Financing Programs for Women's Financial Inclusion and Access to Finance for Women MSMEs

RESULTS FROM A SURVEY OF PUBLIC DEVELOPMENT BANKS

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The IDB works to improve lives in Latin America and the Caribbean. Through financial and technical support for countries working to reduce poverty and inequality, the IDB helps to improve health and education, and advance infrastructure. The IDB's aim is to achieve development in a sustainable, climate-friendly way. With a history dating back to 1959, today the institution is the leading source of development financing for Latin America and the Caribbean. The IDB provides loans, grants, and technical assistance; and conduct extensive research. The IDB maintains a strong commitment to achieving measurable results and the highest standards of integrity, transparency, and accountability. The institution has 48 member countries and by 2021 it had approved over US$23 billion in financing and mobilization for development. The IDB prioritizes social inclusion and equality; productivity and innovation; and regional economic integration in its development work across Latin America and the Caribbean. In doing so, it addresses the cross-cutting issues of gender equality and diversity; climate change and environmental sustainability; and institutional capacity and the rule of law.

About UN Women

UN Women is the United Nations (UN) organization dedicated to gender equality and the empowerment of women. A global champion for women and girls, UN Women was established to accelerate progress on meeting their needs worldwide. UN Women supports UN Member States as they set global standards for achieving gender equality and works with governments and civil society to design laws, policies, programs, and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities: Women lead, participate in and benefit equally from governance systems; Women have income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; Women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women coordinates and promotes the UN system's work in advancing gender equality.

List of Acronyms

ACRONYM	DEFINITION
ABDE	Brazilian Association of Development
ADB	Asian Development Bank
AFD	Development Agency of France
BANCOLDEX	Business Development Bank of Colombia
BANDESAL	El Salvador Development Bank
BICE	Argentinean Development Bank
BOAD	West African Development Bank
BRD	Development Bank of Rwanda
CEO	chief executive officer
CONAFIPS	National Corporation of Popular and Solidarity Finance in Ecuador
COO	chief operating officer
CSO	civil society organization
DAC	Development Assistance Committee
DFI	development finance institution
FiCS	Finance In Common Summit
FINEP	Brazilian Agency for Innovation
FIRA	Agricultural Trust Fund Mexico
IDB	Inter-American Development Bank
IDFC	International Development Finance Club
IFC	International Finance Corporation
KPI	key performance indicator
LAC	Latin America and the Caribbean
MDB	multilateral development bank
MSME	micro-, small-, and medium-sized enterprise
NDB	national development bank
OECD	Organization for Economic Co-operation and Development
PDB	public development bank
SDGs	sustainable development goal
SIDBI	Small Industries Development Bank of India
STEM	science, technology, engineering, and mathematics
TMG	The Montreal Group
UEMOA	West African Economic and Monetary Union
UN	United Nations
WMSME	women micro-, small-, and medium-sized enterprise

Executive Summary

This report presents the highlights from a survey directed to public development banks (PDBs) as part of the 2023 agenda of the Finance in Common Summit (FiCS) Coalition on Gender Equality and Women's Empowerment in Development Banks ("the Gender Coalition"), co-chaired by the Inter-American Development Bank (IDB) and UN Women. The survey identifies current PBD practices and trends, as well as innovations in financing programs targeting women's financial inclusion and access to finance for women micro-, small-, and medium-sized enterprises (WMSMEs). Key findings suggest that PDBs are offering a diversity of programs, product types, and innovative approaches, with varied institutional capabilities that range from the development stage to well-established systems that support productive financing, business development, green financing, and financial education and literacy in women micro, small-, and medium-sized enterprises. The results were differentiated by type of institution, which were divided in three main categories: multilateral development banks (MDBs), national development banks (NDBs), and other PDBs (which includes subnational development banks, bilateral banks, and those that selected the option "other PDBs"). The main findings can be grouped into the following 10 key points:

1. Over half of PDBs are using multiple WMSME definitions, while 15 percent have yet to adopt even one.
2. All MBDs in the sample offer WMSME programs, yet there is room for expansion, as 18 percent of other PDBs and 15 percent of NDBs have not developed such programs.
3. Most PDBs provide productive financing (68 percent) and business development programs (50 percent) for WMSMEs, with an additional focus on green/climate financing and financial literacy.
4. Ninety-one percent of PDBs include products tailored to women in their WMSME programs, predominantly working capital and investment loans, featuring lower interest rates and non-financial support.
5. While various innovative approaches are being pursued to cater to WMSMEs, explicit targeting of gender biases is the most common, driven mainly by MDBs.
6. MDBs are pioneering data-driven, gender-responsive product design, and resource mobilization tools such as gender bonds.

7. The most significant challenges are the lack of sex-disaggregated data (84 percent), and limited understanding of WMSMEs' financial needs (77 percent). WMSMEs' limited credit histories and collateral further compound these challenges, more so given the low acceptance of nontraditional collateral by PBDs and limited use of credit scoring mechanisms.
8. PDBs view the positive societal impact and growing market potential as promising opportunities to expand programs for WMSMEs. Financial education is also deemed a key opportunity for improving women's financial inclusion.
9. The predominant competitive advantages for PBDs serving women and WMSMEs are more favorable financial conditions and public policy mandates.
10. There are opportunities to enhance PDBs' monitoring and evaluation practices and foster knowledge exchange to refine approaches toward WMSMEs and women's financial inclusion.

Acknowledgements

The survey reached a wide range of public development banks (PDBs) thanks to the collaboration of the FiCS Gender Coalition. Additionally, the Inter-American Development Bank (IDB) internal database of PDBs in Latin America and the Caribbean had an active participation rate. The IDB and UN Women are grateful for the support and input of the Association of African Development Finance Institutions (AADFI), Brazilian Association of Development (ABDE), Latin American Association of Development Financing Institutions (ALIDE), International Development Finance Club (IDFC), Montreal Group (TMG), and Multilateral Development Banks' Gender Working Group, as well as the 54 PDBs that participated in the survey.

1 Introduction

The financial sector is not gender neutral, as men and women have differing needs, preferences, access to opportunities, and financial performance. Addressing these differences adequately is crucial to tackle persistent gender gaps in access to financial services. For instance, according to the World Bank (2021), 27.7 percent of women over 15 years old borrowed money from a formal financial institution compared to 30.6 percent of men. Furthermore, according to SME Finance Forum (undated), women-owned businesses comprise 23 percent of micro-, small-, and medium-sized enterprises (MSMEs) and face a formal financing gap of US$1.5 trillion. As such, it is essential to design programs and interventions tailored to women MSMEs (WMSMEs) and women as individuals.

Public development banks (PBDs) play a critical role in promoting and implementing productive finance as well as financial inclusion programs and initiatives. Moreover, they act as catalysts for change, fostering a more inclusive financial sector in line with their mandate to pursue broader development and public policy objectives. This context sets the importance of understanding how PDBs are serving women and WMSMEs and analyzing the characteristics of programs and products offered to these segments that have been traditionally unserved or underserved.

As part of the 2023 work agenda of the Finance in Common Summit (FiCS) Coalition on Gender Equality and Women's Empowerment in Development Banks ("the Gender Coalition"),[1] in 2023 the Inter-American Development Bank (IDB) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) implemented a survey of PDBs to map existing programs and identify current practices, innovations, challenges, and opportunities in this agenda.[2] The present analysis of the results of the survey, which was completed by 54 PDBs, can help strengthen the institutional capacity and knowledge of PDBs and other stakeholders to develop strategic work agendas and programs to increase access to finance for WMSMEs.[3]

1. FiCS is the global network of all PDBs, which aims to align financial flows on the 2030 Agenda and Paris Agreement for Climate Change. The Gender Coalition is a collaborative effort between PDBs and partners to increase their commitments to gender equality and women's empowerment, by addressing gender gaps through development finance, by improving the social and economic prospects and livelihoods of women, and by promoting funding and financing for gender equality programs. This Coalition, co-led by UN Women, within FICS, is committed to active collaboration to promote peer learning and share best practices and lessons learned for both targeted gender programming, and gender-lens investing.
2. The survey did not capture Information regarding internal policies, broader initiatives for gender equality, or general gender mainstreaming considerations.
3. The report does not intend to evaluate or rank the practices, or lack thereof, of any of the institutions that completed the survey, or of those that did not.

2 Survey Methodology and Sample

2.1 Definitions

Given the diversity of institutions surveyed, the definitions used in this report are broad, as the objective of the survey was to capture a potentially wide range of interventions by PDBs.

Public development banks: Following the AFD's definition (AFD, 2020), this report uses the term public development banks to refer to all the financial institutions with a mandate to finance a public policy on behalf of the State, whether it is a supranational, national, or sub-national level. These mandates vary considerably, but they all contribute to achieving sustainable development goals (SDGs).

Multilateral development banks: Supranational institutions made up of member countries, providing loans and grants to member nations and the private sector (when their mandate stipulates).

National development banks: Country-level institutions owned by the state, providing loans to public and/or private projects (when their mandate stipulates).

Other PDBs: For the purposes of this report and based on the survey sample, this category covers survey respondents that are either subnational development banks, development agencies, or those that selected the option "other PDBs."

Financial inclusion with a gender perspective: How initiatives are designed and implemented to reduce barriers faced by women in accessing financial products and services, achieve financial autonomy, and deal with crises affecting their lives and businesses (UN Women, 2021). It also refers to programs and products to boost access and use of financial products and services by WMSMEs.

Women micro, small, and medium enterprises (WMSMEs): Enterprises owned or led by women. According to the International Finance Corporation (IFC) definition (IFC, undated) which is widely used in this sector, an enterprise qualifies as woman-owned or led if it meets the following criteria: (A) ≥ 51 percent owned by woman/women; OR (B) ≥

20 percent owned by woman/women; AND (i) has ≥ 1 woman in a top decision position (CEO/COO/President/Vice President); AND (ii) has ≥ 30 percent of the board of directors composed of women, where a board exists. Other definitions are also accepted for the purpose of this survey.

Financing programs for WMSMEs: Interventions that aim to increase access to, and usage of, formal credit by WMSMEs. These interventions can be direct or indirect, through financial intermediaries.

Financial products for WMSMEs: Specific financial services or tools created to cater to the unique needs and preferences of WMSMEs, including, among others, loans, guarantees, **leasing, factoring, and early-stage financing.**

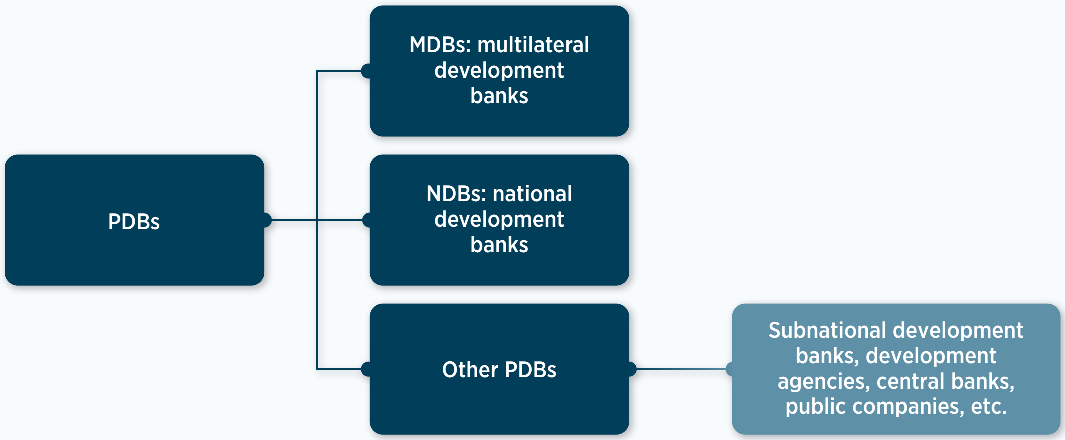
Financing programs targeting women's financial inclusion: Interventions that increase access to, and usage of, financial services for women, addressing the gender-specific barriers that hinder their participation in the formal financial sector. These interventions can be direct or indirect, through financial intermediaries.

Financial products for women: Financial services or tools created to cater to women's unique needs and preferences, including, among others, loans, guarantees, insurance, savings accounts, investment options, and digital financial services.

2.2 Survey Design and Implementation

The survey (see Annex), implemented between May 29 and June 22, 2023, consisted of four sections: (i) institutional information; (ii) financing programs for women MSMEs; (iii) financing programs for women's financial inclusion; and (iv) impact assessment and monitoring. The design prioritized closed-ended questions, providing respondents with a preset list of options to choose from to facilitate comparison and aggregations during the analysis phase. This publication describes the results and identifies patterns and trends, without attempting to reach conclusions or make causal relations. The analysis of the resulting data looked for standard practices and potential differences among institutions. As such, and depending on the relevance of the specific topic, the analysis presents results differentiated by type of institution, which were divided in three main categories: multilateral development banks (MDBs), national development banks (NDBs), and other PDBs (which (Figure 1).

FIGURE 1 • Types of PDBs



Source: Authors' elaboration.

2.3 Descriptive Information about Survey Respondents

A total of 54 PDBs completed the survey; however, some institutions did not answer all questions, as not all have both WMSMEs and women's financial inclusion programs. Therefore, the results refer only to the number of institutions answering each question, as specified in each figure. Half of PDBs that responded were NDBs (Figure 2a), followed by MDBs (18.5 percent), and the remaining 31.5 percent "Other PDBs". In terms of mandate, most respondents had a public and private sector focus (60 percent), 24 percent of the institutions focus exclusively on the public sector, and 16 percent only on the private sector financing (Figure 2b).

FIGURE 2A • Types of PDBs

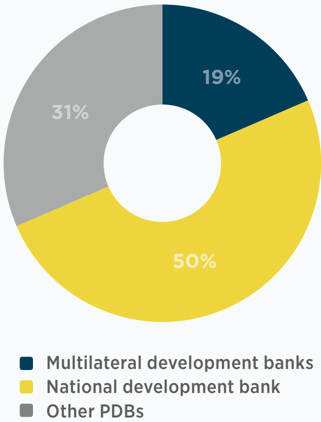
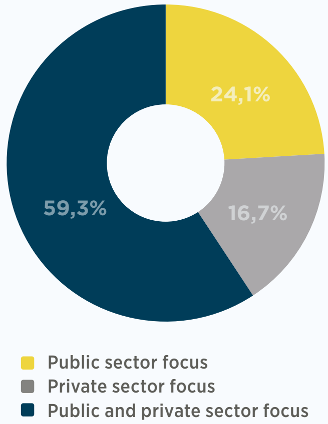


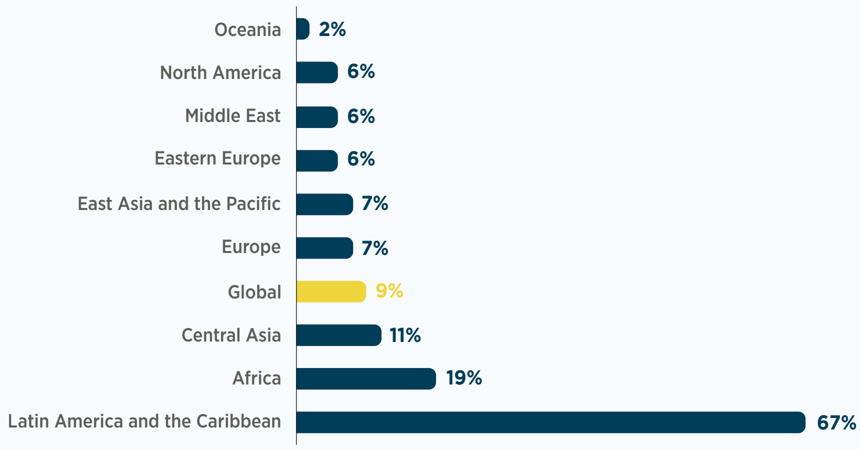
FIGURE 2B • PDBs by Mandate



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 54 respondents; single choice question.

As shown in Figure 3, the majority (67 percent) of the respondents' geographic reach is the Latin American and Caribbean (LAC) region[4], 19 percent focus in Africa, 11 percent in Central Asia, and less than 10 percent have a global scope.

FIGURE 3 • GEOGRAPHIC REACH



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 54 respondents; single choice question.

4. This large representation of respondents working in the LAC region could be explained by several factors: (i) the 2032 FiCS Summit in Cartagena is co-hosted by the IDB, Bancoldex, and the Latin American Association of Development Financing Institutions (ALIDE), promoting a greater response from institutions of this region; (ii) the participation of the IDB as the co-chair of the Gender Coalition and as the implementer of the survey; (iii) the relatively larger proportion of PDBs from the region who are Gender Coalition members; and (iv) the fact that global and bilateral development banks / agencies cover multiple geographies, including LAC

3 Trends in Financing Programs for WMSMEs

A comprehensive understanding of PDBs' involvement with WMSMEs would have benefited from a standardized definition of WMSME. However, the absence of a consistent definition among respondents presented an opportunity to explore the definitions being utilized.

