



Access to Finance for Women— Leveraging donor funding to assist highly disadvantaged women across Africa

Gender Entrepreneurship Markets

For African women financial independence is critical to our empowerment.

Joana Foster
Co-Founder, African Women's Development Fund (AWDF)

Issue—Lack of access to resources

Women constitute the majority of the poor in Africa, lacking access to resources such as land, credit, technology, water and adequate food. The feminization of poverty in Africa is perpetuated by difficult legal and fiscal environments, restrictive administrative procedures and patriarchal systems of inheritance that discriminate against women and impede their ability to access finance.

While the increasing impoverishment of Africans has turned many leaders into fundraisers on the international scene, three inspirational African women recognized that there were resources in Africa that needed to be harnessed to address the fundamental structural causes of women's poverty and inequality. After 3 years of planning, and consultations, the AWDF was launched in June 2000 at the Beijing Plus 5 Conference in New York with funds from the Global Fund for Women and Match International to set up the initial infrastructure. The mission was to mobilize resources for transformational African woman-led initiatives.

A Best Practice Solution—The AWDF

The AWDF is an Africa-wide fundraising and grant-making initiative for African women. It is the first attempt at an Africa-wide philanthropic institution promoting social change through the funding of autonomous women's organizations. Since its inception, over \$4m has been mobilized primarily from private philanthropic foundations like The Ford Foundation, Carnegie Corporation of New York and Comic Relief (UK). These funds are awarded as grants to women's organizations undertaking innovative and creative development initiatives, as well as to strengthen their capacity to extend resources and support to disadvantaged women on a sustainable basis.

AWDF funds and provides technical assistance to organizations which champion the economic empowerment of women. In addition, grants are awarded in the areas of women's human rights, political participation, peace building and health reproductive rights & HIV/AIDS.

These priorities are a response to the reality that African women have little or no access to financial resources. AWDF also supports women who experience brutal forms of violence and deprivation of rights; encourages increased political participation of women; and supports organizations that prioritize women's health in light of declining health spending by governments and the HIV/AIDS pandemic.*

One touching example narrated by one of AWDF's founders is of the support given to a group of freed *Trokosi* in Ghana. These are girls taken as slaves from as young as 4 years old. AWDF provided this group with financial support and training to start a business that is now sustaining them and their children.

The AWDF is venturing into areas that no else will and reaching the unreachable - women who have no expectations of ever receiving assistance. As a direct result of the funding and technical assistance received from the AWDF, African women in abject poverty are gaining the confidence, autonomy and self-worth that come with owning and managing resources.

In spite of my being illiterate, I am capable of managing my own business....Today I also contribute to the household budget with income generated from my business. I now have a voice in the house. My husband's attitude towards me has changed and he now respects me more.

Madam Kafui Videgla
Recipient of training funded by AWDF grant

* AWDF website, www.awdf.org

Interim Results

- So far over \$2m has been disbursed to 237 women's organizations across 33 countries in Africa.
- In 2004, AWDF won an award from the Sigrid Rausing Trust for their efforts in the area of women's rights and received prize money of GBP100k. The organization plans to start an HIV/AIDS fund for African women with the prize money.
- Plans are in progress to build an endowment, the public launch of which will take place in 2007. The Ford Foundation, one of AWDF's major donors, has expressed their intention to make a significant contribution to the planned endowment fund. This means that by 2007, at the launch of the public campaign, the amount of the endowment will already be substantive.
- AWDF's work has resulted in a network of stakeholders including donors, individual contributors, peer organizations and grantee partners.

Lessons Learned and Suggestions for Improvement

- The poor financial services and communications infrastructure across Africa has been a big challenge for AWDF in its efforts to sustain grant making programs across diverse regions. The organization has experienced difficulties in disbursing grants to remote areas and in monitoring the use of funds in a timely manner. Strategies to address this issue should be explored including engagement of key decision makers in government and the private sector.
- There is a need to expand the donor base as funding from under the traditional donor framework is not sustainable in the long-term. The strategy for the future is to target individuals, corporate donors and Africans both locally and in the Diaspora.
- It is not enough to provide grants to women's organizations it is necessary to supplement these grants with capacity building and technical assistance for maximum impact.

We believe that African women and their organizations know what is best for them. The AWDF is meant to be a response to women's needs.

Hilda Tadria
Co-Founder and Board Chair, African Women's Development Fund (AWDF)

Recognizing that aspiring businesswomen are often prevented from realizing their economic potential because of gender inequality, IFC launched the **Gender-Entrepreneurship-Markets (GEM)** initiative in December 2004. The program aims to mainstream gender issues into all dimensions of IFC's work, while at the same time helping to better leverage the untapped potential of women as well as men in emerging markets. If you would like more information on IFC GEM's work, please visit our website at: <http://www.ifc.org/GEM> or contact:

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