

# TWELVE LESSONS IN GENDER LENS INVESTING



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TWELVE LESSONS IN  
GENDER LENS INVESTING

## ABOUT THE PAPER

Insufficient knowledge about options and application processes, difficulty understanding financial terms and lack of collateral hinder women seeking finance. In this report, financiers applying gender lens investing build on their experience addressing women's challenges and offer insights on best practices to mainstream gender in investment decisions and impact frameworks.

The 12 lessons learned shared by financiers translate into action points to guide investment funds, private equity firms, development finance organizations, microfinance institutions and banks to design, implement and strengthen gender lens investing strategies to help bridge the estimated \$300 billion capital gap for women entrepreneurs in developing countries.

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# Foreword

Women play an essential role in the international and trade environment, and the broader economy. Investing in women is essential to support global recovery efforts post-COVID-19. It is also simply good business and directly linked to achieving the United Nations Sustainable Development Goals.

As entrepreneurs, workers and family breadwinners, women are on the frontlines doing their part to contribute to the global economy. We know that when women earn an income, they spend a higher proportion of it on their children's health, food and education than men do – a trend that, if encouraged, can help break intergenerational cycles of poverty.

When it comes to trade, International Trade Centre (ITC) research proves that women-led exporting businesses earn more, employ more people and pay higher wages than women-led non-exporting firms. Yet in reality, women own just 20% of exporting firms.

A major challenge women face in advancing their business endeavours and succeeding in regional and global markets is access to finance. The capital gap for women entrepreneurs is estimated at \$300 billion. This shortfall is perpetuated partly because women continue to encounter barriers to financial inclusion influenced by diverse factors such as cultural norms, lack of financial information, collateral, understanding of procedures and ability to meet requirements.

As both market enablers and participants, investors are in a unique position to change this and benefit from adding a gender lens to their investment portfolios. A wealth of evidence indicates that adopting a gender lens towards investment prospects can unlock opportunities for higher returns, growth and sustainable development.

Although 'gender lens investing' is a relatively new term, many financiers now apply gender lens investment strategies. In 2020, for example, the 2X Challenge celebrated its achievement of mobilizing \$4.5 billion in gender-smart investments in two years, exceeding by 50% its initial goal of mobilizing \$3 billion by the end of 2020. Mastercard invested \$20 million in CNote to help women- and minority-owned businesses recover from the pandemic. ITC, CARE and Bamboo Capital Partners launched the CARE-SheTrades Impact Fund to support small women-led companies in South-East Asia.

While gender lens investing is gaining ground, the efficiency of these strategies varies. Evidence shows that financiers have faced various challenges along the way.

This guide presents targeted evidence and first-hand lessons learned when applying gender lens investment strategies. Across the financing ecosystem, investment fund professionals, private equity firms, development finance institutions, microfinance institutions, government agencies, business and investment support organizations, and banks targeting small and medium-sized enterprises all have much to gain from the information and solutions shared in this report. The insights provided aim to help them address the remaining gaps and unmet needs of women-led firms while enhancing access to finance for women entrepreneurs.

I hope the lessons and recommendations shared in this guide will spark meaningful contributions towards successful gender lens investing strategies.



**Pamela Coke-Hamilton**  
Executive Director  
International Trade Centre

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## OUR CONTRIBUTORS

With thanks to our contributing partners:





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# Acronyms

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons.

AFAWA	Affirmative Action for Women in Africa
ITC	International Trade Centre
SEAF	Small Enterprise Assistance Funds
SMEs	Small and medium-sized enterprises



## Executive summary

Women's economic empowerment is vital to boost business competitiveness, fuel inclusive economic growth and build equitable societies. Investing in women contributes to the United Nations Sustainable Development Goals and also supports the performance of investors' portfolios.

Although the term 'gender lens investing' emerged just 10 years ago, many financiers apply gender lens investment strategies today.

The effectiveness of these strategies varies, however, and women entrepreneurs struggle to get the funding they need to build up their businesses. The International Finance Corporation estimates the financing gap for women entrepreneurs in developing economies is between \$260 billion and \$320 billion.

This report focuses on the remaining gaps to address the financial needs of women-owned businesses and highlights lessons learned by investors and women entrepreneurs. It shares the do's and don'ts of gender lens investing, while providing recommendations to potential and existing investors in women-owned businesses.

This guide is for investment professionals, asset managers, investment funds, private equity firms, development finance institutions, microfinance institutions and banks targeting small and medium-sized enterprises in emerging markets.

Based on a global survey of nearly 2,000 women entrepreneurs and interviews with nine investors, this report by the International Trade Centre's SheTrades initiative offers 12 suggestions for investors who want to develop a gender lens strategy or strengthen and deepen their impact on women. The guide aims to share what has worked and to improve the effectiveness of future gender lens investment strategies.

What investors say:

## 12 lessons to improve financing for women-owned businesses<sup>1</sup>



1. **Ensure buy-in.** Address misconceptions and ensure top management support before developing and implementing a gender lens investing strategy.



2. **Adopt a common language.** Stakeholders (internally or within the framework of a partnership) need common terms to guarantee an efficient strategy design, especially when working in partnership with other stakeholders.



3. **Don't reinvent the wheel.** Use existing initiatives or expertise as a starting point and build on industry knowledge.



4. **Use networks to give firms visibility.** Partnerships with women networks and associations make women-led businesses more comfortable. Consider the delivery channels and whether they can provide visibility.



5. **Target marketing to encourage women to apply.** Adopt a targeted marketing approach to encourage women to apply for financing.



6. **Develop a specialization.** Appoint a gender focus person or team internally to make sure your products effectively address the needs of women.



7. **Add non-financial products and services to your offer.** Women entrepreneurs need non-financial products and services to develop confidence, leadership skills and financial knowledge.



8. **Upgrade your team.** Staff training is a must and has to include women as relationship managers.



9. **Adapt your offer.** Adjust products and requirements for women-led small and medium-size enterprises, create partnerships to reduce your risks and offer attractive interest rates.



10. **Explore digital options to reduce transaction costs.** Economies of scale can be reached through digital solutions by automating the underwriting and loan servicing tasks, making it markedly cheaper, faster and easier to provide financing for small firms. Key technologies include blockchain, Big Data and mobile technology.



11. **Collect data and measure outcomes.** This continues to build the case for investing in women-owned and women-led businesses.



12. **Target sectors that suffered during the pandemic.** Consider the COVID-19 effect, as women traditionally are active in sectors that were hardest hit during the pandemic.

# Key success factors to invest in women

## Starting point

### Create the change from within

- ✓ Ensure top management commitment and create a gender focus point within the organization
- ✓ Use existing initiatives as a starting point – keep it simple

## Pipeline development

### Develop partnerships to provide training, coaching and mentoring to women

- ✓ Make yourself visible: establish partnerships with women platforms and networks
- ✓ Build trust through the recruitment of women staff and staff training
- ✓ Develop training sessions, coaching and mentoring programmes run by women
- ✓ Establish partnerships to build the capacity of women entrepreneurs

