

Support to an Enabling Business Environment for
MSMEs Development & Financial Inclusion



**Mainstreaming Gender – March
14th, 2023**

Mainstreaming Gender



Mazen Khalife
Senior Access to
Finance Expert

Ziad Al Refai
Regional Access to
Finance- Expert



Training Outline

- Understanding mainstreaming gender
- WHY??? Women's participation needs more attention
- Inequalities Persist
- Fact and Figures
- Why is mainstreaming gender important?
- Women-led Business Inclusion Challenges
- Gender Inclusion Advantages
- Gender Inclusion Strategy
- Case studies
- Conclusion



Mainstreamin g Gender



Poll 1



What is Mainstreaming Gender?

Poll 1

What is your understanding of mainstreaming gender?

- A. Ensuring that gender is taken into account in all policies and programs
- B. Promoting gender equality and eliminating gender-based discrimination and biases
- C. Prioritizing the voices and experiences of marginalized gender groups
- D. Acknowledging the ways in which gender intersects with other identities, such as race and sexuality



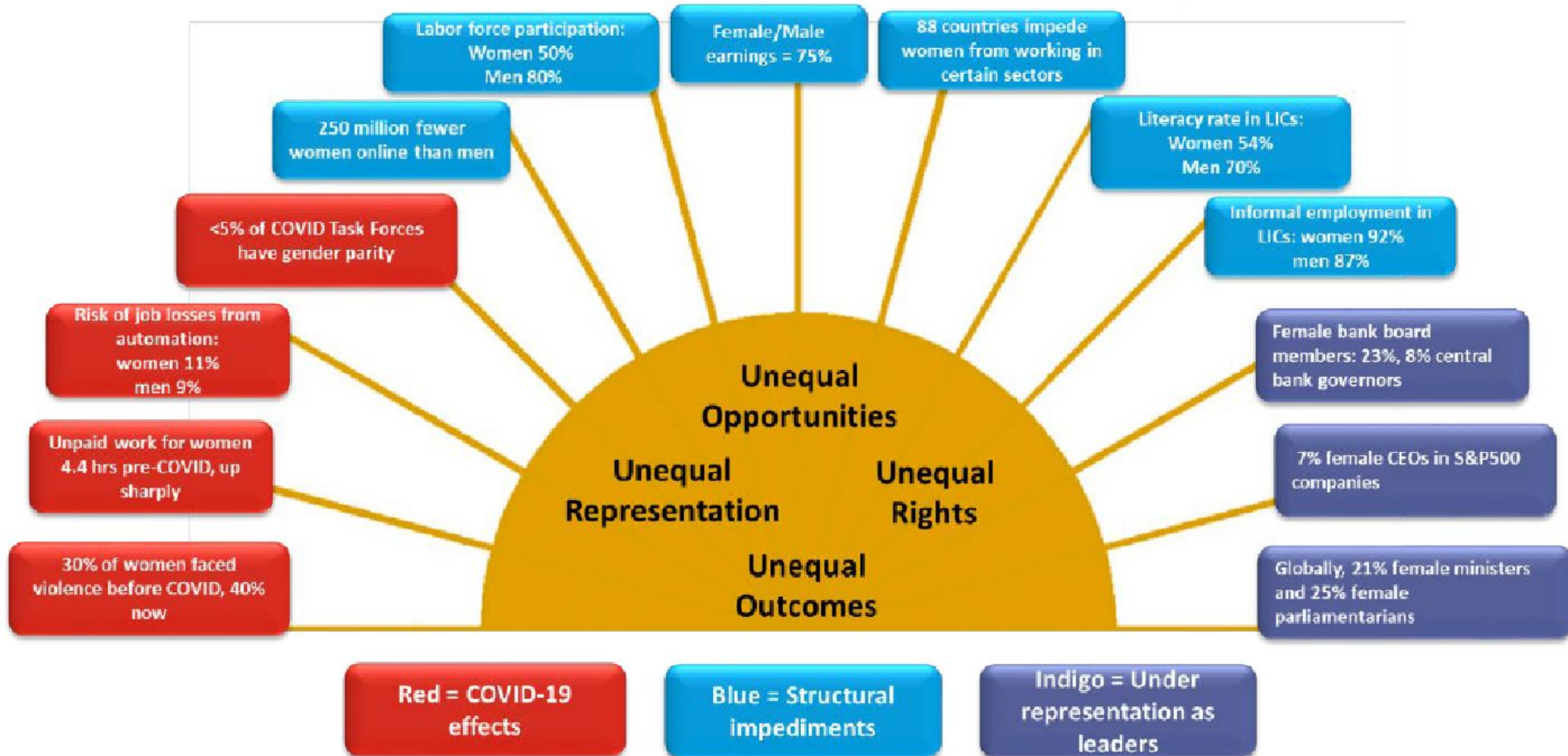
Agenda

Mainstreaming Gender – March 14 th . 2023		
MORNING SESSIONS		
9h-10h	CONTEXT AND RATIONALE	
	<p>Gender Inclusion: What is at stake?</p> <p>NBFIs readiness towards increased gender financing</p>	<ul style="list-style-type: none"> • Gender Inclusion facts and figures • Are current regulations encouraging gender inclusion/financing? • Is there a need for enhanced public-private dialogue? • Role of associations in supporting gender inclusion? • What do NBFIs gain from increased gender financing?
10h-11h30	MAINSTREAMING GENDER - GUIDELINES	