3.1 Definition of WMSMEs used by PDBs

- Adopting an adequate WMSME definition is vital for collecting sex-disaggregated data, understanding how this segment is being served, guiding the design of programs and products, and generating national and international statistics (Empower Women, 2020).
- PDBs are using multiple WMSME definitions, with 56 percent using more than one definition simultaneously.
- Thirty-three percent of respondents selected the definition institutionalized by the IFC representing the most used definition. However, it is not implemented as a stand-alone definition, since 39 percent of those using it combine it with other definitions.
- While most respondents are working with a WMSME definition, 15 percent still have not adopted a specific one.
- Regardless of specific definitions, PDBs are following best practices in terms of defining WMSMEs, by considering parameters that ensure women have decision-making power within the enterprise.

The survey offered the following options to capture trends in WMSME definitions:

- IFC definition (IFC, undated): It relates to business ownership, which, depending on the case, could be complemented with leadership. Specifically, to be classified as a woman MSME it must A) ≥ 51 percent owned by woman/women; OR (B) ≥ 20 percent owned by woman/women; AND (i) has ≥ 1 woman in a top decision posi-tion (CEO/COO/president/vice president); AND (ii) has ≥ 30 percent of the board of directors composed of women, where a board exists.

- 2X Challenge criteria (2x Challenge, undated):
  - Ownership: 51 percent women ownership, or the business is founded by a woman.
  - Leadership: 30 percent women in senior leadership or 30 percent women on the board of the investment committee.
- National definition
- Institutional/own definition
- Currently analyzing what definition to use
- No specific definition
- Other definitions: The survey provided the option of specifying other criteria being used by respondents.

The analysis reveals that, as within the financial sector and the SME segment in general, while there is a preference for definitions that emphasize majority ownership and/or leadership, there is a lack of uniformity among PDBs in defining WMSMEs. The IFC's WMSME definition is the most widely used among respondents, but not the majority, since only one-third use it (33 percent). Another 40 percent use it, but not exclusively. This could be due to influences from different local conditions and traditions, disparities in monitoring systems capabilities, or even variations in legal considerations across countries. Furthermore, the lack of a standardized definition poses challenges for comparing and analyzing data, both between and within countries.

The analysis reveals a relationship between type of institution (Figures 4a, 4b, and 4c) and definitions used. For instance, the IFC's definition (IFC, undated) was chosen by 60 percent of MDBs but only 33 percent of NDBs and 17 percent of other PDBs. Regarding 2X Challenge Criteria (2x Challenge, undated), 30 percent of MDBs chose both criteria one and criteria two definitions, combined with other available definitions. However, only 11 percent of NDBs and 18 percent of the other PDBs chose any of the 2X Challenge options included in the survey. In fact, results of the analysis show that NDBs and other PDBs do not have a predominantly used WMSME definition. NDBs do not have a preference or tendency to use national definitions; only 13 percent selected this option. This could be due to a lack of national definitions, or when available, they might be in early implementation stages and not widely adopted. Overall, 17 percent of institutions use alternative definitions, the diversity of which is presented in Box 1. Additionally, 15 percent of respondents do not work with a specific definition, and another 9 percent are currently analyzing which definition to use.

FIGURE 4A • WMSMEs Definitions Used by MDBs

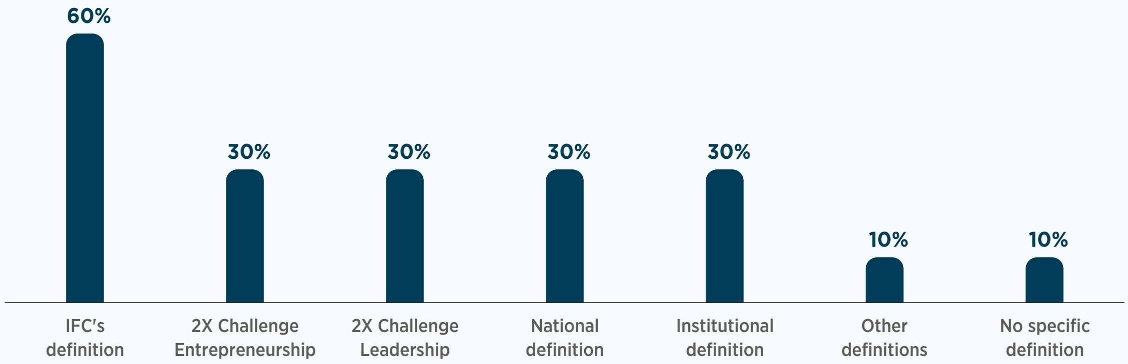


FIGURE 4B • WMSMEs Definitions Used by NDBs

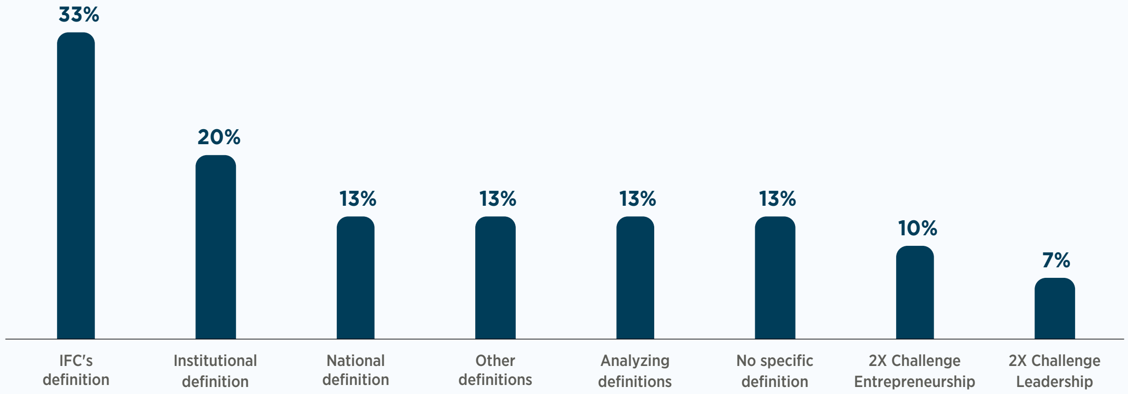
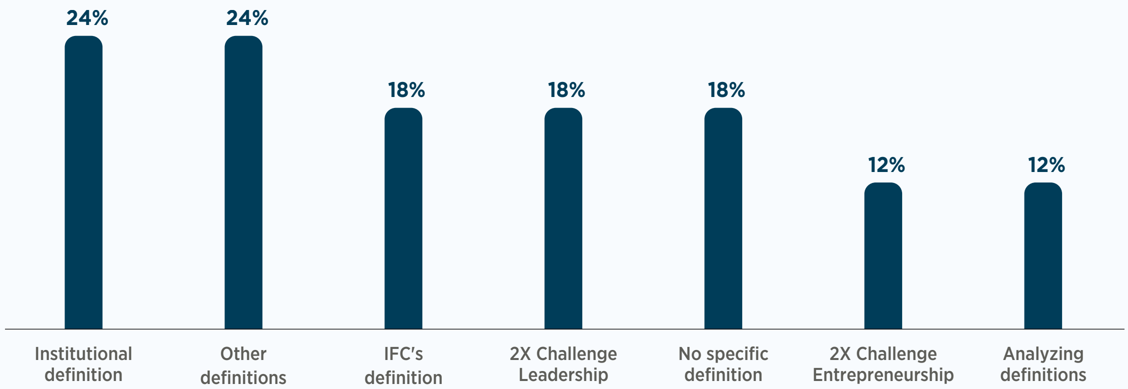


FIGURE 4C • WMSME Definitions Used by Other PDBs



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 54 respondents; multiple choice question.

BOX 1 • Other WMSMEs Definitions

Best practices classify WMSMEs based on ownership or top leadership criteria, as a way to validate that women are in charge of the businesses' decisions. However, survey responses revealed that certain organizations adopt a variety of definitions, which may not always align strictly with majority ownership or top leadership roles. For instance:

- "A woman's enterprise is a value-creating and economically developing initiative that is either led by women or is more than 50 percent owned by a woman or women, or where women account for at least 30 percent of the workforce, or where women represent more than 50 percent of the beneficiaries."
- "(It is a WMSME when a) woman is the promoter."
- "50 percent ownership by women and female legal representative."
- "When the woman occupies the decision-making position."

UN Women contributed to the definitions of ISO IWA 34:2021 (International Organization for Standardization), which indicate that a women-owned business is one that is more than 50 percent owned by one or more women, whose management and control lie with one or more women, where a woman is a signatory of the business's legal documents and financial accounts, and which is operated independently from businesses that are not owned by women. Women-led businesses are at least 25 percent owned by one or more women, whose management and control lie with one or more women, which has at least one third of the board of directors comprised of women, where a board exists. Recognizing the importance of informal economic activities led by women, especially in emerging markets, financial institutions can also look at women making important strategic and operational decisions about the economic unit for which their work is performed.

3.2 Programs and Products offered to WMSMEs

- All MDBs participants in the survey offer programs for WMSMEs, while 18 percent of other PDBs and 15 percent of NDBs have not developed financing programs for this segment. Thus, there is an opportunity to support these institutions in designing appropriate programs.
- PDBs can combine a set of products (financial and non-financial) as part of their WMSMEs programs. Surveys show there are different combinations of programs and type of beneficiaries targeted by PDBs, as well as an increasing interest in creating specific programs for WMSMEs.
- In terms of key focus areas, PDBs most commonly offer productive financing (68 percent) and business development (50 percent) programs, followed by green and climate financing (43 percent), and financial education and literacy (43 percent).
- The majority (91 percent) of PDBs include products tailored to WMSMEs as part of their programs, most commonly, working capital and investment loans.
- There are variations in terms of targeted firm size depending on the nature of PDBs. Public sector-focused institutions (50 percent) and NDBs (48 percent) only target small and medium-sized enterprises, a notably higher percentage than the average 28 percent among all respondents.

Focus Areas

The majority of PDBs (68 percent) offer productive financing, followed by business development programs (50 percent). At the aggregate level, 43 percent of PDBs also focus on green and climate financing, and financial education and literacy. Figures 5b and 5c illustrate the differences that emerge when data is analyzed by type of institution. For instance, approximately 50 percent of MDBs and NDBs offer green and climate financing for WMSMEs, but only 24 percent of the rest of institutions do so. Similarly, while 60 percent of MDBs offer financial education and literacy, only 30 percent of NDBs and 24 percent of other PDBs declared doing so.

The percentage of PDBs offering early-stage financing (36 percent) or trade finance (30 percent) is low, yet these types of programs are relevant for WMSMEs. For instance, WMSMEs that export are more likely to have higher earnings, a larger number of employees, and higher levels of productivity than those who only operate domestically, evidencing the case for considering gender factors to trade finance and expanding the role of PDBs when consistent with their mandates (Bélanger Baur, 2019). In that regard, PDBs with a private sector mandate show the highest response rate in terms of less prevalent but key programmatic areas, such as trade finance and early-stage financing (42 percent in both cases).

Policy advocacy and reform are also considered as part of the programs of 13 percent of PDBs, a proportion that increases to 30 percent for MDBs. In fact, such programming focus is very key to unlock some of the structural barriers to financing WMSMEs. For example, legal and policy obstacles to business ownership and development constraining women's entrepreneurship still prevail in many countries across the globe, where women are restricted from signing a contract or registering a business in their own name (World Bank, 2023). PDBs can thus strengthen the enabling environment and enhance market opportunities for WMSMEs as part of their focus areas.

FIGURE 5A • Programs Offered by all Public Development Banks

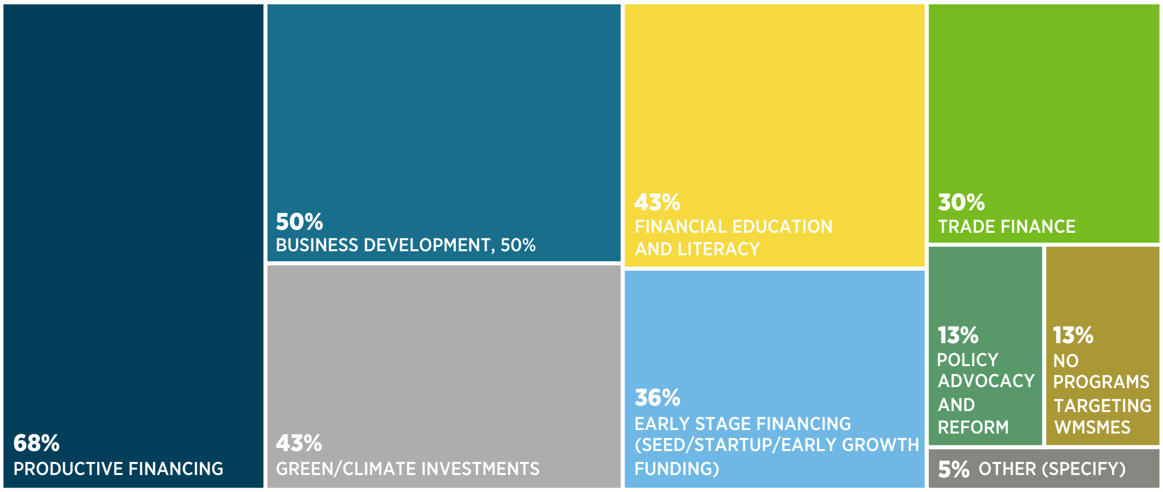


FIGURE 5B • Programs Offered by Multilateral Development Banks

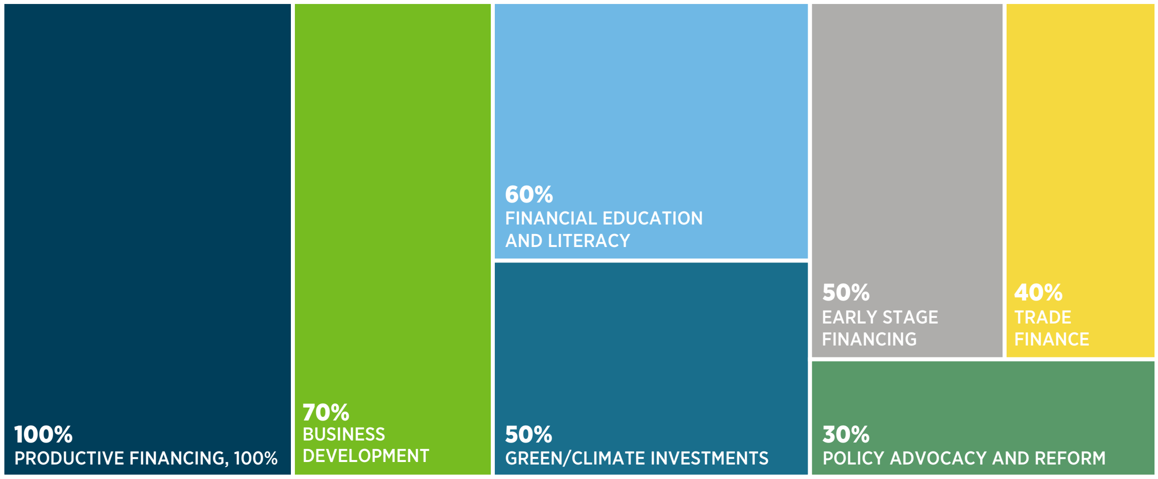
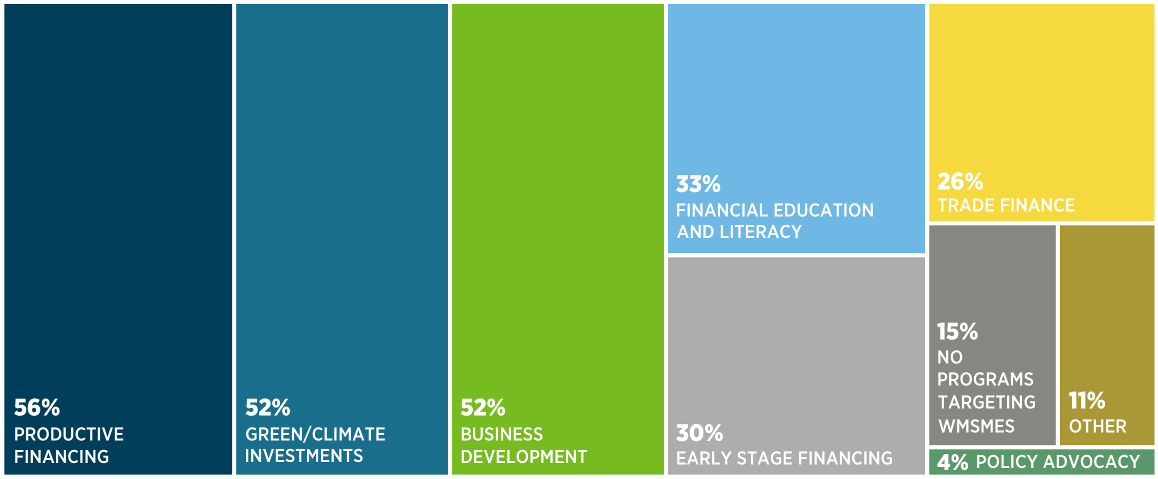


FIGURE 5C • Programs Offered by National Development Banks



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: Note: 54 respondents; multiple choice question.

