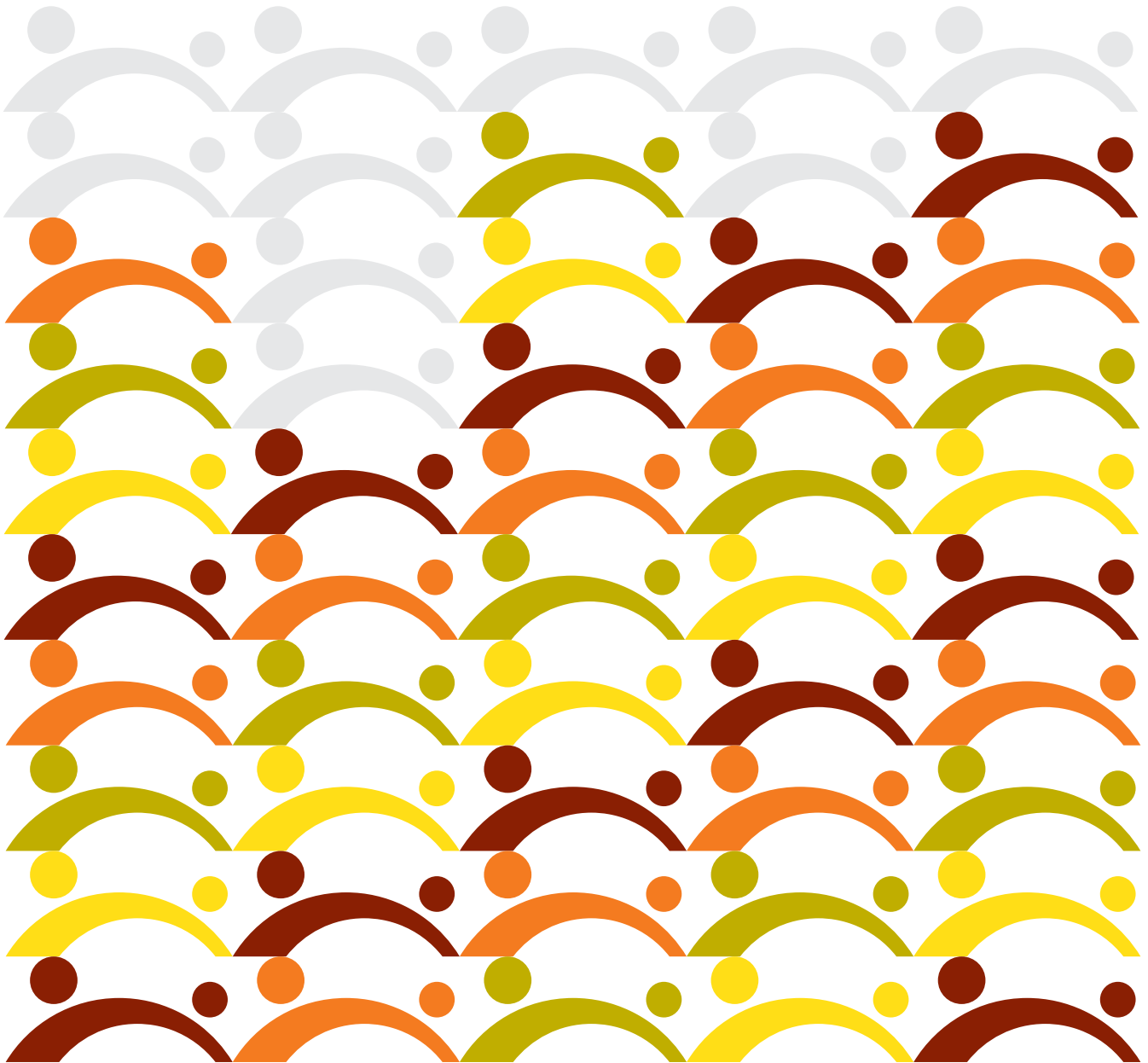




POLICY FRAMEWORKS TO SUPPORT WOMEN'S FINANCIAL INCLUSION



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EXECUTIVE SUMMARY

The importance of improving financial inclusion for women is receiving an increasing amount of attention. Recent research provides solid evidence that when women—50% of the world's population—participate in the financial system, there are significant benefits in terms of economic growth, greater equality and societal well-being. However, despite significant advances in financial inclusion for both men and women between 2011 and 2014, women still lag behind in access and usage of financial products and services.

What needs to be done to close the gender gap? This study looks at the efforts of policymakers and central bankers in different countries who are fine-tuning an enabling environment for the financial inclusion of women. Evidence has shown that policy measures to increase financial inclusion need to be country-specific, based on each country's gender gap and unique challenges and opportunities.

The policies featured in this paper are examples of promising policy solutions to advancing financial inclusion for women. These policies can be adapted and integrated in national financial inclusion strategies and other policy initiatives to close the persistent gender gap in financial inclusion.

While the 12 national financial inclusion strategies discussed in this paper reflect the specific needs and realities of each country, there are common lessons that provide a basis for further discussion. Seven policy measures in particular could have a major impact on women's financial inclusion and, in turn, accelerate the progress of national strategies.

- 1 Greater focus on the value proposition of women's financial inclusion, with explicit policy objectives and quantitative targets, can lead to transparent and inclusive policies for women.
- 2 Gender-disaggregated data collection and research provide a basis for fine-tuning policy.
- 3 Reforms to legal and regulatory frameworks can create space for innovation that supports greater financial inclusion for women.
- 4 The development of financial infrastructure is a critically important part of implementing sound policy.
- 5 Refined and strengthened financial consumer protection regulation can address the concerns and issues of women clients, balancing protection with expanded outreach.
- 6 Financial education and financial literacy programs for women are a critical investment in women's financial inclusion.
- 7 While beyond the scope of financial sector policy, legislation and regulations, addressing social norms that constrain women's financial inclusion can have important repercussions for financial inclusion.

INSIGHTS FROM GLOBAL POLICYMAKERS

The policymakers, regulators and thought leaders interviewed for this study, many of whom are AFI members, had compelling messages for global policymakers on women's financial inclusion. While policy needs to be formulated within particular country contexts, these messages have global resonance and clear themes emerged.¹

FINANCIAL INCLUSION LEADS TO GREATER ECONOMIC PARTICIPATION FOR WOMEN

There are steep economic costs to excluding women from participation in the economy—eliminating gender inequality would allow significant gains in GDP.

Financial inclusion is key to women participating in the economy. Given the important role of women in shaping the next generation, financial inclusion will lead to greater security and prosperity for women and men, their families, enterprises and communities.

Given the consequences of inequality and women's potential to contribute to the economy and transform society for present and future generations, women have to be on the global agenda as part of the Sustainable Development Goals (SDGs).



POLICIES MUST BE FINE-TUNED TO CLOSE THE GENDER GAP IN FINANCIAL SERVICES

It is necessary to understand the ecosystem within which women live and formulate policies based on their economic and social realities.

Expanding financial inclusion for women requires deliberate attention from policymakers: not too forceful, not too interventionist. This does not mean embracing a set of policies focused only on women, but rather fine-tuning policies to close the gender gap in financial inclusion. You don't need gender-specific policies, but rather policies that work for women.

Look at the enabling environment from the perspective of women: does a policy support/incentivize or restrict women's financial inclusion?

Policymakers need to avail themselves of data, quantitative and qualitative surveys, and other research to understand the market being served, the constraints, and inform policy.



