

# Accelerating Women's Access *to* Finance *in* Romania

*IFC Market Study*



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**IFC**

International  
Finance Corporation  
WORLD BANK GROUP





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# Acronyms and Abbreviations

ATM .....	Automated Teller Machine
CAR .....	A workers' mutual assistance and loan fund, established within companies by trade unions to provide financial support
EC .....	European Commission
EU .....	European Union
FGD .....	Focus Group Discussion
FSP .....	Financial Service Provider
IFN .....	Non-banking financial institution in Romania ( <i>Instituție Financiară Nebancară</i> )
IE .....	Individual Enterprises ( <i>Întreprindere Individuală</i> )
IRCC .....	Benchmark index for loans granted to consumers ( <i>Indicele de Referință pentru Creditele Consumatorilor</i> )
LC .....	Letter of Credit
MSME .....	Micro, Small, and Medium-sized Enterprise
NGO .....	Non-Governmental Institution
PFA .....	Sole Proprietor ( <i>Persoană Fizică Autorizată</i> ), who operates independently and is personally liable for their business obligations
PPS.....	Purchasing Power Standard
PSSAM .....	Product-Specific Serviceable Addressable Market
SAM .....	Serviceable Addressable Market
SRL .....	Limited Liability Company ( <i>Societate cu Răspundere Limitată</i> )
STEM .....	Science, Technology, Engineering, and Mathematics
TAM .....	Total Addressable Market
WMSME .....	Women-owned Micro, Small, and Medium-Sized Enterprise

*All dollar amounts are U.S. dollars unless otherwise indicated.*

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# Executive Summary

Despite significant economic progress, Romania faces substantial challenges in achieving sustainable and inclusive growth. With a population of 19.1 million, the country's GDP per capita stands at 78 percent of the European Union (EU) average. High inflation and an aging population further constrain economic growth, while regional disparities and gender inequalities persist.





Women, who constitute 52 percent of Romania's population, experience lower labor force participation — 42 percent versus 62 percent for men (aged 15 years and older). This results in a gender gap of about 20 percentage points, placing Romania among the European Union countries with the most significant disparities in labor force participation between the genders.<sup>1</sup> With entrepreneurship rates at 4.9 percent for women versus 6.8 percent for men (compared with 6.7 percent for women and 9.1 percent for men in the Europe and the United Kingdom),<sup>2</sup> along with lower financial literacy (only 24 percent of women rate their knowledge as “very high” or “quite high”, compared to 38 percent of men), these factors highlight the broader challenges women face in achieving full economic participation. Notably, 41 percent of urban women and 40 percent of rural women are 55 or older, representing a significant “silver economy” segment. While this shift offers growing opportunities for women at later stages of life, barriers persist and continue to restrict their overall economic inclusion and financial resilience. These barriers include the challenge of balancing work with traditional caregiving roles, which are still predominantly shouldered by women in Romania, and limited access to financial education and business networks, which can hinder their ability to fully engage in business ventures and overcome economic challenges.

### The Gender Finance Gap

Romania's gender finance gap—the disparity in access to financial products and services between men and women—limits women's financial inclusion and economic empowerment. A study initiated by IFC as part of its Gender Finance Project in Europe assesses the financial and non-financial needs of individual women consumers and women-owned micro, small, and medium

enterprises (WMSMEs). Drawing from a sample size of 800 women and 200 WMSMEs, it identifies barriers, market opportunities, and actionable recommendations for financial service providers (FSPs) to address gender disparities. The study also highlights the untapped market potential of gender-inclusive financial products, presenting an opportunity for FSPs to drive business growth while advancing gender equality.

### Research Approach and Scope

This study focuses on Romanian women in urban areas, including individual consumers and WMSMEs, using qualitative and quantitative research methodologies. Surveys, interviews, and expert consultations were conducted to understand the financial behaviors, challenges, and opportunities within these segments. The research classifies enterprises based on European Commission definitions and categorizes urban areas into three segments: the national capital (Bucharest), Tier 2 cities (county capitals such as Cluj and Braşov), and Tier 3 cities (smaller municipalities).

### Macroeconomic and Business Environment

While Romania has made economic progress, challenges persist. The country's GDP stood at \$351 billion in 2023, with a per capita GDP of \$18,419—among the lowest in the EU. Inflation remains one of the highest in the EU, and nearly 20 percent of Romania's labor force has migrated abroad. The country also ranks low in gender equality, with women facing higher poverty risks, lower digital literacy, and persistent traditional gender roles. Despite an improving business environment, female entrepreneurship remains limited, with only 4 percent of Romanian women owning businesses with employees.

1. International Labour Organization. *ILO Modelled Estimates and Projections database (ILOEST)*. ILOSTAT, 2023. <https://ilostat.ilo.org/data/>; [https://rshiny.ilo.org/dataexplorer28/?lang=en&segment=indicator&id=EAP\\_DWAP\\_SEX\\_AGE\\_RT\\_A](https://rshiny.ilo.org/dataexplorer28/?lang=en&segment=indicator&id=EAP_DWAP_SEX_AGE_RT_A).

2. Global Entrepreneurship Monitor (GEM). *Women's Entrepreneurship Report: Reshaping Economies and Communities (2023/2024)*; <https://gemconsortium.org/reports/womens-entrepreneurship> (See Table CI. “Total entrepreneurial activity and life cycle stages, rates and gender ratios, GEM 2023,” p.88.)

# Key Findings

## Financial Behavior and Needs of Women Consumers

- **Banking Access**—96 percent of surveyed women hold bank accounts, yet only 60 percent use debit cards (compared to 85 percent debit card ownership by women in the EU<sup>3</sup>), and fewer than 26 percent access credit (compared to 43 percent in the EU<sup>4</sup>), investment, or insurance products.
- **Savings and Investment**—Only 22 percent save regularly (compared to 71 percent of women in the EU<sup>5</sup>), of whom 66 percent save informally, and 51 percent do not have formal savings accounts. Women prioritize financial security, favoring savings, insurance, and investment products.
- **Borrowing Patterns**—53 percent borrowed money in the previous 12 months which aligns with the EU average<sup>6</sup>, however, unlike women in the EU, who predominantly borrow from financial institutions, most surveyed women in Romania relied on informal sources such as family and friends rather than banks. In contrast, only 12 percent of women in the EU borrowed from family or friends.
- **Trust in Banks**—Only 50 percent of surveyed women trust banks, with 70 percent believing that banks do not adequately support their financial well-being.
- **Service Expectations**—Women seek low-cost, transparent, and accessible financial services, with 41 percent desiring more financial advice from FSPs.

## Women-Owned MSMEs

- **Financial Management**—75 percent of WMSMEs personally manage their business finances, yet only 37 percent use bank loans, relying instead on personal equity and company profits.
- **Funding Challenges**—Bureaucratic complexities, limited access to financing, and regulatory burdens hinder WMSME growth. Only 20 percent of WMSMEs engage with government or EU-funded grant programs.
- **Financial Product Usage**—Cash management services and business accounts are top priorities, while demand exists for flexible credit products, including short-term loans (37 percent interest) and overdrafts (31 percent interest).
- **Training Needs**—More than 80 percent of WMSMEs have never received financial literacy or business development training from banks but express strong interest in such support.

3. Authors' calculation based on Eurostat, "Population on 1 January by Age and Sex," [https://ec.europa.eu/eurostat/databrowser/view/demo\\_pjan\\_\\_custom\\_16124482/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/demo_pjan__custom_16124482/default/table?lang=en); and World Bank, "The Global Findex Database 2021," <https://www.worldbank.org/en/publication/globalfindex>.  
Calculated weighted average based on country-level data from the Global Findex Database (2021) and Eurostat data (2021) on the female population aged 15 and over. Survey data refer to urban women in Romania only. In contrast, Findex data and the EU average include both urban and rural women.

4. Ibid.

5. Ibid.

6. Ibid.



### Market Opportunities for FSPs

Closing the gender finance gap presents a significant business opportunity for FSPs. By increasing the uptake of savings accounts, consumer loans, and mortgages among urban women, FSPs could unlock a \$27 billion market—\$16 billion in deposits and \$9 billion in loans for urban women consumers, and \$2 billion in loans for urban WMSME. Key market opportunities include:

- **Expanding Access to Credit**—Developing tailored credit products for different life stages and business needs.
- **Enhancing Financial Education**—Providing women-focused advisory services to build confidence and financial literacy.
- **Improving Digital Banking Solutions**—Promoting digital adoption among older women and WMSMEs while maintaining branch-based services for high-value transactions.
- **Supporting Women Entrepreneurs**—Strengthening partnerships with government and NGOs to increase access to grants and business support services.

To bridge the gender finance gap, FSPs should implement targeted, data-driven strategies:

- **Customize Financial Products**—Develop tailored savings, investment, and credit solutions for women at various life stages.
- **Improve Trust and Transparency**—Simplifying product offerings and enhance customer engagement through clear communication and advisory services.
- **Leverage Partnerships**—Collaborating with government and NGOs to connect women with financial literacy programs and alternative funding sources.
- **Enhance Business Support for WMSMEs**—Providing bundled financial services, cash management tools, and mentorship programs to help women entrepreneurs scale their businesses.

This study highlights the critical role of financial institutions in fostering gender-inclusive economic development and presents a compelling business case for integrating gender-responsive strategies into Romania's financial landscape. By addressing the gender finance gap, Romania's financial sector can drive both economic growth and social inclusion. With targeted financial and non-financial services, FSPs can empower women, unlock new market potential, and align with international best practices in gender finance.



# Introduction

Romania, a country of 19.1 million in Southeast Europe, faces a persistent gender finance gap that limits women's financial inclusion and economic empowerment. Although women comprise over half (**52 percent**) of the country's population,<sup>7</sup> they have lower rates of labor force participation (**42.4 percent** compared to **61.7 percent**) and entrepreneurship (**4.9 percent** compared to **6.8 percent**) than men. Regarding financial literacy, only **24 percent** of women rate their financial knowledge as "very high" or "quite high" compared to **38 percent** of men.

Despite progress in education and employment, women in Romania—both as individual consumers and business owners—face barriers to accessing tailored financial products such as savings, credit, and investment services. These unmet needs hinder their ability to achieve financial resilience, expand businesses, and contribute fully to the national economy. These challenges, compounded by traditional gender roles and limited access to tailored financial services, collectively hinder their economic inclusion and potential to contribute to economic growth.

The **gender finance gap** refers to the disparity between men and women in accessing and using financial products and services, such as savings accounts, credit, insurance, and investment opportunities. This gap is influenced by social, cultural, legal, and institutional barriers that disproportionately limit women's financial inclusion, economic empowerment, and ability to contribute fully to economic growth.

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7. National Institute of Statistics (Romania), *Recensământul Populației și Locuințelor 2021 (2021 Census of Population and Housing)*, accessed November 19, 2024, <https://www.recensamantromania.ro/rezultate-rpl-2021/rezultate-definitive/>.

# Closing the Gender Finance Gap

Systemic inequalities in accessing financial services limit economic growth, social equity, and sustainable development. Addressing this gap is critical for numerous reasons:

- **Untapped Market Potential:** Closing the gender finance gap will unlock substantial economic opportunities, significantly boosting global GDP. It is estimated that gender parity in entrepreneurship could add between **\$5 trillion and \$6 trillion** in net value to the global economy,<sup>8</sup> representing a **\$1.7 trillion** in growth opportunity for financial institutions.<sup>9</sup>
- **Entrepreneurship and Innovation:** Women-owned businesses often face greater barriers to accessing credit and capital but are important drivers of job creation and innovation.
- **Empowerment and Resilience:** Access to financial services helps women build financial independence, manage risks, and invest in their futures, benefiting not only individuals but also their families and communities.
- **Reducing Poverty:** Women are disproportionately affected by poverty. Financial inclusion enables women to save, invest, and access opportunities that can break intergenerational cycles of poverty.

Narrowing the gender finance gap also supports the **global development agenda**. For example:

- **Sustainable Development Goals (SDGs):** Addressing the gender finance gap contributes directly to SDG 5 (Gender Equality) and indirectly to others, such as SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities).
- **Regional and Global Competitiveness:** Countries that prioritize gender inclusion can improve their global competitiveness and align their policies with international commitments to equality.

By addressing the gender finance gap, key stakeholders—including governments, financial institutions, and development organizations—can create more inclusive economies, empower half of the global population, and drive long-term, sustainable development.

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8. Women Entrepreneurs Finance Initiative. Annual Report, 2024, 4. [https://we-fi.org/wp-content/uploads/2025/02/We-Fi-Annual-Report-2024\\_FINAL.pdf](https://we-fi.org/wp-content/uploads/2025/02/We-Fi-Annual-Report-2024_FINAL.pdf).

9. International Finance Corporation (IFC). *MSME Finance Gap*. Washington, D.C.: World Bank Group, 2017, 36. <https://documents1.worldbank.org/curated/en/653831510568517947/pdf/121264-WP-PUBLIC-MSMEReportFINAL.pdf>.

# Understanding the Gender Finance Gap in Romania

A study initiated by IFC in 2024 under its Gender Finance Project in Europe provides a comprehensive analysis of Romania's gender finance landscape. The research aims to:

- Evaluate the gender finance market environment, including the supply of financial and non-financial offerings of FSPs targeting women.
- Assess the needs and pain points (specific problems and challenges) faced by individual women consumers and women-owned micro, small, and medium enterprises (WMSMEs) in achieving their goals.
- Identify opportunities for FSPs to introduce or improve gender finance products and services.

Drawing on rigorous qualitative and quantitative methodologies—including surveys, interviews, and desk research—the report presents data-driven insights and strategies for addressing gender finance gaps. It also highlights the substantial market potential for gender-inclusive financial products, offering actionable recommendations for FSPs to drive business growth while advancing gender equality.