Target Beneficiaries

Over half of respondents (55 percent) offer programs to all types of WMSMEs and 53 percent offer programs focusing specifically on women entrepreneurs or sole proprietors. More broadly, the results of the survey show variations in terms of targeted firm size depending on the nature of the PDB. Public sector-focused institutions (50 percent) and NDBs (48 percent) target only small and medium-sized enterprises, a notably higher percentage than the average 28 percent among all respondents. Similarly, only 26 percent declared focusing only on women microenterprises, with the public sector-focused institutions showing a higher propensity to focus on this segment (Figure 6a).

Regarding innovative WMSMEs, results point to opportunities to enhance the engagement of PDBs, irrespective of their mandate, with early-stage firm startups operating in sectors with high-growth potential and with WMSMEs that export. (see Box 2). Thirty percent of PDBs target women-owned or led startups, which are defined in the survey as newly established or early-stage WMSMEs seeking to bring innovative products, services, or solutions to the market. This percentage increases to 39 percent for PDBs with both a public and private mandate but is at only 11 percent for PDBs with solely a private mandate. Similarly, only 13 percent of PDBs target exporting WMSMEs, with public-focused institutions showing a slightly higher tendency (20 percent).

FIGURE 6A • PDBs with Public Sector Focus: Target WMSMEs

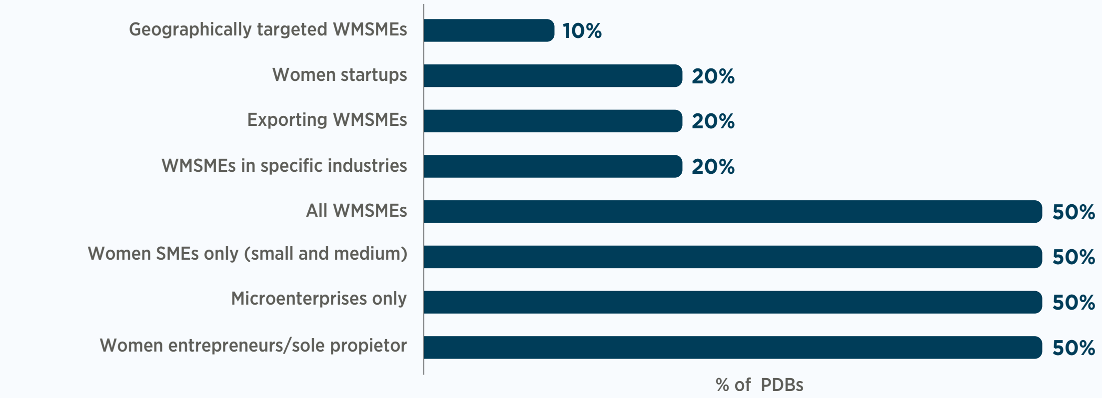


FIGURE 6B • PDBs with Private Sector Focus: Target WMSMEs

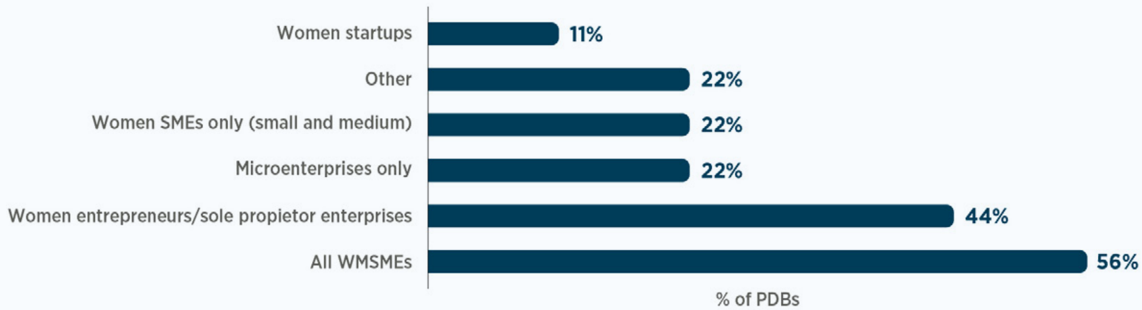
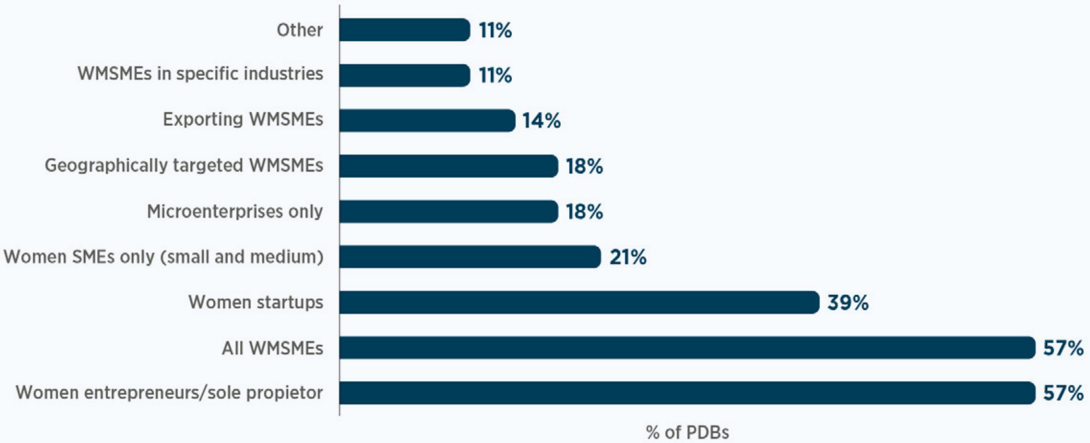


FIGURE 6C • PDBs With Both Mandates: Target WMSMEs



Source: Survey Financing Programs Targeting Women and Women MSME.
Note: 47 respondents; multiple choice question.

BOX 2 • Support to Women Businesses in Early Stages

Thirty-six percent of PDBs target early-stage financing, including seed, venture capital, and early growth funding to WMSMEs. Analysis by type of institution shows that predominantly MDBs (50 percent) and other PDBs (41 percent), offer financial programs to WMSMEs with high-growth potential. Several institutions provided insights regarding their initiatives.

West African Development Bank (BOAD) offers inclusive finance operations through which women's businesses have obtained financing and credit to boost their businesses in Togo, Burkina Faso and Niger. In the West African Economic and Monetary Union (UEMOA) zone, it has offered refinancing lines through commercial banks, for the creation of WMSMEs. A program in the Niger included incubation financing, along with coaching programs for women's start-ups; 50 women's businesses were created and equipped as a and 100 women in total were supported.

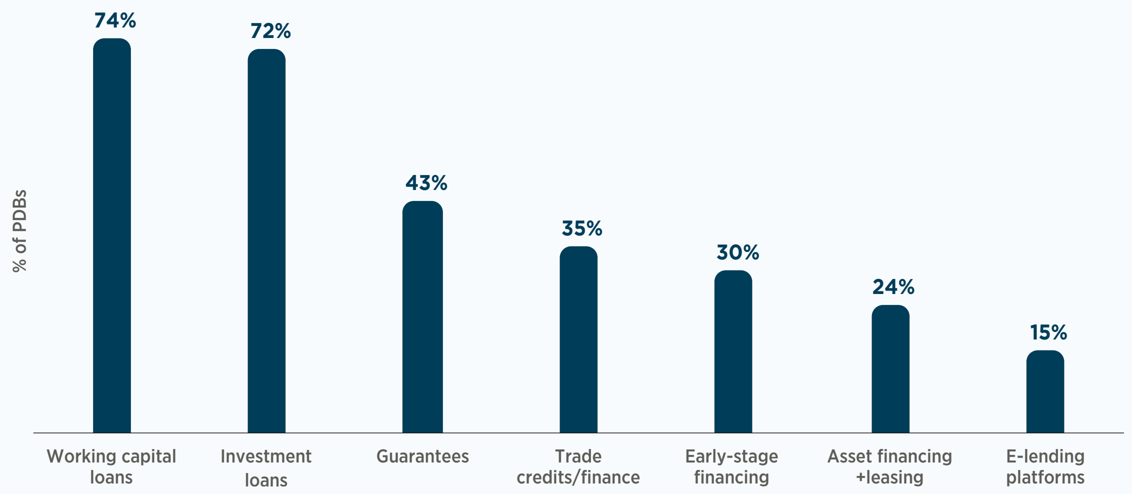
Several subnational PDBs promoted programs for start-ups and expansion of women's businesses in Brazil. Empodera, a credit program created in 2019 by Banco do Estado do Pará S.A., has already supported the creation and expansion of over 2,600 enterprises in the state of Pará, in the northern Amazon region, with a product that enables financing for working capital and investment purposes which suits the client's needs.

The Innovative Women Program, the Brazilian Agency for Innovation (FINEP) and Ministry of Science' initiative, encourages women led ventures, with the aim of increasing women's business representation on a national level and overall Brazilian competitiveness. The program offers training and acceleration for up to 30 selected startups, as well as a prize of R$120,000 f (approximately US$25,000) for companies selected by a panel as the best women-led startups in their respective regions.

Products

Most survey respondents (91 percent) offer specific products for WMSMEs as part of their programs, with the most common being working capital (74 percent) and investment loans (72 percent). Guarantees rank third but are offered by only 43 percent of respondents. Only 35 percent of PDBs report offering trade credits and 30 percent offer early-stage finance mechanisms, even though these are within the top five products (Figure 7).

FIGURE 7 • Top 7 Products Offered to WMSMEs



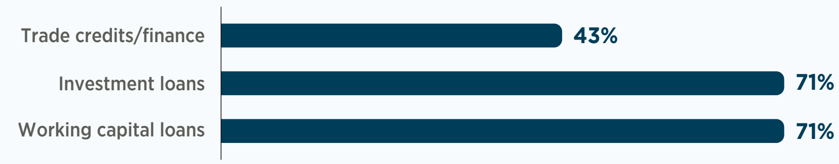
Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 54 respondents; multiple choice question.

When analyzed by type of institution, differences emerge in terms of the type of products offered over the more traditional working capital and investment loans. For instance, 78 percent of MDBs offer guarantees, versus 48 percent of NDBs and 14 percent of other PDBs, showing that MDBs play a key role in the promotion and instrumentalization of guarantees. Over 55 percent of MDBs (compared to 30 percent of NDBs) offer early-stage financing (e.g., equity, VC, seed capital) as part of their programs. However, institutions grouped as "other" are more prone (43 percent) to offer trade credits or finance than MDBs (33 percent) and NDBs (30 percent). Additionally, only NDBs are offering invoice discounting and supply chain finance.

FIGURE 8A • Main Products Offered by MDBs

FIGURE 8B • Main Products Offered by NDBs

FIGURE 8C • Main Products Offered by PDBs



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 46 respondents; multiple choice question.

BOX 3 • Guarantees: A Product that Facilitates Access to Finance for WMSMEs

WMSMEs often face higher perceived risks by lenders due to factors such as limited access to assets to pledge as collateral, and shorter credit history records. Guarantee schemes provide a risk-sharing mechanism that can facilitate access to finance to these enterprises. PDBs can have a pivotal role in promoting these schemes, thereby addressing important barriers that WMSMEs face within the financial system.

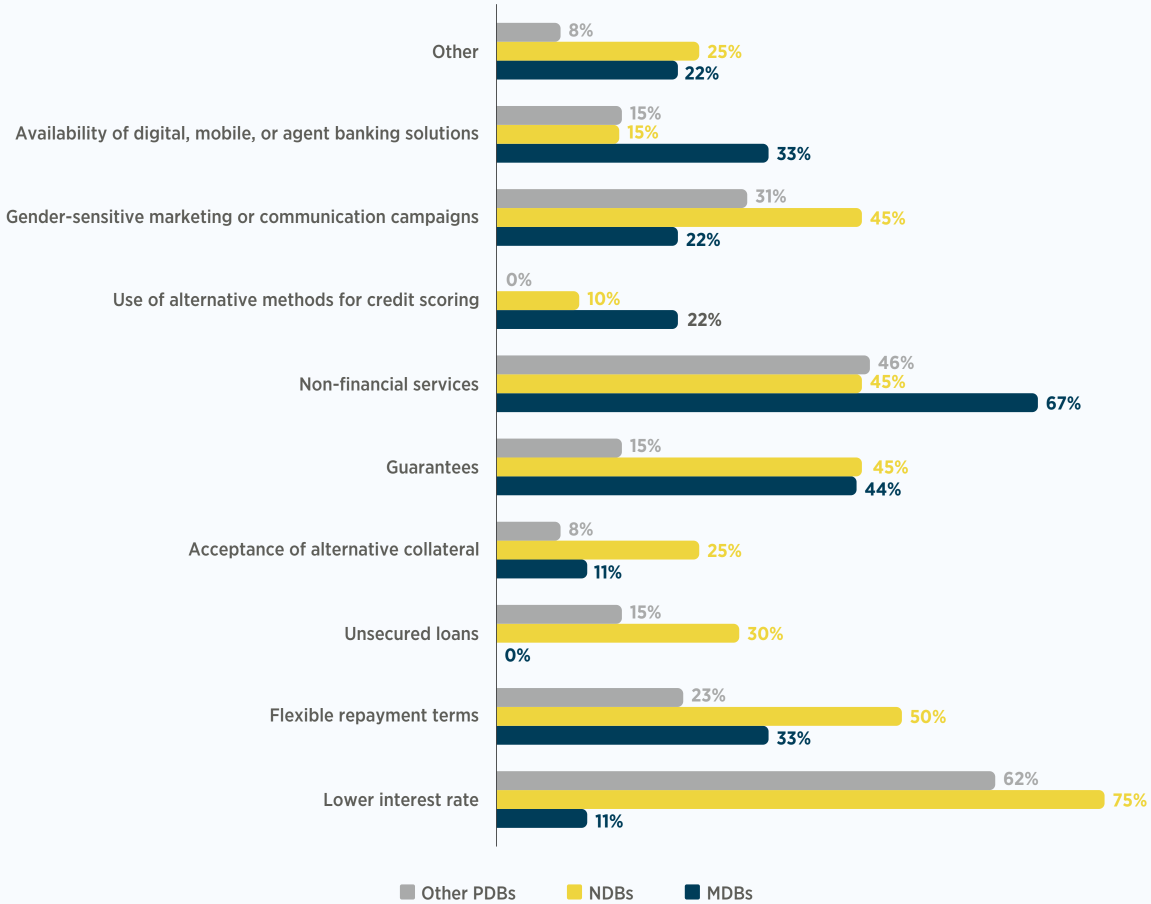
In 2020, the Development Bank of El Salvador, BANDESAL, established the first Program of Access to Credit for the Recovery of MSMEs, with second-tier credit line and guarantee programs specifically for women entrepreneurs. Since its implementation, up until April 2023, 12,773 guarantees have been granted to an amount of nearly US$26 million, resulting in a mobilization of almost US$40 million.

In Africa, the Development Bank of Rwanda, BRD, offers a differentiated guarantee for women, considering their greater restrictions to accessing finance and compliance with conditions. Thus, for women the guarantee covers up to 75 percent, while for men the guarantee is for no more than 50 percent of the amount loaned.

Product Characteristics

Lower interest rates and support with non-financial services (such as financial education, networking, and mentoring) are the two most mentioned product characteristics or features offered by PDBs. However, as Figure 9 shows, there are significant differences among types of institutions. For instance, while 75 percent of NDBs and 62 percent of other PDBs provide lower interest rates, only 11 percent of MDBs declared doing so. Similarly, while 30 percent of NDBs and 15 percent of other PDBs provide unsecured lending, no MDB declared doing so. NDBs also stand out in offering flexible repayment terms, gender-sensitive marketing, or communication campaigns.

FIGURE 9 • Characteristics of Products for WMSMEs, by Type of Institution



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 42 respondents; multiple choice question.

The literature highlights the importance of providing non-financial services as part of the value proposition to WMSMEs (Financial Alliance for Women, 2020a). Indeed, 67 percent of MDBs, and around 45 percent of NDBs and other PDBs, offer these services in conjunction with financial products. Examples in Box 4 focus on networking opportunities and business development support, such as mentoring programs, in line with the findings in the literature. However, 50 percent of PDBs do not currently offer non-financial services, which points to the opportunity to explore further actions to enhance this type of support, given its relevance to WMSMEs.

BOX 4 • Non-Financial Services for WMSMEs

Many PDBs recognize that WMSMEs require more than just financial products and the importance of offering complementary non-financial services. By equipping women entrepreneurs with tools for growth, fostering connections, and enhancing their visibility, along with other impactful measures, their financial capabilities have the potential to flourish significantly. As a result, a cascade of opportunities unfolds, benefitting not just financial institutions but also amplifying the strength and success of empowered WMSMEs.

CreceMujer is the BancoEstado's program in Chile seeking to guide women, in providing WMSMEs with personalized information throughout each stage of their business, development. An online platform allows women entrepreneurs to connect and build networks. As well as access to training material, seminars, and tailored workshops, the platform also promotes and facilitates access to financial and non-financial services for female entrepreneurs throughout the country, whether or not they are BancoEstado's clients, thereby contributing to the development and growth of their businesses.

