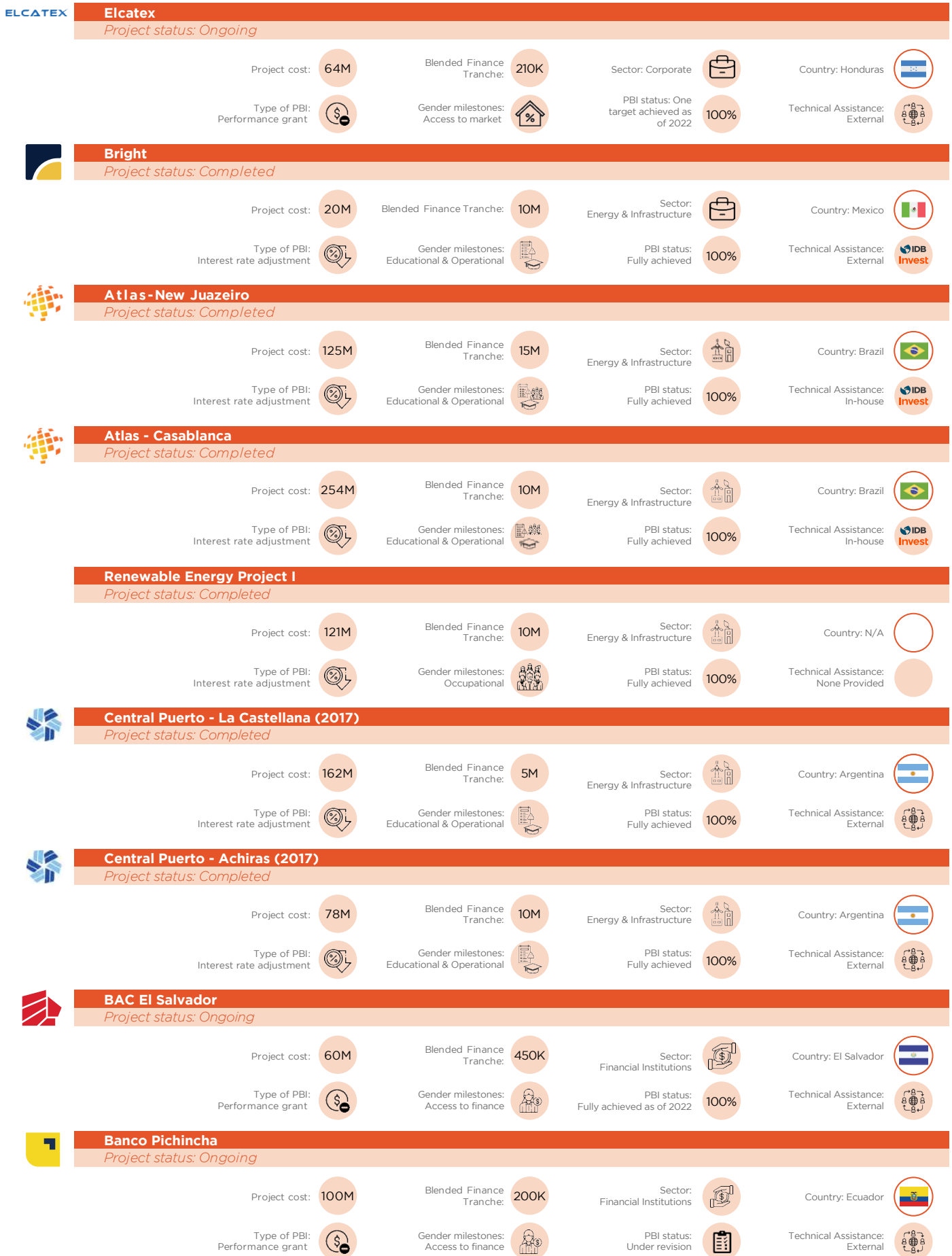
In the financial institutions segment, PBI programs focused on expanding their portfolio of WSMEs, and conducting research to gain insights into this market segment. Lastly, corporate sector projects focused on increasing the number of WSMEs participating in value chains, initiating internship programs for women, and increasing the female workforce within each organization.

**Out of the 23 projects in the gender-focused PBI portfolio, 7 clients comprising 9 projects, were selected to participate in the case studies, following criteria to ensure a correct representation of this portfolio (See Figure 4)<sup>65</sup>.** The mix of projects selected for case studies, combine projects in the three aforementioned segments, as well as variety in gender milestones (some occupational, others educational or operational) and situated in several geographies, spanning Mexico, Central America, the Andean region, Brazil and the Southern Cone. The seven companies chosen for the case studies had final or preliminary results of the PBI program and in most cases included gender-related TA<sup>66</sup>.

<sup>65</sup> One of the clients with PBIs, interviewed for the Case Studies was kept anonymous for the purpose of this report.

<sup>66</sup> There are different types of TAs provided, in-house TA was provided exclusively by IDB Invest, external TA was provided both by IDB Invest and an external contractor.

Figure 3: PBI transactions assessed through case studies of seven IDB Invest clients



Source: IDB Invest Analytics



**In-depth interviews were conducted with these seven organizations and the IDB Invest Officers involved in these transactions to explore the PBI program's depth and breadth of impacts and identify both drivers and constraints for achieving desired outcomes.**

The structured interviews followed a rigorous methodology, ensuring consistency and comparability across projects. To facilitate direct comparability, a short quantitative survey component was integrated into each interview (see Annex VI), which allowed for the systematic collection of quantitative data across client organizations and IDB Invest Officers, for a better assessment of their experiences and outcomes within the program.

# 3.

## Results *and* Findings

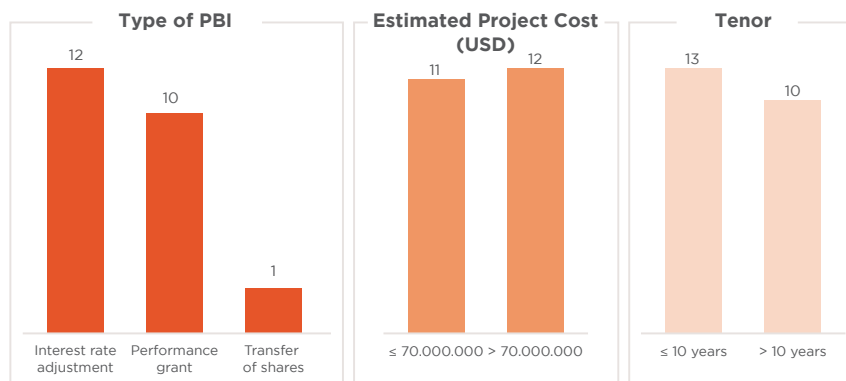
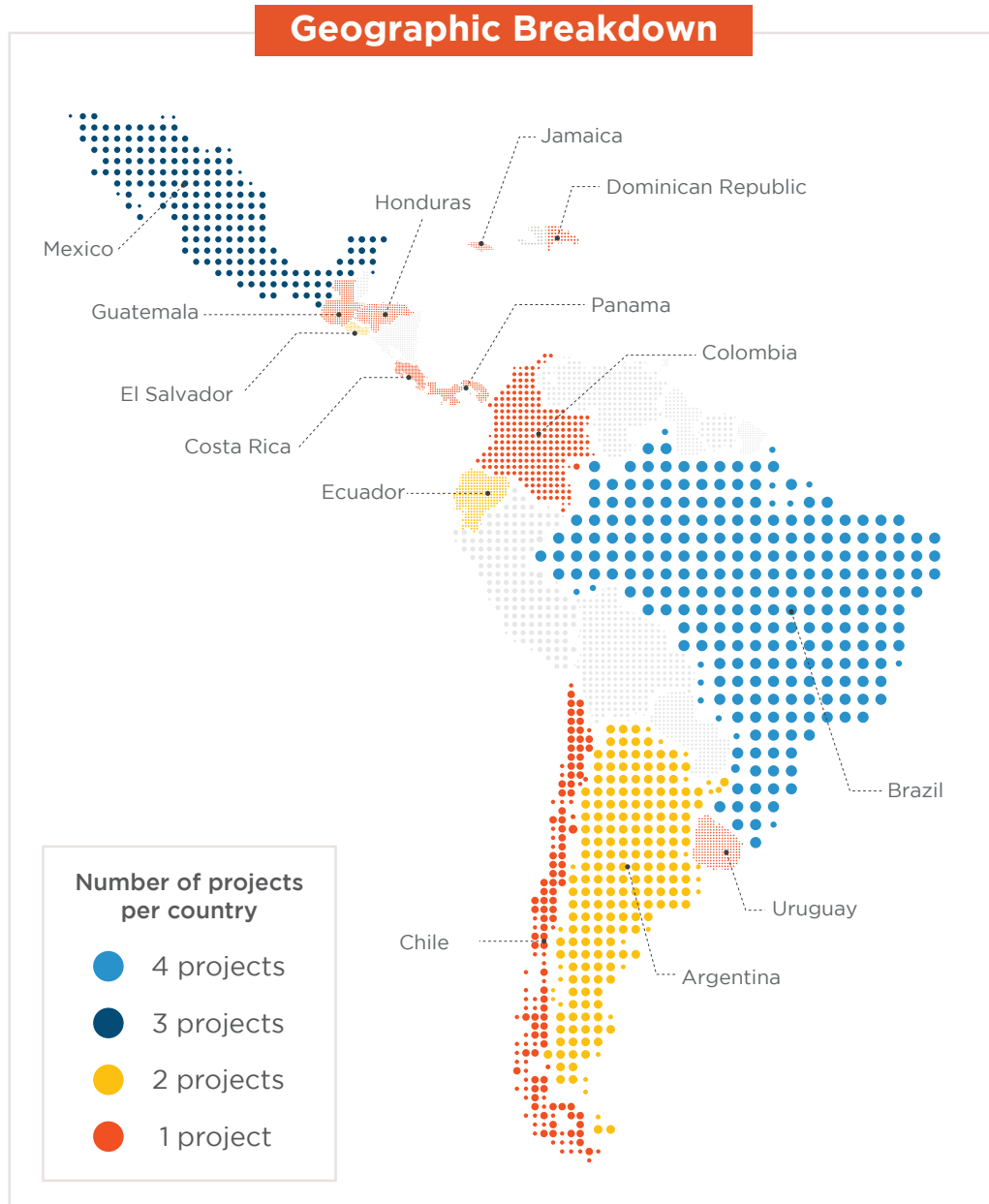
**IDB Invest's PBI portfolio with a gender focus is comprised of 23 projects, which include different types of investments with distinct designs PBIs.**

As shown in Figure 4, the majority of PBIs are made up of interest rate adjustments, followed by performance grants and share transfers to employee's pool (equity), all of these awarded when the predetermined gender objectives are successfully met. In terms of segment, half of the projects belong to infrastructure and energy (52%), followed by financial institutions (35%) and corporates (13%). Clients with PBIs have an average project cost of approximately US\$515 million (median US\$70 million) and are distributed across the region, being Brazil and Mexico the countries with the highest number of projects.



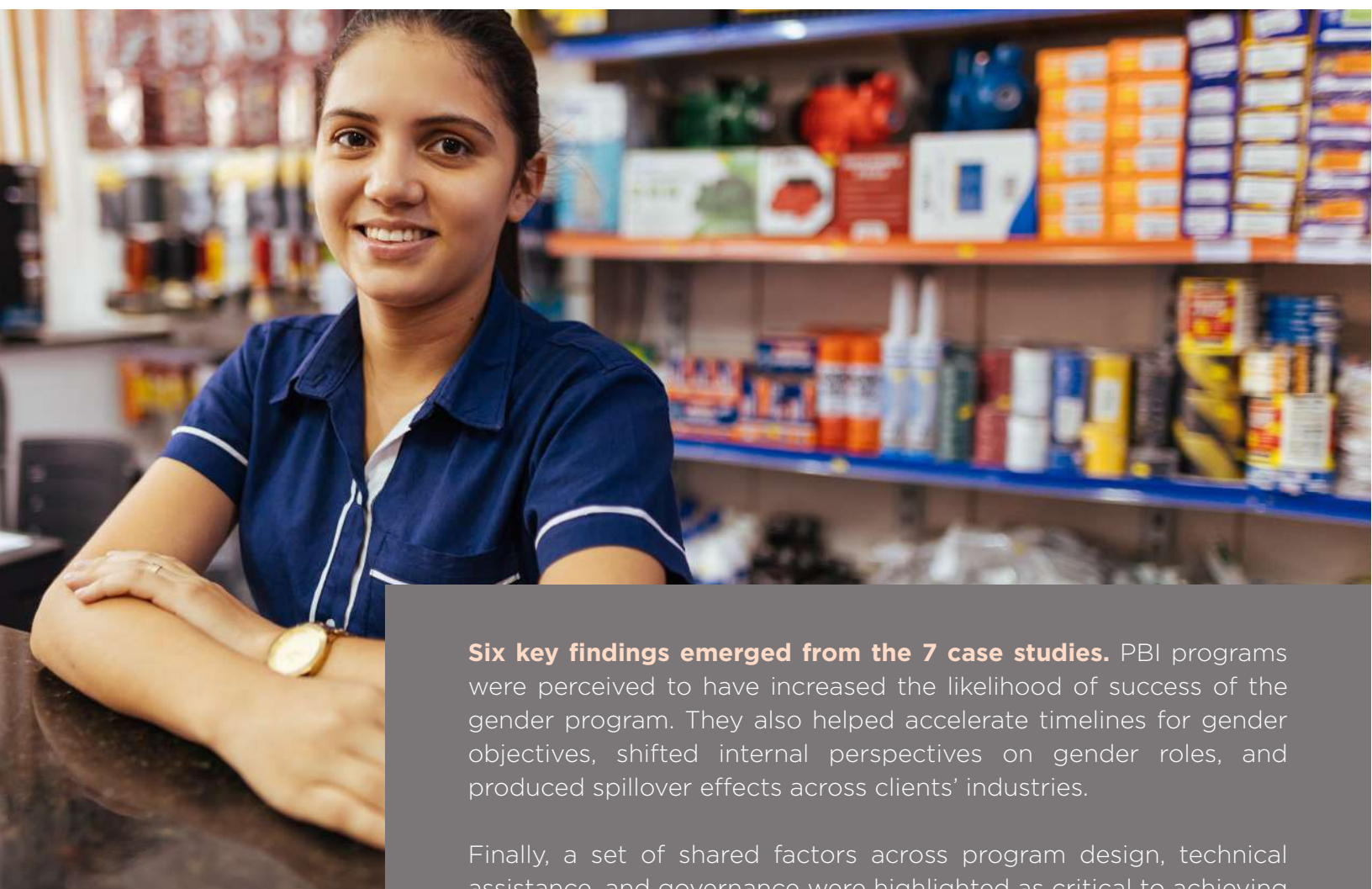


Figure 4: Breakdown of the IDB Invest Gender PBI portfolio



Source: IDB Invest Analytics

**Across the IDB Invest PBI portfolio, projects are at different stages of their execution. For those that are more advanced, the majority have achieved targets set by PBIs.** Only 2 projects have fully matured and have had final evaluations<sup>67</sup>, the rest are still in supervision stage. Of the matured projects, one of the projects fully received its incentives and the other, although reaching its intended targets, did not receive the incentive given that the project was prepaid in advance and went out of IDB Invest portfolio. For the projects in supervision, 8 have already received an incentive, 8 were recently approved and it is still too early to assess their performance, one client has not reported data, and two clients have not been able to reach intended targets. Lastly, two projects are in Special Assets<sup>68</sup>, and one of them has reached its targets and one has not. Detailed information on Gender-focused PBI transactions within IDB Invest Blended Finance portfolio can be found in figures 74 and 75 in the Annex.



**Six key findings emerged from the 7 case studies.** PBI programs were perceived to have increased the likelihood of success of the gender program. They also helped accelerate timelines for gender objectives, shifted internal perspectives on gender roles, and produced spillover effects across clients' industries.

Finally, a set of shared factors across program design, technical assistance, and governance were highlighted as critical to achieving gender outcomes and should help guide future gender programs.

<sup>67</sup> Following Good Practice Standards for Evaluation, IDB Invest conducts a final evaluation on projects that reach Early Operating Maturity, which is a date when the project has been fully completed, the funds have been fully disbursed, and the expected development results should have been observed, if any.

<sup>68</sup> Indicates assets in distressed status - for more information, access IDB INVEST Disclosure Statement Operating Principles for Impact Management, 2023

Figure 5: Overview of findings under each guiding research question



Did the gender program have any reported impacts on gender equality?

**FINDING 1:** Stakeholders involved in PBI transactions believe that incentives played a role in increasing the likelihood of gender program success.

Did the gender program achieve impacts beyond what was reported?

**FINDING 2:** Incentives contributed to the acceleration of timelines, enabled the achievement of targets beyond those initially set, and provided critical justification for resource allocation toward gender programming within client organizations.

**FINDING 3:** Incentives resulted in positive spillovers, like the shifting of internal mindsets, the creation of demonstration effects, and the generation of new networks.

What are the drivers behind the successes or constraints of these programs?

**FINDING 4:** Despite the absence of historical benchmarks, targets were perceived to be both achievable and sufficiently ambitious as a result of proper early investment in setting baselines.

**FINDING 5:** The implementation of technical assistance alongside the application of incentives built necessary capacity across clients and aligned interests across stakeholders.

**FINDING 6:** The introduction of flexibility in program design and supervision empowered clients to achieve gender targets.

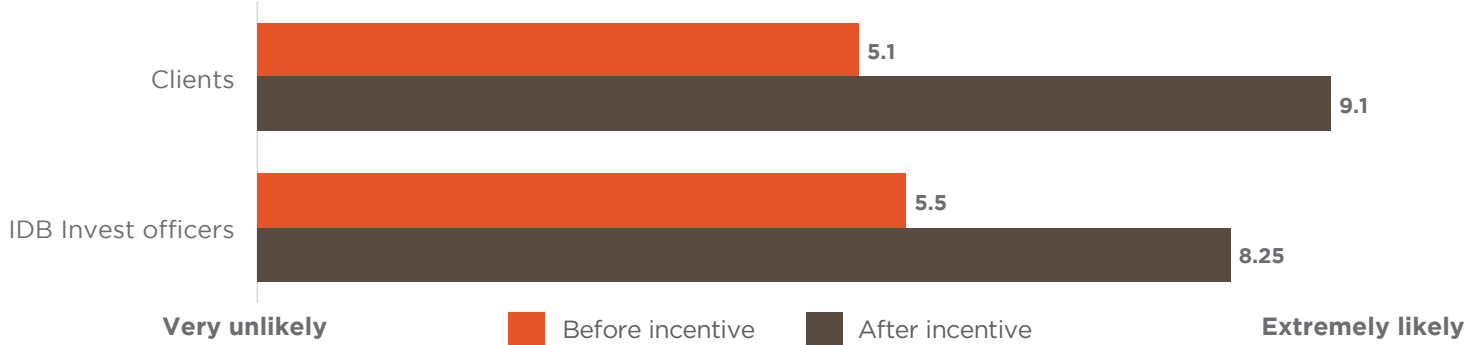
Source: Dalberg analysis



**FINDING 1:**  
 Stakeholders involved in PBI transactions believe that incentives played a role in increasing the likelihood of gender program success

As part of this ex-post assessment, both clients and IDB Invest officers surveyed<sup>69</sup> were asked to rate the perceived likelihood of achieving their gender outcomes before and after the incentive was provided<sup>70</sup>. As shown in Figure 6, results show that before the incentive was provided this likelihood was, on average, 5.1 out of 10; after the incentive was introduced, this average increases to 9.1 out of 10. This growth is also consistent with the internal perceptions of participating IDB Invest officers, who initially rated the likelihood of client organizations achieving their selected gender objectives without the incentive with an average rating of 5.5 out of 10. After the incentive program was introduced, both client organizations and IDB Invest officers reported an increased perceived likelihood of achieving these objectives, with officers increasing their rating to an average of 8.3 out of 10.

Figure 6: Survey results - From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

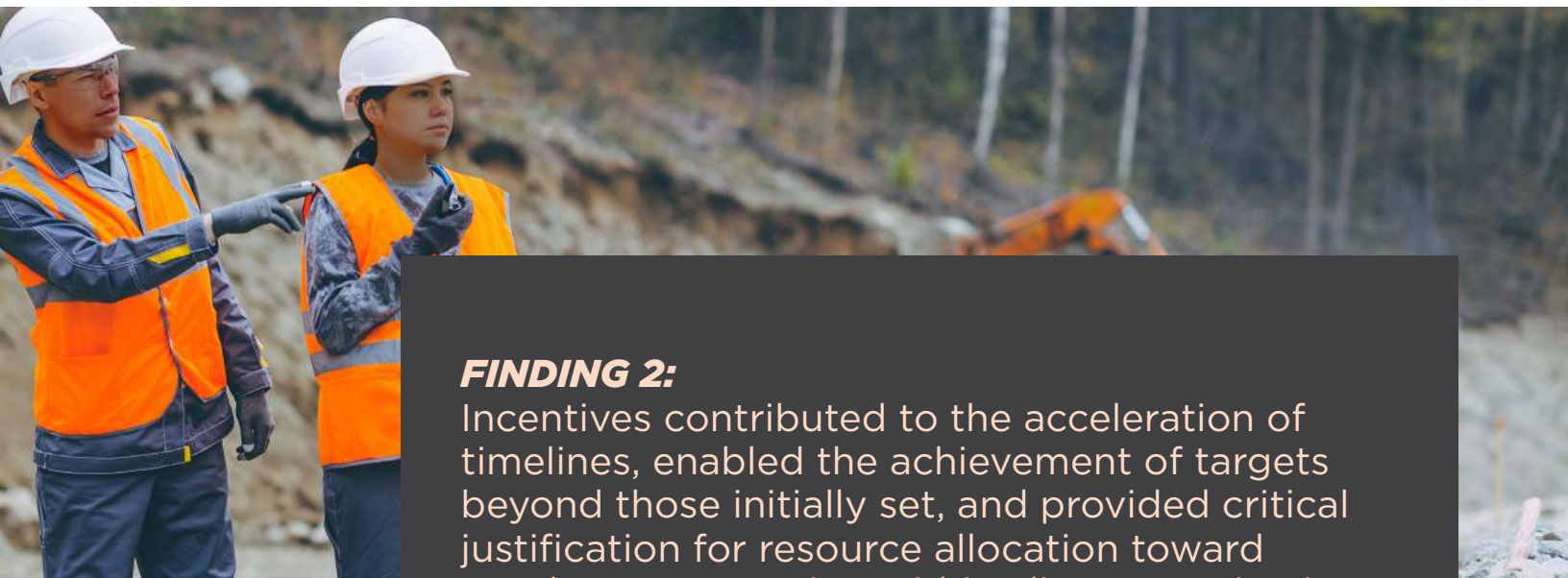


Source: Dalberg Quantitative Assessment

Note: Average score based on the perception of the respondents, on a scale 0 -10, where 0 being very unlikely and 10 being extremely likely

<sup>69</sup> This survey was taken after the incentive program was launched and, in some cases, after the project had been completed.

<sup>70</sup> The likelihood was rated on a scale from 0 to 10, with 0 indicating that the perceived likelihood was very low and 10 indicating a high perceived likelihood.



**FINDING 2:**

Incentives contributed to the acceleration of timelines, enabled the achievement of targets beyond those initially set, and provided critical justification for resource allocation toward gender programming within client organizations

**Interviews with clients indicated that PBIs pushed them to speed up gender plans and encouraged more ambitious target-setting.** All clients interviewed indicated that the incentive was perceived to be “difficult to achieve” as the deal closed. 80% indicated that, without the program, they could have possibly achieved the gender outcomes but it would have required a longer timeline and more resources. Even clients that before the incentive had already started implementing gender programs argued that the incentive pushed them to reach specific milestones sooner than expected. For example, Atlas had previous experience developing and implementing gender action plans and had internal annual gender objectives before participating in the IDB Invest program. Once they started negotiating the gender milestones to obtain the incentive, they felt the targets established by IDB Invest were more ambitious than what they had already planned.

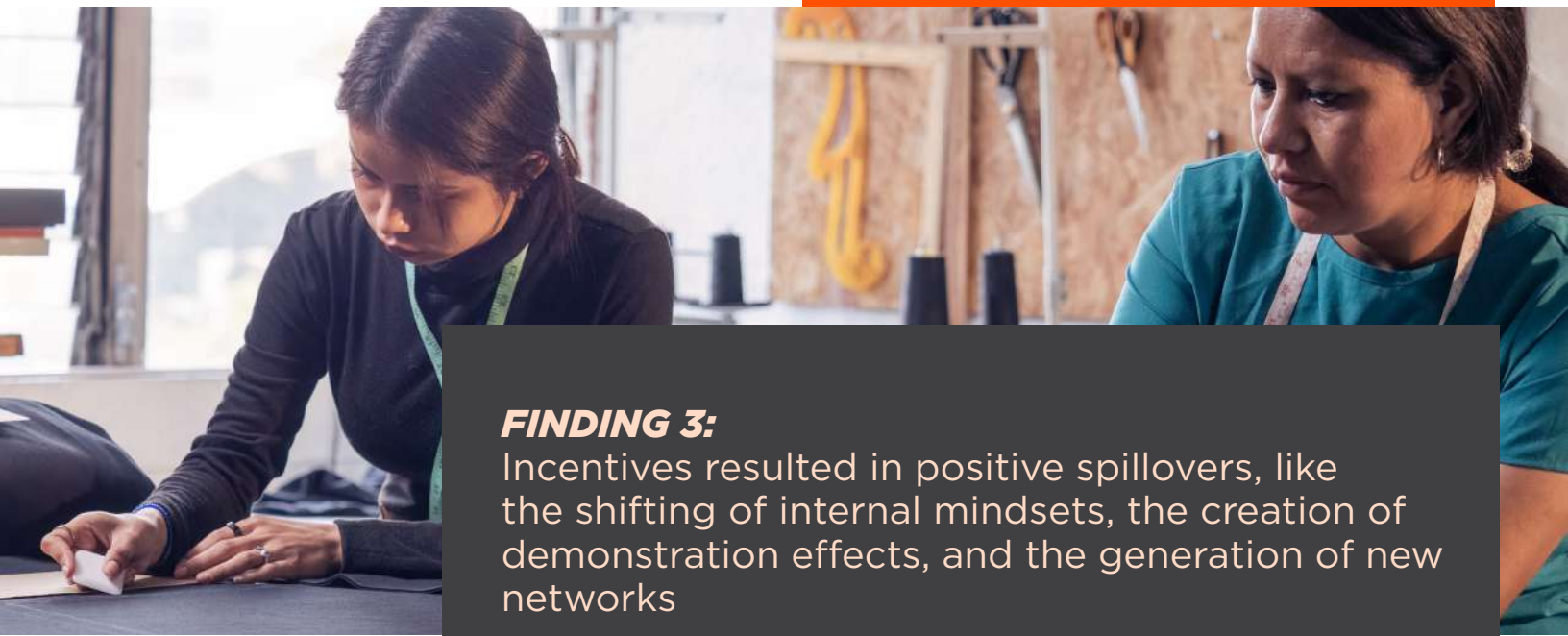
**Incentives also enabled the tracking of gender outcomes and making it possible to implement and monitor additional gender-related indicators beyond those initially set by the incentive.** 40% of interviewed clients highlighted that gender incentives motivated them to create new processes and coordination mechanisms that help drive business and other impact objectives. From the experience of a renewable energy project, even though they were already targeting gender outcomes before the incentive, it pushed them to define and establish a monitoring framework to keep record of the number of women they were training and hiring. Before the PBI they knew they were helping and targeting women but did not track how many women they were benefiting. With the help of IDB Invest’s advisory support, they implemented special procedures to verify the amount and types of work women employees were undertaking.