## Structuring

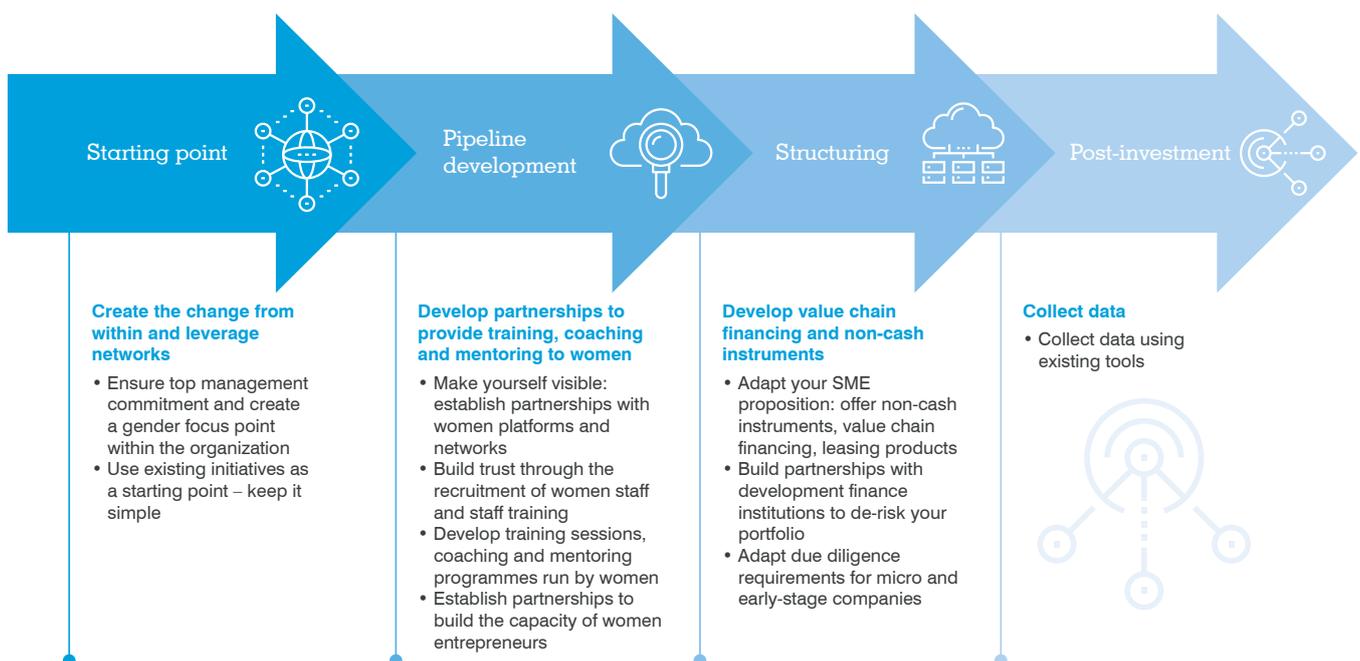
### Develop value chain financing and non-cash instruments

- ✓ Adapt your SME proposition: offer non-cash instruments, value chain financing, leasing products
- ✓ Build partnerships with development finance institutions to de-risk your portfolio
- ✓ Adapt due diligence requirements for micro and early-stage companies

## Post-investment

### Collect data

- ✓ Collect data using existing tools



# CHAPTER 1

## STARTING A GENDER LENS INVESTING STRATEGY

Women-owned businesses are a major force in the global economy: Women own and lead about 30% of all small and medium-sized enterprises (SMEs), and SMEs account for 70% of employment worldwide. In Africa, women are the backbone of the economy. With one in four women starting or managing a business,<sup>2</sup> the African continent has the highest percentage of women entrepreneurs in the world.

When women earn an income, they spend a higher proportion of it than men do on their children's health, food and education – a trend that, if encouraged, can help break intergenerational cycles of poverty (90% compared to up to 40% for men).

### Investing in women can transform societies

Investing in women's businesses reduces mortality and illiteracy rates and could add nearly \$12 trillion to global gross domestic product by 2025. Women also put their income back into the economy. A Forbes study found that 96% of women have primary or shared responsibility for family financial decisions, and women drive 70%–80% of all consumer purchases through buying power and influence.<sup>3</sup>

### A \$300 billion capital gap for women entrepreneurs

Investing in women has a positive and economic social impact, but it also represents an enormous untapped market opportunity for financial institutions and other business providers that support women-owned businesses. However, women continue to face many barriers to economic inclusion due to realities including cultural norms, lower literacy and education levels, time and mobility constraints, and limited access to resources.

Women tend to be more risk conscious and to build their firms organically, following a slow to moderate business growth orientation. They have limited confidence in their ability to expand their business and tend to underestimate their performance.<sup>4</sup>

Women are more heavily concentrated in informal micro to small business segments, which typically struggle to obtain financing due to the legal and regulatory requirements, lack of audited financial statements, lack of collateral, and limited knowledge of financing options and financial management. In some countries, their childcare and community responsibilities also prevent them from working longer hours or leaving their households.

The International Finance Corporation estimates that the capital gap for women entrepreneurs is \$300 billion.

## There is a strong business case to invest in women

Investing in women is still sometimes perceived as an area generating suboptimal financial returns. Yet a wealth of evidence supports the business benefits of investing in women. By advancing the gender agenda, companies can unlock opportunities for increased returns and growth.

- **Growth:** Data from banks serving 22 million customers in 18 countries show that women outpace men in overall growth in volume of credit (15% versus 10%) and volume of deposits (17% versus 14%).<sup>5</sup>
- **Lower portfolio risk:** A study published by the Rural Microfinance and Employment project<sup>6</sup> on data from 350 microfinance institutions in 70 countries confirms that a higher percentage of female clients is associated with lower portfolio risk, fewer write-offs and fewer provisions (2.9% of non-performing loans versus 4.2% for men).
- **Greater returns:** Businesses with more women on management teams outperformed their less equitable peers by more than 4% a year, according to Credit Suisse's seminal gender diversity report examining 3,000 companies across 56 countries. Firms with greater gender diversity (defined as female chief executive or chair, more than 20% women on the board and more than 25% women in management) outperformed with greater returns and less risk, Glenmede Investment Management found in a study of Russell 1000 companies.<sup>7</sup>

The International Finance Corporation assessment of net returns on emerging markets highlights that companies with gender-balanced leadership achieved valuation increases that were 20%–25% higher than non-gender-diverse companies from entry to subsequent rounds of exits. A study by Mass Challenge and the Boston Consulting Group shows that start-ups founded and co-founded by women perform better over time, generating 10% more in cumulative revenue over a five-year period, than all-male founded start-ups.<sup>8</sup>

- **Lower costs:** Besides generating higher returns and having better loan-payback rates, research indicates that women tend to be loyal customers and cautious investors, which results in lower costs for investors.

## What is gender lens investing?

The definition of gender lens investing is often limited to providing loans or equity to women-owned or women-led businesses. Yet that does not provide the complete picture, as the definition used by the financial-service industry, encompasses other elements.

Gender lens investments are made to achieve better business, social, environmental and investment outcomes by mitigating risk, seeing opportunities, or both. According to the Global Impact Investing Network, this can be accomplished by applying an investment strategy to an allocation or to the entirety of an investment portfolio that 1) seeks to address gender disparities intentionally and measurably and/or 2) examines gender dynamics to better inform investment decisions.

## Use capital to benefit women

**Investors can provide access to capital for women entrepreneurs and women-led SMEs, invest in companies that address gender equality and/or in companies generating value for women and girls.**

Suzanne Biegel, the founder of Catalyst at Large, says investors willing to address underlying gender issues and opportunities and/or to promote gender equity can use a blend of approaches,<sup>9</sup> such as:

- The 'access to capital' lens focuses on investments that increase access to capital for women entrepreneurs and businesses with women as founders, co-founders or leaders. These firms can be early-stage businesses with limited access to capital or established companies with women or gender-balanced leadership.

- Investments in companies that address workplace inequality and increase the wealth of women throughout value chains. Such investments consider women in management and as employees more broadly and target firms that aim to have a fair representation of women in staffing, management and on boards, and along their supply chains.
- Investments in companies that generate value through products and services that benefit or address the commercial needs of women and girls. This strategy looks at women and girls as consumers and considers businesses that capitalize on this market opportunity by offering products or services that address their needs. These businesses typically deliver goods or services related to women's health, education, labour-saving technologies or learning tools to improve the skills and capabilities of women.