After almost a decade, the platform has over 300,000 women registered. As a result of this program, participation of women in BancoEstado's portfolio increased from 38 percent to 44 percent. Chile's CreceMujer therefore illustrates the variety of ways in which PDBs can offer non-financial support to WMSMEs.

Another good practice in non-financial services is offering tailored trainings. The Argentine Development Bank (Banco de Inversión y Comercio Exterior S.A., or BICE) offers the program "Mujeres que lideran" ("Women who Lead") which includes exclusively designed capacity-building sessions and personalized business advice through an online community that also promotes successful businesswomen as a motivation for others.

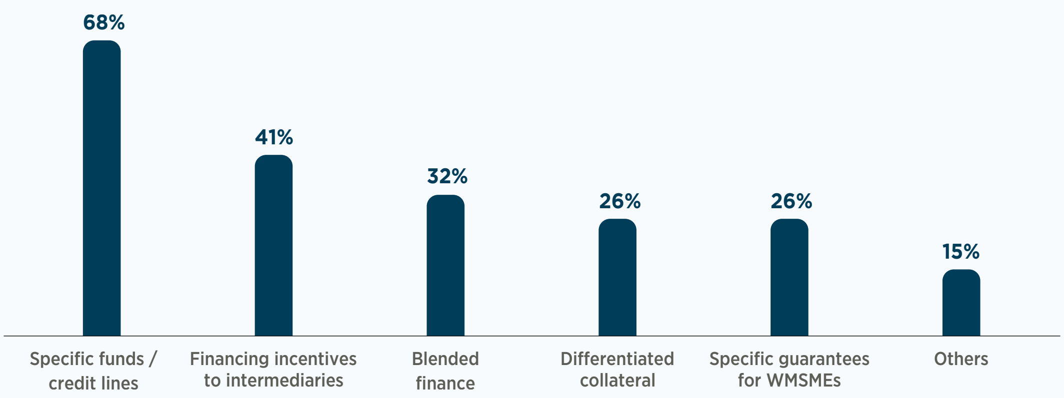
These examples illustrate the importance of understanding the time constraints and flexibility needs specific to women. The use of online tools empowers women to efficiently manage their time and establish networks without the need for mobility or travel, among other advantages. However, it must be recognized that gaps in digital technology mean not all women can benefit from online services.

Institutions that specified product characteristics different to those provided by the survey, mentioned: (i) financing 100 percent of project investment (versus 80 percent of a traditional project investment); (ii) the possibility of requesting a smaller amount of financing, compared to financing traditional projects; (iii) the provision of a longer-term partial guarantee and grace-period benefits; and (iv) motivating intermediaries to offer loan conditions specifically designed to overcome barriers faced by WMSMEs to accessing finance such as, but not limited to, alternative and more suitable collateral requirements, longer maturities, and regional outreach.

Financing through Financial Intermediaries

In terms of lending models, 63 percent of respondents provide financing through financial intermediaries (second tier). As expected, offering specific funds or credit lines for WMSMEs is the most common way of working with intermediaries (68 percent).[5] Nonetheless, 41 percent of PDBs also provide financing incentives to intermediaries, such as lower interest rates if a specific target is met; 32 percent offer blended finance, and 26 percent have differentiated collateral requirements (See Box 5). In addition to the options provided in the survey, PDBs specified other actions, such as setting quotas (a percentage of funding) for WMSMEs; offering capacity building to intermediaries to develop financial products, and lending practices that meet the specific needs of WMSMEs, including support in implementation and marketing; and a risk-sharing mechanism to stimulate lending to this group on a sustainable basis by addressing identified market failures.

FIGURE 10 • Options through Financial Intermediaries



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 34 respondents; multiple choice question.

5. The question was answered by 45 institutions, of which 11 said not to work through financial intermediaries. Thus, the percentage is calculated over 34 responses, and as a multiple-choice question.

BOX 5 • Supporting WMSMEs through Financial Intermediaries

PDBs that work as second-tier institutions use different strategies to enhance finance to WMSMEs, through intermediary financial institutions. Among the incentives are reduced interest rates, larger funding amounts, or better loan conditions if specific targets are met. The National Corporation of Popular and Solidarity Finance in Ecuador (CONAFIPS) offers an interest rate reduced by 0.5 percent to all intermediary financial institutions that meet specific targets, together with an increase in the lending amount to incentivize the allocation of credit to WMSMEs.

In 2022, the Business Development Bank of Colombia, Bancoldex, launched a new credit line, the Women as Businessowners – Women Entrepreneurs Fund (Mujeres Empresarias – Fondo Mujer Emprende) through financial intermediaries, channeling close to US$20 million in more than 3,400 operations. The line included interest rate reductions for compliance, with indicators such as increase in sales, incursion into new markets, and the generation of formal female employment. It covered working capital and modernization investments such as the purchase or lease of real estate, machinery and equipment, and improvements to facilities and business premises.

The **European Investment Bank (EIB)** works with financial intermediaries to strengthen capabilities to serve women. Through the "African Women Rising Initiative" EIB provides technical assistance to financial intermediaries, promoting financial services better tailored to the needs of women entrepreneurs in Côte d'Ivoire, Ghana, Rwanda, Senegal, and Uganda. A gender Masterclass was launched online to share best practices and learnings from AWRI with the wider EIB financial intermediary client base. Through the "Kulima Access to Finance Project", a joint initiative under the Africa Investment Platform launched with the European Commission to improve access to suitable finance in Malawi, the EIB provides financial intermediaries with long-term funding, guarantees, capacity building and technical assistance, so they can on-lend to eligible small and medium sized businesses, ensuring that 30 percent of the credit lines meet 2X Challenge Criteria (2X Challenge, undated), unlocking gender-responsive financing operations.

3.3 Innovative Approaches to Serve WMSMEs

- PDBs are implementing a wide range of innovative measures to address the needs of WMSMEs but there is no predominant approach among respondents.
- The most widely reported innovative model is the explicit targeting of gender biases through training or sensitization efforts. MDBs are driving this agenda, (88 percent), compared to NDBs and other PDBs (55 percent).
- MDBs are also leading the agenda in terms of (i) designing products that are informed by data and that consider the distinct needs and experiences of women, (ii) equity financing; and (iii) resource mobilization with instruments such as gender bonds.
- There is still low adoption of alternative credit scoring mechanisms or data, such as machine learning, artificial intelligence, or social network and mobile data analysis.

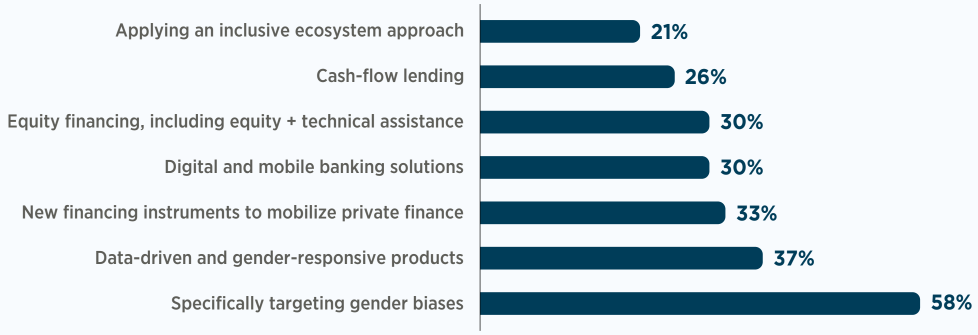
Innovative approaches can enhance financing for WMSMEs by tackling specific barriers. For instance, digital and mobile banking solutions can address women's time and mobility constraints, while data-driven and gender-responsive product design can help to tailor financial products to women's specific needs, driving demand and ensuring a better market fit. Other innovations can address women's more restricted access to collateral and shorter credit history records. For example, cash-flow lending focuses on present and future cash flows rather than traditional collateral, making it a more accessible model for women. Similarly, alternative credit scoring mechanisms utilize non-traditional data, allowing women who might lack conventional credit history records to secure financing. For certain types of needs and firm stage, equity financing offers women entrepreneurs the opportunity to raise capital without accumulating debt. All of these efforts and approaches can be undermined by conscious or unconscious gender biases in credit decisions (Bank of Spain, 2019), which highlights the importance of addressing these biases (World Bank, 2019). Lastly, the introduction of new financing instruments such as gender bonds and sustainable funds, can mobilize private finance towards WMSME projects.

The survey gauges how PDBs are currently exploring or implementing these innovative approaches. Figure 11a shows the main reported innovation is targeting gender biases through training or sensitization (58 percent). MDBs are driving this agenda, where 88 percent declared implementing these efforts, versus 55 percent of NDBs and other PDBs, as seen in Figure 11b. Thus, there is an opportunity to tackle biases which could be undermining any broader efforts to direct more financing to WMSMEs.

All other innovative approaches presented in the survey were selected by less than 40 percent of the institutions, suggesting there is no specific trend in the use of innovative approaches at the aggregate level. Only MDBs show a trend as a group, with 50 percent of respondents utilizing new financing instruments such as gender bonds to mobilize private finance (see Box 6), versus 36 percent and 18 percent of other PDBs (18 percent). Similarly, 50 percent of MDBs work with data-driven and gender-responsive product design, compared to 41 percent of NDBs, and 27 percent of other PDBs. Equity financing is also provided by 50 percent of MDBs, compared to 36 percent of NDBs, and only 9 percent of other PDBs. Other PDBs are leading in terms of cash-flow lending, given that 55 percent of these institutions offer this model, versus 18 percent of NDBs, and 13 percent of MDBs.

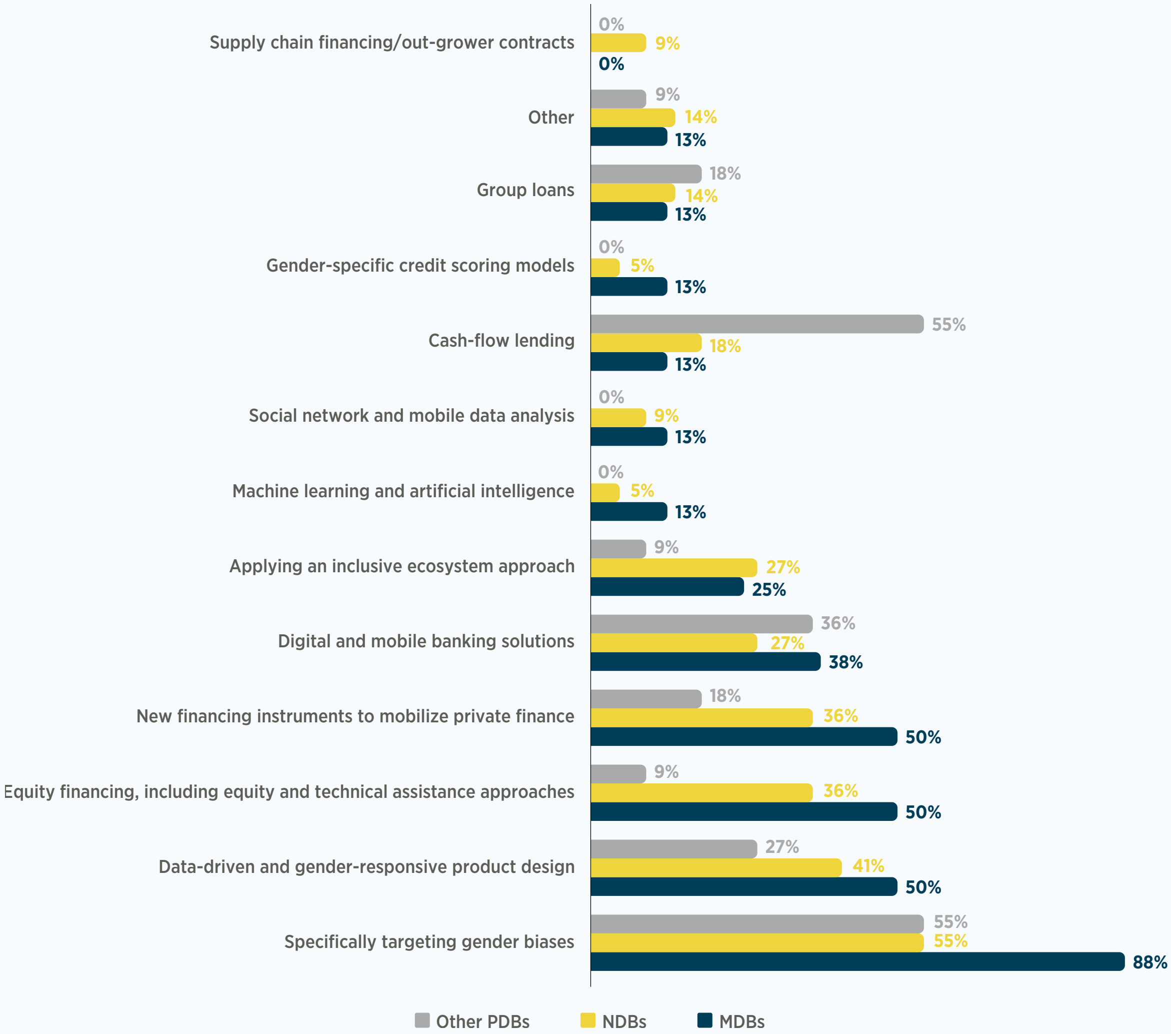
Another relevant finding is that only MDBs and NDBs have started using gender specific credit scoring or other types of alternative credit scoring mechanisms or data, such as machine learning, artificial intelligence, or social network and mobile data analysis (Box 7). No institution mentioned the use of psychometric testing as an innovative approach to the financial inclusion of WMSMEs.

FIGURE 11A • Top 7 innovative Approaches in Financial Programs for WMSMEs



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 54 respondents; multiple choice question.

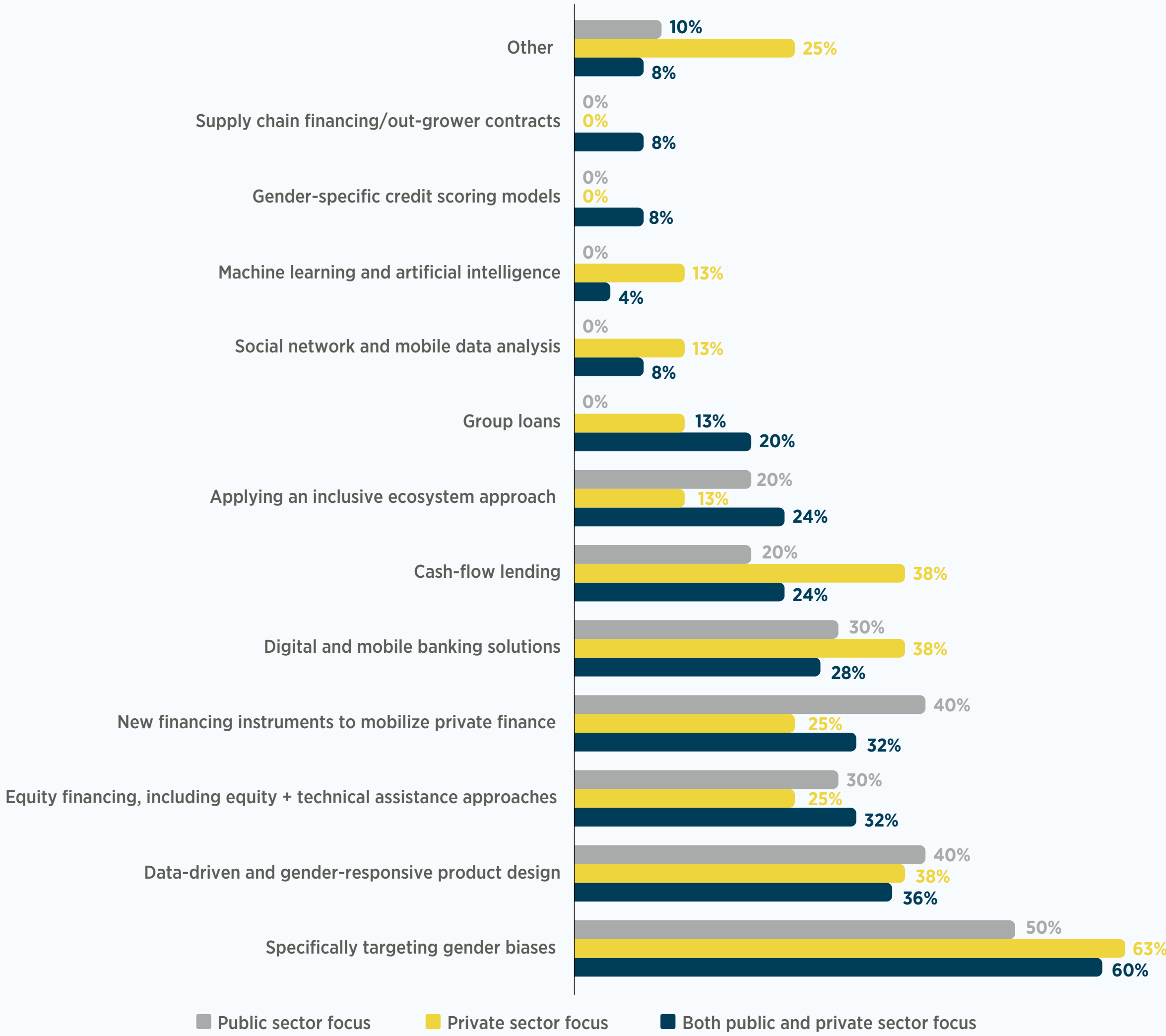
FIGURE 11B • innovative Approaches by Type of PDB



Notes: Number of respondents: 42. Type of question: multiple choice.