**Incentives allowed clients to justify the prioritization of incremental internal resources for gender-related work.**

A majority of clients interviewed (80%) indicated that the financial reward of the incentive was particularly important to justify shifting internal funding to gender-related projects (e.g., developing an internship program). These clients also pointed to time and staffing constraints at the beginning of operations that would have been difficult to work around for gender projects had they not received direct financial benefits through the incentive.

“As a startup, we had very limited resources, and as a result the internship program wouldn't have been a top priority if it wasn't for the incentive.”

*- IDB Invest client*



**FINDING 3:**

Incentives resulted in positive spillovers, like the shifting of internal mindsets, the creation of demonstration effects, and the generation of new networks

**Interviews revealed that the incentive program played a significant role in shifting attitudes and influencing behavior beyond the specified targets.**

All the interviewed clients reported seeing spillover effects within their organizations after the implementation of the incentives program. For clients like Bright and Elcatex, who were embarking on the execution of gender objectives for the first time, it was crucial to undertake additional activities beyond those mandated by the incentive to facilitate the achievement of the incentive. For example, Bright established a continuous relationship with various public universities in Mexico which help provide a pipeline of women talent for the company. Meanwhile, for organizations with prior experience in working towards gender objectives, such as Atlas and Pichincha, the incentive program helped amplify their previous efforts or expedite gender-related processes they had already initiated.

**PBI programs created demonstration effects within client firms.**

For instance, following the success of New Juazeiro, Atlas chose to implement the same program across their other projects in the region, even though those projects weren't receiving IDB Invest financing inclusive of a PBI. Similarly, Bright – despite the completion of their contract with IDB Invest and the receipt of the incentive – continues to maintain internship programs geared towards attracting female students pursuing STEM careers. This illustrates that while the incentive plays a crucial role in initially motivating institutions and generating interest in gender-related outcomes, once the program is underway and clients begin to recognize its benefits, gender plans and impact expectations can live on within an organizational identity and mission. Elcatex and another company implementing a renewable energy project, emphasized that their motivation to pursue and sustain gender objectives is not primarily driven by the financial reward accompanying the incentive but rather by the cultural significance they attribute to gender initiatives.

“ We can no longer go back; we can only continue working on inclusion and gender initiatives and improve our gender agenda.”  
 – IDB Invest client

**Figure 7: Additional activities and gender programs developed by IDB Invest clients that participated in PBI transactions**

<b>ATLAS</b>	Created a gender and inclusion committee.
	Created a database with all the CVs of the women they have trained.
	Implemented a DEI committee where they carry workshops related to gender topics.
<b>BAC EL SALVADOR</b>	Promoted the implementation of digital tools to help the financial process of women.
	Created the Corporate Sustainability Headquarters, focused on gender, energy, and climate protection.
	Implemented annual conferences dedicated to empowering women.
<b>BRIGHT</b>	Created relevant networks and job offers for female students pursuing STEM careers.
<b>ELCATEX</b>	Created a gender inclusion program.
	Started tracking gender metrics.
	Created an audit program to supervise their gender metrics.
	Created gender forums dedicated to empowering women.
<b>PICHINCHA</b>	Started promoting a gender lens throughout their value chain.
	Implemented trainings on gender issues.
	Launched the “SER Impulso Mujer” program.
<b>RENEWABLE ENERGY PROJECT I</b>	Offered trainings and courses on construction to women.
<b>LA CASTELLANA Y ACHIRAS</b>	Modified their hiring processes with a gender approach.
	Created a gender committee.

Source: Dalberg client interviews

**PBIs also prompted clients to develop new relationships with the government, civil sector organizations, and educational institutions.** All clients interviewed reached out to external organizations either to support their execution to receive the incentives or to create other initiatives or programs with a gender angle. They consider the involvement of other actors as a key driver of success for achieving the targets, but also an important way to ensure their work was able to transcend the duration of the specific program being implemented. For example, Atlas trained their employees and implemented outreach campaigns to attract more women – made possible thanks to the help they received from secondary schools, technical institutions, and local governments who partnered with Atlas in the effort. Bright and BAC created partnerships with foundations and organizations to carry out new gender programs. Bright allied with REDMERE, a Mexican network for women in sustainable energy to identify possible female intern candidates and help their interns find new job opportunities. BAC is working with Fundes to dictate financial workshops for women.

*Figure 8: Relationships built by IDB Invest clients throughout the incentives program*

PROJECT	ESTABLISHED RELATIONSHIPS
ATLAS	<ul style="list-style-type: none"> <li>Secondary schools</li> <li>Technical institutions</li> <li>EPC Contractors</li> <li>Governmental institutions</li> </ul>
BRIGHT	<ul style="list-style-type: none"> <li>Universities</li> <li>Schools</li> <li>REDMERE</li> </ul>
BAC	<ul style="list-style-type: none"> <li>Fundes</li> </ul>
RENEWABLE ENERGY PROJECT I	<ul style="list-style-type: none"> <li>Labor unions</li> <li>Governmental institutions</li> </ul>
LA CASTELLANA Y ACHIRAS	<ul style="list-style-type: none"> <li>Labor unions</li> <li>Universities</li> <li>Non-profit organization with a social mission</li> </ul>
PICHINCHA	<ul style="list-style-type: none"> <li>Financial Alliance for Women</li> <li>Acción Internacional</li> <li>Red de Instituciones Financieras de Desarrollo</li> </ul>

Source: Dalberg client interviews





Figure 9: Survey results - How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?



Source: Dalberg Quantitative Assessment

Note: Average score based on the perception of the respondents, on a scale 0 -10, where 0 being very unlikely and 10 being extremely likely.

**These alliances also helped create greater awareness about the results of PBIs and gender outcomes across the construction and financial sectors.** Interviewed clients indicated that – since implementing the PBIs – they have anecdotal evidence of other organizations across their countries and sectors starting to develop similar gender programs. One example stands out- after the contract between IDB Invest and a company implementing a renewable energy project ended, the government implemented an identical program, following the same gender targets and funding structure, with other companies in the country. Moreover, Atlas has helped other enterprises in building similar gender programs and establishing agreements with contractors to be able to implement gender targets. In Honduras, Elcatex has reported that other companies have also started implementing inclusion programs to attract more women-led/owned companies to their supply chain and BAC El Salvador has been tracking all their outcomes and internal changes so other BAC subsidiaries in Central America can replicate the program successfully.

“There was another infrastructure project that the government made, and they copied and pasted the same gender targets of the project”  
– IDB Invest client



**FINDING 4:**

Despite the absence of historical benchmarks, targets were perceived to be both achievable and sufficiently ambitious as a result of proper early investment in establishing baselines

**Establishing accurate baselines for gender metrics, particularly for We-Fi clients, played a crucial role in designing effective gender milestones.**

IDB Invest and its clients invested in a rigorous process to set baselines, which facilitated the establishment of specific and realistic targets. This approach not only motivated clients to aim for ambitious goals but also provided confidence in the target-setting process. Interviewed clients appreciated IDB Invest’s ability to offer high-quality technical assistance to allow them to calculate baselines and the credibility it brought from its sector-specific expertise and track record. In the case of BAC El Salvador, IDB Invest’s provision of technical assistance to estimate baselines was instrumental in supporting the implementation of a gender program in the banking sector. The process not only legitimized target setting but communicated their reasonableness and achievability. For Elcatex, IDB Invest conducted a comprehensive diagnosis and investigation into the company’s organization and value chain. Given the company’s strong track record in including women within its organization, IDB Invest prioritized promoting gender equality in its supply chain and targets were set after a thorough assessment of its performance history through disaggregated analysis.

**Figure 10: Survey results - How much would you say that a good incentive design contributed to the project’s achievement of the gender goals?**



Source: Dalberg Quantitative Assessment

Note: Average score based on the perception of the respondents, on a scale 0 -10, where 0 being did not contribute and 10 being contribution was fundamental

**None of the interviewed clients or IDB Invest Officers regarded the established targets as unattainable, rooted in strong coordination across teams and teams' strong pre-existing motivations to achieve gender milestones.**

Clients consistently indicated that successful programs were rooted in the involvement of a broad base of stakeholders within each client organization, including departments that may not have had direct involvement in meeting the incentive's objectives. Clients noted that even areas of each organization that weren't assigned to achieving the incentive still became engaged in PBI programs. This level of involvement was made possible, in part, by pre-existing interests within each institution in addressing gender issues and promoting gender-inclusive practices, which in turn facilitated the implementation and expansion of internal changes. Clients rated the previous willingness of their teams as fundamental to achieving the incentive, perceiving this factor to be a stronger determinant than as perceived by IDB Invest officers.

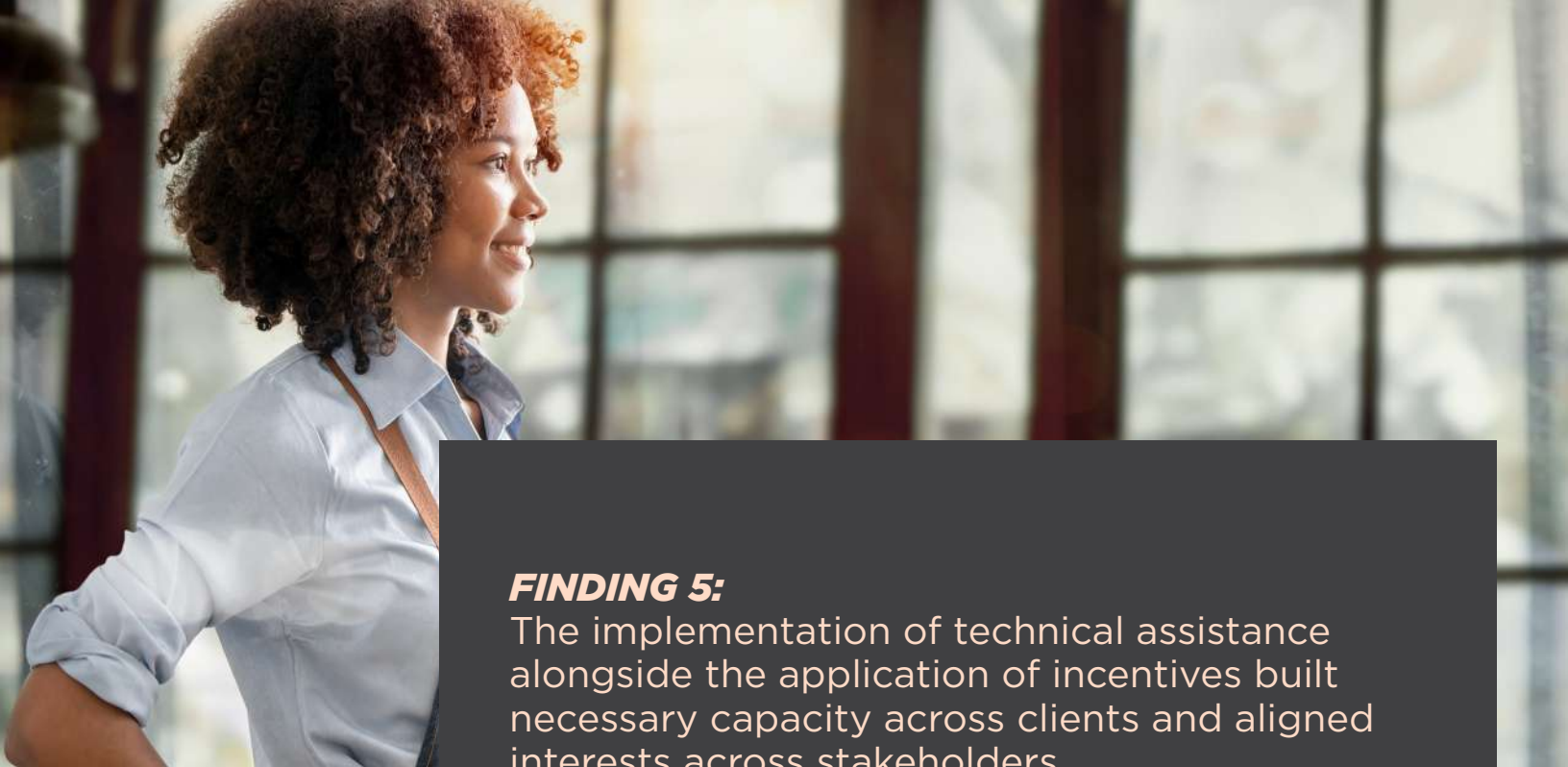


**Figure 11: Survey results - How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?**



Source: Dalberg Quantitative Assessment

Note: Average score based on the perception of the respondents, on a scale 0 -10, where 0 being did not contribute and 10 being contribution was fundamental



**FINDING 5:**  
The implementation of technical assistance alongside the application of incentives built necessary capacity across clients and aligned interests across stakeholders

**Client testimonies underscored the importance of TA in achieving desired outcomes.** Interviewed stakeholders agreed that TA was useful to achieve the established outcomes, with both clients and IDB Invest Officers rating this factor highly. For example, the TA program provided to BAC El Salvador helped spread awareness across teams and employees so they could better establish the financial and impact benefits of the gender program, which consisted on increasing the access to finance for WSMEs.

**Figure 12: Survey results - How much would you say that the quality of the technical assistance provided contributed to the project’s achievement of the gender goals?**

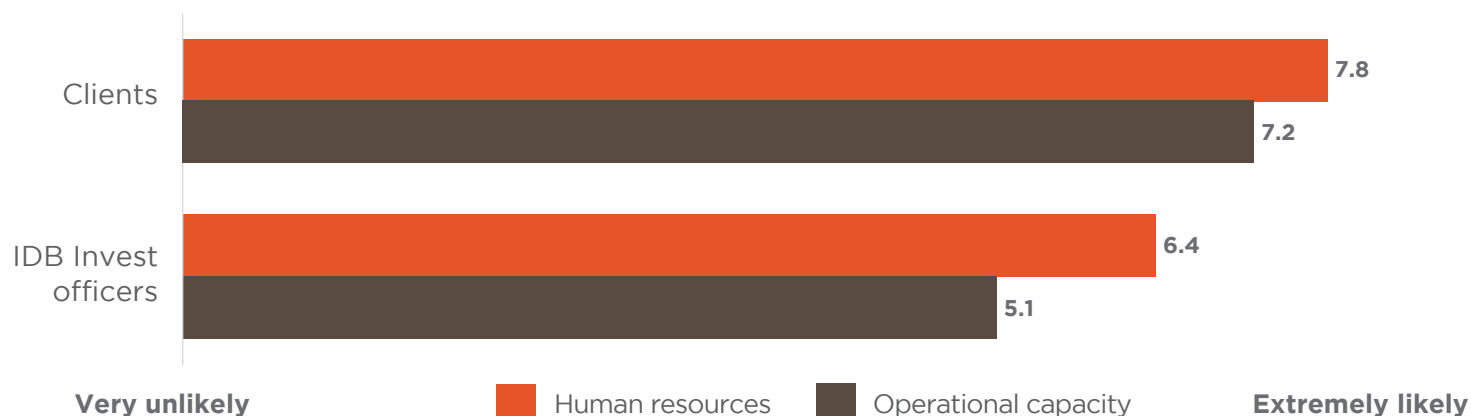


**Source: Dalberg Quantitative Assessment**  
*Note: Average score based on the perception of the respondents, on a scale 0 -10, where 0 being did not contribute and 10 being contribution was fundamental*

**TA was most valued especially for key targeted and sector specific tasks, including providing a gender diagnostic, developing programs that targeted internal gender bias, and creating systems and processes that would enable the achievement of PBIs.** TA was mostly valued at the beginning of projects, particularly when it centered on helping clients with the diagnosis and structuring of a gender

plan, providing helpful insights for the company’s directors and leadership teams on how and why to tackle gender issues. While surveys indicated that clients believed they likely had the necessary human capital to achieve the incentive without the help of TA, they indicated how critical the TA programs were to address important operational capacity gaps to deliver and implement.

**Figure 13: Survey results - How much do you agree with the following statement: “Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives”**



Source: Dalberg Quantitative Assessment

Note: Average score based on the perception of the respondents, on a scale 0 -10, where 0 being very unlikely and 10 being extremely likely.

**Clients highlighted that the TA provided helped shifting attitudes towards women’s participation and capacity, both within client organizations and more broadly in the STEM and construction sectors.** All clients acknowledge that the incentive has played a crucial role in challenging preconceived notions about women’s skills and abilities within their respective scopes of work. Initially, several clients, such as Elcatex and Bright, expressed concerns about the gender metrics established by IDB Invest at the project’s outset, fearing a shortage of women participants. Elcatex believed there weren’t enough WSMEs in Honduras to maintain production levels, while Bright faced challenges in identifying and reaching female students pursuing STEM careers for their internship program in Mexico. However, with the support of the incentive and the TA, all clients have observed changes in biases, perceptions, and behaviors regarding women’s performance and areas of expertise. IDB Invest officers have also noted these transformations based on their experiences working with and supervising clients.

“When you talk to an Elcatex purchasing manager, they tell you that women deliver the products they need faster than men and this is important because they depend on this effectiveness for their contracts.”  
– IDB Invest client

In the finance sector, BAC El Salvador recognized the importance of altering mindsets and educating its employees about the improved payment and savings behavior of women-owned businesses. Thanks to the training provided through the TA, their sales team now utilizes specific tools to attract female clients and develop products tailored to their needs. In the case of infrastructure and energy organizations, the gender plans formulated through TA, at the corporate level, helped EPC contractors change their perspective on hiring women for construction tasks. Previously, it had been considered expensive and challenging to involve women in such projects. However, the assistance offered a means to negotiate with these contractors so they could recognize the added value of incorporating women into their workforce. Overall, the program has effectively empowered women and instigated positive changes, offering valuable lessons for promoting gender equality across various industries.

“**[Our technical assistance provider partner] did a very good job at the beginning of the project because they took a tailored approach with our purchasing department, which helped them make recommendations about incorporating gender objectives.**”

*– IDB Invest client*

“**Thanks to the consulting and focus groups, [BAC] created the program “Mujeres pueden más” to address credit scoring problems, the time that entrepreneurs access credit, and extended the repayment term.**”

*– IDB Invest client*

**TA may produce positive spillover effects that go beyond the accomplishment of transaction-specific milestones.** Thanks to the TA provided, BAC El Salvador now boasts a specialized credit product that targets women business leaders. The work done through the TAs and the achievements were perceived by clients to have potential for gender-specific impacts beyond the duration of the specific transaction.



***FINDING 6:***

The introduction of flexibility in program design and supervision empowered clients to achieve gender targets

**Interviews highlight IDB Invest’s flexibility and adaptability as factors that allowed for higher quality results in moments of increased distress.**

60% of interviewees indicated it would not have been possible to achieve the incentive if IDB Invest had not embedded some degree of flexibility in the initial design of gender milestones. This is especially relevant given that 13 out of IDB Invest’s 23 gender-focused PBI projects were ongoing during the COVID-19 pandemic and were faced with unexpected challenges for achieving business and gender objectives. Both BAC and Atlas reported they would not have been able to meet the targets if it was not because of IDB Invest’s willingness to extend timelines for specific milestones. In 2021, Atlas had to implement childcare assistance at their Casablanca project in Brazil, but workers were reticent to use shared facilities given transmission risks amid the Delta variant. Atlas therefore negotiated with IDB Invest and agreed to implement gender workshops related to the construction phase of the project while receiving an extension to develop the childcare center. As a result, Atlas was able to continue with the program and receive the incentive without being exposed to additional risk and safety concerns. One client was given a one-year grace period to lay the foundation for their PBI program, which they indicated was vital for their technical capacity to ramp up and without which they would not have achieved their targets in year two.

# 4.

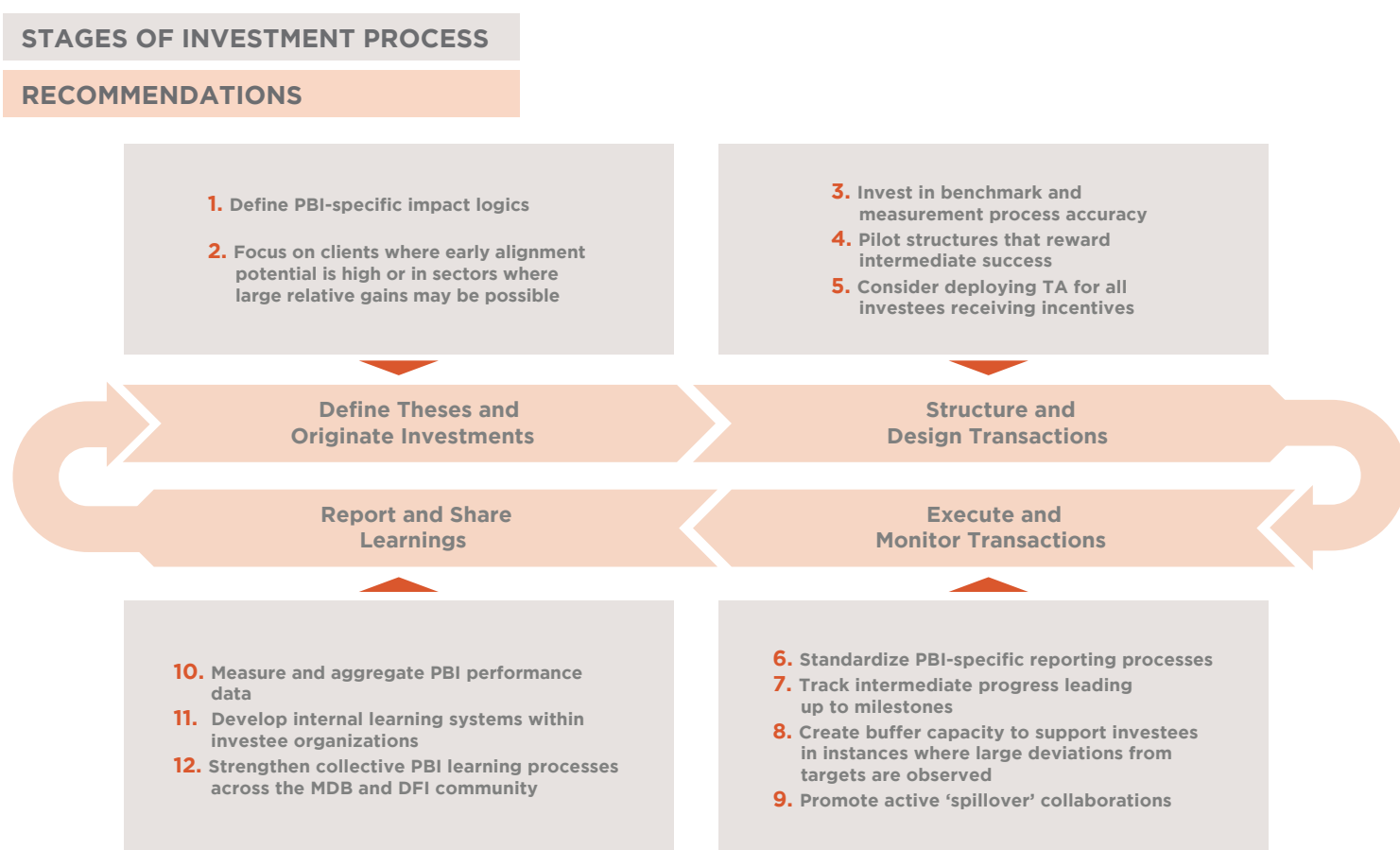
## Recommendations



**PBIs remain a relevant innovative finance instrument that DFIs, as well as other investment allocators, should continue to test and deploy moving forward.** Qualitative learnings presented in this study point to the importance of aligning PBIs to clients' strategic objectives, to pairing TA alongside incentives, and to embedding flexibility during intervention execution. Twelve specific practices stand out for investors to consider throughout the transaction lifecycle in order to enhance the continued effectiveness of deals with gender PBIs. These are detailed below, drawing from tactical examples from the review of IDB Invest's PBI Blended Finance portfolio.



Figure 14: Recommendations summary infographic



Source: Dalberg Analysis

## Define investment theses and originate investments

Both investees and DFI personnel engaged through this assessment highlighted the critical importance of mapping out and clearly telling the story of how PBIs were designed to generate gender outcomes and, where possible, how PBIs contributed to an investee's commercial objectives. **For investors, sector-specific focus and clarity in intention (on how impact priorities map to addressing critical market failures through a gender incentives program) can ensure team alignment, resource optimization, and the ability to establish a clear workplan at the early stages of portfolio planning and origination.**



**RECOMMENDATION 1:**  
 Define sector-specific impact logics that clearly articulate the intended role played by PBIs when integrated into programming

DFIs, like IDB Invest, already rely on vertical impact logic documents, results matrices and policies that help guide initial alignment on how a transaction aligns to a broader thesis – however, they can work to develop PBI-specific impact theories of change (ToC) or impact logics that specifically outline the expected impacts, outcomes, and outputs per sector and target potential investee that can be measurable and attributable to PBI indicator integration into a deal structure. This ToC should draw from a menu of pre-defined impact targets and objectives when assessing or negotiating with investees at early stages of origination, each linked to evidence and historical application to help bring proposals of PBI integration to life, particularly for clients who are newer to the instrument. Introducing greater logical structure and consistency at this stage can give investors a vantage point on whether their vision of / path to impact is strategically aligned with that of its potential investees. Moreover, categorizing these impact logics more systemically can help strengthen the process for ex-post evidence gathering and evaluation, so as to compare program results with investors' original impact intentionality.

**For investees, clarity on the logic of the incentive and its relationships with results could help create quicker organizational alignment on how to shift internal resources in order to achieve PBI-intended results.** As noted in the findings sections of this analysis, approximately 80% of clients interviewed through this evaluation indicated that the financial reward of the incentive was particularly important upfront in order to justify shifting funding to gender-related projects; as well as overcome planning and staffing constraints at the earliest stages of operations. Communicating the logical intentions behind a PBI can therefore enable investors to secure client buy-in and justify the importance behind achieving (and sustaining) targeted results.





### **RECOMMENDATION 2:**

In constructing a PBI portfolio, focus on clients where early alignment potential is high or in sectors where large relative gains may be possible

### **DFIs could pilot taking a ‘poles’ approach –**

focusing first or early on investees with a pre-established interest in gender programs, thereby overcoming early hurdles of value misalignment and building a critical mass of investees that generate further demand; and also on clients in sectors that do not usually integrate a gender lens, such as construction and finance, to maximize impact potential, build contextual expertise, and better set targets, baselines, and benchmarks. By delving into these sectors, DFIs can unlock untapped potential for change and address gender disparities that often go unnoticed.

## *Structure and design transactions*

**PBI programs encountered data scarcity challenges when establishing baselines and performance indicators, leading to the use of assumptions when setting targets that could have resulted in both overly ambitious or overly conservative project goals.** Underpinning this is the limited gender data gathering capacity and capabilities of prospective client teams, as well as the acceptance from the investor that these capacities and capabilities could be strengthened over the course of project execution with the support of technical assistance.