	<p>Strategic and Planning perspectives</p> <p>Implementation</p>	<ul style="list-style-type: none"> • Gender Inclusion strategy? • Voicing gender at the governance level • Setting objectives and monitoring of gender inclusion outcomes • How to operationalize a strategy? (Action plan) • Institutional capacity building (staff/Risk process/processes) • Innovation (tailored products / R&D/ etc....) • Portfolio growth and management
AFTERNOON SESSIONS		
1h-1h30	IMPLEMENTING THE GUIDELINES	
	<p>Case Study Microfund for Women - MfW (TBC)</p>	<ul style="list-style-type: none"> • Why gender inclusion is a priority? • How is it achieved? • What was the impact? (NBFIs/clients)
1h30-2h30	EXCHANGE OF PRACTICES	
	<p>Interactive session</p>	<ul style="list-style-type: none"> • Q/A • Exchanging experience



Understanding Mainstreaming Gender- Financial Inclusion

Gender Inequality - Gap



WHY is more attention needed to close persistent gender gaps and harness their full economic potential?

High Literacy

Women's literacy rate is comparable to men's (2020).¹



Business Innovation

Companies with the greatest gender diversity generated 34% of revenues from innovative products and services, significantly higher than 25% for companies with the least gender diversity (1 in 20 managers were women).²

Half the Population

Women comprise 49.6% of the world population, and 39% of the labor force (2021).¹

Longer Life Expectancy

Women live 4.5 years longer than men on average (2020).¹



Business Founders

Share of women founders has doubled in the past five years, while the share of men founders has increased by 55%.^{3, 4}

Sources:

¹ World Bank, [World Development Indicators](#).

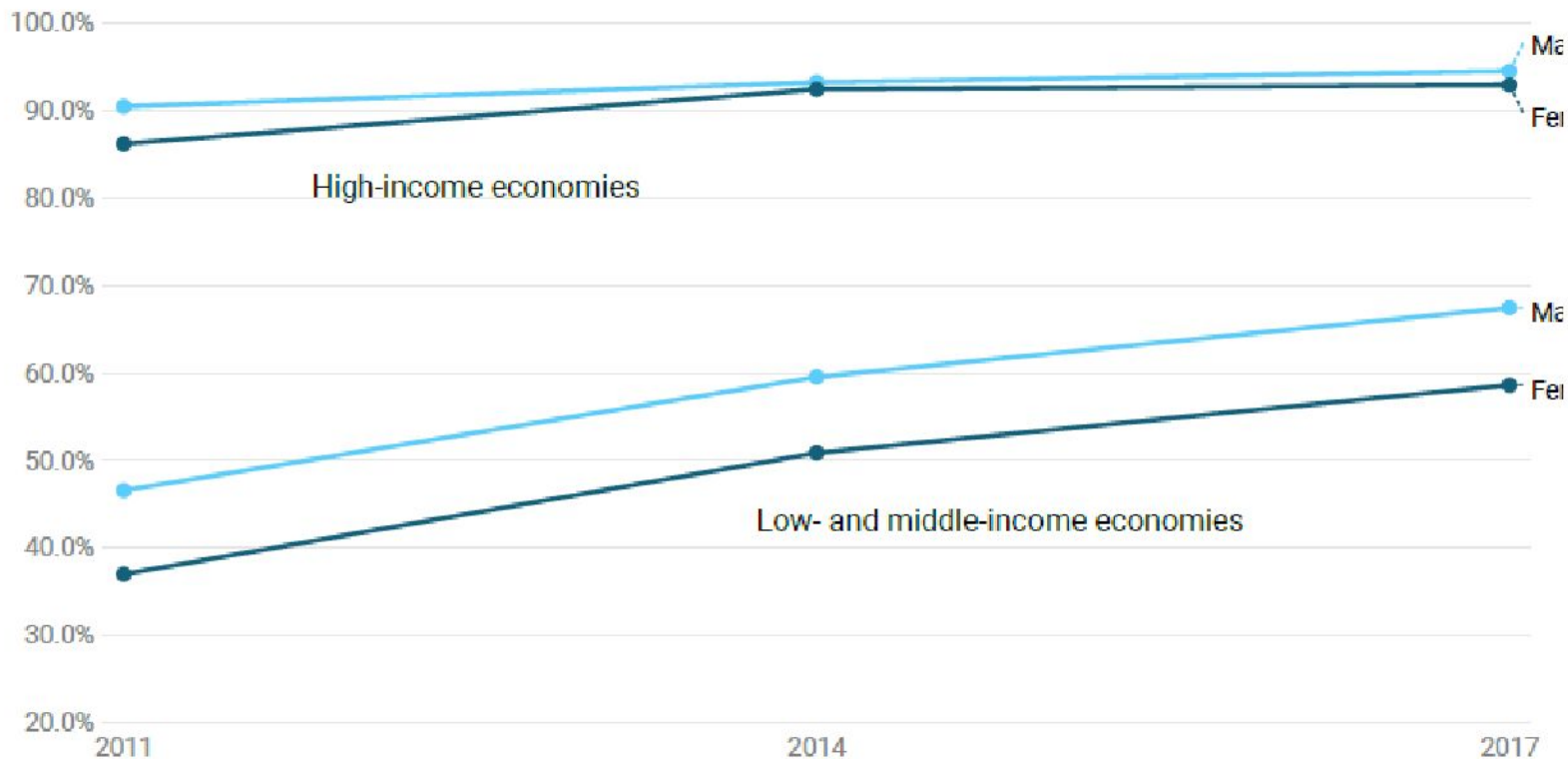
² BCG, [Innovation Through Diversity](#).