Overall, analysis by PDB mandate showed no significant differences in innovative approaches. Figure 11c illustrates that, while the private sector-focused PDBs are more prone to adopting digital and mobile banking solutions and cash-flow lending, the difference to the rest of PDBs is only 10 percentage points or less. However, private sector-focused institutions stand out in adopting machine learning and artificial intelligence as an alternative credit scoring mechanism (13 percent). PDBs with the double mandate (private and public) are the only ones (8 percent) employing gender-specific credit scoring models and offering supply chain financing.

FIGURE 11C • Innovative Approaches by PDBs' Mandate



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 10 public sector focus PDBs, 8 private sector focus PDBs, 25 both public and private sector focus PDBs; multiple choice question.

In the context of the main challenges to expanding access to finance for WMSMEs, PDBs may be providing solutions through adopting these innovative approaches. For instance, 75 percent of institutions using data-driven product design that consider the distinct needs and experiences of women ("gender-responsive products") to improve their offerings to WMSMEs point out the lack of gender-specific data and insights a hindrance. All institutions employing alternative scoring mechanisms reported the same. This subset of PDBs also view the limited credit history and collateral of WMSMEs as "very relevant" or "relevant" challenges.

BOX 6 • Gender Bonds as New Financing Instruments that Mobilize Capital for WMSMEs

According to the International Capital Market Association, IFC and UN Women (ICMA, IFC, UN Women, 2021) gender bonds are debt instruments that promote gender equality through use of proceeds (for social bonds or sustainability bonds) or key performance indicators (in the context of a sustainability-linked bond) that exclusively finance projects that aim to advance gender equality and women's empowerment. The initiatives financed by gender bonds are expected to have an impact on women's access to better social and economic conditions. They have the potential to attract institutional support and impact investors, allowing them to combine financial returns with a positive effect on gender equity. Similarly, they provide the issuer with the ability to expand its sources of financing while allowing the promotion of a certain social impact (IDB Invest). Gender Bonds represent one of many different forms of gender responsive investing (FSD Africa and UN Women, 2020).

The IDB Group has used this financial instrument to support a total of 8 gender bonds in Latin America (7 by IDB Invest and 1 by IDB). In 2019, IDB Invest supported Banistmo in Panama in issuing the first gender bond in Latin America for a total of US$50 million. A further three transactions for financing WMSMEs were supported in 2020; Banco W and Davivienda in Colombia, and Caja Arequipa in Peru received a total of over US$150 million (IDB Invest, 2021). In the case of Davivienda, it was the first gender bond in the world with incentives linked to objectives. In 2021, Banco Pichincha in Ecuador, and Mibanco in Colombia, issued two gender bonds totaling around US$70 million, also for financing WMSMEs. In 2022, Banco Solidario in Ecuador issued a Social Bond of Gender and Inclusion for up to US$30 million.

In 2020, the IDB supported Mexico's Trust Funds for Rural Development (Fideicomisos Instituidos en Relación a la Agricultura, or FIRA) in developing the framework for a gender bond to expand the resources available and finance projects led by women in rural areas (Andrade and Prado, 2020). This first bond issuance under the framework was for MEX$3 billion on the Mexican institutional stock exchange (Bolsa Institucional de Valores, or BIVA) and was almost four times oversubscribed. This issuance was Mexico's first gender bond and the first to be issued by a NDB in LAC. A second issuance under the framework for MEX$3.5 billion followed in 2021 and was also oversubscribed, proving the interest of investors in these types of instruments.[a]

a. A full case study of the FIRA and other bond issuances that integrate gender equality objectives can be found in UN Women and Luxembourg Stock Exchange (2023).

BOX 7 • Use of Alternative Credit Scoring by PDBs

The inherent biases and limited data on businesses in traditional credit scoring models often miss the full potential or creditworthiness of WMSMEs. For example, gender bias can be found in the data, especially when relying on data sets that reflect existing prejudices (UN Women, 2019). In the event that the data utilized carry historical biases, those biases will be magnified on a larger scale and prove challenging to rectify in probability models of credit default. And often, WMSME data is less available in large datasets than for other businesses, which leads to potentially weaker interpretation of patterns by credit scoring models.

Alternative credit scoring methods can provide financial institutions with more accurate assessments using non-traditional data points such as business performance indicators. This approach not only promotes financial inclusion and gender equality but also unlocks the untapped economic potential of WMSMEs (Financial Alliance for Women, 2020b).

One of the cases highlighted in the survey related to the use of alternative credit scoring is the Women's Finance Exchange (ADB, 2021) for working with financial partners to expand gender-responsive financing in developing countries in Asia. Along with partner institutions, Women's Finance Exchange conducts market scoping and needs assessments for financial technologies to help financial institutions expand their gender-responsive finance portfolios. It provides information technology (IT) assessments for gender lens financing topics. An assessment tool included in the program is alternative credit scoring models, which incorporates gender-specific data and links with social network and mobile data analysis.

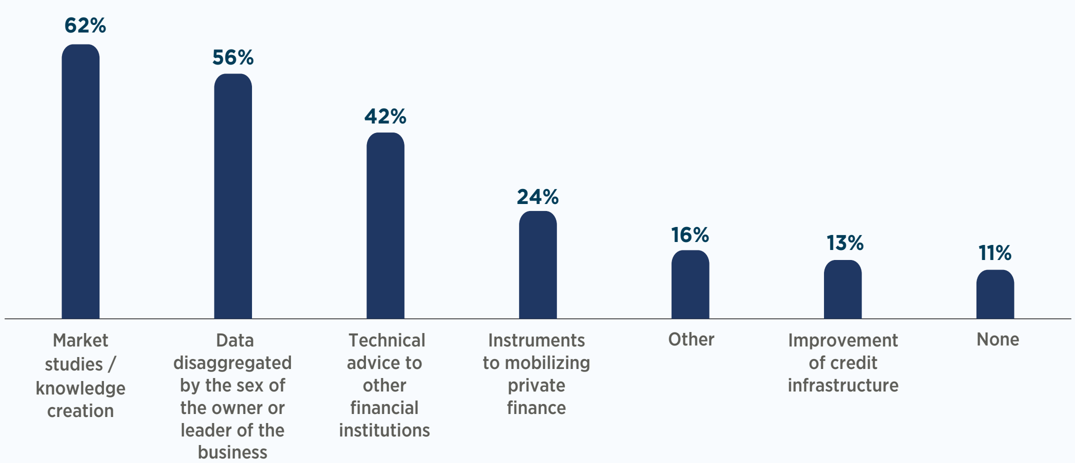
Other Actions

PDBs also implement other initiatives, beyond financial programs and products, to promote WMSMEs' access to finance (see Figure 12a). Almost two-thirds of respondents (62 percent) conduct market studies or generate knowledge to better characterize WMSMEs and tailor financial products. Nonetheless, only 56 percent of PDBs declare collecting, analyzing, and disseminating data disaggregated by the sex of the owner or leader of the business, with significant differences depending on the type of institution: 89 percent of MDBs report these activities, versus 59 percent of NDBs, and 29 percent of other PDBs.

These results demonstrate the need for sustained efforts on the part of NDBs and other PDBs to further progress in this crucial agenda. Gender data is key for PDBs, like any other financial service provider, to understand the nature of the gender access to finance gap and the opportunity to better serve women and WMSMEs. This, in turn, allows to create tailored solutions for WMSMEs; to make informed decisions about their unique preferences and needs; or to better understand the risk profiles of the various segments. It can also help identify and rectify biases within PDBs' programming and financing instruments, ensuring that WMSMEs are not at a disadvantage in access to credit, loans, or investment opportunities due to discriminatory practices.[6]

Other actions, such as providing technical advice to other financial institutions, were reported by 42 percent of respondents, and the use of instruments to mobilize private finance, by 24 percent, with MDBs showing higher proportions in both cases (89 percent and 56 percent respectively), as shown in Figure 12b. PDBs also mentioned implementing actions such as providing marketing support, face-to-face and digital fairs focusing on the women's market, networking spaces for women, and technical assistance to WMSMEs. These actions are also mentioned in the literature related to the importance of non-financial services (Financial Alliance for Women, 2020a; López Mayher, Azar, and Andrade, 2022).

FIGURE 12A • Other Actions for WMSMEs Access to Finance



In terms of mandate, and as Figure 12c shows, public sector focused institutions are more prone to implement market studies or knowledge creation (70 percent), sex-disaggregated data (70 percent), provide technical advice to other financial institutions (50 percent), offer instruments for capital mobilization 30 percent), and improve credit infrastructure (20 percent).

6. For more information on sex-disaggregated data, see Data2X and the Financial Alliance for Women (undated).

FIGURE 12B • Other Actions for WMSMEs Access to Finance, by Type of PDB

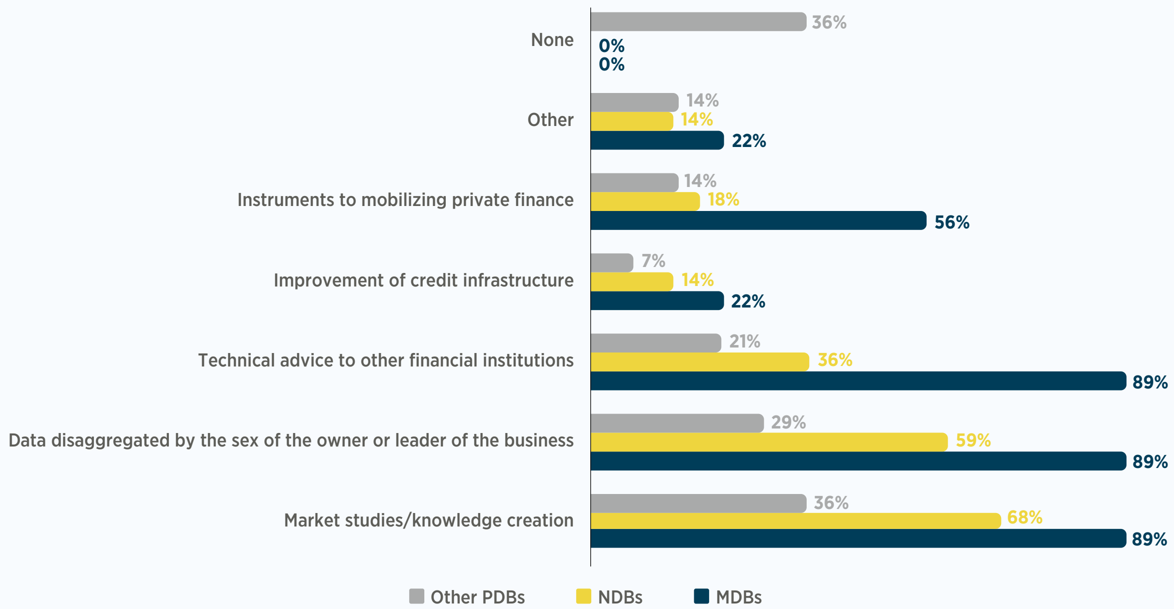
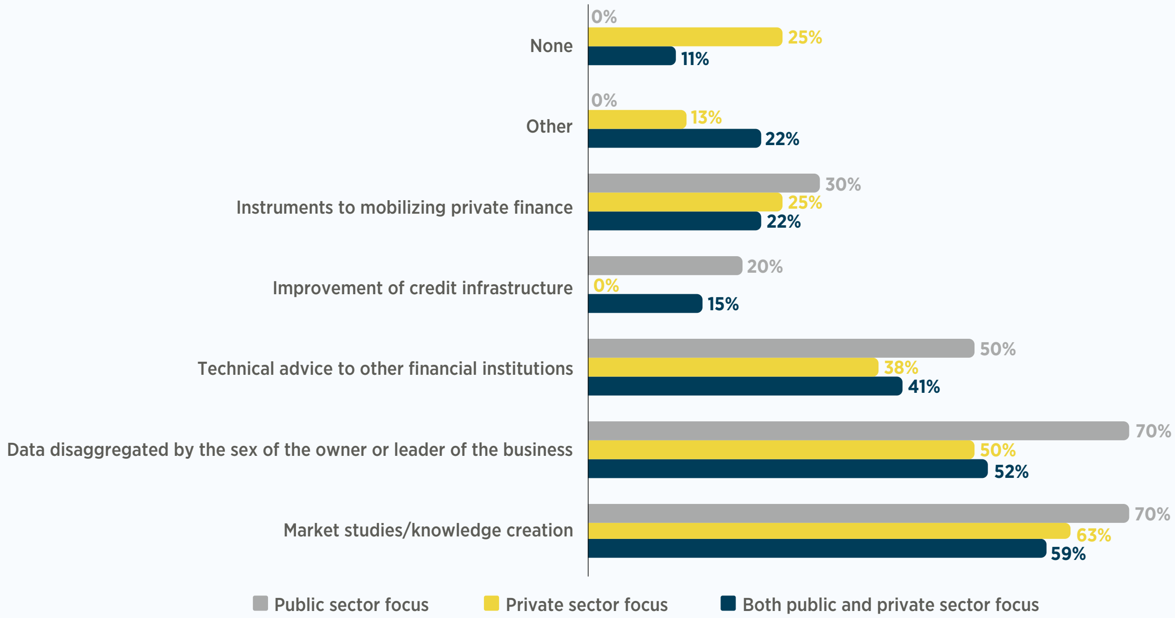


FIGURE 12C • Other Actions for WMSMEs Access to Finance by PDB Mandate



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 54 respondents; multiple choice question.

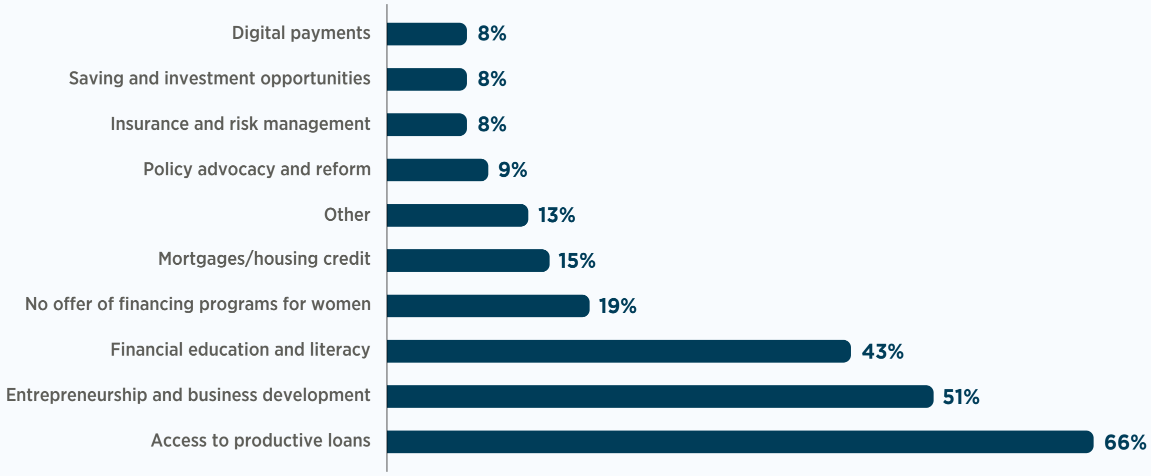
4 Trends in Financing Programs for Women's Financial Inclusion

- Most PDBs (80 percent) offer financial inclusion programs specifically tailored to women as individuals.
- The majority of programs offered by PDBs prioritize the promotion of women entrepreneurship. Specifically, 66 percent of respondents provide access to productive loans, while 51 percent offer entrepreneurship and business development support.
- Overall, 60 percent of respondents consider all women as beneficiaries of these programs, without a predominant focus on specific sub-segments of women.
- Non-financial services are mainly provided by MDBs (87 percent). NDBs and other PDBs report offering these services for individuals at a higher rate than for WMSMEs.

Programs

The majority of survey respondents (80 percent) offer financing programs that target women's financial inclusion (as individuals). Most programs are related to productive activity, such as access to productive loans, and entrepreneurship and business development (offered by 66 percent and 51 percent of the institutions, respectively). This is true for any type of institution and its mandate.