### **RECOMMENDATION 3:**

Invest early on in enhancing the accuracy of benchmark-setting and measurement processes



**As a result, investors looking to set up a PBI program should invest early in testing the measurement capacity gaps of their prospective clients, so as to ensure that ex ante indicator setting and ongoing measurement can be performed with high degree of fidelity.** Close upfront engagement between investor and investee on data availability and internal data generation capacity could serve as a useful barometer for the adaptation of technical assistance during investment execution, and give investors early opportunities to preempt the need to revisit performance data capture once an investment is underway.

**The novelty of PBI-inclusive Blended Finance transactions risks coming with initial skepticism across some pockets of client organizations, and generating early-onset fatigue or impatience given the length of result timelines.** Research undertaken for this assessment showed how critical it was to leverage the opportunity of financial reward to address any related early skepticism – but this dynamic may not be replicated in client contexts with far lower initial predisposition to undertake gender outcome-focused projects (particularly given how particularly predisposed the self-selected client sample featured in this assessment was).

This may be particularly the case in sectors like infrastructure and energy, where the perception of high additional upfront costs may not be counterbalanced by a large and rigorous base of evidence to justify obvious returns on investment; or because market failures for gender are particularly marked and potential progress on gaps may at first feel hard to achieve.



**RECOMMENDATION 4:**  
Pilot transaction structures that more explicitly reward intermediate and ongoing success

**As a result, investors designing deals that include PBIs could consider testing the effectiveness of combining a few years' worth of efforts into more concentrated milestones, or create milestones with staggered thresholds.** By incentivizing early wins, even if rewards are only incremental, sponsors within client organizations can find opportunities to effectively address these concerns, garner support for project management, and ensure ongoing commitment to the gender program's objectives from the outset. Investors could define several potential sets of milestones, e.g., "core/base" and "bonus/reward", for projects, thereby encouraging high performers to achieve even greater gender impacts, if possible, while rewarding intermediate progress.



**RECOMMENDATION 5:**  
Consider deploying TA  
for all investees receiving  
incentives



All investees engaged through interviews indicated that receiving TA on gender and inclusion issues was a pivotal factor in accomplishing their gender-related goals.

**TA programs like dedicated gender trainings fostered a heightened awareness within the organization about programs' significance and necessity. Interviewees were very supportive of staff awareness and educational programs and highlighted major shifts in perceptions and attitudes across firms that enabled the development of other gender outcomes.**

PBI providers could start implementing gender trainings for all investees regardless of milestone type, and position TA as not just a mechanism for advancing or accelerating program goals but installing capacity that helps preserve the sustainability of those results – whether the establishment of new committees and collaboration platforms, or deployment of new impact monitoring frameworks.

## *Execute and monitor transactions*

---

**Many investees participating in PBI transactions faced challenges in documenting and monitoring gender-related results, particularly when embarking on such initiatives for the first time.**

While the absence of baseline data and well-established benchmarks – as indicated above – perpetuates such challenges in the first place, the need for each investment team and client counterpart team to design and build a new approach to PBI reporting generates transaction costs.



**RECOMMENDATION 6:** Increasingly standardize measurement and management guidelines to streamline reporting and evaluation for PBI-specific deals

**PBI providers should explore PBI-specific standardization, without losing sight of the fact that ‘standards’ do not mean ‘one size fits all’.**

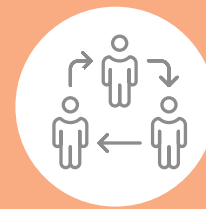
Investors should be wary of both the tradeoffs and co-benefits that come with standardization and assess those before establishing a standard in the first place – for example, using country-specific (rather than global) definitions or classifications of WSMEs, which if applied could potentially create incentives for local banks to keep tracking country-specific indicators once the financing program is over. Instead, standardization in PBI transactions could focus primarily on direct effects attributable through indicators that are easily replicable or measurable (e.g., on specific kinds of employment targets), and grow to encompass indirect impacts, amongst which the job retention, satisfaction, and wellbeing of women impacted by the PBI; as well as gender integration into the programming and/or core business model of the investee, or market spillovers like networks created with other organizations involved in or impacted by PBI implementation. PBI providers should be wary that this standardization may not be achievable across all investment types, especially if the portfolio of Blended Finance deals is broad – for example, infrastructure and energy projects may vary significantly.

**Investors should also pilot the implementation of uniform reporting templates that all investees with comparable PBI targets should utilize.** These should not displace – but rather integrate into – existing reporting templates, to minimize displacement effects across existing processes.



**RECOMMENDATION 7:**  
Track intermediate  
progress leading up to  
milestones

**Consistent communication and ongoing tracking between investee and investor emerged as a key driver of performance success, enabling timely obstacle identification and indicator negotiation.** Maintaining communication in between reporting cycles proved important in clients' perceptions of the drivers of PBI project success. PBI providers could also try expanding investee reporting requirements to after the incentive has ended and maintain communications regularly to update progress. Extending contact for at least two years post-program could ensure more comprehensive monitoring, enhance the likelihood of sustained success, and provide a richer view on the impacts achieved and its sustainability.



**RECOMMENDATION 8:**  
Create buffer capacity  
to support investees in  
instances where large  
deviations from targets  
are observed

**This includes both intentionally embedding 'wiggle room' into program design and creating instances and opportunities for adjustment throughout execution.** 60% of interviewees engaged through this assessment indicated it would not have been possible to achieve incentives in the absence of the integration of flexibility in the design of gender milestones. Clients also noted the openness of their investor in considering the postponement of reporting requirements to adapt to sudden restrictions, i.e., those imposed by the Covid-19 pandemic.



**RECOMMENDATION 9:**  
Promote active ‘spillover’  
collaboration outside  
of the investor-investee  
nexus to maximize  
market failure corrections

**Collaborating with a diverse range of stakeholders enabled the sharing of valuable information and insights from PBI interventions and created outsized impact beyond the immediate goals of each transaction.** Investees highlighted the importance of government institutions in providing regulatory guidance and data, the role of labor unions in offering input from the workforce perspective, and the contributions of philanthropic actors who can

contribute with additional impact-aligned resources in the spirit of maximizing the leverage of a specific intervention. This collective involvement points to positive spillovers that can be willingly or unwillingly generated by PBI-inclusive transactions.

**PBI providers should play an even more proactive role in encouraging such networks to be built as PBI deals are executed and closed to maximize their longer-term impact and efficacy,** intentionally establishing broad coalitions of active parties addressing a same subset of market failures. Over time, these networks can help inform even more strategic origination, creating a virtuous cycle in which PBI providers can lean on these networks to better identify priority intervention areas.

## *Report and share learnings*

**The absence of broad-based existing data and evidence on PBI gender program benefits – addressed in part, at least initially, through this assessment – should serve as a call to action to generate more performance data and evidence of impact.** Aligned with Recommendation 1 on PBI-specific impact logic design, PBI providers should invest in cataloguing and exchanging transaction performance data as it relates to



**RECOMMENDATION 10:**  
Measure and aggregate  
PBI performance data



target achievements. This could help establish stronger benchmarks, comparable to what results-based financing (RBF) actors have done in cataloguing intervention cost data to determine approximate costs per outcome in an outcomes-based contract<sup>71</sup>. Moreover, the reduction of information asymmetries around PBI effectiveness can encourage willingness to participate in PBI-inclusive programming and more compellingly highlight the reputational benefits for participants on both the supply and demand side of each transaction.



**RECOMMENDATION 11:**  
Develop internal learning systems  
within investee organizations

**The evaluation uncovered some valuable spillover learnings and ongoing institutionalization of impact measurement processes among investees, but these were inconsistent across the investment sample - more can be done to incentivize data generation and learning sharing.** PBI providers could more formally encourage (or pilot requiring) investees to develop internal learning systems and incentivizing them to participate and support in broader learning processes, as a means to ensure the sustainability of gender-related outcomes beyond the conclusion of the incentive program. This could include, but not be limited to, systems and processes that help collect and report on gender breakdowns for firm employees, number, and percentage of women in senior leadership positions, and other key metrics, regardless of gender milestones. It could also include further support or agreements to generate case studies and impact evidence based on data collected.



<sup>71</sup> See also the INDIGO data hub hosted by the Government Outcomes Lab, Oxford University



**RECOMMENDATION 12:**  
Strengthen collective PBI  
learning processes across  
the DFIs community

**Blended Finance investors should leverage existing communities of practice to broaden the awareness and replication of PBI approaches.**

By championing and strengthening existing informal gender-focused DFI working groups in collaboration with other influential players in the sector, DFIs like IDB Invest can regularly exchange insights and formulate joint action plans specific to the replication and scale-up

of PBIs. These collaborative efforts may involve prominent organizations like 2X, We-Fi, FinDev Canada, IFC, EIB and EBRD, and/or entities that already come together through initiatives like the OECD's DFI Blended Concessional Finance Working Group. Greater DFI coordination could create efficiencies in both data aggregation and risk calibration, as is already implemented in infrastructure investing through platforms like SOURCE, and in the tracking of risk in investment operations in emerging markets through the Global Emerging Markets Risk Database Consortium (GEMs).

# 5. Case studies



Seven exploratory case studies were conducted with IDB Invest clients to better understand the effects and potential impact of IDB Invest’s PBI and gender-smart TA program on gender equality.

The case study review was undertaken with four distinct objectives:

1. Assess the impact (gender results) obtained from the implementation of the incentive
2. Explore internal and external changes caused by the implementation of the PBI
3. Understand how the gender incentive and the TA were designed and implemented
4. Identify drivers of success and constraints that affected the implementation of the PBI

Key aspects explored	Illustrative interview questions
<i>Quality of overall impact</i>	<ul style="list-style-type: none"> <li>▪ How do you believe [PBI TARGET] relates to the overall objective of achieving gender equality? In your experience, has this connection borne out?</li> <li>▪ Do you believe your experience had any positive effect on the company and sector?</li> <li>▪ You reported [MILESTONE], what effects do you believe that had on [FINAL BENEFICIARY]?</li> </ul>
<i>Externalities</i>	<ul style="list-style-type: none"> <li>▪ Do you believe this engagement created any additional learnings for other ecosystem actors?</li> <li>▪ Were other ecosystem actors engaged in this process? How?</li> <li>▪ Have you seen any other actors implementing similar gender equality strategies?</li> </ul>
<i>Internal client changes</i>	<ul style="list-style-type: none"> <li>▪ Has [CLIENT]’s awareness of gender related issues changed?</li> <li>▪ What things did [CLIENT] begin doing differently after the TA was delivered / after you began pursuing the milestones?</li> </ul>

<i>PBI and TA design</i>	<ul style="list-style-type: none"> <li>▪ Could you walk us through the process of defining and designing the PBI(s) for [PROJECT]?</li> <li>▪ Which team or teams did you coordinate with from [CLIENT]'s side?</li> <li>▪ Would you say that the Incentive was adequately designed to meet the needs and resources of [PROJECT]? Why or why not?</li> </ul>
<i>PBI and TA implementation</i>	<ul style="list-style-type: none"> <li>▪ If any, what would you note as the main internal constraints for [PROJECT] to achieve the milestones?</li> <li>▪ How was the PBI/TA monitored? Did the monitoring itself influence the achievement of any gender outcome?</li> </ul>
<i>External factors</i>	<ul style="list-style-type: none"> <li>▪ In addition to the factors you've highlighted, were there any additional external factors that affected the implementation of the incentive? (e.g., cultural barriers, market conditions, regulations in [COUNTRY])</li> </ul>

Interviews carried out with case study participants also included quantitative scoring questions to explore possible spillover effects caused by gender incentive implementation and the implications of the program on the client's general operations.

<b><i>Key aspects explored</i></b>	<b>Illustrative interview questions</b>
<i>Effect of incentive over gender objectives</i>	<ul style="list-style-type: none"> <li>▪ From your perspective, how likely was [CLIENT] to achieve the gender objectives before the introduction of the incentive?</li> <li>▪ From your perspective, how likely was [CLIENT] to achieve the gender objectives once the incentive was introduced?</li> </ul>
<i>Drivers of success</i>	<ul style="list-style-type: none"> <li>▪ How much would you say the way in which the incentive was designed contributed to [CLIENT] achievement of the gender goals?</li> <li>▪ How much would you say that a pre-existing willingness from the [CLIENT] team to pursue gender-equitable outcomes contributed to the achievement of the gender goals?</li> </ul>
<i>Effect of TA over level of success</i>	<ul style="list-style-type: none"> <li>▪ How much would you say that the quality of the advisory services provided by IDB Invest contributed to [CLIENT] achievement of the gender goals?</li> </ul>

**Case  
study 1:**  
*Elcatex*

## C1-I. Project Overview

### Company Description

Grupo Elcatex, based in Honduras, is one of the largest textile manufacturing companies in Central America. Founded in 1984, the group has diversified its operations into four business divisions: textiles and synthetic filament, energy, industrial parks, and technology and innovation, generating 15,000 direct jobs. It is characterized by a sustainable production process and strategic partnerships with suppliers and customers. San Juan Textiles is the most recent proposal of Grupo Elcatex for the textile industry using first class technology. San Juan Textiles is the leading company in the textiles market, with an annual production of 160 million pounds of fabric, operating eight sewing plants that produce more than 270 million pieces of clothing a year (t-shirts, sweatshirts, men's underwear, and sports clothing).

### IDB Invest Transaction

In 2020, IDB Invest provided a US\$64 million loan over seven years, financing 47% of the total project cost, with the aim of supporting Elcatex in the expansion of San Juan Textiles productive capacity and diversification of its production. IDB Invest also mobilized US\$32 million from the China Co-Financing Fund for Latin America and the Caribbean.

Figure 15: Project details



## Performance Based Incentives

The transaction included a performance grant incentive from the Women Entrepreneurs Initiative (We-Fi) program of up to US\$210,000 to increase supply chain purchases from Women-led/owned Small and Medium Enterprises (WSMEs) from 2021 to 2027 and / or increase the percentage of providers to the supply chain that are WSMEs. The incentive consists of providing US\$30,000 per year to Elcatex if they increase the percentage of WSMEs relative to number of suppliers from 5% to 24% and increase the percentage of purchases from WSMEs relative to total suppliers purchases from 16% to 40%.

Figure 16: Gender PBIs targets (T) and results (R)

		2020	2021	2022	2023	2024	2025	2026	2027
PBI Milestones	1. Increase % of WSME providers	5%	<input checked="" type="checkbox"/> 9% (R) / 6% (T) <input checked="" type="checkbox"/>	11% (R) / 8% (T)	11%	14%	18%	20%	24%
	2. Increase % of purchases from WSME providers	16%	<input checked="" type="checkbox"/> 0.6% (R) / 17% (T) <input checked="" type="checkbox"/>	1.4% (R) / 20% (T)	24%	27%	32%	35%	40%
\$	Grant amount		<input checked="" type="checkbox"/> 30K	<input checked="" type="checkbox"/> 30K	30K	30K	30K	30K	30K

## Technical Assistance

To help achieve the gender targets, IDB Invest funded an external technical assistance of \$130,000 with FUNDES and WeConnect, to which Elcatex had to contribute \$200,000 (in-kind), to increase the number of WSMEs in their value chain.

This assistance focused on: identifying opportunities and developing Elcatex's strategy to increase access to procurement prospects for women suppliers; supporting the disaggregation of their tracking system; provide recommendations to improve the onboarding process and internal policies to increase and maintain the number of WSMEs suppliers; and provide training for the top management and procurement team.



## C1-II. Impact and Achievements

**This transaction denoted Elcatex's inaugural effort to incorporate gender-specific objectives into its organizational framework and strategic aims.** Before implementing the PBIs program, Elcatex had made internal progress in gender inclusion, as evidenced by the representation of female employees and women occupying managerial roles. The management team, particularly within the sales division, held reservations about the feasibility of identifying WSMEs suitable to be integrated into Elcatex's value chain as suppliers. Nevertheless, through the impetus provided by the incentive program and bolstered by technical assistance, Elcatex not only successfully identified WSMEs and suppliers for value chain integration but also forged partnerships with inclusion initiatives that not only align with their objectives but have led them to incorporate gender-related targets into their core business model.

**Despite the project is only in its second year of implementation (out of 7), Elcatex stakeholders have highlighted important gender-equitable organizational changes as a result of IDB Invest's program, including a new gender division and improvements in its Enterprise Resource Planning (ERP).** Elcatex established a gender division and women-led audit program to track strategic and gender-related outcomes. There is now a gender committee that helps to define development goals and trains employees to improve gender metrics and foster inclusion. A notable outcome is the procurement team's increased effort to integrate women into the value chain. Elcatex is credited by these women for providing them with opportunities that broadened their career prospects, enhanced their self-esteem, and fostered a supportive network among fellow women. These achievements have gained attention across Honduras, prompting inquiries from companies beyond the textile sector seeking guidance from Elcatex on their own inclusion initiatives.

### Direct PBI gender achievements

**Elcatex has achieved one of the two established gender targets set out for the PBIs for the first two years of the program, 2021 and 2022.** As of the second year of the transaction, Elcatex has increased the percentage of WSMEs relative to number of suppliers in their supply chain from 5% in 2020 (baseline) to 11.4% in 2022, the target for 2022 was 8% and for 2023 is 11%, meaning Elcatex already achieved the target for 2023. More specifically, they increased the number of WSME local suppliers in their value chain

by 152.4% between 2020-2022. Additionally, while they did not meet the second target, related to the growth in the share of purchases from WSMEs relative to total suppliers' purchases, they did show significant growth in the value of purchases from local WSME suppliers, which increased by almost US\$2 million in two years. In 2020, purchases from WSMEs accounted for 0.69% of the total. By 2022 this increased to 1.37%, but the established target was 20%, suggesting the target may have been too ambitious compared to the baseline values. The baseline target was determined based on an average between the year 0 to 2020, resulting in 16%.

**Furthermore, Elcatex stakeholders believed that the project's success resulted in integrating inclusion into the company's culture, rather than just meeting targets.** In this sense, substantive change was achieved by engaging the relevant divisions involved in implementing the incentive to go beyond mere administrative changes. As a result, a corporate DNA change allowed the integration of gender and inclusion objectives throughout different value chains.

**“We embedded this DNA into our teams, now setting inclusion targets is normal for all divisions. These targets are not seen as something that will affect their work anymore, it is something they want to do.”**

**Moreover, Elcatex integrated an elevated institutional commitment to promote inclusion throughout its entire supply chain within their business model.** This achievement was possible through gender awareness workshops, carried by the technical assistance, that underscored the importance of creating opportunities for women. These training sessions extended beyond the procurement team, reaching directors, supervisors, and various others, ensuring that gender perspectives permeate the company widely. Additionally, Elcatex has increased the value of goods purchased from WSMEs by 381%. They directly attribute these outcomes to the incentives program, asserting that its presence was crucial in persuading other divisions about the potential advantages of a gender-focused initiative.

**“We have reached a point where we continue the gender efforts not because of the incentive, but because we have seen that these changes have a future (...) we do it because we want to continue having an impact on this segment.”**

### **Indirect achievements and spillovers**

In addition to the incentive targets, various internal gender indicators have demonstrated notable growth, resulting in positive impacts for the company and its female workers. For example, between 2020-2022 Elcatex increased the number of female employees by 77%.

**Furthermore, the Elcatex team has acknowledged significant changes that improved employee well-being and boosted supply chain productivity and performance.**

Training sessions have been conducted for company teams to better address the needs of WSMEs. Inclusive procurement forums have been organized, encompassing all Elcatex teams, to disseminate program insights and outcomes. Workshops involving both the purchasing team and external women sales representatives have also been initiated to enhance rapport, communication, and collaborative support approaches. Elcatex also strengthened its partnerships with NGOs and local organizations focused on advancing gender equality, including Ciudad Mujer, Mujeres ConnectAmericas, and Voces Vitales, which has helped to connect with female entrepreneurs. These relationships were described as highly beneficial for the local ecosystems by IDB Invest transaction team officers.

**“We have spoken with other companies, not only in the textile sector, which are already working to implement inclusion issues in their agendas.”**

**Additionally, the Elcatex team has engaged in dialogues with program beneficiaries, revealing that impact extends beyond their businesses to positively influence their family lives.** The augmented economic prospects and support from Elcatex have translated into heightened job opportunities and newfound economic self-reliance. The training avenues provided by Elcatex have not only facilitated the expansion of their knowledge but have also forged a network of women, fostering the exchange of experiences. Seeking to exceed these achievements, Elcatex is aiming to aid WSMEs further by enhancing their access to financing, thereby enabling them to better address sectoral demands. Elcatex is actively looking to forge partnerships with financial institutions to enhance the accessibility of financing for WSMEs, as they identified this as a major obstacle.

**“We helped build a local WSME that was previously focused on just providing HR assistance into a comprehensive gender auditing service provider, fulfilling a key necessity in the industry, which is absolutely new in Honduras.”**

## C1-III. Success Drivers and Constraints

Success Drivers
<b>Coordination led to action</b>
<p>The incentive served as a shared reference point, facilitating coordination across different areas and business units within Elcatex. It depersonalized the origin of gender efforts, shifting the perception from being a directive from a specific individual or department to an external requirement that Elcatex had to meet. As a result, it mitigated resistance from individuals or departments who initially had reservations about achieving and implementing gender targets.</p>
<p><b>“We had to align our efforts to achieve the necessary goals. This approach has enabled us to create a noteworthy impact recognized outside of the organization and identify gender causes that were on our radar but had yet to be implemented.”</b></p>
<b>Intention to use the PBI’s outcomes as a marker of competitive advantage</b>
<p>A significant driver of behavioral change among Elcatex was being recognized as a regional leader in the Honduran textile sector on gender issues and highlighted a genuine desire to give back to its community. Directors were motivated by the sense that they were part of a larger effort to promote gender equality. Elcatex interviewees reflected that this motivation materialized in internal initiatives such as an “inclusive purchases forum”, where 100+ women entrepreneurs participated.</p>
<p><b>“The point is not only to have an administrative goal (...) but to contribute to our country’s economic growth and have an impact.”</b></p>

### Flexibility in incentive and timeline design

Elcatex stakeholders emphasized the importance of the technical assistance duration and that it was offered before they had to report results, which contributed significantly to its success. Interviewees mentioned that the first year of the transaction acted as a "buffer" year, allowing Elcatex to comprehend and adjust to the incentive requirements, as well as internalize the knowledge gained from the assistance.

**“That initial year was very important for us, as we had the space to organize at the management level, which is often overlooked as projects start immediately after receiving a loan.”**

### Tracking and data measurement

At the incentive's onset, Elcatex lacked a robust control system to track their supply chain, relying on unsystematized, single-use databases, and had no common definition of women-owned SMEs. After 18 months of assistance, Elcatex identified important improvements in their tracking and measurement processes, and now measures gender disaggregated data and tracks the participation of WSME's in their supply chain more effectively.

**“We had a space the first year of the transaction that helped a lot in the management and definition of metrics. The IDB gave us a space to accommodate everything we needed to implement the program.”**

### Creation of a gender committee

Elcatex additionally established a gender committee tasked with supervising the execution of gender initiatives and formulating achievable gender objectives beyond the IDB Invest incentive. This committee will collaborate closely with the new women-led audit program designed to monitor outcomes effectively.

**“Within the changes at a technical level, we had to modify how we identified the new provider so that it would be part of the inclusion category. At first it was done manually, now we incorporated it into the system to make it easier”.**

However, the Elcatex team also highlighted a series of constraints they encountered during the program’s implementation, which added complexity to the achievement of the incentive.

Constraints
<b>Lack of technical knowledge</b>
At the beginning of the program there was limited <b>technical knowledge</b> and <b>systems capacity</b> related to gender disaggregation and integration throughout Elcatex’s operations. Specifically, they had no way of assessing how many of their providers were WSMEs, so they had to spend some time developing and implementing a <b>monitoring system</b> .
<b>Gender biases</b>
Senior leadership initially had a <b>limited perspective</b> on the breadth of industry participation for WSMEs which they believed would be a major constraint to achieving the milestones. It was necessary to <b>inform and train both leaders and internal teams</b> about the active participation of women in the Honduran textile sector, as well as the benefits of incorporating them into the value chain.
<b>Financial capacity of WSMEs</b>
Overall, many WSMEs that were identified as potential suppliers lacked reliable <b>financing options</b> and <b>market access</b> to promote growth within their operations. Therefore, Elcatex found it difficult at times to increase purchases from WSMEs that would allow them to supply Elcatex at the levels they needed to meet customer demand.

## C1-IV. Learnings and Opportunities

- 1.** The **support provided through the TA** to address internal process deficiencies and the **inclusion of a buffer period** that effectively enables the borrower to update its processes and implement company-wide changes was crucial to achieve success.
- 2.** The **clear communication and design engagement mechanisms** for the PBI (e.g., explicitly, through specific milestones, and/or indirectly, through TA activities) made it easier to achieve some of the incentives.
- 3.** A broader impact could be achieved if the **social recognition outcome had been factored in as a complementary incentive**, potentially through secondary goals of incorporating Diversity, Equity, and Inclusion into a client's brand and reputation.
- 4.** A **preliminary assessment of WSMs** in the specific local context could have identified other potential challenges that may limit a client's capacity to achieve success (e.g., a lack of reliable financing for women-led businesses).
- 5.** Elcatex successfully achieved and surpassed one of the incentives but encountered challenges in meeting the other one. IDB Invest blended finance team might contemplate assessing these instances **to encourage the client to surpass prior achievements or extend assistance if hurdles are impeding incentive attainment.**



## C1-V. Results from scoring questions

To gain a deeper understanding of the Elcatex team’s perspective on the incentive, we collected responses from three team members which participated in the interview through a scoring survey. Overall, the Elcatex team emphasizes the crucial role the incentive played in achieving gender-related outcomes, along with the substantial contributions made by technical assistance, program design, and the engagement of key stakeholders.

The Elcatex team interviewed unanimously agreed it was very unlikely they would have achieved these gender results without the incentive.

Figure 17: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

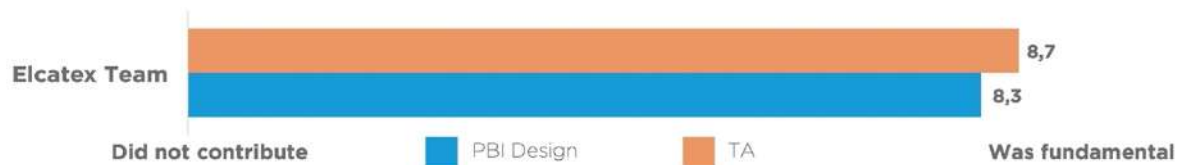
Perceived likelihood of achieving the gender targets, out of 10



Moreover, they indicated that both the design of the PBI and the technical assistance were major contributors to achieving the gender targets.

Figure 18: How much would you say that a good incentive design / quality of the technical assistance provided contributed to the project’s achievement of the gender goals?