³ WEF, [Global Gender Gap Report 2022](#).

⁴ Based on analysis of high-frequency LinkedIn data for 22 countries in recent years.

Account Ownership Has Grown, But Gender Inequalities Persist

Percentage of adults with an account at a financial institution or mobile money service provider



Source: Global Findex Database





MED MSMEs

Policies for inclusive growth

THIS PROGRAMME IS FUNDED BY THE EUROPEAN UNION

But it's still the main challenge



WHY Women are a **growing economic force**, and more investment is needed to close persistent gender gaps and harness their full economic potential.

Persistent Gender Gaps



Cannot Wait 1.5 Centuries

At the current rate of progress, it will take **151 years** to close the gender gap in economic participation and opportunity.⁵



Legal Rights

A typical woman has just **three-quarters of the legal rights** of men in the areas measured.⁵



Mobile Gender Gap

In low- and middle-income countries, women are:

- **16% less likely** than men to use **mobile internet**,
- **18% less likely** than men to **own a smartphone**.



Account Ownership

In developing countries, **68% of women have accounts** compared to 74% of men.⁷

Gaps



Access to Finance

The dollar investment in women business founders still represents a **minor share of the amount directed towards men-founded businesses**. The number remained at **2%** in 2021, unchanged from 2020.³

Saved at a financial institution:



23%



26%

Borrowed:



21%



25%



Poll 2



What is Gender GAP?

Poll 2

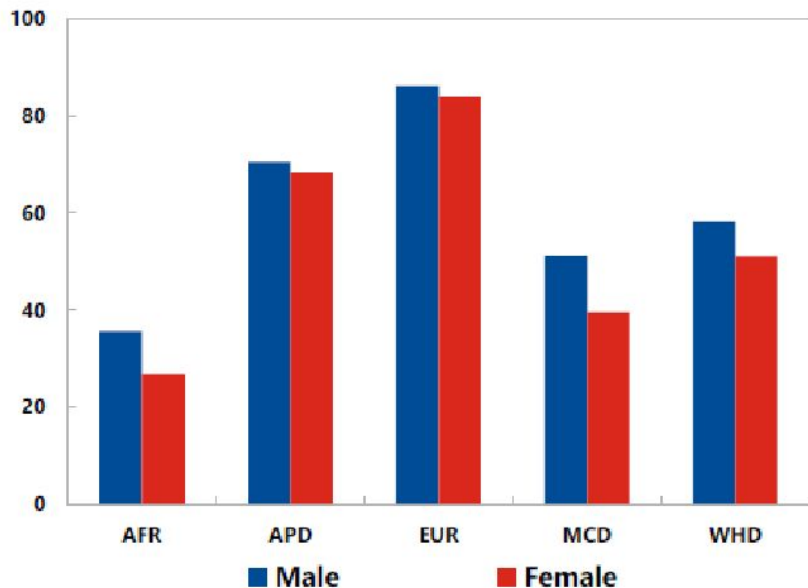
- Q: What is the main reason for the gender gap in financial access?
- A. Women's lower levels of financial literacy and confidence in managing money
 - B. Gender-based discrimination and biases in the financial sector
 - C. Women's lower income and assets, making it harder to access financial services
 - D. Women's lack of interest in financial services



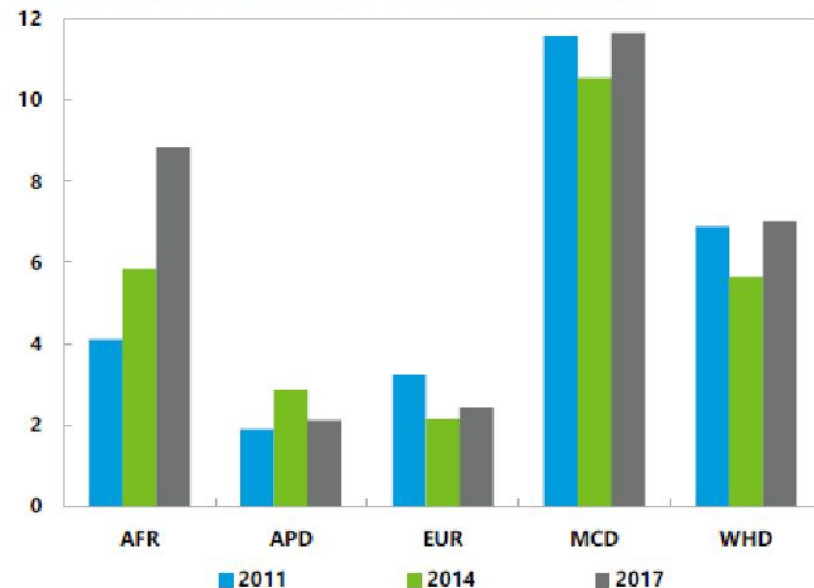
Facts and Figures



Account at a Financial Institution, 2017 (Percent of Population)



Gender Gaps in Financial Inclusion (Percentage of Men Minus Percentage of Women with Account at Financial Institution)



Source: The World Bank World Development Indicators database.

