**Approved**

**by the Decision of the Board**

**"Damu" Entrepreneurship Development Fund JSC**

**Appendix No. 5**

**to the Meeting Protocol**

**of the Management Board**

**of "Damu"**

**Entrepreneurship Development Fund JSC**

**Dated 12 March 2021**

**protocol No. 19/2021**

 “Damu” Entrepreneurship Development Fund JSC

Gender Policy

Almaty

2021

Content

|  |  |
| --- | --- |
| 1. Section 1. Basic terms and definitions
 |  |
| 1. Section 2. Overview
 |  |
| 1. Section 3. Gender Policy Principles
 |  |
| 1. Section 4. Application area
 |  |
| 1. Section 5. Reports
 |  |
| 1. Section 6. Engagement of consultants
 |  |
| 1. Appendix №1 The Action Plan for Gender Equality
 |  |

**Section 1. Basic terms and definitions**

 The Policy uses the following basic terms and definitions:

1. **The United Nations (UN)** is the largest international organization whose goal is to maintain international peace and security. The UN Country Team in Kazakhstan works on a wide range of issues, including economic and social development and health, gender equality and the empowerment of women. In Kazakhstan, the UN is represented by 20 agencies, including the UN Development Program, UN Women, the UN specialized agency for education, science and culture (UNESCO).
2. **The UN Sustainable Development Goals (SDGs)** - The 2030 Agenda for Sustainable Development, adopted by the UN General Assembly in September 2015, contains an ambitious set of goals to increase economic growth and address a number of issues in education, health, social protection and employment; and the fight against climate change.
3. **Gender** is a social aspect of relations between men and women, which manifests itself in all spheres of life.
4. **Gender equality** is a legal status that provides men and women with equal rights and equal opportunities and real access to participation in the political, economic, social, social and cultural spheres of life, regardless of gender.
5. **Project** - a potential or concluded transaction involving the provision of financial and non-financial support by the Fund.
6. **Authorized body** - a body that, in accordance with the legislation of the Republic of Kazakhstan, is authorized to make management decisions in the area of responsibility determined by the relevant internal documents of the Fund.
7. **Financial intermediaries -** second-tier banks, microfinance organizations, leasing companies, credit partnerships and other legal entities, investment funds and private equity funds.

Section 2. Overview

On December 18, 1979, the UN adopted the Convention on the Elimination of All Forms of Discrimination against Women (hereinafter - the Convention). The document confirms the principle of the Universal Declaration of Human Rights in relation to equality of people, including regardless of gender.

On June 29, 1998, the Republic of Kazakhstan joined the above Convention.

Gender equality and the empowerment of women are included in the 2030 Agenda for Sustainable Development, adopted by the UN General Assembly in September 2015.

 On December 6, 2016, by the Decree of the President of the Republic of Kazakhstan, the Concept of Family and Gender Policy until 2030 was approved.

This Gender Policy of “Damu” Entrepreneurship Development Fund JSC (hereinafter referred to as the Policy) was developed in order to promote gender equality in “Damu” Entrepreneurship Development Fund JSC (hereinafter the Fund), in accordance with the Constitution of the Republic of Kazakhstan, “the Law of the Republic of Kazakhstan guarantees of equal rights and equal opportunities for men and women". “The Law of the Republic of Kazakhstan" on the accession of the Republic of Kazakhstan to “the Convention on the Elimination of All Forms of Discrimination against Women", the Concept of Family and Gender Policy of the Republic of Kazakhstan until 2030 and the Charter of the Fund.

Despite the fact that Kazakhstan has taken measures to achieve gender equality at the legislative level, according to the ranking of countries in the world according to the 2020 Gender Gap Index of the World Economic Forum, research on the integral indicator of gender equality, out of 153 countries, Kazakhstan ranks 72nd.

One of the main factors of sustainable human development is the achievement of gender equality. Women do not enjoy the same status, power, or access to and control over resources as men. The principles of equality and social justice require modern society to work to ensure that everyone has an equal opportunity to express and use their potential. The link between improving gender equality and accelerating economic development is widely recognized around the world by leading international financial institutions. Recognizing this, the Foundation is committed to channeling efforts and resources towards creating a society that values ​​women and men equally.

