Women and Business

AT A GLANCE

Women in the private sector represent a powerful source of economic growth and opportunity. By strengthening women’s roles as leaders, entrepreneurs, employees, consumers, and stakeholders, IFC, a member of the World Bank Group, helps transform local and global markets.

- **Women as leaders:** Diverse and professional boards are an indicator for well-run companies.
- **Women entrepreneurs:** Small and medium enterprises (SMEs) with female ownership represent 30 to 37 percent (8 million to 10 million) of all SMEs in emerging markets.
- **Women employees:** Women make up 40 percent of the world’s workforce. Many of the sectors that are critical for economic growth in some of the poorest countries rely heavily on women.
- **Women consumers:** The financial power of women is expanding, much of it in emerging markets. Global consumer spending by women is projected to reach $28 trillion in 2014.
- **Women as stakeholders:** Women take on leading roles in their communities as partners of business and government.

There has been progress, but widespread gender disparities in business opportunities continue:

- There is at least one legal difference between men and women that may hinder women’s economic opportunities in 102 out of 141 economies covered by 2011 World Bank Group research.

IFC provides investment and advisory services to promote business opportunities for women:

- Increasing access to finance and markets through its network of financial institution clients.
- Reducing gender-based barriers in the business environment, working with the World Bank.
- Creating business opportunities for IFC clients to promote improved working conditions for female employees, market segmentation, and the inclusion of women and men in community relationships.
- Supporting business skills training for women entrepreneurs.
- Building the business case for creating opportunities for women.

WHAT IFC IS DOING

- **Access to Finance:** IFC works with financial institutions to reach the women’s market. The aim is to ensure that in the coming years 25 percent of IFC loans provided to SMEs through financial intermediaries will go to women-owned businesses.
- **Analysis and research:** The report, *G-20 Strengthening Access to Finance for Women-Owned SMEs in Developing Countries*, was produced by IFC on behalf of the Global Partnership for Financial Inclusion’s SME Finance Sub-Group. Endorsed at the G-20 Summit in November 2011, the report highlights trends, challenges, and opportunities for women.
- **Leadership:** IFC is a lead sponsor of the Global Banking Alliance for Women, bringing together 33 financial institution members committed to leveraging the women’s market around the world.
- **Investment-Climate Reform:** With the World Bank, IFC has developed a methodology for gender mainstreaming in key regulatory reforms and reviews all investment-climate reform projects for their potential to better respond to the needs of women. The methodology is being implemented in reform programs in more than a dozen countries. Also, the *Women, Business and the Law* initiative collects data from 142 economies that inform research and policy.
- **Business Management Training:** Strengthening the management skills of owners, managers, and staff of SMEs, *Business Edge*—a training system backed by IFC and delivered by certified local professionals.

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trainers—sets a new standard. Last year, about a third of the 22,000 people trained were women.

- **Board Diversity:** IFC promotes diversity on boards and, through its programs on corporate governance, supports training for senior women executives. As of March 2012, 15 percent of IFC nominee board directors are women. IFC aims to increase this share to about 30 percent by 2015.

- **Policy and Standards:** Gender is more broadly addressed in IFC’s updated Sustainability Framework. Clients are expected to minimize risks and unintended effects on women.

- **Employment:** IFC will launch WINvest (women-specific investments) in October 2012. This is a World Bank Group global partnership initiative with the private sector to demonstrate where and when better working conditions for women can also lead to improved business performance.

- **Measurement:** Since 2008, IFC has tracked gender-related indicators as part of its Development Outcome Tracking System for investments.

**RESULTS**

- **Banking on Women:** IFC’s Banking on Women strategy focuses on regions and countries that have good conditions for SMEs and large numbers of women entrepreneurs. Since the launch of the program in late 2010, IFC has invested a total of $50 million for onlending to women-owned SMEs in Romania and Turkey. The program also made investments worth $100 million in banks in Indonesia and Vietnam, $30 million of which is for lending to women-owned SMEs. In fiscal 2012, IFC also partnered with FMO, the development bank of the Netherlands, to provide a $40 million loan to Turkey’s Abank to increase finance to women-owned SMEs.

- **Promoting Women Entrepreneurs in Earthquake-affected Western China:** IFC works closely with China’s Bank of Deyang to help extend its services to SMEs and support women-owned businesses in areas affected by the 2008 earthquake. In 2009, IFC approved a $31 million equity investment to the bank. IFC has also provided gender sensitivity training to Bank of Deyang’s managers, and is helping make the business case for the women-owned SME market. As a result, the bank launched a microloan program for women, which has disbursed $2 million to 322 women entrepreneurs, creating more than 1,000 jobs. The bank also opened the first branch exclusively dedicated to women, aiming to reach 4,300 women-owned SMEs and $458 million in loans by June 2013. Bank of Deyang became the first Chinese bank to join the Global Banking Alliance for Women.

- **Promoting Women’s Employment in India:** IFC’s work with Meghmani Organics Ltd (MOL), an Indian chemical company, paved the way for opening up India’s chemical sector to women employees. IFC worked with one of the four MOL plants to identify policies and measures necessary to allow recruiting women into their workforce. As a result, MOL adopted flexible hours to meet local legal requirements, installed female restrooms and other women-only facilities, and established policies that fostered a work environment conducive to women employees. At the end of June 2012, MOL had hired 45 female employees—the very first women among the 630 employees of a new MOL plant and the 2,000 workers across all MOL plants. Other IFC chemical clients in India have also started adopting similar employment practices that better address women’s needs.

For more information, visit [www.ifc.org/gender](http://www.ifc.org/gender) or see *Telling our Story: Women and Business*.

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