FIGURE 13 • Focus of Programs Offered to Women



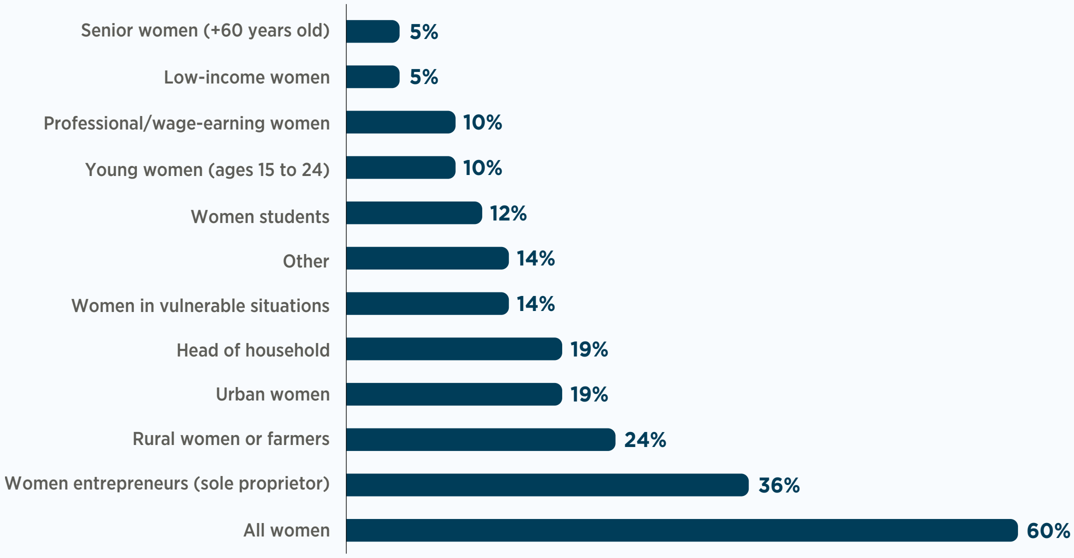
Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 42 respondents; multiple choice question.

As the survey shows, all types of PDBs agree that women's specific requirements and accessibility, gender-sensitive marketing, and outreach efforts should all be considered integral to the program's design. The only difference is that 87.5 percent of MDBs also take into consideration the importance of non-financial services to increase value proposition (training, information, mentoring), compared to 50 percent of NDBs and 33 percent of the rest of PDBs, indicating that more PDBs consider offering non-financial services to women (individuals) than to WMSMEs.

Type of Beneficiaries (Women as Individuals)

Regarding beneficiaries, PDBs have a broad approach to providing financial programs and products, without focusing on specific sub-segments of women (Figure 14). Overall, 60 percent of respondents consider all women as beneficiaries. However, when specific groups of women are targeted, it is typically more than one group, except for women entrepreneurs, which only 11 percent of institutions consider a distinct stand-alone group. Survey results suggest an apparent recognition of the higher financial exclusion experienced by rural women compared to urban women, with 24 percent of survey respondents serving the former and 19 percent the latter.

FIGURE 14 • Group of Women Eligible for Financing Programs



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 42 respondents; multiple choice question.

Innovative Approaches for Women's Financial Inclusion

The diverse innovative approaches of these programs exhibit implementation rates comparable to those reported for WMSMEs programs (Figure 15). However, a disparity was observed in terms of targeting gender biases, since 27 percent of institutions aim to counter gender biases through training or sensitization efforts, compared to 58 percent for WMSMEs. MDBs exhibit the highest response rate (75 percent) in this regard, similarly to the case of WMSMEs. While the use of novel financing instruments for mobilizing private finance (such as gender bonds and sustainable funds) was reported by 38 percent of respondents, this agenda is also primarily driven by MDBs.

Regarding the institution's mandate, 83 percent of private sector-focused institutions use digital and mobile banking solutions, including agent banking. In contrast, 22 percent of public-focused institutions or those with double mandate are offering these types of solutions, suggesting that the type of mandate has an impact on the type of innovations offered to women. Some institutions shared other innovative approaches beyond the options presented by the survey, such as considering the science, technology, engineering, and mathematics (STEM) agenda or working closely with intermediaries to develop such innovations.

FIGURE 15 • Top 7 Innovative Approaches for Women's Financial Programs

Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 37 respondents; multiple choice question.

5 Challenges, Opportunities, and Advantages of PDBs

- Lack of sex-disaggregated data is considered by 84 percent of institutions to be a "very relevant" or "relevant" obstacle to expanding programs for WMSMEs and women's financial inclusion.
- More than two-third of PDBs (70 percent) consider the positive social impact and the growing market potential (62 percent) as the most promising opportunities for expanding financing programs and financial products for WMSMEs in the future.
- Regarding women's financial inclusion, 71 percent of PDBs agree that financial education is the most promising opportunity for continuing to work with this segment. Over half of NDBs (56 percent) and other PDBs (53 percent) identified networking and collaboration among stakeholders as a top opportunity.
- Overall, the PDBs' predominant competitive advantages for serving women and WMSMEs are their favorable financial conditions and public policy mandates.

Challenges

The aim of the survey has also been to identify the main challenges to expanding access to finance for WMSMEs and improving women's financial inclusion (Figure 16 and Figure 17). Despite some variations, results are similar in terms of the obstacles that were rated "very relevant" or "relevant"; 84 percent considered lack of gender-specific data and insights very relevant or relevant and 77 percent rated the limited understanding of WMSMEs' financial needs similarly. Since sex-disaggregated data is the foundation for understanding such needs for the purpose of designing adequate programs and approaches, these two challenges are related.

The second most frequently cited challenge to serving WMSMEs is their limited credit history or collateral, considered by 78 percent as either very relevant or relevant (86 percent of MDBs and 77 percent of the rest of PDBs). This, combined with the low percentage of institutions using alternative credit scoring methods indicates an opportunity for developing more innovations that can mitigate the collateral-related barriers for WMSMEs (Figure 15).

Two other key challenges for expanding WMSMEs programs are the difficulty in reaching women entrepreneurs in remote or underserved areas (77 percent), and limited internal capacity or resources (71 percent), although this seems to be a challenge less relevant for MDBs (57 percent) than for the rest of PDBs (74 percent), as shown in Figure 18a. In the case of women's financial inclusion, the second most selected barrier was cultural or social barriers, together with lack of awareness or demand for services (81 percent).

FIGURE 16 • Challenges to Expand Access to Finance for WMSMEs (very relevant or relevant)

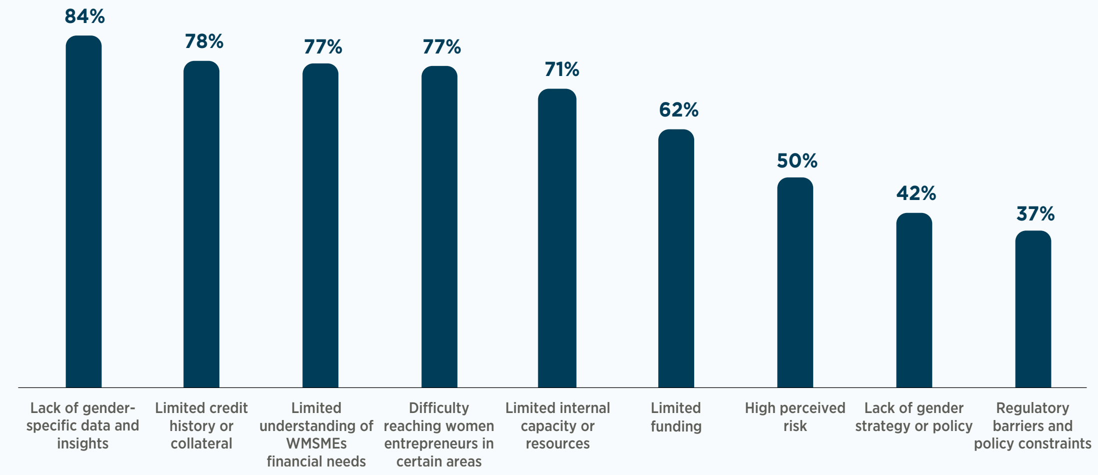
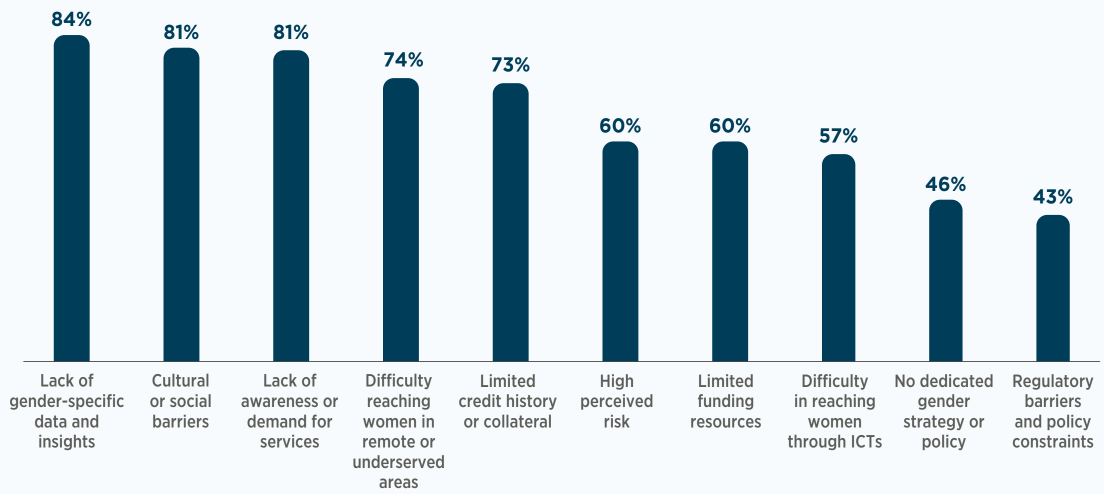


FIGURE 17 • Challenges to Improve Women's Financial Inclusion (very relevant or relevant)



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 45 respondents; 3 choices: very relevant, relevant, not relevant.

Differences in how challenges may be perceived exist also between groups of PDBs. Figure 18a shows that 86 percent of MDBs consider the high perceived risk of WMSMEs as a challenge, where only 43 percent of the rest of PDBs find it relevant (Figure 18b) and whereas 57 percent of MDBs view regulatory and policy barriers as significant challenges, 67 percent of the rest of PDBs do not see them as constraints.

Another difference emerges regarding challenges related to internal aspects: 86 percent of MDBs do not view the lack of a gender strategy or policy as an obstacle, compared to 47 percent of the rest of PDBs. This suggests that there are opportunities to support PDBs in this area. Similarly, 57 percent of MDBs consider limited funding as a challenge, compared to 63 percent of the rest of PDBs.

FIGURE 18A • MDBs' Perceived Challenges in Serving WMSMEs

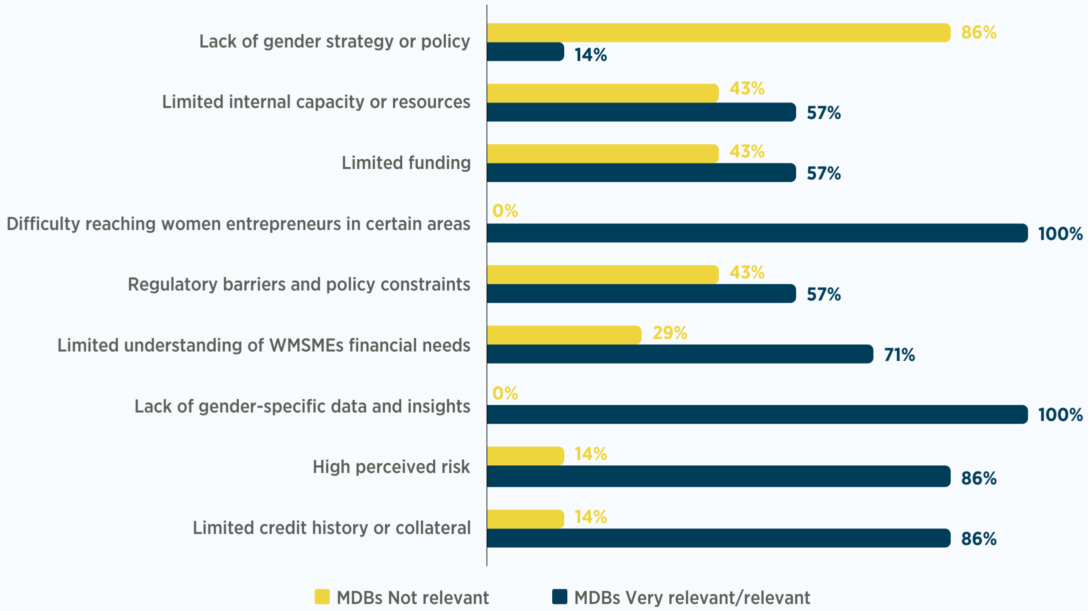
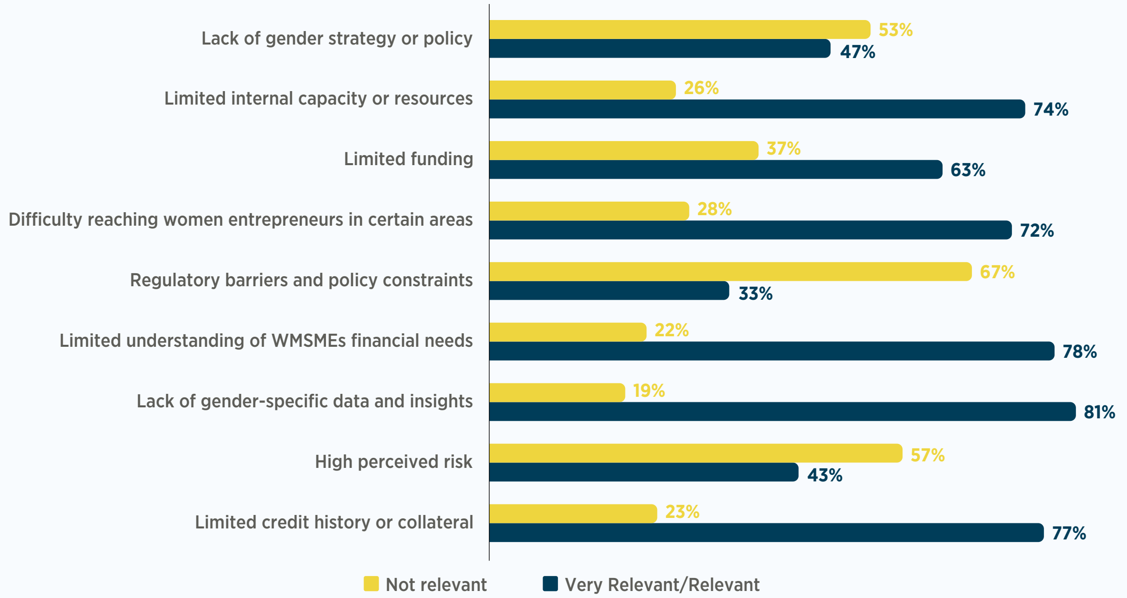


FIGURE 18B • Rest of PDBs' Perceived Challenges in Serving WMSMEs



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 7 MDB respondents, 39 respondents of rest of PDBs; 3 choices: very relevant, relevant, not relevant.

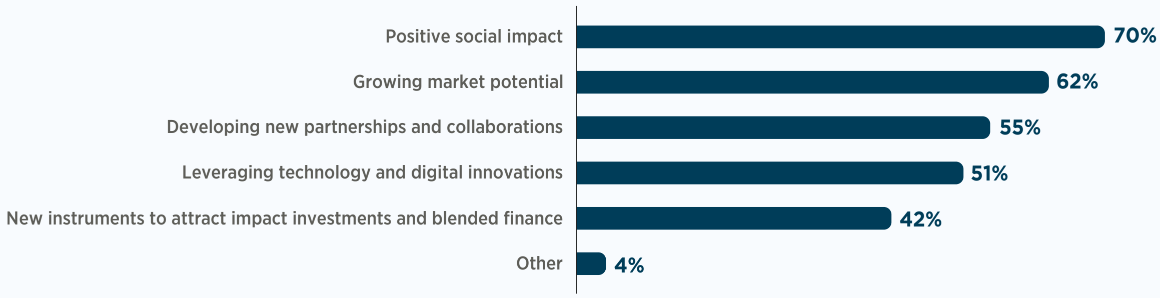
Opportunities

The survey also aimed to identify the main opportunities perceived by PDBs. Over two-thirds of PDBs (70 percent) consider positive social impact and growing market potential (62 percent) to be the most promising opportunities for expanding financing programs and financial products for WMSMEs in the future.

However, opportunities are not perceived equally by all types of institutions (see Table 1 for a detailed comparison). For instance, while 89 percent of MDBs consider leveraging technology and digital innovations to be one of the top three opportunities, this was not the case for the rest of the PDBs. Similarly, new instruments to attract impact investments and blended finance are in the top opportunities for MDBs (56 percent) and NDBs (52 percent) but not for other PDBs.

Regarding women's financial inclusion, most PDBs agree that financial education is the most promising opportunity for continuing to work with this segment (see Table 1 for details regarding the top three opportunities per type of institution). An interesting finding is that over half of NDBs (56 percent) and other PDBs (53 percent) selected networking and collaboration among stakeholders as a top opportunity, underscoring the importance of amplifying such activities within PDBs.

FIGURE 19 • Top Opportunities for Expanding Financing Programs and Financial Products for WMSMEs



Source: Survey Financing Programs Targeting Women and Women MSMEs.

