

IFC

Financial Institutions Group (FIG)

Banking on Women

As of October 2025

Industry Context

Financing women is critical to accelerating sustainable private sector growth. Women, and especially women entrepreneurs, face barriers in accessing capital and other financial services and are under-served at all levels of the financial system. While women-owned micro, small and medium enterprises (WMSMEs) represent about one-third of all MSME businesses in developing countries, they face an estimated financing gap of \$1.9 trillion (SME Finance Forum). In addition, women comprise the majority of the world's unbanked population, with 730 million adult women in developing economies without a bank or mobile money account (Global Findex Database). However, the financial sector is increasingly recognizing that women form a valuable, large and growing market that presents significant economic opportunities:

- Some studies estimate economic gains in the order of \$5-6 trillion if women started and scaled new businesses at the same rate men do (World Bank 2023).
- Closing the gender employment gap could raise long-term GDP per capita by nearly 20% on average across countries (World Bank 2023).
- Integrating more women into business operations can increase companies' profitability and environmental sustainability. Research has correlated higher net profit margins and lower CO2 emissions for firms with more women in decision-making roles (World Bank 2023).
- Women are valuable banking customers: they have lower non-performing loan ratios, they are an important source of deposits, and they are more likely than men to increase financial institutions' brand and footprint metrics such as net promoter scores (IFC 2024).

CUMULATIVELY SINCE 2012, IFC'S BANKING ON WOMEN BUSINESS HAS MOBILIZED AND INVESTED MORE THAN \$11 BILLION IN 324 EMERGING MARKET FINANCIAL INSTITUTIONS IN 84 COUNTRIES TO FINANCE WOMEN AND WOMEN-LED MSME BUSINESSES.

SME Finance

Over the past 12 years, IFC's Banking on Women (BOW) business has provided over \$5 billion in financing specifically dedicated to women-owned SMEs.

Housing Finance

FIG's cumulative financing for women's mortgages exceeds \$1 billion.

Insurance

IFC's SHEforShield report identified a \$1.7 trillion women's insurance market globally by 2030.

Microfinance

IFC has a long history of financing women microentrepreneurs through investment vehicles, and more recently through platforms such as the Base of the Pyramid Facility.



Capital Markets

The BOW business has launched and invested in 15 gender bonds in 13 countries for over \$2.6 billion.

Trade & Supply Chain Finance

The 3-year BOW-GTFP Initiative has guaranteed more than \$285 million in trade finance for women entrepreneurs.

Fintech

IFC has invested in digital finance transactions that target women customers and women-led businesses.

Gender-Inclusive Climate Finance

FIG's Gender-Inclusive Climate Finance portfolio features eight projects with eight clients with a fully integrated use of proceeds for gender and climate across the regions.

IFC Strategy and Portfolio

IFC's Banking on Women business provides a full range of investment, advisory expertise, and actionable data to financial institutions in emerging markets to catalyze sustainable financial services for women and women-owned businesses. Through Banking on Women, IFC:

- Invests in emerging market financial institutions to build shareholder value, expand opportunities, and develop tailored value propositions for women customers and women-led businesses in areas such as household and MSME finance, housing finance and insurance, gender-inclusive climate finance, and gender-lens capital markets finance;
- Provides advisory expertise in areas such as strategic planning, customer segmentation, value proposition design, market positioning, credit and risk analysis, product positioning and staff training to help financial institutions profitably serve women customers. This also includes working with financial institutions to address demand-side barriers through non-financial services such as digital and in-person training platforms, business coaching, and mentorship services for customers;
- Originates action-oriented market research and data analysis for financial institutions.

Initiatives like the Small Loan Guarantee Program (SLGP), the Working Capital Solutions (WCS) Facility, the BOW-Global Trade Finance Initiative, and the Base of the Pyramid platform, alongside valuable partnerships such as the Women Entrepreneurs Opportunity Facility (WEOF) and the Women Entrepreneurs Finance Initiative (We-Fi), have enabled IFC's Banking on Women business to expand its reach and provide much needed financing to women and women-owned businesses amid a time of fiscal uncertainty and growing risk aversion. In the years ahead, IFC will continue to expand its gender-inclusive finance footprint through emerging market financial institutions, while leveraging IFC's capital through capital markets investors and mobilized lenders.

Project Examples



BANCO FINANADINA (COLOMBIA)

IFC signed a \$75 million loan package with Banco Finandina in Colombia to expand access to financing for hybrid and electric vehicles (HEV), and for micro, small, and medium-sized enterprises (MSMEs). The investment is a three-year Sustainability-Linked Loan (SLL), one of the first SLLs in Colombia for a financial institution. IFC's own account is \$25 million with an additional \$50 million to be mobilized from institution investors. As part of IFC's Banking on Women business, at least 75% of the proceeds will be used for HEV loans, while the remaining 25% will be used to lend to MSMEs, with at least 40% of the proceeds to be directed to women and women-owned MSME customers. This project contributes to IFC's delivery of the WBG Country Partnership Framework for Colombia.



GARANTI BBVA (ROMANIA)

As part of IFC's Banking on Women business, IFC provided a EUR 40 million loan to Garanti BBVA in Romania with 100% of the proceeds exclusively to finance women-owned and women-led SMEs, reinforcing the bank's commitment to inclusive economic development. To accelerate portfolio growth targets, the IFC project includes a performance incentive supported by the Women Entrepreneurs Opportunity Facility (WEOF) which was launched by IFC and the Goldman Sachs Foundation in 2014.