## Integrate gender analysis into financial analysis

Investors can further strengthen their gender lens investing approach by incorporating a gender lens in their investment process by:

- Adapting their investment process to intentionally include gender factors at every step, from origination, screening and due diligence to monitoring and exit;
- Building an internal strategy and set-up that considers gender aspects including a mission statement that mentions gender issues, an organizational structure, culture, policies and workplace environment that promotes gender equity, and incentives that encourage behavioural change.

This report focuses on the 'access to capital' lens for women-owned and women-led businesses. It provides investors with key success factors to build or improve their gender lens strategy and make sure it is effective throughout the investment process.

## Where to start?

Gender lens investing has gained great traction in recent years and numerous initiatives have been developed to address the financing needs of women. Ample literature is available on the topic to help investors start building a gender lens approach and connect them with women entrepreneurs. The list below presents examples of global and regional initiatives:

## Global initiatives

- **IFC's Banking on Women business:** In 2010, IFC launched its Banking on Women business, which provides financing and expertise to emerging market financial institutions to expand financial services and opportunities for women customers and business owners. As of June 2021, Banking on Women had mobilized and invested more than \$3 billion in financial institutions, specifically to finance women-led SMEs. Since its launch, the initiative has provided financial and business solutions to women-led firms through its financial institution partners, with 165 investment and advisory service projects in 63 countries. About 47% of these projects are in International Development Association countries and fragile and conflict-affected settings.
- **GenderSmart:** This global initiative<sup>10</sup> is dedicated to unlocking gender-smart capital at scale by building the capacity and connectivity of gender finance investment influencers and thought leaders, intermediaries and experts. Gender-smart investing refers to the integration of gender analysis in the investment process for better social and financial outcomes. GenderSmart aims to foster shared learning and dialogue by amplifying successes and innovations.
- **The Global Impact Investing Network Gender Lens Investing Initiative:** This initiative<sup>11</sup> supports impact investors who are actively integrating, or interested in integrating, a gender lens strategy in their investment portfolio. The initiative aims to build a compelling case for gender lens investing and ultimately, to increase the amount of capital deployed with a gender lens. Although the Gender Lens Investing Initiative and working group have concluded, the Global Impact Investing Network is committed to continuing to serve as a knowledge hub for gender lens investing.

- **The 2X Challenge:** The 2X Challenge<sup>12</sup> was launched in June 2018 as a major commitment of the development finance institutions from the G7 countries: Cassa Depositi e Prestiti (Italy), CDC Group (United Kingdom), FinDevCanada (Canada), Proparco - Groupe Agence Française de Développement (France), Deutsche Investitions- und Entwicklungsgesellschaft (Germany), Japan Bank for International Cooperation/Japan International Cooperation Agency (Japan) and Overseas Private Investment Corporation (United States), now the US International Development Finance Corporation, to unlock resources that will help advance the economic empowerment of women and gender equality.

These development finance institutions have since supported investments and initiatives that provide women in developing countries with access to leadership opportunities, quality forms of employment, finance and enterprise support, as well as products and services that promote the inclusion or economic participation of women and girls. The 2X Challenge criteria were developed with the support of Dalberg Advisors to help members identify such investments and initiatives.

Since the launch, six development finance institution members have joined to expand the commitment: BIO-Invest, Finnfund, Netherlands Development Finance Company, Investment Fund for Developing Countries (Denmark), Swiss Investment Fund for Emerging Markets and Swedfund. In October 2019, the European Investment Bank became the first multilateral development bank to endorse the 2X criteria. The 2X Challenge addresses women as entrepreneurs, leaders, employees, consumers and via financial intermediaries, and defines criteria per category that investors should seek to achieve.

- **The SheTrades Initiative and SheTrades Invest:** The International Trade Centre (ITC) launched the SheTrades Initiative in 2015. The initiative works to close gender gaps by helping businesswomen expand their firms through international trade. SheTrades provides a framework of seven global actions to unlock markets for women and an online platform for women entrepreneurs to connect to markets.

#### Box 1 SheTrades Invest

The SheTrades Initiative promotes a women-inclusive business ecosystem through a multipronged and multistakeholder approach that includes governments, corporations and business support organizations. SheTrades Invest is a programme of the initiative designed to provide access to women entrepreneurs to a pool of financial institutions. It supports connection and investment readiness through trainings, workshops, webinars, coaching and mentoring.

SheTrades Invest was created as part of the seven global actions defined by the SheTrades Initiative to expand opportunities for women entrepreneurs by:

- Collecting, analysing and distributing data on women's economic participation;
- Promoting trade policies and agreements that enhance women's participation in trade;
- Empowering women-owned businesses to participate in public procurement spending;
- Creating corporate procurement programmes that embed diversity and inclusion in value chains;
- Addressing supply-side constraints that affect women-owned businesses;
- Guaranteeing the rights of women to ownership and control over resources;
- Closing the gap between men and women for accessing financial services.

After launching a pilot project, SheTrades Invest created a community of gender-focused investors and financial institutions through monthly network calls, and a community of women-owned businesses with specific financial needs. Following those exchanges, SheTrades Invest designed a set of finance- and investment-related technical assistance solutions for women-owned enterprises. These included e-learning courses to help women-owned firms navigate their fundraising process, investment readiness boot camps and webinars in Nigeria, Rwanda, Uganda and Zambia, and SME coaching programmes in partnership with financial institutions.

SheTrades also began the Coffee with Financiers Webinar Series to inform women-owned businesses about available funding options during the COVID-19 pandemic. SheTrades Invest gathers a community of 40 financing partners with assets under management between \$50,000 and \$5 million, with a specific gender focus. Most investors are active in Africa and Latin America, in agriculture and financial inclusion.

Source: ITC.

## Regional initiatives

- **Investing in Women:** Investing in Women,<sup>13</sup> an initiative of the Australian Government, drives inclusive economic growth by empowering women in South-East Asia. Established in 2016, Investing in Women tackles one of the most critical social and economic issues of our time: gender inequality. The initiative incentivizes and catalyses access to capital for SMEs in Indonesia, Myanmar, the Philippines and Viet Nam. Investing in Women sponsored *How to Invest With a Gender Lens*,<sup>14</sup> written by Value for Women in July 2020. The report provides practical tools and resources for investors in emerging markets who want to address their diversity and inclusion deficits.
- **The Affirmative Action for Women in Africa (AFAWA):** This pan-African initiative of the African Development Bank seeks to bridge the \$42 billion financing gap facing women in Africa. The initiative adopts a holistic approach through three pillars: AFAWA finance, AFAWA technical assistance and AFAWA enabling environment.

AFAWA finance includes a \$300 million risk-sharing instrument to unlock \$3 billion in credit for African businesswomen and a rating system to evaluate financial institutions based on the share and quality of their lending to women, and their socioeconomic impact. Top institutions are rewarded with preferential financing terms from the African Development Bank.

AFAWA technical assistance offers advisory services to financial institutions to ensure successful implementation of their product portfolios for women and provides training to women entrepreneurs to enhance business productivity and growth.

AFAWA enabling environment engages with African governments and other key stakeholders to support legal, policy and regulatory reforms and strike down the structural barriers impeding women in business

## Data derived from surveys and interviews

In 2019, SheTrades Invest launched a survey for women-led businesses or small firms benefiting women across the globe. The call for survey applications targeted SMEs with export experience or export potential whose needs were not addressed by financial institutions. These companies are considered too small for commercial banks and too big for microfinance institutions.

As part of the application process, applicants completed a needs assessment survey. The survey data covered more than 1,900 women from 88 countries. While not representative at a global or country level, the survey results convey important findings on challenges for this group of companies.

To be eligible for the programme, firms had to be at least 30% women-owned or be an SME that benefited women and they had to operate in the following sectors: agriculture, artisanal; culture; education; energy; environment; financial services; health; housing development; information and communication technology; infrastructure and facilities development; manufacturing; supply-chain services; technical assistance services; textile and clothing; tourism; transport and logistics; or water.