ALL STAKEHOLDERS HAVE A SAY IN POLICIES THAT WILL IMPROVE WOMEN'S FINANCIAL INCLUSION

Healthy stakeholder engagement is critical, based on a commitment to dialogue and engagement among government, central bankers, regulators, supervisors, financial consumer protection agencies and financial services providers.

Policymakers and regulators can have a say by expressing concerns, sharing data, removing additional obstacles, and listening to the market.



¹ All insights come from more than 30 interviews conducted during the research phase of this paper. Please see Appendix 3 for the list of interviewees.

INTRODUCTION

“Women have to be on the global agenda...because of the consequences of inequality, because of women’s potential to contribute to the economy and to transform society, for present and future generations.”

Arunma Oteḥ, former Director General, Securities and Exchange Commission, Nigeria²

In determining what needs to be done to close the gender gap in financial services usage, there is a compelling argument for taking a closer look at what policymakers and central bankers are doing to fine-tune an enabling policy environment. Evidence has shown that policy measures to increase financial inclusion need to be country-specific, based on each country’s gender gap and unique challenges and opportunities. This paper explores the importance of women’s financial inclusion and lays out effective national-level policies to promote financial inclusion for women.

This paper assesses current thinking and policies promoting women’s financial inclusion based on recent publications in this area, 30 interviews with recognized policymakers and thought leaders,³ and an analysis of 12 national financial strategies released over the last four years by AFI members. At AFI’s 2014 Global Policy Forum, 73% of participants in a session on the gender dimension of financial inclusion policymaking indicated there was a role for financial regulators in gender issues. One year later, there is clear momentum among AFI members to establish practices that promote women’s financial inclusion, and to learn from one another, both successful innovations and challenges. The *Bridging the Gap: Financial Inclusion Policy Solutions for Women in Africa* conference was one example of AFI’s commitment to this area.

The research underpinning this paper examines a number of national and international initiatives important to women’s financial inclusion, including AFI’s effort to give greater attention to this area. The G20 is focusing on women and finance via the priorities of the G20 Turkish Presidency (financial inclusion as part of a growth strategy) and the adoption of the cross-cutting theme of women’s empowerment within the G20 Financial Inclusion Action Plan. This commitment is also reflected in the work of HRH Queen Máxima of the Netherlands, the UN Secretary General’s Special Advocate for Inclusive Finance for Development; the post-2015 Sustainable Development Goals (SDGs), in which full financial inclusion is embedded in several of the 17 proposed goals and is tied explicitly to SDG 5; as well as efforts by the World Bank to focus more attention on women’s financial inclusion.⁴

The value proposition of expanding women’s financial inclusion is receiving increased global attention. In a progress report to the G20, the World Bank and the OECD underlined the importance of financial inclusion for economic growth and poverty reduction, and identified greater financial inclusion for women as a priority.⁵ There

It is a potent formula: creating economic and social benefits at both macro and micro levels that leverage the power of women’s financial inclusion to change families and societies.

is broad agreement that women’s financial inclusion leads to significant benefits in terms of economic growth, equality and social well-being. More inclusive growth, a G20 priority under the Turkish G20 presidency, requires a more inclusive financial sector that responds to the needs of both men and women.

Yet despite being 50% of the world’s population, women still lag behind men in usage of financial products and services. While there were significant advances in financial inclusion for both men and women between 2011 and 2014, there is a persistent gender gap.

The Global Financial Inclusion Database (Global Findex) data⁶ for 2011 shows that, worldwide, 47% of women had a bank account at a formal financial institution, compared to 54% of men. In 2014, 58% of women and 65% of men had accounts. Although this represents a significant advancement for women, the gender gap has not closed at all. While account ownership is lower overall in developing countries (low- and middle-income countries),⁷ the gap in 2011 was 9% (37% of women in developing countries have an account compared to 46% of men).

2 Quote from an interview conducted for this research project.

3 These policymakers and thought leaders were identified on the basis of their experience in this area and being in a position to make a difference (both within and outside the AFI Network).

4 Sustainable Development Goal #5: Achieve gender equality and empower all women and girls. For more information about the SDGs, see: <https://sustainabledevelopment.un.org/index.php?page=view&type=400&nr=1684&menu=35>.

5 World Bank and OECD, 2013, “Women and Finance: Progress Report to the G20”.

6 Global Findex gathers data on the usage of financial services from regulated, unregulated and informal institutions.

7 Global Findex data is classified as low income, middle income or high income. Low- and middle-income economies are referred to as “developing economies.”

Three years later in 2014, the gap was still 9%, with 50% of women having an account compared to 59% of men. Globally, women are missing out on the benefits of greater financial inclusion, and national economies are not benefiting from their participation.

It is recognized that “the women’s market” represents numerous segments of women clients, from low-income self-employed women in the informal sector, to women who work in agricultural value chains, to small- and medium-enterprise (SME) owners, to low-income salaried workers (factory workers, domestic workers, etc.). This report speaks in general to all of these segments of unbanked and underbanked women, recognizing that further analysis and differentiation is required by market and segment.

In determining what needs to be done to close the gender gap in financial services usage, there is a compelling argument for taking a closer look at what policymakers and central bankers are doing to fine-tune an enabling policy environment. Evidence has shown that policy measures to increase financial inclusion need to be country-specific,⁸ based on each country’s gender gap and specific challenges and opportunities. The sets of policies identified here—some of the most powerful to advance women’s financial inclusion—can be adapted as needed and integrated in national financial inclusion strategies and other policy initiatives, and have the potential to ultimately eliminate the persistent gender gap in financial inclusion.

BOX 1: DEFINITIONS

FINANCIAL INCLUSION refers to a state in which all working age adults, including those currently excluded by the financial system, have effective access to the following financial services provided by formal institutions: credit, savings (defined broadly to include current accounts), payments and insurance.

THE GENDER GAP is the difference between women’s and men’s access or usage expressed in percentages. The gender gap referenced in this paper is based on data from the Global Findex, which provides global demand-side data and allows for cross-country analysis. The evolution of the gender gap, as evidenced in the comparison of 2011 and 2014 data, is pertinent to the discussion here. (See Appendix 2)

Source: CGAP on behalf of the Global Partnership for Financial Inclusion (GPII). “Global Standard-Setting Bodies and Financial Inclusion for the Poor: Toward Proportionate Standards and Guidance.”



PART I

THE SIGNIFICANCE OF WOMEN'S FINANCIAL INCLUSION

“Women, in particular, often bear the brunt of poverty and limited access to economic opportunity, including unfavorable financial access...Inequality is not just a moral issue—it is a macroeconomic issue...Growth has to be more inclusive, and for this, finance has to be more inclusive...to close the gender and inequality gap.”

Christine Lagarde, Managing Director, International Monetary Fund (IMF)

Financial inclusion offers the power to change families and societies. This section sets the stage for an assessment of the micro and macro impact of women's financial inclusion, the many constraints to expanding women's financial inclusion and the evolving opportunities, and then outlines the most promising policy measures to emerge so far.

THE MACRO ARGUMENT FOR INVESTING IN WOMEN'S FINANCIAL INCLUSION

The strongest arguments for women's financial inclusion are **economic**: access to finance increases access to productive assets and increases productivity, and financial intermediation is linked to stronger economic growth.