# Approach and Scope of the Research

This study focuses on two distinct segments of Romanian women:

- ♦ **Individual Women Consumers:** Representing the retail segment for FSPs, this group includes women aged 18 and older with diverse demographic profiles and household compositions. These women fall into two categories:
  - » **Economically Active:** Employed, self-employed, family workers (contributing to a family business but not as owners), and those registered as unemployed but actively seeking employment through a state job center
  - » **Economically Inactive:** Unemployed individuals not actively seeking employment, such as retirees, women on maternity leave, and homemakers
- ♦ **WMSMEs:** Women-owned MSMEs that meet the following criteria (these criteria were used solely for sampling and survey purposes):
  - » At least **51 percent** owned by a woman or women, or
  - » At least **20 percent** owned by a woman or women with:
    - a. At least one woman holds a leadership position, such as CEO, COO, President, or Vice President, and
    - b. At least **30 percent** of the board of directors is composed of women, where a board exists
- ♦ **Company Classifications:** Enterprise classifications are based on European Commission (EC) definitions:<sup>10</sup>
  - » **Micro Companies:** Fewer than 10 employees and annual turnover or balance sheet total under €2 million
  - » **Small Companies:** 10–49 employees and annual turnover or balance sheet total under €10 million
  - » **Medium Companies:** 50–250 employees and annual turnover under €50 million or balance sheet total under €43 million
- ♦ **Focus Areas:** The research focused on women in urban areas, categorized into three key sub-segments:<sup>11</sup>
  - » **National Capital:** The Municipality of Bucharest
  - » **Tier 2 Cities:** County or administrative capitals of Romania's 41 counties (*județe*), such as Brașov, Cluj, and Constanța
  - » **Tier 3 Cities:** Other localities designated as cities (*municipiu* or *oraș*) by government classification, typically with populations above 10,000 (with some exceptions) and a certain level of infrastructure

10. European Commission, User guide to the SME definition, accessed November 19, 2024, <https://single-market-economy.ec.europa.eu/smes/sme-fundamentals/>.

11. See the annex for the full definition of each sub-segment.

## Research Methodology

To analyze and develop recommendations for FSPs, the study followed a structured methodology:

- **Enabling Environment Assessment:** Identified key barriers and enablers within the macroeconomic environment, government support, legal framework, and civil society organizations
- **Supply Gap Assessment:** Evaluated existing financial and non-financial offerings and FSP perceptions of serving the women's market
- **Demand-Side Assessment:** Assessed the financial and non-financial needs and key pain points of individual women and WMSMEs
- **Opportunity Identification:** Sized the market opportunity, developed customer personas and segments, and provided data-driven recommendations for improving services to individual women consumers and WMSMEs

## Research Methods

The study employed a combination of primary and secondary research methods:

- **Qualitative Research:** Included 11 focus group discussions with 58 individuals and 19 in-depth interviews (four with individual women and 15 with WMSMEs) in Bucharest and Tier 2 and Tier 3 cities
- **Quantitative Surveys:** Sampled 800 individual women and 200 WMSMEs in urban areas
- **Expert Interviews:** Engaged five organizations to gain insights into traditional gender views, stereotypes, and the role of NGOs in supporting women-led entrepreneurship
- **FSP Interviews:** Consulted three leading financial institutions to identify and assess current offerings and perceptions of the women's financial services market

## Market Sizing Framework

To quantify potential market opportunities, the study integrated primary and secondary data:

- **Total Available Market (TAM):** The total number of adult women and WMSMEs in urban areas of Romania
- **Serviceable Addressable Market (SAM):** The subset of TAM that currently has a bank account
- **Financial Product Serviceable Addressable Market (Financial Product SAM):** The total number of adult urban women and WMSMEs in Romania who use or express interest in a financial product

In addition, customer segmentation for individual women used the two-step cluster method, a statistical approach for identifying and grouping correlations within a larger dataset. For WMSMEs, segmentation was based on business size (the number of employees and annual revenue).

This study was guided by human-centered design principles to create actionable, impactful, and user-oriented recommendations. The Double Diamond model for design thinking was used to structure the approach.<sup>12</sup>

*For more details on the research methodology, see Annex 1.*

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12. The Double Diamond model is a representation of the design process divided into four phases: Discover, Define, Develop, and Deliver. It emphasizes divergent thinking (exploring a wide range of ideas) followed by convergent thinking (narrowing down to the best solutions), guiding teams from understanding a problem to implementing effective solutions. See British Design Council, *The Double Diamond: A universally accepted depiction of the design process*, available at <https://www.designcouncil.org.uk/our-resources/the-double-diamond/>.



# Background

## The Macroeconomic Environment

Romania has significantly improved its economic performance and alignment with the European Union (EU), yet it continues to face challenges in achieving inclusive and sustainable growth. Persistent issues include regional disparities, weak institutions, a shortage of skilled labor, poor connectivity, and vulnerabilities to natural hazards and climate change. Pro-cyclical fiscal policies have fueled consumption, contributing to sustained high fiscal and current account deficits.

Romania lags behind its EU peers on key economic and social indicators, creating a challenging macroeconomic environment for employment and business growth. In 2023, the country's GDP growth rate was 2.4 percent;<sup>13</sup> its GDP was \$351 billion, ranking 12th among EU member states.<sup>14</sup> However, Romania's GDP per capita in PPS stood at 29,700 PPS — 78 percent of the EU average of 39,700 PPS — placing it 20th out of 27 member states. Note that 1 PPS equals 1 euro (€) for the EU.<sup>15</sup>

While Romania has made notable progress, it remains hindered by high inflation and a deceptively low unemployment rate, driven by the significant labor migration to other countries. Over the last 10 to 15 years, more than 2 million Romanians — nearly 20 percent of the labor force — emigrated, many on a permanent basis, resulting in skills gaps, labor shortages in key roles (e.g., medical doctors), distorted wage demands, and falling real labor productivity.<sup>16</sup>

### Key Macroeconomic and Socioeconomic Data, 2023

	Romania	% of EU
Population	19.1 million	4.24%
GDP Size	\$351 billion	1.9%

	Romania	EU Average
GDP per Capita	\$12,399	\$34,601
GDP per Capita, PPS	29,700 PPS	39,700 PPS
Inflation	10.4%	6.3%
Unemployment Rate	5.6%	6.0%
Life Expectancy	77 years	81 years

NOTE: 1 PPS EQUALS 1 EURO (€) FOR THE EU  
SOURCE: The World Bank, Eurostat

13. World Bank, "Macro Poverty Outlook (2025)."

<https://thedocs.worldbank.org/en/doc/d5f32ef28464d01f95827b7e020a3e8-0500022021/related/mpo-rou.pdf>

14. World Bank, "GDP (current US\$) – European Union," accessed November 21, 2024, [https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=EU&most\\_recent\\_value\\_desc=true](https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=EU&most_recent_value_desc=true)

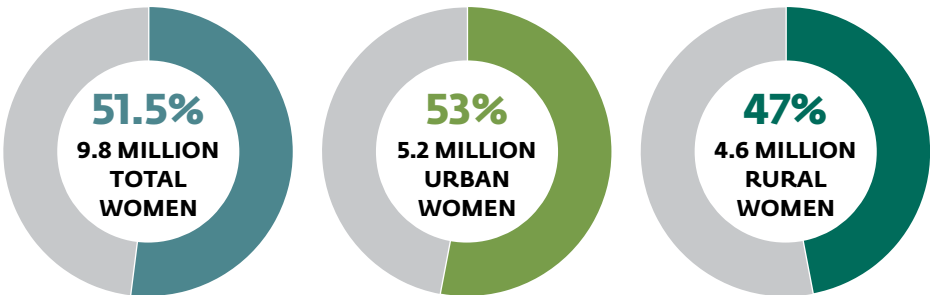
15. Eurostat, "GDP per capita in PPS" accessed June 6, 2025,

[https://ec.europa.eu/eurostat/databrowser/view/tec00114/default/table?lang=en&category=t\\_prc.t\\_prc\\_ppp](https://ec.europa.eu/eurostat/databrowser/view/tec00114/default/table?lang=en&category=t_prc.t_prc_ppp)

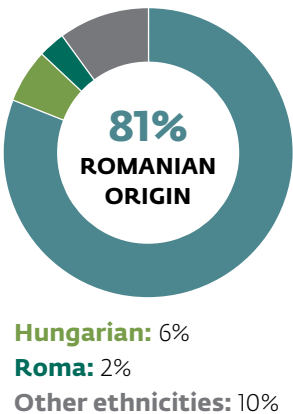
16. World Bank, Romania - Systematic Country Diagnostic Update (English, 2023). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099134003102323181>

# Gender Demographics

## Population Breakdown



## Ethnic Composition



## Education

### SECONDARY EDUCATION



### HIGHER EDUCATION



42.5%

of women in tertiary education graduated in STEM in 2021, the highest proportion among EU states<sup>17</sup>

## Employment and Entrepreneurship Landscape



Romanian women aged 15 years+ are economically active,<sup>18</sup> employed mainly in services and as highly skilled specialists.

273,800

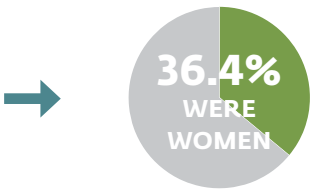
women are self-employed or employers.<sup>19</sup>

68%

of self-employed women business owners are mothers.<sup>20</sup>

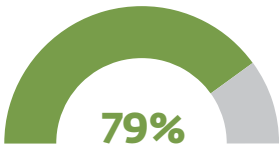
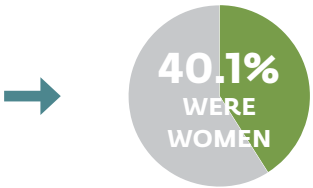
1.7  
MILLION

partners and share-holders of 1.3 million active legal entities, as of December 2024.<sup>21</sup>

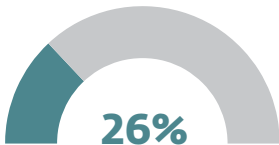


465,000

shareholders/members of 432,000 PFA/II/IF, as of December 2024.<sup>22</sup>



FEMALE EMPLOYERS,  
URBAN CONCENTRATION



FEMALE EMPLOYERS,  
BUCHAREST-ILFOV REGION<sup>23</sup>

17. Eurostat, "Women in STEM: Data Show a Rise in Number of Graduates in the EU," accessed December 11, 2024, <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20240308-2>.

18. World Bank Group, "Gender Data Portal," accessed February 6, 2025, <https://genderdata.worldbank.org/>.

19. National Institute of Statistics of Romania, "Quarter I 2024," accessed February 6, 2025, <https://insse.ro/cms/en>.

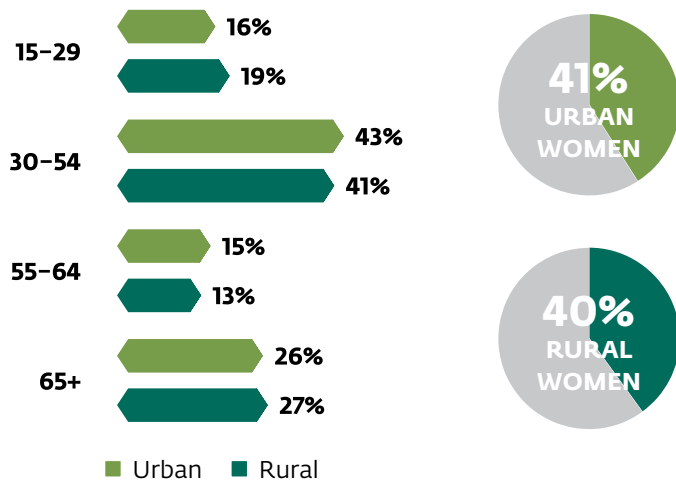
20. National Institute of Statistics, National Census of Population and Housing in Romania (2021).

21. National Trade Registry of Romania, "Distribution on sexes of partners/shareholders of active legal persons, December 2024," accessed February 20, 2025, <https://www.onrc.ro/index.php/en/statistics?id=246&lg=en>.

22. National Trade Registry of Romania, "Active sole traders/individual partnerships/family partnerships classified over bearers'/members' age, December 2024," accessed February 20, 2025, <https://www.onrc.ro/index.php/en/statistics?id=247&lg=en>.

23. Estimate based on the proportion of female patrons in urban areas compared to rural areas. See *National Census (2021)*, table 5.8, "Employed resident population by professional status" (in Romanian), <https://www.recensamantulromania.ro/rezultate-rpl-2021/rezultate-definitive/>.

## Age Distribution of Romanian Women by Area<sup>24</sup>



Women aged 55+ represent a significant "silver economy" segment.<sup>25</sup>

24. National Institute of Statistics, *Recensământul Populației*.

25. European Commission, *Growing the European Silver Economy*, February 2015, 6, accessed December 9, 2024, <https://op.europa.eu/en/publication-detail/-/publication/a9efa929-3ec7-11e8-b5fe-01aa75ed71a1/>.

26. National Institute of Statistics, Table RS101A, Active enterprises, average number of employees, and turnover by activity of national economy at level of CANE rev. 2, classes and size classes based on number of employees, 2022 and 2023," <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>.

27. Calculated based on the number of MSMEs (see footnote 19) and PFA/II/IF. The number of active Authorized Natural Persons (PFA), Individual Enterprises (II), and Family Enterprises (IF) was 446,440 in 2023. Source: National Trade Registry of Romania, "Distribution on sexes of holder/members of active PFA/II/IF, 2023," accessed February 20, 2025, <https://www.onrc.ro/index.php/en/statistics?id=247&lg=en>.

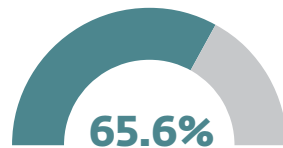
28. National Institute of Statistics: *TEMPO Online Database, Business Demography*, "Table INT10A, Active enterprises, with breakdown by activity of national economy at CANE Rev. 2 level and by legal form," accessed February 20, 2025, <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>.