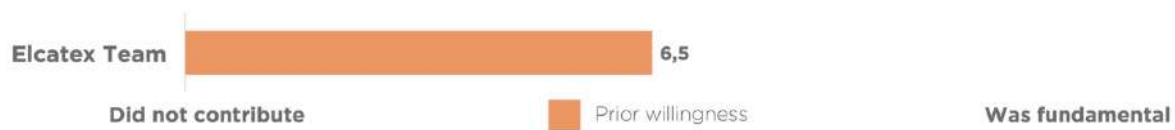
Contribution of a good incentive design and TA in achieving gender targets



However, the team's previous willingness to pursue gender goals had a relatively limited impact on the project's outcomes, particularly given that it was their initial attempt at addressing gender-related objectives.

Figure 19: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness to achieve gender targets



Furthermore, they agreed on the significance of involving the appropriate actors in the implementation of the PBI. Collaborating with relevant organizations and creating networks with other institutions provided essential support and streamlined the process of achieving the incentive.

Figure 20: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?

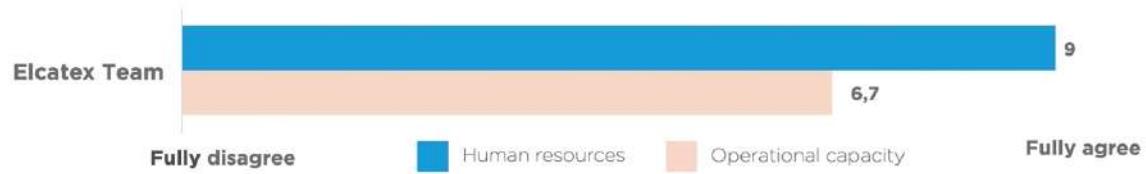
Contribution of including key stakeholders in the project in achieving gender targets



More specifically, they concurred that before the project, they lacked the operational capacity required to attain the incentive, and this is where technical assistance played a pivotal role in improving gender outcomes. However, they expressed the belief that assistance was not as critical within their human resources segment, as they had already established a robust gender hiring pipeline in their HR.

Figure 21: How much do you agree with the following statement: "Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives"

Perceived likelihood of counting with the necessary resources to achieve the incentive without TA



**Case  
study 2:**  
*Bright*

## C2-I. Project Overview

### Company Description

**Bright is a high-tech solar energy company in Mexico founded in 2014, aiming to offer households and businesses a sustainable and accessible source of clean energy.** The company's solar power service encompasses the provision and installation of rooftop solar panels. Their services not only provide families and businesses with access to solar energy but also facilitate their transition towards sustainable energy usage. They have more than 5,500 subscribers in over 60 cities of Mexico as of 2023.

### IDB Invest Transaction

**In 2019, IDB Invest closed a \$15 million loan package with a 13-year duration, with the aim of supporting Bright implement residential solar photovoltaic projects in Mexico, which would help mitigate climate change and reduce energy costs, financing up to 75% of the project total cost.** The package included a US\$5 million loan from the Canadian Climate Fund for the Private Sector in the Americas (C2F). The financing also included a guarantee and technical assistance from the Clean Technology Fund (CTF).

Figure 22: Project details

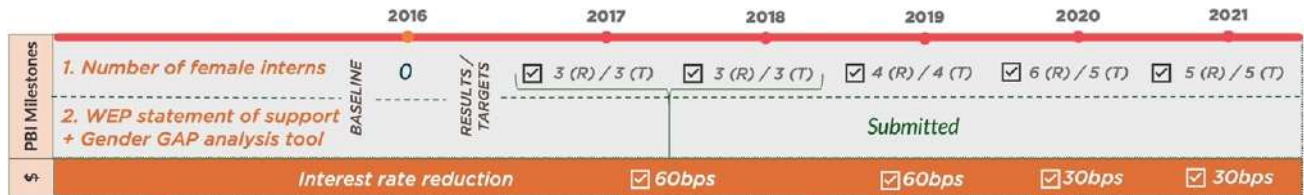


### Performance Based Incentives

The C2F included a performance-based incentive structured as an interest rate reduction, with a value of up to US\$1.2 million over the loan term. The incentive was offered to implement an internship program for Mexican female students enrolled in STEM undergraduate programs or related fields between 2017-2021. During the initial two years of the program, the incentive consisted of an annual interest rate reduction of

60 basis points (bps). For the subsequent two years of the program, a reduced annual interest rate of 30 bps was offered. The interest rate reduction was contingent upon Bright’s endorsement of the United Nations Women’s Empowerment Principles (WEP), execution of the WEP Gender Gap Analysis Tool assessment, and recruitment of 3 female interns in 2017 and 2018, 4 female interns in 2019, along with 5 female interns in both 2020 and 2021.

Figure 23: Gender PBIs targets (T) and results (R)



## Technical Assistance

Bright also received dedicated in-house technical assistance directly from the IDB Invest gender team to help identify focal areas, establish partnerships with suitable universities, and address logistical matters of the internship program. This comprehensive approach included coordinating the transportation of the interns and ensuring adherence to labor regulations in Mexico, thus facilitating a seamless and efficient program implementation.

## C2-II. Impact and Achievements

Given Bright was a recently established startup when the incentives program was offered, they were not prioritizing internship programs at the time, especially programs focused on recruiting female students. To achieve the incentives, they had to establish a recruiting pipeline that allowed them not only to find female STEM students in public universities, but also guarantee most of them could later continue their career at Bright. As a result, they improved their recruiting mechanisms and strategies, they developed new relationships and partnerships with universities, and identified other women networks and communities.

**The transaction directly bolstered Bright’s talent pool by incentivizing the successful design and implementation of a holistic internship program focused on recruiting female STEM students from public universities in Mexico.** While the specific collaboration concluded in 2021, Bright has chosen to sustain the internship program as part of its ongoing efforts to cultivate and nurture its female talent pool. The company has fostered enduring relationships with the universities involved and continues to provide valuable opportunities to female students who have benefitted from the program.

**“It was fascinating to design a career path for people that don’t even have opportunities. A lot of people that are now on our leadership team came from this internship program.”**

### **Direct PBI gender achievements**

**Some of the interns who participated in the program have chosen to continue their professional journey at Bright and have successfully advanced to managerial positions within the company.** Since the implementation of the PBI and until 2022, Bright has had a total of 21 female interns, with an average of four interns per year. Several interns (precise number was not mentioned in interviews) became full time employees and rose to significant managerial positions. Additionally, it has been reported that some of the interns have ventured into entrepreneurship, establishing their own start-ups, or have secured promising employment opportunities elsewhere. Bright attributes these favorable outcomes, in large part, to the networks and valuable experience gained through their internship program. These internships have become a core component of Bright’s operations and continue to this day, even though the program with IDB Invest has already ended. Several interns became full time employees and rose to significant managerial positions.

**“I can think of an individual that we hired early on (...), and then went to work at a larger and leading company in a similar space, and I think one of the big drivers to landing the job was having this [internship] on their resume.”**

### Indirect achievements and spillovers

In addition to the established gender targets, Bright acknowledges various internal transformations that have had a positive impact on the company. A key achievement of the program was the establishment of formal and continuous relationship with various public universities in Mexico, which now provide a pipeline of talent for the company. A close relationship was necessary, not only to promote the program and attract talent, but to swiftly cover all bureaucratic requirements with Mexican labor authorities. Bright takes pride in fostering close and trusting relationships with these institutions and their professors, facilitating the identification of top talent. These collaborations have proven instrumental in accessing skilled women who contribute to the company's success. Moreover, Bright established a close partnership with REDMERE, a Mexican network of women in the renewable energy sector. This collaboration enabled them to locate and engage interns whose profiles align with their program's requirements and has facilitated the identification of women within the industry seeking to enhance their careers.

**“It builds inertia in the ecosystem; when people see a dominant company like Bright with 50% women, that has an impact.”**

Furthermore, the Bright team recognizes that the program not only provides women with direct job opportunities but also expands their network, their job experience, and helps them pursue careers in sectors where they have been traditionally



**underrepresented.** Anecdotally, Bright reported a potential increase in access to economic opportunities after concluding the internship program – thereby giving a new perspective to other industry stakeholders within the renewable energy sector about hiring and recruiting women. Bright also noticed that more women have enrolled into STEM careers since the start of the program, which has made the recruiting process easier for them and other companies in the sector.

**“Through having to find women in STEM, we found other networks that are also like super valuable to the community and to the industry. We have a strong bond and contact with them for mutual benefit.”**

## C2-III. Success Drivers and Constraints

Testimonies from the Bright team highlight a set of main drivers and key activities that played a crucial role in achieving gender milestones.

Success Drivers
<b>The incentive adapted well to the startup context of Bright</b>
Given the limited resources and time constraints faced by startups, the monetary incentive raised gender targets as a priority without hindering the company's growth and effectiveness. While the technical assistance facilitated the development of the internship program efficiently, avoiding excessive time and resource expenditure.

**“The internship program became a priority thanks to the financial support from IDB Invest. As a startup, we had very limited time and resources. This wouldn’t have been a top priority if it wasn’t for the incentive.”**

**Creation of special internship opportunities**

Bright has created distinct projects and responsibilities tailored to the interns’ development, fostering learning, experience acquisition, and self-assurance. Rather than assigning regular tasks, the aim of the program was to present challenging opportunities for their growth. This approach led to a notable shift in the orientation, innovation, and efficiency of many of Bright’s projects, driven by the interns’ valuable contributions. This success has spurred greater involvement from Bright’s employees in the program, generating heightened motivation and engagement.

**“As a manager when you see the opportunity of hiring someone that can accomplish that project you’ve been keeping on hold because you have so much going on, it is truly amazing.”**

**Collaboration on workstreams with IDB Invest**

The clarity provided by IDB Invest concerning the expected deliverables and guidelines proved highly beneficial for Bright. Notably, the division of responsibilities within IDB Invest was particularly advantageous. While one team focused on negotiating and overseeing the financial aspect of the incentive, an advisory team was concurrently available to assist Bright in executing the program. This organized segmentation greatly facilitated the program’s execution.

**“It was helpful that the person in charge of the technical assistance was different from the Blended Finance person (...) and that she already had experience working in these kinds of programs.”**

Recruiting process improvements
<p>After the internship program was introduced, Bright implemented a holistic and mission driven recruiting process (e.g., screening, and interviewing mechanisms) to ensure the new talent coming through the internship program aligned with their updated gender diverse mission. Also, they focus on staffing the interns in opportunities that align with their interests and offer valuable learning experiences. The recruitment and hiring process have now been so well-structured that they demand minimal effort from Bright, enabling them to effortlessly replicate the process moving forward.</p>
<p><b>“We continually try to get feedback to hiring managers and train them on how to recruit (...) we found out what questions make a lot of sense; we do exercises for them to try to demonstrate how they would work in a real work environment.”</b></p>

However, the Bright team also highlighted a series of constraints they encountered during the program's implementation, which added complexity to the achievement of the incentive.

Constraints
<p><b>Legal and bureaucratic requirements for the interns</b></p>
<p>The <b>legal and bureaucratic requirements</b> to meet internship obligations in Mexico and report results to IDB Invest were substantial. Universities often demanded <b>specific documentation and validation</b> for internship programs, which complicated fulfillment even for a limited number of interns. Moreover, IDB Invest requested <b>comprehensive evidence</b> of interns' duties and responsibilities, requiring significant time and extensive documentation.</p>
<p><b>Recruitment of female students</b></p>
<p>At the beginning of the program, it was <b>difficult to find female students</b> with the specific backgrounds needed for the program, specifically since the program only focused on public universities. Enhanced relationships with public universities and supporting their recruitment efforts was necessary to <b>expand the applicant pool</b> for the program. Additionally, Bright team believes an <b>important segment of female</b></p>

**students** that study in private institutions is **being ignored**, these students could have access to privileged education thanks to scholarships or financing but may be in need of relevant job opportunities.

#### Follow up of WEP milestone

The WEP milestone **did not have a follow up or revision process**. The Bright team committed to these requirements and did the initial review process but was not required or incentivized to continue updating their processes accordingly.

## C2-IV. Learnings and Opportunities

1. It was **crucial to push the Bright team to include public universities** to expand opportunities across class segments and income levels. However, **restricting internship applicants to only those of public universities may not always target the most vulnerable students** and can exclude private university students that also face severe constraints (including students with scholarships or large loans).
2. The completion of the WEP tool is an important step, but **it should require additional checks and requirements**, so the results obtained from the tool create lasting impact within the organization. This can include yearly revisions of the result to track any internal changes, WEP-specific sub-targets and milestones, or additional technical guidance that depends on the results obtained.
3. The **advisory services could also have been expanded to support the organization in building opportunities for interns that can be reapplied and maintained over time**. The program's success depends not only on the number of interns, but also on the type of work being developed and the practical experience gained throughout the program.

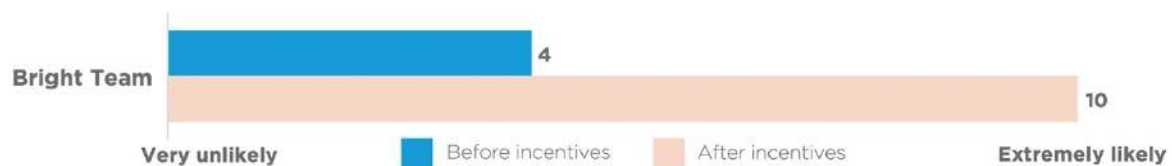
## C2-V. Results from scoring questions

To gain a deeper understanding of Bright team’s perspective on the incentive, responses were collected from one team member through a scoring survey. Overall, the respondent emphasized the crucial role the incentive played in achieving gender-related outcomes, along with the substantial contributions made by technical assistance, program design, prior willingness to pursue gender outcomes, and the engagement of key stakeholders.

The Bright team stated the likelihood of achieving the gender targets increased significantly after the incentive was offered. This is particularly relevant considering Bright’s startup context, which inherently constrained its resources and required financial support to effectively implement these gender initiatives.

Figure 24: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

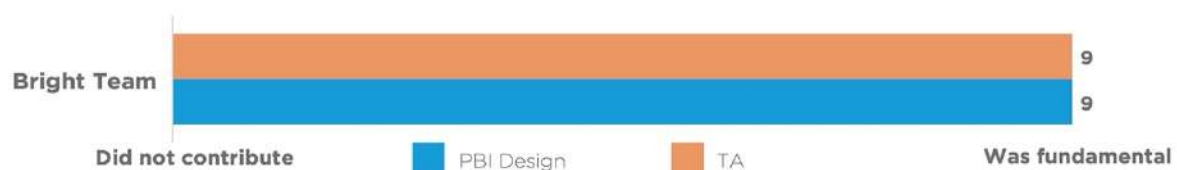
Perceived likelihood of achieving the gender targets, out of 10



Moreover, the respondent indicated that both the design of the PBI and the technical assistance were major contributors to achieving the gender targets.

Figure 25: How much would you say that a good incentive design / quality of the technical assistance provided contributed to the project’s achievement of the gender goals?

Contribution of a good incentive design and TA in achieving gender targets



The respondent also agreed on the significance of both involving the appropriate actors in the implementation of the PBI and counting with prior willingness from the rest of the team to pursue gender outcomes. Without the support and collaboration of educational institutions and other networks within the sector, locating the skilled female interns would have been almost impossible for them.

Figure 26: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness to achieve gender targets



Figure 27: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?

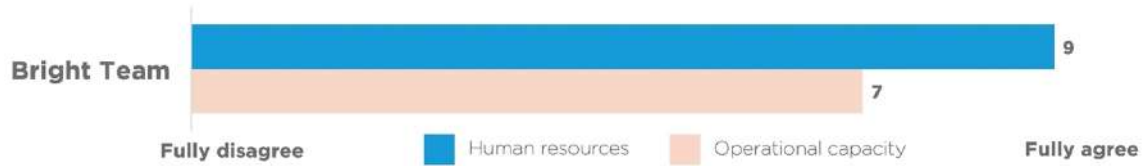
Contribution of including key stakeholders in the project in achieving gender targets



More specifically, the respondent concurred more support was needed in the operational capacity required to attain the incentive, and this is where technical assistance played a pivotal role in improving gender outcomes. This is because, at the outset of the project, they were a newly established organization and had not initially intended to develop an internship program. However, the respondent expressed the belief that assistance was not as essential in their human resources segment.

Figure 28: How much do you agree with the following statement: "Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives"

Perceived likelihood of counting with the necessary resources to achieve the incentive without TA



**Case  
study 3:**  
*Atlas*



## C3-I. Project Overview

### Company Description

**Atlas Renewable Energy, founded in 2017, specializes in developing, building, and operating solar and wind projects across Latin America.** It is one of the fastest-growing international renewable companies in the world and has become the largest independently owned renewables IPP (independent power producer) in Latin America. Currently, Atlas operates one of the largest fleets of solar projects in the Americas, reaching 2.3 GW of operating projects and a total of some 3.5 GWs of contracted solar and wind projects under development, construction, and operation.

**In 2018, Atlas initiated a pilot program in Barreiras Project- Brazil, which aimed to gauge the interest of women in receiving training in STEM (specifically as electricians).** The resounding success of this program prompted Atlas to delve deeper into collaborative efforts involving women in the construction of solar plants, so in 2019, Atlas created a program called “We are all part of the same Energy” that tackles inclusion by empowering local female workforces in the areas where the company operates. With this program, Atlas not only fulfills its part of addressing inequalities and cultural biases but also aims to uplift the communities where the company operates by promoting women in technical jobs and helping to close the gender gap in the industry.

### *IDB Invest Transaction*

**In 2020, IDB Invest closed two loan packages to finance two of Atlas’s latest solar projects: New Juazeiro and Casablanca, both located in Brazil.**

For New Juazeiro, IDB Invest financed a US\$67 million loan package with a 17-year duration, financing 50% of the project’s total cost, with the aim of designing, constructing, commissioning, and operating four solar plants and a transmission line in Juazeiro do Norte. The package included a US\$7.5 million loan from the Canadian Climate Fund for the Private Sector in the Americas (C2F) and included a US\$7.5 million loan from the Clean Technology Fund (CTF).

Figure 29: New Juazeiro Project details



For Casablanca, IDB Invest closed a \$150 million loan package with a 16-year duration, financing 60% of the project's total cost, with the aim of designing, constructing, commissioning, and operating six solar plants, a transmission line, and other interconnection facilities in Pirapora, State of Minas Gerais. The package included a US\$5 million loan from the Canadian Climate Fund for the Private Sector in the Americas (C2F) and included a US\$5 million loan from the Clean Technology Fund (CTF).

Figure 30: Casablanca Project details



## Performance Based Incentives

IDB Invest also proposed to Atlas the incorporation of gender-driven incentives into both funding packages. This strategic move aimed to amplify additional gender-related elements, encompassing aspects like childcare assistance, and fostering racial diversity.

For New Juazeiro, the funding package included a set of PBIs structured as interest rate reductions of up to 150 bps for the achievement of gender occupational, educational, and operational milestones as follow:

1. **Milestone 1:** Create a workshop with the engineering, procurement, construction (EPC) Contractor area on inclusive employment in construction, using the example and learnings from the project of New Juazeiro within 12 months after the effective date of the project.
2. **Milestone 2:** Create and implement an outreach campaign for women in STEM careers across at least four educational institutions (high-school, technical schools and/or universities) within 12 months after the effective date of the project.
3. **Milestone 3:** Create a detailed community gender action plan for after the project is completed within 12 months after the effective date of the project.
4. **Milestone 4:** Increase gender participation and racial diversity in the construction workforce within three months after the substantial completion of the last of the four solar plants.

The completion of milestone 1 granted an interest rate reduction of 50 bps, the completion of both milestone 2 and 3 granted an interest rate reduction of 50 bps, and the completion of milestone 4 granted an interest rate reduction of 50 bps.

Figure 31: Gender milestones results for New Juazeiro

		2020	2021 - 2022
PBI Milestones	1. Workshops on inclusion with the EPC Contractor; and manual with best practices on diversity and inclusion for the energy industry.	-	<input checked="" type="checkbox"/> Implemented
	2. Outreach program for female university students in STEM fields with discrete events for at least four secondary educational institutions (high-school, technical schools) or universities.	0	<input checked="" type="checkbox"/> 211 girls and 39 women trained
	3. Action plan for the creation of economic opportunities for women in the community to be able to continue or grow in fields of operation after the construction is complete.	-	<input checked="" type="checkbox"/> Implemented
	4. 10% of the construction's work force is female, 50% of which are women of color; and 30% of the remaining is occupied by afro-Brazilian men.	0	<input checked="" type="checkbox"/> 10% women in construction, 64% women of color
\$	Interest rate reduction <input checked="" type="checkbox"/> Milestone 1 - 50bps	<input checked="" type="checkbox"/> Milestone 2 + Milestones 3 - 50bps	<input checked="" type="checkbox"/> Milestone 4 - 50bps

For Casablanca, the loan package was accompanied by PBIs structured as interest rate reductions of up to 175 bps for the achievement of four gender occupational, educational, and operational milestones:

1. **Milestone 1:** Increase gender participation and racial diversity in the construction workforce and provide training for potential hired women in construction and

electrical-related programs within 24 months after the effective date of the project.

2. **Milestone 2:** Provide daycare assistance benefits for mothers of children between 0-12 years working in the construction and operational phase, provide training for women that allows them to work operating solar plants, and increase female participation in the operational phase within 18 months after the effective date of the project.
3. **Milestone 3:** Execute a Diversity, Equity, and Inclusion (DEI) awareness campaign focused on promoting behavioral change towards inclusion inside and outside the work environment and create and implement an outreach campaign dedicated to women in STEM careers across at least three educational institutions within 24 months after the effective date of the project.
4. **Milestone 4:** Increase male afro-descendants' participation in the construction workforce within 24 months after the effective date of the project.

The completion of milestone 1 granted an interest rate reduction of 75 bps, the completion of milestone 2 granted an interest rate reduction of 50 bps, and the completion of milestones 3 and 4 granted an interest rate reduction of 25 bps per milestone.

Figure 32: Gender milestones results for Casablanca

		2020	2021 - 2022		
<b>PBI Milestones</b>	1. 15% of the construction's technical work force is female, 30% of which are women of color; and electrical and construction trainings provided to 200+ potentially contractable women.	0	✓ 15% women in construction, 200 women trained		
	2. Provided women training that allows them to work on operating solar plants; included at least 30% of female workers in the operational phase; and provided daycare assistance benefit.	0	✓ 33% women in operations		
	3. Outreach program for female university students in STEM fields; and DEI awareness campaign for construction workforce.	-	✓ Implemented		
	4. 34% of the total work force is occupied by afro-Brazilian men.	0	✓ 68% afro-Brazilian		
<b>\$</b>	Interest rate reduction	✓ Milestone 1 - 75bps	✓ Milestone 2 - 50bps	✓ Milestone 3 - 25bps	✓ Milestone 4 - 25bps

## Technical Assistance

Atlas received dedicated in-house technical assistance directly from the IDB Invest gender and diversity team to identify focal areas and design the milestones for the performance-based incentive ensuring a positive impact on Afro-descendants, women, and girls.

## C3-II. Impact and Achievements

The introduction of PBIs played a pivotal role in elevating Atlas's aspirations beyond their original objectives, despite their ongoing efforts in developing and executing gender-focused initiatives across their projects. These incentives not only encouraged the establishment of more ambitious goals but also expedited their attainment within a shorter timeframe than initially projected. Furthermore, the incentive also empowered Atlas to implement new activities previously limited by resource constraints. This encompassed the implementation of childcare support for female employees, the facilitation of DEI workshops for EPC contractors, as well as the initiation of outreach campaigns aimed at inspiring girls and women to embark on careers in STEM fields.

### Direct PBI gender achievements

**Before the IDB Invest program, Atlas did not have a significant number of women in their workforce for the construction and operational phases of New Juazeiro or Casablanca, nor had they implemented specific childcare benefits.** Yet, Atlas achieved every one of the gender targets for both projects, receiving 100% of the incentive. In 2022, 2 years after the introduction of the incentive, Atlas had 162 female employees in their New Juazeiro project, representing 10% of the full workforce. In Casablanca, 368 women were employed in construction by 2022 and as of 2023, women represented 33% of the workers in this project's operations. Moreover, by 2023 New Juazeiro had trained 250 women, of which 211 were high school girls who received training and awareness on STEM sector careers and entrepreneurship, and 39 were women who received training on post-project economic opportunities, while Casablanca trained 200 women on the same topics.

**These achievements are primarily attributable to the PBIs, which not only formalized contractual agreements but also provided essential financial support. Consequently,**

those responsible for the project development were compelled to adhere to gender quotas, prompting a transformative shift in their perceptions of women's roles within the energy sector. By the end of the project, directors expressed contentment with the attained outcomes and actively contributed to achieving the established gender indicators.

**“The specific benefits that we achieved through the incentive was to change the bias of the contractors, and for the directors to help us now achieve these indicators.”**

The incentive also played a crucial role in breaking numerous stereotypes and biases associated with the participation of women in the construction sector. It effectively persuaded construction directors and contractors of the significance and necessity of incorporating women into such projects. Additionally, it highlighted the presence of capable and willing women who could actively contribute to the project. Before the incentive, this was perceived as an additional expense and became a burden for the contractors.

**“The incentive ended up helping because we received back the resources we had spent to achieve the gender milestones. It is worth continuing the effort. ”**

### **Indirect achievements and spillovers**

In addition to the established gender targets, Atlas emphasizes the positive transformations both within and outside the company that have enabled the initiative to be replicated across their various projects throughout Latin America. They particularly appreciate how the program has positively influenced women's perception of the construction industry. Atlas has chosen to implement training initiatives that enable women to explore diverse job opportunities, either within the company or outside, even

after the project's completion. As a result of these trainings, women have developed a genuine interest in pursuing careers in this sector and have successfully secured jobs that align with their newly acquired skills. Atlas has additionally nurtured the formation of a women's network within the industry and has created a comprehensive database of CVs, all belonging to women who have collaborated with them, enabling the company to easily identify fresh job prospects.

**Furthermore, Atlas has become a case of success in gender inclusion for the renewable energy sector: they have not only replicated the program across their organization but have been contacted by other companies in the sector to learn about their experience.** Atlas has offered its help and shared its insights to facilitate agreements with contractors regarding gender quotas. In the case of New Juazeiro and Casablanca, Atlas successfully established agreements with both EPC contractors and park operators. These agreements facilitated the hiring of women who had undergone training during the project's implementation phase.

**To accomplish New Juazeiro's targets, Atlas made alliances with schools, universities, and institutes to include girls and young women in their trainings and accomplish the gender targets.** These alliances made it possible to develop workshops with the communities near the construction sites and understand the needs of their women. They also had to manage negotiations with park operators, labor organizations, and other contractors to increase their willingness to hire women for the operational and construction processes and to ensure that the women participating in the construction would also have other employment options after the construction phase was completed. Atlas partnered with FUNDES to identify pertinent local challenges and influential community figures who possessed a deep comprehension of the region's vulnerabilities. This collaboration enabled them to effectively engage women in the training sessions required by the incentives program and gain insights into their areas of interest.

**“The women's and municipal secretaries participated closely with us in the talks with the EPCs, it was a true public-private effort.”**

## C3-III. Success Drivers and Constraints

Testimonies from the Atlas team highlight a set of main drivers and key activities that played a crucial role in achieving gender milestones.

