

INVESTING IN WOMEN ENTREPRENEURS – IFC'S GENDER PROGRAMS

Gender Balance In Economic Decision-making



Vilnius, 2 July 2015

WBG addresses key challenges to women in Eastern Europe ...

EMPLOYMENT

- Shrinking labor force and falling male labor force participation rates ->

ENTREPRENEURSHIP AND ASSETS

- Women's low firm ownership exacerbates already modest level of entrepreneurship in ECA ->

SAFETY NETS

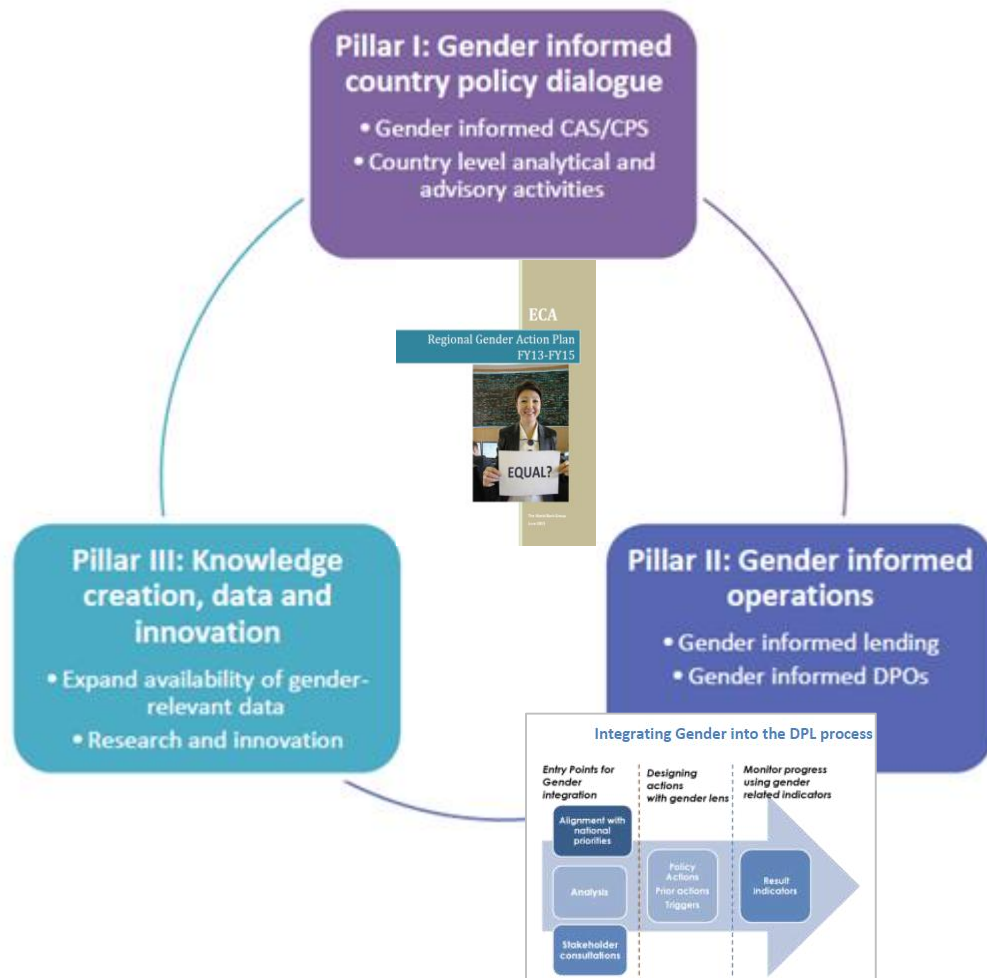
- Elderly population predominantly female (> 60%)

FOCUS AREAS:

- Increasing female labor force participation; address constraints (i.e. lack of formal child and elderly care)
- Increase women's access to finance & land ownership
- Reform pension system (including closing the remaining gender gaps in retirement age and wages), strengthen safety net for older women

...by mainstreaming 'gender' into WBG operations AND
thru stand-alone gender projects

Three pillars of the RGAP



Stand-alone Gender Initiatives

- **Turkey:** Improving Women's Access To Economic Opportunities Program
- **Western Balkans:** Promoting Gender Equality in Access To Economic Opportunities Program (*thru evidence on gender disparities with focus on the market-, institution- and household-level constraints*).
- **Western Balkans:** Multi-country Workshop For Local Land Reform Teams to strengthen inclusion of gender in land reforms.

