

GENDER INCLUSIVE ACCESS TO FINANCE CHECKLIST

ENHANCING ACCESS TO FINANCE FOR WOMEN OWNED ENTERPRISES IN NIGERIA



Toolkit

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**BUSINESS ENVIRONMENT REFORMS FOR
WOMEN ECONOMIC EMPOWERMENT SERIES**

INTRODUCTION

Women's economic empowerment is key to ensuring that women not only enjoy equal rights and liberties but also, that they are able to contribute to a nation's socio-economic progress.

Beyond the subject of social justice, women's economic empowerment is also recognised as a critical driver of sustainable economic growth. When women are economically empowered, they contribute to poverty reduction, improved family well-being, and the overall development of communities and nations (UN Women, 2023).

The Nigerian MSME sector plays a pivotal role, contributing 46.31% of the GDP, 96.7% of all businesses, 6.7% of exports, and 87.9% of employment. Notably, 32.9% of these businesses are female owned (NBS/SMEDAN, 2022). To fully unlock Nigeria's economic potential, it is essential to address gender inequalities that hinder growth and inclusivity.

Female entrepreneurs in the MSME sector generally lag behind their male counterparts due to societal and cultural norms, poor capacity development, lack of workplace support structures and unsupportive government policies. These factors hinder their access to essential resources, including finance, leading to men-owned enterprises consistently outperforming those owned by women. Despite financial institutions reporting better loan recovery with women, there are still several barriers limiting the supply of finance to the MSME sector and the effective demand for it, particularly among female-led MSMEs. (Fatima S. A:2023).

What is the checklist and who is it for

Women-owned Enterprises (WoEs) are integral to the socio-economic development of the country, yet they often encounter significant barriers that limit their ability to secure financing and grow their enterprises.

The gender checklist is designed to address the unique challenges faced by women owned enterprises in Nigeria in accessing finance. .

From the recent study on Enhancing Access to Finance for Women-Owned Enterprises in Nigeria, several key challenges were identified that inhibit women entrepreneurs from fully participating in the financial ecosystem. An assessment of the current state of access to finance for WOE's indicated the following:

1. Insufficient capital base of Microfinance Banks (MFBs) to meet the demand of women owned enterprises.
2. A projected 2.9 trillion-naira gap in finance supply for Women-owned Enterprises in Nigeria
3. High interest rates from commercial banks and MFBs
4. Challenges in the design and administration of public sector and DFI Interventions.
5. Operations of unlicensed loan institutions and
6. Inability to meet collateral requirements by banks

In addition to the above factors, the study identified other key demand factors that mitigate effective demand for finance by WoEs to include:

1. Low annual turnover
2. Low level of education and financial literacy
3. Low asset ownership
4. Low level of business formalisation
5. Poor participation in women cooperative
6. Poor access to business development services
7. Cultural and motherhood factors
8. Generally high level of fear of negative perception and harassment associated with loan defaults.
9. Low awareness and poor uptake of insurance products

This checklist is intended for policymakers, financial institutions, development partners, business development service providers, and public-sector actors involved in designing, promoting, delivering, and monitoring Access to Finance Interventions, it ensures that these stakeholders create inclusive systems that cater specifically to the needs of women entrepreneurs.

How to Use the Checklist

This gender inclusive access to finance checklist has been designed to guide the development and implementation of gender-sensitive access to finance programmes for Women-owned Enterprises. It is divided into the following key areas: Design, Promotion, Delivery, and Monitoring & Evaluation (M&E). Each section contains specific questions that can be answered with "Yes" or "No," allowing for a quick and efficient assessment of the programme's gender inclusivity at each stage.

Instructions:

Read each question carefully: The questions are structured to address critical gender-related considerations across the programme stages.

Answer honestly: Mark "Yes" if the question has been adequately addressed and "No" if it has not. The objective is to identify gaps and areas where further action may be needed.

Review areas marked "No": These represent potential gaps in gender inclusivity. For any "No" responses, consider what adjustments can be made to ensure that the programme is inclusive and accessible to Women-owned Enterprises.

Follow-up actions: Once gaps are identified, develop a plan to address them, ensuring that all key gender-related aspects are considered as the programme progresses.

Periodic review: The checklist should not be used just once. It is recommended to use it at various stages of the programme, from design to implementation and monitoring, to ensure continuous gender inclusivity.