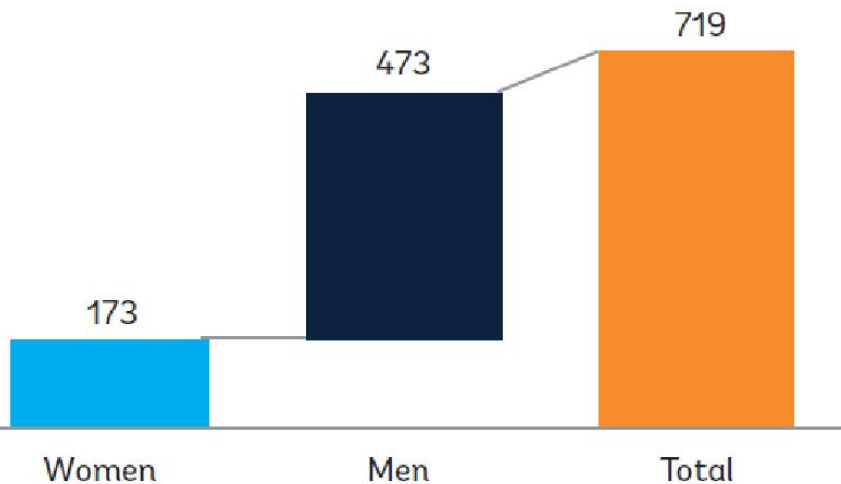
Note: AFR=Africa; APD=Asia and Pacific; EUR=Europe; MCD=Middle East and Central Asia; WHD=Western Hemisphere.

Source: Mainstreaming Gender at the IMF

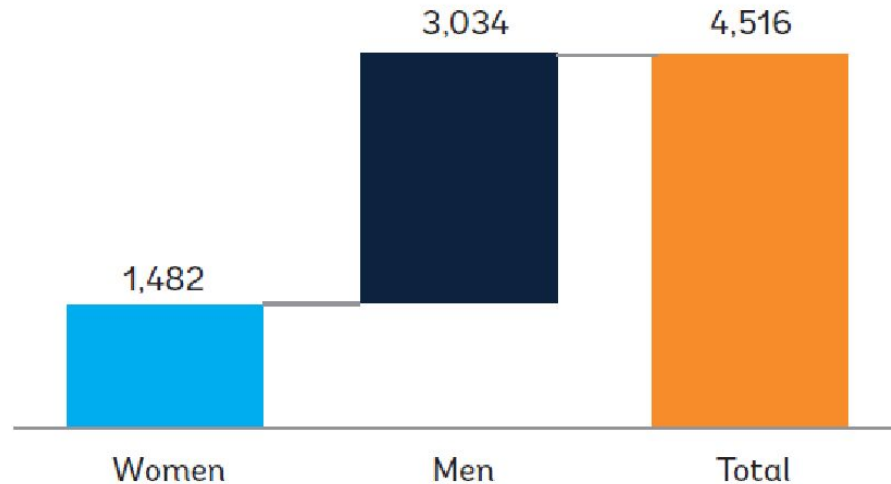


Women-owned businesses comprise 28 percent of business establishments and account for 32 percent of the MSME finance gap.