TABLE 1 • Top Three Opportunities by Type of PDBs for Expanding Financing Programs and Financial Products for Women MSMEs in the Future

Type of Institution	Opportunities for women's financial inclusion	Institutions selecting this option	Opportunities for WMSMEs access to finance	Institutions selecting this option
Multilateral development banks	Public–private partnerships	50 percent	Leveraging technology and digital innovations	89 percent
	Financial education and capacity building	50 percent	Growing market potential	56 percent
	Access to broadband-enabled devices; software and AI technical innovations; Policy reforms and advocacy	37 percent	New instruments to attract impact investments and blended finance	56 percent
National development banks	Financial education and capacity building	80 percent	Positive social impact	70 percent
	Networking and collaboration among stakeholders	56 percent	Developing new partnerships and collaborations	63 percent
	Gender-responsive budgeting and resource allocation	40 percent	New instruments to attract impact investments and blended finance	52 percent
Other PDBs	Financial education and capacity building	67 percent	Growing market potential	88 percent
	Networking and collaboration among stakeholders	53 percent	Positive social impact	82 percent
	Public-private partnerships	47 percent	Developing new partnerships and collaborations	59 percent

Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 48 women FI respondents, 53 women MSME respondents.

BOX 8 • Partnerships and Collaborations as an Opportunity to Reach WMSMEs and Women

Fifty-five percent of PDBs see developing new partnerships with public and private institutions as one of the biggest opportunities to serve WMSMEs. For example, the Asian Development Bank (ADB) has partnered with a large financial services provider in the Philippines and in Indonesia, while working closely with the governments of those countries to introduce national definitions of women-owned businesses, as well as new guidelines on gender-responsive procurement. In Sri Lanka, the ADB has also collaborated with the Sri Lanka Ministry of Finance's Department of Development Finance, to strengthen the technical capacity of banks, government agencies, and civil society organizations (CSOs) and better serve WMSMEs.

Another example is the Small Industries Development Bank of India (SIDBI), which has partnered with Google to offer lower interest rates for women-owned microenterprises, thus helping to scale up existing businesses. In Colombia, Bancoldex partnered with Fondo Mujer Emprende, linked to the Women's Advisory Office (Consejería para la Mujer), to pilot and launch specific lines of credit for women. Bancoldex launched the program as a second-tier window and was able to target WMSMEs with more adequate conditions, compared to what the market would have offered.

Competitive Advantages of PDBs

The top three competitive advantages of PDBs to serve women and WMSMEs were selected from a list of options: (i) better financial conditions, selected by 50 percent of MDBs, 74 percent of NDBs, and 69 percent of other PDBs; (ii) understanding WMSMEs' markets, selected by 75 percent of MDBs, 67 percent of NDBs, and 44 percent of other PDBs; and (iii) public policy mandate, selected by 50 percent of MDBs, 48 percent of NDBs, and 66 percent of other PDBs. A quarter of respondents selected advantages such as the capacity for contracyclical responses to crises, with no differences between type of institution.

For the case of women's financial inclusion, the top three advantages are: (i) better financial conditions, selected by 38 percent of MDBs, 58 percent of NDBs, and 88 percent of other PDBs; (ii) public policy mandate, selected by 63 percent of MDBs, 50 percent of NDBs, and 65 percent of other PDBs; and (iii) strategic partnerships in the financial ecosystem, selected by 38 percent of MDBs, 65 percent of NDBs, and 41 percent of other PDBs.

In terms of institutions mandate, the competitive advantages were differently perceived; specifically, 50 percent of PDBs with only a private focus consider contracyclical responses to crises as a competitive advantage, compared to only 8 percent of PDBs with only a public mandate. Similarly, higher risk tolerance was selected by 62 percent and 50 percent of private-focused PDBs for women's financial inclusion and financing for WMSMEs respectively, but only by less than 39 percent for the rest of PDBs. Overall, therefore, the predominant key competitive advantages for serving women and WMSMEs are the better financial conditions that PDBs provide and their public policy mandate.

6 Impact Assessments and Monitoring

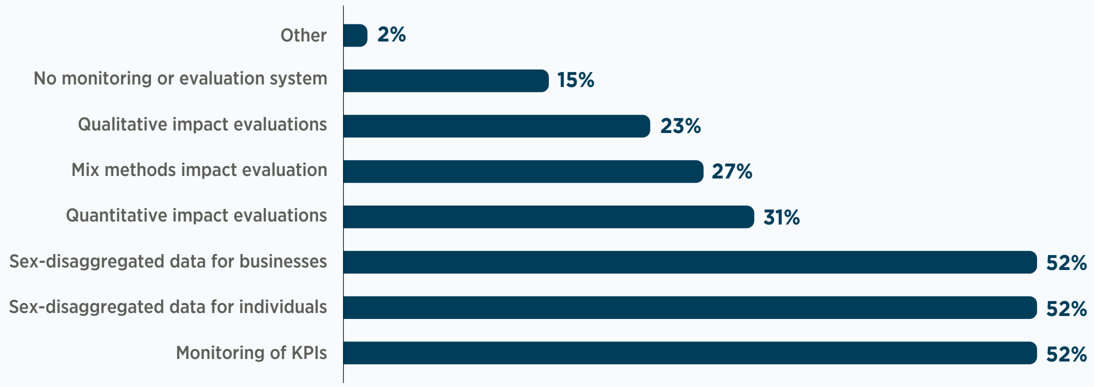
The majority of PDBs surveyed have monitoring systems in place and/or conduct impact evaluations of their financial programs for women and WMSMEs (only 15 percent of institutions do not have either, none of them MDBs). Overall, 52 percent of institutions that engage in monitoring or impact evaluation of their programs use key performance indicators (KPIs) or collect sex-disaggregated data for individuals or WMSMEs (Figure 20), with no outstanding differences identified by type of institution.[7]

These results, together with prior insights on the lack of consensus on the WMSME definition, and the lack of sex-disaggregated data being a key challenge, show that comparing KPIs and outcomes across PDBs is currently not straightforward and available information is still scarce. This scenario presents an opportunity to strengthen monitoring and evalua-tion practices across PDBs and encourage the exchange of knowledge, including lessons learned and best practices.

Rigorous impact evaluation methods are less frequently conducted by PDBs, which implies that that there is still limited information on program outcomes and how to improve their design based on evidence of what does or does not work (Figure 20). This can be seen as a challenge but also as an opportunity, if PDBs undertake actions to fill this knowledge gap.

7. The rate goes up from 52 percent to 61 percent when PDBs that do not have monitoring or evaluation systems in place (15 percent) are removed from the analysis.

FIGURE 20 • Monitoring and Evaluation Practices



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 52 respondents; multiple choice question.

The majority of PDBs surveyed monitor financial KPIs relating to the amount of financing disbursed or committed (81 percent) and outreach and access KPIs such as the number of beneficiaries reached, women among total beneficiaries, and geographic distribution (67 percent). All other types of KPI listed in the survey were selected by 30 percent or less of respondents.

Among types of institutions, 60 percent of MDBs surveyed also monitor the amount of financing mobilized (versus 13 percent of NDBs) and 40 percent observe indicators related to gender equality (versus 7 percent of NDBs). Many NDBs in the survey monitor loan characteristics (40 percent) and repayment and default rates (27 percent), while the MDBs surveyed do not observe either (Figure 21a). Finally, additional differences between institutions appears when considering their mandates; for example, public sector-focused institutions surveyed (29 percent) are the only ones that actively monitor customer satisfaction (Figure 21b).

FIGURE 21A • KPIs Monitored, by type of PDB

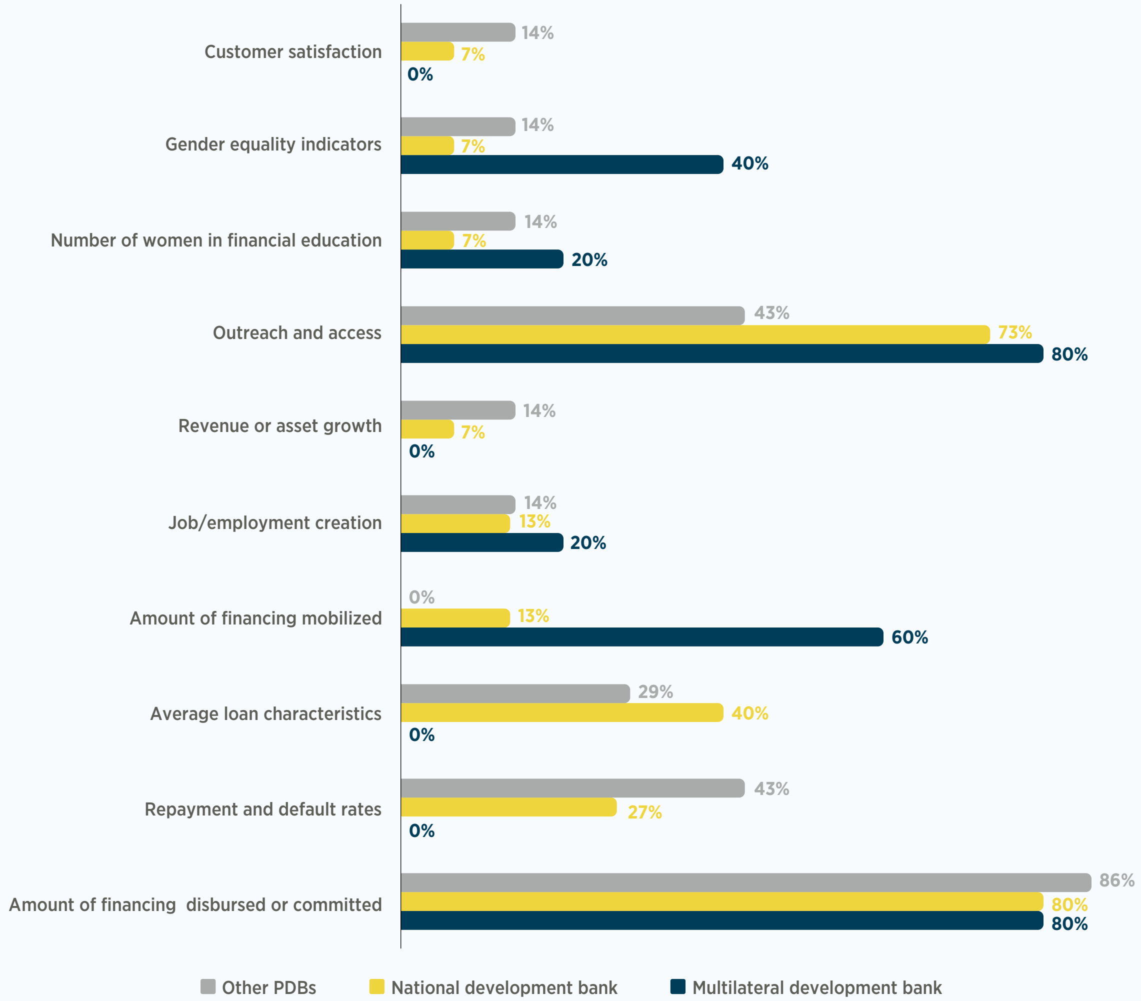
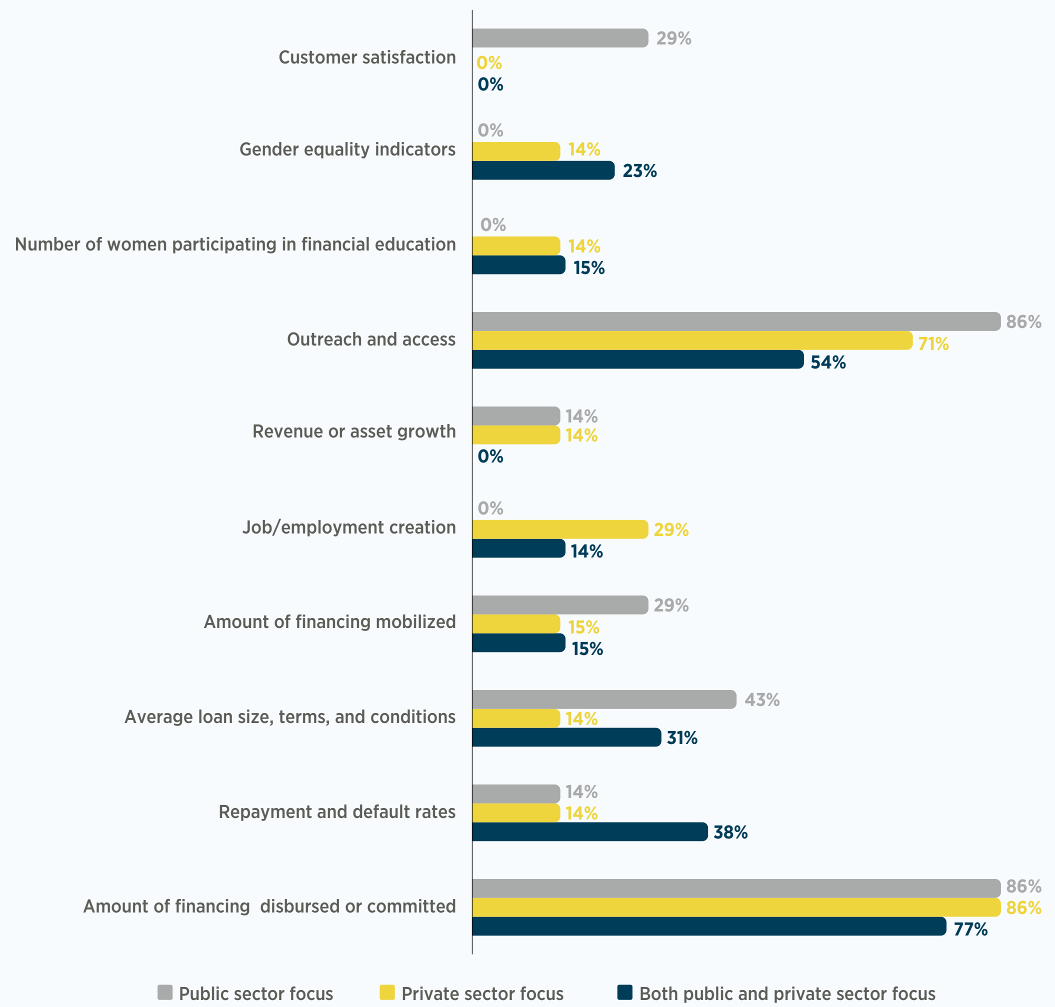


FIGURE 21B • KPIs Monitored, by PDB's mandate



Source: Survey Financing Programs Targeting Women and Women MSMEs.
Note: 52 respondents; multiple choice question.

7 Conclusions

Public development banks offer a diversity of programs, products, and innovative approaches to serve women and their businesses. The main findings and trends identified herein and highlighted below can help further strengthen the PDBs' institutional capacity to design more effective and inclusive programs and policies.

- PDBs are using multiple WMSME definitions, with 56 percent of PDBs using more than one definition simultaneously. While most respondents are working with a WMSME definition, a remaining 15 percent have not yet adopted one.
- All MDBs offer programs for WMSMEs, while 18 percent of other PDBs and 15 percent of NDBs have not yet developed one, revealing the opportunity to support these institutions in designing appropriate programs.
- For WMSMEs, PDBs most commonly offer productive financing (68 percent) and business development (50 percent) programs, followed by green and climate financing (43 percent), and financial education and literacy (43 percent).
- The majority (91 percent) of PDBs include specific products as part of their WMSMEs programs, most commonly, working capital and investment loans. Lower interest rates and support with non-financial services are the main product characteristics or features of products offered by PDBs.
- PDBs are implementing different approaches to address the needs of WMSMEs but none is predominant. The most widely reported innovative approach is explicitly targeting gender biases through training or sensitization efforts. MDBs are driving this agenda, (88 percent) versus 55 percent of NDBs and other PDBs. This presents an opportunity to tackle these biases which may be undermining broader efforts to direct more financing to WMSMEs.
- MDBs are leading the agenda in terms of other innovative approaches, such as data-driven and gender-responsive product design and resource mobilization with instruments such as gender bonds. NDBs are significantly more likely than MDBs or other PDBs to offer preferential product features for WMSMEs, including lower interest rates, flexible repayment terms, unsecured loans, and acceptance of alternative collateral.
- Overall, there is still low adoption of alternative credit scoring mechanisms or data.

- The lack of gender-specific data is considered by 84 percent of institutions as the most relevant challenge for expanding access to finance for WMSMEs and improving women's financial inclusion. Another related challenge identified by 77 percent of respondents, is the limited understanding of WMSMEs' financial needs. These challenges are related, as sex-disaggregated data is the foundation for understanding such needs.
- Another key challenge to serving WMSMEs is their limited credit history or collateral. This, combined with the low percentage of institutions using alternative credit scoring methods, suggests there is a potential opportunity to explore further innovations that mitigate collateral-related barriers for WMSMEs. PDBs other than MDBs and NDBs compensate this by resorting to cash-flow based lending approaches to serving WMSMEs.
- In terms of the main opportunities perceived by PDBs for expanding these programs, more than two-thirds of PDBs consider the positive social impact, and the growing market potential as the most promising opportunities for WMSME programs in the future. Most PDBs also agree that financial education is the most promising opportunity for enhancing women's financial inclusion.
- The predominant key competitive advantages for serving women and WMSMEs are the more favorable financial conditions that PDBs provide.
- There are opportunities for strengthening monitoring and evaluation practices across PDBs and encouraging the exchange of knowledge, including lessons learned and best practices.