Access and usage of financial services are levers for increasing women's participation in the economy. For instance, International Finance Corporation (IFC) research shows that greater inclusion of women in the economy would allow gains in GDP between 2% and 3.5% in some cases. As an interviewee for this research pointed out, “One cannot claim to be working for the development of a country if you are leaving behind 50% of the people.” International Monetary Fund (IMF) research shows considerable evidence that when women are able to develop their full labor market potential, there can be significant macroeconomic gains. Better opportunities for women to earn and control income could contribute to broader economic development in emerging markets, such as higher levels of school enrollment for girls. Enhanced access to finance and training and better support networks among female entrepreneurs also help to raise the productivity of enterprises owned and managed by women.⁹

Closing the credit gap for SMEs is a particularly promising avenue to increase economic growth and per capita incomes. It is estimated that, globally, over 70% of women-led SMEs are either financially unserved or underserved.¹⁰ According to a 2014 Goldman Sachs study, “This amounts to a financing opportunity of approximately \$285 billion. If the credit gap is closed by 2020 in just 15 countries, including the BRIC countries, per capita incomes could on average be 12% higher by 2030.”¹¹

Research has shown that alleviating different financial constraints has varied macroeconomic impacts across

markets, with country contexts playing a major role in determining the linkages and trade-offs between financial inclusion, GDP and equality. IMF research shows there is no one-size-fits-all policy prescription, but an important first step is developing an appropriate legal, regulatory and institutional framework and a supportive environment.¹²

THE MICRO ARGUMENT FOR INVESTING IN WOMEN'S FINANCIAL INCLUSION

“There is a strong connection between women's access to financial products and services and greater opportunity not only for that woman herself, her family and her community, but really for the nation as a whole. Women are far more likely than men to spend money they have under their discretion on the education of their children, the health care for their family and improving their housing. And those are the kinds of developmental changes that can really have long-term intergenerational impact.”

Mary Ellen Iskenderian
President and CEO, Women's World Banking

Just as women play multiple roles as economic actors and caretakers of their families, women's financial inclusion has multiple benefits, both at the enterprise and household level. For women to invest in and grow their businesses, they need financial resources. They then tend to invest their financial resources in their homes, the nutrition and health of their families, the education of their children, and their communities. These investments in both

⁹ See Elborgh-Woytek, 2013

¹⁰ See IFC, 2013

¹¹ Found at: <http://www.goldmansachs.com/our-thinking/public-policy/giving-credit-where-it-is-due.html> (retrieved 7 July 2015)

¹² See Dabla-Norris, et al., 2015. Governments should be aware that in some of the developing countries included in this IMF study (Kenya, Mozambique and Uganda), as financial inclusion increased, income inequality first increased and then decreased. In emerging market countries, greater financial inclusion leads directly to greater income equality, notably in Malaysia

enterprises and families can contribute to generational changes that lead to long-term prosperity and security.

Women may be slower to adopt financial services, but many studies have shown they transact more frequently and are inherent savers.¹³ Providing access to formal savings instruments allows women to increase consumption, which in turn benefits their families and increases productive investment.¹⁴ The 2014 Global Findex shows that, in developing countries, the gender gap in formal savings (an account at a financial institution where the client intends to save) is smaller than the gender gap in account ownership overall (access to an account at a financial institution), suggesting that women are more likely to use accounts to set aside money as savings.¹⁵

Despite the macro and micro benefits of investing in women's financial inclusion, policymakers have not consistently integrated measures to address financial inclusion. A deep understanding of the specific constraints low-income women face in accessing and using financial products and services is necessary to create or design inclusive policy frameworks.

BARRIERS TO WOMEN'S FINANCIAL INCLUSION IN THE FINANCIAL SECTOR

“There are so many barriers to entry to economic activities for women outside the home, based on socio-economic attitudes. Women face challenges in coming out of the home to do business as men do. The challenge is changing the attitudes of the people. They are gradually changing.”

Zhang Shaohua

Director Financial Consumer Protection Bureau
People's Bank of China

- > **Limited financial capability and financial literacy:** Interviewees consistently cited lack of financial literacy and awareness as a key constraint to accessing and using financial services, with many saying it was the most serious constraint to women's financial inclusion. Surveys conducted by the OECD indicate that, in many countries, women demonstrate less financial knowledge than men and are also less confident in their financial knowledge and skills.¹⁶ The challenge of improving women's financial capability is compounded by the fact that two-thirds of illiterate people in the world are women.¹⁷
- > **Lack of assets for collateral:** Only a fraction of land worldwide is in the hands of women.¹⁸ Women have difficulty providing immovable collateral given existing land and property rights and cultural norms that discriminate against women. For rural women, limited access to land ownership constrains their ability to provide collateral for loans, and therefore limits investment in agricultural inputs and equipment. The expansion of co-titling and individual titling for women is a critically important issue.¹⁹

- > **Geographic distance from a financial institution:** Research sponsored by Standard Chartered Bank indicated that in Peru, distance from a financial institution, a particular problem in rural areas, was perceived as a barrier, with women citing it more frequently than men: 28% and 18.7% respectively.²⁰ The research also indicates that, in Peru, traditionally vulnerable groups such as women and rural populations are less likely to use the formal financial system.
- > **Lack of formal identification:** Women are less likely than men to have formal identification.
- > **Limited ownership of mobile phones and SIM cards:** Today, 1.2 billion women in low- and middle-income countries own mobile phones out of a total 2.9 billion phone owners (41%).²¹ Shared usage of mobile phones is also extremely common, including borrowed phones and phones with multiple SIM cards.²²

13 Women's World Banking, 2013, "Savings: A Gateway to Financial Inclusion".

14 World Bank/OECD, 2013, "Women and Finance: Progress Report to the G20", p. 5.

15 Based on a comparison of men's and women's account usage and savings. See World Bank Findex report: <http://www.worldbank.org/en/programs/globalfindex>

16 Russia Financial Literacy and Education Trust Fund, 2013, "Women and Financial Literacy: OECD/INFE Evidence, Survey and Policy Responses", p. 7.

17 2013 data from UNESCO Institute for Statistics, <http://www.uis.unesco.org/literacy/Pages/data-release-map-2013.aspx>.

18 Statistics vary and are difficult to compute for land ownership across the globe. See the United Nations, 2010, "The World's Women 2010: Trends and Statistics", http://unstats.un.org/unsd/demographic/products/Worldswomen/WW_full_report_color.pdf. In Sub-Saharan Africa, there are 40 out of 43 countries with gender inequality related to inheritance rights, and 40 out of 43 countries with gender inequality related to the right to acquire and own land.

19 World Bank / ONE Campaign. 2014. *Levelling the Field: Improving Opportunities for Women Farmers in Africa*. p. 44.

20 Noelia Clamara, Ximena Peña, and David Tuesta. February 2014. *Factors that Matter for Financial Inclusion: Evidence from Peru*. BBVA Working Paper No. 14/09. Madrid: BBVA. p. 5.

21 GSMA Connected Women, 2015, "Bridging the Gender Gap: Mobile Access and Usage in Low-income and Middle-income Countries", p. 22, http://www.gsma.com/connectedwomen/wp-content/uploads/2015/04/GSM0001_03232015_GSMAReport_NEWGRAYS-Web.pdf.

22 GSMA Development Fund, Cherie Blair Foundation for Women & Vital Wave Consulting, 2013, "Women & Mobile: A Global Opportunity", pp. 27-28, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/01/GSMA_Women_and_Mobile-A_Global_Opportunity.pdf.

SUPPLY-SIDE BARRIERS

“Increasing women’s financial inclusion entails changing women’s behavior and habits as consumers. Policymakers should notice that educating women and increasing their financial literacy, bringing them into the financial system will have positive repercussions for the nation.”

