

## FACTSHEET

# Women Banking Champions Program

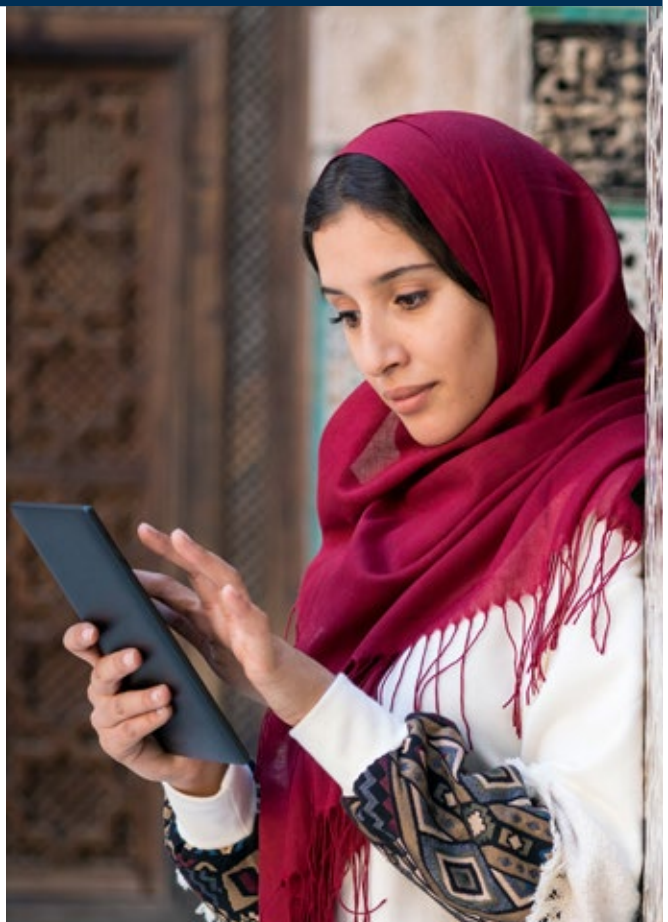
Smaller businesses, including those led by women, are a vital part of economies across the Middle East and North Africa. But women entrepreneurs are still vastly underserved by the financial sector. The Middle East and North Africa currently has the largest financial inclusion gender gap of any region in the world.

To change that, IFC, in partnership with the Swiss Secretariat for Economic Affairs (SECO), launched the Women Banking Champions program in 2018. The program partners with private businesses, especially financial institutions, and the public sector to engage women more fully in the economy, with the long-term goal of creating jobs and combating poverty across the region.

The large gender financing gap is obviously problematic at a societal level, but it also represents a huge missed opportunity for lenders. A growing body of evidence shows that focusing on female clients provides banks with an expanding—and lucrative—line of business.

The Women Banking Champions program aims to improve access to finance and boost financial inclusion for women entrepreneurs. The program employs a three-pronged approach for accomplishing that goal. It provides data and market insights while expanding access to knowledge and networks. It supports legislative reforms, working with financial regulators, such as central banks. And it works directly with partner banks to create new products for female customers.

The program's work has included deep-dive reports, tailored to financial institutions, assessing the business opportunities for gender-related financing in Egypt, Tunisia, and Morocco. These studies not only evaluate the credit gap faced by women but also give insights into their banking preferences. The qualitative findings emanated from 36 focus group discussions and 5,371 surveys held in urban and rural areas. The results also included in-depth interviews with representatives from 55 institutions.



## AT A GLANCE

FIVE-YEAR PROGRAM, LAUNCHED IN 2018



**Implemented in partnership with SECO** – State Secretariat for Economic Affairs



**Regional platform** for the Middle East and North Africa (MENA) with a special focus on Egypt, Morocco, and Tunisia



Since inception, **engaged 3 banks** to champion the Women Banking markets opportunity in priority countries



**Facilitated knowledge exchange** on the opportunity in women's markets through joint knowledge events with regulators in Egypt and Morocco

IN PARTNERSHIP WITH



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Confederation



**IFC**

**International  
Finance Corporation**  
WORLD BANK GROUP

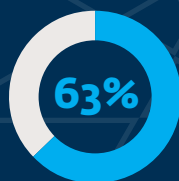
*Creating Markets, Creating Opportunities*



## CHALLENGE AND OPPORTUNITY IN THE MIDDLE EAST AND NORTH AFRICA:



55% of women-owned MSMEs do not have access to credit



63% of formal women-owned SMEs are underserved by banks

There is a **\$72 billion annual credit gap** facing women-owned smaller businesses in MENA

“MENA is the region with the largest gap for women financial access (17%) compared to all other regions. **The financial support from our partners at SECO helped us elevate the program to sectoral level and achieve even more for women across the region.**”

Manar Korayem, IFC's Women Banking Champion Program Lead.

The Women Banking Champions program is also working with financial regulators and policymakers to publicize gender-disaggregated data on women access to finance. This information, which is being disseminated through seminars, will help regulators formulate national financial inclusion strategies. The data can also help financial institutions benchmark their banking on women programs. For example, gender-disaggregated data helped Lebanon's BLC Bank launch a pioneering program for female borrowers, called the “We Initiative”, in 2012. The bank started measuring and disaggregating data by gender from day one, helping it to track its market share and gauge the program's performance over time. Those results were very strong: BLC Bank's internal rate of return on its women banking program stands at 34 percent.