29. The estimate is based on the percentage of women associates and shareholders of active legal entities and the number of active enterprises, not including PFA, II, and IF. Sources: National Trade Registry of Romania, "Distribution on sexes of partners/shareholders of active legal persons, 2022," accessed February 20, 2025, <https://www.onrc.ro/index.php/en/statistics?id=246&lg=en>, and the Romania National Institute of Statistics, Table RS101A, "Active enterprises, average number of employees, and turnover by activity of national economy at level of CANE rev. 2, classes and size classes based on number of employees, 2022," <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>.

## The MSME Landscape



**MSMEs, 0-249  
EMPLOYEES**



**EMPLOYED  
BY MSMEs**

670,000 → 708,000

MSMEs in Romania, excluding PFA, II, and IF in 2022.

MSMEs in Romania, excluding PFA, II, and IF in 2023.<sup>26</sup>

430,073 → 446,440

PFA, II, and IF in 2022.

PFA, II, and IF in 2023.

1,100,073 → 1,154,440

Total active MSMEs in 2022.

Total active MSMEs in 2023.<sup>27</sup>

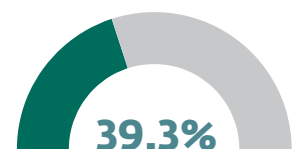
Other sources show 1,099,667 active enterprises of all legal forms in 2022.<sup>28</sup>

246,500

estimated MSMEs with women's participation in ownership in Romania,<sup>29</sup> excluding PFA, II, and IF in 2022.

433,000

estimated MSMEs with women's participation in ownership in Romania in 2022.



**MSMEs WITH WOMEN'S  
PARTICIPATION  
IN OWNERSHIP**

# Gender Disparities in Economic Participation

Women make up **52 percent** of the Romanian population but have lower rates of labor force participation (**42.4 percent** compared to **61.7 percent**)<sup>30</sup> and entrepreneurship (**4.9 percent** compared to **6.8 percent**) than men do.<sup>31</sup>

In addition, **35 percent** of Romania's female population—or 41 percent of women aged 15 and older—are 55 or older. This expanding “silver economy” is becoming increasingly influential, reflecting an aging female population driven by declining birth rates (**1.81** as of 2023) and the migration of working-age women to other countries.

Romania ranks lowest in gender equality in the EU, scoring 14.1 points below the EU average in the Gender Equality Index,<sup>32</sup> a comprehensive tool developed by the European Institute for Gender Equality to measure progress in achieving gender equality across EU member states. It provides a composite score out of 100, where 100 indicates full equality between women and men. This highlights the stark gender disparities that Romanian women face, for example:

- **Higher Exposure to Poverty Risk:** **28.4 percent** of women at risk of poverty or social exclusion, compared to **27.4 percent** of men.<sup>33</sup>

- **Lower Labor Force and Entrepreneurship Participation Rates:**

- » Only **42.4 percent** of women over the age of 15 are employed, compared to **61.7 percent** of men.<sup>34</sup>
- » Just **4.9 percent** of women engage in entrepreneurial activities, compared to **6.8 percent** of men.<sup>35</sup>

- **Lower Financial Literacy:** Only **24 percent** of women rate their financial knowledge as “very high” or “quite high” compared to **38 percent** of men.<sup>36</sup>

- **Lower Digital Literacy:** Only **28 percent** of women have basic digital skills, compared to **56 percent** of women in EU countries in 2023.<sup>37</sup>

- **Persistent Traditional Gender Stereotypes:** Societal expectations continue to place the burden of caregiving for children and elderly family members, as well as domestic tasks such as cooking and cleaning, disproportionately on women.

While more women are obtaining higher education now compared to previous generations (25.7 percent of those aged 25–34 compared to 11.4 percent of those aged 55–64),<sup>28</sup> Romania continues to fall behind EU averages in secondary and higher education completion rates.<sup>38</sup>

30. National Institute of Statistics, *Recensământul Populației*.

31. GEM, Romania Economy Profile.

32. European Institute for Gender Equality (EIGE), *Gender Equality Index 2023: Romania*, accessed November 21, 2024, <https://eige.europa.eu/gender-equality-index/2023/country/RO>.

33. Eurostat, Persons at risk of poverty or social exclusion by age and sex, 2024, accessed 13 June, 2025, [https://ec.europa.eu/eurostat/databrowser/view/ilc\\_peps01n\\_\\_cus-tom\\_16892715/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ilc_peps01n__cus-tom_16892715/default/table?lang=en).

34. World Bank, *Gender Data Portal: Romania*, accessed November 21, 2024, <https://genderdata.worldbank.org/en/economies/romania>.

35. Global Entrepreneurship Monitor (GEM), Romania Economy Profile, accessed November 21, 2024, <https://www.gemconsortium.org/economy-profiles/romania-2>.

36. European Commission, *Monitoring the Level of Financial Literacy in the EU*, accessed November 21, 2024, <https://europa.eu/eurobarometer/surveys/detail/2953>.

37. Eurostat, “56% of EU people have basic digital skills,” accessed December 11, 2024, <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20231215-3>.

38. Organisation for Economic Co-operation and Development (OECD), *Education GPS*. Accessed November 21, 2024. <https://gpseducation.oecd.org/>.

# The Enabling Environment for Women in Business

Romania demonstrates strength in advancing gender inclusion, as reflected by an increasing number of women pursuing higher education and holding the highest percentage of STEM graduates in tertiary education among women in the EU.<sup>39</sup> The country's legislative framework supports gender equality, starting with its constitution, which guarantees equality in rights and prohibits discrimination. Additional measures include legal provisions for equal access to education, family welfare, maternity leave, protection against domestic violence, and the assurance that these rights are legally upheld.

## Government Support Initiatives

Two government-sponsored initiatives fund WMSMEs, both administered by the Ministry of Economy, Entrepreneurship, and Tourism, and have supported female entrepreneurship in recent years:

- The **Woman Entrepreneur Program** supports WMSMEs with grants of up to €40,000, depending on the number of jobs created. With a total budget of €200 million for 2022–27, the program has processed over 1,800 applications, issued 1,175 admission notifications, and finalized 913 signed contracts as of June 2023.
- The **Start-Up Nation Romania Program** supports MSMEs with grants of up to €40,000 to launch and grow small and medium-sized enterprises (SMEs) nationwide. It is open to both men and women-owned businesses. Among the applicants, **50.2 percent** of companies have women as shareholders. By 2023, the program had evaluated over 10,052 applications, issued 6,899 admission notifications, and finalized 5,452 signed contracts. The 2024 program budget was set at €400 million.<sup>40</sup>

Approximately **50 percent** of applicants across both programs receive funding. This creates a potential opportunity for FSPs to support these businesses by improving their applications to increase their chances of success. The estimated 6,800 WSME applicants represent less than 2.7 percent of WMSMEs in Romania, suggesting limited awareness of these programs. This presents an opportunity for FSPs to raise awareness and actively promote these initiatives among their business customers.

Other government entities supporting gender equality include:

- **Ministry of European Investments and Projects:** Directs European funds toward advancing women's financial inclusion and empowering women entrepreneurs, including programs like StartUp Nation Romania, funded with €400 million from the EU.
- **The National Agency for Equal Opportunities between Women and Men (ANES):** Leads gender equality integration across policies and implements measures from the United Nations Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence.
- **Local and Regional Authorities:** Enhance equitable access to financial resources through community initiatives.

39. Eurostat, "Women in STEM."

40. Start-up Nation Romania, <https://start-upnation.ro>; and Ministry of Economy, Entrepreneurship, and Tourism, <https://economie.gov.ro>.

## The Role of NGOs in Advancing Women's Financial Inclusion

In addition to government programs, non-governmental organizations (NGOs) in Romania play a critical role in supporting women entrepreneurs and advancing gender equality through a wide array of programs. A diverse range of organizations provides resources, training, funding, mentoring, and networking opportunities tailored to the needs of women-led businesses. These initiatives help bridge gaps in financial education, business development, and access to funding, particularly for marginalized groups such as Roma women and women entrepreneurs in STEM fields.

NGOs working in this space include:

- **Association for the Development of Female Entrepreneurship (ADAF):** Founded in 2001, ADAF promotes and supports entrepreneurial activity by ensuring equal opportunities. The organization is a founding member of the Coalition of Businesswomen from Romania (CAFA), the Coalition of Businesswomen's Associations from the Balkans, and the Pact for Employment and Social Inclusion in Bucharest.
- **National Confederation of Women Entrepreneurship (CONAF):** This organization focuses on identifying, centralizing, and recommending solutions to the most pressing challenges in Romania's entrepreneurial environment. It supports entrepreneurial education for young people, strengthens the digital capabilities of Romanian SMEs, and holds an annual summit to bring together women and supportive men from the business, government, and non-profit sectors.
- **Professional Women's Network Romania (PWN):** This organization, a part of PWN Global, is a dynamic, fast-growing online and offline network and leadership development platform for professional women from various sectors and industries. It offers mentoring programs for female entrepreneurs, supports companies in developing gender diversity programs, and organizes networking events to foster entrepreneurship among Romanian women.

- **Women in Tech:** A leading global organization dedicated to **inclusion, diversity, and equity in STEM**, with a mission to **bridge the gender gap and empower women to embrace technology**. The organization supports women through mentoring programs that guide career development, talent-hub events to promote networking, and certification programs for senior female executives. Additionally, it operates a crowdfunding platform to support female-owned startups.

These NGOs complement government and private sector efforts by addressing critical financial and business challenges women face, particularly in accessing credit, improving financial literacy, and building entrepreneurial skills. These efforts help reduce gender disparities and unlock economic opportunities for women in Romania.

## Barriers Facing Women in Business

Women in Romania, however, face substantial barriers to accessing and succeeding in employment and entrepreneurial opportunities, largely driven by socio-cultural attitudes. Interviews with gender-focused NGOs and experts from Romania highlight the adverse effects of traditional gender roles and stereotypes on women's financial inclusion.<sup>41</sup>

Caregiving responsibilities and expectations to fulfill traditional roles create a "double shift" workload for many women, limiting their career and financial opportunities. Access to childcare services remains insufficient, which further burdens working women. In addition, discriminatory practices and gender stereotypes hinder women's employment prospects and entrepreneurial success.

These barriers constrain women's access to financial services, restrict their ability to attract capital and reduce their competitiveness in business. As a result, women's income potential and financial independence are significantly impacted.

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41. Interviews were conducted with the following organizations: Romnija, FILIA, Association for Freedom and Gender Equality (A.F.G.E.), Women in Tech, and Romanian gender expert Dr. Vicențiu-Robert Gabor.



## Enablers and Barriers to Women's Financial Inclusion in Romania

The table below summarizes the barriers and enablers to women's inclusion in Romania.

Macroeconomic Environment	While Romania has lower education rates than other EU countries, the proportion of women completing university is increasing among younger generations ( <b>30%</b> for those below age 34 compared to <b>10%</b> for those over age 65). In 2021, Romania had the highest number of women STEM graduates in higher education in the EU.	Enabler
	The unemployment rate is on par with the EU average, but labor force participation rates for women are considerably lower than for men in Romania ( <b>43%</b> vs. <b>62%</b> ).	Barrier
Technology & Digital Enablement	Nearly <b>95%</b> of Romanian households have broadband internet access, on par with other EU countries.	Enabler
	Basic digital skills among Romanian women are the lowest in the EU, with only <b>26%</b> possessing these skills compared to the EU benchmark of <b>52%</b> for women aged 16–74).	Barrier
Legal Framework	Constitutional rights are in place to guarantee equality non-discrimination.	Enabler
	Legislation provides social support, including family welfare, maternity leave, and protection against domestic violence.	Enabler
	EU strategic directives on gender equality and digital education are implemented at the regional level in Romania.	Enabler
Government Support	Government-sponsored programs promote entrepreneurship for women, including grants, education, training, and mentorship opportunities for participants.	Enabler
Socio-cultural Attitudes	Romanian women have greater access to higher education and employment outside of the home than in the past.	Enabler
	Expectations for women to maintain traditional gender roles—such as caregiving for children and the elderly and domestic tasks, such as cooking and cleaning)—persist.	Barrier
	Despite legal protections, workplace harassment and gender discrimination continue to inhibit women's career growth earning potential.	Barrier
NGO Support	A robust ecosystem NGOs supports women by advocating for gender equality and promoting initiatives that empower women.	Enabler
	NGOs have limited collaboration with the Romanian government on the development of gender inclusion policies and programs. NGOs expressed interest in sharing their expertise with government decision-makers but have not been sufficiently engaged or included.	Barrier



# Research Findings

## Demand-side Insights

The demand-side assessment focused on the population of individual women consumers and WMSMEs in Bucharest and Tier 2 and Tier 3 cities<sup>42</sup> to provide detailed insights for Romanian institutions.

Focus groups and individual interviews were used to gather insights into the needs and “pain points” of individual women and WMSMEs. A quantitative survey further validated hypotheses from the desk and qualitative research, quantifying the level of need.

The results are divided into two segments: individual women consumers and WMSMEs.

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<sup>42</sup>. City classification: Bucharest as the capital city; Tier 2 cities as county capitals; Tier 3 cities as the remaining smaller cities.