Mohammad Ashraful Alam
MSME Banking & Development Finance Specialist
Bangladesh Bank

- > **Lack of gender-disaggregated data:** Financial institutions lack credible and objective gender-disaggregated data. Without the data, financial institutions cannot demonstrate the business case for serving low-income women or have a clear understanding of the female market. Financial institutions are not prepared to develop products for low-income segments due to a lack of information about women’s financial needs and financial behavior.
- > **Risk aversion of banks:** Banks are averse to lending to clients without traditional collateral, which women often lack. They are particularly risk-averse to lending to those in the SME and agricultural finance sectors, segments with large percentages of women.
- > **Financial institutions speak a complicated language:** This makes it more difficult for women to access products and services, as they are more likely to have low levels of financial education and financial literacy.
- > **Service delivery is not adapted to women:** Biases against female customers are common among loan officers, and bank branches are often not a welcoming environment for women. Women report feeling uncomfortable and that they do not belong. Banks also have limited opening hours and customer outreach does not take women’s needs into account.

REGULATORY AND INFRASTRUCTURE BARRIERS

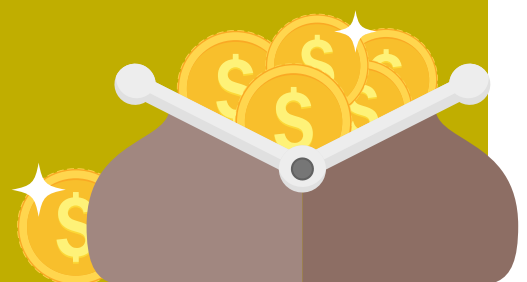
“The provision of financial services should be tailored to all niche groups, including women, within the financial sector. In this case, appropriate policy, legal and regulatory and supervisory frameworks should be developed and employed to encourage innovation in the provision for financial services.”

Evelyne Kilonzo
Manager, Financial Inclusion, Central Bank of Kenya

- > **Digital financial services and distribution channels:** Digital financial services (DFS) are an effective channel to reach low-income women given their preference for confidentiality, security and privacy. Regulatory authorities are actively engaged in developing a regulatory framework for DFS and distribution channels, but this has been a challenge since innovation has been outpacing regulation. An enabling interoperability environment must eventually be created for DFS to be an effective channel for women.
- > **Know your customer (KYC) regimes:** Most financial institutions are required to follow traditional KYC regimes that require identification and documentation to open accounts, which women in particular do not possess.
- > **Acceptance of discriminatory laws:** Women’s access to financial services is limited when laws disproportionately favor men, such as inheritance and family laws.
- > **Collateral requirements and collateral registries:** While limited progress is being made, regulations on collateral requirements and the absence of registries are still a key constraint for women, given the structure of ownership of women’s assets.
- > **Credit bureaus:** In many developing countries, credit bureaus are uncommon. Where they do exist, financial service providers do not tend to share gender-disaggregated information with one another.

BOX 2: GENDER GAP IN FINANCIAL SERVICES LINKED TO SOCIAL STRUCTURE

When women are not in a position to manage finances autonomously, the gender gap is particularly wide, such as in the Middle East region (9% of women have an account at a financial institution compared to 19% of men) and South Asia (37% of women have an account at a financial institution compared to 54% of men). However, in the Philippines, women’s financial inclusion is less of a challenge (38% of women have an account at a financial institution compared to 24% of men). Why? Culturally, in this matriarchal society, women are considered the financial managers in the household.



SOCIETAL BARRIERS

“It is important to build up a proper understanding of the barriers that women continue to face in accessing financial services or how they could achieve maximum benefit from them. This can be determined by actively studying women's financial needs and behavior compared to men's and the various contexts that affect this behavior: culture, religion, social dynamics.”

Evelyne Kilonzo

Manager, Financial Inclusion, Central Bank of Kenya

- > **Societal constraints codified into law:** In a study entitled *Women, Business and the Law: Removing Barriers to Economic Inclusion*, the World Bank and International Finance Corporation found that 21 out of 28 countries in Sub-Saharan Africa did not grant “equal capacity under the law to women and men.” The study also revealed that married women have more legal restrictions than unmarried women. In terms of social norms codified into law, in many countries family law puts constraints on women regarding their right to work, sign contracts, open bank accounts and hold assets in their own names. Several interviewees noted a lack of “political will” to address gender equality and almost all interviewees referenced these barriers as constraints to both the demand and supply sides of financial services delivery.²³
- > **Internal societal constraints:** Women have an abundance of family responsibilities, limited free time, lack of mobility, lower levels of education and precarious health situations (including maternity-related risks and women placing their own health needs after others).

Despite women's vibrant participation in society and their accomplishments, women in general lack decision-making power and confidence, and are impacted by both societal constraints and the demand and supply-side barriers identified above.

BOX 3: SUPPLEMENTAL EARNINGS STILL IMPORTANT

Women's World Banking research has shown that both men and women in rural families underestimate women's contribution to household income. Women's contribution was seen as supplemental, in part because this income was used for daily expenses, while the income from the man's crop was earned in a lump sum and was therefore more visible. In reality, women's earnings can be significant but often invisible within the family and to financial institutions.

PROMISING AREAS FOR WOMEN'S FINANCIAL INCLUSION

Despite the barriers, there are opportunities to increase financial inclusion that alter, in women's favor, the rapidly changing landscape of financial products and service delivery. These require the right policy, legal and regulatory environment. Two market opportunities are explored here.

1. **The digitization of financial products and delivery channels has the potential to greatly advance women's financial inclusion; this development brings risks and challenges that need to be addressed through policy.**

The digitization of financial products and services and delivery channels (mobile telephony and mobile transfers through mobile phones, e-money and agent banking) is still in early stages in some regions of the world and is taking off rapidly in others, such as Sub-Saharan Africa. The potential is vast, yet unrealized. Digital financial services represent a huge opportunity to expand financial inclusion for everyone, including women, and savings products can provide flexible, comprehensive coverage of women's financial needs, in amounts and timing that matches their ability to save. There is optimism that with the proper safeguards digitization holds tremendous potential for women: breaking down cultural barriers, addressing mobility constraints and providing the privacy women want,²⁴ and ultimately shifting economic and social power.

Digital financial services are particularly relevant to women for three main reasons. First, they offer more confidentiality than traditional service providers. Evidence suggests that women especially value confidentiality, since it enables them to shield funds from community members and sometimes even their family. Second, women tend to earn and transact in smaller amounts than men. Digital financial services make it more viable for providers to offer products that accommodate this behavior. Third, women are less likely to own collateral than men and digital financial services enable them to build alternative risk assessments through their transaction history.

To realize the potential of digital financial services, a number of factors need to be kept in mind: simplified and tiered KYC requirements make SIM registration and phone ownership easier for customers and create an enabling environment for low-income women to access financial

²³ See Demirguc-Kunt, et al., 2013.

²⁴ Privacy, confidentiality and security are recurrent themes emerging from interviews and focus groups conducted by Women's World Banking while researching appropriate financial service products for women.

services. In addition, marketing and communication channels should be more sensitive to female consumers to enhance women's awareness. High levels of interoperability among telcos and within banks (the main practitioners in this field) are very important elements of successful digital ecosystems because they enable not only a critical mass of users, but also a significant volume of digital transactions.

A number of other conditions need to be in place to ensure the experience works for women: easy-to-use customer interfaces, reliable networks and services (including effective and ample cash point networks); data protection, banking secrecy and confidentiality (privacy needs to be culturally accepted); and financial capability and financial consumer protection, all underpinned by an appropriate regulatory framework.

Country-level examples

South Africa. Using a Stellar open source protocol, the Praekelt Foundation is working on a mobile wallet that allows people to use Vumi, its messaging platform, with a focus on improving financial security for girls. Vumi's savings program, to be launched shortly, encourages early financial literacy. With a particular emphasis on savings for girls, the financial infrastructure allows anyone to open a personal savings account.