Microenterprise Finance Gap, US\$ billions

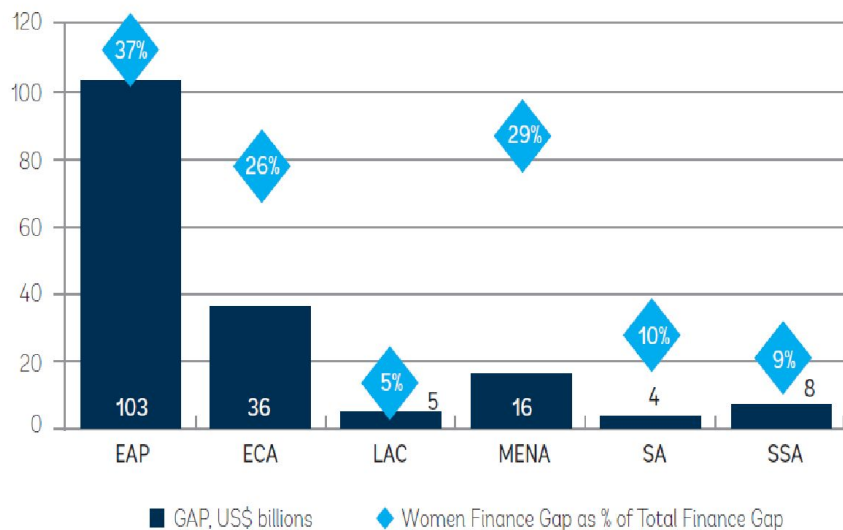


SME Finance Gap, US\$ billions

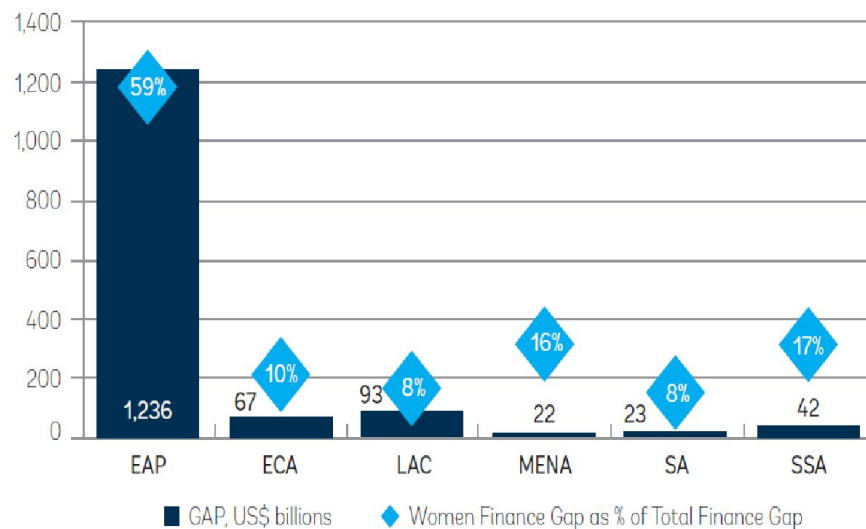


Women-Led Business Finance Gap

Microenterprise Finance Gap: Women-Owned Enterprises



SME Finance Gap: Women-Owned Enterprises (US\$ billions)



Poll 3



Why it's important?



Poll 3

Q: Why is women's access to financial services important for economic development?

- A. Women's access to financial services can contribute to poverty reduction and economic growth
- B. Women's lack of access to financial services has no impact on economic development
- C. Men's access to financial services is more important for economic development than women's access





MED MSMEs

Policies for inclusive growth

THIS PROGRAMME IS FUNDED BY THE EUROPEAN UNION

Why its Important



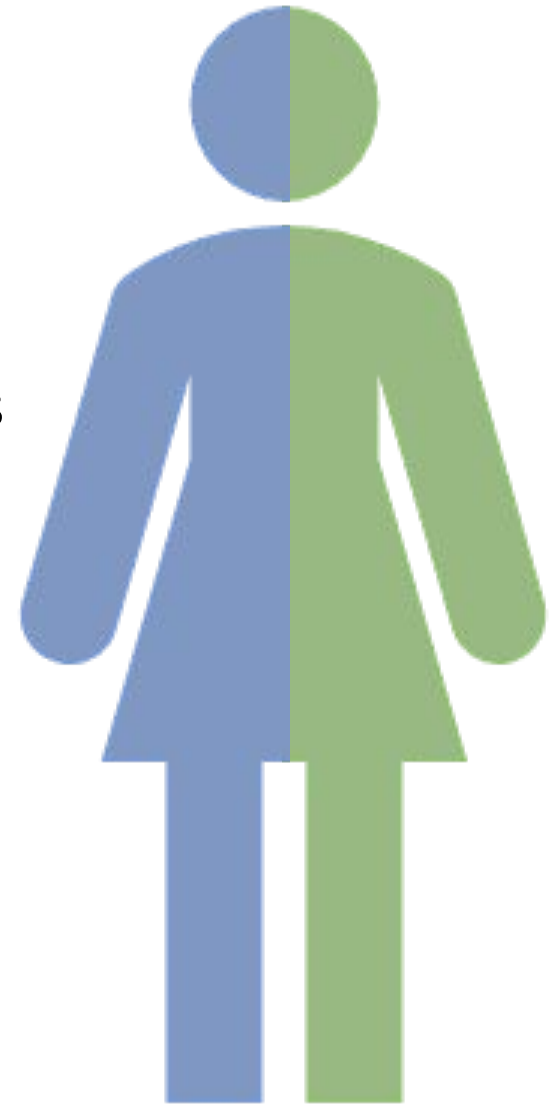
Poll 4



Poll 4

Q: In your opinion, what are the main reasons why women may have less access to financial services than men?

- a. Gender bias in financial institutions
- b. Lack of financial literacy among women
- c. Cultural and societal barriers
- d. Other (please specify) _____



Gender Norms !!



Challenges



Women-led Business Inclusion Challenges



Legal and regulatory barriers

Lack of collateral.

Cultural and social barriers.

Limited financial literacy.

Lack of gender-sensitive financial products.

Limited access to technology.

Lack of devoted time to enterprise development and the need for family support due to women's dual roles

Lack of networking and organizing results in difficulties in voicing their needs to policymakers and business associations.



Gender investing to deepen the impact



Gender Inclusion Advantages



Gender Inclusion Impact on Economy



Women's Empowerment.

Poverty Reduction.

Economic Growth.

Closing the Gender Gap.

Improved Financial Services.



Gender Inclusion Impact on NBFIs

Increased Market Opportunities.

Improved Risk Management.

Diversified Portfolio.

Promoting Gender Equality.

Social Responsibility.



Poll 5



**Policy makers and
regulators**

Poll 5

Q: In your view, what steps can governments take to improve gender equality in access to finance?

