Women’s Participation for a Just and Inclusive Energy Transition

June 15, 2023
Conciliation and arbitration of investment disputes

Guarantees of foreign direct investment’s non-commercial risks

Interest-free loans and grants to governments of poorest countries

Loans to middle-income and credit-worthy low-income country governments

Solutions in private sector development

Guarantees of foreign direct investment’s non-commercial risks

Conciliation and arbitration of investment disputes

IBRD
International Bank for Reconstruction and Development

IDA
International Development Association

IFC
International Finance Corporation

MIGA
Multilateral Investment Guarantee Agency

ICSID
International Centre for Settlement of Investment Disputes
IFC: What we do

Integrated Solutions, Increased Impact

INVESTMENT
Financial products tailored to client needs
- Loans
- Equity
- Trade and Commodity Finance
- Derivatives and Structured Finance
- Blended Finance

$23.2 billion committed in FY22
$63.8 billion committed portfolio

UPSTREAM
Create proprietary projects and investment opportunities by developing a sustainable pipeline of bankable transactions
- Early-stage, project level intervention in return for proprietary rights for equity and debt arranger role.
- Promoting and anchoring the design and implementation of platforms and programmatic approaches.
- Working closely across the World Bank Group to help develop policies, regulations and frameworks for private sector investments.

ADVICE
Innovative solutions combining IFC’s expertise and tools
- Help Create New Markets
- Unlock Investment Opportunities
- Strengthen Clients’ Performance and Impact
- Improve Environmental, Social, and Corporate Governance Standards

Over 800 projects of $1.2 billion

MOBILIZATION
Mobilizing and managing capital for investment
- Syndications
- IFC Asset Management Company

$10.1 billion under management at IFC AMC
$10.6 billion mobilized from other investors
# IFC: What we offer

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
</table>
| **LOANS**                        | - Project and corporate financing  
                                 | - On-lending through intermediary institutions                               |
| **EQUITY**                       | - Direct equity investments  
                                 | - Private equity funds                                                      |
| **DERIVATIVES & STRUCTURED FINANCE** | - Derivative products to hedge interest rate, currency, or commodity-price exposures of IFC clients |
| **TRADE & COMMODITY FINANCE**    | - Guarantee of trade-related payment obligations of approved financial institutions |
| **SYNDICATIONS**                 | - Capital mobilization to serve developmental needs  
                                 | - Over 60 co-financiers: banks, funds, DFIs                                 |
| **BLENDED FINANCE**              | - Using donor funds to crowd in private financing                            |
Value-add beyond financing

1. STRATEGIC SUPPORT
   - In-depth advisory to IFC clients to develop and/or refine their sustainability strategy to ensure they are at the forefront on sustainability issues.
   - Interventions can be classified in four main areas, but support can be modular and tailored to specific needs.
   - Advisory services done in conjunction/in parallel with a sustainable financing.
   - Co-funding opportunities available depending on country and technology.

2. TRANSACTION SUPPORT
   - As Sustainability Coordinator, IFC can provide support in the following areas:
     - Assist in the preparation of Sustainable Financing Frameworks, ensuring compliance with international standards and coordinating Second Party Opinion (SPO) if required.
     - For Sustainability-Linked Financings, IFC can help select targets, undertake materiality assessments and manage the structuring of the deal.

3. IMPLEMENTATION SUPPORT
   - Once potential areas of intervention are identified, which may or may not be directly linked to targets, IFC can support clients in their implementation.
   - Interventions can range from: (i) market/feasibility studies or project preparation for the application of new decarbonization technologies and climate resilience elements; or (ii) environmental, social or diversity programs.
   - Advisory services done in conjunction/in parallel with a financing.
   - Co-funding opportunities depending on country and technology.
Ifc: commitments FY22

- Over **US$285 billion** invested since its establishment in 1956.
- **AAA-rated** by S&P and Moody’s; owned by **186** member countries.
- Equity, quasi-equity, loans, risk management and local currency products.
- Takes market risk with no sovereign guarantees.
- Promoter of environmental, social, and corporate governance standards.
- Resources and know-how of a global development bank with the flexibility of a merchant bank.
- Infrastructure and energy accounted for **19% of FY22’s commitments**.

### IFC FY22 Commitments by Region

- **Africa**: 29.8%
- **Middle East**: 6.7%
- **Central Asia and Turkey**: 8.5%
- **Europe**: 7.2%
- **Latin America and the Caribbean**: 4.7%
- **East Asia and the Pacific**: 20.5%
- **South Asia**: 22.4%
- **Global**: 0.04%

### IFC FY22 Highlights

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio (own account)</td>
<td><strong>US$63.8 billion</strong></td>
</tr>
<tr>
<td>New Commitments (own account)</td>
<td><strong>US$12.6 billion</strong></td>
</tr>
<tr>
<td>New Core Mobilization</td>
<td><strong>US$10.6 billion</strong></td>
</tr>
<tr>
<td>Number of Countries</td>
<td><strong>120</strong></td>
</tr>
<tr>
<td>Number of Clients</td>
<td><strong>1,848</strong></td>
</tr>
</tbody>
</table>

Note: Financial year ends June 30. Charts include commitments for both IFC’s own account and mobilization, excluding MIGA.