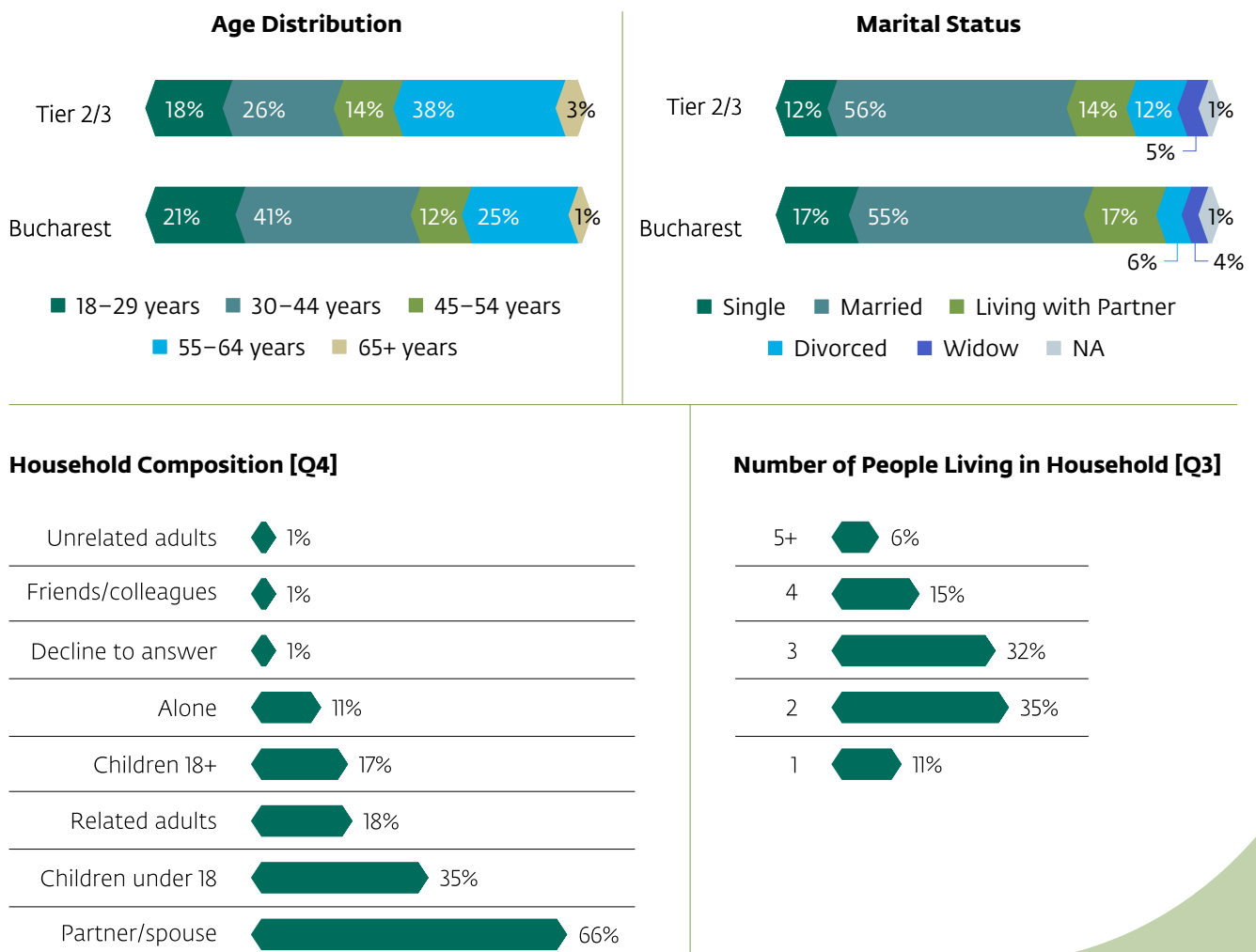
# Individual Women Consumers

## Profile

- The surveyed women are primarily well-educated, employed, and contribute significantly to family income. **Fifty percent** have higher education, and **73 percent** currently work and contribute to the family income.
- More than half (**56 percent**) are married, and **35 percent** have children under the age of 18, reflecting significant parental responsibilities.
- Of women interviewed, 38 percent and 3 percent were aged 55–64 and over 65, respectively, in Tier 2 and 3 cities; in Bucharest, 25 percent and 1 percent were aged 55–64 and over 65, respectively.

FIGURE 1

## Characteristics of Respondents



## Segmentation Methodology

To better understand and address the diverse financial behaviors and needs of women, the analysis included a segmentation analysis using a two-step cluster analysis. This approach, implemented in SPSS, groups women based on shared demographic characteristics, lifestyle factors, and financial needs, offering valuable insights into targeted service delivery.

For this analysis, key demographic factors such as age, household composition, and employment status were used to define the clusters. The methodology involves two key stages:

- 1. Pre-Clustering:** Cases are initially grouped into relatively small sub-clusters, ensuring efficient dataset processing
- 2. Clustering:** A hierarchical clustering method is then applied to merge sub-clusters into larger clusters to progressively form distinct segments

By employing this robust methodology, the analysis identifies actionable clusters that can help tailor financial products and services to the unique needs and lifestyles of women.

## Financial Behavior and Preferences of Women Consumers

### Access to and Use of Financial Products

- Nearly all women surveyed (**96 percent**) hold bank accounts, and most (**89 percent**) manage individual accounts rather than joint ones with a spouse or relative.
- Only **60 percent** use debit cards, revealing a gap in basic banking services usage.
- Less than **26 percent** of women currently use credit, investment, or insurance products despite high levels of awareness of these products. This gap suggests barriers to adoption, such as perceived complexity, lack of need, or lack of trust in banks.
- Additionally, **45 percent** of women believe there is a need for banking products specifically targeting women, even though they have never used such offerings.

### Financial Management Practices

- Female respondents play an important role in handling household finances; 72 percent reported they manage or co-manage household finances with a spouse or partner.
- Many women save inconsistently, with only **22 percent** saving regularly each month. Savings are typically modest, with **34 percent** saving up to **10 percent** and **30 percent** saving between **10 and 20 percent** of their income. **Thirty percent** of women do not save at all, citing insufficient income, highlighting financial constraints.
- Though they access digital touchpoints, with more than **66 percent** reporting the use of mobile payments in the past year, 25 percent of women continue to engage with and value traditional banking channels and offline interactions, such as with automated teller machines (ATMs), branches, and banking agents.

### Product Preferences and Utilization

- Slightly more than half (**53 percent**) of women from urban areas generally borrowed money in the past 12 months. However, they prefer borrowing from friends and family (**31 percent**) rather than more formal sources, with only **19 percent** borrowing

from commercial banks in the past year. Women typically prefer alternative sources over banks due to faster application processes, fewer bureaucratic hurdles, and higher approval rates. This preference reflects the urgent nature of their borrowing needs, often driven by family emergencies, medical care, and essential life expenses.

- Surveyed women demonstrate an awareness of financial products and services but report lower usage for advanced and higher-risk products. Most prioritize financial security, preferring safe savings products such as savings accounts or cash. **Debit cards** are the most commonly used product (**60 percent**), followed by savings accounts, insurance, and credit cards at approximately **40 percent** each.
- Despite high levels of financial inclusion, significant gaps remain in the usage of financial products. While

only **66 percent** manage to save from their monthly income, **51 percent** do not currently have a savings account. Similarly, **53 percent** of women borrowed money in the last year, but only **19 percent** relied on commercial banks for credit.

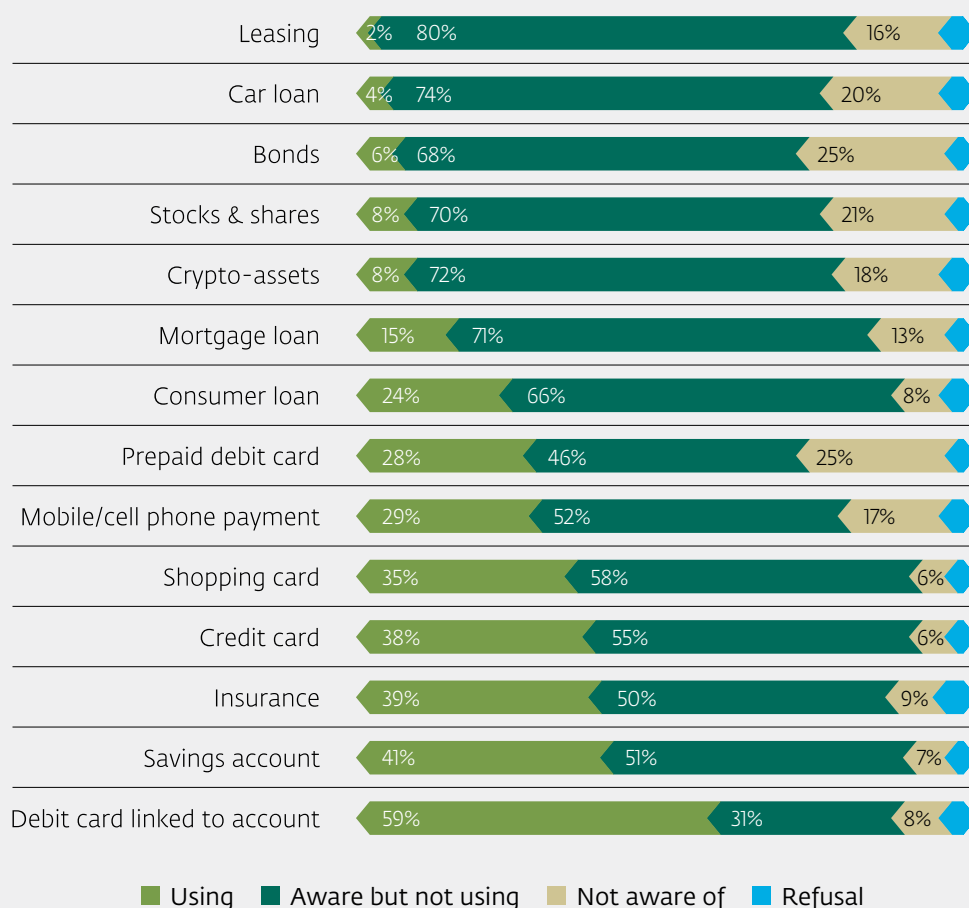
- Long-term savings are a priority for **30 percent** of women, while **22 percent** seek investment products, demonstrating demand for accessible investment solutions. This signals significant unmet demand.

### Attitudes Toward Gender-Inclusive Products

- Women surveyed express a strong interest in financial education to increase their literacy and prioritize transparency, reliability, and customized services from financial providers. Furthermore, **41 percent** of women surveyed seek more financial advice from their FSPs.

FIGURE 2

### Financial and Banking Product Usage by Female Individuals



### Attitudes Towards Banks

- There is a clear lack of confidence among women in banks and their perceived value. Fewer than half of the women surveyed understand how banks can support them and their families, and trust in the banking sector remains low.
- **Seventy percent** of women feel that banks do not support their financial well-being. Despite this, nearly **60 percent** report positive interactions and find it easy to access information on banking services. This contrast indicates a disconnect between the services banks provide and the value perceived by customers.
- Despite high levels of financial product awareness and account ownership, fewer than half of women respondents reported that they “generally trust the banking sector.”

### Needs for Financial Products and Services

- A substantial gap exists between the current and desired use of savings and investment products, with a **13 percent difference** in investment options alone. This demonstrates unmet demand among female customers.
- The most commonly used products among women are **savings, consumer loans, and insurance**. However, many women who are not currently using these products have expressed interest in doing so in the future:
  - » **20 percent** express interest in savings products
  - » **14 percent** are interested in consumer loans
  - » **18 percent** would like to use insurance
- Among women **not** currently using insurance products, **20 percent** express an interest in using **insurance products** for themselves, while **19 percent** want insurance products for their children and families.
- There is also interest in less commonly used financial products, such as **investments, retirement planning, and mortgages**. For instance:
  - » **22 percent** of women express interest in investment options
  - » **21 percent** are interested in retirement planning
  - » **18 percent** are interested in mortgage loans
- Women surveyed prioritize financial security for themselves and their families. They seek financial solutions such as savings products, insurance (home,

health, and life), investments, and retirement planning (including private pension plans).

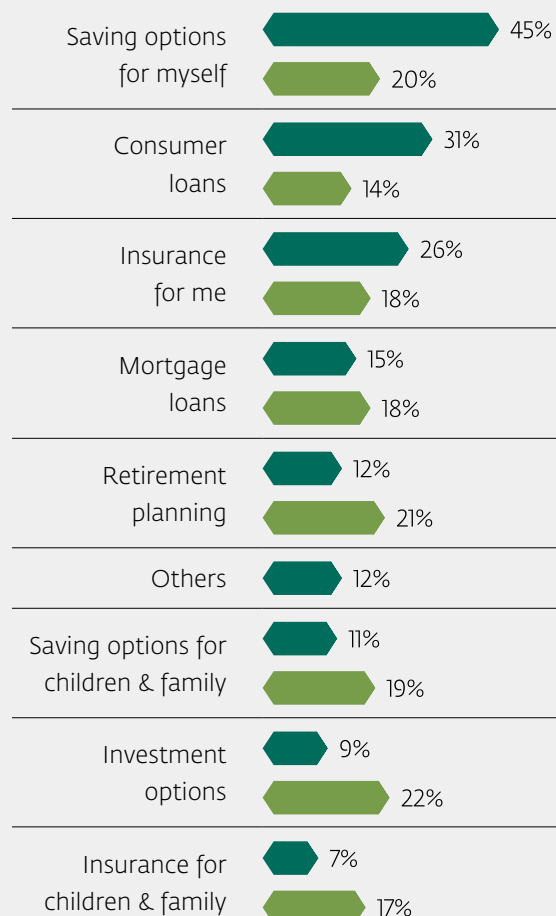
- They also prioritize financial security, with **69 percent** citing a family emergency fund as their top savings objective and **22 percent** expressing an interest in retirement planning products.

These findings show that women value financial products that provide long-term financial growth and security.

FIGURE 3

### Current Use versus Desired Use of Financial Products and Services

Percentage of women that indicated they are using, or want to use, the following financial products:



■ What financial services and products are you currently using?

■ What financial services and products are you not using but would like to use?



## Service Experience Needs

- Women customers surveyed prioritize **low costs** (lower fees and fair interest rates) and **pricing transparency** as their top expectations<sup>43</sup> from financial institutions.
- **Digital access** follows as the next priority, reflecting increased customer demand for tools to manage finances and conduct transactions online. **Thirty-seven percent** express interest in better online services, while **32 percent** prefer personalized products and clear communication from their banks.
- Less emphasis is given to traditional factors, such as bank size and market experience. However, **41 percent** of women are interested in **financial advice**, indicating a need for a better understanding of available financial products.

