



- **2X Canada: Inclusive economic recovery** is a CAD 75.9 million blended finance facility that will contribute to the socio-economic wellbeing of underserved populations, particularly women, in Latin America and the Caribbean and Sub-Saharan Africa.
- Implemented by FinDev Canada and undertaken with the financial support of the Government of Canada provided through Global Affairs Canada, **2X Canada: Inclusive economic recovery** will support investments that drive positive impact on women's economic empowerment as well as a gender-smart economic recovery, including through the mobilization of additional public and private investment.
- The economic crisis triggered by COVID-19 is having a disproportionate negative impact on women - their employment, their businesses, and their communities.
- **2X Canada: Inclusive economic recovery** is expected to support up to 57,000 jobs of which 50% will be for women, and to reach up to 10,000 entrepreneurs of which 50% will be women.

2X Canada extends Canada's development finance capabilities and contributes to Canada's international recovery response to COVID-19.

**2X Canada: Inclusive economic recovery** will support transactions that intentionally and actively drive positive impact on women's economic empowerment in at least one of the following areas:

- Entrepreneurship
- Leadership positions
- Quality employment
- Economic empowerment tools.

**2X Canada: Inclusive economic recovery** will focus on financial intermediaries, such as investment funds, financial institutions, and other investment vehicles with a clear strategy to reduce gender equality gaps and benefit women.

All investments will qualify for the [2X Challenge](#).

## What is the 2X Challenge?

The 2X Challenge, launched by the G7 development finance institutions (DFIs) in 2018 at the G7 Charlevoix Summit, is a commitment by DFIs to mobilize financing to enhance women's economic participation. The 2X Challenge surpassed its original target of US\$ 3 billion and expanded its membership to include other financial institutions. The 2X Challenge has defined a common set of criteria for gender lens investing that have gained wide acceptance across the development finance community.

## Why focus on women's economic empowerment?

The impact of COVID-19 on economies has led to a reduction in women's economic participation. The integration of a gender lens to economic recovery will help reduce the disproportionately negative impacts on women and increase resilience by contributing to a more equal, stable, and impactful private sector.

A more gender-equal private sector correlates with better business performance and greater economic growth. For example, gender-diverse boards and senior management teams, on average, yield 27% higher return on equity and 18% increase in sales, according to McKinsey and Credit-Suisse.

## Why blended finance?

Blended finance is the use of catalytic capital from public or philanthropic sources to increase private sector investment in inclusive sustainable development. **2X Canada** and FinDev Canada will together support financial intermediaries that are committed to bridging the gender funding gap by investing in business opportunities that benefit women and transform companies and communities.