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Annex

Survey: Financing Programs Targeting Women and Women MSMEs

The Finance in Common Summit (FiCS) brings together public development banks (PDBs) worldwide to discuss and accelerate sustainable finance. The FICS Coalition on Gender Equality and Women's Empowerment in Development Banks ("the Coalition") is a collaborative effort between PDBs and partners to increase their commitments to gender equality and women's empowerment, by addressing gender gaps through development finance; by improving the social and economic prospects and livelihoods of women; and by promoting funding and financing for gender equality programs. The Coalition also seeks to promote gender-responsive policies and practices within PDBs to ultimately increase the availability of financial resources to women, particularly to micro, small, and medium enterprises (MSMEs) owned or led by women. As part of the Coalition's work agenda, the 2023 Coalition co-chairs, the Inter-American Development Bank (IDB) and UN Women are inviting PDBs and development financial institutions (DFIs) to take part in a new survey to take stock of their current practices and identify trends and innovations in financing programs targeting women's financial inclusion and access to finance for women MSMEs. A report reflecting the findings of this survey will be prepared and presented during the 2023 FiCS Summit in Cartagena, Colombia (September 4–6, 2023). Survey questions regarding financing programs are divided into two main components: (i) access to finance for women-owned or led MSMEs and (ii) women's financial inclusion. A subsequent short section focuses on these programs' impact assessment and monitoring. The scope of this survey does not include information regarding internal policies, broader initiatives for gender equality, or general gender mainstreaming considerations. The survey will take approximately 25 minutes to complete. Your answers will be used solely to analyze aggregated data, and the IDB and UN Women will not disclose or share any individual information with third parties, unless explicitly agreed to by individual PDBs and DFIs. The IDB and UN Women highly appreciate your collaboration in participating in this survey.

Timeline: **This survey will be open from May 29th until June 15th, 2023.** Nevertheless, we encourage you to take the survey at your earliest convenience.

KEY DEFINITIONS FOR THE PURPOSE OF THIS SURVEY

Women Micro, Small, and Medium Enterprises (WMSMEs): Enterprises owned or led by a women or group of women.

Financing programs for women MSMEs: refers to interventions that aim to increase access to, and usage of, formal credit by Micro, Small, and Medium Enterprises owned or led by women (WMSMEs). These interventions can be direct, or indirect through financial intermediaries.

Financial products for women MSMEs: refers to a specific financial service or tool created to cater to the unique needs and preferences of MSMEs owned or led by women. These products can include loans, guarantees, leasing, factoring, early-stage financing, etc.

Financing programs targeting women's financial inclusion: interventions that aim to increase access to, and usage of, financial services for women, addressing the gender-specific barriers that hinder their participation in the formal financial sector. These interventions can be direct, or indirect through financial intermediaries.

INFORMATION ABOUT YOUR INSTITUTION

Your institution's name

____Type of institution (select one)

☐ Multilateral development bank (1)

☐ National development bank (2)

☐ Bilateral development Institution (3)

☐ Subnational development bank (4)

☐ Export-import bank (5)

☐ Other (specify) (6) ____

Institution's mandate

☐ Public sector focus (1)

☐ Private sector focus (2)

☐ Both public and private sector focus (3)

Geographic reach (select all that apply)

☐ Global (1)

☐ Europe (2)

☐ Eastern Europe (3)

☐ East Asia and the Pacific (4)

☐ Central Asia (5)

☐ Middle East (6)

☐ Latin America (7)

☐ Central America (8)

☐ Caribbean (9)

☐ North America (10)

☐ Africa (11)

☐ Oceania (12)

Please share your contact information in case we need to follow up on any answers:

☐ Name (1) ____

☐ Email (2) ____

Can we explicitly mention the information in this survey in the future report? (your institution's programs and their characteristics as examples)

☐ Yes (1)

☐ No (2)

FINANCING PROGRAMS FOR WOMEN MSMEs

What definition of WMSME does your institution use?

☐ IFC's definition: (A) ≥ 51 percent owned by woman/women; OR. (B) ≥ 20 percent owned by woman/women; AND (i) has ≥ 1 woman in a top decision position; AND (ii) has ≥ 30 percent of the board of directors composed of women, where a board exists. (1)

☐ 2X Challenge (Criteria 1, Entrepreneurship) (4)

☐ 2X Challenge (Criteria 2, Leadership) (5)

☐ A national definition (2)

☐ Our own definition (3)

☐ We are currently analyzing what definition to use (7)

☐ We do not work with a specific definition (9)

☐ Other definitions (specify) (8) ____

If your institution has programs specifically targeting access to finance for Women MSMEs, what are the key focus areas of work? (select all that apply)

☐ Productive financing (1)

☐ Green/climate investments (2)

☐ Early stage financing (seed/startup/early growth funding) (3)

☐ Trade finance (4)

☐ Financial education and literacy (5)

☐ Business development (6)

☐ Policy advocacy and reform (7)

☐ Other (specify) (8) ____

☐ We do not have programs targeting WMSMEs (9)

Skip To: Q15 If your institution has programs specifically targeting access to finance for Women MSMEs, what a... = We do not have programs targeting WMSMEs.

What is the primary target population of these financing programs? (select all that apply)

☐ Women entrepreneurs/sole proprietor enterprises (1)

☐ WMSMEs in specific industries (2)

☐ Exporting WMSMEs (3)

☐ Women-owned or led startups (newly established or early-stage that seek to bring innovative products, services, or solutions to the market) (4)

☐ Women microenterprises only (5)

☐ Women SMEs only (small and medium) (6)

☐ Geographically targeted WMSMEs (7)

☐ All WMSMEs (8)

☐ Other (specify) (9) ____

If the programs offer products to WMSMEs, please select all products that apply

☐ Working capital loans (1)

☐ Investment loans (2)

☐ Trade credits/finance (3)

☐ Guarantees (4)

☐ Factoring (5)

☐ Insurance (6)

☐ Asset financing and leasing (7)

☐ Digital payments (8)

☐ E-lending platforms (9)

☐ Invoice discounting and supply chain finance (10)

☐ Specific credit cards (11)

☐ Early-stage financing (equity, VC, seed capital) (12)

☐ Others (specify) (13) ____

☐ No specific products for WSMEs are offered (14)

Skip To: Q12 If the programs offer products to WMSMEs, please select all products that apply = No specific products for WSMEs are offered.

What primary characteristics of your institution's products are designed for women MSMEs? (select all that apply)

☐ Lower interest rate (1)

☐ Flexible repayment terms (2)

☐ Unsecured loans (3)

☐ Acceptance of alternative/mobile collateral (4)

☐ Guarantees to improve terms and conditions (5)

☐ Support with non-financial services (education, networking, mentoring, etc.) (6)

☐ Use of alternative data or methods for credit scoring (7)

☐ Gender-sensitive marketing or communication campaigns (8)

☐ Availability of digital, mobile, or agent banking solutions (to accommodate women's time constraints or limited mobility) (9)

☐ Other (specify) (10) ______________________________

For institutions that offer indirect financing through financial intermediaries, what are the primary options available for financing Women's MSMEs? (select all that apply)

☐ Specific funds/credit lines for Women MSMEs (1)

☐ Financing incentives to intermediaries (e.g., lower interest rates if a specific target is met, etc.) (2)

☐ Differentiated collateral schemes for loans to Women MSMEs (3)

☐ Specific guarantees for Women MSMEs (4)

☐ Blended finance (5)

☐ Others (specify) (6) ______________________________

☐ We don't work with financial intermediaries (8)

What are the current innovative approaches being utilized in financing programs or products for Women MSMEs? Please select all applicable options.

☐ Digital and mobile banking solutions, including agent banking (1)

☐ Cash-flow lending (2)

☐ Data-driven and gender-responsive product design (3)

☐ Alternative credit scoring mechanism/data: machine learning and artificial intelligence (4)

☐ Alternative credit scoring mechanism/data: psychometric testing (5)

☐ Group loans (6)

☐ Equity financing, including equity and technical assistance approaches (7)

☐ Alternative scoring mechanism/data: social network and mobile data analysis (8)

☐ Gender-specific credit scoring models (9)

☐ Applying an inclusive ecosystem approach (i.e., targeting several areas and actors) (10)

☐ Specifically targeting gender biases through training or sensitization efforts, among others. (11)

☐ New financing instruments to mobilize private finance (gender bonds, sustainable funds) (12)

☐ Supply chain financing/out-grower contracts (13)

☐ Other (specify) (14) ____

In addition to financing programs, what other actions does your institution take to enhance Women MSMEs' access to finance? Please select all that apply.

☐ Market studies/knowledge creation (1)

☐ Collection, analysis, and dissemination of data disaggregated by the sex of the owner or leader of the business (2)

☐ Provide technical advice to other financial institutions. (3)

☐ Improvement of credit infrastructure (credit reporting systems, secured transactions and collateral registries, and insolvency regimes). (4)

☐ Instruments to mobilizing private finance (gender bonds, gender funds, etc.) (5)

☐ Other (specify) (6) ____

☐ None (7)

Rate the main challenges your institution faces to expand access to finance for Women MSMEs

	Not relevant (1)	Relevant (2)	Very relevant (3)
Limited credit history or collateral (1)	☐	☐	☐
High perceived risk (2)	☐	☐	☐
Lack of gender-specific data and insights (3)	☐	☐	☐
Limited understanding of women MSMEs' financial needs and preferences (4)	☐	☐	☐
Regulatory barriers and policy constraints (5)	☐	☐	☐
Difficulty reaching women entrepreneurs in remote or underserved areas (6)	☐	☐	☐
Limited funding or resources (7)	☐	☐	☐
Limited internal capacity or resources (8)	☐	☐	☐
No dedicated gender strategy or policy (9)	☐	☐	☐
Other (specify) (10)	☐	☐	☐

Please select up to three opportunities which you believe hold the most potential for expanding financing programs and financial products for Women MSMEs in the future.

☐ Growing market potential (1)

☐ Positive social impact (2)

☐ Developing new partnerships and collaborations (3)

☐ Leveraging technology and digital innovations (4)

☐ New instruments to attract impact investments and blended finance (5)

☐ Other (specify) (6) ____________________

What do you perceive are the top three competitive advantage(s) of PDBs/DFIs in serving WMSMEs?

☐ Better financial conditions (1)

☐ Greater geographic reach (2)

☐ Public policy mandate (3)

☐ Higher risk tolerance (4)

☐ Relationship with business promotion agencies (5)

☐ Contra-cyclical responses to the crisis (6)

☐ Understanding of WMSMEs' markets, working beyond the microlevel (7)

☐ Other (specify) (8) ____

Do you wish to highlight any programs for Women MSMEs from your institution that have an innovative approach? If so, please share information and links to a maximum of three programs. Whenever possible, include targets and results

____

FINANCING PROGRAMS FOR WOMEN'S FINANCIAL INCLUSION (individuals, not businesses)

If your institution has financing programs targeting women's financial inclusion, what are their focus areas? (select all that apply)

☐ Access to productive credit and loans (1)

☐ Financial education and literacy (2)

☐ Insurance and risk management (3)

☐ Saving and investment opportunities (4)

☐ Entrepreneurship and business development (5)

☐ Policy advocacy and reform (6)

☐ Mortgages/housing credit (9)

☐ Digital payments (10)

☐ Other (specify) (7) ____

☐ The institution does not have financing programs for women (8)

Skip To: Q23 If FINANCING PROGRAMS FOR WOMEN'S FINANCIAL INCLUSION (individuals, not businesses) If your institution = The institution does not have financing programs for women.

Which groups of people are eligible for these financing programs? (select all that apply)

☐ All women (1)

☐ Rural Women/ female farmers (2)

☐ Urban women (3)

☐ Women students (4)

☐ Low-income women, including unemployed and recipients of cash transfers (5)

☐ Women in vulnerable situations (migrants, indigenous, with disabilities) (6)

☐ Senior women (+60 years old) (7)

☐ Young women (aged 15 to 24) (8)

☐ Female head of households (9)

☐ Women entrepreneurs (sole proprietor women) (10)

☐ Professional/wage-earning women (11)

☐ Other (specify) (12) ______________________________

What factors does your institution consider when designing financial programs to specifically target Women's Financial Inclusion? (select all that apply)

☐ Women's specific financial needs (1)

☐ Cultural and social factors (2)

☐ Affordability (3)

☐ Accessibility (4)

☐ Access to communication and information technologies (ICTs), such as mobile or smart-phones. (5)

☐ Importance of non-financial services to increase value proposition (training, information, mentoring) (6)

☐ Gender-sensitive marketing and outreach (7)

☐ Other (specify) (8) ______________________________

Which innovative approaches are being implemented in financing programs or products targeting Women's Financial Inclusion? (select all that apply)

☐ Digital and mobile banking solutions, including agent banking (1)

☐ Cash-flow lending (2)

☐ Data-driven and gender-responsive product design (3)

☐ Alternative credit scoring mechanism/data: machine learning and artificial intelligence (4)

☐ Alternative credit scoring mechanism/data: psychometric testing (5)

☐ Group loans (6)

☐ Equity financing, including equity and technical assistance approaches (7)

☐ Alternative scoring mechanism/data: social network and mobile data analysis (8)

☐ Gender-specific credit scoring models (9)

☐ Applying an inclusive ecosystem approach (i.e., targeting several areas and actors) (10)

☐ Specifically targeting gender biases (11)

☐ New financing instruments to mobilize private finance (gender bonds, sustainable funds) (12)

☐ Supply chain financing/out-grower contracts (13)

☐ Others (specify) (14) ____________________

Please rate the main challenges your institution faces in improving women's financial inclusion.

	Not Relevant (6)	Relevant (7)	Very Relevant (11)
Limited credit history or collateral (1)	☐	☐	☐
High perceived risk (2)	☐	☐	☐
Lack of gender-specific data and insights (3)	☐	☐	☐
Cultural or social barriers (4)	☐	☐	☐
Regulatory barriers and policy constraints (5)	☐	☐	☐
Difficulty in reaching women through ICTs (mobile, smartphones, broadband internet) (6)	☐	☐	☐
Limited funding resources (7)	☐	☐	☐
Lack of awareness or demand for services (8)	☐	☐	☐
Difficulty reaching women in remote or underserved areas (9)	☐	☐	☐
No dedicated gender strategy or policy (10)	☐	☐	☐
Other (please specify) (11)	☐	☐	☐

Which opportunities do you consider the most promising for enhancing women's financial inclusion in the future? Please select up to three:

☐ Technological innovations, access to broadband-enabled devices (e.g., smartphones, laptops) (1)

☐ Software and AI technical innovations (2)

☐ Public-private partnerships (3)

☐ Policy reforms and advocacy (4)

☐ Gender-responsive budgeting and resource allocation (5)

☐ Financial education and capacity building (6)

☐ Networking and collaboration among stakeholders (7)

☐ Other (please specify) (8) ____________________

What do you think are the top three competitive advantages of PDBs/DFIs in serving women?

☐ More favorable financial conditions (1)

☐ Greater geographic spread (2)

☐ Public policy mandate (3)

☐ Higher risk- tolerance (4)

☐ Strategic partnerships in the financial ecosystem (5)

☐ Contra-cyclical responses to the crisis (6)

☐ Resources allocated for data collection and management to inform decisions and other stakeholders. (7)

☐ Others (specify) (8) ____________________

Would you like to showcase any of your institution's innovative programs for women's financial inclusion? If yes, please provide details and links for up to three programs.

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IMPACT ASSESSMENT AND MONITORING

What kind of impact evaluations and/or monitoring does your institution conduct for its financing programs for Women MSMEs or Women's financial inclusion? Select all that apply.

☐ Sex-disaggregated data for individuals (7)
☐ Sex-disaggregated data for businesses (8)
☐ Monitoring of KPIs (4)
☐ Quantitative Impact Evaluations (1)
☐ Qualitative Impact Evaluations (2)
☐ Mix Methods Impact Evaluation (3)
☐ Other (please specify) (9) ______________________________
☐ No monitoring or evaluation system in place (5)

What top three key performance indicators (KPIs) does your institution track for its financing programs for Women's MSMEs or Women's financial inclusion? (select up to three)

☐ Financial: amount of financing disbursed or committed (1)
☐ Financial: repayment and default rates (2)
☐ Financial: average loan size, terms, and conditions (3)
☐ Financial: amount of financing mobilized (4)
☐ Business performance and growth: job/employment creation (5)
☐ Business performance and growth: revenue or asset growth (6)
☐ Outreach and access: number of beneficiaries reached, percentage of women among total beneficiaries, geographic distribution, etc. (7)
☐ Capacity building and skills development: number of women participating in financial education (8)
☐ Women's economic empowerment indicators or gender equality indicators (e.g. access to assets, technology, higher decision-making power in the household/community/markets; new skills, education advancement; better business practices, among others). (9)
☐ Customer satisfaction (10)
☐ Others (please specify) (11)

If your institution has any results from impact evaluations of relevant programs that you would like to share, kindly provide the necessary details and links (if applicable) in the space provided below.

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