According to the World Economic Forum (WEF) *Gender Gap Report 2020*, an international non-governmental organization, given the current pace of progress, it will take another hundred years to achieve gender equality. This forecast serves as a motivation for action by governments, NGOs, associations, investors and businesses. In addition, in light of the COVID-19 pandemic and the deteriorating economic situation in the world, more efforts are needed to achieve gender equality. Based on past experience, the economic downturn is not only disproportionately affecting women, it is pushing gender equality issues off the agenda of governments and corporations. Women make up 39% of the total workforce according to World Bank data for 2020, but as of May 2020, they were responsible for 54% of job losses according to a Harvard Business School study. In addition, women are most represented in the sectors hardest hit by the pandemic, such as hospitality and catering, further exacerbating inequalities.

The Foundation cooperates with a number of international and foreign organizations, whose experience shows that the use of gender-sensitive approaches is important and contributes to the sustainable development of the country's economy. Moreover, many financial institutions are already announcing their readiness to support organizations with an approved Gender Policy, such as the Green Climate Fund and the European Investment Bank and many others.

According to the Committee on Statistics of the Republic of Kazakhstan, as of 01.01. 2020, the population of Kazakhstan was 18.6 million people, the female population is 52%.

As of 01.01.2020, the number of people employed in SMEs in the country is 3.4 million tenge, i.e. approximately 18% of the total population. Of this number, the number of employed in SMEs headed by women is 31%. Every year this indicator is growing moderately, since 2016 the number of women entrepreneurs employed in the subjects has increased by 8%. At the same time, women make up 49% of the employed population, and the contribution of women to the country's GDP is estimated at 39%.

The policy was developed in accordance with the requirements of the Asian Development Bank, in order to comply with the terms of the Project for Financing Sustainable Development of Micro, Small and Medium Businesses, in which the Fund participated to provide additional access to financing for micro, small and medium-sized enterprises (hereinafter - MSME). The 4th tranche of the ADB Project was aimed at lending to the regions of Kazakhstan and women entrepreneurs and showed good results: in the period from January 2018 to November 2020, 40 thousand projects worth 107 billion tenge were financed from ADB funds. 55% of loans were issued to women entrepreneurs. Most of the loans were issued in Turkestan, Zhambyl, Kyzylorda regions and the city of Nur-Sultan. At the same time, from 2011 to 2020, at the expense of the entire ADB Project (tranches 1,2,3,4), 20 thousand women entrepreneurs were supported in the amount of more than 95 billion tenge.

According to other support programs of the Fund, as of 01.01.2021, the number of entrepreneurs among women in Kazakhstan is also quite significant. In 2015, under the guarantee of the Fund, the European Bank for Reconstruction and Development opened 2 credit lines, one of which was aimed exclusively at the development of women entrepreneurs. As a result of the project, more than 13 thousand projects worth 27.1 billion tenge were supported through second-tier banks and microfinance organizations.

Under the State Program for Support and Development of Business *"Business Road Map-2025"*, 18 thousand projects were supported for a subsidy instrument for a total amount of loans of 3.1 trillion. tenge, of which 34% of projects belong to women entrepreneurs. Under this program, guarantees were provided to 13.3 thousand projects for a total amount of loans of 468 billion tenge. Of these, 34% were granted guarantees to women entrepreneurs.

Under the “Nurly Zher” State Housing Construction Program, 127 projects worth 127 billion tenge were supported under the subsidy instrument, 6% of them were projects of women entrepreneurs worth 14.6 billion tenge. Under the UNDP-GEF program and the Government of Kazakhstan, a total of 38 projects were supported in the amount of 2.6 billion tenge, 10% of them are projects of women entrepreneurs, the amount of support for which is 132 million tenge.

On the Priority Projects Crediting Mechanism ("The Economy of Simple Things"):

- 557 projects were supported under the subsidy instrument for the amount of 392 billion tenge, of which 88 billion tenge was allocated to support 32% of projects of women entrepreneurs;

- under the guarantee instrument, 210 projects were supported for 53.5 billion tenge, of which 30% were projects of women entrepreneurs, with the number of guarantees provided to 6 billion tenge.

Within the framework of the State Program for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021, *Enbek* provided guarantees to 1,640 projects in the amount of 19 billion tenge, of which guarantees were provided to 46% of projects of women entrepreneurs in the amount of 8.8 billion tenge.

Within the framework of the Fund's own program, the *Damu-Optima* Guarantee Program, guarantees were provided to 682 projects worth 38 billion tenge, 20% of which belong to women entrepreneurs, whose guarantees were provided in the amount of 5.5 billion tenge.

