

Presentation Outline

*"Forget China, India and the internet:
economic growth is driven by women."*

- The Economist, April 15-21, 2006

- Women's important contribution to the private sector
- Challenges and Opportunities
- IFC-GEM's Access to Finance work

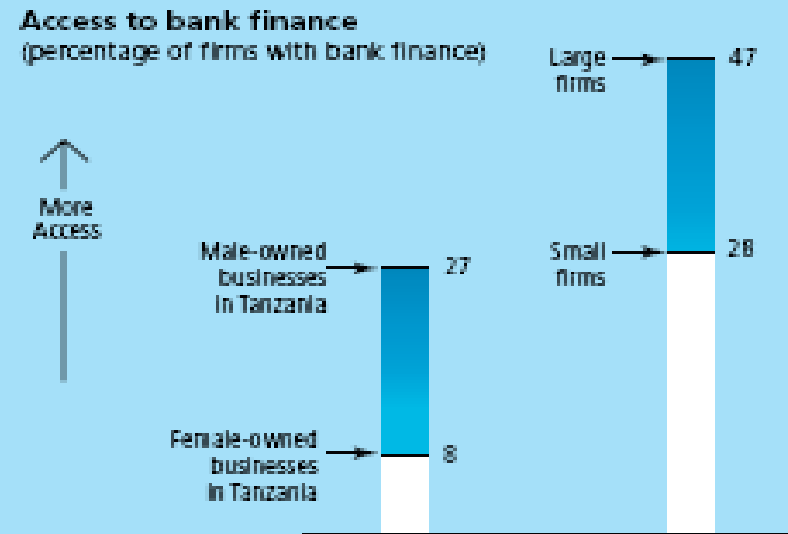
Why Women?

- The World Bank Group recognizes gender equality as smart economics
- At IFC, we recognize that women entrepreneurs in the developing world are a formidable force. Worldwide, they represent 25-35% of registered businesses
- Figures from banks do not reflect this - mismatch between that and their presence in banks' loan portfolios – in Uganda access to 9% of commercial bank credit compared to ownership of 39% of businesses with registered premises
- In the UK there are more women millionaires between the ages of 18 and 44 than men
- In the US, women owned businesses employ more people than the Fortune 500 combined
- Where the Business Environment is favorable, Women's business thrive (e.g. Canada, US, Women Owned Businesses growing at twice the rate as male owned businesses)
- Increased women's earnings translate directly into better health, nutrition and education for their families

Challenge/Opportunity

- Access to finance is the single largest obstacle to SME growth
- Gender inequality magnifies the issue for women entrepreneurs who are less likely than men to have suitable business education and training, and who are also less able to provide adequate collateral (land and property) to banks

Getting credit is hard, especially for some



Source: Doing Business database.

Response – ex: Access Bank, Nigeria

- Structure a line of credit through a Access Bank, a Nigerian commercial bank for on-lending to women entrepreneurs
- Provide advisory services:
 - To the Bank, to enable them to improve their service delivery to women (Global Banking Alliance (GBA)* know how, exploring collateral options, developing new products and staff training)
 - Training to women entrepreneurs, to improve their financial literacy and business management skills, to enable them to

**The Global Banking Alliance (GBA) was founded by a group of Banks that have been recognized by the Organization for Economic Cooperation and Development (OECD) as best practice banks in terms of reaching the women's market. GEM was mandated to host the GBA's Secretariat in March 2005.*



GLOBAL BANKING ALLIANCE
FOR WOMEN

Outcome

- \$30 million line of credit signed (\$15 million committed) with Access Bank in June 2006
- \$4.7 Million disbursed to 72 women owned businesses as of Jan 31, 2007
- Technical Assistance program underway – so far 185 women have benefited from Training Programs
- Replication in other countries (Uganda, Tanzania)
- Ghana, Rwanda, Egypt, Bangladesh in the pipeline



GBA Members – Innovation and results



GLOBAL BANKING ALLIANCE
FOR WOMEN



CIB Egypt HEYA Card



Westpac top line increase of \$A 504 million in 3 years - number one on the Dow Jones sustainability index partly as a result of the Women's program



Bank of Scotland has invested 2 Million GBP in Trapezia, the first equity fund focused on women owned businesses in the UK



Exim Bank has borrowed \$5 Mn from IFC to on-lend to women entrepreneurs and has on-lent \$1 Mn of that to Selfina, a micro leasing organization focused on women.



Royal Bank of Canada's market share in the Women's Market increased from 18 to 22% in 4 years - Recognized as best practice "bank of choice for women" by the OECD