“Our strategy prioritizes financial inclusion and customer centricity with a keen focus on empowering our customers to reach their full potential. A prime example of this is our newly designed Customer Value Proposition, which integrates the voices of women obtained through field needs assessments conducted with IFC’s support. **We will provide our women customers with a full-fledged offer combining the financial services, capacity building, and business support services they need to manage and grow their businesses and sustainably contribute to Egypt’s economy.** The results of this cooperation will impact all our women customers across our extensive network of over 700 branches, and potentially change Egypt’s banking sector and economy.”

Wassim Hosny Metwally, Head of Strategy and Change Management at Banque Misr.



**Below are the country-specific engagements of the Women Banking Champions program.**

## EGYPT

Egyptian women, as business and personal banking clients, face a credit gap of approximately \$22.8 billion. Banks will need to increase their current supply of credit nearly five-fold to close this gap.

Through its Women Banking Champions program, IFC worked with Banque Misr, one of the country’s largest banks, to help it become the first bank in Egypt with a comprehensive targeted customer proposition for women, offering everything from financial products to non-financial services.

In March 2022 Banque Misr launched the ZAAT Women Program, to be the first full fledge banking proposition tailored to meet the needs of women markets in Egypt, particularly the women entrepreneurs. The ZAAT value proposition encompassed the IFC recommendations for bundling financing solutions, advice, and training to help women entrepreneurs manage and grow their businesses.

## INTERVIEW WITH PROJECT LEAD

*Ahmed Okasha, Operations Officer, IFC Egypt*

### 1. What is the key challenge you’re addressing in your market?

In Egypt, the credit gap for women-run MSMEs amounts to \$14.4 billion with less than 10 percent having designated business bank accounts. In addition, there is a very high rate of informality in the primarily women-led microenterprise segment. As such, IFC has partnered with Banque Misr to develop a customized value proposition tailored specifically to Egyptian women.

### 2. What impact do you plan to achieve in your market?

The plan is to increase access to financial and non-financial services for unserved and underserved women in Egypt, and to design banking solutions to advance formalization of small businesses in Egypt, particularly those led by women. Several quick wins have been identified and a customer-centric approach is being adapted to better serve women customers and incentivize informal women-led businesses to formalize.

### 3. How will you know you have succeeded?

Success will be measured by an increase in the number of loans disbursed to women as well as the number of new, previously unbanked women customers who enter the formal financial system by leveraging the newly introduced products and services offered by the bank.

## MOROCCO

Moroccan women face a credit gap of approximately \$5.6 billion. About \$3.3 billion of that shortfall is faced by female owners of micro, small, and medium enterprises (MSMEs). More than two-thirds of women-owned enterprises with revenue above 1 million Moroccan dirhams (about \$113,000) have a business bank account. But rather than borrowing from banks and other formal financial service providers, women-owned MSMEs largely rely on retained earnings and their friends and family to meet their financing needs. The use of these sub-optimal mechanisms indicates that existing credit products and services may be poorly aligned with their needs.

IFC has been working with Bank Al-Maghrib, the central bank of Morocco, since March 2020 to promote women's financial inclusion. The collaboration focuses on generating better data on women's access to financial services, which will help the country's banks develop the strategies they need to serve women and women-led businesses more efficiently. IFC is delivering a series of knowledge forums and events to share global best practices with the banking community.

## TUNISIA

There are approximately 150,000 women-owned MSMEs in Tunisia. Their financing needs are largely unmet by financial products in the market, resulting in a credit gap of approximately \$991 million. Women-run enterprises report that bank loans are too large for their businesses, while microfinance loans are generally too small. Nearly 75 percent require loan amounts that are not widely available from either banks or microfinance, ranging from \$6,800 to \$58,000.

Through the Women Banking Champions program, IFC works with BH Bank to help it analyze and understand the market, determine target segments, and develop and test new financial products. With the onset of the COVID-19 pandemic, a number of webinars have been hosted to guide the bank's small and medium enterprise clients on mitigating its impact; 49% of participants were women entrepreneurs.



## INTERVIEW WITH PROJECT LEAD

*Mahdi Karoui, Tunisia*

### 1. What is the key challenge you're addressing in your market?

Although, women represent 50.2 percent of the population, their economic participation remains limited with only 28 percent in the workforce. As well, only 14 percent of the 600,000 MSMEs in Tunisia are owned or led by women. The key challenge is financial inclusion with only 28 percent of women having a bank account compared to 46 percent of men. Through the program, IFC and BH Bank would like to enable women better access to financial services and more effectively respond to their financing needs.

### 2. What impact do you plan to achieve in your market?

We are aiming to increase financial inclusion for women, particularly women professionals and entrepreneurs. The objective is to provide financial and non-financial services to MSMEs by developing the services women need. This inclusive approach will benefit men and women.

### 3. How will you know you have succeeded?

We will succeed when women's usage of financial services grows significantly and when women make up a larger proportion of lenders' portfolios in Tunisia. These will be key indicators of the program's success. One woman entrepreneur we met told us that she would never use her bank's digital services. One of the keys to the success of this project will be changing mindsets like that, so women see their bank as a partner supporting them to grow, namely through value added services such as training, networking, and other financial services. Digital services especially are key for women as they enable them to bank while managing their personal and professional journey.

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