Given the indicators of activity among women entrepreneurs, the Fund intends to continue funding MSMEs in the regions and to promote women's entrepreneurship in Kazakhstan. To this end, the Fund will strengthen cooperation with international organizations and continue to promote the implementation of the UN Sustainable Development Goals in Kazakhstan, thereby increasing investment attractiveness for attracting additional sources of funding for programs for the development of MSMEs in Kazakhstan.

In November 2020, Kazakhstan was elected to the executive board of UN-Women. A year earlier, UN Women headquarters had agreed on the Fund's Statement of Support for the Principles for the Empowerment of Women. The UN Women Principles have been signed by more than 2,000 companies worldwide, including Google, Citigroup Inc, Nasdaq, PwC, Ernst & Young and Coca-Cola. In Kazakhstan, UN-Women works in partnership with the Government to promote gender equality. The partners are the National Commission on Women Affairs and Family and Demographic Policy under the President of the Republic of Kazakhstan, the Ministry of Foreign Affairs of the Republic of Kazakhstan, the Ministry of National Economy of the Republic of Kazakhstan, the Ministry of Labor and Social Protection of the Population of the Republic of Kazakhstan, civil society organizations, as well as signatory companies of the Principles for the Empowerment of Women".

The Fund maintains gender parity among staff. For example, in 2020 the total number of employees of the Fund was 380, among them the actual number of women was 47% (45% in 2017, 52% in 2018, 50% in 2019). In this regard, the Fund notes the need to continue to maintain the achievement of equal gender representation among employees.

**Section 3. Gender Policy Principles**

The Foundation recognizes that gender equality contributes to inclusive economic growth and strives for gender equity.

 The Fund's gender policy is in line with the SDGs, which contain a clear commitment to gender equality and the empowerment of women.

The Foundation undertakes to take into account, analyze and address gender issues when planning, implementing and evaluating internal regulations, projects and research in order to achieve the following goals:

• promoting equality between women and men;

• collection of quality information, taking into account the separation of data by sex;

• creating a social, physical and psychological environment that promotes equal treatment of men and women at work.

**Section 4. Application area**

The Foundation seeks to contribute to the achievement of the goals of gender equality and the empowerment of women in work aimed at sustainable institutional development of the Foundation, as well as supporting and developing entrepreneurs:

• Personnel policy: the authorized body of the Fund, responsible for personnel development, seeks to take into account gender aspects in the policies, rules and regulations governing human resource management activities;

• The Foundation seeks to achieve gender balance in staff recruitment. Female candidates will be invited to apply for all vacancies, including managerial positions in both branches and headquarters. The Foundation strives to ensure that the number of female executives is equal to the number of male executives;

• Activities dedicated to professional development of employees include seminars, training programs and discussions to promote and create conditions for a gender culture of work;

• All projects of the Fund promote equal participation of all stakeholders. To promote and assess gender equality, a category has been added to the analytics for each project by the number of program participants among women and men. Projects aimed at the development of women entrepreneurs are identified as priorities;

• Under concessional lending programs, the Fund strives to work to achieve coverage of women entrepreneurs of at least 30% among end borrowers;

• When choosing financial intermediaries in the process of project implementation, the Fund takes into account the existence of an approved gender policy and its application.

**Section 5. Reports**

Successful implementation of the Policy will require consistent and active participation of all personnel in the head office and regional branches and representative offices of the Fund. To this end, the Fund will annually develop an action plan and systematically fulfill the stated goals in accordance with the template for an action plan for gender equality (Appendix 1).

The Foundation undertakes to compile and keep publicly available annual reports on the implementation of the action plan for gender equality. These reports will be published on the official website of the Foundation www.damu.kz.

The Foundation intends to provide information on the work carried out by the Foundation to ensure gender equality, local, international and foreign partners.

**Section 6. Engagement of consultants**

In order to develop the practice of ensuring and promoting gender equality, the Foundation may engage external consultants to conduct research, assess, improve the effectiveness of materials and activities aimed at solving gender problems.

Appendix N 1

for

“Damu” Entrepreneurship Development Fund JSC

Gender Policy

**Action plan template**

**on ensuring gender equality for \_\_\_**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **№** | **Activity (Event)** | **Implementation Period**  | **Responsible** | **Status** |
| 1. | Conducting a training event for senior management on gender equality in the workplace | - | Manager / structural division | - |
| 2.  | Introduce a gender-specific category in the Foundation's reporting | - | Manager / structural division | - |
| 3.  | Providing safe, flexible working conditions for pregnant women and women with children | - | Manager / structural division | - |
| 4. | Preparation of an annual report on the participation of women entrepreneurs in SME support programs | - | Manager / structural division | - |