Success Drivers
<b>IDB Invest flexibility in the context of the pandemic</b>
<p>During the COVID-19 pandemic, IDB Invest demonstrated flexibility in gender milestones. Given pandemic constraints, Casablanca could not implement childcare assistance activities. However, through effective negotiation and communication with IDB Invest, the milestone was adapted to gender trainings, allowing Atlas to achieve the milestone and receive the incentive.</p>
<p><b>“Due to COVID, we notified IDB Invest that we had to renegotiate the indicators (...). That is why they proposed we provide women specific trainings about the construction phase and offer a voucher for childcare assistance.”</b></p>
<b>Gender priorities were “top-down” decisions across the projects</b>
<p>The contract’s design and framework ensured the active participation of all stakeholders in its execution, with a notable engagement from Atlas’s leadership, including up to the company’s CEO. The explicit commitment with a significant funder served as a catalyst, motivating managers and operators to strongly prioritize gender targets across various aspects of the project.</p>
<p><b>“What helped us was that this process was top down; not only the CEO, but we had a contract signed with a lender (...) It was a shared obligation of the entire chain.”</b></p>



**Intention to use the PBI's outcomes as a marker of competitive advantage**

The results and commitment created an added value and differentiator from the competition in the industry. Thanks to the incentives programs' results, Atlas has implemented similar gender components, as the ones fostered by IDB Invest, in all their subsequent projects. A key driving factor behind their commitment to promoting gender inclusion was the realization that incorporating women led to enhanced productivity, reduced turnover rates, and an improved work environment.

**“What helped us was that this process was top down; not only the CEO, but we had a contract signed with a lender (...) It was a shared commitment of the entire chain.”**

**Replication of gender initiatives**

Atlas was already implementing a program, “Somos parte de la misma energía”, which has the objective of including vulnerable populations in the STEM sector, as they had realized that, besides hiring women, it is necessary to implement trainings and supportive conditions for these women to work comfortably, such as childcare assistance. And although it is an initiative born before IDB incentives, the company has kept implementing this program on all their projects.

**“In other of our projects, although they do not have Blended Finance, we replicate goals that include trainings, percentage of women employees, and daycare help.”**

However, the Atlas team also highlighted a series of constraints they encountered during the program's implementation, which added complexity to the achievement of the incentive.

<b>Constraints</b>
<b>Bureaucratic requirements from IDB Invest</b>
The program experienced numerous delays and challenges as a result of the bureaucratic requirements imposed by IDB Invest. The intricate processes mandated that every decision, change, and negotiation undergo review and confirmation from senior leadership, causing further complications. For instance, when Casablanca's milestones required adjustments, they had to undergo a lengthy approval process, causing delays. When the new objective was established, no changes were made to the contract; it was merely an agreement, which made the Atlas team uncomfortable.
<b>Gender biases</b>
It took significant time and effort to include the EPC in the agreement, and they were not particularly well-experienced in handling gender issues.

## C3-IV. Learnings and Opportunities

1. The program **elevated the degree of ambition** regarding gender objectives and **expedited their achievement timelines**. Notably, the PBIs played a crucial role in highlighting the significance of **providing women with workplace benefits** like childcare assistance and flexible hours. The incentive also provided the necessary **financial support** to cover these additional expenses.
2. The communication and flexibility of IDB Invest was very important to achieve the defined targets, but a **more streamlined decision-making process** and **formal process for communicating contract changes** and alternative targets would be helpful for situations of urgency or with unforeseen challenges.
3. The clients participating in these programs tend to **implement supporting activities that go un-rewarded** and are not monitored by the funder but can have profound impacts, like creating a gender committee or documenting the profiles of women that benefited from trainings. **Keeping track**, and if possible, **rewarding these extra activities** can help create a wider array of indirect impacts.

## C3-V. Results from scoring questions

To gain a deeper understanding of the Atlas team's perspective on the incentive, responses were collected from one team member through a scoring survey<sup>1</sup>. Overall, the respondent emphasizes the significant contribution of their pre-existing commitment to gender outcomes and active engagement with key stakeholders throughout the project in achieving gender-related outcomes.

---

<sup>1</sup> Atlas team did not answer all the scoring questions from the survey.

The respondent agreed it was extremely likely for Atlas to achieve the gender milestones after the incentive was offered.

Figure 33: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

Perceived likelihood of achieving the gender targets, out of 10



Moreover, the respondent considers that the organization's prior willingness to pursue gender goals and involving the appropriate actors in the implementation of the PBI were fundamental for achieving the gender targets.

Figure 34: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness and including key stakeholders in the project in achieving gender targets

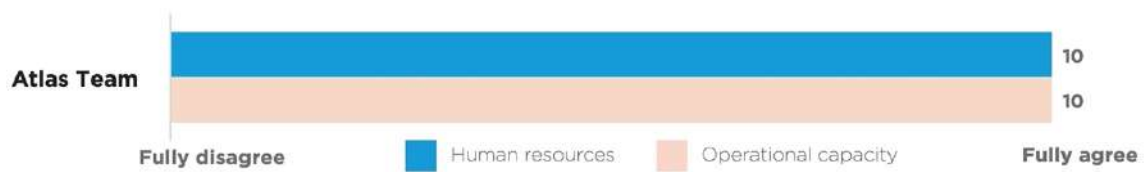


Figure 35: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?



However, Atlas conveyed that technical assistance was less critical for bolstering their human resources and operational capabilities, primarily because they had already established a corporate framework focused on gender objectives.

Figure 36: How much do you agree with the following statement: "Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives"



**Case  
study 4:**  
*Renewable  
Energy  
Project 1*

## C4-I. Project Overview

### Project Description

The Renewable Energy Project I consisted of the construction, operation, and maintenance a renewable energy project and its associated facilities. It consisted of a total installed capacity of 68.25MW, where the electricity produced was sold to a state-run power company. The project started in 2016.

The project's contractors had already committed to incorporating gender targets into their projects even before IDB Invest approached them with the performance-based program. The contractors had formed partnerships with labor unions to promote the engagement of women in their projects, specifically focusing on encouraging local female participation. To accomplish this goal, they conducted training sessions for over 200 women on working in the renewable energy sector. These training sessions were among the most extensive in the country they were operating in, garnering support from the government and significant media attention. Consequently, IDB Invest became aware of their initiative and extended a loan package offer to them. This project marked the inaugural gender incentives program introduced by IDB Invest, and it did not include advisory services.

### IDB Invest Transaction

In 2016, IDB Invest closed a loan package with a 19-year duration, focused on reducing greenhouse gas emissions by 74,000 t CO<sub>2</sub> per year. IDB Group financing was comprised of an IDB Invest loan of US\$53MM, a US\$10MM C2F Loan, and a US\$19.3MM China Fund Loan, accounting for 68.25% of the total US\$120.6mm project cost.

Figure 37: Project details



## Performance Based Incentives

The C2F financing included a PBIs structured as interest rate adjustments of up to 75 bps to encourage female labor participation, enhance female labor hours across the entire project, and increase female labor hours dedicated to construction activities. The achievement of all three targets granted one interest rate reduction of 37,5 bps. Additionally, the contractors could receive an extra performance bonus of another interest rate reduction of 37,5.

Figure 38: Project details

		2015	2016 - 2018
PBI Milestones	1. At least 15% of the total number of workers employed by EPC in each of the projects are women.	0	<input checked="" type="checkbox"/> 18% women workers
	2. At least 15% of the sum of EPC total project labor hours are attributed to female laborers.	0	<input checked="" type="checkbox"/> 20% of the working hours allocated to female labor
	3. At least two thirds of the minimum working hours attributed to female laborers will be related to construction tasks.	0	<input checked="" type="checkbox"/> 85,6% of female labor hours allocated to construction
Bonus: Additional performance bonus for satisfaction of all the targets set above.			
\$	Interest rate reduction	<input checked="" type="checkbox"/> Milestone 1 + Milestone 2 + Milestone 3 - 37,5bps	
		<input checked="" type="checkbox"/> Bonus - 37,5bps	

## C4-II. Impact and Achievements

This transaction successfully met all the gender-related hiring and hourly work requirements. However, attributing these achievements directly to the incentive is challenging in this case, as the project's contractors had already initiated the implementation of gender targets before the incentive was introduced. Nevertheless, IDB Invest's collaboration played a pivotal role in formalizing and enhancing all the activities and efforts that the contractors had been undertaking. The contractors had not been documenting the participation of women throughout the project, nor had they effectively altered perceptions about women's involvement in the construction phase. Thanks to IDB Invest assistance and support, special procedures were established to systematically document the nature of the work carried out by women throughout the project, track the number of women actively engaged in the plants, and implement mechanisms to verify the achievement of their gender-related targets as initially estimated.



**Moreover, the incentive played a crucial role in providing additional financial support to the contractors to cover the costs associated with training and hiring women.** As contractors began to promote female participation, it became evident that women initially had lower performance levels than men. This discrepancy was primarily due to their lack of prior experience in the sector or the need for more women to complete tasks that fewer men could handle. In this context, the incentives program encouraged the continued participation of women in the project. The project facilitated the creation of a labor pool comprising 100 women equipped with certificates qualifying them as solar panel installers in their respective regions. Many of these women continued to work in the operations or construction sectors even after the project concluded, setting a significant precedent within the industry. Their success demonstrated the feasibility and social benefits of incorporating female labor into such projects, influencing the broader industry to follow suit. For example, the government where the project was being implemented decided to carry out the same gender incentives with other organizations of the energy industry.

### **Direct PBI gender achievements**

**The incentive played a pivotal role in achieving results, in providing the essential resources needed to establish a comprehensive monitoring and documentation system for the women employed in the projects, and for convincing contractors of the economic benefits of employing women.** The project successfully achieved all their pre-established targets, thus receiving the full 100% incentive. Out of the 1,162 workers they employed, 204 were women, constituting 17.5% of the total workforce. In the initial year of the project construction, only 8% of the workforce was female. However, over time, they increased female participation to 20% of the total working hours, with at least 50% of these hours dedicated to technical activities such as handling materials and assembling structures and panels. The documentation of these results was made feasible through the implemented monitoring system, which mandated that the women record the nature of their activities, their precise work hours, and maintain an attendance log.

**The incentive was key to demonstrate other contractors that the inclusion of women in these projects not only carried economic advantages but also would be acknowledged and supported by the government, ultimately leading to economic benefits.** Before the incentive, even though gender objectives existed, a significant portion of individuals within the consortium perceived that their efforts entailed greater

costs than the potential rewards they could reap. However, after the incentive was introduced, it rallied everyone on the team to collectively pursue gender objectives and replicate their successful practices throughout the project. These achievements reflected their commitment to gender inclusion and diversity in their projects.

**The inclusion of an economic incentive to offset the supplementary expenses associated with training and integrating female employees, coupled with a direct request from a funding entity, played a pivotal role in fostering greater acceptance of gender targets among the leadership, management, and contractors.** This support provided them with increased flexibility and time to implement these programs effectively. The tangible results achieved through the program and the testimonies of the women involved played a significant role in solidifying a company culture centered around gender inclusion. This cultural shift made subsequent requests for gender-related initiatives and other priorities more manageable and well-received within the organization.

**“It was much easier for me to convince the company’s management and shareholders that we are on the right track given the incentive from IDB Invest.”**

Additionally, the Renewable Energy Project represented the inaugural opportunity for IDB Invest to extend such financing packages, and its remarkable success paved the way for many subsequent investments with gender PBIs. In essence, the success of this project became a benchmark for broader initiatives promoting gender inclusion and equality across various sectors.

**“We were the first example of this process for IDB Invest and allowed them to test whether it worked, and the processes required to achieve it.”**

## Indirect achievements and spillovers

In addition to the established gender targets, the contractor emphasizes the favorable external changes that have positively influenced both their company and the renewable energy sector in the country of implementation since the inception of the incentive. They particularly value the recognition and support received from the government, which has not only acknowledged their efforts but also initiated the replication of their gender program with other organizations. The project's example served as compelling evidence that training and hiring women within such programs was not only possible but also economically viable for contractors. This demonstrated that contractors could be compensated for their efforts in promoting gender inclusion. IDB Invest officers reported that the government of the country where the project was implemented later replicated similar gender programs.

**“There was another infrastructure project that the government made, and they copied and pasted the same gender targets.”**

Furthermore, their successful experience has served as a source of inspiration, motivating other companies within the sector to actively promote and embrace female participation. The contractors were invited to participate in talks and seminars. This platform allowed them to share their valuable experience and the positive results achieved with other organizations in the sector. Although they may not have direct awareness of whether the program has been replicated elsewhere, they are confident that the women they trained and empowered through their initiatives have been able to access new job opportunities within the sector, contributing to broader gender inclusion efforts in the industry.

**“It was a very rich experience that showed other organizations in the sector that women could be included in the workforce.”**

## C4-III. Success Drivers and Constraints

Testimonies from the project’s team highlight a set of main drivers and key activities that played a crucial role in achieving gender milestones.

Success Drivers
Pre-established willingness to integrate gender objectives
<p>The contractors had previously made a strategic commitment to prioritize gender inclusion in its projects. They had been actively collaborating with labor unions and various local institutions to formulate effective strategies for enhancing the participation of women in their projects. As a result, they had already established a well-structured and systematic approach to training and integrating women into their workforce. This existing framework proved to be beneficial when it came to incorporating additional milestones to meet the incentive requirements.</p>
<p><b>“We had a commitment with the labor unions and with the Government that these projects could generate local and female labor, it was a social commitment.”</b></p>
Straightforward communication and documentation process with IDB Invest
<p>Initially, IDB Invest had requested the contractors to document the outcomes of their gender program primarily through anecdotal means. However, when the contractors recognized the additional costs associated with this approach, IDB Invest promptly responded by introducing a financial incentive and offering comprehensive support. The incentive program provided them with the means to establish standardized worksheets and procedures in accordance with ISO (International Organization for Standardization) standards. These tools enabled the client to comprehensively describe the specific tasks performed by women and assess the gender balance among their employees, ensuring a more knowledgeable and equitable approach to workforce management. This enable the tracking of the desired gender targets and guarantee that women were not only being hired to meet a target, but also acquire valuable new experiences and remained engaged throughout the life of the projects.</p>
<p><b>“Perhaps what the incentive did was help us to document all the procedures, creating a monitoring procedure and, in turn, making sure we comply with our gender compromises.”</b></p>

### Replicability

After successfully integrating women into their projects, the project's contractors expressed the intention to replicate this gender-inclusive approach in their future constructions. The EPC team believed that had the company continued its operations, they would have continued to expand and develop their gender program. They recognized that such a program would not only provide them with a competitive edge in government tenders but also open doors to obtaining various incentives and support from the government for their gender initiatives.

**“We wanted to establish these processes [female hiring] in the rest of the industry”**

However, the project team also highlighted a series of constraints they encountered during the program's implementation, which added complexity to the achievement of the incentive.

### Constraints

#### Resistance involving relevant stakeholders

Women employees in construction had less practical experience than men, which resulted in lower productivity at the beginning of the project and raised some resistance from contractors and project stakeholders. Providing practical training helped reduce these issues, but significant production delays persisted as the project advanced due to short-term nature of trainings and the necessity for practical application.

#### Gender biases

At the beginning, the organization faced considerable challenges in convincing all the contractors about the significance of integrating gender objectives into their projects. There was resistance due to concerns regarding the associated costs and the additional time required for implementation.

## C4-IV. Learnings and Opportunities

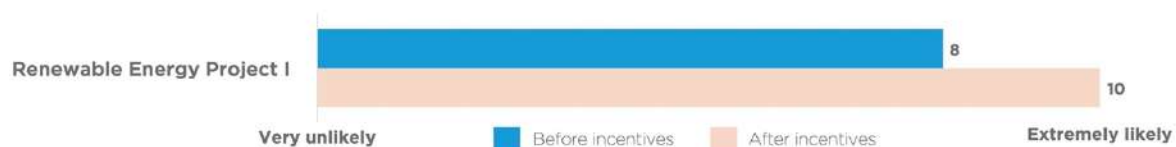
1. DFIs should proactively seek improved **monitoring mechanisms for final beneficiaries** to effectively track diversity progress even after projects have concluded. This would **provide valuable insights into the long-term** impact of their initiatives and help **ensure sustained benefits** for participants, such as the women involved in the program.
2. **Forming alliances with external public and private organizations** is a crucial strategy in helping clients attain their gender-related objectives and addressing various women's needs, including training. IDB Invest should play an active role in **supporting clients** right from the outset in the process of **forging these strategic partnerships**. This support can contribute significantly to the successful implementation of gender-focused initiatives and ensure that a comprehensive network of resources and expertise is available to meet the diverse needs of women involved in the projects.

## C4-V. Results from scoring questions

To gain a deeper understanding of the Renewable Energy Project's sponsors perspective on the incentive, responses were collected from one team member through a scoring survey. Overall, the respondent emphasizes the **substantial contributions made by program design and the engagement of key stakeholders**. The respondent agreed it was extremely likely to achieve these gender results once the incentive was offered. However, they believed the likelihood of achieving it without the incentive was also very high given they were already implementing gender outcomes.

Figure 39: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

Perceived likelihood of achieving the gender targets, out of 10



Moreover, they indicated that the design of the PBI was a major contributor to achieving the gender targets.

Figure 40: How much would you say that a good incentive design / quality of the technical assistance provided contributed to the project's achievement of the gender goals?

Contribution of a good incentive design and TA in achieving gender targets



Also, the team clearly stated that involving the appropriate actors was critical in implementing the PBI. Collaborating with union leaders and government actors provided essential support and streamlined the process of achieving the incentive.

Figure 41: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness and including key stakeholders in the project in achieving gender targets



Figure 42: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?



**Case  
study 5:**  
*Central  
Puerto*



## C5-I. Project Overview

### Company Description

**Central Puerto, founded in 1992, is the leading private power generation company in Argentina across thermal, wind, solar, and hydraulic sources, including hydroelectric power generation.** Currently, they operate in 14 generation plants of diverse technologies that represent an installed capacity of 7,100 MW, which is equivalent to 16.3% of the Argentine Interconnection System (SADI). This positions them as one of the main private electricity generation groups in Argentina.

### IDB Invest Transaction

**In 2017, IDB Invest closed two packages to finance two of Central Puerto’s wind projects: La Castellana and Achiras, both located in Argentina.**

IDB Group provided La Castellana project a US\$31 million package with a 15-year duration, financing 18% of the project total cost, with the aim of building, operating, and maintaining a 99 MW wind farm and its related facilities, including a 37 km long 132 kV transmission line in the south of the province of Buenos Aires. The package included a US\$5 million loan from the Canadian Climate Fund for the Private Sector in the Americas (C2F).

Figure 43: La Castellana project details



Achiras received from IDB Group a \$20 million package with a 15-year duration, financing 25% of the project total cost, with the aim of building, operating, and maintaining the 48 MW Achiras wind farm, in the southeast of the province of Córdoba. The package included a US\$10 million loan from the Canadian Climate Fund for the Private Sector in the Americas (C2F).

Figure 44: Achiras project details



## Performance Based Incentives

The transaction included gender incentives for both wind power plants to foster gender-related objectives in the implementation of the project, encompassing aspects like trainings on gender and diversity, and fostering female participation in the workforce.

In La Castellana, the C2F blended finance tranche included PBIs structured as interest rate reductions of up to 100 bps, which depended on the following milestones:

- 1. Milestone 1:** Central Puerto supports United Nations Women's Empowerment Principles (WEP); provide training on gender equality in the workplace for top management and staff and create and implement a gender action plan approved by the company's Board of Directors.
- 2. Milestone 2:** Develop an internship program for female university students in energy, engineering, environmental management, procurement, or finance.
- 3. Milestone 3:** Develop an internship program directly conducted the sponsor, Central Puerto, for female university students in energy, engineering, environmental management, procurement, or finance.

The completion of the first milestone granted an annual interest rate reduction of 25 bps, and the completion of the second and third milestones granted an annual interest rate reduction of 25 bps per female student, maximum 3 student could be awarded.

Figure 45: Gender milestones results for La Castellana

		2018	2019 - 2020
PBI Milestones	1. Commitment to WEP, Signatory of WEP, Training on gender equality in the workplace, and implementing a gender action plan approved by the company's Board of Directors.	-	<input checked="" type="checkbox"/> Implemented
	2. 3 female university students shall complete a 12-months internship program, 1 in project supervision, and at least 2 in energy, engineering, environmental management, procurement, or finance.	BASELINE 0	RESULTS <input checked="" type="checkbox"/> 5 female interns
	3. 2 female university students shall complete a 6-month internship program, 1 in activities related to renewable energy, engineering, environmental management, procurement, or finance, and 1 in activities conducted by the Sponsor.	0	
\$	Interest rate reduction <input checked="" type="checkbox"/> Milestone 1 - 25bps <input checked="" type="checkbox"/> Milestone 2 + Milestone 3 - 75bps		

In Achiras, the C2F blended finance tranche included PBIs structured as interest rate reductions of up to 100 bps, which depended on the following milestones:

- Milestone 1:** Central Puerto supports United Nations Women's Empowerment Principles (WEP); provide training on gender equality in the workplace for top management and staff and create and implement a gender action plan approved by the company's Board of Directors.
- Milestone 2:** Develop an internship program for female university students in energy, engineering, environmental management, procurement, or finance to be hired during the construction phase of the project.
- Milestone 3:** Develop an internship program for female university students in energy, engineering, environmental management, procurement, or finance to be hired in the corporate headquarters of the renewable energy area.

The completion of the first and second milestones granted an annual interest rate reduction of 33.3 bps per female student, with a threshold of 3 students to be recruited.

Figure 46: Gender milestones results for Achiras



## Technical Assistance

In pursuit of the gender incentives for both projects, IDB Invest allocated \$21K worth of technical assistance to Central Puerto on a corporate scale. This assistance was provided by Aequales SAS, an external contractor. The TA consisted in training Central Puerto's senior management and human resources team, guiding them in the creation of an equality committee, and supporting them in the design of an equality policy, and a gender action plan.

## C5-II. Impact and Achievements

The incentives program empowered Central Puerto to pinpoint areas that required enhancement within their recruitment and operational procedures, thereby facilitating the attainment of gender diverse and inclusive results. Both La Castellana and Achiras projects successfully met all the established gender targets, attaining the full 100% of the incentive. Due to the constraints imposed by Argentine regulations concerning women's involvement in construction, the notion of incorporating gender-related milestones into projects had never been contemplated prior to the introduction of the PBIs. Central Puerto implemented changes to ensure greater representation of women in shortlists and to provide the necessary support for their continued presence within the company. Given the favorable outcomes and achievements of the internship programs, Central Puerto made the strategic decision to formalize the internship initiative in both projects La Castellana and Achiras. Additionally, the company committed to embedding a gender-focused agenda into all their projects throughout Argentina.

## Direct PBI gender achievements

**Before the IDB Invest program, Central Puerto had never implemented internship initiatives specifically oriented to recruit female students, nor had they conducted internal training sessions addressing gender and inclusion.** In 2019, one year after the program's launch, Central Puerto had a combined total of 7 female interns actively participating in both La Castellana and Achiras projects. Subsequently, in 2020, an additional 2 female interns were reported for both wind farms. Furthermore, as of 2019, within the combined workforce trained across both projects, 43% were women. This is a significant increase considering that in 2018, no women had participated in trainings.

**“We have decided to start monitoring the gender of the applicants that respond to our job postings, to give internal promotions to women, and include more women in the productive processes.”**

**Indirect achievements and spillovers** In addition to the established gender targets, Central Puerto emphasizes the transformative nature of the trainings and workshops conducted, which not only helped men in the organization recognize their misconceptions about women in the infrastructure field but also empowered working women to confront societal biases and enhance their personal growth.

Consequently, Central Puerto has made a commitment to gender and inclusion targets throughout all their projects and headquarters in Argentina, with plans for further expansion and continued support for the development of women in the workplace.

**Despite female participation in the workforce not being an explicit component of the incentive, both projects succeeded in raising overall female engagement after the introduction of PBIs.** Back in 2017, when the incentive was extended to Central Puerto, neither La Castellana nor Achiras had any women included in the operations and construction workforce. By 2018, in Achiras, 18% of the operational workforce consisted of females, while 17% of the workforce engaged in construction were also women. And by 2019, La Castellana project reached a 19% female workforce in the operational phase.

**These outcomes were possible thanks to the recruitment strategies that Central Puerto adopted because of the incentives program. The incentives program, specifically the TA support, enabled Central Puerto's board and human resources team to develop a greater understanding of how to enhance gender inclusion in their job opportunities.** Previously, Central Puerto had not adjusted the language included in their job postings or on interview procedures, nor were they actively monitoring the number of women applicants. Recognizing this, they established a recruitment process that was not only more efficient and inclusive but also extended its scope to encompass women hiring across the entire organization, beyond just the wind farms projects. The process of promoting gender inclusion in job openings also sparked internal changes across the entire company, particularly in recruitment practices, leading to improved integration and coordination among different departments. For instance, human resources collaborated closely with the communications team to enhance the company's mission and vision, incorporating inclusive language, and developing strategies to effectively engage women through various networks.

**“We began to see how to diversify and include women where there was a possibility, we changed our way of thinking, readjusting our LinkedIn ads and our pitch on our webpage.”**

**The outcomes and achievements demonstrated by both projects served as a model within the Association of Electric Power Generators in Argentina.** This association aimed to bolster the women's union within the energy sector and consequently established a commission dedicated to gender and diversity matters. Central Puerto was extended an invitation to join this commission and contribute their insights, as well as to share their firsthand experience in implementing gender incentives. Additionally, the successful execution of the internship programs required Central Puerto to establish enduring partnerships with several educational institutions, which they maintain to this day. For example, they continue to work hand in hand with the Universidad de Córdoba and Bahía Blanca to identify potential interns and facilitate the internship process.

**“We continue with the women’s program, and it is institutionalized. Both Universidad de Córdoba and Bahía Blanca have recognized it, and that allows us to build good relationships with other institutions.”**

## C5-III. Success Drivers and Constraints

Testimonies from the Central Puerto team highlight a set of main drivers and key activities that played a crucial role in achieving gender milestones.

Success Drivers
<b>Gender processes become “top-down” priorities</b>
Right from the project’s beginning, IDB Invest made sure to involve the board and directors from various areas in all gender initiatives. This inclusive approach ensured that gender issues became a shared objective among all managers, even if they were not directly involved in securing the incentive.
<b>“First we had a meeting with the human resources team and then with all the managers and directors of the company, there were talks on gender diversity and gender-oriented workshops.”</b>
<b>IDB Invest support and flexibility</b>
Throughout every phase of the project, the IDB Invest team played a crucial role in guiding and facilitating Central Puerto’s activities. The team actively engaged in awareness-building tasks and conducted internal evaluations to help Central Puerto identify areas of focus more effectively. Moreover, they understood the challenges posed by the Argentine context regarding gender inclusion within the infrastructure sector and helped Central Puerto overcome them to create positive change.
<b>“Thanks to the support of IDB Invest we began to think differently, we took a perspective on the need for gender within the company.”</b>
<b>Internal coordination and organization</b>

The design of the program ensured that all departments within the company were involved throughout the execution, fostering a high level of coordination and teamwork. This collaborative approach greatly facilitated the achievement of targets and the successful implementation of additional gender initiatives. Human Resources took the lead of the process and diligently monitored adherence to the new gender policies. Their proactive role played a crucial part in maintaining focus and sustaining interest in the program throughout its duration.