BOX 4: MOBILE EVIDENCE

2014 Global Findex data provides mixed evidence as to whether mobile money accounts help to close the gender gap in account ownership, with stark differences between countries. For example, in Tanzania, the gender gap is persistent for mobile money accounts; however, in Côte d'Ivoire and Kenya, there are wide gender gaps for accounts at financial institutions, but no significant gender gaps for mobile money.



Peru. The Peruvian Banking Association is developing a common e-money platform with 35 formal financial institutions working together on interoperability—a standing transaction highway. To protect clients, and with women in mind, the approach is to ensure an efficient learning curve through the controlled offer of financial products on a simple, self-explanatory system.

Indonesia. Indonesia has instituted a program called Program Keluarga Harapan (PKH), whereby conditional cash transfers to women are linked to savings accounts, based on household participation in locally provided health and education services. PKH has the immediate impact of reducing household vulnerability while encouraging investment in long-term household productivity, which may disrupt the intergenerational cycle of poverty. This program is expected to be a “quick win” to advance women's financial inclusion.

Côte D'Ivoire. Data shows that Côte d'Ivoire is one of the fastest growing digital finance markets in the world. A recent IFC study, published in collaboration with the BCEAO and The MasterCard Foundation, analyzed data from live mobile money deployments in Côte d'Ivoire and confirmed that registered digital financial service customers in the country had increased from 2.6 million in 2012 to more than 6 million in 2013. Both transaction volume and value more than doubled between 2012 and 2013. The fact that growth in transaction volume and value is outpacing the growth in customers suggests that not only are more people beginning to use digital finance, but existing customers are also transacting more frequently.²⁵

2. New products, product bundling and client outreach are being designed in ways that promote women's financial inclusion.

Financial services providers are regularly introducing new products, including credit via mobile banking, targeted insurance products, demand-oriented savings products, pension schemes, leasing arrangements, agricultural value chain financing, land acquisition loans, low-value equity investment models and other asset-building products,²⁶ with deal flow and relationship support. Product bundling for clients is necessary to build the business case.

Financial institutions are finding new ways to reach out to women via targeted marketing, branding and financial education. They begin by conducting country-specific market analysis, using market research and segmentation to understand client needs and priorities in their respective socio-economic and cultural settings.²⁷

25 Meritxell Martinez, Susie Lonie and Rita Oulai, 17 December 2014, “Digital Finance in Côte d'Ivoire: Ready, Set, Go!” CGAP blog, <http://www.cgap.org/blog/digital-finance-cote-d'ivoire-ready-set-go>.

26 See CGAP: <http://www.slideshare.net/CGAP/the-global-landscape-of-digital-finance-innovations>

27 Ibid.

Financial institutions are moving into new areas of product development based on lessons from behavioral economics—that is, what people actually do and not do. These lessons have led to finding new ways to reach out to women, developing new products (such as commitment savings), and fine-tuning financial consumer protection measures based on a better understanding of the risks customers face and their ability to mitigate risks. Small changes in policy and product design can have disproportionate and extremely positive impacts on women's financial inclusion. New data analytics provide another opportunity to enhance product development.

As women often lack credit history, credit risk and collateral issues can be addressed by using data from other transactions, such as cell phone usage and utility payments, replacing the use of financial transactional history to assess risk and even replace collateral requirements. Standardized measures such as credit scoring can help assess and mitigate risk and should be supplemented with analysis of formal and informal data sources.

Country-level examples

Nigeria. Diamond Bank and Women's World Banking created an innovative savings product called a BETA account, which can be opened in less than five minutes with no minimum balance and no fees. The account is targeted at self-employed market women and men who want to deposit their daily sales and save frequently. Agents, known as BETA Friends, visit a customer's business to open accounts and handle transactions, including deposits and withdrawals, using a mobile phone application. This process was made possible through the application of a "KYC light" process, which allowed account opening over the phone with just five pieces of customer data. This basic product is being used to build other add-on products, such as express credit and commitment savings.

China. China has introduced an innovation in internet-based finance that is gaining strength globally. Crowdfunding²⁸ has been shown to be an effective tool for supporting investment by women in their enterprises. By mobilizing funding over the internet, crowdfunding offers the double advantage of attracting high numbers of women investors and providing more funding to women entrepreneurs. With nearly 10,000 such crowdfunding platforms (equity financing and rewards-based financing) currently available in China, the China Banking Regulatory Commission is in the process of putting a regulatory framework for crowdfunding in place.

28 Crowdfunding consists of financial services that bypass traditional financial intermediaries, using small amounts of money obtained from a large number of individuals or organizations to fund a project, or a business or personal need through mobile phones (feature phones and smartphones/apps) and online web-based platforms. Crowdfunding has the potential to increase entrepreneurship by expanding the pool of investors from whom funds can be raised beyond the traditional circle of owners, relatives and venture capitalists. See World Bank infoDev, 2013, "Crowdfunding's Potential for the Developing World," <http://www.infodev.org/crowdfunding>.

PART II

EXAMINING NATIONAL POLICY FRAMEWORKS

With the launch of the Maya Declaration in 2011, and the subsequent announcement of national Maya Declaration commitments by AFI member institutions, there has been considerable movement toward developing national financial inclusion strategies to support these commitments. This section analyzes 12 recent national financial strategies (financial inclusion strategies or comparable policies approved since 2011)—the first wave to be adopted since the Maya Declaration. At least as many strategies are expected to be adopted moving forward. The analysis of these strategies addresses the degree to which women's financial inclusion is integrated as a policy objective, and the extent to which policy recommendations are specific to women's financial inclusion concerns. (See Appendix 4 for the list of countries and strategies.)

NATIONAL POLICY ANALYSIS

Policy measures considered to be effective in addressing the gender gap may be gender-specific, but more often it is a question of identifying policies that are particularly effective at expanding women's financial inclusion and fine-tuning these policies to increase the impact. This is based on the premise that nothing is gender neutral, as the effect of policies on women and on men may be different. (An example is the simplification of KYC requirements, which is more relevant to women since they are less likely to have formal identification documents.)

SEVEN POLICY MEASURES FOR WOMEN'S FINANCIAL INCLUSION

While the 12 financial inclusion strategies discussed in this paper reflect the specific needs and realities of each country, there are some common lessons on gender that warrant further discussion. There are seven policy measures in particular that can have a major impact on women's financial inclusion and, in turn, help to accelerate the progress of national strategies.

The following seven policy areas capture the main elements of a conducive environment for women's financial inclusion.

1. Greater focus on the value proposition of women's financial inclusion, with explicit policy objectives and quantitative targets, can lead to transparent and inclusive policies for women.



Although more attention is being given to the value proposition of women's financial inclusion, this has not always translated into explicit policy objectives. Many

countries have set quantitative objectives for financial inclusion overall, but few have set quantitative objectives for women's financial inclusion. With a persistent gender gap, an explicit policy focus on women's financial inclusion is required.

Country-level examples

Of the 12 national financial strategies reviewed, seven make an explicit reference to women.²⁹ Five addressed issues of women's financial inclusion throughout the strategy: Burundi, Indonesia, Malawi, Papua New Guinea and Rwanda. In the case of Burundi, the low level of participation in the financial system, particularly by women, is acknowledged and identifies women as a target clientele. The strategy focuses on solidarity group lending as an option, where women structure demand based on their needs in order to access lending. Indonesia's national financial inclusion strategy refers to women across target income groups and the differences in access, needs and preferences for financial services, including a greater motivation to save.