Design

S/N	Questions	Yes	No
1	In the design of this package/ product /programme, have you defined what you include as a “women-owned enterprise”? The 2X Criteria is a good guide to use.	<input type="checkbox"/>	<input type="checkbox"/>
2	In the design of this package/product/programme, have at least 50% of the available resources been dedicated to women owned enterprises?	<input type="checkbox"/>	<input type="checkbox"/>
3	In the design of this package/product/programme, does the target population include a minimum of 50% women?	<input type="checkbox"/>	<input type="checkbox"/>
4	Is the design of the access to finance product/programme inclusive of non-financial services like BDSP support, financial literacy trainings, etc.?	<input type="checkbox"/>	<input type="checkbox"/>
5	Does the product/programme design consider barriers like high interest rates, long and complex administrative procedures, lack of trust etc. that might affect the willingness of women to demand finance?	<input type="checkbox"/>	<input type="checkbox"/>
6	Is there an ecosystem lens in the design of the programme to ensure that the role of other actors in the input, processing, insurance, and access to market stages of the value chain are leveraged to ensure that loans meet the exact needs of the business in a transparent and secured manner?	<input type="checkbox"/>	<input type="checkbox"/>
7	Do the obligor sizes in the loan package align with the needs and repayment capacities of the enterprises?	<input type="checkbox"/>	<input type="checkbox"/>
8	Do the product/programme features include explicit measures to prevent gender bias in the evaluation of loan applications? This could include capacity building measures for loan officers on gender awareness.	<input type="checkbox"/>	<input type="checkbox"/>
9	Is there a clear timeline for each step of the loan application process and is this timeline clearly communicated to the enterprises to avoid unnecessary ambiguities?	<input type="checkbox"/>	<input type="checkbox"/>
10	Does this design include putting safeguards like whistleblowing channels in place to curb gender discrimination and harassment in the implementation of the financial programme and delivery of its services?	<input type="checkbox"/>	<input type="checkbox"/>
11	Are there provisions for post-financing BDS support and capacity-building interventions tailored specifically for women entrepreneurs in order to increase repayment rates?	<input type="checkbox"/>	<input type="checkbox"/>
12	Does the programme/product design involve leveraging joint action and women’s cooperatives for more effective implementation?	<input type="checkbox"/>	<input type="checkbox"/>
13	Were women involved in the design process of this product/programme? Were their opinions heard through focus group discussions or other ways?	<input type="checkbox"/>	<input type="checkbox"/>
14	Are the targets and services stated in this package/product/programme benchmarked to best practices? The 2X Criteria is a good guide to use.	<input type="checkbox"/>	<input type="checkbox"/>

Promotion

S/N	Questions	Yes	No
1	Is there a dedicated marketing strategy to raise awareness of the product/ programme specifically among Women-owned Enterprises?	<input type="checkbox"/>	<input type="checkbox"/>
2	Are these promotional activities designed to reach women entrepreneurs in both urban and rural areas?	<input type="checkbox"/>	<input type="checkbox"/>
3	Is there a strategy in place to ensure that the promotional content is accessible in multiple languages commonly spoken by women entrepreneurs in the target geography?	<input type="checkbox"/>	<input type="checkbox"/>
4	Have partnerships been formed with relevant women-focused public, private, social and development organisations to enhance the visibility of the financial programme?	<input type="checkbox"/>	<input type="checkbox"/>
5	Are promotional campaigns inclusive of success stories and testimonials from women who have benefited from similar financial programmes?	<input type="checkbox"/>	<input type="checkbox"/>
6	Do the promotional strategies leverage telecommunication channels and targeted awareness creation to ensure women's participation?	<input type="checkbox"/>	<input type="checkbox"/>
7	Does the promotion plan include community outreach efforts to build trust and credibility among potential women beneficiaries?	<input type="checkbox"/>	<input type="checkbox"/>

Delivery

S/N	Questions	Yes	No
1	Considering the unique customer journey of women, particularly those related to limited mobility due to caregiving responsibilities and other cultural norms that limit market access; will the financial products and services be delivered through channels that are easily accessible to women, including those in remote areas?	<input type="checkbox"/>	<input type="checkbox"/>
2	Are there specific communication strategies to ensure women are aware of the full benefits and risks of the financial product?	<input type="checkbox"/>	<input type="checkbox"/>
3	Is there a support system in place to assist women entrepreneurs throughout the application and loan disbursement process in a timely manner?	<input type="checkbox"/>	<input type="checkbox"/>
4	Does the delivery strategy inculcate other non-financial models like peer to peer mentoring, role modelling and coaching for women entrepreneurs?	<input type="checkbox"/>	<input type="checkbox"/>
5	Are customer service representatives trained to handle gender-specific inquiries and provide appropriate support to women entrepreneurs?	<input type="checkbox"/>	<input type="checkbox"/>
6	Are there flexible repayment options designed to meet the cash flow realities of Women-owned Enterprises?	<input type="checkbox"/>	<input type="checkbox"/>
7	Is there a mechanism in place to ensure timely communication and updates are provided to women regarding their loan applications and repayments?	<input type="checkbox"/>	<input type="checkbox"/>

Monitoring and Evaluation (M&E)

S/N	Questions	Yes	No
1	Are gender-disaggregated data on the loan/product performance being collected and analysed regularly?	<input type="checkbox"/>	<input type="checkbox"/>
2	Is the data on progress toward reaching the targeted number of women regularly reported both internally and externally, including to senior management and stakeholders?	<input type="checkbox"/>	<input type="checkbox"/>
3	Are there systems in place to collect feedback from women on their experiences?	<input type="checkbox"/>	<input type="checkbox"/>
4	Are the findings from gender-focused evaluations being used to inform future programme design and implementation?	<input type="checkbox"/>	<input type="checkbox"/>
5	Are there follow-up initiatives planned to assess the impact of promotional activities on women's participation in the programme?	<input type="checkbox"/>	<input type="checkbox"/>
6	Is there an independent review or audit process to evaluate the overall impact of the product on women owned enterprises?	<input type="checkbox"/>	<input type="checkbox"/>
7	Does the promotion plan include community outreach efforts to build trust and credibility among potential women beneficiaries?	<input type="checkbox"/>	<input type="checkbox"/>





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