43. The surveyed women responded to the question: "Which of the following are your main expectations from a bank?"

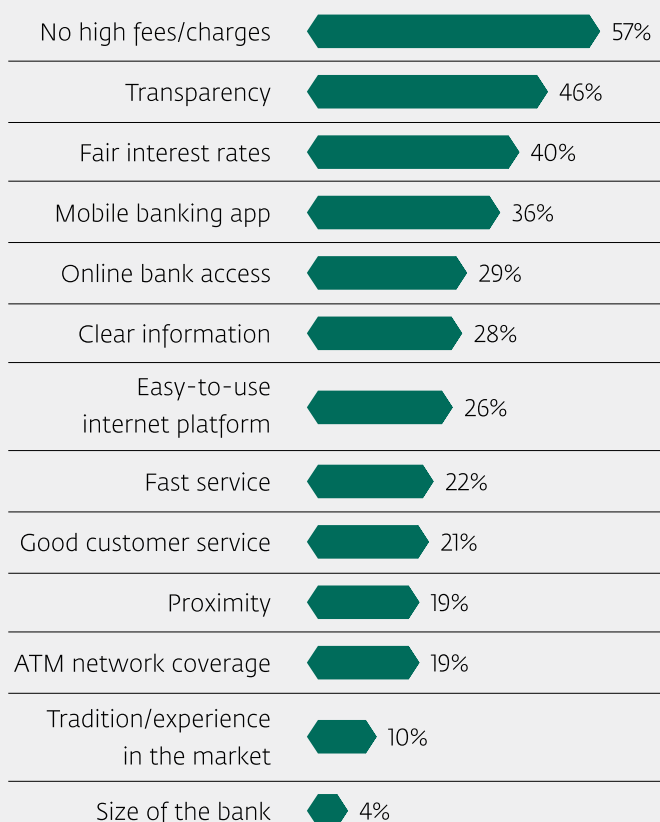
## Non-Financial Needs

- In most age groups, at least half of the women surveyed have a desire to improve their knowledge in managing, saving, and investing money, demonstrating a demand for **financial education and advice**. Young women (**62 percent**) showed the most interest.
- More than half of younger women (**51 percent**) show a strong interest in **developing entrepreneurial skills**, such as starting and running a business.
- In contrast, **38 percent of women surveyed over 55**—the silver economy—are interested in **financial education (over 50 percent)** and improving digital skills (about **30 percent**).
- **Fifty-three percent are interested in financial education and advice** to build their financial literacy and confidence in using advanced financial products.
- Romanian women seek **financial advisory services** tailored to their needs, as well as educational workshops on managing personal and family finances.

FIGURE 4

## Expectations from Banks and Unmet Needs from Banks

### Main Expectations from a Bank



### Unmet Needs from Banks

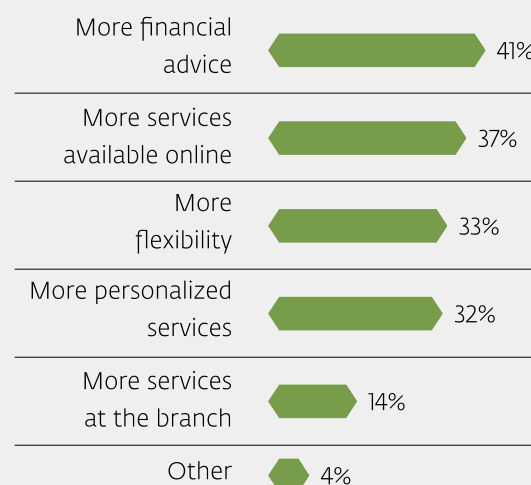
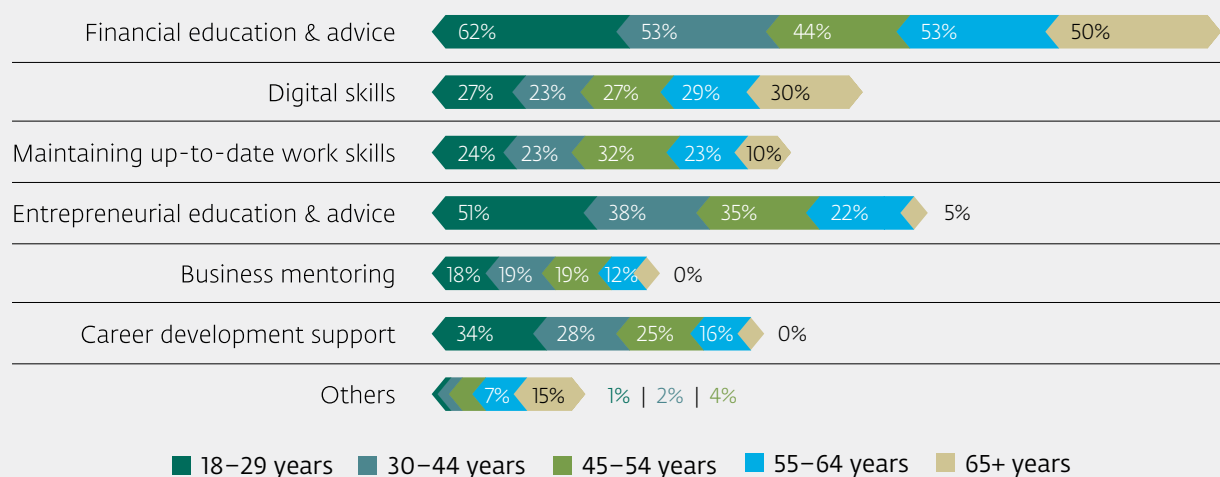


FIGURE 5

## Topics Supporting Personal Development Needs by Age Group

Percentage of women interested



## Summary of Women's Individual Segments

	Demographic Profile	Financial Needs & Behavior	Non-Financial Needs
<b>Empowered Working Mothers (26% of the population)</b>	<ul style="list-style-type: none"> <li>Age 30-55 (61%)</li> <li>University (65%)</li> <li>Average-high household income</li> <li>Employed (100%)</li> <li>Partner/spouse (100%)</li> <li>Children under 18 (71%)</li> <li>Co-manage budget with partner (89%)</li> </ul>	<ul style="list-style-type: none"> <li>Saves occasionally (48%)</li> <li>Did not borrow in last 12 months (46%)</li> <li>Have a mortgage loan (1 in 3) or are interested in obtaining one. Also likely to take a loan for house renovation</li> <li>Use or are interested in saving options for family and children</li> <li>Non-cash payment methods: debit card (73%), mobile payments (36%)</li> </ul>	<ul style="list-style-type: none"> <li>Financial education and advice (46%)</li> <li>Entrepreneurial education and advice (40%)</li> </ul>
<b>Independent Professionals (16%)</b>	<ul style="list-style-type: none"> <li>Age 18-44 (86%)</li> <li>University (54%)</li> <li>Low-average household income</li> <li>Employed (100%)</li> <li>Partner/spouse (64%)</li> <li>Co-manage budget with partner or adult relative (79%)</li> </ul>	<ul style="list-style-type: none"> <li>Saves occasionally (51%)</li> <li>Did not borrow in last 12 months (39%)</li> <li>Non-cash payment methods: debit card (55%), mobile payments (37%), credit cards (26%)</li> <li>Mortgage loans for home/apartment (29%)</li> <li>Investment options (24%)</li> <li>Saving products for self (24%)</li> </ul>	<ul style="list-style-type: none"> <li>Financial education and advice (53%)</li> <li>Entrepreneurial education and advice (47%)</li> </ul>

## Summary of Women's Individual Segments, continued

	Demographic Profile	Financial Needs & Behavior	Non-Financial Needs
<b>Students (6%)</b>	<ul style="list-style-type: none"> <li>• Age 18–29 (78%)</li> <li>• Mid-level education (100%)</li> <li>• Low–average household income</li> <li>• Students (100%)</li> <li>• Partner/spouse (43%), Other adult relatives (43%)</li> <li>• Co-manage budget with partner or adult relative (63%)</li> </ul>	<ul style="list-style-type: none"> <li>• Does not save (50%)</li> <li>• Did not borrow in last 12 months (46%)</li> <li>• Non-cash payment methods: debit card (57%), mobile payments (35%)</li> <li>• Mortgage loan for home/apartment (29%)</li> <li>• Saving products for self (22%)</li> <li>• Investment options (22%)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial education and advice (59%)</li> <li>• Entrepreneurial education and advice (43%)</li> <li>• Career development (46%)</li> </ul>
<b>Homemakers (9%)</b>	<ul style="list-style-type: none"> <li>• Age 55–64 (61%)</li> <li>• Low–medium education (65%)</li> <li>• Low–average household income</li> <li>• Housewife/maternal leave/unemployed (100%)</li> <li>• Partner/spouse (86%)</li> <li>• Children under 18 (29%)</li> <li>• Co-manage budget with partner or adult relative (76%)</li> </ul>	<ul style="list-style-type: none"> <li>• Does not save (63%)</li> <li>• Did not borrow in last 12 months (49%)</li> <li>• Non-cash payment methods: debit card (41%)</li> <li>• Saving options for children and family (25%)</li> <li>• Insurance products for children and families (22%)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial education &amp; advice (54%)</li> <li>• Digital skills (26%)</li> </ul>
<b>Experienced Family Managers (17%)</b>	<ul style="list-style-type: none"> <li>• Age 55–64 (94%)</li> <li>• University (51%)</li> <li>• Average–high household income</li> <li>• Employed (69%)</li> <li>• Partner/spouse (97%)</li> <li>• Children under 18 (27%)</li> <li>• Co-manage budget with partner (96%)</li> </ul>	<ul style="list-style-type: none"> <li>• Saves occasionally (54%)</li> <li>• Did not borrow in last 12 months (60%)</li> <li>• Non-cash payment methods: debit card (67%), meal tickets/cards (20%)</li> <li>• Retirement planning (28%)</li> <li>• Insurance product for self (25%)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial education and advice (53%)</li> <li>• Maintaining up-to-date work skills (25%)</li> </ul>
<b>Mature Employed Singles (20%)</b>	<ul style="list-style-type: none"> <li>• Age 55–64 (56%)</li> <li>• University (61%)</li> <li>• Low–average household income</li> <li>• Employed (94%)</li> <li>• Single, divorced, or Widowed (81%)</li> <li>• Children under 18 (48%)</li> <li>• Manage budget alone (88%)</li> </ul>	<ul style="list-style-type: none"> <li>• Saves occasionally (41%)</li> <li>• Did not borrow in last 12 months (40%)</li> <li>• Non-cash payment methods: Debit Card (67%), mobile payments (30%)</li> <li>• Investment options (31%)</li> <li>• Retirement planning (29%)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial education and advice (57%)</li> <li>• Digital skills (41%)</li> <li>• Business mentoring (23%)</li> </ul>
<b>Retired (7%)</b>	<ul style="list-style-type: none"> <li>• Age 55+ (98%)</li> <li>• Low–medium education (58%)</li> <li>• Low household income</li> <li>• Retired (100%)</li> <li>• Children under 18 (71%)</li> <li>• Other adult relative (19%)</li> <li>• Manage budget alone (83%)</li> </ul>	<ul style="list-style-type: none"> <li>• Does not save (43%)</li> <li>• Did not borrow in last 12 months (58%)</li> <li>• Non-cash payment methods: debit card (60%), mobile payments (21%)</li> <li>• Consumer loan (27%)</li> <li>• Saving product for self (25%)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial education and advice (45%)</li> <li>• Digital skills (30%)</li> </ul>

# Women-owned MSMEs

## Profile

The survey of 200 WMSME owners revealed that most women business owners are in their prime working years (ages 33–44), highly educated, married, and balancing entrepreneurship with family responsibilities.

## Financial Behavior and Preferences

### Access and Use of Financial Products

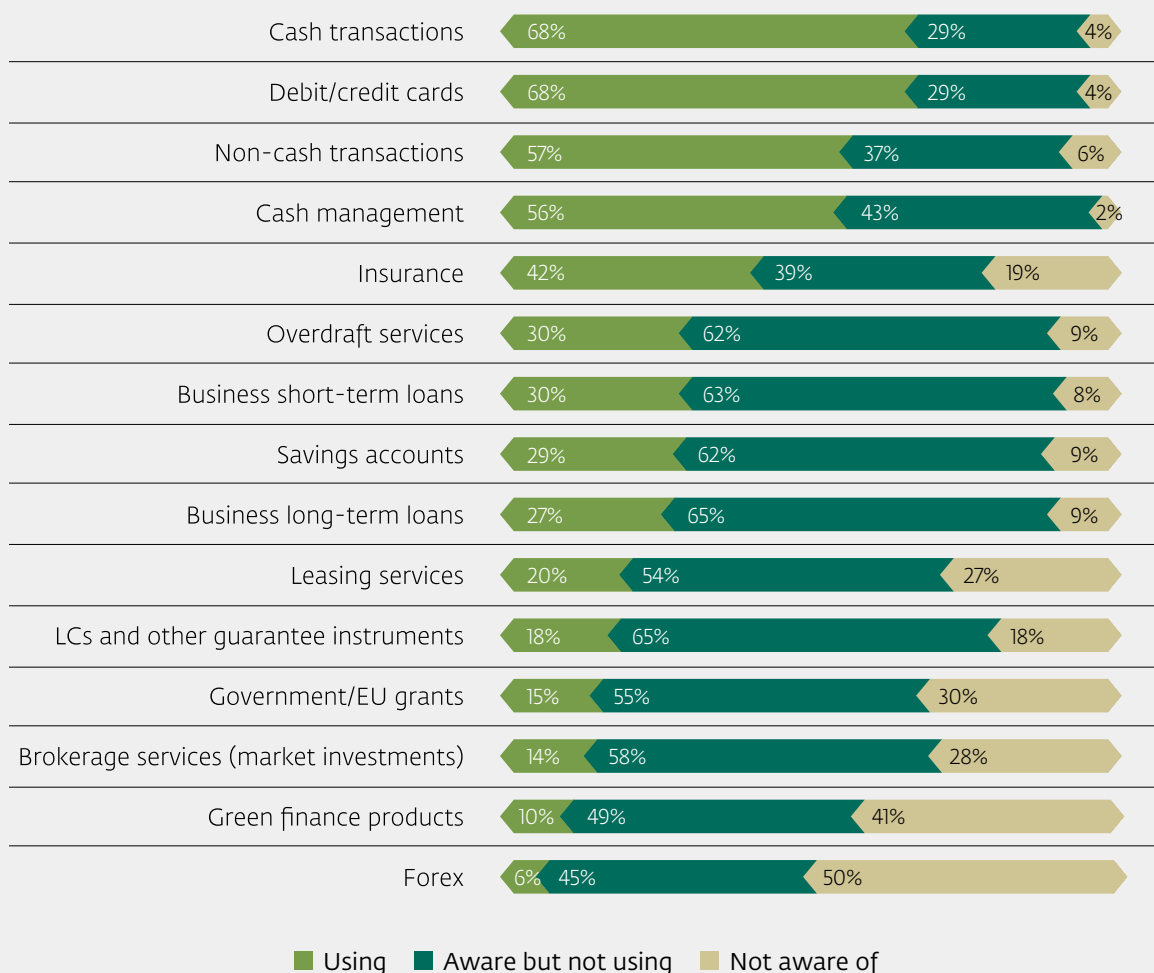
- While nearly all WMSMEs surveyed have a business bank account, only **75 percent** of women-owned microenterprises do. Additionally, only **37 percent** of WMSMEs currently rely on bank loans, preferring

to fund their businesses primarily through personal equity, company profits, and personal loans. Key reasons for relying on internal funding sources include lower cost of money, fewer complications, and faster processing.