Only four strategies had explicit quantitative targets related to women's financial inclusion: Burundi (48.7% of clientele), Papua New Guinea (50% of the newly banked), Malawi (60% of clients should be women) and Rwanda (80% inclusion by 2017, for both men and women, including step-by-step targets for financial inclusion and closing the gender gap). Namibia and Nigeria³⁰ also have financial targets, but do not have gender-specific targets.

²⁹ See Appendix 4 for a list of the 12 national financial strategies.

³⁰ The Nigeria strategy (2012) has no explicit reference to women in the strategy document, but the terms of the MSME Development Fund developed in 2014 under the strategy call for 60% of on-lending of funding to go to women.

In some cases, Nigeria and Tanzania, for example, the national financial inclusion strategy does not highlight women's financial inclusion, but action plans and implementation plans under the national strategies do. Tanzania's strategy gives priority to poor rural households and their enterprises, including low-income women and youth. In Nigeria, a micro, small and medium enterprise development fund was created under the national financial inclusion strategy, with 60% of funding earmarked for women.

Points to Consider

- > How can countries introduce women's financial inclusion as a specific objective in national strategies?
- > What quantitative targets can be set to make the gender gap transparent and motivate greater efforts to close the gap?

2. Collecting financial data disaggregated by gender and conducting policy-related research lead to more informed policy development.



Without gender-disaggregated portfolio performance data, there is no evidence to disprove the common perception that women are not credit worthy. Disaggregating data by gender can also allow institutions to ensure they are reaching their target market.³¹

Country-level examples

Five countries include data collection and surveys as part of their national strategies, two of which (Papua New Guinea and Rwanda) refer to gender-specific tracking. In the case of Rwanda, data collection and research have been conducted by the national bank in conjunction with the government's monitoring office. Burundi is also placing far greater emphasis on data collection, pushing financial institutions to provide data on loans and deposits by gender.

In Indonesia, research on the roles of women in SME development has led to a better understanding of the characteristics and potential of women entrepreneurs, which in turn leads to policies that allow women entrepreneurs to realize their full potential.

Other financial inclusion innovations³²

Data collection efforts are taking place in many countries outside the 12 analyzed here, including Zambia. At AFI's Bridging the Gap Conference, the Central Bank of Zambia posited that, "If we are bold, there is lots we can do" to change societal barriers. In 2015, Kenya conducted a gap analysis to develop a holistic understanding of the financial inclusion landscape, and the Bank of Mozambique engaged with South Africa-based New Faces New Voices to collect gender-disaggregated account information.

Nigeria disaggregates data by gender in its targets and data collection, obtaining information from financial services industry players using a template developed by the Central Bank of Nigeria. Enhancing Financial Innovation & Access (EFiA) in Nigeria has conducted multiple surveys, identifying barriers to demand for financial services and products. Related research and further surveys have led to a better understanding of cash flows and needs, and subsequent development of tailored products. Surveys on insurance literacy and insurance uptake have helped to reinforce insurance regulation. Survey work has contributed to the expansion of pension schemes, including the creation of a framework that allows irregular payments into the scheme.

Points to Consider

- > How can countries increase efforts to collect more gender-disaggregated data and conduct more research (policy research and market research) on the economic and social dimensions of women's financial inclusion?
- > How can countries increase research about what women need in terms of financial services, and then spur the development of better product and delivery channels?
- > How can impact research (such as RCT studies) support the case for women's financial inclusion?

3. Reforms to legal and regulatory frameworks can create space for innovation that supports greater financial inclusion for women.



Legal and regulatory constraints affecting the delivery of financial services and a lack of enabling regulations for the development of the financial system affect women disproportionately, such as KYC requirements (ID system), lack of data to inform policy, and the acceptance of discriminatory laws relating to women's access to financial services. A better understanding of the levers to use to expand women's financial inclusion would allow policies to be fine-tuned.

Country-level examples

All the strategies reviewed included measures to reform legal and regulatory frameworks, with many elements important to the promotion of women's financial inclusion. Only Burundi links the promotion of financial products and services to the target clientele, but, as mentioned above, narrowly focuses on the promotion of solidarity groups.

³¹ See Women's World Banking, 2013, "Global Performance Indicators: How Well Are We Serving Women?" <http://www.womensworldbanking.org/wp-content/uploads/2013/09/Womens-World-Banking-Gender-Performance-Indicators.pdf>

³² Country examples here come from recent literature, the interviews for this paper and analysis of national financial inclusion strategies.

As there is considerable focus on digital financial inclusion in most of the national strategies, recommendations on the reform of legal and regulatory frameworks are indeed women-inclusive. Indonesia (basic accounts, promotion of savings for migrant workers), Malaysia (agent banking framework, acceleration of the roll-out of innovative delivery channels, electronic payments), Rwanda (mobile money, agent networks, e-money deposits) and Tanzania (promotion of branchless banking, risk-based tiered KYC processes, national ID database and enhancing protection of small and unsophisticated borrowers) all address women's access.

The Central Bank of Liberia has taken on a promotional role in its support for the creation of rural community banks, capitalized by local communities, with a high share of female ownership. A number of strategies incorporate the promotion of products of particular interest to women, such as conditional cash payment schemes linked to savings (Malaysia). Malaysian regulators have encouraged the development of flexible microfinance products, enhancing the provision of long-term contractual micro-savings. Malaysian regulations have also facilitated the development of microinsurance and microtakaful.³³

The Central Bank of Nigeria has introduced regulations to allow off-site ATMs and to increase ATM deployment in rural areas. Incentives have been put into place, including measures for greater interconnectivity, to increase the use of point of sale devices. The central bank has introduced an agent banking framework and better enforcement of standards for e-banking. In addition, it has worked to increase the interoperability of payment systems.

BOX 5: SIMPLIFIED KYC

Bangladesh Bank has simplified KYC for mobile bank accounts and “no frills” bank accounts. Both accounts are drivers of financial inclusion, and the Bank collects gender-disaggregated information on these accounts. The next step is to ensure these accounts are used.



Points to Consider

- > What is the regulatory space for innovation? How can legislation be modified to allow new product development and distribution channels so that women can make the most of the opportunities offered by digitization?
- > How can support be given for experimental pilots rather than trying to scale rapidly?
- > How can policymakers devise risk-based KYC regimes in relation to (women) client risk, which offer significant potential to increase access?
- > How can countries develop regulations allowing for movable or reputational collateral that consider the structure of women's assets?³⁴
- > What is the best way to expand non-discrimination laws on financial services to increase women's access to financial services? (e.g. The Equal Opportunity Credit Act in the US allowed women to have access to credit in their own right, irrespective of their marital status.)

4. The development of financial infrastructure is a critically important part of implementing sound policy.



Current financial infrastructure does not provide adequate access to an effective retail payments infrastructure (including access to mobile phones). Other financial infrastructure constraints include the lack of collateral registries and credit bureaus; in the latter case, much progress has been made worldwide with the support of the IFC.

Country-level examples

The national financial strategies of Indonesia, Malawi and Namibia include the establishment of credit bureaus.

In keeping with a focus on digital financial inclusion, a number of strategies include considerations of payments infrastructure, including Nigeria, Papua New Guinea and Tanzania. In its strategy, Papua New Guinea identified the need to make progress with digital payments platforms and interoperability.

³³ Takaful is a type of Islamic insurance whereby members contribute money to a pooling system that protects all members against loss or damage.