**“This would not have been possible if there was not a group within the organization that specifically leads the issue [hiring more women], we modified the employment policies, so someone has to be monitoring the number of jobs applications received.”**

#### **Training and support for the management team**

Aequales, the TA provider, played a pivotal role by conducting internal workshops about gender inclusion and helping to define the strategic course of action and specific activities necessary to achieve the company's gender targets. Furthermore, the collaboration with unions proved instrumental in empowering women and enhancing their participation in various projects at Central Puerto. These partnerships not only strengthened the role of women within the company but also served as a catalyst for the replication of gender initiatives by other associations across Argentina.

**“The company's management received a presentation from IDB Invest about gender practices, and that made the inclusive process become an objective for all the company.”**



However, the Central Puerto team also highlighted a series of constraints they encountered during the program's implementation, which added complexity to the achievement of the incentive.

Constraints
<b>Federal regulations</b>
<p>Central Puerto was able to overcome the limitations imposed by industry regulations, specifically the 1924 Argentine law that prohibits women from participating in activities with certain types of heavy machinery, and make significant progress towards achieving their gender objectives, thanks to the flexibility and support provided by IDB Invest. However, it is important to acknowledge that greater impact could have been achieved if not for these legal constraints. This highlights the need for continued efforts to address legal limitations and foster a more conducive environment for gender inclusion in Argentina.</p>
<b>Recruitment of female students</b>
<p>Central Puerto has observed a decline in the number of women pursuing technical careers, which poses challenges in finding qualified female candidates with the necessary educational background to work at Central Puerto. They stated that finding young women who have graduated in mechanical or electrical engineering, which are the specific careers they predominantly seek to fill their vacancies, has become exceedingly challenging.</p>

## C5-IV. Learnings and Opportunities

1. The **inclusion of all relevant stakeholders** (i.e., human resources staff, union members, and managers) early and efficiently into the PBI design and negotiation discussions is critical to **facilitate the achievement of PBIs**.
2. IDB Invest should **always consider the contextual constraints** of the company before defining the PBIs to guarantee effective results.
3. The scarcity of female talent with the required studies has created a significant obstacle in achieving gender diversity within Central Puerto. It becomes imperative **to address the underlying factors that deter women from pursuing technical careers and develop strategies to encourage and support their participation in these fields**.

4. Keeping track, and if possible, **rewarding additional activities** the organization may be accomplishing to better achieve the incentive, like creating a gender committee or implementing inclusive recruiting mechanisms, can help **create a wider array of indirect impacts**.

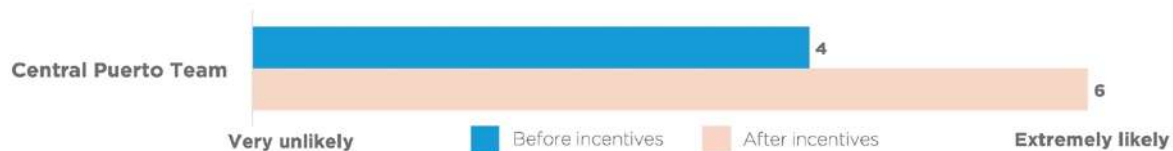
## C5-V. Results from scoring questions

To gain a deeper understanding of Central Puerto team's perspective on the incentive, responses were collected from one team member through a scoring survey. Overall, the respondent emphasizes the crucial role the technical assistance played in achieving gender-related outcomes, the engagement of key stakeholders, and their pre-existing commitment to gender outcomes.

The respondent stated the likelihood of achieving the incentive increased after the incentive was offered.

Figure 47: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

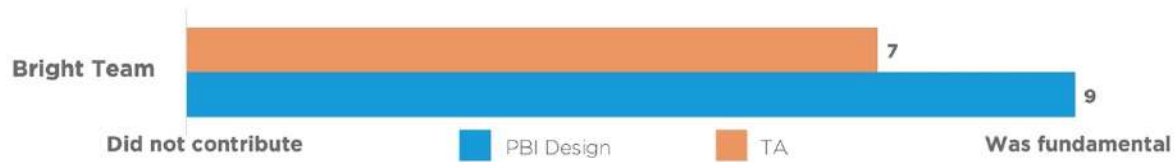
Perceived likelihood of achieving the gender targets, out of 10



Moreover, the respondent indicated that both the design of the PBI and the technical assistance were major contributors to achieving the gender targets. More specifically, the technical assistance proved instrumental in addressing contextual obstacles and equipping the team with the necessary preparations for program implementation.

Figure 48: How much would you say that a good incentive design / quality of the technical assistance provided contributed to the project's achievement of the gender goals?

Contribution of a good incentive design and TA in achieving gender targets



Also, they agreed on the significance of the organization's prior willingness to pursue gender goals, and especially, the importance of involving the appropriate actors in the implementation of the PBI. Collaborating with these organizations provided essential support and streamlined the process of achieving the incentive.

Figure 49: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness and including key stakeholders in the project in achieving gender targets



Figure 50: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?

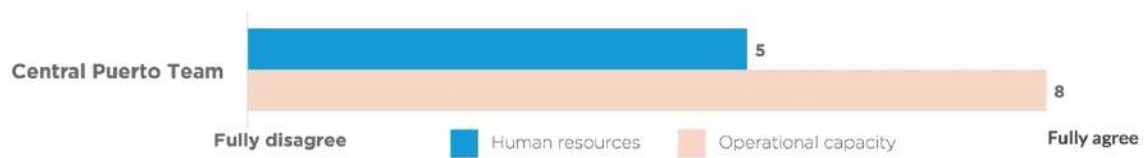


To be more specific, the respondent agreed that Central Puerto could improve their operational capacity to achieve the incentive, and even more notably, Central Puerto had

a shortfall in their human resources segment. It was precisely in this area that technical assistance played a crucial role in enhancing gender outcomes.

Figure 51: How much do you agree with the following statement: "Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives"

Perceived likelihood of counting with the necessary resources to achieve the incentive without TA



**Case  
study 6:**  
*BAC El  
Salvador*

## C6-I. Project Overview

### Company Description

**BAC El Salvador is a prominent financial institution operating in El Salvador, it began operating in 1994 and it is the third largest bank in El Salvador’s banking system.** In 2020, BAC had a growth in assets of 5,6% compared to 2019, with a total of US\$20 million assets and a growth in deposits of 11,5%, with a total of US\$15 million deposits. As a subsidiary of BAC Credomatic, BAC El Salvador provides a wide range of financial products and services to individuals, businesses, and institutional clients. In 2007 they acquired PROPEMI (Programa de Promoción a la Pequeña y Microempresa) in El Salvador, which has allowed them to position themselves as a point of reference in the country’s SME segment. In 2017 BAC El Salvador created “Mujer Acelera”, a program to offer financial and non-financial solutions to women-led SMEs<sup>2</sup>.

### IDB Invest Transaction

**In 2020 IDB Invest provided a US\$60 million loan over five years with the aim of promoting growth in BAC El Salvador’s SME and WSME portfolios, and to support the Bank in providing solutions for the WSME segment.**

Figure 52: Project details



<sup>2</sup> For more on Mujer Acelera Progrrma: <https://www.baccredomatic.com/es-sv/pymes/mujer-acelera>

## Performance Based Incentives

The transaction included funds from the Women Entrepreneurs Initiative (We-Fi) program of up to \$450,000 performance grant to increase the share of WSMEs in their SME portfolio from 2021 to 2025. The incentive consists of providing \$90,000 per year to BAC if they increase the share of WSMEs in their SME portfolio from 26% to 45%, using 2019 as the baseline to calculate the incentives targets. These targets accumulate on an annual basis, meaning that if they are not achieved in one year, but are met in the subsequent year, the incentive will be received.

Figure 53: Gender PBIs targets (T) and results (R)

	2019	2021	2022	2023	2024	2025
<b>PBI Milestones</b>	Increasing the share (%) of WSME loans in the SME portfolio					
	<b>BASELINE</b> 26%	<b>RESULTS / TARGETS</b> <input type="checkbox"/> 25% (R) / 31% (T)		<input checked="" type="checkbox"/> 35% (R) / 33% (T)		
<b>\$</b>	<b>Grant amount</b>		<input checked="" type="checkbox"/> 180K	90K	90K	90K

## Technical Assistance

IDB Invest funded an external technical assistance aimed at enhancing BAC's gender strategy, specifically tailored to better serve WSMEs. This initiative would assist BAC in identifying opportunities to enhance both their financial and non-financial services for the WSME segment. The external technical assistance was carried out by FUNDES at a cost of US\$150,000, with an additional contribution of US\$75,000 from BAC. Together, BAC and FUNDES conducted a comprehensive diagnosis of the main constraints within the WSME segment, formulated recommendations, and developed a gender action plan specifically focused on WSMEs. The assistance was delivered over a three-month period.

## C6-II. Impact and Achievements

The incentives program and technical assistance activities played a crucial role in aligning interests, expertise, and awareness within BAC, significantly expediting progress toward gender-related milestones. Prior to the program's implementation, the institution had embarked on a lengthy journey aimed at developing products for women-owned businesses and enhancing their entrepreneurial skills. However, it was only during the program's execution that they decided to adopt a more comprehensive approach to

addressing the needs of women and their businesses while also promoting cultural shifts within the institution. As a result, the institution began offering a wider range of financial services tailored to the specific needs of women entrepreneurs and enhanced their customer care to better serve them.

**Thanks to the studies conducted as part of the technical assistance, BAC El Salvador gained valuable insights into the benefits of supporting women entrepreneurs in the WSME segment.** These insights were subsequently disseminated across all divisions of the institution. Moreover, BAC began to pay closer attention to the repayment behavior of loans extended to women, discovering that women exhibited a strong track record of prompt repayment. Consequently, various segments of the institution have established and started measuring their own gender-related performance indicators, thereby fostering gender inclusion, and reaping the benefits of these positive outcomes. Prior to the introduction of the incentive program, the bank lacked the knowledge and tools required to measure these outcomes. However, following the program's implementation, all segments of the institution have adopted their own gender-specific metrics and evaluation tools.

## **Direct PBI gender achievements**

**BAC was able to considerably increase the number of WSMEs they financed between 2020 and 2022, even if they missed the chance to increase the share of WSME loans in the SME portfolio in 2021, with a high likelihood that this growth will continue in the years to come.** BAC El Salvador increased the proportion of WSMEs within their SME loan portfolio from 26% in 2019 to 35% in 2022. However, in 2021, they only managed to reach 25%, missing their 31% target due to various contextual challenges, such as COVID pandemic. Nevertheless, given targets are cumulative, they secured incentives for both 2021 and 2022. This achievement was possible because BAC had implemented various internal changes to ensure they consistently meet their targets.

**“The financial support of the incentive was important, institutionally we felt that with this financing the bank could serve this segment [WSMEs], therefore we had no excuse not to pursue it.”**



**The initiatives undertaken by BAC to qualify for the incentive have played a vital role in raising awareness about the importance of women's involvement in the sector.**

They have embarked on a holistic approach that encompasses financial support, awareness campaigns, cultural shifts, and the development of new products. Furthermore, these efforts have illustrated that investing in WSMEs not only benefits the financial institutions' profitability but also enhances organizational culture and overall performance by supporting women leaders. BAC's team emphasizes that these outcomes have positively altered perceptions of women across the entire bank, extending to various departments such as risk assessment, credit management, and administration, as well as among the bank's leadership. The entire BAC team committed to achieving gender targets, and integrated gender objectives as part of their agenda. While it is possible that there would have been broad support for these objectives regardless, BAC leadership indicated the financial benefit of the incentive helped rally support across previously unrelated departments.

**“When senior management says that this project is important, the attention not only has to do with, let's say, the social part, but also makes it more convenient as a business.”**

### **Indirect achievements and spillovers**

**In addition to the predefined gender targets, BAC emphasizes two significant transformations that have occurred within and outside the institution since the initiation of the incentives program.** Women employees throughout the bank, even those not directly engaged in program implementation, have expressed their appreciation for the bank's gender initiatives. They report that these initiatives have provided them with recognition and support within the organization. Furthermore, BAC has noted that their female clients have conveyed an increased sense of empowerment and improved business skills as a result of these programs. While these outcomes are not directly tied to the IDB Invest requirements, they stem from other initiatives undertaken by BAC to qualify for the incentive. The technical assistance provided by IDB Invest has also contributed to the institution's ability to develop better products and foster stronger relationships with its female clients.

**BAC El Salvador has taken proactive steps to inspire other branches within the BAC Credomatic Network to integrate objectives centered around their women's portfolios.** To facilitate this, they have established a sustainability office, responsible for overseeing and advocating gender-related matters, as well as initiatives related to energy efficiency, clean energy generation, and environmental preservation throughout the organization. Additionally, despite these indicators not being explicitly part of the incentive, BAC has made substantial progress in serving WSMEs. From 2019 to 2022, BAC expanded its number of loans disbursed to WSMEs by 39.4%, increased the number of loans outstanding to WSMEs by 26.5%, and raised the outstanding funding for WSMEs by \$13.9 million, reflecting a 22% growth.

**“We are a regional bank, and this has attracted the attention from other countries where we have a presence to replicate gender outcomes.”**

**BAC also considers that one of the catalysts for its success was establishing new alliances with other institutions, local and international.** For example, they established an alliance with FUNDEMAS to train women on business and financing issues. Additionally, while implementing the incentives program, the institution introduced the “Mujer puedes más” product in 2022. This specialized loan is designed to empower women entrepreneurs and facilitate the expansion of their businesses with favorable financing terms. It's worth noting that the program's development had already commenced before the incentive, but the insights gained from the technical assistance expedited the development process.

**“We made an alliance with the foundation FUNDEMAS to give workshops for women and other new alliances have been generated with other local and international institutions because this has been a catalyst of impact.”**

## C6-III. Success Drivers and Constraints

Testimonies from BAC team highlight a set of main drivers and key activities that played a crucial role in achieving gender milestones.

Success Drivers
<b>TA support provided the technical capacity and awareness needed for gender programs</b>
<p>The technical assistance played a pivotal role in assisting BAC in identifying WSMEs within the specific context of El Salvador. It facilitated a deep understanding of their needs and guided BAC in devising effective strategies to cater to them. Moreover, the TA extended its influence throughout the institution, ensuring that the advantages of serving women entrepreneurs were recognized by all management teams. Leveraging the insights gained from this experience, BAC made substantial investments in additional training and tools, enabling improved communication with women entrepreneurs and the development of services tailored to their unique requirements.</p>
<b>“FUNDES assistance was very important because it was an accompaniment, an investigation, and delivery of reports in which some were new to us and other were confirmations of what we knew.”</b>
<b>IDB Invest communication and support pushed the program further and drove commitment</b>
<p>IDB Invest always maintained clear communication and continuous support with the bank, supervising and supporting all their activities. This helped them address technical issues, offered flexibility when they believed they would not meet the targets in 2021, and, most importantly, served as a constant reminder that this was a request from a credible and significant partner that needed to be prioritized.</p>

**“IDB Invest was present in all the meetings to check on progress, to listen, to see the reports and diagnosis. I think that this is the best way to do these programs, the accompaniment that we experienced.”**

**They had a pre-existing focus and interest in developing gender programs**

In 2019, BAC El Salvador implemented the gender program called “Mujer Acelera,” which primarily centered on providing training and support to women entrepreneurs in administrative management. However, during this period, they were not actively expanding their WSME portfolio nor monitoring and assessing the outcomes of their efforts. This prior experience made it more feasible to integrate additional gender-related objectives and alleviated institutional barriers when implementing initiatives focused on gender issues and related programs.

**“We had that leverage [the incentive] that helped us to open more to extending our credit products and accelerate this program since we had already worked on Mujer Acelera.”**

**Commitment with gender practices**

Due to the PBIs implementation and the insights gained through technical assistance, different segments within the institution started to actively measure and recognize gender-related outcomes. The country manager and division managers assigned specific weightings to gender indicators on their balanced scorecards, thereby ensuring that gender-related actions receive the attention they deserve across the institution. Furthermore, certain areas within the institution-initiated assessments to track the gender distribution among managers and executives. This proactive approach resulted in increased recruitment and promotion of women into leadership positions throughout the bank. In addition, BAC reported that digitization of their services was identified as a key piece of better reaching women entrepreneurs and women-led firms. This prompted the bank to accelerate efforts to digitalize products and services, which are expected to provide benefits far beyond the specific gender objectives.

**“The whole package that was built and interwoven to generate not just awareness but also a broader culture, is truly fabulous. (...) we developed a new product, a highly competitive product focused on women because of this.”**

However, the BAC team also highlighted a series of constraints they encountered during the program’s implementation, which added complexity to the achievement of the incentive.

Constraints
<b>Financial capacity of WSMEs</b>
<p>Women in El Salvador have limited visibility of and access to financing, BAC team claimed many women do not generally seek out credit for their businesses as they believe they do not meet the qualifications for it. An <b>expansive educational campaign</b>, coordination with local authorities, and targeted communication efforts are required to bridge this gap.</p>
<b>Contextual events</b>
<p>The pandemic-imposed constraints across the bank, which <b>limited their capacity to invest in attracting WSMEs</b> during the first year of the program and to adapt quickly to the evolving circumstances on the ground.</p>
<b>Timing of the technical assistance</b>
<p>The BAC team believes that they gained valuable insights through the technical assistance, but they suggest that it would have been even more beneficial <b>if they had received assistance before commencing the measurement</b> of gender indicators. This approach would have allowed them to first familiarize themselves with the WSME context, enabling them to pursue their goals with a better understanding of the landscape.</p>

## C6-IV. Learnings and Opportunities

1. The **communication and supervision from IDB Invest** throughout the implementation of the program was **critical for the organization to overcome constraints** and reach their targets. IDB Invest should **continue to maintain active communication with clients** throughout the life of the project, even when they are meeting their targets or haven't reported significant problems.
2. Investors benefit from **maintaining a high degree of flexibility in contractual agreements and implementation plans** to effectively respond to evolving conditions on the ground. Particularly, there is a need for IDB Invest to **inspire and support teams** in adhering to the incentive program, even if they faced initial setbacks.
3. The **technical assistance played a crucial role in establishing a robust knowledge foundation** within the bank and aligning interests across its various sectors. However, the **timing of its delivery is paramount**. Without it, BAC would have likely faced prolonged efforts to achieve their targets or would have been compelled to seek assistance independently, consequently elongating the program's timeline and inflating its costs. Its true potential is realized when implemented at the project's inception. Therefore, **IDB Invest should always offer this service at the beginning of a project**.

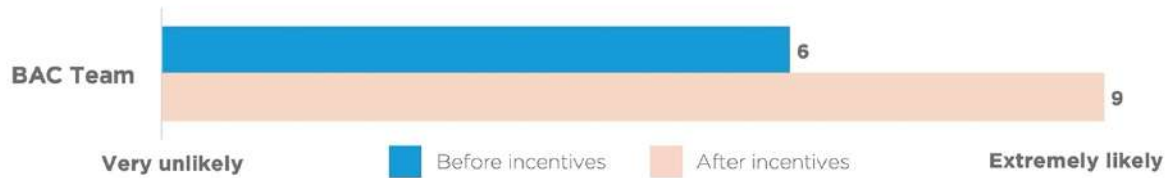
## C6-V. Results from scoring questions

To gain a deeper understanding of the BAC team perspective on the incentive, responses were collected from one team member through a scoring survey. Overall, the respondent emphasizes the crucial role the technical assistance played in achieving gender-related outcomes, the engagement of key stakeholders, and their pre-existing commitment to gender outcomes.

The respondent agreed that the probability of attaining the gender target saw a notable increase following the introduction of the incentive program. Despite their existing gender initiatives, the incentive played a valuable role in sharpening their focus on effectively catering to WSMEs.

Figure 54: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

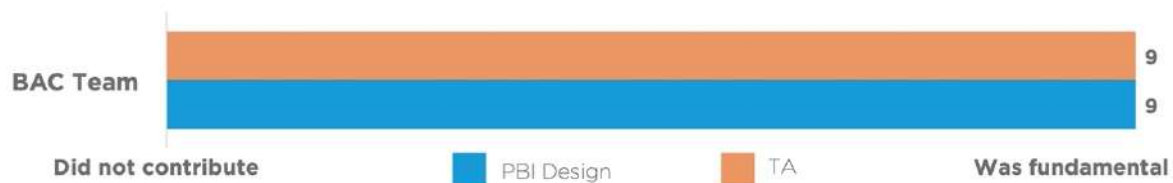
Perceived likelihood of achieving the gender targets, out of 10



Moreover, the respondent indicated that both the design of the PBI and the technical assistance were major contributors to achieving the gender targets.

Figure 55: How much would you say that a good incentive design / quality of the technical assistance provided contributed to the project's achievement of the gender goals?

Contribution of a good incentive design and TA in achieving gender targets



Also, the respondent agreed on the significance of the organization's prior willingness to pursue gender goals and, especially, involving the appropriate actors in the implementation of the PBI. Collaborating with organizations provided essential support and streamlined the process of achieving the incentive.

Figure 56: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness and including key stakeholders in the project in achieving gender targets



Figure 57: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?



Additionally, the respondent emphasized that technical assistance played a vital role in strengthening their human resources and operational capabilities. With the assistance, BAC was able to conduct training sessions across various divisions on gender-related topics, gain insights into the financial requirements of women, and identify opportunities to fortify a gender-focused project pipeline.

Figure 58: How much do you agree with the following statement: "Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives"

Perceived likelihood of counting with the necessary resources to achieve the incentive without TA





**Case  
study 7:**  
*Banco  
Pichincha*

## C7-I. Project Overview

### Company Description

**Banco Pichincha is the leading financial institution of Ecuador, with assets of US\$13.4 billion, equivalent to 25.9% of the banking system as of December 2021, and has actively addressed both gender and sustainable development concerns.** It has grown from its origins as a local bank to become an international financial entity with a presence in five countries over nearly 116 years of operation. The bank has integrated gender values throughout its value proposition since 2002. In 2012, Banco Pichincha was the first financial institution in Ecuador signatory to the United Nations Global Compact, and in 2015, it became the first company in the country to subscribe to the UN Women's Empowerment Principles.

### IDB Invest Transaction

In 2021 Banco Pichincha issued the first gender bond in Ecuador for an amount of US\$100 million. The issuance was subscribed by IDB Invest for US\$50 million and by International Finance Corporation (IFC) for \$50 million. The use of funds from the bond placement was to finance the growth of micro, small, and medium-sized enterprises (WMSMEs) led by women in their portfolio.

Figure 58: Project details



### Performance Based Incentives

The transaction included a PBI from the We-Fi program structure as a performance grant of up to US\$200,000 to increase the number of WMSME loans and the share of

**WMSME loans in the agricultural segment from 2022 to 2026. IFC also participated in funding 50% of the total We-Fi incentive amount that Pichincha would be entitled to receive upon the achievement of the PBI targets.** IDB Invest’s incentive consisted in providing US\$40,000 per year to Banco Pichincha if they increase the number of outstanding WMSMEs in their portfolio from 78,400 in 2022 to 160,000 in 2026 and increase the share of WMSME loans in their agriculture segment<sup>3</sup>.

Figure 60: Gender PBIs targets (T) and results (R)<sup>4,5</sup>

		2020	2022	2023	2024	2025	2026	
PBI Milestones	1. Increase the outstanding eligible WSME sub-loans	BASELINE	48,172	<input checked="" type="checkbox"/> 93,166 (R) / 78,400 (T)	92,500	111,000	133,200	160,200
	2. Increase eligible WSME sub-loans in the agriculture sector	BASELINE	Under revision	Under revision				
\$	Grant amount		<input checked="" type="checkbox"/> 40K	40K	40K	40K	40K	

During the calculation of the targets for the second milestone—WMSME loans in the agricultural sector—the team realized the baseline data presented some inconsistencies<sup>6</sup>. Currently, IDB Invest is collaborating closely with the Banco Pichincha team to rectify these calculations, establish adjusted targets, and provide clarity to the direction of the incentives program.

## Technical Assistance

**To help achieve the gender targets, IDB Invest funded external technical assistance of US\$111,000 with Fundación Capital, to which Banco Pichincha had to contribute an additional US\$47,000, to build a gender and inclusion strategy for the bank.** The technical assistance included: i) strengthening the bank’s gender and diversity strategy, including developing a value proposition for agricultural WMSMEs; ii) the identification of unconscious biases in the approval of female SME loans; and iii) the preparation for the issuance and monitoring of a gender social bond.

<sup>3</sup> The total incentive for Milestone 1 agreed upon was US\$80,000 and would be funded 50/50 between IDB Invest and IFC.

<sup>4</sup> The target for milestone 1 in 2022 was achieved, but baseline and targets for milestone 2 are being reevaluated

<sup>5</sup> The grant amount on this table only shows IDB Invest payments. While Milestone 1 is showing the combined targets between IDB Invest and IFC.

<sup>6</sup> Pichincha had the objective of 40% of WSME loans in the agricultural segment over WSME total loans by 2022, 41% by 2023, 42% by 2024, 43% by 2025, and 44% by 2026.

## C7-II. Impact and Achievements

**Banco Pichincha has been working since 2002 on gender-related issues. However, it was not until 2017 that they started to develop a corporate strategy with a focus on gender, and it was not until 2021 that they issued their first gender bond.** In addition to IDB Invest, Banco Pichincha has established partnerships with the IFC, Financial Alliance for Women, and Accion International to work on financial inclusion, digital financial tools for women, and participate of events and feedback sessions on gender topics. These endeavors prompted Banco Pichincha to partner with IDB Invest in issuing a gender bond. This move aimed to bolster previously underexplored areas within the institution, notably the women's SME sector and the women-focused agricultural segment.

**This support enabled the bank to integrate a gender-inclusive lens into all their transactions and value chains and understand the importance of developing tailored products that are inclusive of and for women.** In addition, this motivated them to develop internal training for all employees on gender and inclusion issues, and to systematize a gender-inclusive perspective in all their commercial agendas. The issuance of the gender bond also promoted the creation of the "SER Impulso Mujer" program, which is targeted towards WSMEs.

### Direct PBI gender achievements

**As a result of the PBI, Banco Pichincha has increased the number of WMSMEs with access to credit, with results in the agriculture segment currently under evaluation and the incentive not yet granted.** The number of WSME loans has increased from 48,172 in 2020 to 93,166 in 2022, a growth of 93% in only 2 years. In regards to WSME sub-loans in the agriculture sector, the corresponding incentive and its targets are currently being reevaluated, as there were some inaccuracies in the initial baseline calculation.

**“We have trained the commercial teams to systematize a gender perspective in all their commercial agendas, (...) and apply gender intelligence when serving one client or another.”**

## Indirect achievements and spillovers

**In addition to the predefined gender targets, Pichincha emphasizes two significant transformations that have occurred within the institution since the initiation of the incentives program.** Through the collaborative support and joint studies facilitated by the technical assistance, Banco Pichincha has successfully identified key value chains with the capacity to drive women's engagement in both agriculture and SMEs. Additionally, in conjunction with the partnerships fostered during the program, Banco Pichincha partnered with CoreWoman, a gender-focused services and learning provider, to undertake comprehensive training sessions for over 100 employees on gender and inclusion matters. These training sessions have attracted participation from various sectors within the bank, including communication, data, and risk management teams.