The survey included questions on the following topics:

- **Gender:** women ownership, women management, women employees
- **Track record:** year of creation, number of employees, stage of business, seed capital
- **Financial statements:** revenues, net income, audited financial statements
- **Financing needs:** type of financing, purpose, amount and timing
- **Trade:** export or local market, days payable/receivable outstanding

The online questionnaire allowed SheTrades Invest to build a global database of more than 1,900 respondents. Of these 1,908 women-owned and women-led businesses, 237 participated in the SheTrades Invest programme. A separate database aggregates information on the impact of the programme in terms of access to new funding opportunities and improvement of knowledge and financial skills.

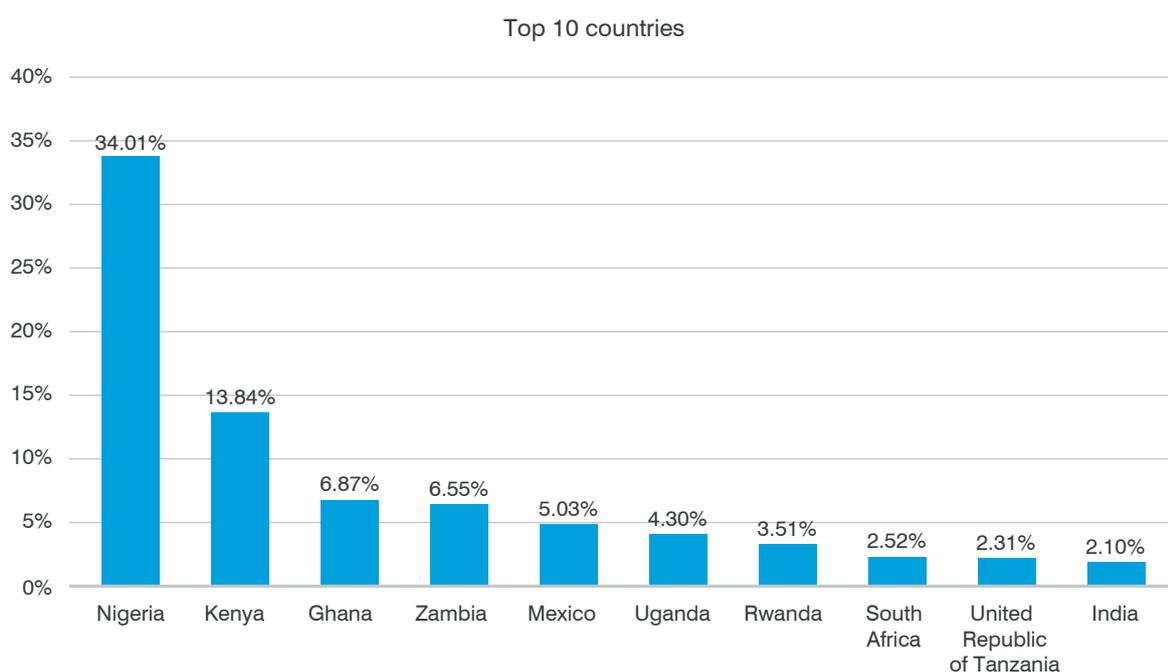
Fourteen in-depth interviews complemented the data derived from the questionnaires:

- Five women entrepreneurs from Uganda (Namirembe Offsprings Ltd, agriculture), Mexico (Bambuterra, infrastructure), Zambia (Makeni Harvest, agriculture), Bangladesh (Pristine Coconut & Coir Ltd, agriculture) and Kenya (Sunworld Safaris, tourism). These companies were selected to reflect a diverse panel of regions, sectors, track record, size and financing needs.
- Nine financial institutions: Absa Bank Kenya, Bamboo Capital, Finance in Motion, GroFin, Investisseurs & Partenaires, responsAbility Investments, Small Enterprise Assistance Funds (SEAF), Union Bank Nigeria Plc. and Viwala (New Ventures Group). Investors included local and international investors – both for-profit and not-for-profit organizations – as well as debt and equity providers, gender first and impact first investors, fund managers, banks and microfinance providers looking for market returns and below-market returns.

### Most survey respondents in Africa

Most of the companies that answered the questionnaire are located in sub-Saharan Africa (82%), followed by Latin America and Asia (7% each). The remaining respondents are from Europe, the Middle East, North Africa and North America. More than half of respondents (54%) are from Nigeria, Ghana or Kenya.

**Figure 1** Nigeria and Kenya are top survey participants



Source: ITC.

### Most respondents are active in agriculture, logistics and tourism

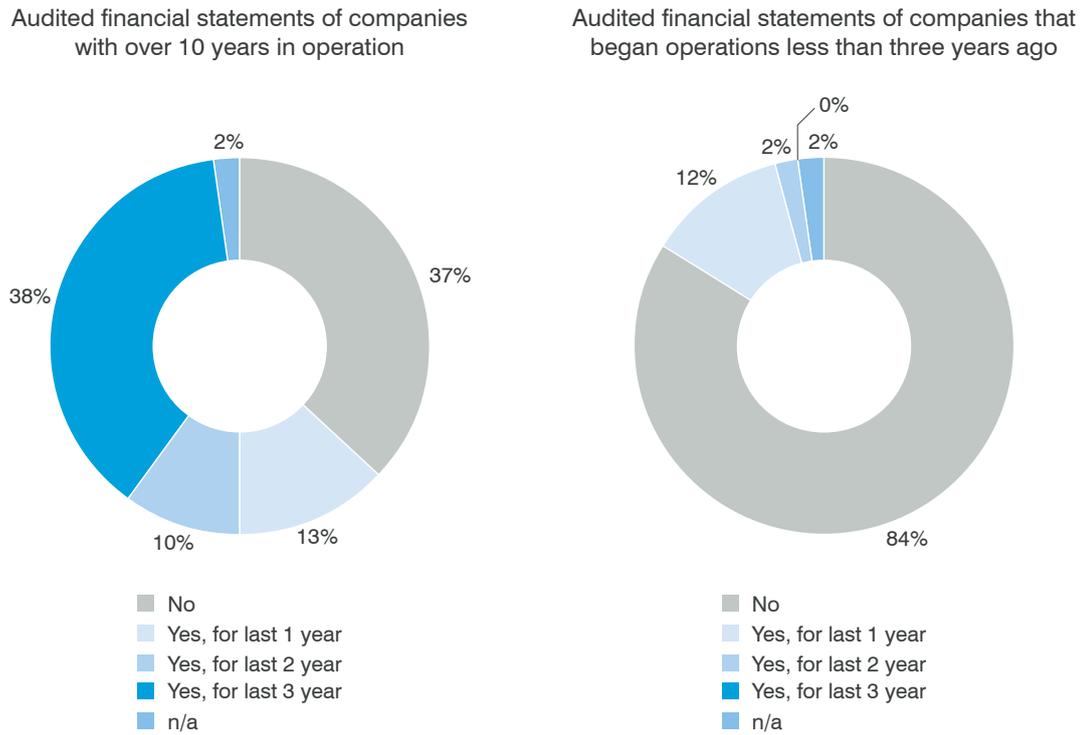
Most survey respondents are active in agriculture (20%), followed by transport and logistics (14%), tourism (13%) and energy (6%). It is worth pointing out that 40% of the survey participants are active in more than one sector. The vast majority of these businesses are led by women (98%), and three-fifths have women ownership higher than 80%.

### Most respondents are micro or small enterprises

The large majority (95%) of companies taking part in the survey had fewer than 50 employees and 61% reported funding requirements below \$100,000.<sup>15</sup> About 88% of the surveyed companies were created less than 10 years ago, and 31% less than three years ago. Almost two-thirds (65%) said they were at a start-up and pre-revenue stage, and at least 63% did not have audited financial statements.

Mature companies were far more likely to have audited financial statements than younger firms. Some 48% of companies created more than 10 years ago had audited financial statements going back at least two years, compared to just 16% of firms that began operations less than three years ago.

