



USAID INVEST

ADVANCING WOMEN'S ECONOMIC EMPOWERMENT



JESSAMY NICHOLS / DAI

Throughout the world, widespread gender gaps in financial inclusion and economic empowerment negatively affect the lives of women and hinder economic growth. Recognizing an urgent need to close these gaps, [USAID INVEST](#) (INVEST) alongside the [USAID Gender Equality and Women's Empowerment Hub](#) (USAID/GenDev) has built a \$23 million portfolio of activities to advance [women's economic empowerment](#) by mobilizing private sector investment through catalytic capital, mainstreaming gender-smart policies and practices among investors and employers, increasing access to capital for women and women-led businesses, and building supporting environments.

APPROACH

INVEST and its partners work across the financial ecosystem with governments, investors, financial entities, and businesses to address the complex barriers women face when starting or growing their businesses, seeking decent jobs, or accessing financial products and services.

APPROACHES TO WOMEN'S ECONOMIC EMPOWERMENT



CATALYTIC CAPITAL

INVEST supports gender-smart investors and aims to increase investment in businesses that advance gender equity, whether by promoting women in leadership or providing financial services to low-income women.



INCREASE ACCESS TO CAPITAL

INVEST works with its partners to pilot tools that will improve their understanding of women's financial needs, increase outreach to women, and inform adapted financial products and services.



MAINSTREAM POLICY AND PRACTICES

INVEST has helped finance providers and companies mainstream gender-smart strategies and policies to improve the use of sex-disaggregated data, outreach to women clients, and understanding of women's financial needs.



BUILD ENABLING ENVIRONMENT

INVEST and partners are engaging government regulators, credit rating agencies, institutional investors, and insurers to develop tools and approaches that improve the economic and social standing of women.



MOBILIZE INVESTMENT FOR GENDER EQUITY THROUGH CATALYTIC CAPITAL

Partners are using catalytic capital to design, structure, and raise additional capital for seven gender-smart investing funds that aim to raise \$382 million. With initial support from INVEST, these funds will continue to make investments in businesses that are founded and led by women, promote women in leadership and management, create quality jobs and safe workplaces for women, and provide products and services that benefit women. With a focus on impact and financial returns, these partners are also building the evidence base for investing in gender-smart businesses.

MAINSTREAM GENDER-SMART POLICIES AND PRACTICES

With tailored technical assistance, close to 200 companies, nine financial institutions, and one investment fund are enhancing their strategies, policies, and practices to address persistent gender inequities. These changes will help create safer workplaces for women, encourage equitable professional opportunities, improve financial and social returns on investments, increase investment in gender-smart businesses, and ensure appropriate financial products are available for women.

INCREASE ACCESS TO FINANCE FOR WOMEN AND WOMEN-LED BUSINESSES



















Credit unions, financial intermediaries, and investors are contributing to and piloting tools that will improve their financial services based on women's needs, increase the number of women clients, and inform adapted financial products and services. With improved terms for both savings and credit products, previously underserved women will have access to finance. To improve demand for financial services, INVEST and partners also offer financial education and training to women.















IMPROVE ENABLING ENVIRONMENTS FOR WOMEN
















To affect systemic change, INVEST and partners are engaging government financial regulators, credit rating agencies, institutional investors, and insurers to develop tools and approaches to promote gender equality and women's economic empowerment. For instance, tools for regulators to integrate gender equality into their supervisory practices and approaches for investors to assess investment risks related to gender-based violence.

Expanding Women's Access to Commercial Finance in Colombia

In August 2020, USAID/GenDev launched a challenge to increase women's access to commercial finance in Antioquia, Colombia. Women's access is frequently restricted by barriers in the form of restrictive laws, regulations, policies, administrative practices, and social norms. This challenge was designed to break these barriers by convening stakeholders to create and implement locally led solutions that support partnerships between financial entities, financial intermediaries, business support service providers, and community organizations to improve financial and non-financial services for rural women, including those impacted by conflict. USAID identified three cross-cutting consortia of partners that will test new financial products and build new coalitions to create opportunities for women and a more inclusive financial system.

Partner & Team	Approach	Geography	Objective	
Intended Impact: Locally led initiatives reduce gender biases and change restrictive social norms to expand women's access to commercial finance in Antioquia, Colombia.				
1	Design Thinkers Group Pro Mujer	 	Colombia	Design and facilitate a whole system in a room (WSR) workshop to co-create actionable plans that address barriers that rural women face in accessing commercial finance.
2	Fundación Capital Cooperativa Financiera de Antioquia (CFA), CoreWoman	  	Department of Antioquia, Colombia	Address systemic problems that limit women's access to finance by addressing unconscious gender biases in CFA employees, developing a women-specific financial product, and expanding women's access to savings accounts and credit products.
3	Microempresas de Colombia PRODEPAZ, COMFENALCO Antioquia, MET Community	  	Department of Antioquia, Colombia	Increase rural women's access to finance, strengthen entrepreneurship, and engage families, communities, and institutions to address the beliefs and policies that negatively impact the socioeconomic development of women.
Intended Impact: Gender-aware supervision improves women's financial inclusion, encourages gender equity within financial institutions, and enables better consumer protection.				
4	Toronto Centre		<ul style="list-style-type: none"> ● Colombia ● Kenya ● Peru ● Zambia 	Illustrate how gender affects management of financial regulatory processes and how supervisory agencies can improve decisions around women's financial inclusion through better data use and collection.
Intended Impact: Gender-smart investing strategies become widespread among financial entities and investors, continuing to build the business case for gender equity.				
5	Aceli Africa Value for Women	 	<ul style="list-style-type: none"> ● Tanzania ● Kenya ● Uganda ● Rwanda 	Engage financial institutions to adopt gender-aware lending practices for agricultural SMEs and encourage gender-aware lending with evidence from Aceli's loan portfolio.
6	Pro Mujer Acrux Partners	 	● Latin America	Engage five mainstream investors to recognize and create solutions to addressing barriers women face in accessing capital.
7	Sagana Circulate Capital		<ul style="list-style-type: none"> ● South Asia ● Southeast Asia 	Develop and implement a gender-smart investing approach for Circulate Capital's Ocean Fund I and its waste and recycling portfolio companies.
Key:  Catalytic Capital  Mainstream Policy & Practices  Build Enabling Environment.  Increase Access to Capital				