- The majority of women business owners consider company profits or retained earnings as their primary financing source, reflecting a strong reliance on internal funding.
- “Own equity” is the second most common source of financing, demonstrating significant personal investment and commitment to their ventures.

FIGURE 6

### WMSME Awareness and Use of Banking and Financial Services



- **Fifty-three percent** of WMSMEs fund business growth through personal loans or credit cards, compared to **38 percent** using bank loans.

### Financial Management Practices

- Romanian women business owners take a **hands-on approach** to managing their business finances, with **75 percent** personally overseeing this critical aspect of operations. This proactive approach highlights their commitment to and control over the financial health of their businesses.
- They actively manage their finances using both **traditional and digital banking channels**, with most business operations relying on a mix of cash and digital transactions. Their preferred banking methods<sup>44</sup> include ATMs (**57 percent**), branch visits (**61 percent**) and internet banking via computer (**56 percent**), indicating a blend of traditional and digital banking preferences and a strong reliance on cash transactions.

### Product Preferences and Utilization

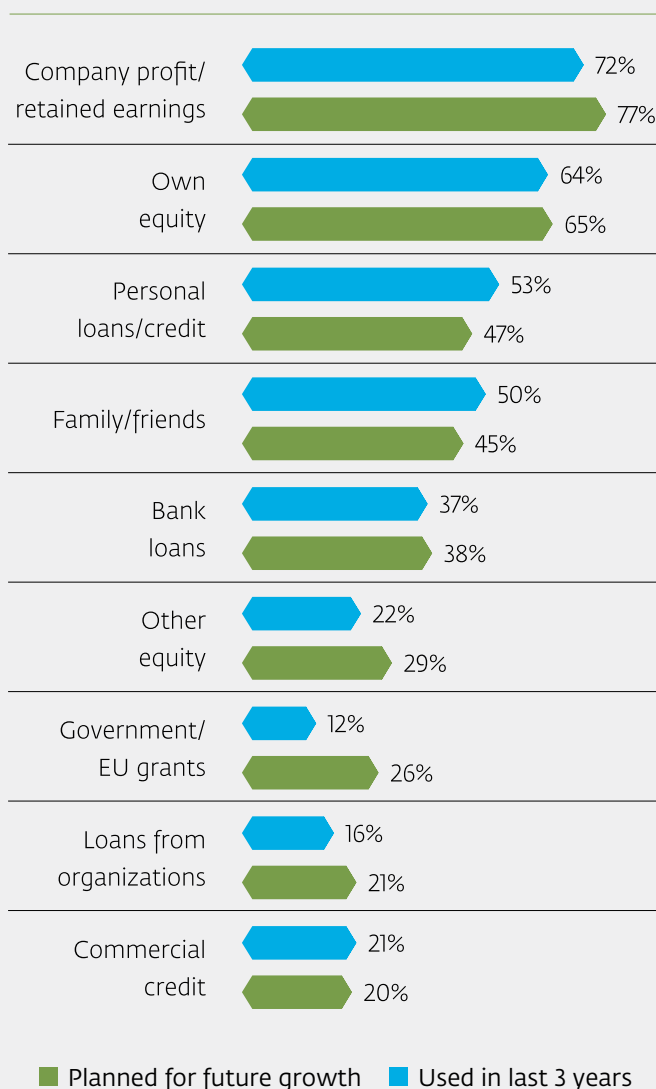
- Women business owners and entrepreneurs primarily fund business growth through internal funds, personal equity, and their networks due to lower costs and simpler administration. Their financial behaviors indicate a preference for familiar financial products in daily transactions, such as cash, payment cards, and non-cash methods.
- In contrast, products such as brokerage services for market investments and long-term loans remain underutilized despite high levels of awareness. However, interest in lending options is growing, with **30–37 percent** considering using them in the future.

### Attitude Toward Gender-Inclusive Products

- Opinions on gender-inclusive banking services are divided, suggesting a need for broader discussions about the role of FSPs in supporting female entrepreneurship.
- Micro-entrepreneurs are much more likely than small and medium business owners to believe that gender-inclusive products are necessary.

FIGURE 7

### Methods Used and Planned to Finance Business Growth, 2021–23



44. The survey question specifically asked about interactions with financial institutions, not transactions.

## Challenges

Women business owners face significant challenges that hinder business development. Key barriers include:

- Bureaucratic and regulatory complexities (**69 percent**)
- Difficulties understanding fiscal laws (**59 percent**)
- Limited access to financing, capital, and inadequate networks to support sales and business development (**55 percent**)

All WMSMEs, particularly micro companies, are significantly under-informed about and underutilize government and EU-funded grants and programs. Other notable challenges include workforce shortages and high employee salary expectations.

## Needs for Financial Products and Services

- **WMSMEs seek additional funding primarily for business development, new ventures, and marketing.** This growing interest in lending highlights a potential opportunity for financial service providers to develop targeted products that address these specific needs.

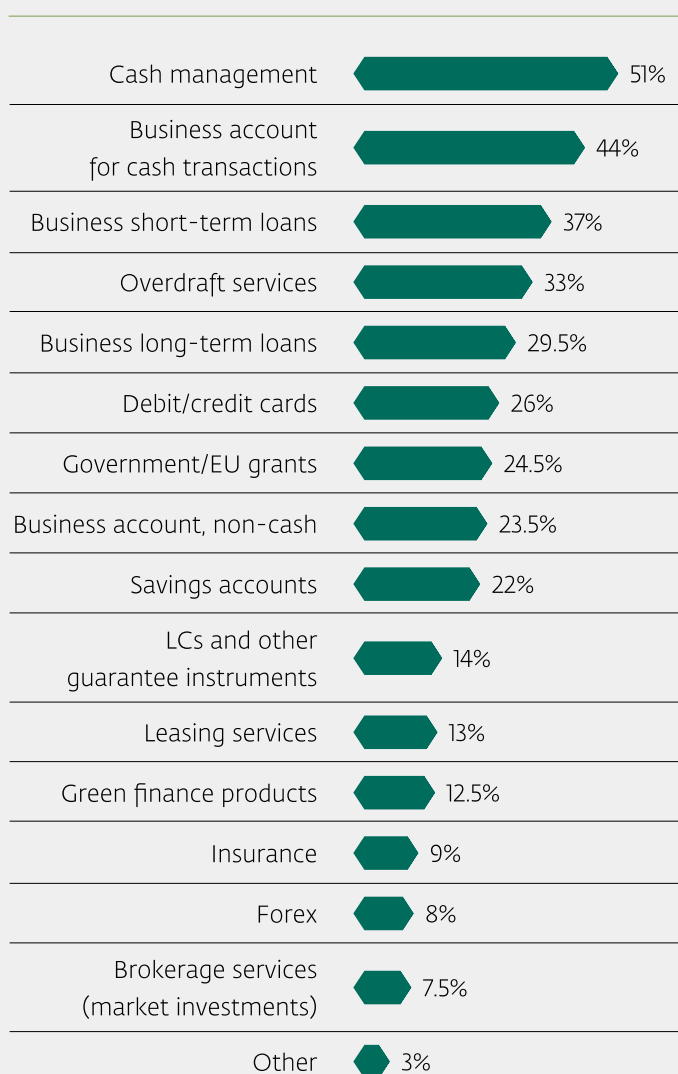
- Women business owners seek better **access to cash management, business accounts, and flexible credit.** Fifty-one percent identified cash management services as a priority, highlighting the need to optimize daily financial operations and cash flow. Business bank accounts are also essential for separating business and personal finances. Among

WMSMEs, cash management is the most sought-after financial product, followed by business bank accounts for executing cash transactions.

- **Thirty-seven percent** of women business owners also reported a **need for short-term loans to secure working capital**, reflecting the need for liquidity to sustain and grow their businesses.
- Most women business owners reported that their banks do not offer products or services specifically tailored to women. This suggests a gap in the market where financial institutions may not fully address the unique needs or challenges of WMSMEs highlighted in this study. The varied opinions on banking products tailored to WMSMEs suggest a broader discussion is needed about their role in supporting entrepreneurship. A significant proportion of undecided respondents points to a possible lack of information or mixed feelings about the effectiveness or necessity of such services, likely stemming from a limited experience with gender-targeted financial products.

FIGURE 8

### Financial Products and Services Not Currently Used but Desired by WMSMEs





## Service Experience Needs

- When asked what they most value from a bank, the top two priorities cited by women business owners were **convenience in accessing and using financial products and services (96 percent)** want banking features to be convenient and easy to use) and **being treated with respect by banking personnel (89 percent)** want to be treated like “the boss that I am”). These responses reflect the demanding life-styles of entrepreneurs and may also hint at challenges women business owners face due to gender biases and stereotypes or socio-cultural attitudes.
- Women business owners use a mix of online and offline channels to interact with their banks, with in-person engagement being the preferred method.
- The most preferred offline channels are ATMs (**67 percent**) and branch visits (**61 percent**). The most preferred online channels are internet banking on PCs (**61 percent**), followed by mobile apps or wallets (**53 percent**). This demonstrates the importance of creating multi-channel experiences for business customers.
- **Transparency, respect, and accessibility** stand out as the cornerstones of an ideal banking experience for business owners.

## Non-Financial Needs

- Women business owners face limited access to **training and mentoring programs** but show interest in future opportunities, demonstrating a need for flexible, targeted support.
- **Eighty percent** of women business owners have not participated in training on financial literacy, managerial skills, or business development offered by banks or financial institutions. This gap spotlights a pressing need to provide educational resources, as many women entrepreneurs must navigate their business journeys without the tools necessary for growth and success.

- Key areas of interest for future training sessions among WMSMEs include **training in business expansion, financial literacy, and personal development**.
- More than **80 percent** of WMSMEs have never taken part in educational training offered by a bank, but more than **80 percent** of that number express a strong interest in doing so in the future. While they lack access to essential training and mentoring programs, their high level of interest in future opportunities highlights the need for **flexible and targeted educational support** aligned with their business needs.

FIGURE 9

### Topics of Greatest Interest for Training Sessions for WSMEs



## WMSMEs Segments

To help FSPs tailor solutions for the WMSME market effectively, the market segmentation below is based on business size, categorized by number of employees and annual revenue, following the EC definition.