³⁴ World Bank research has shown that introducing collateral registries for movable assets increases firms' access to bank finance, with evidence that this effect is larger among smaller firms. (Inessa Love, María Soledad Martínez Peria and Sandeep Singh, 2013, "Collateral Registries for Movable Assets: Does their Introduction Spur Firms' Access to Bank Finance?", Policy Research Working Paper 6477. Washington, DC: World Bank)

The issue of movable collateral is addressed in the national strategies of Malawi, Namibia, Nigeria and Burundi (where a law is in the process of being amended to allow for movable collateral). The Central Bank of Nigeria is concluding arrangements for a Secured Transaction and National Collateral Registry, which will help to address financing for SMEs. The Registry will facilitate the use of movable assets as collateral for either business or consumer credit, expanding the scope of eligible assets. In the implementation phase of its national strategy, Tanzania moved to create a more level playing field for mobile financial services. It has introduced options for alternative collateral, such as warehouse receipts, and is speeding up the development of a national ID system and introducing a risk-based tiered KYC system.

In Colombia, a law that went into effect in 2014 put a new collateral regime into place that expanded the types of assets that can be used as collateral, centralized the registry and introduced new enforcement methods. Numerous other countries have introduced practices permitting movable collateral, in many cases with the support of the IFC, including Vietnam (2012), Ghana (2008), Mexico (2011) and China (2005).

Other financial inclusion innovations³⁵

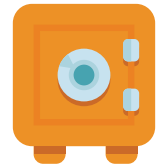
To support the development and expansion of mobile banking, the Government of Mozambique has established by decree a national switch for e-money, which will ensure interoperability of payment systems.

Many countries, including Burundi and Bhutan, have digital financial services regulations underway.

Points to Consider

- > How can countries expand the coverage of credit reference bureaus?
- > How can countries expand payment systems for innovative G2P programs, thereby allowing for initiatives of particular interest to women, such as conditional cash transfers linked to financial products and services? (see the example of Peru on page 14)
- > How can countries establish collateral registries that accept all types of collateral that women may have access to?

5. Refining and strengthening financial consumer protection regulation addresses issues of concern to women clients, balancing protection with expanded outreach.



As financial systems and markets develop globally, new and more sophisticated financial products and services are emerging. Lack of understanding about these products and services, inadequate redress mechanisms and information asymmetries put women at risk for unfair treatment. Gaps in legal and regulatory frameworks may also provide inadequate consumer protection to women, as they tend to be more vulnerable to abuse and aggressive business practices. The G20's 2011 High-level Principles on Financial Consumer Protection specifically mentions the importance of addressing the needs of vulnerable groups for protection and education. Potential women clients may be hesitant to engage with financial institutions if they do not have confidence in the institution or system. Financial consumer protection is seen as a fundamental element of financial inclusion.

Country-level examples

In several countries, plans for financial education and financial consumer protection are built into the national financial inclusion strategy.

Tanzania has developed a Financial Consumer Protection Framework. It is revising its Deposit Insurance Regulatory Framework to enhance the scope and coverage of depositor protection, to expand public awareness programs on financial service, and to seek development, implementation and monitoring of a consumer redress mechanism for financial services and products. At AFI's Bridging the Gap conference, there was much discussion about the role of central banks as champions of broad financial inclusion. The importance of defining the bank's role in the context of a multi-stakeholder framework, bringing together key players, focusing on the gender gap, and collecting and using data to understand the gender gap, were all discussed.

Indonesia's national financial inclusion strategy identifies consumer protection as one of six pillars. It aims to require that people have a guarantee of security when interacting with financial institutions to use financial products and services. Components of this pillar include: a) product transparency, b) handling of consumer complaints, c) mediation and d) consumer education.

In 2010, Senegal introduced the "Observatoire de la Qualité des Services Financiers" (OQSF) to oversee, from a consumer protection perspective, the products and

³⁵ The country examples here come from recent literature, the interviews for this paper and analysis of national financial inclusion strategies.

services of banks, insurance companies, the postal system and decentralized financial systems, and to establish a recourse mechanism. Efforts are underway to further strengthen the financial consumer protection framework in Senegal.

Points to Consider

- > How can financial consumer protection be strategically added and include suitability requirements, particularly for digital financial services offerings?
- > How can countries increase personal data protection and banking (client) secrecy?
- > How can countries formulate a transparency requirement that helps clients better understand financial services?
- > How can countries be more explicit in the requirement for financial service providers to act in the customer's interest, and thereby protect women customers more fully?
- > What steps can countries take to prohibit financial service providers from overselling to women? How can regulations create accessible recourse in cases of fraud that consider women's constraints on the demand side? Can an ombudsman function do the same?
- > What is the role of regulators in ensuring that financial services providers adhere to market conduct rules and practice market discipline?

6. Financial education and financial literacy programs for women are a critical investment in women's financial inclusion.



Education and awareness are critical factors in the uptake of any financial service or product and in reducing risks. If women, who have less financial capability overall, are not comfortable using financial services, especially digital financial services, it will be difficult to close the gender gap.

Country-level examples

All the strategies reviewed incorporate financial education and financial literacy. The Malawi strategy includes an initiative involving regulators: a baseline survey, the development of a strategy and a national financial literacy network. Papua New Guinea's strategy includes conducting national surveys to improve understanding of the behavior of low-income customers, programs for rural-based informal workers in 50% of districts and a pilot mobile phone financial literacy program. Burundi's strategy includes the creation of a financial literacy program for women.

Turkey stands out in terms of its comprehensive financial literacy program, which makes families and women a focus, albeit within the context of the household.

Paraguay has set a target for financial education: to increase from 10% to 20% the percentage of adults 15 years or older that report having received financial literacy training, technical assistance or support to manage their personal finances. In the Philippines, the Bangko Sentral ng Pilipinas (BSP) Economic and Financial Learning Program integrates all of BSP's educational outreach activities, enabling households and businesses to make better economic and financial decisions.

The Royal Monetary Authority of Bhutan has developed a women-centered financial literacy program that identified needs through a focus group survey, conducted in 2012 with the support of the World Bank. Despite the fact that women are well positioned in Bhutanese society, it was determined that women needed to know more about their rights in relation to financial services.

At AFI's Bridging the Gap conference, there was much discussion about the need for financial literacy and financial education in national financial inclusion strategies. While there was agreement on the importance of financial literacy, discussion centered around the best policy response. Suggestions ranged from public-private partnerships to increase the teaching of financial literacy to the role of the regulator in influencing financial literacy strategy.

Points to Consider

- > How can policymakers design thoughtful financial literacy campaigns to address the specific needs of women (including budgeting and saving for household expenses and the health and well-being of their family) and support the safe uptake of new products and services? ³⁶
- > How can policymakers help to survey the financial capability of clients, leading to better designed financial literacy programs?
- > How can financial education and financial literacy programs be introduced throughout a woman's life? How can room be made for financial education that takes gender disparities in opportunities and outcomes into account?
- > How can financial education be built into education systems? How can the effectiveness of financial education/ literacy programs be measured and monitored? How can multi-stakeholder collaboration help to implement effective financial education/ literacy programs?

³⁶ For example, see Brazil's National Strategy for Financial Education, which combines the expansion of physical banking infrastructure with financial literacy in schools.

7. Tackling legislation and regulations that address the social norms constraining women's financial inclusion, and which are beyond the scope of financial sector



While policy, legislative and regulatory responses to societal issues go beyond financial sector considerations, policymakers should be aware of the value of tackling broad societal issues. The 2014 Global Financial Development Report, for example, addresses social norms that are receiving greater attention in both policy and research.³⁷ Overall, strengthening women's legal rights is associated with important development outcomes.³⁸

Broader societal issues are particularly difficult to tackle because they are long-term, deeply rooted and at times seemingly intractable, but policymakers may want to consider addressing these issues more vigorously if they want to achieve long-term change.