**Figure 2** Years in operation are a key factor in financial management



Source: ITC.

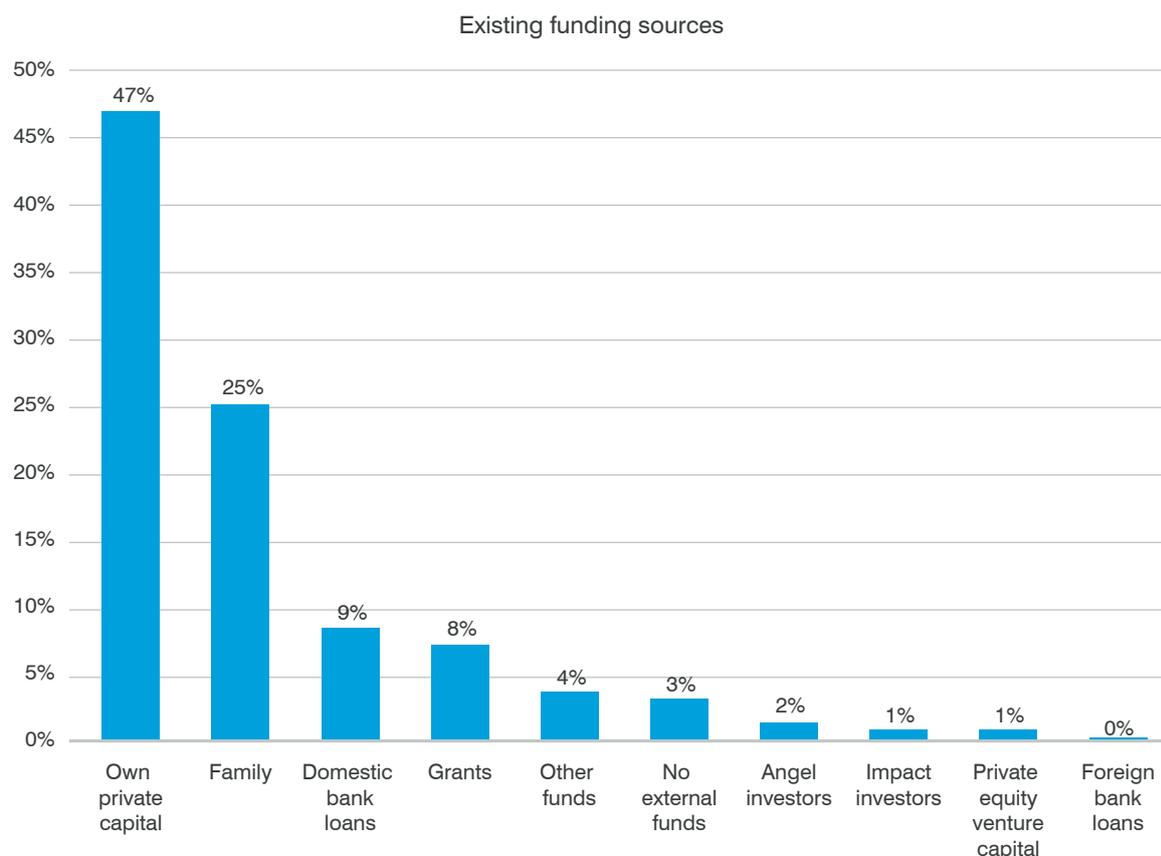
# CHAPTER 2

## WHAT DO WOMEN ENTREPRENEURS NEED?

Almost half (47%) of the women-led and women-owned firms included in the database started their business with their own private capital, while a quarter began with financial help from their family. Only 16% were financed by domestic local banks, angel investors, impact investors or private equity firms.

These facts confirm research from the African Development Bank<sup>16</sup> suggesting that women entrepreneurs in Africa are more likely to self-select out of the credit market because of low perceived creditworthiness. These women do not apply for funding because they are discouraged by their own expectations that their applications will be denied.

**Figure 3** Most women use their own money to start a business



Source: ITC.

## Financial needs: Long-term funding to grow

Most survey respondents said they needed grants, equity and/or long-term debt of less than \$100,000. Only 9% of the participants sought investment in excess of \$1 million. These companies wanted funding for the following reasons:

- **Investments in infrastructure, land, machinery and equipment** to increase revenues and/or improve value added and margins, boost production, diversify the product range, improve product quality and achieve better margins. Honeycomb Foods Ghana, which produces healthy food and beverages using locally grown ingredients, was created in 2013 and is owned and led by a woman. It needs \$1 million to \$2.5 million of long-term debt and equity to invest in machinery to extract, mix, fill, pasteurize, package and seal its products, a refrigeration unit and infrastructure expansion.
- **Investments in staff** recruitment, training, salary increases and well-being. Ethical Apparel Africa is a Ghanaian apparel manufacturing and sourcing company that provides expert technical guidance, independent quality control, logistics and compliance assurance in West Africa. Ethical Apparel needs grants of \$100,000 to \$250,000 to buy buses so employees can travel to work easily and to implement women's health and malaria prevention programmes. Such programmes would reduce absenteeism and labour turnover, which in turn ensures that orders are delivered on time and generates more trade.
- **Investment in marketing and communication** to upgrade packaging and branding, develop website and e-commerce platforms, and build efficient digital and physical marketing strategies. Ayofa Essentials Ltd is a natural cosmetic and wellness firm that produces and sources superior organic ingredients for its range of skin and haircare products and for general body wellness. The Ghanaian company was created in 2017 and already counts 100 employees. Ayofa is looking for \$50,000 to \$100,000 to invest in its packaging and to move towards 100% eco-friendly packaging.

A large number of respondents mentioned investments in certification such as USDA Organic & Gluten Certification, FDA Compliance Regulatory Processes, ISO 22000 and organic.

## Non-financial needs: Data, knowledge and adequate products

The limited size and track record of surveyed firms are obstacles to obtaining financing, especially long-term financing. The issues reported by women include insufficient knowledge about financing options and application processes, difficulties in providing financial information in the format required by financial institutions and lack of collateral.

Interviews, data and experience from the SheTrades Invest programme highlight the following needs at each step of the investment process:

- **Starting point:** As already mentioned, women entrepreneurs often rely on their own money or personal networks to access funding. Women who were interviewed preferred to expand their business organically by reinvesting their profits. Of five women questioned, only one applied for a loan at a local bank after 22 years of operations. When asked why they hadn't approached international or impact investors, they said doing so had never occurred to them.

Muaka Mukwiza of Makeni Harvest Zambia produces mushrooms for the local and regional market. She started her business with her own savings. She participated in programmes by the government and non-governmental organizations, but never applied for a loan. Her main challenge is knowing where and how to get funding: 'You don't know who to ask, where to go and how to put up a proper application. It would be helpful to meet with women who were successful in getting access to finance and willing to share their experience.'

Sometimes, financial products and services targeting women are available, but they are not used because women don't know about them.

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*'The role of visible leaders, women as executives cannot be understated – it empowers and inspires all of us!'*

**Elena Matthiolus,**  
Associate,  
Technical Assistance Management,  
Finance in Motion

- Women need access to names of capital providers, networking events and role models. Meeting and networking with successful women allows women to envision themselves as successful entrepreneurs and leaders and encourages them to approach investors. Societal limitations and belief systems often limit the ability of women to get loans. Gabriele Nowak, chief executive of Sunworld Safaris, says she visits the bank along with her husband, as relationship managers in Kenya do not take women seriously.
- **Pipeline development:** During interviews and in the survey, women entrepreneurs often mentioned that they lacked financial management and accounting knowledge and relied on their accountants to access and assess the financial situation of their business. Participants in SheTrades Invests webinars and e-learning courses valued training on cashflow management and budgeting, financial planning, how to report financial information, and how to build a business plan and a pitch deck.