- a. Enact laws and regulations that promote gender equality in financial services
- b. Increase funding for microfinance programs for women
- c. Provide financial education and resources specifically targeted at women
- d. Encourage more women to pursue careers in finance



Gender Inclusion Strategy



Policy Framework based to include women-owned/ led MSMEs in National Financial Inclusion Strategies

PILLAR 1: Develop an enabling environment



PILLAR 4 : Allow alternative sources of collateral and alternative ways of building credit for women-led MSMEs



PILLAR 2: Collect sex- disaggregated data



PILLAR 5 : Develop digital financial services focused on women-led MSMEs



PILLAR 3 : Build skills for women-led MSMEs and financial services providers



PILLAR 6 : Encourage diversity and women leadership in the financial and business sectors



Legislation and policy

Gender Policy Advocacy

Need to curb the lack of visibility of gender issues in micro, small, and medium-sized enterprise (MSME) policies and laws

Macroeconomic and Sector Policies

- Launch incentives, subsidized interest rates, and collateral alleviation
- Facilitate the link between women entrepreneurs and investors
- Establish and regulate credit bureaus for micro-loans

MSME Sector Policy and Regulatory

- Enable the access to micro-credit loans throughout all commercial banks
- Develop a special financial package for unbanked women
- Ability to obtain loans without husband's (or other male family member's) consent
- Offer new financing tools such as mezzanine financing and cash-flow-based financing
- Introduce new schemes by central banks to encourage financing of startups
- Ease conditions to attract angel investors

MSME Finance and Property Laws

- Promote new regulations for joint property registration between husband and wife
- Issue new regulations for addressing the inheritance process



Gender Inclusion

Regulations

Some examples of regulatory initiatives

include:

01

Reforms to legal frameworks: Some countries in the region have reformed their legal frameworks to remove barriers to women's access to finance. For example, [in Tunisia, a 2017 law](#) allowed women to serve as legal guardians and to sign contracts without male approval, making it easier for women to access financial services.

02

Quota systems: Some governments and financial institutions in the region have introduced quota systems to promote gender diversity and inclusion. For example, [the Central Bank of Bahrain](#) has established a target of 30% female representation on boards of directors of financial institutions.

03

Incentives for financial institutions: Governments in the region have offered incentives to financial institutions that promote gender access to finance. For example, [the Moroccan government](#) offers tax incentives to banks that increase lending to women-owned businesses.

04

Gender-sensitive financial products: Financial institutions in the region are increasingly offering products that are tailored to the needs of women. For example, [microfinance institutions in Jordan](#) offer loans with flexible repayment terms that are targeted at women-led businesses.



Gender Inclusion

Public Private partnerships

In the context of improving women's access to finance, PPPs can play a crucial role in:

01

Building financial infrastructure: PPPs can help build financial infrastructure, such as payment systems, credit bureaus, and other tools that can improve access to financial services for women.

02

Developing financial products: PPPs can help develop financial products that are tailored to the needs of women, such as microfinance loans, flexible repayment terms, and other products that are designed to meet the specific needs of women-led businesses.

03

Providing financial education: PPPs can work together to provide financial education programs and resources that can help women develop the financial literacy and knowledge they need to access financial services.

04

Supporting women entrepreneurs: PPPs can work together to provide mentorship, training, and other support services to women entrepreneurs, helping them to start and grow successful businesses.

05

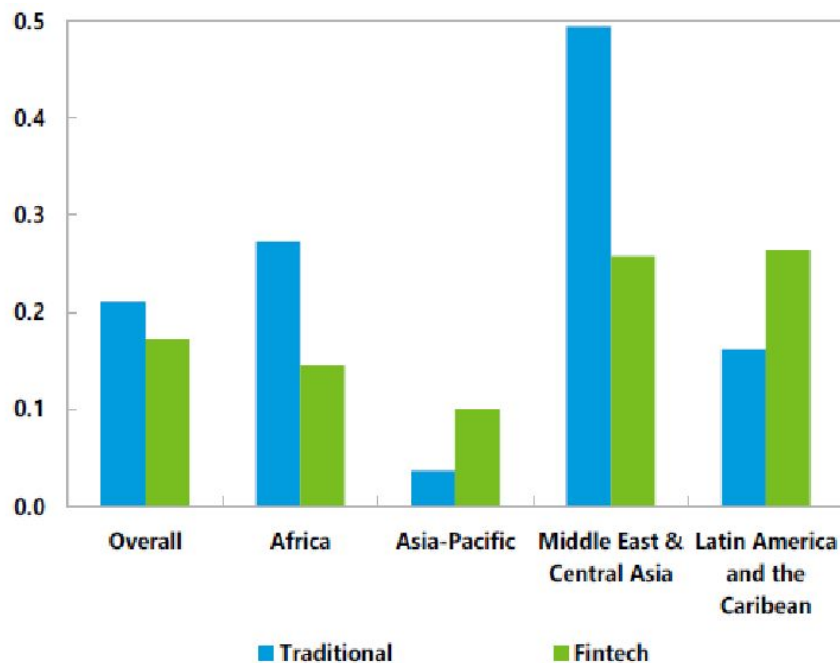
Advocating for policy changes: PPPs can work together to advocate for policy changes that can promote gender equality in access to finance, such as legal and regulatory reforms that eliminate gender-based discrimination in financial services.



Gender Inclusion Investing in FinTech !!!