RECENT WBG GENDER REPORTS

- Opportunities for men and women: emerging Europe and Central Asia
- "Missing girls" in the south Caucasus countries : trends, possible causes, and policy options
- Turkey's Important Balancing Act: Promoting Women's Empowerment in Turkey
- Women - Pillars of Armenia's economy and society
- Toward gender-informed energy subsidy reforms : findings from qualitative studies in Europe and Central Asia
- World Bank, FAO Aim to Boost Women's Land Ownership in Central Europe

Lithuania - overall good gender indicators

76%

of women
over 15yrs
have bank
account

36%

of firms
(co-)
owned by
women

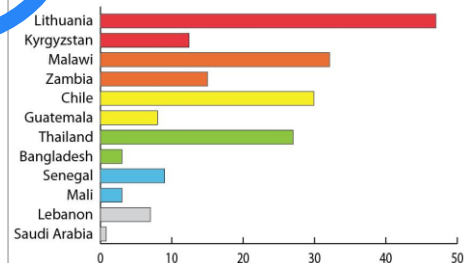
50 %

of land
owners are
women

Lithuania's Constitution grants **equality before the law** for men and women and equal ownership and inheritance rights.

GLOBAL INDICES	Score	Max	Rank	Year
WORLD ECONOMIC FORUM				
Global Gender Gap Index	0.7208	1	44/142	2014
UNDP				
Gender Inequality Index	0.1160	0	21/152	2013
OECD				
Social Institutions & Gender Index	0.0424	0	18/108	2014
EU				
Gender Equality Index	44	100	16/27	2013

Percentages of agricultural land holdings held by women
(high/low in selected regions)



The Labor Code grants **workplace protections for women** who are pregnant /nursing and equivalent positions after maternity leave, **flexible work schedule** and public provision of **childcare**.

38%

of full-
time
workers

48%

of full-
time
production
workers

54%

of non-
production
workers

Women are a significant but not yet fully realized economic force in Lithuania

Source: World Bank Business Environment and Enterprise Performance Surveys

	Lithuania	High income: nonOECD	All Countries
Percent of firms with female participation in ownership	35.9	38.2	35.2
Percent of firms with a female top manager	21.0	22.9	17.3
Proportion of permanent full-time workers that are female (%)	38.4	41.8	32.3
Proportion of permanent full-time production workers that are female (%)*	48.2	35.6	25.4
Proportion of permanent full-time non-production workers that are female (%)*	53.9	48.2	36.5

Significant economic force with potential for more: own 36% of firms, 50 % of workforce
BUT economic potential not fully realized:

- Few high-growth women enterprises
- Occupational segregation, gender wage gaps, 6% GNI per capita loss due to gender gaps in labor market

Underused business driver: Saturation of traditional market segments (i.e. banking/telecom); women represent new markets & business differentiators:

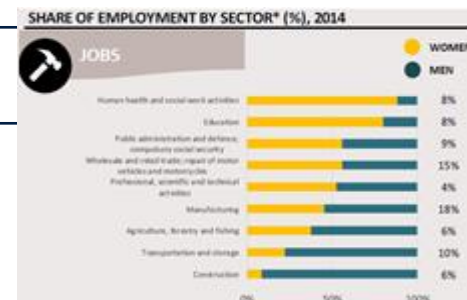
- Lending market for women
- Productivity gains/ competitive advantages for companies that attract/retain female talent

WOMEN REPRESENTS AN ECONOMIC FORCE !