**Furthermore, the provided support and incentives have played a pivotal role in reinforcing Banco Pichincha's existing Gender Commission and in understanding the needs of female clients.** Following the incentive's introduction, the bank opted to restructure its Gender Commission, realign its focus, and establish an audit team to ensure the commission's effective pursuit and achievement of its gender objectives. The Commission seeks to promote the comprehensive empowerment of women and offer them an inclusive service free of discrimination based on gender issues. This initiative also prompted the allocation of additional resources to facilitate the integration of a gender lens across the bank's operations. Ultimately, these collective efforts have enhanced the bank's teams' comprehension of the requirements of their female clientele and enabled the development of financial products tailored to their needs. Consequently, this has necessitated the implementation of more inclusive communication strategies and heightened awareness of potential stereotypes and biases within the bank's products and communications.

**Several additional resources have been invested in promoting a gender lens across the bank's external and internal strategies.** This includes implementing inclusive language in all their processes, and reviewing language and external communication to ensure that it is free of stereotypes. Internal trainings have also focused on understanding the needs of female clients and how to communicate with them effectively. In addition to the training, commercial processes and client interactions have been modified to systematize a gender-inclusive perspective throughout the bank's commercial strategy. Some of the changes that have been made include the incorporation of information

sheets in the sales induction processes, which aim to educate on the importance of integrating a gender approach in their sales, how to recognize the differences between male and female customers, and how to connect with female customers.

**“We have trained the commercial teams to systematize a gender perspective in all their commercial agendas, (...) and apply gender intelligence when serving one client or another.”**

## C7-III. Success Drivers and Constraints

Testimonies from the Pichincha team highlight a set of main drivers and key activities that played a crucial role in achieving gender milestones.

Success Drivers
<b>Understanding the Bank's context and strategic goals</b>
<p>IDB Invest designed the incentive considering the specific circumstances of Ecuador, and in particular, the bank's existing objectives. The incentive was designed to build on Pichincha's long-term corporate commitments, which in turn helped to mobilize the entire organization, and even its investors, towards achieving the desired goals.</p>
<p><b>“It has worked in a manner focused on the needs that we have as a bank and as a country, (...) everything was aligned with our strategic pillars, our priorities as an institution.”</b></p>
<b>IDB invest support and flexibility</b>
<p>Due to certain complications in the bank's projections of its metrics, which were used to calculate the incentives, the targets for the second milestone are currently being redefined. The IDB Invest team was very understanding and flexible in finding solutions so that the bank could establish new indicators. They discussed possible alternatives to correct the error and have had a very transparent process and follow-up. IDB Invest has also kept in regular contact with the bank's team and provided them with support, which has further encouraged them to pursue the gender agenda.</p>
<p><b>“They have been open to our comments, our suggestions, understanding where the error was generated and also being open to modifications and commitments to which we can work, it is super valuable.”</b></p>

### Internal coordination and organization

Throughout the program's execution, IDB Invest engaged various divisions of the bank. This strategic approach proved effective as all participating teams were dedicated not only to attaining the incentive but also to advancing Pichincha's gender initiatives. This collaborative effort has enhanced both the external perception of Pichincha and its dedication to sustainability matters and has positioned them as market leaders in gender matters.

**“It has been an important effort that allows you, as an organization, to be intentional and deepen this comprehensive view of gender in the whole organization.”**

### Support from technical assistance

Banco Pichincha received technical assistance from Fundación Capital and CoreWoman, who made research and provided recommendations to help the Bank guarantee the greatest participation of WSMEs in the agricultural sector in its portfolio. This enabled Banco Pichincha to give precedence to key value chains with the potential to encourage women's involvement in agricultural WSMEs. Additionally, these organizations aided the bank in recognizing gender biases and disparities that were constraining women's engagement with its offerings. The bank received actionable recommendations to enhance various aspects, including human resources, technology, risk assessment, communications, and more. CoreWoman also facilitated training sessions, allowing employees from diverse departments to gain insights into gender-related matters. More than 100 employees benefitted from these training opportunities.

**“We have also been working with other institutions to be able to advance gender issues in a deeper way than we did at the beginning [before the PBIs program].”**

### Commitment with gender practices

Banco Pichincha has made additional efforts to further integrate a gender lens into its organization due to the recommendations provided by the technical assistance. It has sought to ensure that all its divisions participate in the transformation process, so that there is consistency and coherence in its messages and objectives both internally and externally. To achieve this, Banco Pichincha transformed its Gender Committee into a supervisory and monitoring body for its gender



objectives and processes. The “SER Impulso Mujer” initiative, although it was already in the works before the incentive, benefited from the additional resources made available because of the incentive. This program seeks to offer solutions designed to boost finance to microenterprises and small and medium-sized businesses led by women.

**“We have deliberately selected teams from diverse departments within the bank to participate in gender training, gain knowledge on this subject, and contribute to our internal efforts to advance the broader agenda of women’s empowerment.”**

However, the Pichincha team also highlighted a series of constraints they encountered during the program’s implementation, which added complexity to the achievement of the incentive.

Constraints
Data calculations
<p>Banco Pichincha encountered challenges when <b>determining the baseline metrics</b> for the second milestone, which were crucial for establishing incentive targets. At the beginning of the program, their processes were manual, increasing the likelihood of errors. Consequently, an <b>error arose in forecasting their second gender indicator</b>: the involvement of women MSMEs in the agricultural sector. This led to an <b>unattainable target</b> – with the baseline ill-defined, the targets had been projected at a significantly higher level than their capacity allowed.</p>
Lack of sector knowledge
<p>Given Banco Pichincha was entering the agricultural sector for the first time, <b>they needed to conduct prior research and preparation</b> to understand the needs of the sector. As a result, it <b>took them much longer than expected to start seeing progress</b> in this segment. Technical assistance has been very useful in speeding up the process, but the bank team estimates that the full results of this assistance will not be available for almost two years after its implementation.</p>

### Tracking and data measurement

Another major challenge has been **to build and compile the information to monitor the incentive**. The Pichincha team considers that they could have received more support at this stage of the incentive's implementation.

## C7-IV. Learnings and Opportunities

1. It is essential to **support the client throughout the program's lifecycle**, from design to implementation, monitoring, and supervision. This can be done directly by the IDB Invest team or through external organizations that can assist the client at each stage. This will help to **accelerate the achievement of objectives and ensure that monitoring and impact measurements are conducted** correctly and periodically.
2. **The support provided by the technical assistance proved extremely valuable and necessary for the client.** Pichincha highlights that this external perspective is essential to identify gaps in their processes and reduce potential biases.
3. **Implementing technical assistance prior to defining gender targets would yield advantages**, as it would aid clients in organizing, gathering, and comprehending pertinent data crucial for defining and achieving gender indicators. This becomes particularly crucial for clients venturing into new sectors or processes, requiring additional support and time to comprehend these unknown segments and accumulate essential data. Such an approach would prevent setbacks and offer clients an adequate preparation process.
4. **Aligning the intervention with the client's strategic goals and operational context drives stakeholder engagement within the organization and secures internal buy-in.** The immediate Pichincha team found it easy to involve all levels of management in working towards gender milestones since IDB Invest's program was aligned to and with the bank's institutional objectives.

## C7-V. Results from scoring question

To gain a deeper understanding of Pichincha’s team perspective on the incentive, responses were collected from two team members through a scoring survey. Overall, the Pichincha team emphasizes the significant contribution of their pre-existing commitment to gender outcomes, the active engagement with key stakeholders throughout the project, technical assistance, and program design.

They concur that the likelihood of achieving the gender target significantly increased with the introduction of the incentive. However, they also perceive that they had a high probability of achieving these results even without the incentive. This is partially attributed to their pre-existing efforts directed towards gender outcomes.

Figure 6: From your perspective, how likely was the project to achieve the gender targets before / after the introduction of the incentive?

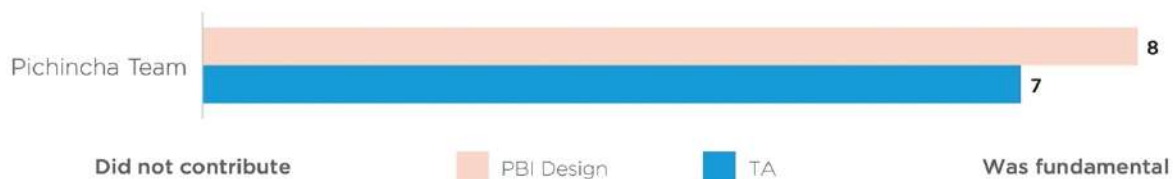
Perceived likelihood of achieving the gender targets, out of 10



Moreover, they indicated that both the design of the PBI and the technical assistance were major contributors to achieving the gender targets.

Figure 62: How much would you say that a good incentive design / quality of the technical assistance provided contributed to the project’s achievement of the gender goal

Contribution of a good incentive design and TA in achieving gender targets



Also, they agreed on the significance of involving the appropriate actors in the implementation of the PBI and, especially, the organization's prior willingness to pursue gender goals.

Figure 63: How much would you say that the team's prior willingness to pursue gender goals contributed to the achievement of the gender goals?

Contribution of prior willingness and including key stakeholders in the project in achieving gender targets



Figure 64: How much would you say that the involvement of the right actors contributed to the achievement of the gender goals?



Additionally, they conveyed that the technical assistance was less critical for bolstering their human resources and operational capabilities, primarily because they had already established a corporate framework focused on gender objectives.

Figure 65: How much do you agree with the following statement: "Without technical assistance, the project still had the necessary human resources / operational capacity to achieve gender objectives"

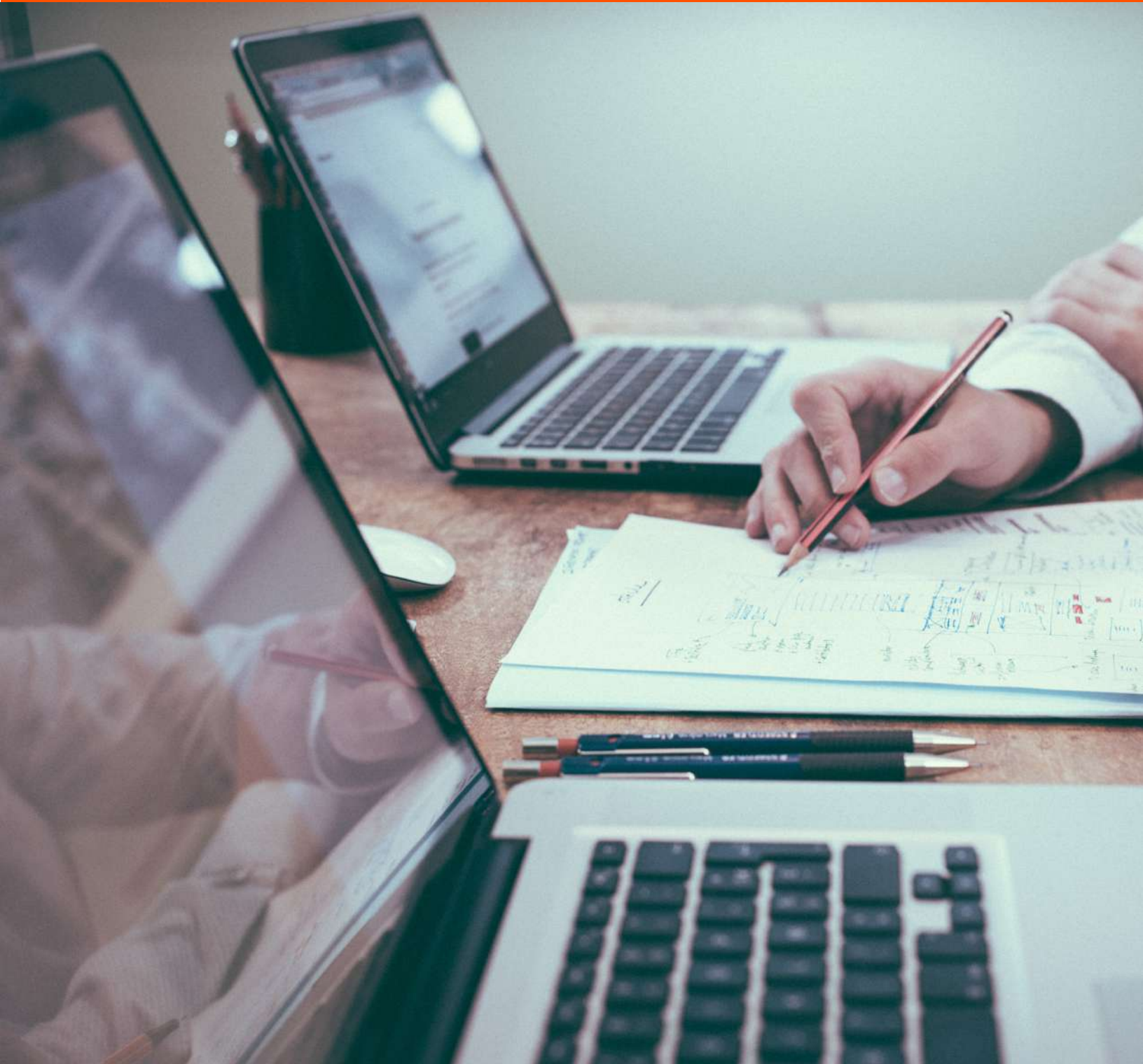
Perceived likelihood of counting with the necessary resources to achieve the incentive without TA



6.

# Annex

## *Qualitative Methodology and Data Analysis*



## Client and IDB Invest Officer selection

The selection of client stakeholders interviewed was based on their proximity to the project and their organizational roles. The interviews and questionnaires were conducted from April to June 2023. The roles of the stakeholders interviewed included Regional Managers, Business Managers, Human Resources and Training Managers, Purchasing Managers, Chief Financial Officers and former Executive Directors. In total, 12 persons were interviewed (see Figure 66 below).

Figure 66: Interviewee list - Clients

Organization	Interviewees	Interview Date	Questionnaire Date
Atlas	1	04 / 2023	05 / 20223
BAC El Salvador	2	05 / 2023	05 / 2023
Bright	2	05 / 2023	05 / 2023
Central Puerto	2	06 / 2023	06 / 2023
Elcatex	2	04 / 2023	04 / 2023
Pichincha	2	06 / 2023	06 / 2023
Renewable Energy Project I	1	05 / 2023	05 / 2023

Additionally, interviews were conducted with four key representatives from IDB Invest teams closely involved in the nine projects, providing support for the implementation of the PBIs or the TA. The Table below shows a detailed list of IDB Invest officers and the clients with whom they collaborated.

Figure 67: Interviewee list – IDB Invest Officers

Team	Role	Interview Date	Questionnaire Date
Blended Finance	Blended Finance Officer for Bright, Central Puerto, and Atlas	04 / 2023	04 / 2023
Gender, Diversity, and Inclusion	Advisory Officer for BAC El Salvador and Elcatex	04 / 2023	04 / 2023

<b>Gender, Diversity, and Inclusion</b>	Advisory Officer for Bright and Central Puerto	04 / 2023	04 / 2023
<b>Gender, Diversity, and Inclusion</b>	Former Blended Finance Officer of Elcatex; Advisory Officer of Atlas	04 / 2023	04 / 2023

## Methods for analysis

In order to capture the nuanced perspectives and insights essential for a comprehensive understanding of impacts within each case study, a qualitative research approach was employed, utilizing two primary instruments: online questionnaires and in-depth virtual interviews. These methods were chosen to harness the advantages of both breadth and depth in data collection. The online questionnaires allowed for an exploration of both IDB Invest officers' and selected clients' experiences, while the in-depth virtual interviews unearthed deeper context and examples, enabling a thorough examination of individual perspectives<sup>1</sup>. Both methods were carried out after the incentive had been integrated into the projects.

### a. In-depth interviews

Each structured virtual client interview had a time limit of 60 minutes. The interview guide and set of questions are presented below in both English and Spanish.

Figure 67: Client's Interview Guidelines in English

Interview guide	Questions
<b>Project context</b>	<p><i>[Brief summary of interviewer's understanding of the project and the PBI.]</i></p> <ol style="list-style-type: none"> <li>Does this overview resonate and align with you and your team's understanding? Are there any key aspects we're missing?</li> <li>How would you describe the process through which the incentive's targets were determined? To what extent did you participate in determining these goals?</li> <li>Could you speak about how [CLIENT] has pursued the gender targets since the incentive was determined?</li> </ol>

<sup>1</sup> All the questionnaires and interviews were conducted in Spanish, except for Bright which was conducted in English.



<p><b>Quality of impact</b></p>	<p>4. [IF PBIs WERE ACHIEVED] From your and your team's perspective, what would you say were the main drivers of success in achieving the PBI's targets?</p> <p>5. Conversely, what were some of the main challenges or barriers you faced in achieving the PBI's targets? (e.g. implementation challenges, market barriers, cultural barriers, policies and regulations)</p>
<p><b>PBI Design</b></p>	<p>6. Would you say that the Incentive was adequately designed to meet the needs and resources of [PROJECT]? Why or why not?</p> <p>7. Were your team and IDB Invest aligned from the very beginning on what the milestones were?</p> <p>8. Was there alignment on how the milestones were to be reported? (e.g., how the indicators were defined, their units of measurement, the mechanisms to report to IDB)</p>
<p><b>Implementation</b></p>	<p>9. Ultimately, these incentives aim to increase participation of women in the sector. How was the specific opportunity to create impact for women in this case, via [DESCRIPTION OF PBI], determined? Was it an iterative process with IDB? Were other options considered?</p> <p>10. What specific support did IDB Invest provide during the implementation of the PBI?</p> <p>11. How would you describe the ways you collaborated with IDB Invest? Were the engagements frequent enough?</p> <p>12. Looking back, is there anything that you feel was not fully clear during your interactions with IDB Invest that could have been better clarified to support the achievement of gender targets?</p> <p>13. If any, what would you note as the main internal constraints for [PROJECT] to achieve the milestones?</p> <p>14. Could you walk us through how the PBI was monitored, and did the monitoring itself influence the achievement of any gender outcome?</p>
<p><b>External factors</b></p>	<p>15. In addition to the factors you've highlighted, were there any additional external factors that affected the implementation of the incentive? (e.g., cultural barriers, market conditions, regulations in [COUNTRY])</p>
<p><b>Internal client changes</b></p>	<p>16. What is [CLIENT] doing differently after the PBI was offered? (e.g., the type of information you collect and the ways you gather that data, your hiring processes, your communication strategies, etc.)</p>

	<p>17. Can you describe any changes you've noticed in the project's approach to gender-related issues since the start of the PBI's implementation?</p> <p>a. Has the awareness of gender-related issues changed in the project since the incentive offered?</p> <p>b. Is the [PROJECT]'s leadership more willing to prioritize gender issues as a result of the PBI?</p> <p>c. Have you or your team seen any changes in behaviors towards women in the project after they pursued these incentives?</p> <p>d. Would you call out any other "indirect" gender effects derived from the PBI?</p>
<p><b>Ecosystem externalities</b></p>	<p>18. What other ecosystem actors were engaged in this process? How?</p> <p>19. Do you believe this engagement created any additional learnings for other ecosystem actors?</p> <p>20. Have you seen any other actors implementing similar gender equality strategies?</p>
<p><b>Quality of overall impact</b></p>	<p>21. Did the PBIs themselves have any positive or negative effect on the project's main goals? (i.e., did they help make them more likely to achieve? Less likely?)</p> <p>22. Do you think that this project would've achieved the gender outcomes without the PBI?</p> <p>23. How do you believe [PBI TARGET] relates to the overall objective of achieving gender equality? In your experience, has this connection borne out?</p> <p>24. You reported [MILESTONE], how do you think that affected [FINAL BENEFICIARY]?</p>
<p><b>Technical Assistance</b></p>	<p>25. The [INTERVIEWER'S] understanding is that you worked with [TA PROVIDER] to [DESCRIPTION OF TECHNICAL ASSISTANCE].</p> <p>26. Does this overview resonate and align with your understanding of the Technical Assistance you received? Are there any key aspects we're missing?</p> <p>27. How did the [XXX TA] help you drive [YYY] milestone?</p> <p>28. Did the support you receive through XXX provide an observable difference in reaching YYY?</p> <p>29. [IF NO]: What aspects of the TA should have been different to better support you in achieving the milestones?</p> <p>30. Were there any additional technical aspects of integrating these gender targets that you would have liked to receive support with?</p>

<b>Closing questions</b>	<p>31. What was more crucial for your team to achieve the gender outcomes? The PBI or the Technical Assistance?</p> <p>32. Any best practices or learnings you and your team would like to highlight as learnings for future projects?</p>
--------------------------	--

Figure 68: Client's Interview Guidelines in Spanish

Guía de entrevista	Preguntas
Contexto del proyecto	<p><i>[Resumen de la comprensión del entrevistador del proyecto y del incentivo]</i></p> <ol style="list-style-type: none"> <li>1. ¿Le hace sentido esta descripción del proyecto? ¿Hay algún aspecto clave que esté faltando?</li> <li>2. ¿Cómo describiría el proceso a través del cual se determinaron las metas del incentivo? ¿En qué medida participaron en la determinación de estas metas?</li> <li>3. ¿Podría contar sobre cómo [CLIENTE] ha buscado lograr las metas de género desde que inició el programa con el incentivo?</li> </ol>
Calidad del impacto	<ol style="list-style-type: none"> <li>4. [SI OBTUVO INCENTIVO] Desde su perspectiva y la de su equipo, ¿cuáles diría que han sido los principales aspectos que ayudaron a lograr las metas de género?</li> <li>5. Por otra parte, ¿cuáles destacaría como algunos desafíos o barreras para alcanzar las metas de género? (ya sean de implementación, barreras de mercado, limitantes culturales, regulaciones en el país, etc.)</li> </ol>
Diseño del incentivo	<ol style="list-style-type: none"> <li>6. ¿Diría que el incentivo estaba diseñado de manera adecuada? ¿Se adaptó bien a las necesidades y al contexto de [PROYECTO]? ¿Por qué sí/no?</li> <li>7. ¿Estaba su equipo y el equipo BID Invest alineado desde el inicio sobre cuáles eran las metas del incentivo?</li> </ol>

	<p>8. ¿Estaban alineados respecto a cómo serían reportados los indicadores? (es decir, sobre cómo estaban definidos los indicadores, qué unidades de medición utilizaban, a través de qué mecanismos se los reportarían al BID, etc.)</p>
<p><b>Implementación</b></p>	<p>9. Al final del día, estos incentivos buscan crear beneficios para las mujeres en el sector. ¿Cómo se determinó que, en este caso, sería a través de [DESCRIPCIÓN DEL PBI]? ¿Fue esto un proceso colaborativo con el BID Invest? ¿Había otras opciones?</p> <p>10. ¿Qué apoyo específico recibieron del BID Invest durante la implementación del incentivo?</p> <p>11. ¿Cómo describiría las maneras en que su equipo y el equipo del BID Invest colaboraron? ¿Cada cuánto hablaban, eran productivas las sesiones, etc.?</p> <p>12. En retrospectiva, ¿hay algo que sienta que no quedó completamente claro durante sus interacciones con BID Invest en cuanto a la implementación del incentivo y sus metas?</p> <p>13. ¿Destacaría alguna limitante “interna” por el lado de [PROYECTO] que dificultó alcanzar las metas?</p> <p>14. ¿Podría contar sobre cómo fue monitoreado el incentivo, y si este monitoreo afectó alcanzar los resultados de género?</p>
<p><b>Factores externos</b></p>	<p>15. Además de los factores cubiertos, hubo algún factor adicional que afectara alcanzar el incentivo (e.g., normas sociales y culturales, condiciones de mercado, las regulaciones en el país, etc.)</p>
<p><b>Cambios internos del cliente</b></p>	<p>16. ¿Qué cosas está haciendo [PROYECTO] de manera distinta desde que se ofreció el incentivo (e.g., el tipo de información que coleccionan, sus procesos de contratación, sus estrategias de comunicación, etc.)</p> <p>17. ¿Puede describir cualquier cambio respecto a cómo aborda [PROYECTO] los temas de género desde que inició el incentivo?</p> <ul style="list-style-type: none"> <li>a. ¿Ha cambiado la consciencia sobre los temas de género en el proyecto?</li> <li>b. ¿El liderazgo del proyecto ha priorizado más estos temas?</li> <li>c. ¿Ha visto algún cambio en las actitudes hacia las mujeres? ¿Destacaría algún otro efecto de género “indirecto” derivado del incentivo?</li> </ul>
<p><b>Externalidades en el ecosistema</b></p>	<p>18. ¿Hubo más actores en el ecosistema con los que se hayan relacionado en este proceso? (e.g., agencias del gobierno, universidades, etc.)</p> <p>19. ¿Cree que se crearon aprendizajes útiles para otros actores en el ecosistema?</p>

	20. ¿Ha visto a otros actores implementar estrategias de igualdad de género de manera similar después de que comenzaron con el incentivo?
<b>Calidad del impacto</b>	<p>21. ¿El incentivo tuvo algún efecto positivo o negativo en las metas principales de este proyecto? [en este caso, ...]</p> <p>a. ¿Contribuyó de alguna manera al éxito del proyecto?</p> <p>22. ¿Cree que el proyecto hubiera logrado los objetivos de género si no hubiera recibido el incentivo?</p> <p>23. ¿Cómo cree que [DESCRIPCIÓN DEL INCENTIVO] se relacione con la búsqueda más amplia de la igualdad de género? ¿Qué tan directa o indirecta siente que es esa relación?</p> <p>24. ¿Cómo describiría que [META] ha afectado a [BENEFICIARIAS]?</p>
<b>Asistencia Técnica</b>	<p><i>Se entiende que ustedes trabajaron con [DESCRIPCIÓN DE LA ASISTENCIA TÉCNICA].</i></p> <p>25. ¿Tiene sentido esta descripción de la asesoría? ¿Hay algún detalle que estemos omitiendo?</p> <p>26. ¿Cómo aportó esta asesoría al cumplimiento de las metas del incentivo?</p> <p>27. ¿Qué cosas no hubieran logrado cambiar o hacer distinto de no haber recibido la asistencia técnica?</p> <p>28. ¿Hay algún aspecto técnico adicional con el que les hubiera gustado recibir apoyo a través de asesoría?</p>
<b>Preguntas de cierre</b>	<p>29. ¿Qué fue más crucial para que su equipo lograra alcanzar las metas de género? ¿El incentivo? ¿O la asesoría técnica?</p> <p>30. ¿Destacaría algunas “mejores prácticas” o aprendizajes que sean valiosas para integrar en futuros proyectos?</p>

**Additionally, structured virtual interviews were held with IDB Invest Officers.** In total, 4 Officer were interviewed. The interviews had a time limit of 90 minutes during which the questions posed were tailored to the specific role the officer played in the project. The interview guide and set of questions are presented below in both English and Spanish. The interview guide and set of questions are presented in the table below.