Even in a country like Kenya, which has numerous women-specific programmes, businesswomen still face many demand-side challenges to accessing funds. Yet, we know that financially literate entrepreneurs make more informed financial decisions and evaluate their creditworthiness more objectively. Providing women entrepreneurs with the appropriate financial knowledge and skills will boost their engagement in the credit market.

Viwala developed a training programme including five modules and run by women entrepreneurs who have successfully accessed funding for free. The programme runs for five months and covers areas such as well-being and stress management (family, business, work/life balance); digital marketing (Google Ads, Facebook campaigns); financial sources and when to take credits; sales (how to make a pitch, storytelling); and the new paradigm (financial models in impact). These five-month sessions are free.

- **Structuring:** Several interviewees said their inability to access collateral meant they needed access to alternative products<sup>17</sup>, risk mitigation schemes or guarantees. Participants in the SheTrades initiative are mostly active in agriculture and as women, do not own the land that banks require as collateral.

Erina Nansubuga started Namirembe Offsprings Limited Uganda in 2012. The company produces sunflowers and soybeans at its own farms and through a network of 1,500 farmers, and exports to neighbouring countries such as Kenya and Rwanda.

Nansubuga said the main barrier she faces to secure funding is insufficient security. She managed to finance her trucks through a leasing product offered by Victoria Motors Ltd. That \$500,000 is repaid through monthly payments and allows her to save on rental costs. The lack of security often results in high interest rates for women entrepreneurs, who feel excluded from the traditional financial system and turn to personal and/or women networks to support the growth of their business.

### Box 2 Case study: Sunworld Safaris

Sunworld Safaris, founded in 1997, is an owner-run specialist tour operator based in Nairobi. Gabriele Nowak and her husband created the company as a small business offering vehicle rental services. The couple started with three cars and developed the business by going door to door and offering vehicles for rent. They slowly built up operations and after two years, managed to purchase a new vehicle. In addition to vehicle rental, the couple have introduced tailor-made safaris and camps, run by handpicked and skilled guides.

By 2019, Sunworld Safaris owned a fleet of 60 cars and had opened branches in the United Republic of Tanzania and Austria. After 20 years of operations, the company managed to position itself as a medium- to high-end player offering eco-friendly hotels, lodges and camps for its clients, with a commitment to respect and conserve wildlife and support local communities. In 2019, Sunworld Safaris employed 45 guides and more than 200 staff members. When borders closed because of COVID-19, activities slowed down dramatically.

The Nowaks started the company with their own savings and financed the growth of the business by reinvesting their profits in infrastructure and staff. Sunworld Safaris took its first loan from a local bank only after 22 years of operations, in 2019. Gabriele Nowak said she had never applied for a loan before because of high interest rates and it had not occurred to her to approach international lenders.

Besides voicing a desire for funding access and attractive interest rates, Nowak said she needed to participate in more international trade shows. While there were no immediate results for her business the last time she attended such an event, participating helped her to understand market dynamics and international flows.

*Source: Interviews with SheTrades Invest.*

# CHAPTER 3

## FINANCIERS: WHAT WORKS, WHAT DOESN'T

Project Sage 3.0<sup>18</sup> reports that 138 funds deployed capital with a gender lens in 2020, which represents a 58.6% increase over 2019. These funds define themselves as gender lens funds or impact investing funds applying gender as one factor of analysis.

While some investors position themselves as gender funds, others focus on key sectors or geographies with gender as a component of their investment strategy. Almost two-thirds of the funds included in the Project Sage 3.0 report are first-time funds, which highlights the growing importance of the topic. Capital investment rises as the number of funds increases, with at least \$4.8 billion raised, according to respondents allowed to disclose that information.

### More funds focus on emerging markets

About 80% of investments were focused on the United States in 2019. However, Project Sage 3.0 finds growing diversity of investment geographies in 2020, with only 38.1% of funds reporting North America as their target. Recently created funds target sub-Saharan Africa, Asia and Latin America, with the former being the second most common geographic target.

Most of the vehicles are venture capital and private equity funds that focus on seed investments ranging from \$100,000 to \$1 million. The top five sectors for these investments are healthcare, education and training, food, agriculture and fintech.

### Examples of funds and investment solutions

#### Example of gender first fund: SEAF Women Opportunity Fund and Women's Economic Empowerment Fund

Small Enterprise Assistance Funds, a global investment management group based in Washington DC, provides growth capital and business assistance to SMEs in emerging and transition markets underserved by traditional sources of capital. SEAF has been around for 30 years, and women's economic empowerment has always been part of its investment strategy.

SEAF tried to start a women's economic empowerment fund in West Africa about 10 years ago, but development finance institutions and governments were unwilling to support it. The SEAF Women's Opportunity Fund was launched four years ago in partnership with Investing in Women (see Chapter 1). The fund has invested in six women-led and/or women-owned businesses in Indonesia, the Philippines and Viet Nam that are active in different sectors.

Building on this track record, SEAF created the SEAF Women's Economic Empowerment Fund in January 2020 with initial funding from Pædagogernes Pension, a Danish pension fund for early childhood teachers and youth educators. The fund benefited from the financial support provided by the United Nations Economic and Social Commission for Asia and the Pacific and Global Affairs Canada.

The target is to raise \$100 million to invest in women entrepreneurs as well as businesses operating in sectors where women make up a large portion of the labour force, those delivering products and services meeting the unique and unmet wants and needs of women and girls, and those where the leadership demonstrates a strong commitment to gender equality and wider diversity.

## Partnership example of gender first fund: CARE–SheTrades Impact Fund

ITC joined forces with CARE in 2020 to establish the CARE–SheTrades Impact Fund. The CARE–SheTrades Impact Fund is a gender-lens investing fund targeting early- to growth-stage companies that benefit women as consumers, founders or employees, and economic agents in supply chains in Asia, with a focus on Bangladesh, Cambodia, Indonesia, Myanmar (on hold), the Philippines and Viet Nam, and across Africa in countries including Burkina Faso, Cameroon, Ethiopia and Kenya. The fund is sector-agnostic, but will focus on key sectors where Bamboo, ITC and CARE USA have strong experience and track records, such as financial services, access to essential services such as clean energy and water, and sustainable agriculture.

Opportunistically, the fund will also evaluate investments in e-commerce – given the tailwinds from COVID-19 in this space – as well as defensive sectors resilient to economic shocks, such as healthcare and education.

- Maturity, extension option and target size of fund: Luxembourg fund, open ended, with no fixed termination date. Target fund size for Asia and Africa is \$75 million each, with a \$15 million first loss tranche for each fund.
- Portfolio selection and ramp up, reserves: Each fund will invest in five to six portfolio companies each year and will cap available capital to invest at 80% to ensure sufficient liquidity in the fund.

## Example of impact first fund with a women's programme: GroFin GroWoman

GroFin's mission is also aligned with Sustainable Development Goal 5 through its focus on women-led firms and women employment. GroWoman, GroFin's Gender Lens Investing Initiative has supported more than 122 women-owned businesses, and women hold 30% of the jobs its investments sustain. GroFin is partnering with ITC in SheTrades Invest and it also works with the Vital Voices Programme to help women entrepreneurs lead positive change in their communities.

GroFin sponsored 12 clients for the VV GROW Fellowship, a one-year accelerator programme for women who own SMEs. The fund provides finance to women, equips them with practical business know-how and helps them put in place systems and processes to better manage their business. GroFin's business support ensures that businesswomen have an adviser for important decisions that connects them with other women entrepreneurs and introduces them to a network of potential partners, suppliers and clients.

## Example of a bank developing a gender product: Absa Bank Kenya Women Fund

Absa Bank Kenya was the first bank in the country to promote a woman to the position of branch supervisor in 1972, and another to branch manager in 1977. In 2014, the bank became the first listed company in Kenya to achieve a 50:50 male-to-female ratio at the board level.