**IFC is the largest global development institution focused on the private sector in emerging markets.**
Offices in 100 countries worldwide

Local presence, global knowledge

More than 4,000 staff from more than 150 countries, representing many professional disciplines (57% based outside of Washington, DC)
IFC Infrastructure & Energy: FY22 COMMITMENT HIGHLIGHTS

FY22 Commitment Activity

US$4.8 billion invested in FY22, including:
- US$2.3 billion for IFC’s own account and
- US$2.5 billion of total mobilization;
- US$12.4 billion committed infrastructure portfolio.

FY22 Commitment Activity By Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>FY22 Commitment Activity</th>
<th>FY22 Commitment Activity By Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>49%</td>
<td>Africa</td>
</tr>
<tr>
<td>TMT</td>
<td>27%</td>
<td>Middle East</td>
</tr>
<tr>
<td>Utilities</td>
<td>10%</td>
<td>Central Asia and Turkey</td>
</tr>
<tr>
<td>Transport</td>
<td>9%</td>
<td>Europe</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>Latin America and the Caribbean</td>
</tr>
<tr>
<td>Mining</td>
<td>2%</td>
<td>East Asia and the Pacific</td>
</tr>
<tr>
<td>Municipal Finance</td>
<td>2%</td>
<td>South Asia</td>
</tr>
</tbody>
</table>

In the last decade, IFC has invested over US$61 billion in infrastructure & energy in emerging markets.

Note: Financial year ends June 30. Charts include commitments for both IFC’s own account and mobilization (including MIGA). Investment amounts for the past decade include IFC own account, core mobilization and MIGA.
Women’s participation is needed for a just and inclusive energy transition

• Urge to scale up and accelerate energy transition to meet agreed climate goals

• Investment needs of USD 35 trillion by 2030 for Successful Energy Transition (IRENA)

• This will require a larger skilled workforce

• Gender equality and especially women’s engagement is key
Women are lagging men in leadership and technical jobs in the energy sector

**Women’s Representation in the Global Renewable Energy Sector**

- **STEM jobs**: 28%
- **Non-STEM technical jobs**: 35%
- **Administrative jobs**: 45%

**INSIGHTS**

- **32%**
  - Women account for 32% of the renewable energy workforce globally – substantially higher than the 22% average in the global oil and gas industry

- **45%**
  - Of women working in the renewable energy sector are in admin roles

- **28%**
  - Of STEM jobs in the renewable energy sector are occupied by women globally

*Source: IRENA*
Women in leadership positions and a gender balanced workforce, positively correlates with a company’s:

- Innovation
- Resilience
- Quality of services
- Reduced financial and reputational risk
- Improved environmental standards
IFC will partner with private sector renewable energy companies to expand women’s access to:

1. Jobs

2. Leadership positions

3. Private capital and know-how

4. Entrepreneurial opportunities in value chains within the renewable energy space
Emergence of women’s professional networks in energy and power sector

WePOWER in South Asia

Women in Renewable Energy in Africa Network (W-REA)

• B2B social networking platform
• Knowledge sharing
• Training and capacity building
• Women’s visibility in the sector & Mentoring
Women entrepreneurs face significant barriers to achieving their full potential

WSME Constraints

- $1.7 trillion a gender financing gap
- 115 countries where women face legal constraints to entrepreneurship that men do not
- <2 percent of global value chain purchases are from women-led firms
- 3-5x more time spent by women on unpaid care than men

Impact on the state of women entrepreneurship

- Women are 25% less likely than men to start a business
- Women are 36% less likely than men to have high growth expectations
- Profits of WSMEs hover around 50% those of men
- Early-stage firms that can access capital are able to grow 30% faster

Deepening inequalities during Covid-19

- Women-led firms had their loan applications rejected at twice the rate of male-led firms
- Women in general fared worse due to over-representation in service industries
- Women were more likely than men to report business closure
- Women had to cope with a sharp rise in domestic responsibilities

@2022 Women Entrepreneurs Finance Initiative (We-Fi)
Women entrepreneurs at the forefront of sustainable energy transition are not different

- Social norms and gender stereotypes
- Legal barriers
- Lack of access to capital
  - < 2% of all venture capital funding
- Lack of knowledge and skills in starting, managing and growing a business
- Lack of access to business networks and mentoring
Need to build gender-diverse entrepreneurial ecosystems

- To incentivize and nurture clean energy innovation and diffusion

- To address unique challenges faced by clean energy startups (longer lead-times, expertise and technology)

- To provide right support during startup journey to scale in the market

- To increase access to finance (early-stage capital, grants)

- To foster knowledge sharing and partnerships
How can IFC help? By mobilizing private capital to achieve long term targets

**Creating Markets**
- Government/regulator dialogue
- Private sector enabling
- Diagnostic studies

**Creating Opportunities**
- Early-stage project development
- Transaction advisory

**Crystalizing Investments**
- Providing long term capital
- De-risking of projects for financing
- Mobilizing 3rd party investors

<table>
<thead>
<tr>
<th>Sector Intervention</th>
<th>Project Stage</th>
<th>Investment</th>
</tr>
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<tbody>
<tr>
<td>Idea</td>
<td>Diagnostics</td>
<td>Tender</td>
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(IFC logo)
Thank You!