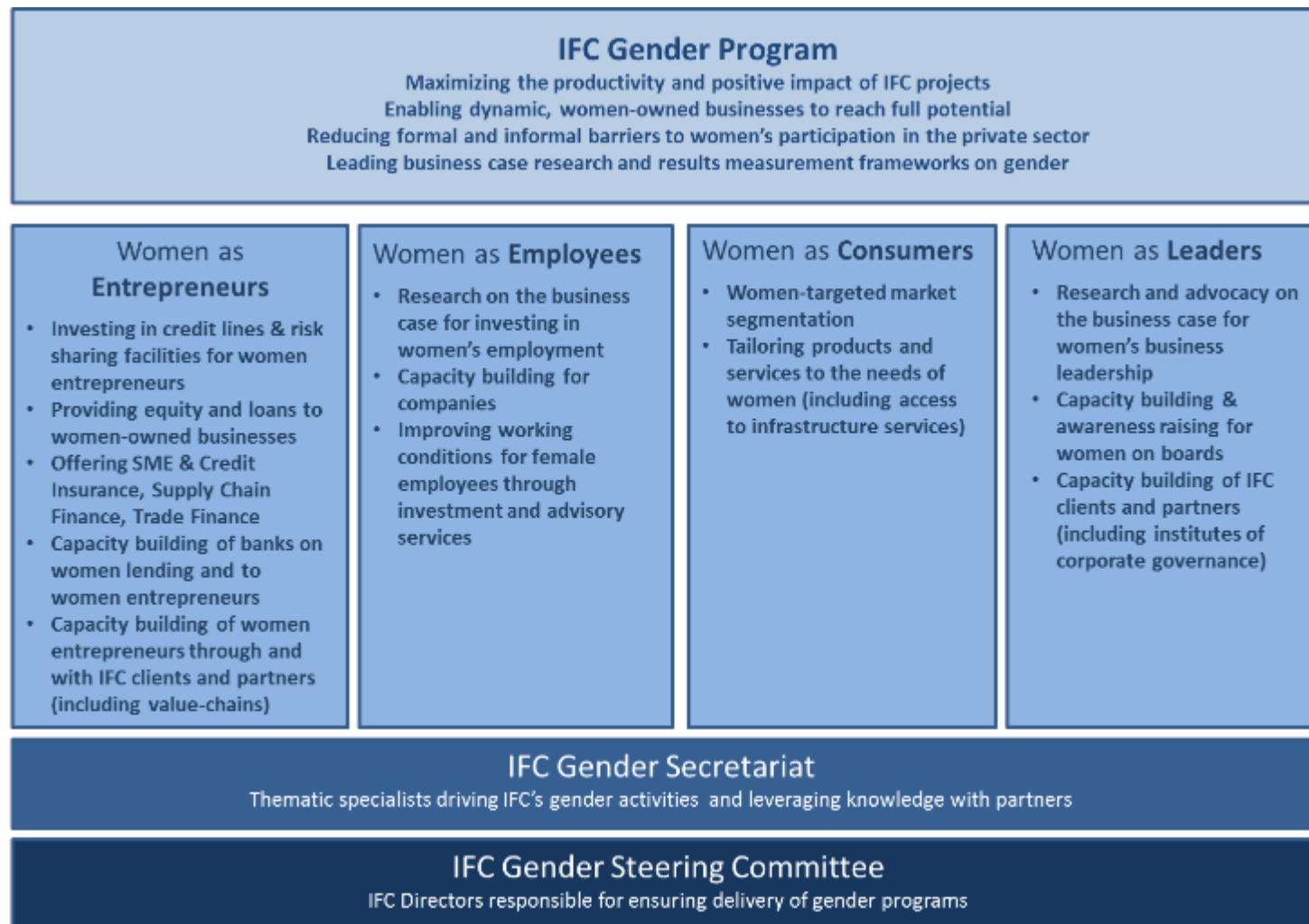
Some gender gaps persist and hamper women's fuller economic participation

< - CULTURE & TRADITION - >

ENTREPRENEURS	High-growth Entrepreneurship
	<ul style="list-style-type: none"> • Access to adequate credit - banks' poor understanding of women's finance needs and constraints ; bank perceptions of higher risk profile (lack of credit history, collateral due to inheritance-/ land management practices)
	<ul style="list-style-type: none"> • Integration in business networks (limits access to markets/customers/info/training) • Female entrepreneurial culture (mentorship, awareness, role models)
EMPLOYEES	High-value Employment
	<ul style="list-style-type: none"> • Occupational segregation, concentrated in health and education - 80-90% women
	<ul style="list-style-type: none"> • Gender pay gaps of 14% for equal work • Gender-biased employment practices/ poor female talent management
LEADERS	Corporate Leadership
	<ul style="list-style-type: none"> • Poor company practices for women aspiring leadership (training, networks, career paths, mentorship) • Weak female leadership culture, few role models, ambitions & aspirations



IFC addresses some of these gender gaps



IFC supports women entrepreneurs through

EXTENDING FINANCE

- Invest in banks' credit lines for lending to women entrepreneurs
- Help banks build capacity for lending to women entrepreneurs
- Provide equity and loans to women-owned businesses