Through the Women Network Forum, Absa implements programmes to increase the number of its women workers (currently 48%) and women employees in leadership positions. In July 2016, Absa Bank Kenya launched a partnership with ITC to equip 10,000 local women entrepreneurs with new skills and connect them to international trade opportunities by 2020 through a programme dubbed SheTradesKE. One year after the partnership was signed, Absa loaned KES160 million (\$1.5 million) to women and by the fourth year, it was able to triple this amount.

This partnership made it possible to demonstrate a clear business case for this market and led to the creation of a fully-fledged proposition that serves the market. In February 2020, Absa Bank Kenya announced a KES10 billion fund to advance credit to women-owned small and medium-sized enterprises over the next five years. The fund is part of the bank's commitment to empower women through access to financial resources and capacity building to build their businesses. The fund will provide unsecured and secured loans, trade finance, asset finance, property finance and working capital facilities.

## Lessons learned from targeting women entrepreneurs and leaders

This section looks at what investors learned when developing and implementing a gender lens approach.

### What was learned when developing a gender lens investing approach?

- Address misconceptions around women investing:** During interviews, investors often referred to the misconceptions about women investing and scepticism expressed by capital providers or internal teams.

'There is a big mindset issue when talking about the gender agenda,' says Susan Situma of Absa Bank Kenya. 'People don't think there is a business case for women.' Although gender lens investing is gaining momentum, women investing is still considered to be an activity generating market returns, as opposed to a profitable market segment.

Jennifer Buckley, senior managing director at SEAF, says the biggest factor stopping capital from flowing into this field is uncertainty among investors whether investments with a gender lens will lead to attractive investment returns. Other investors such as GroFin shared challenges to raise capital to target women entrepreneurs. Proving that there is a valid business case for women requires patience and data.

This is why SEAF has developed a Gender Equality Scorecard<sup>19</sup> to assess women's economic empowerment and gender equality within investment opportunities and portfolio companies. SEAF is looking for academic partners to run hypothesis on the data collected and share the knowledge with the rest of the industry to strengthen the business case for women.

- Adopt a common language:** As mentioned in the first section of this guide, gender lens investing is broadly defined and language can vary significantly. Whether the gender lens approach is defined internally or with partners, Katherine Milligan from Bamboo Capital highlights the importance of developing a common language and agreeing on priorities. Standardization is necessary to make sure all participants are aligned from the beginning, and to facilitate the design process.

Bamboo Capital adopted a partnership approach with CARE and ITC to develop the CARE–SheTrades Impact Fund. The fund was designed through a collaborative and iterative process based on the experience of stakeholders, research findings and studies. The process was lengthy, but resulted in a thorough impact framework aligned with the broader standards of the gender lens industry and adapted to the reporting capabilities of investees.

- Use existing initiatives or expertise as a starting point:** Experienced investors recommend using information and tools that are already available as a starting point, without overdesigning processes or trying to make the approach perfect from the beginning. Bamboo Capital used the 2X Challenge criteria to develop its approach. Working with gender experts can help accelerating the process and creating a gender lens approach that is tailor-made to your organization.

SEAF designed its Gender Equality Scorecard with support from Joy Anderson of the Criterion Institute and Suzanne Biegel of Catalyst at Large as a consultant. GroFin worked with MEDA, a specialist gender-consultant firm, to develop specific strategies, toolkits and business support processes to better serve the needs of women in business.

## What was learned when implementing a gender lens approach?

Having a policy is one thing, but making sure it is effective is another. How to make sure that intent translates into proper execution?

- **Make yourself visible to women:** One misconception is that there is no pipeline of women entrepreneurs. There is – but investors must tell women they are welcome and invite them. Alice Lajwa of Opportunity Bank says 'many women don't have access to funding not because they don't want to, but because they don't know' what the opportunities are and whether their business is eligible. Creating partnerships with women industry networks, women associations and trade organizations can help to establish the link with women entrepreneurs and leaders. Opportunity Bank organizes branch visits with women to present their products and encourage them to apply for a loan.

- **Adopt a targeted marketing approach:** Elena Matthiolius of Finance in Motion says 'encouraging women to apply involves a marketing approach that is targeted to women, signalling that it understands and addresses their needs'. Women entrepreneurs said during interviews that they didn't want the perception that they received money from a fund because they are women. They want to be judged on their merits and the attractiveness of their business.

'If I have access to a concessionary programme, my peers are going to think I am not a serious entrepreneur,' one interviewee said. Investors have to raise awareness about their products by selling the benefits for women entrepreneurs, and not by selling them as 'women products'.

- **Appoint a gender focus person or team internally:** Investors remarked during interviews that women tend to be more selective about their work partners. They want to make sure they will find a funding partner that is aligned with their mission and vision, and that understands their needs. Building trust can be achieved through women-focused sessions and forums or networking events. Most of the investors who were interviewed appointed an internal gender specialist and/or created a dedicated desk or transformation office to better understand women's needs, collect feed-back and address gaps.

- **Add non-financial products and services:** Susan Situma of Absa Bank Kenya says women want a financial partner that will 'walk the journey' with them. Absa's gender lens approach is based on four pillars: access to finance, access to networks, access to information and access to mentorship and coaching. 'It is not only about the transaction,' Situma explains. 'It is about supporting and tracking the growth of their business and acting as their sounding board.'

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*'Women are looking for a financial partner that will walk with them throughout the journey.'*

**Susan Situma,**  
Vice President,  
Head of SME Banking,  
ABSA Bank Kenya

Furthermore, investors must have 'a training programme to help women build their skills, their confidence and their business', says a gender expert from Opportunity Bank.

- **Upgrade your team:** 'The change of mindset should also happen at the sourcing level,' says Hellen Makandi of Absa Bank. Investment teams and loan officers require training to become advisors and teams must be aware of unconscious bias, informed about the market potential and incentivized to approach women.

Within the framework of partnership with SheTrades Invest and Opportunity Bank, UPS Foundation provides funding to the bank to encourage its staff to mobilize more women. Elena Matthiolius of Finance in Motion and Vymala Thuron of GroFin say staff training is a must and needs to include women as relationship managers and investment officers. Having more women in the organization helps to attract women entrepreneurs.

- **Adapt your SME proposition:** Is it necessary to differentiate the SME proposition? The answer is yes. Although women run businesses in the same sectors as men, they operate in an environment dominated by men. In some African countries, women have no access to or control over land. This leads to higher perceived risk from lenders and higher interest rates for women entrepreneurs.

- **Adapt your products:** As mentioned previously, access to collateral remains a key obstacle for women to benefit from a loan. Absa Bank addressed this issue by creating partnerships with corporates to support women in their supply chain. This diversity value chain financing programme has shown positive results and the bank is looking at scaling it.

Sometimes women do not need a loan – they need non-cash instruments such as guarantees to get better conditions from their suppliers, a letter of credit, invoice discounting or purchase order financing. Opportunity Bank uses the group lending methodology to compensate for the lack of collateral: under joint liability, small groups of borrowers are responsible for repaying each other's loans.

- **Adapt your requirements:** Most women operate informal businesses and micro, early-stage companies. Absa Bank modified its eligibility criteria to target women managing early-stage firms that were in business for at least two years and beginning to show breakeven signs.

The bank has also removed the requirement for audited accounts for companies with a turnover below KES50 million and borrowing less than KES30 million. The analysis is based on bank statements and cash movements. To cope with the lack of audited financial statements, Viwala adapted its sales requirements for women-owned businesses, requires less collateral and connects with fiscal authorities to conduct its analysis.

- **Establish partnerships to reduce risks and offer women attractive interest rates:** Risk-mitigation measures such as guarantees from development finance institutions or international organizations can encourage lenders to offer attractive interest rates to women. UPS Foundation provided Opportunity Bank Uganda with guaranteed funding to lower interest rates for women, with an objective for 60% of the bank's portfolio to be women.