Figure 69: IDB Officers' Interview Guidelines in English

<b>Interview guide</b>	<b>Questions</b>
<b>Project context</b>	<i>[Brief summary of interviewer's understanding of the project and the PBI.]</i>

	<ol style="list-style-type: none"> <li>1. Does this overview resonate and align with you and your team's understanding? Are there any key aspects we're missing?</li> <li>2. As [ROLE], how were you involved in the PBI's implementation for this specific project?</li> <li>3. Could you tell us about how your team and [CLIENT] collaborated and communicated throughout the project?             <ol style="list-style-type: none"> <li>a. Which team or teams did you coordinate with from the [CLIENT] side? What were the profiles of the key stakeholders in terms of seniority and/or experience?</li> <li>b. How often did you receive information from the client?</li> <li>c. Were these main stakeholders exclusively in charge of the PBI and gender monitoring? Or did they have any other responsibilities or duties in the project?</li> </ol> </li> </ol>
<p><b>Questions for Blended Finance Officers</b></p>	<ol style="list-style-type: none"> <li>4. Could you walk us through the process of defining and designing the PBIs?</li> <li>5. From your perspective as [ROLE], what would you say were the main drivers of success in achieving the PBI's targets?</li> <li>6. Conversely, what were some of the main challenges or barriers you faced in achieving the PBI's targets? e.g., implementation challenges, market barriers, cultural barriers, policies and regulations.</li> <li>7. Did the PBIs themselves have any positive or negative effect on the project's main goals?</li> <li>8. Do you think [CLIENT] would've achieved the gender outcomes if the PBI hadn't been offered?</li> <li>9. What things is [CLIENT] doing differently after the PBI was offered? e.g., the type of information they collect and the ways they gather that data, their hiring processes, their communications, etc.</li> <li>10. Can you describe any changes you've noticed in [CLIENT] approach to gender-related issues since the start of the PBI's implementation?             <ol style="list-style-type: none"> <li>a. Has their awareness of gender-related issues changed?</li> <li>b. Are they more willing to prioritize gender issues as a result of the PBI?</li> <li>c. Have you or your team seen any changes in behaviors towards women in the project after they pursued these incentives?</li> <li>d. Would you call out any other "indirect" gender effects derived from the PBI?</li> </ol> </li> </ol>

	<ol style="list-style-type: none"> <li>11. Could you walk us through how the PBI was monitored, and did the monitoring itself influence the achievement of any gender outcome?</li> <li>12. How would you tie the immediate outcomes of [PROJECT'S PBI(s)] to the broader goal of pursuing gender equality?</li> <li>13. Comparing across the projects we've discussed, in what ways do you think the different "types of milestones" (financial, educational, occupational, operational) influenced the successful achievement of the PBI?</li> <li>14. In your opinion, which of these "types" of milestones has a stronger impact on the ultimate goal of improving gender equality?</li> </ol>
<p><b>Questions for Technical Assistance Officers</b></p>	<ol style="list-style-type: none"> <li>15. Could you walk us through the process of defining and designing the Technical Assistance for [CLIENT]?</li> <li>16. Were there any specific details that either ensured or limited the implementation of the TA? (e.g. specific details outlined in the contract, or way in which IDB and [CLIENT] interacted, cultural barriers, etc.)</li> <li>17. Did the Technical Assistance itself have any positive or negative effect on the project's main goals?</li> <li>18. Do you think that [CLIENT] would've achieved the gender outcomes without the Technical Assistance?</li> <li>19. What things is [CLIENT] doing differently after the Technical Assistance was delivered? e.g., the type of data they collect, the methods they use to collect it, their hiring processes, their communications, etc.</li> <li>20. Can you describe any changes you've noticed in [CLIENT]'s approach to gender-related issues since the technical assistance and PBIs were provided?             <ol style="list-style-type: none"> <li>a. Has their awareness of gender-related issues changed?</li> <li>b. Are they more willing to prioritize gender issues as a result of the advisory?</li> <li>c. Have you or your team seen any changes in behaviors towards women in the [CLIENT] project after they pursued these incentives?</li> <li>d. Would you call out any other "indirect" gender effects derived from the Technical Assistance?</li> </ol> </li> <li>21. How did the Technical Assistance help [CLIENT] drive their gender milestones?             <ol style="list-style-type: none"> <li>a. Did the TA provide an observable difference in reaching the financial milestones [Description of milestones]</li> </ol> </li> <li>22. Were there any additional aspects of pursuing the PBI's milestones that you think [CLIENT] would have benefited from by receiving additional technical assistance?</li> </ol>

	<p>23. Retrospectively, would you identify anything that would need to be changed from the technical assistance to better serve the project and the achievement of gender outcomes?</p> <p>24. Are there any key technical assistance services you'd like to highlight as more efficient in driving gender outcomes?</p> <p>25. What would you highlight as best practices for future technical assistance for financial projects?</p>
--	--

Figure 70: IDB Officers' Interview Guidelines in Spanish

Guía de entrevista	Preguntas
Contexto del proyecto	<p><i>[Breve resumen de la comprensión del entrevistador sobre el proyecto y el PBI.]</i></p> <ol style="list-style-type: none"> <li>1. ¿Esta descripción tiene sentido? ¿Se está omitiendo algún aspecto clave?</li> <li>2. Como [ROL], ¿de qué manera estuviste involucrada en la implementación del incentivo para este proyecto?</li> <li>3. ¿Podría comentar sobre cómo su equipo y [CLIENTE] colaboraron y se comunicaron durante la asistencia técnica?             <ol style="list-style-type: none"> <li>a. ¿Con qué equipo o equipos del [CLIENTE] interactuaban más? ¿Cómo eran los perfiles de esas personas en términos de antigüedad y experiencia?</li> <li>b. ¿Qué tan frecuente era la comunicación con el cliente?</li> <li>c. ¿La gente con la que interactuaba del lado de [CLIENTE] estaban exclusivamente encargados de la implementación del PBI? ¿O tenían otras responsabilidades en el proyecto?</li> </ol> </li> </ol>
Preguntas para Oficial de Blended Finance	<ol style="list-style-type: none"> <li>4. ¿Podrías contarnos sobre cómo se diseñó este incentivo? ¿Cómo se determinaron las metas de género?</li> <li>5. Desde tu perspectiva como [ROL], ¿qué aspectos destacarías como cruciales para alcanzar las metas del incentivo?</li> <li>6. Por otra parte, ¿cuáles diría que fueron algunos desafíos que limitaron la implementación del incentivo? (e.g., barreras de mercado, cuestiones culturales, las regulaciones en el país, etc.)</li> <li>7. ¿Tuvieron los PBIs algún efecto positivo o negativo en los principales objetivos del proyecto?</li> </ol>



	<ol style="list-style-type: none"> <li>8. ¿Cree que [CLIENTE] hubiera logrado los resultados de género si no se hubiera ofrecido el PBI?</li> <li>9. Una vez que se ofreció el incentivo, ¿qué cosas comenzó a hacer [CLIENTE] de manera distinta? (e.g., la manera en que colectan su información, sus procesos de contratación, su estrategia de comunicación, etc.)</li> <li>10. ¿De qué manera cambió el acercamiento de [CLIENTE] a cuestiones de género desde que se ofreció el incentivo?             <ol style="list-style-type: none"> <li>a. ¿Hay más conciencia en [CLIENTE] sobre los temas de género?</li> <li>b. ¿Se han vuelto prioridad los temas de género?</li> <li>c. ¿Ha notado cambios en actitudes de la gente de [CLIENTE] hacia las mujeres?</li> <li>d. ¿Hubo otros efectos de género “indirectos” derivados del PBI?</li> </ol> </li> <li>11. ¿Nos puede contar sobre cómo el incentivo fue monitoreado, y si el monitoreo en sí contribuyó o no en alcanzar las metas de género?</li> <li>12. ¿Cómo cree los logros inmediatos de este incentivo [PBIs DEL PROYECTO] contribuyen al objetivo más general de alcanzar la igualdad de género?</li> <li>13. Comparando los proyectos discutidos, ¿de qué manera cree que los diferentes “tipos de metas” (financieras, educativas, ocupacionales, operativas) influyeron en el logro exitoso del PBI?</li> <li>14. En su opinión, ¿cuál de estos “tipos de metas” tienen un mayor impacto en el objetivo final de mejorar la igualdad de género?</li> </ol>
<p><b>Preguntas para Oficial de Asistencia Técnica</b></p>	<ol style="list-style-type: none"> <li>15. ¿Podría contarnos sobre el diseño del servicio de asesoramiento para [CLIENTE]?</li> <li>16. ¿Puede identificar detalles específicos que ayudaron o limitaron la implementación de la asistencia técnica? (por ejemplo, detalles en el contrato, o las maneras en que interactuaban con [CLIENTE], o barreras culturales)</li> <li>17. ¿El servicio de Asesoría Técnica impactó positiva o negativamente a los objetivos principales del proyecto?</li> <li>18. ¿Cree que [CLIENTE] hubiera logrado los resultados de género del incentivo sin el Servicio de Asesoría Técnica?</li> <li>19. ¿Qué cosas comenzó a hacer [CLIENTE] distinto después de la entrega de la asesoría técnica? (por ejemplo, el tipo de información que recolectan, sus procesos de contratación, la manera en que se comunican, etc.)</li> <li>20. ¿Percibió algún cambio en el enfoque de [CLIENTE] hacia cuestiones de género desde que brindaron la asesoría técnica? En particular:             <ol style="list-style-type: none"> <li>a. ¿Ha cambiado la conciencia de los supervisores o de gente en posiciones de liderazgo sobre cuestiones relacionadas con género?</li> </ol> </li> </ol>

	<ul style="list-style-type: none"> <li>b. ¿Están más dispuestos a priorizar cuestiones de género?</li> <li>c. ¿Observó cambios en los comportamientos hacia las mujeres en el proyecto?</li> <li>d. ¿Describiría algún otro efecto “indirecto” derivado de los servicios de asesoría?</li> </ul> <p>21. ¿Cómo ayudaron los servicios de asesoría a [CLIENTE] a lograr las metas de género del incentivo?</p> <ul style="list-style-type: none"> <li>a. ¿Diría que hicieron una diferencia notable para [Descripción de las metas]?</li> </ul> <p>22. ¿Hubo algún aspecto adicional de la consecución de las metas del PBI que usted crea que [CLIENTE] se habría beneficiado al recibir asistencia técnica adicional?</p> <p>23. En retrospectiva, ¿identificaría algún cambio en los servicios de asesoría que hubiera ayudado al proyecto y a que lograra más fácilmente las metas de género?</p> <p>24. ¿Destacaría alguno de los servicios de asesoría como más eficientes para conseguir los incentivos de género de los proyectos?</p> <p>25. ¿Destacaría alguna o algunas buenas prácticas que puedan ayudar a proyectos futuros?</p>
--	--

### b. Questionnaires

**A short quantitative survey component was integrated into each interview, which allowed for the systematic collection of quantitative data across client organizations and IDB Invest Officers, for a better assessment of their experiences and outcomes within the program.** The same questionnaire was distributed to both clients and IDB Invest officers at the end of their interviews, providing them with the opportunity to complete it during the final minutes of the call or within the week following the interview. In instances where the questionnaire was filled out post-interview, certain questions were left unanswered. Stakeholders omitted responses when they perceived that the questions did not apply to their project or if there was confusion regarding the wording.<sup>2</sup> Below are the questions and response options included in the questionnaire distributed.

Figure 71: Quantitative Survey in English

Questions	Type	Options
-----------	------	---------

<sup>2</sup> Among the 10 stakeholders who received the questionnaire, one individual left three questions unanswered, while another omitted one question.

1. From your perspective, how likely was [PROJECT] to achieve the gender objectives before the introduction of the incentive? <sup>3</sup>	Rating [0 - 10]	0 - Very unlikely 10 - Extremely likely
2. From your perspective, how likely was [PROJECT] to achieve the gender objectives once the incentive was introduced?	Rating [0 - 10]	0 - Very unlikely 10 - Extremely likely
3. How much would you say that a good design of the incentive contributed to [PROJECT] achievement of the gender goals?	Rating [0 - 10]	0 - Did not contribute 10 - Was fundamental
4. How much would you say that a pre-existing willingness from the [PROJECT] team to pursue gender-equitable outcomes contributed to the achievement of the gender goals?	Rating [0 - 10]	0 - Did not contribute 10 - Was fundamental
5. How much would you say that the involvement of the right actors in [PROJECT] contributed to your performance in achieving gender goals?	Rating [0 - 10]	0 - Did not contribute 10 - Was fundamental
6. How much would you say that the quality of the advisory services provided by IDB Invest contributed to [PROJECT] achievement of the gender goals?	Rating [0 - 10]	0 - Did not contribute 10 - Was fundamental
7. Please mark your level of agreement with the following statement: "Without the Technical Assistance, [PROJECT] still had the necessary human resources to achieve the gender objectives"	Rating [0 - 10]	0 - Very unlikely 10 - Extremely likely
8. Please mark your level of agreement with the following statement: "Without the Technical Assistance, [PROJECT] still had the necessary operational capacity to achieve the gender objectives"	Rating [0 - 10]	0 - Very unlikely 10 - Extremely likely

<sup>3</sup> As the questionnaire was filled out after receiving the incentive, it is crucial to recognize that the answers are hypothetical, grounded in participants' reflections and perceptions post-incentive.

Figure 72: Quantitative Survey in Spanish

Preguntas	Tipo	Opciones
1. Desde su perspectiva, ¿qué tan probable era que se alcanzaran los objetivos de género en [PROYECTO] antes de la introducción del incentivo?	Medición [0 - 10]	0 - Nada probable 10 - Extremadamente probable
2. Desde su perspectiva, ¿qué tan probable era que [PROYECTO] alcanzaran los objetivos de género a partir de que se ofreció el incentivo?	Medición [0 - 10]	0 - Nada probable 10 - Extremadamente probable
3. ¿Qué tanto diría que un buen diseño del incentivo contribuyó a su desempeño en lograr las metas de género?	Medición [0 - 10]	0 - No contribuyó 10 - Fue fundamental
4. ¿Qué tanto diría que la disposición previa del equipo de [PROYECTO] a buscar objetivos de género contribuyó a su desempeño en lograr las metas de género?	Medición [0 - 10]	0 - No contribuyó 10 - Fue fundamental
5. ¿Qué tanto diría que el involucramiento de los actores correctos en [PROYECTO] contribuyó a su desempeño en lograr las metas de género?	Medición [0 - 10]	0 - No contribuyó 10 - Fue fundamental
6. ¿Qué tanto diría que la calidad de los servicios de asesoría contribuyó a su desempeño en lograr las metas de género?	Medición [0 - 10]	0 - No contribuyó 10 - Fue fundamental
7. Por favor indique qué tan de acuerdo está con la siguiente afirmación: "Sin la asistencia técnica, [PROYECTO] aun así tenían los recursos humanos necesarios para alcanzar los objetivos de género"	Medición [0 - 10]	0 - Nada probable 10 - Extremadamente probable
8. Por favor indique qué tan de acuerdo está con la siguiente afirmación: "Sin la asistencia técnica, [PROYECTO] aun así tenían la capacidad operativa necesaria para alcanzar los objetivos de género" (es decir, la infraestructura, sistemas, y procesos necesarios)	Medición [0 - 10]	0 - Nada probable 10 - Extremadamente probable

Figure 74: Gender-focused PBI transactions within IDB Invest Blended Finance portfolio (interest rate adjustment)

Brief description of the client	Segment	Year of Approval	Estimated Project Cost (million USD)	Status	Interest rate reduction	Incentive granted	Details about the achievement of milestones
Energy efficient municipal public lighting system	Infrastructure & Energy	2015	\$25	Special Assets	2.70%	Yes, partially	A percentage of the incentive was granted. Due to issues regarding the Financial Statements that the client was presenting, It was decided that until that situation was solved, no incentives would be granted.
Renewable energy systems project	Infrastructure & Energy	2015	\$20.00	Supervision	1.80%	Yes	Client met all targets
Photovoltaic power plant	Infrastructure & Energy	2015	\$5.95	Closure	1.13%	Yes, partially	A percentage of the incentive was granted. Then the transaction was repaid in full - no incentives could be granted anymore, but they complied with all targets
Renewable Energy Project I	Infrastructure & Energy	2015	\$121.00	Closure	0.75%	Yes	Client met all targets
Municipalities installing high efficiency LED technology for public street lighting	Infrastructure & Energy	2016	\$9,707.69	Special Assets	1.50%	No	Client never met targets
Wind Power Project in Argentina I	Infrastructure & Energy	2017	\$162.00	Supervision	1.00%	Yes	Client met all targets
Wind Power Project in Argentina II	Infrastructure & Energy	2017	\$78.00	Supervision	1.00%	Yes	Client met all targets
FI that promotes access to financing for small-scale photovoltaic solar energy systems	Financial Institutions	2019	\$110.00	Supervision	0.07%	Yes	Client met all targets
Photovoltaic power plant	Infrastructure & Energy	2020	\$125.00	Supervision	1.50%	Yes	Client met all targets
Construction of photovoltaic solar power plants	Infrastructure & Energy	2020	\$243.56	Supervision	1.75%	Yes	Client met all targets
Off-grid solar energy project	Infrastructure & Energy	2020	\$22.00	Supervision	*	On-going	Client has not reported yet
Development of an industrial park	Corporate	2021	\$56.00	Supervision	1.00%	On-going	Client has not reported yet
Solar photovoltaic project	Infrastructure & Energy	2021	\$33.33	Supervision	1.00%	On-going	The incentive is not effective yet as the transaction is in the disbursement stage. Evidence related to second Milestone has not been sent by the client yet as they have not started the construction period.

Notes: \* indicates share transfers to employees pool; 'Segment' indicates segment of the client; 'Incentive granted' indicates the current status of the incentive: "Yes" means that the incentive has been fully granted; "On going" denotes clients have not yet initiated reporting on their milestones or have started but still have upcoming milestones to achieve; "Not yet" applies to clients whose 2022 reporting data is under review; "No" indicates that the incentive was not granted; 'Year of Approval' indicates Year of approval of the project; 'Country' indicates country of approval of the project; 'PBI amount (USD)' indicates monetary value of the incentive; 'Total Funding Required (USD)' indicates total funding required for the project; 'Status' indicates status of the project; 'Interest rate reduction' indicates Interest rate reduction received

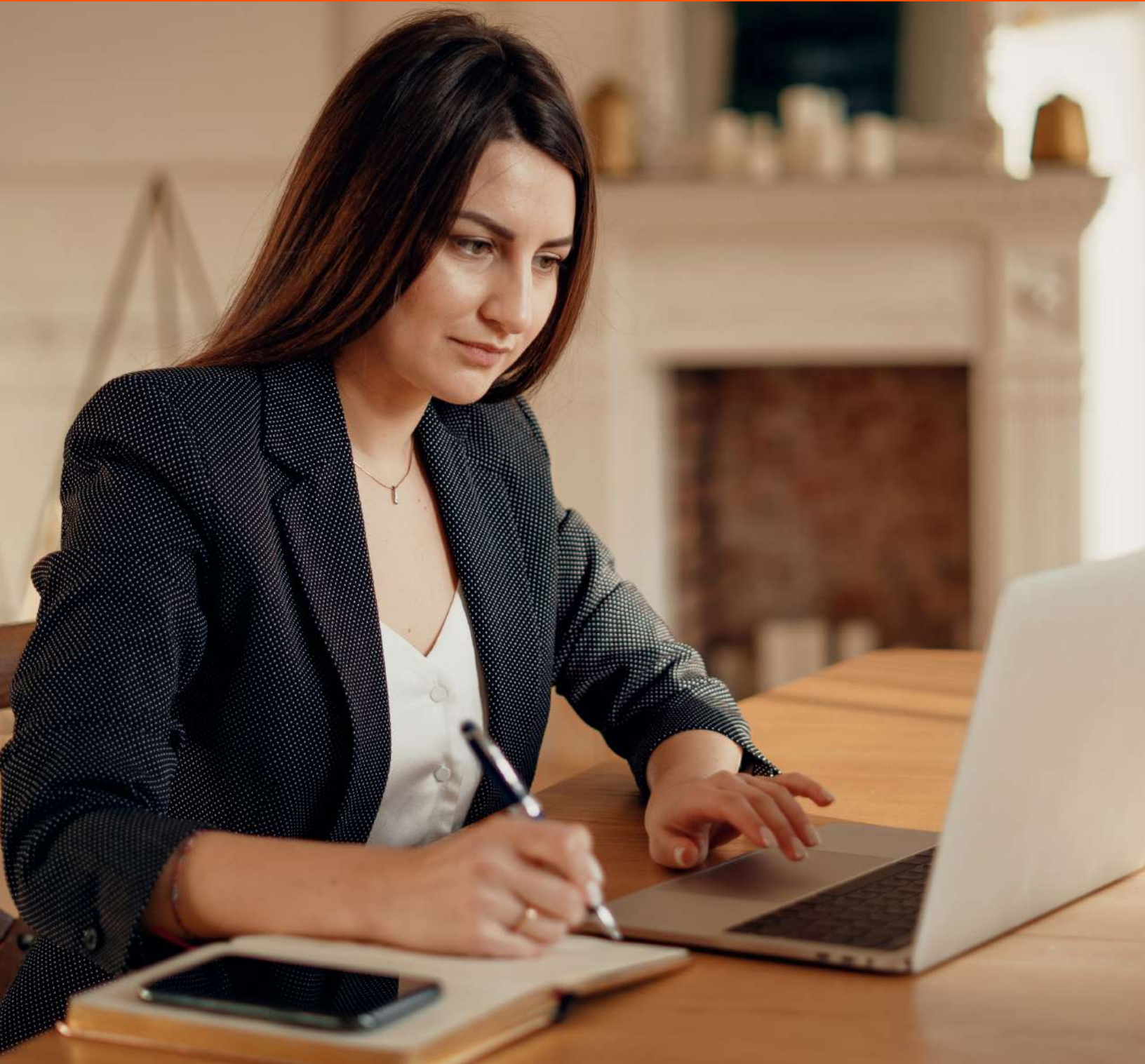
Figure 75: Gender-focused PBI transactions within IDB Invest Blended Finance portfolio (grant)

Brief description of the client	Segment	Year of Approval	Estimated Project Cost (million USD)	Status	PBI amount (USD)	Incentive granted	Details about the achievement of milestones
Financial institution in Colombia	Financial Institutions	2020	\$100	Supervision	\$300,000	On-going	Client reported 2022 but did not meet the target. Since the targets are cumulative, the incentive is ongoing. If the client achieves the 2023 targets, the incentive will be fully granted.
Textile company in Honduras	Corporate	2020	\$64	Supervision	\$ 210,000	Yes, On-going	Client met 2021 and 2022 targets
Financial institution in El Salvador	Financial Institutions	2020	\$60	Supervision	\$ 450,000	Yes, On-going	Client met 2022's target
Financial institution in Ecuador	Financial Institutions	2021	\$100	Supervision	\$ 200,000	Not yet	Information reported for year 2022 is being analyzed
Financial institution in Ecuador	Financial Institutions	2021	\$248.55	Supervision	\$ 500,000	On-going	Client reported 2022 but did not meet the target. Since the targets are cumulative, the incentive is ongoing. If the client achieves the 2023 targets, the incentive will be fully granted.
Agroindustry company in Ecuador	Corporate	2021	\$15	Supervision	\$400,000	On-going	Client has not reported yet
Financial institutio in the Dominican Republic	Financial Institutions	2021	\$10	Supervision	\$100,000	On-going	Information reported for year 2022 is being analyzed
Financial institution in El Salvador	Financial Institutions	2022	\$70	Supervision	\$100,000	On-going	Client has not reported yet
Solar photovoltaic project in Brazil	Infrastructure & Energy	2022	\$453.70	Supervision	\$1,000,000	On-going	Client has not reported yet
Financial cooperative in Ecuador	Financial Institutions	2023	\$20	Supervision	\$210,000	On-going	Client has not reported yet

Notes: 'Segment' indicates segment of the client; 'Incentive granted' indicates the current status of the incentive: "Yes" means that the incentive has been fully granted; "On going" denotes clients have not yet initiated reporting on their milestones or have started but still have upcoming milestones to achieve; "Not yet" applies to clients whose 2022 reporting data is under review; "No" indicates that the incentive was not granted; 'Year of Approval' indicates Year of approval of the project; 'Country' indicates country of approval of the project; 'PBI amount (USD)' indicates monetary value of the incentive; 'Total Funding Required (USD)' indicates total funding required for the project; 'Status' indicates status of the project; 'Interest rate reduction' indicates Interest rate reduction received

7.

# References



2X Challenge and Dalberg, Shared Insights Report, 2022

Alesina et al, 'Do Women Pay More for Credit?', Journal of the European Economic Association, 2013

Calvert Impact, 'Just Good Investing: Why gender matters to your portfolio and what you can do about it', 2018

CGAP, 'Incentivizing Gender Outcomes through Innovative Investment Structures', 2023

Chemonics, 'Blended Finance for Gender Lens Investing', 2021

Convergence, 'Assessing Gender Lens Investing in Blended Finance', 2020

Convergence, 'Blended Finance and Gender Equality', 2019

Convergence, 'Sweef Capital Gender ROI Manual Toolkit', 2023

Dalberg, 'Gender Lens Investing: Moving Beyond A Trend', 2018

Dalberg, 'How to Invest in an Inclusive Business Recovery in Latin America', 2021

Multiple Development Finance Institutions, 'DFI Working Group on Blended Concessional Finance for Private Sector Projects', 2017

EIB, 'Gender Equality and Women's Economic Empowerment', 2022

ESADE and IDB Invest, 'Gender Lens Investing: How finance can accelerate gender equality in Latin America and the Caribbean', 2019

G-SEARCH, 'Business and Social Outcomes of Gender-Smart Technical Assistance Activities in Small and Medium Enterprises', 2022

Goldman Sachs & IFC, '10,000 Women: Investing in Women's Business Growth', 2019

ICRW, 'Gender Scoring Tool'



IDB Invest, 'Advancing Gender Equality with Incentives that Work', 2022

IDB Invest, 'IDB Invest's Impact Management Framework: Managing a Portfolio for Impact', 2020

IDB Invest, 'Gender Lens Investing: How Finance Can Accelerate Gender Equality in Latin America and the Caribbean', 2019

IDB Invest, 'Making Women Welcome: The Next Challenge for Renewable Energy Construction Projects', 2022

IDB Invest, 'The Gig Economy and Financial Inclusion of Women in Latin America', 2023

IDB Invest, 'Uncovering the Hidden Cost of Gender Biases in Lending to Women', 2022

IFC, 'Closing the Gender Finance Gap Through the Use of Blended Finance', 2022

IFC, 'Investing in Women: New evidence for the business case', 2017

IRENA, 'Renewable Energy: A Gender Perspective', 2019

MEDA, 'The GEM Framework'

OECD, 'Blended Finance for Gender Equality and the Empowerment of Women and Girls', 2022

Syspons, 'Research Study on the Transformative Impact of Gender-Lens Investing', 2021

UNCDF, 'Financing Sustainable Women's Economic Empowerment in the LDCs', 2021

UN Women, 'Gender Impact Investment in the Latin American and Caribbean region', 2020

World Bank, 'Closing Gender Gaps in Latin America and the Caribbean', 2020

World Bank, 'Gender-Based Employment Segregation: Understanding Causes and Policy Interventions', 2023

World Bank, 'The Global Partnership for Results-Based Approaches, How to close gender gaps with results-based financing in energy projects', 2020

World Bank, 'The Global Findex Database 2021 - Women and Financial Inclusion', 2022

World Bank, 'The Global Findex Database 2021', 2022

**“Let’s continue  
the conversation.”**



**@idbinvest**

**[www.idbinvest.org](http://www.idbinvest.org)**