### Summary of WMSMEs Segments

	Company & Owner Profile	Financial & Non-Financial Needs and Behaviors
<b>Solopreneurs</b>  <b>(90% of the population combined with the micro segment; 22% of surveyed women)</b>	<ul style="list-style-type: none"> <li>• Solopreneurs (one employee)</li> <li>• 82% report annual revenue less than €25K, youngest set of companies between 1–6 years in operation (64%)</li> <li>• Mostly registered as Limited Liability Companies (53%) and Sole Proprietorships (46%)</li> <li>• Relatively optimistic segment despite most not growing in the last year; 63% expect growth in the next two years</li> <li>• Top sectors include professional services, retail and wholesale, and health and social services</li> <li>• About 50% are university graduates, mostly partnered; some have children, mostly in Tier 2 &amp; 3 cities</li> </ul>	<ul style="list-style-type: none"> <li>• Internet banking and physical branch visits are preferred channels</li> <li>• The top financial services in use are transactions (both cash and non-cash transactions) and payment cards; they are less likely than other segments to have a business bank account</li> <li>• More likely than other segments (32%) interested in government or EU-funded grants and green finance products (30%), less interested in business loans</li> <li>• 84% rely on their own equity and 80% on company profits to finance business growth</li> <li>• 55% interested in training from banks (Financial Literacy, Personal Development)</li> <li>• Lowest % of cash transactions in turnover across all segments</li> </ul>
<b>Micro Businesses</b>  <b>(90% of the population combined with the solopreneur segment; 38% of surveyed women)</b>	<ul style="list-style-type: none"> <li>• 1–10 employees</li> <li>• Annual revenue is mostly €25K–€100K (92%), and company age is mostly under 10 years (67%); the majority are registered as SRL</li> <li>• Despite most not growing in the past year, 42% expect to grow, 35% stay the same</li> <li>• Moderate amount of cash transaction in turnover, compared to other segments</li> <li>• The largest sector is retail</li> <li>• Average level of education, majority are partnered, many have school-age children, living mostly in Tier 2 &amp; 3 cities</li> </ul>	<ul style="list-style-type: none"> <li>• More likely than other segments (71%) to use mobile/app wallets, also use internet banking (66%) and ATM</li> <li>• Top financial services used today are transactions (cash and non-cash), cash management services, and payment cards</li> <li>• More likely than other segments to be interested in overdraft products (31%), government or EU-funded grants (26%), and long-term business loans (26%)</li> <li>• Fund their businesses with their own equity (75%), company profits (72%), and some personal loans (51%)</li> <li>• 45% interested in training from banks (expanding business and financial literacy), 38% are very interested in mentoring support; do not have a strong opinion if women need targeted banking products</li> </ul>

## Summary of WMSMEs Segments, continued

	Company & Owner Profile	Financial & Non-Financial Needs and Behaviors
<b>Small Business</b>  <b>(8% of the population; 25% of women surveyed)</b>	<ul style="list-style-type: none"> <li>• 11–50 employees</li> <li>• Variability of annual revenue among the segment, but nearly all fall below €1 million</li> <li>• These companies are mature; most have been operating for 10+ years (78%) and have been growing or stable within the last year</li> <li>• Though 2/3 expect to grow in the next two years at a moderate level, they are striving for stability over large growth</li> <li>• A higher percentage of cash-based transactions compared to other segments</li> <li>• Top business sectors include retail, manufacturing, food production and processing</li> <li>• Higher level of education, the majority are married, many have school-age children, living in mostly Tier 2 &amp; 3 cities</li> </ul>	<ul style="list-style-type: none"> <li>• More likely than other segments to use payment cards (76%), and banking agents (62%)</li> <li>• Top financial services in use today are payment cards, transactions (cash-based), overdrafts, short and long-term loans</li> <li>• They are more likely than other segments to be interested in cash management solutions (58%) and in both short and long-term business loans (40%)</li> <li>• They fund their businesses with company profit (70%) but also rely on debt with personal loans (58%), plus loans from banks and family and friends (62%)</li> <li>• They need additional funding for business development (78%) and starting a new business (50%)</li> <li>• Very interested in trainings organized by banks</li> </ul>
<b>Medium Businesses</b>  <b>(1–2% of the population; 15% of the surveyed)</b>	<ul style="list-style-type: none"> <li>• 50+ employees</li> <li>• 40% have revenue above €1 million</li> <li>• These companies are mature; most have been operating for 10+ years (70%) and are growing</li> <li>• Most optimistic segment: 83% expect sales to increase in the next two years and have a growth-oriented mindset</li> <li>• A higher percentage of cash-based transactions compared to other segments</li> <li>• Top business sectors include retail, manufacturing, construction</li> <li>• Higher level of education, the majority are married, only a few have school-age children, living in mostly Tier 2 &amp; 3 cities, though more in Bucharest, if compared to other segments</li> </ul>	<ul style="list-style-type: none"> <li>• Most likely of all segments to visit branches (83%), use banking agents (83%), visit ATMs, and have the most physical interaction with banks</li> <li>• Top financial services in use today are payment cards (63%), transactions (73%), overdrafts (50%), short and long-term loans (50%)</li> <li>• More likely than other segments to be interested in cash management solutions (77%) and short-term (50%) business loans.</li> <li>• The reasons for funding are: Business development (73%), HR related (73%), and starting a new business (60%)</li> <li>• 73% planning to finance their businesses with company profits but also rely on debt with personal loans/credit cards (70%), loans from friends and family, and loans from banks</li> <li>• 83% are very interested in training organized by banks, especially how to improve networking skills, and brand creation/management; 63% are very interested in mentoring support.</li> </ul>

# Supply Gap Assessment

The financial sector in Romania consists of numerous institutions providing loans to individuals and corporations. Our analysis focused on the top 10 universal banks in Romania and found that while all implement financial inclusion strategies aimed at women, **none currently offer products specifically tailored to the needs of women** (though one bank indicated that such products are under development). This evaluation involved an analysis of publicly available information supplemented by interviews with selected institutions.

The key finding is that Romania's leading banks employ a non-differentiated approach to financial inclusion and support of entrepreneurship, offering tools applicable to all customers but lacking customization for the needs of women. The analysis reviewed factors such as the availability of financial products, inclusive communication strategies, financial education initiatives, and entrepreneur-specific support, including event sponsorships, networking, mentoring programs, and public-private partnerships supporting MSMEs. While some banks participate in or sponsor events and other programs for women entrepreneurs, these initiatives are limited in scale.

Therefore, there is a significant opportunity for financial institutions to tailor their existing financial and non-financial services to address the unique needs of women entrepreneurs and customers.

From interviews with select leading banks in Romania, key differences in serving women versus men customers were identified, though banks currently adopt a non-differentiated approach to gender, citing other priorities. Key differences between men and women included:

- **Perceived risk aversion:** Women are perceived as more risk-averse than men, prioritizing financial security. As a result, women demonstrate higher uptake of savings products but lower engagement with credit and investment products.

- **Service preferences:** Women place greater emphasis on safety, security, transparency, clarity, and the quality of financial services than men.
- **Interest in financial education:** Women show more interest in financial education and building their financial knowledge. They often seek more information and support to make informed financial decisions.

However, FSPs prioritize factors they perceive as more important than gender, which limits the adoption of some gender-inclusive approaches:

- **Age as a key driver:** Age is perceived as a more significant driver of financial needs than gender. Consequently, banks design products around age demographics and life stages, which are seen as having greater economic importance.
- **Perceived similarities in entrepreneurial challenges:** Banks generally perceive the challenges of starting a business in Romania as similar for both men and women. As a result, entrepreneurial support mechanisms—such as networking opportunities, education and training programs, and bundled product packages—are largely gender-neutral. While one bank acknowledged that women often face more barriers in accessing these resources, the content and delivery are not customized to women.
- **Participation in government programs:** The banks' involvement in government-sponsored grant programs for entrepreneurs has facilitated the acquisition of new business customers of both genders, reinforcing their gender-neutral approach.

The intentional lack of gender-inclusive offerings and services reflects FSPs' current strategic priorities.

*No FSPs reviewed currently offer products specifically designed for women's needs; however, one bank indicated that gender-inclusive products are in development.*

# Market Opportunities for FSPs

Addressing gender disparities in Romania presents substantial economic opportunities for FSPs in the Romanian market. According to McKinsey & Company, closing the gender gap in workforce participation and entrepreneurship could increase the GDP of countries in Eastern and Central Europe by 8.3 percent by 2030.<sup>45</sup>

Despite the potential, Romania's major banks largely lack gender-inclusive offerings, providing limited non-financial services for female entrepreneurs and no tailored financial products. However, some FSPs are beginning to recognize key differences in the financial needs and behaviors of male and female customers. This unmet demand among individual women consumers and WMSMEs offers significant opportunities for FSPs to expand their presence in the women's market.

A key finding of the study is that women offer extraordinary opportunities for Romanian FSPs. By addressing the financial needs of urban women and WMSMEs, FSPs can unlock a market valued at \$27 billion, including \$11 billion in loans. This includes **\$16 billion in deposits, \$9 billion in loans** for urban women consumers, and **\$2 billion in loans** for urban WMSMEs.

## Individual Women Consumers

The Total Addressable Market (TAM) of women customers in urban areas of Romania is estimated at **4.5 million customers**,<sup>46</sup> with a Serviceable Addressable Market (SAM) of **4.3 million customers**, as **96 percent** of surveyed women currently have bank accounts.<sup>47</sup> By increasing the uptake of savings accounts, consumer loans, and mortgages among Romanian women, FSPs have the potential to unlock a **\$27 billion market** by capturing an additional **\$16 billion in deposits and \$9 billion in loans**. To realize this opportunity, FSPs need to deepen their understanding of women's financial profiles, behaviors, and specific needs.

45. McKinsey & Company, *Closing the Gender Gap in Central and Eastern Europe*, accessed November 21, 2024, <https://www.mckinsey.com/featured-insights/europe/closing-the-gender-gap-in-central-and-eastern-europe>.

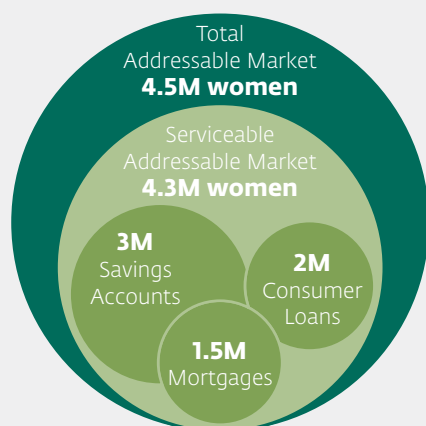
46. National Institute of Statistics, *Recensământul Populației*, and IFC, Quantitative Research Survey, 2024.

47. Asli Demirgüç-Kunt et al. *The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19*. Washington, DC: World Bank Group, 2022, 177. <https://www.worldbank.org/en/publication/globalfindex>.

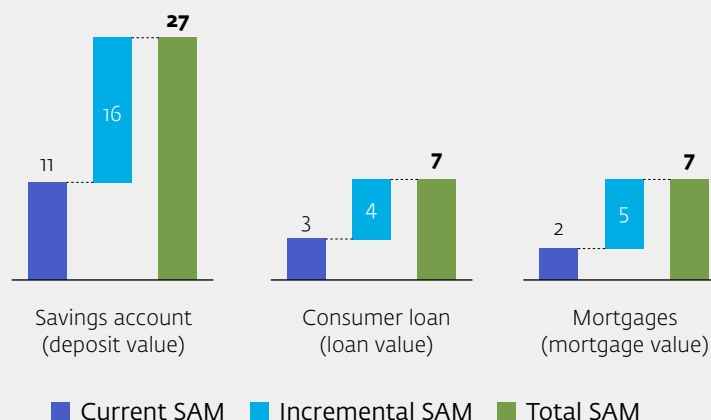
FIGURE 10

## Opportunities in the Urban Women Consumer Market in Romania

### TAM/SAM: Number of Women



### SAM: Value of Products (US\$, billions)



### Definitions

**TAM:** Women aged 18+ in urban areas of Romania

**SAM:** The portion of the TAM population who currently own bank accounts

**Financial Product SAM:** Women who currently utilize a specific product or have expressed interest to do so in the future

### Key Assumptions

- Current levels and future interest in product uptake rates from survey data were applied to national population data of women.
- In the absence of gender-disaggregated data, and based on research findings that women typically manage household finances and influence partners in making final decisions, the analysis assumed **one household = one female customer**.

## Women-owned MSMEs

The TAM of WMSMEs in urban areas is estimated at **193,000 businesses**,<sup>48</sup> with **116,000** serviceable through short-term loans, 110,000 through overdrafts, and **97,000** through long-term loans.<sup>49</sup> By addressing this market effectively, FSPs could capture an incremental **\$2 billion** in credit products from Romanian urban WMSMEs. This would require a solid understanding of WMSME profiles, financial behaviors, and specific needs.

48. Not including authorized natural persons, individual enterprises, and family enterprises.

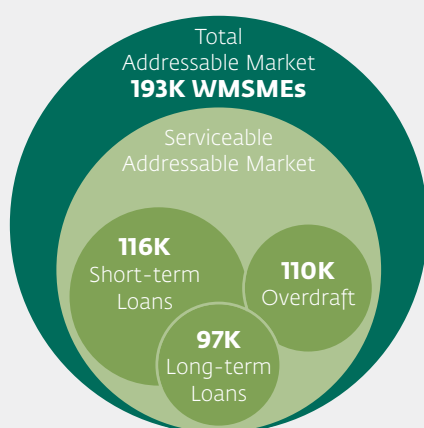
49. National Institute of Statistics, *Recensământul Populației*, and IFC, *Quantitative Research Survey*, 2024.



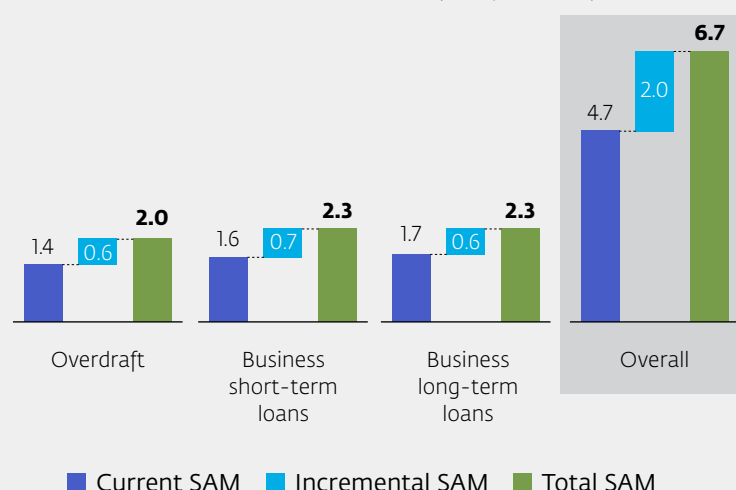
FIGURE 11

## Opportunities in the Urban WMSME Market

### TAM/SAM: Number of WMSMEs



### SAM: Value of Products (US\$, billions)



### Definitions

**TAM:** WMSMEs in urban areas of Romania

**Financial Product SAM:** The portion of the TAM population that currently uses a specific financial product or has expressed interest in doing so in the future

### Key Assumptions

- The total number of active MSMEs in Romania was estimated using data from the **National Institute of Statistics of Romania**.<sup>50</sup>
- Insights from the quantitative study were applied to assess current usage levels, willingness to use, and awareness of three types of financial products: overdrafts, business short-term loans, and long-term loans.
- The loan allocation level for the MSME segment was defined using official data from the **National Bank of Romania** on the total value of loans granted to non-financial corporations.