The International Finance Corporation, through its Banking on Women programme, also offers risk-mitigation products to financial institutions. In turn, these institutions provide financial services to women-owned SMEs.

- **Explore options to reduce transaction costs:** Issues around deal size reappear regularly. The low average loan size required by these micro and small businesses, coupled with the customized approach and training that are needed, can generate high costs for investors. Investing in women is an enormous market, however, and represents a KES2.69 billion opportunity in Kenya alone. The question is then: 'How to tackle this opportunity at a lower cost?'

Economies of scale can be reached by automating the underwriting and loan servicing tasks, making it markedly cheaper, faster and easier to provide financing for SMEs. Key technologies to transform financial services include blockchain, cloud computing, mobile phones and internet connectivity, Big Data analytics, application programming interface and Quick Response code, according to the Global Partnership for Financial Inclusion.<sup>20</sup>

Experienced investors in this field say that women's loyalty, low default rate and revenues generated by cross-selling opportunities mitigate the higher costs related to investing in women.

- **Collect data:** A growing body of evidence shows the strong correlation between gender balance and women's leadership and decreased risk and volatility. Still, it is essential to continue collecting metrics and data to confirm this hypothesis.

SEAF's Gender Equality Scorecard© and the 2X Challenge criteria can be used as guidance. The scorecard is based on six gender equality performance vectors: pay equity, workforce participation, leadership and governance, benefits and professional development, workplace environment and women-power value chains. Collecting portfolio data such as assets under management, amounts disbursed, average interest and default rates, return on investment and impairments would also help to show that women-owned firms can provide appropriate financial returns and measurable impact.

- **The COVID-19 effect:** Women traditionally run businesses in sectors that were the most affected by the COVID-19 pandemic, such as textiles and tourism. Investors including Absa Bank Kenya and Opportunity Bank Uganda have created programmes for women to build structure and increase their resilience to weather pandemics.

# CHAPTER 4

## TAKEAWAYS AND RECOMMENDATIONS

The question remains: How to address both the needs of women entrepreneurs and the challenges facing investors? Table 1 summarizes the needs of women-owned and women-led enterprises, on one hand, and those of investors, on the other. It is interesting to note that the challenges and needs mirror each other at every step of the investment process and can often be matched through existing platforms or tools.

**Table 1** Top priorities of women entrepreneurs and investors

Needs of women-owned businesses	How to run a successful programme	Financiers' needs
Access to names of financial institutions and role models	Starting point ▼	Access to names of women entrepreneurs and leaders
Financial literacy training	Pipeline development ▼	Access to financial statements
Collateral-free facilities	Structuring ▼	Access to collateral and risk mitigants
Management information systems	Post-investment	Access to data

Source: Gaëlle Bonnieux

### Key success factors to invest in women

#### Investing in women requires a change from within

A deliberate plan and commitment from top management are crucial to develop and implement an investment strategy targeting women-owned SMEs. Strong internal alignment is vital to ensure that everyone in the organization owns the proposition and understands why women SMEs are a target. Carrying the entire team along is key to achieve profits and outreach. Appointing a gender specialist, gender committee, women desk or transformation office can help to achieve internal buy-in and alignment and operate in a focused way.



## Starting point

- **Leverage networks:** Partnerships with networks can help ensure a multiplier effect. Women networks, women associations and platforms such as SheTrades Invest are a source of business opportunities and industry knowledge. They act as a sourcing platform and can provide market information and linkages, thus reducing sourcing costs for investors.



## Pipeline development

- **Develop partnerships to provide training, coaching and mentoring to women.** Interviewees mentioned different siloed interventions and uncoordinated forums. Many initiatives already exist, but there is a need to create alignment, harmonize interventions and avoid duplication.

Although partnerships can take time and present some challenges in terms of aligning language and priorities, the benefits largely outweigh the difficulties. Most investors raise philanthropic capital to cover or partially subsidize capacity-building efforts for their portfolio of women-owned companies and create separate technical assistance facilities operated by experienced partners.



## Structuring

- **Develop value chain financing and non-cash instruments** to address the needs of women SMEs. Consider collateral-free products and tailored repayment terms. Mechanisms for building a robust portfolio of loans that do not require property or land to be used as collateral include future cash flow, purchase order contracts, accounts receivables, group lending methodology and leasing products.

Be innovative and explore models that use the unique selling proposition of a business, the strengths of business fundamentals and projected cash flows to evaluate risks. Another way to mitigate risks is to apply for women SME guarantee mechanisms that are available in the market.



## Post-investment

- **Collect data:** Data are needed to convince capital providers that there is a business case. The industry has just started gathering data to prove the value and investability of women-owned firms, but the evidence is still anecdotal. Investors need to collect data in a consistent way to evaluate performance and gaps, and support innovation to address these gaps if necessary.

## Checklist to ensure a successful approach targeting women-owned firms

- ✓ Ensure top management commitment and create a gender focus point within the organization
- ✓ Use existing initiatives as a starting point – keep it simple
- ✓ Make yourself visible: establish partnerships with women platforms and networks
- ✓ Build trust through the recruitment of women staff and staff training
- ✓ Develop training sessions, coaching and mentoring programmes run by women
- ✓ Establish partnerships to build capacity of women entrepreneurs
- ✓ Adapt your SME proposition: offer non-cash instruments, value chain financing, leasing products
- ✓ Build partnerships with development finance institutions to de-risk your portfolio
- ✓ Adapt due diligence requirements for micro and early-stage companies
- ✓ Collect data using existing tools

# Endnotes

- 1 While the first three lessons are relevant before implementing a gender lens strategy, they can also be applied to improve existing strategies. Kindly note that these 12 lessons are not written in order of importance.
- 2 <https://www.gemconsortium.org/report/gem-20162017-womens-entrepreneurship-report>
- 3 [www.workingforwomen.org](http://www.workingforwomen.org)
- 4 Zenger, Jack and Joseph Folkman (25 June 2019). 'Research: Women Score Higher Than Men in Most Leadership Skills.' Harvard Business Review, <https://hbr.org/2019/06/research-women-score-higher-than-men-in-most-leadership-skills>
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- 6 D'Espallier, Bert, Guérin, Isabelle and Roy Mersland (2009). 'Women and Repayment in Microfinance: A Global Analysis.' Working Paper 2009-2. Rural Microfinance and Employment.
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- 8 Abouzahr, K., Krentz, M., Harthorne, J. and F. Brooks Taplett (6 June 2018). 'Why Women Owned Startups are Better.' Retrieved from: <https://www.bcg.com/publications/2018/why-women-owned-startups-are-better-bet.aspx>
- 9 Catalyst at Large and Wharton (2020). 'Project Sage 3.0: Tracking Venture Capital, Private Equity, and Private Debt with a Gender Lens.'
- 10 <https://www.gendersmartinvesting.com/>
- 11 <https://thegiin.org/gender-lens-investing-initiative>
- 12 <https://www.2xchallenge.org/>
- 13 <https://investinginwomen.asia/>
- 14 <https://v4w.org/wp-content/uploads/2020/07/HOW-TO-GUIDE-REPORT.pdf>
- 15 The International Finance Corporation defines micro and small enterprises as firms with fewer than 50 employees and funding requirements below \$100,000.
- 16 <https://www.afdb.org/en/documents/working-paper-317-women-self-selection-out-credit-market-africa>
- 17 See Chapter 3 for examples of adequate products to tackle the challenges women face in obtaining finance.
- 18 See <https://www.wharton.upenn.edu/story/project-sage-3-0-key-insights-from-the-latest-gender-lens-investing-report/>
- 19 <https://www.seaf.com/womens-economic-empowerment-and-gender-equality/gender-equality-scorecard/>
- 20 [https://www.gpfi.org/sites/gpfi/files/saudi\\_digitalSME.pdf](https://www.gpfi.org/sites/gpfi/files/saudi_digitalSME.pdf)

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