STRENGTHENING SKILLS

- Train women entrepreneurs through IFC client banks & corporates

IMPROVING LAWS:

- Assess laws that affect women entrepreneurs & raises awareness

SHARING KNOWLEDGE

- Disseminate research and best practice on women's finance

WOMEN'S FIRM OWNERSHIP IN EUROPE

Country	% of firms with female ownership
Kyrgyz Republic (2013)	51.1
Portugal (2005)	50.8
Poland (2009)	47.9
Moldova (2013)	47.5
Romania (2013)	47.1
Latvia (2009)	46.3
Belarus (2013)	43.6
Turkey (2008)	40.7
Uzbekistan (2008)	39.8
Bulgaria (2013)	39.1
Lithuania (2009)	38.7
Serbia (2013)	38.3
Estonia (2009)	36.3
Slovenia (2013)	34.4
Tajikistan (2008)	34.4
Georgia (2013)	33.9
Croatia (2013)	32.2
Ukraine (2013)	31.4
Slovak Republic (2009)	29.6
Macedonia, FYR (2013)	29.4
Russian Federation (2012)	28.5
Kazakhstan (2013)	28.3
Bosnia and Herzegovina (2013)	27.3
Czech Republic (2009)	25
Armenia (2013)	24.7
Montenegro (2013)	24
Kosovo (2013)	14
Albania (2013)	12.5
Azerbaijan (2013)	4.1

SUPPORTING WOMEN ENTREPRENEURS TO REACH FULL POTENTIAL

Source: World Bank Business Environment and Enterprise Performance Surveys

We help extending finance to women entrepreneurs

IFC Global Banking on Women Program



HELPING LOCAL BANKS TO FINANCE WOMEN ENTREPRENEURS



Market Share Growth



Higher Cross-Sell and Loyalty



Strong Savings Propensity



Positive Risk Behavior



Linkage to Family Wallet

We help extending finance to women entrepreneurs

IFC Banking on Women Program in E. Europe & C. Asia

TURKEY

- \$ 52 m in finance to banks for on-lending to women-run SMEs (Abank, Fiba Banka And Sekerbank)
- Case study with Garanti Bank on bank's Women Banking Program
- Conference on "Investing In Turkey's Women Entrepreneurs"
- Impact study on women's banking in Turkey, Romania and Lebanon



