

Investing in Women Entrepreneurs is Good Business - Even more so during Difficult Times

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Recognizing women clients as a profitable but undeserved market, IFC's Gender Program hosted a workshop that focused on "Investing in Women Entrepreneurs" as part of IFC's Celebration of International Women's Day. Ary Naim, IFC Principal Financial Specialist, moderated the panel discussion composed of Munirat Shonibare (Owner of Interior Options Ltd., a furniture designer and manufacturer in Nigeria and Access Bank Nigeria client); Maria Peña (Manager of Ernst & Young's Women Entrepreneur); Gilford Kadzakuanja (Deputy CEO of NBS Malawi); Greg Radford, Director of IFC's Environmental and Social Development Department and Manuel Moses (IFC Senior Investment Officer).

The lively discussion focused on the importance of investing in women entrepreneurs in developing countries. Participants argued that giving more women access to credit and increasing their economic power is more likely to translate into improved livelihood for a wide cross-section of society. "It is both a profitable business for commercial banks and a way to improve community and social development", said **Zouera Youssoufou**, Manager of IFC's Gender Program. According to a recent Ernst & Young report, women reinvest 90% of their income in their families and communities, compared to men who reinvest only 30% to 40%. With IFC support, NBS Bank Limited (the fourth largest commercial bank in Malawi) started an SME downscaling program with a special focus on women entrepreneurs. "Thanks to the collaboration with IFC GEM Program, the percentage of women in the small and medium enterprises portfolio grew from 14 percent to 37 percent in one year", said NBS Bank's Deputy CEO, **Mr. Kadzakuanja**, who also reported that two other banks in Malawi are now planning to start programs targeting women-owned small and medium enterprises.

"Women represent an important and growing share of developing countries' entrepreneurs," expressed **Greg Radford**, IFC Director. "Not only do they tend to repay better than men, but they are also known to be very loyal bank customers and are more likely to hire other women". The business case for investing in women entrepreneurs is clear."

Ms. Shonibare benefited from a loan from Access Bank, Nigeria, which - with IFC support - established a women's banking program in 2006. "The loan from Access Bank has enabled me to greatly expand and improve my business" said **Ms Shonibare**. She now serves an estimated 20% of Nigeria's furniture market demand and plans to further expand her market reach to neighboring countries.

Experience shows that when given the right opportunities and in the right environment, women businesses will thrive. IFC's Gender Program (Gender Entrepreneurship Markets, GEM) has taken a leadership role in addressing the needs of women entrepreneurs. Since the launch of the Women's Access to Finance product in 2006, IFC has directly contributed over USD \$50 million through commercial institutions for loans and advisory services to women entrepreneurs, and benefited over 1,500 women.

"In the teeth of crisis, we cannot pass an opportunity that stares us in the face: we must invest in women" said **Rachel Kyte**, VP for IFC Business Advisory Services.