Bridging Finance Gap – FinTech



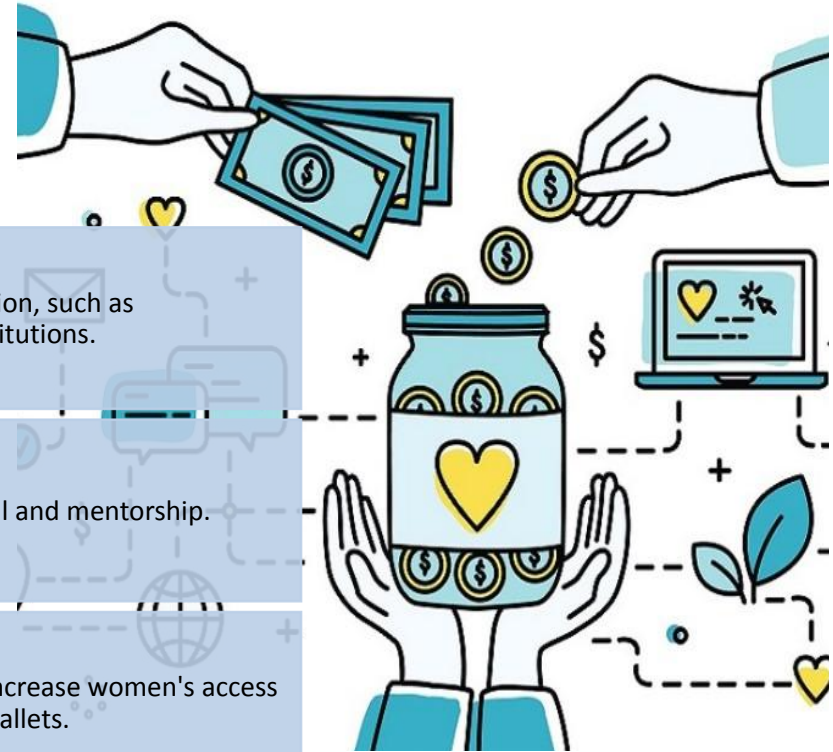
Sources: IMF staff calculations; Sahay and others, 2020.

Note: The gender gap is defined as the percentage difference between the male and female financial inclusion index. Higher values indicate a larger gender gap.



Funders and Investors

Funding	Funding initiatives that promote women's financial inclusion, such as microfinance programs and women-focused financial institutions.
Supporting	Supporting women-owned businesses by providing capital and mentorship.
Investing	Investing in financial technology (fintech) solutions that increase women's access to financial services, such as mobile banking and digital wallets.
Advocating	Advocating for policies and regulations that promote gender equality in the financial sector, such as equal pay for women and anti-discrimination laws.
Conducting	Conducting research and collecting data on gender gaps in access to finance, to better understand the problem and identify effective solutions.



Funders and Investors





Gender Inclusion

Associations

Associations can play a crucial role in bridging the gap for women-led businesses by providing support, resources, and advocacy. Here are some specific roles that associations can play:

- **Capacity building:** Associations can provide training, mentorship, and other capacity-building programs to help women-led businesses improve their skills and knowledge in areas such as finance, marketing, and management.
- **Access to finance:** Associations can facilitate access to finance for women-led businesses by providing information about available funding sources, helping businesses prepare loan applications, and advocating for financial institutions to be more inclusive and gender-sensitive in their lending practices.
- **Advocacy:** Associations can advocate for policy changes that support women-led businesses, such as legal and regulatory reforms that eliminate gender-based discrimination and create a more favorable business environment for women.
- **Networking:** Associations can provide opportunities for women-led businesses to connect with each other, share information and resources, and collaborate on projects and initiatives.
- **Visibility and recognition:** Associations can help to raise the visibility and recognition of women-led businesses by promoting their products and services, highlighting their achievements, and providing opportunities for them to showcase their work.



Gender Inclusion Associations



Women's Business Association (WBA) in Morocco.

Women's Economic Empowerment Association (WEEA) in Egypt.