TURKEY, ROMANIA, RUSSIAN FEDERATION, GEORGIA

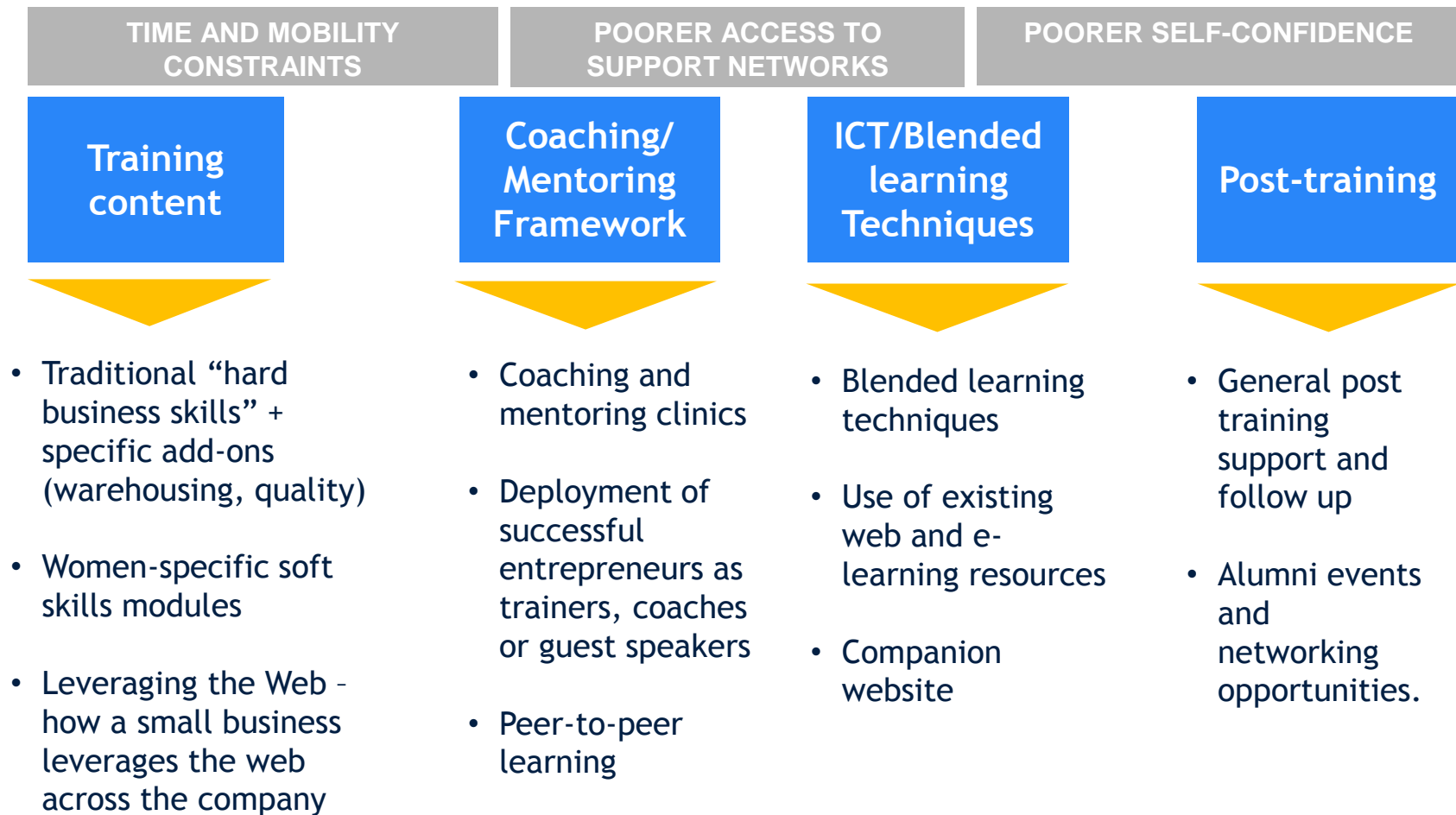
- \$ 100 m to banks for on-lending to women entrepreneurs
- Garanti Bank Romania, Bank of Georgia, Abank, Fiba Banka, Sekerbank



2000 +
women-
SMEs
reached
since 2011

We help strengthening business skills of women entrepreneurs

IFC Women Entrepreneurship Training Program



We help corporates strengthen business skills of women entrepreneurs

IFC Women Entrepreneurship Training in E.Europe and C.Asia

TURKEY

- Train women entrepreneurs through corporates' supply chain
- Boyner Group Turkey, “*Women Entrepreneurs Supplier Academy*”
- Identified women-led suppliers in its supplier base
- 3-month training program to increase performance and retention and sourcing of women SMEs
- Class room training; business-, soft – and technical skills
- Access to buyers, banks and networks



20
women-
SMEs
trained

IFC supports women corporate leaders through

IFC Global Women on Boards Program

RESEARCHING BUSINESS CASE

- Research/ articulate the business case for women's participation in senior management & leadership

RAISING AWARENESS

- Raise awareness on women's contributions to effective corporate governance and profitability

STRENGTHENING SKILLS

- Train senior women executives to expand the pool of talented, qualified leaders

IFC'S INVESTMENTS

- 30% women target for board directors in IFC investee companies

Economy	Firms with a female top manager (%)
Belarus (2013)	33
Georgia (2013)	32
Latvia (2009)	31
Poland (2009)	31
Kyrgyz Republic (2013)	29
Ukraine (2008)	28
Moldova (2013)	26
Estonia (2009)	26
Serbia (2013)	26
Romania (2009)	25
Montenegro (2009)	25
Bulgaria (2013)	24
Russian Federation (2012)	20
Slovak Republic (2009)	20
Macedonia, FYR (2009)	19
Kazakhstan (2013)	19
Czech Republic (2009)	18
Slovenia (2009)	16
Lithuania (2009)	15
Hungary (2009)	14
Armenia (2009)	14
Bosnia and Herzegovina (2009)	14
Turkey (2008)	12
Tajikistan (2008)	12
Uzbekistan (2008)	11
Azerbaijan (2013)	2
Kosovo (2009)	0