Partner & Team		Approach	Geography	Objective
8	RENEW		<ul style="list-style-type: none"> Uganda Rwanda 	Develop and test a gender-smart SME investment playbook that encourages gender lens investing (GLI) and incorporates women's economic empowerment into core business operations.
9	WOCCU UN-PAMECAS	 	<ul style="list-style-type: none"> Senegal 	Pilot and implement a Gender Investment Framework and Toolkit with four credit unions to increase investment in women-owned enterprises and identify opportunities to scale.
Intended Impact: Gender-based violence becomes a critical issue to encourage economic growth among institutional investors and governments.				
10	Milliman Making Cents International		Global	Design tools for investors and insurers to better assess risks from gender-based violence in alignment with common Environmental, Social, and Governance (ESG) factors to influence capital markets at scale.
Intended Impact: Women in emerging markets have access to improved financial products and services, including appropriate forms of capital to grow their businesses.				
11	Women's World Banking (WWB) Asset Management		<ul style="list-style-type: none"> Africa Middle East Indo-Pacific 	Mobilize investment into digital financial services for low-income women through the \$100 million WWB Capital Markets II Fund.
12	Kiva		<ul style="list-style-type: none"> Latin America Sub-Saharan Africa 	Design and launch the \$100+ million Invest in Women Fund to catalyze financial access for women by unlocking institutional capital at scale. Launch a Gender Equity and Financial Inclusion Forum.
13	WIC Capital		<ul style="list-style-type: none"> Senegal Ivory Coast 	Use first-loss tranche to capitalize the \$20 million WIC Capital Fund for financing and providing business support to women-led businesses.
14	Patamar Capital		<ul style="list-style-type: none"> Vietnam Indonesia Philippines 	Use first-loss tranche to capitalize and launch the \$50 million Beacon Fund serving businesses owned by women or with products and services for women and girls.
15	MEDA BPI East Africa, Volta Capital, Criterion Institute	 	<ul style="list-style-type: none"> Rwanda Kenya 	Identify and address the challenges women-owned businesses face in accessing capital, and provide technical assistance to prepare them to reapply for "second chance" funding.
Key:  Catalytic Capital  Mainstream Policy & Practices.  Build Enabling Environment.  Increase Access to Capital				

Partner & Team	Approach	Geography	Objective
Intended Impact: Gender-smart businesses become safer, more equitable workplaces with improved products and services that increase financial and impact returns.			
16 Deetken Impact Pro Mujer	 	<ul style="list-style-type: none"> • Latin America • Caribbean 	Use first-loss capital to attract investors to the Ilu Women's Empowerment Fund and provide technical assistance support to strengthen portfolio companies with gender-smart policies and practices.
17 CARE	 	<ul style="list-style-type: none"> • South Asia • Southeast Asia 	Use first-loss tranche to capitalize CARE SheTrades Impact Fund (CSIF) targeting early growth stage companies and deploy a technical assistance facility to improve gender outcomes for portfolio companies.
18 AlphaMundi Foundation Value for Women		<ul style="list-style-type: none"> • East Africa • Latin America 	Provide tailored gender-smart technical assistance to nine SMEs that have received capital from one of AlphaMundi Group's GLI investment vehicles.
Intended Impact: Women have accessible and appropriate financial tools to make informed decisions for their businesses.			
19 MDPI	 	Indonesia	Help women fish sellers establish financial records needed to obtain working capital loans by expanding the fish catch and traceability app – Trafiz – to track sales, expenses, and loans.
Intended Impact: Women gain access to finance without property as collateral as more financial institutions offer asset-based (or movable property) lending.			
20 Dopkins	 	Colombia	Develop an asset-based lending (ABL) handbook and field examination templates for use by Colombian banks and lending institutions.
21 Deloitte		<ul style="list-style-type: none"> • Indonesia • Vietnam • Kenya 	Test hypothesis that blended capital paired with technical assistance can incentivize financial service providers (FSPs) to expand their moveable property lending (MPL) offerings for women.
Intended Impact: Donors and development agencies effectively mobilize private sector investment for women's economic empowerment.			
22 CrossBoundary		<ul style="list-style-type: none"> • Senegal • Nigeria • Kenya • Ghana • South Africa 	Identify opportunities to increase gender lens investing in sub-Saharan Africa.
Key:  Catalytic Capital  Mainstream Policy & Practices  Build Enabling Environment  Increase Access to Capital			