50. National Institute of Statistics, TEMPO Online Database, Statistical Business Register. Table RS1101A, Active enterprises, average number of employees, and turnover by activity of national economy at level of CANE rev. 2, classes and size classes based on number of employees, 2022." <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table>.

# Key Recommendations for FSPs

FSPs in Romania have a significant opportunity to unlock a \$27 billion market comprising \$16 billion in deposits, \$9 billion in loans for urban women consumers, and approximately \$2 billion in loans for urban WMSMEs. By addressing the financial needs of Romanian women, FSPs can bridge the gender finance gap while expanding their market reach and improving service quality.



## Challenges Faced by Individual Women Consumers and Women-Owned Businesses in Accessing Financial Services

- **Individual Women Consumers:** Romanian women face significant hurdles in accessing and using financial services. These include limited financial literacy, particularly among women engaged in the silver economy, which leads to low confidence in managing finances and navigating banking systems. Persistent cultural norms and traditional gender roles often result in financial dependence on male family members or a reluctance to independently engage with financial institutions. Complex and costly financial products, fears of hidden fees, and a lack of trust in financial institutions further discourage participation. In addition, uneven digital literacy and a lack of user-friendly digital banking services for those with low digital confidence or limited internet access create additional barriers.
- **Women-Owned Businesses:** Women entrepreneurs in Romania often face significant hurdles in managing business finances and accessing external funding. Many rely on personal savings due to limited awareness of or confidence in formal financial products and public financing opportunities such as EU grants. Bureaucratic complexity, unclear eligibility criteria, and time-consuming application processes discourage many from pursuing these resources. While some women have access to informal networks or business training, structured mentorships and tailored advisory services remain scarce. Additionally, women-led businesses—particularly micro and small enterprises—frequently report a need for more intuitive digital banking solutions and improved access to credit lines and cash flow management tools.

## Recommendations for FSPs Serving Both Segments

- **Conduct Sex-Disaggregated Data and Portfolio Analysis:** Collect and analyze sex-disaggregated data to understand the specific financial behaviors, needs, and challenges of women. This analysis will help identify gaps in current offerings and tailor products and services to better meet the needs of female customers. Use this data to inform a comprehensive, specialized, and human-centered approach.
- **Adopt a Human-Centered Approach:** By redesigning products, services, and communication strategies with women's needs in mind, FSPs can broaden their appeal to both individual women and WMSME segments. This includes addressing the specific needs of rural women and older women, who often face greater barriers to access.
- **Integrate Digital and Traditional Channels:** Create a better experience for women by offering financial services through both digital and traditional channels. Ensure that digital services are user-friendly and accessible to women with varying levels of digital literacy while maintaining convenient branch-based services for high-value transactions or those who prefer in-person interactions.
- **Build Trust and Transparency:** As less than half of women and WMSMEs trust the banking sector, FSPs need to build trust. This can be achieved through transparent banking services and fee structures, outstanding and reliable customer relationship management, and better communication with customers.

## Recommendations for FSPs for Individual Women Consumers

- ♦ **Design Gender-Inclusive Financial Products and Services:** Develop and promote financial solutions that directly address the diverse financial goals and life stages of women. Tailor products to specific needs such as education, family planning, homeownership, and retirement. For example, young women may benefit from contingency loans for education, skill development, or emergency expenses, while women in later life stages—particularly those engaged in the silver economy—may seek mortgage options to support children, loans for home renovations, or medical financing. Similarly, young mothers may prioritize products like children's education savings accounts, whereas women approaching retirement may value pension-linked savings plans or low-risk investment bundles. Bundled offerings that combine savings, insurance, and investment products can offer both security and convenience.
- ♦ **Strengthen Financial Capability Through Tailored Non-Financial Services:** Invest in financial education programs that build confidence and skills among women, adapting content to varying levels of financial literacy. These programs should be delivered through a mix of formats—including in-person workshops, digital learning modules, and one-on-one advisory sessions—to ensure broad accessibility. Focus areas may include personal budgeting, credit management, household financial planning, and basic investment literacy. Offering such services not only empowers women but also deepens client relationships and fosters long-term financial inclusion.

- ♦ **Enable Digital Inclusion—Especially for Women in the Silver Economy:** Promote the adoption of digital financial services among women, with particular emphasis on those in the Silver Economy who may face higher barriers to digital engagement. Provide in-branch digital onboarding sessions, user-friendly mobile applications, online tutorials, and dedicated customer support to build digital confidence. Offering simplified, intuitive interfaces and technical assistance can significantly increase the use of online banking, mobile apps, and other digital financial tools that are convenient and contribute to financial independence.

## Recommendations for FSPs for Women-Owned Businesses

- ♦ **Boost Access to EU Grants and Alternative Financing:** Enhance access to EU grants and alternative financing options like crowdfunding for women entrepreneurs. This goes beyond awareness campaigns to include:
  - » **Direct Grant Application Assistance:** Offer dedicated support services to guide women through the complex application processes, such as clarifying eligibility criteria and providing assistance with documentation.
  - » **Alternative Financing Workshops:** Organize workshops on alternative financing options like crowdfunding, angel investors, and venture capital to build confidence and demystify these avenues. FSPs can enhance this by identifying potential angel and venture capital investors from their existing client base. This approach not only supports women entrepreneurs in securing funding but also creates stronger connections and a more robust entrepreneurial ecosystem.

- **Enhance Business Financial Management with Intuitive Digital Tools:** Offer bundled products that integrate business accounts with intuitive digital tools addressing key financial management challenges:
  - » **Simplified Cash Flow Management Tools:** Provide user-friendly software or apps for invoicing, expense tracking, and budgeting tailored to the needs of micro and small enterprises.
  - » **Improved Digital Banking Solutions:** Develop and promote easy-to-use digital banking platforms with features specifically designed to address the needs of women entrepreneurs, including clear dashboards, simplified interfaces, and multi-lingual support.
- **Build a Holistic Business Support Ecosystem:** Create an integrated ecosystem that combines financial services with practical, tailored support to help women entrepreneurs grow and sustain their businesses.
  - » **Tax and Legal Advisory:** Partner with experts to deliver accessible, on-demand consultations or bundled packages helping businesses navigate Romanian regulatory frameworks.
  - » **Mentorship and Peer Networks:** Establish structured mentorship programs connecting experienced businesswomen with newer entrepreneurs. Develop structured mentorship initiatives and facilitate peer-to-peer learning communities to support knowledge exchange and professional growth.
  - » **Targeted Training:** Offer training in areas specifically requested by women entrepreneurs, including digital marketing, legal compliance, and work-life balance strategies.
- » **Collaboration with external providers** to offer a wider range of business support services.
- » **Flexible Delivery Channels:** Provide all non-financial services through a combination of online workshops, mobile-friendly platforms, and in-person sessions to accommodate various learning preferences and tech access levels.
- » **Accessible Digital Channels:** Deliver all services through accessible digital channels, recognizing the importance of online access for many women entrepreneurs.
- **Customize Financial Products for WMSMEs:** Continue to develop business products tailored to women business owners, such as credit lines with flexible terms, simplified application processes, and competitive interest rates, specifically addressing the needs of micro and small enterprises. Consider offering microloans with shorter repayment periods and lower initial capital requirements.





# Conclusion

The findings of this study provide a compelling business case for integrating gender finance into the Romanian financial sector. By offering tailored, inclusive financial products to individual women and WMSMEs, institutions can unlock significant untapped economic potential while addressing systemic gender barriers and evolving customer needs. Prioritizing gender-inclusive strategies aligns with global best practices and enhances the competitiveness of Romania's financial sector on the international stage.

This study also offers valuable insights and a comprehensive understanding of the current financial behavior of individual women and WMSMEs, the support provided by FSPs, and the broader enabling environment for women's financial and economic inclusion in Romania. While individual women and WMSMEs have diverse needs shaped by their own life experiences, they share a critical commonality: an unmet demand for financial products and services that can enhance financial inclusion and strengthen their financial resilience—for themselves, their families, and their communities.



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# Annex 1

## Overview of the Research Methodology

The qualitative research involved 11 focus group discussions (FDGs) with individuals (N=58) and four in-depth interviews (IDIs) with women pensioners (N=4), conducted across Bucharest, Tier 2, and Tier 3 cities in southern and northern Romania, including Bucharest. The sampling ensured representation of Romanian women within the research areas.

### Detailed Sampling applied for IDIs:

	Bucharest	Northern Romania — Tier 2 & 3 Cities	Southern Romania — Tier 2 & 3 Cities
Women Pensioners (age 55+, mix of employed/unemployed)	2	1	1

**Number of IDIs: 4 | N=4**

### Detailed sampling applied for FGDs:

Location	Bucharest			Northern Romania — Tier 2 & 3 Cities		
# FGD	1	2	3	4	5	6
Format	Online	Online	In-person	Online	Online	In-person
Age Groups	18–29	30–54	30–54	18–29	30–54	30–54
Sampling Criteria	1 unemployed (NEET)*	1 unemployed with children	1 unemployed with children	1 unemployed (NEET)*	1 unemployed with children	1 unemployed with children
	2 unemployed students	2 employed with children	2 employed with children	2 unemployed students	2 employed with children	2 employed with children
	2 employed	1 unemployed, no children 1 employed, no children	1 unemployed, no children 2 employed, no children	2 employed	1 unemployed, no children 1 employed, no children	1 unemployed, no children 2 employed, no children
Number of Participants	5	5	6	5	5	6

Location	Southern Romania — Tier 2 & 3 Cities			Hungarian Women North— Tier 2 & 3	Men Control Group Mixed S&N— Tier 2 & 3
# FGD	7	8	9	10	11
Format	Online	Online	In-person	Online	Online
Age Groups	18–29	30–54	30–54	30–54 HNG	30–54 MEN
Sampling Criteria	1 unemployed (NEET)*	1 unemployed with children	1 unemployed with children	1 unemployed with children	1 unemployed with children
	2 unemployed students	2 employed with children	2 employed with children	2 employed with children	2 employed with children
	2 employed	1 unemployed, no children 1 employed, no children	1 unemployed, no children 2 employed, no children	1 unemployed, no children 1 employed, no children	1 unemployed, no children 1 employed, no children
Number of Participants	5	5	6	5	5

**Number of FGDs: 11 | N=58**

\*NEET = Not in Education, Employment, or Training

**A quantitative survey** was conducted among 800 respondents using a representative sampling approach based on the 2021 Romanian National Census data. The survey was distributed proportionately across Bucharest, Tier 2, and Tier 3 cities.

	N	Format	Representative Sampling for Urban Population of Romanian Women
Sampling Criteria	Urban N=800	Online (CAWI), Phone (CATI)	<b>Location:</b> 22% — Bucharest, 50% in Tier 2 cities, 28% in Tier 3 cities <b>Age ranges:</b> <ul style="list-style-type: none"> <li>18–29: 18%</li> <li>30–54: 44%</li> <li>55+: 38%</li> </ul> <b>Employment:</b> 80% employed for age range 30–54 <b>Business ownership:</b> 2%

## Overview of Qualitative and Quantitative WMSME Research Methodology

The qualitative research was conducted in April and May 2024 through 15 individual interviews (N=15), carried out in Bucharest, Tier 2, and Tier 3 cities, with a balanced sample distribution across these three city types.

Further segmentation was based on the size of the businesses and business maturity:

### By location:

Bucharest	Northern Romania — Tier 2 & 3 Cities	Southern Romania — Tier 2 & 3 Cities
5	5	5

### By size of business:

1–2 employees	3–9 employees	10–20 employees	50+ employees
4	4	5	2

### By maturity:

Early stage (1–2 years)	New Companies (3–6 years)	Mature Companies (6–8 years)	Well-established Companies (10+ years)
4	2	3	6

Quantitative research on women entrepreneurs was conducted online through Computer-Assisted Web Interviewing (CAWI) in May and June 2024, targeting 200 respondents. The sampling was intentionally skewed toward micro businesses (including sole entrepreneurs) and small businesses. The survey was proportionally distributed across Bucharest, Tier 2, and Tier 3 cities.

	N	Format	Sampling approach
Sampling Criteria	Micro businesses (fewer than 10 employees), n=120	Online (CAWI)	<b>Location:</b> no more than 30% in Bucharest, 70% in Tier 2/Tier 3 cities <b>Variety of industries</b> <b>Woman Owned Businesses</b>
	Small businesses (10 to 49 employees), n=50		
	Medium businesses (50 to 249 employees), n=30		

Detailed Segmentation Methodology

SPSS software was used for a two-step cluster analysis to test combinations of variable types. Primarily intended for large datasets, this approach is capable of handling both continuous and categorical variables. Variables used for our cluster analysis included demographic factors such as age, household composition, and employment status.

This involves two main steps and allows either automatic or user-specified selection of the number of clusters.

- **Pre-clustering:** Cases are grouped into an initial set of relatively small sub-clusters
- **Clustering:** A hierarchical clustering method progressively merges the sub-clusters into larger clusters

Alternative Methods Considered:

- **K-means clustering:** Requires data measured at the interval or ratio level. However, segmentation is based on variables that are mostly categorical (nominal/ordinal)
- **Hierarchical clustering:** This is a useful exploratory method, but it is better suited for small to medium datasets, whereas our database contains more than 800 observations

## Limitations

To quantify potential market opportunities, this study integrated both primary and secondary data sources. The primary research component involved a survey that exclusively targeted women within the specified research areas. This factor should be considered when interpreting the results of the study.

## Detailed Definitions of Tier 1, 2, and 3 Cities

<b>Tier 1</b>	Nation's Capital, Bucharest
<b>Tier 2</b>	County Administrative Capital (41 total counties in Romania)
<b>Tier 3</b>	Village ( <i>comună</i> ) versus city ( <i>municipiu</i> or <i>oraș</i> ) is an administrative classification managed by the government. Generally, villages have smaller populations, mostly under 10,000, and less developed infrastructure; however, there are exceptions. Cities, in general, have populations above 10,000, but exceptions exist where the population has declined and the classification has not been updated by the government.



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