Source: World Bank Enterprise Surveys

PROMOTE DIVERSITY ON CORPORATE BOARDS, INCLUDING OUR OWN

We strengthen the business case for women on boards through research

22%
of firms
with
women on
board

100%
higher RoE
for firms
with
women

300 %
higher RoA
for firms
with
women

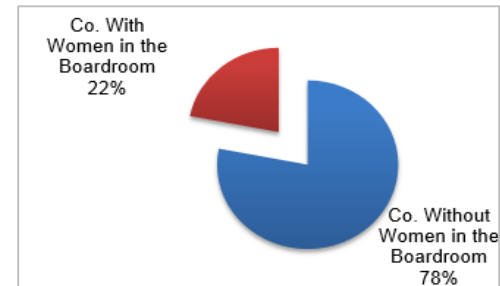
Jordanian companies with women on boards had **better financial performance** and improved corporate governance through more constructive discussions, better decision-making and overall **better board effectiveness**

NEW
IFC
STUDY

Summary of Sector Performance in ASE in 2012

Sector	Performance Against Average for Companies without Women		Performance Against Average for Companies with Women	
	ROA	ROE	ROA	ROE
Banking	0.06	1.41	-0.07	-1.56
Insurance	-0.24	-4.88	0.71	14.66
Financial Services	-2.02	-3.29	5.54	9.45
Services	-0.69	-0.44	1.85	2.37
Industrial	-0.25	-0.44	1.76	3.10

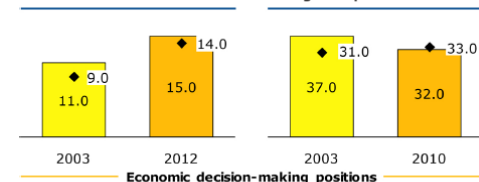
based on data available online from www.ase.com.jo



Women in... [%]

... corporate boards

... management positions in large companies and SMEs



◆ EU-27 ■ Lithuania

Source: EC DG Justice, Gender and Science 2012

We strengthen leadership skills of women executives

IFC Women on Boards Program in E. Europe & C. Asia

AZERBAIJAN, BOSNIA & HERZEGOVINA, SERBIA

- Target and train women (including female members of boards of directors and supervisory boards) for board and leadership functions as part of an effort to promote gender diversity on boards
- Training workshops for senior and mid-career-level women



KOSOVO:

- 6-month training and mentoring program for female junior and middle management professionals from real sector companies

IFC
Advisory
client
companies

35%
women in
senior
managmnt

10%
female
board
members

IFC supports women employees through

SHE Works & BETTER WORK PROGRAMS

IFC/ILO BETTER WORK PROGRAM

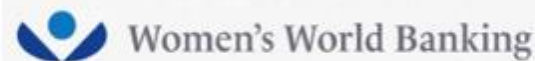
- ✓ Improves work conditions for garment factory workers
- ✓ Women = **80%** of garment workers
- ✓ Promotes policy and business practices that address concerns which women garment workers face
- ✓ Closes gender wage gap
- ✓ Addresses sexual harassment in garment industry



SHE WORKS INITIATIVE

- ✓ Brings together leading companies
- ✓ Regularly share knowledge and best practices in women's employment.

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Our Publications



Strengthening Access to Finance for Women-Owned SMEs in Developing Countries

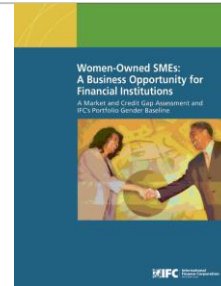


Investing In Women's Employment

<http://www.ifc.org/wps/wcm/connect/5f6e5580416bb016bf5b1bf9e78015671/InvestinginWomensEmployment.pdf?MOD=AJPERES>



Strengthening Access to Finance for Women-Owned SMEs in Developing Countries



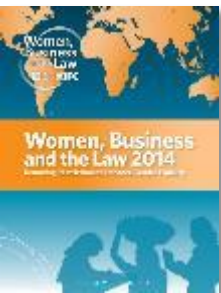
Women-owned SMEs – a Business Opportunity for Financial Institutions

<http://www.ifc.org/wps/wcm/connect/b229bb004322efde9814fc384c61d9f7/WomenOwnedSMEs+Report-Final.pdf?MOD=AJPERES>



Gender At Work

http://www.worldbank.org/content/dam/Worldbank/document/Gender/GenderAtWork_web.pdf



Women, Business and the Law wbl.worldbank.org