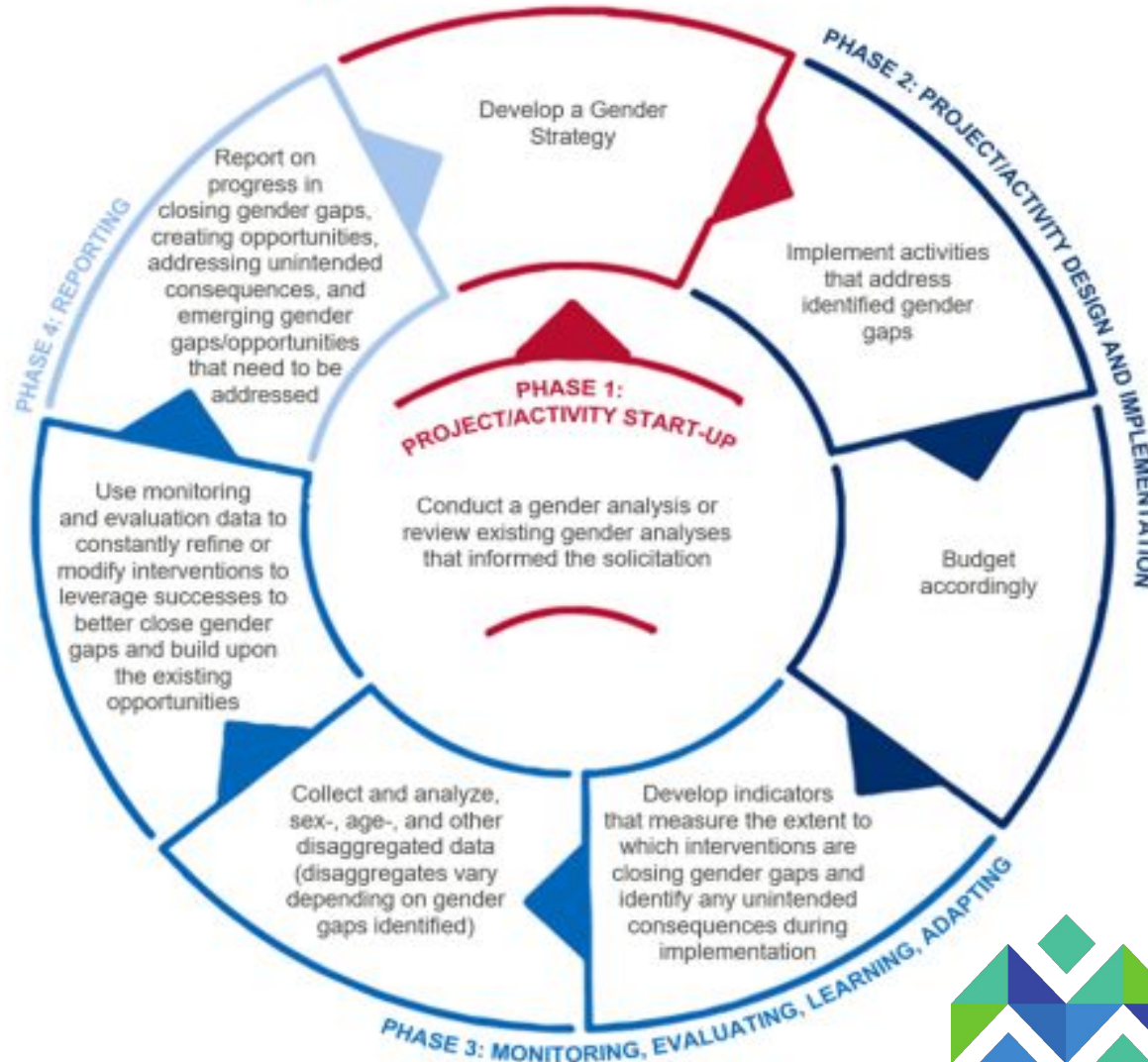
Jordan Forum for Business and Professional Women.

Lebanese League for Women in Business (LLWB).

Women in Business Association (WIBA) in Tunisia.



Gender Inclusion Strategies



Poll 7



MFI strategies

Poll 7

Q: Do you believe financial institutions should take specific steps to address the gender gap in access to finance? If so, what should those steps be?

- Yes
- No
- I'm not sure
- Financial institutions should offer more financial education and resources specifically targeted at women
- Financial institutions should have more women in leadership positions
- Financial institutions should offer more flexible loan terms and collateral requirements for women




MFIs Strategies



MFIs, Financial Institutions Responsibility



MFIs, Financial Institutions Responsibility



Conducting	Conducting Gender Analysis.
Creating	Creating Gender-Sensitive Products and Services.
Promoting	Promoting Gender Diversity.
Providing	Providing Financial Education and Training.
Engaging	Engaging with Women's Groups and Networks.
Using	Using Digital Financial Services.

MFIs, Financial Institutions Responsibility

Draft V0

Adopt	Adopt flexible loan conditions and fast decision-making procedures.
Consider	Consider earmarking funds or setting a target for women's MSMEs
Review	Review current loan application handling procedures
Conduct	Conduct information campaigns and outreach to women's MSM
Consider	Consider granting microcredit cleanly
Raise	Raise gender awareness of FI staff
Adopt	Adopt measures to ensure that transaction details are not shared with anyone
Use	Use gender-disaggregated data analytics
Bridge	Bridge between MFIs and formal FIs
Provide	Provide business development services, financial literacy





The way forward

Establish minimum institutional competencies and baselines

to ensure general awareness and commitment to supporting the project's gender integration strategy

Promote gender parity in hiring

Examine specific cultural, policy, economic, and other enabling factors and barriers

Review and ensure budget allocations for gender analysis

Determine capacity baselines and targets for gender integration

specify targets by both numbers of loans and the number of funds loaned to women



Case Studies!!





MED MSMEs

Policies for inclusive growth

THIS PROGRAMME IS FUNDED BY THE EUROPEAN UNION

Conclusion!!



Thank you !!!



MED MSMEs

Policies for inclusive growth

THIS PROGRAMME IS FUNDED BY THE EUROPEAN UNION

<https://www.linkedin.com/company/cgap-world-bank-group/videos/native/urn:li:ugcPost:6879405298164072448/>

<https://www.eib.org/en/videos/gender-in-everything-we-do>

<https://www.worldbank.org/en/topic/trade/brief/trade-and-gender>

<https://www.linkedin.com/company/cgap-world-bank-group/videos/native/urn:li:ugcPost:6996184730266169346/>

<https://www.eib.org/en/stories/development-gender-equality-women>

<https://www.linkedin.com/company/cgap-world-bank-group/videos/native/urn:li:ugcPost:6966035087133954049/>

<https://www.linkedin.com/company/cgap-world-bank-group/videos/native/urn:li:ugcPost:6881609746621755392/>

