Initiatives like these are key to changing attitudes about the role of women in society. At the same time, we are also demonstrating that there is a considerable commercial advantage in providing women with concrete means to access financing for their businesses.

— Maurice Sehnaoui, chairman and general manager, BLC Bank.

Increasing Access to Finance for Women Entrepreneurs in Lebanon

IFC is working with BLC Bank to improve access to finance and support the growth of women-owned businesses in Lebanon.

With IFC support, BLC Bank launched the Women’s Empowerment Initiative, offering a range of services tailored to women-owned businesses. This initiative makes it easier for these businesses to access the capital they need to expand, creating jobs and spurring economic development in Lebanon.

RESULTS & IMPACT

- Increased number of loans to women-owned small and medium enterprises by 55 percent.
- Increased number of women-owned deposit accounts by 17 percent.
- Became the first bank in the Middle East and North Africa to commit to the UN Global Compact/UN Women’s Empowerment Principles and to join the Global Banking Alliance for Women.
The Opportunity

The main barrier to increasing the participation of women in business in Lebanon remains access to finance. While this constraint is universal for all small and medium enterprises, regardless of gender, it tends to disproportionately affect women-owned businesses. Women own more than 30 percent of all smaller businesses in the developing world, but in Lebanon, only 3 percent of bank loans go to female entrepreneurs.

This under-tapped market presents an enormous opportunity for financial institutions and other business providers that support women-owned businesses. Research indicates that women tend to be loyal customers and cautious investors, in addition to having better loan-payback rates.

Serving this market not only makes business sense, it also has a positive impact on society as a whole by expanding economic growth and job creation. A recent World Bank study in Lebanon has shown that women-owned enterprises hire more women and provide greater social benefits to employees than enterprises owned by men.

Our Approach

IFC’s Advisory Services team worked with BLC Bank to design financial services and banking products for smaller enterprises. As a sub-set of its overall strategy for small and medium enterprises, IFC helped BLC recognize the business case for actively reaching out to the market of smaller enterprises owned by women.

IFC’s support included market research to understand the needs of women-owned businesses and the testing of new product concepts. Adopting IFC’s recommendations, BLC launched the Women’s Empowerment Initiative, the first program dedicated to the economic empowerment of women in the Middle East and North Africa region. BLC Bank targets women as employees and entrepreneurs, providing them with innovative products and services to support their advancement.

In addition to new financial services, the Women’s Empowerment Initiative provides non-financial services critical to supporting the growth of women-owned businesses. In this context, BLC launched a website dedicated to female entrepreneurs that allows them to exchange ideas and combine forces to tackle professional challenges. BLC Bank also created a Woman Entrepreneur of the Year Award to honor successful businesswomen.

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector in developing countries.