Country-level examples

In Tanzania, co-titling of landholdings between husbands and wives offers a cost-effective way to ensure women benefit from legal reforms. Researchers³⁹ encouraged co-titling by offering price discounts to landowners who wished to acquire formal land titles and agreed to accept their wives as owners or co-owners of the land. These small financial incentives achieved almost complete gender parity without affecting demand for land titles, and exemplify a low-cost yet effective way to achieve gender equality in land ownership.

Other financial inclusion innovations⁴⁰

The Kenya Constitution of 2010 incorporates the principle of gender equality (for example, by granting women equal rights to inheritance before, after and during marriage). Work conducted by the World Bank's Women, Business and the Law program led to the revision of family law (marital regimes) in the Democratic Republic of Congo (DRC). But, before this basic legislation was completed, specific legislation was put in place to prohibit discrimination against women in credit applications.

Points to Consider

> How can equal rights be codified by changing laws, specifically by removing discriminatory provisions in family and marital law, and removing legal restrictions for women to conduct certain activities? Ensuring equal treatment under the law, including land ownership and property law, protection of the separation of assets between men and women, and inheritance is an essential measure. Experience has shown that moving at an appropriate pace on the ground, gauging the sequence of events, building capacity to change laws and managing the changes downstream is a recipe for positive long-term change.

- > How can policy imperatives be prioritized for women's affirmative action? Equal opportunity laws can focus on financial services, such as in the DRC (see example above).
- > What steps can be taken to adjust the age of retirement, thereby allowing women to work longer and reinforcing women's participation in the economy?

37 World Bank, 2014, "Global Financial Development Report 2014: Financial Inclusion", p. 106.

38 Mary Hallward-Driemeier, Tazeen Hasan and Anca Bogdana Rusu, 2013, "Women's Legal Rights Over 50 Years: What is the Impact of Reform?". See also World Bank, 2014, "Voice and Agency: Empowering Women and Girls for Shared Prosperity," which shines a spotlight on the value of voice and agency, the constraints that limit them and the associated costs, not only to individual women but to their families, communities and societies.

39 World Bank/ONE Campaign, 2015, "Levelling the Field: Improving Opportunities for Women Farmers in Africa," p. 44.

40 The country examples here come from recent literature, the interviews for this paper and analysis of national financial inclusion strategies.

FINAL CONSIDERATIONS

Across the board, there appears to be room for changes in both international and national policy frameworks to close the financial inclusion gender gap. Many stakeholders believe now is the time to make this happen.

Closing the gender gap can be achieved by emphasizing the value proposition of women's financial inclusion and the ways policy frameworks can be adjusted accordingly. Based on our research and analysis, there are examples of gender being integrated in national financial inclusion strategies, but overall, the integration of the objective of women's financial inclusion (and resulting policies) is not widespread.

However, progress is being made in five major policy areas (out of the seven analyzed in this report), which are gaining momentum and producing good examples of sound practice:

GAPS AND OPPORTUNITIES

The progress in the five policy areas above represents considerable advancement in women's financial inclusion, thanks to the actions of government, central banks and regulatory authorities. However, there are two other critical policy measures where progress is still limited:

- > **Building awareness and setting objectives:** Only a few national strategies have women's financial inclusion as an explicit objective. Framing women's financial inclusion as a vital issue and highlighting it as an objective is an important starting point for addressing more specific, technical issues. Establishing quantitative, gender-related targets sets the stage for monitoring the results of reforms. Maya Declaration commitments are also an excellent way to build awareness and set objectives, and an opportunity to set national targets.
- > **Addressing societal issues:** With AFI members showing growing leadership on this issue, tremendous progress can be made. It is not just policymakers who have a role in tackling this issue, however. The private sector, donor community and global organizations all play a crucial role in building a more prosperous world for women through true financial inclusion.

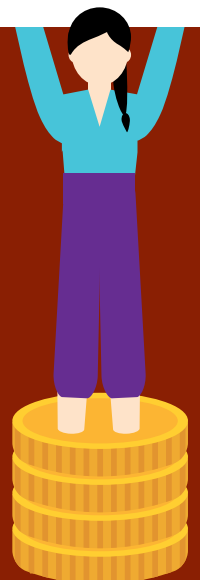
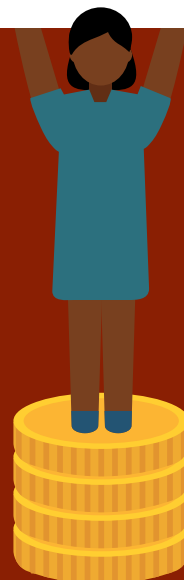
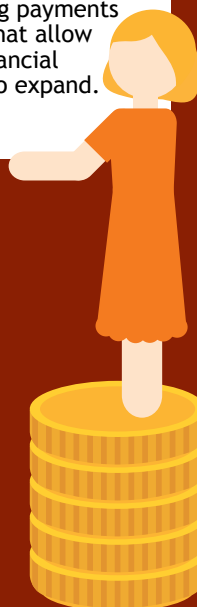
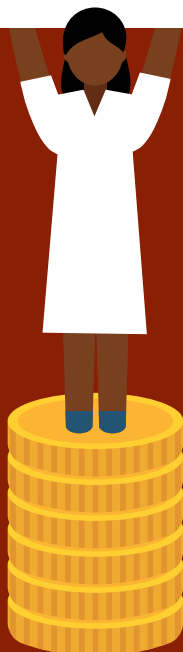
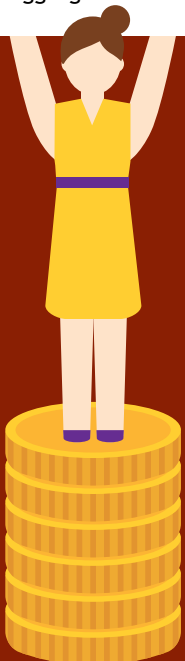
Authorities in many countries are investing more in gender-disaggregated data collection and research, with a significant number collecting gender-disaggregated data.

Countries are working to reform legal and regulatory frameworks, creating space for innovation to allow greater financial inclusion for women. In most cases, these reforms are not explicitly tied to the goal of increasing women's financial inclusion, but do advance the cause.

Likewise, countries are making progress in the development of related financial infrastructure, for example, establishing movable collateral registries and developing payments systems that allow digital financial services to expand.

In many countries, more attention has been placed on financial consumer protection regulation, which addresses the concerns and issues of women clients.

Likewise, financial education and financial literacy programs for women have received considerably more attention in recent years.



APPENDIX 1: LIST OF ACRONYMS

AFI	Alliance for Financial Inclusion
BRIC	Brazil, Russia, India and China
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BSP	Bangko Sentral ng Pilipinas (Central Bank of the Philippines)
CGAP	Consultative Group to Assist the Poor
DFS	Digital Financial Services
DRC	Democratic Republic of the Congo
EFinA	Enhancing Financial Innovation & Access (Nigeria)
FIDWG	Financial Inclusion Data Working Group of the Alliance for Financial Inclusion
FISPLG	Financial Inclusion Strategy Peer Learning Group of the Alliance for Financial Inclusion
G8	Governmental forum of leading advanced economies (since 2014, seven countries plus the European Union)
G20	Informal group of 19 countries and the European Union
GIZ	Gesellschaft für Internationale Zusammenarbeit
GDP	Gross Domestic Product
GPFI	Global Partnership for Financial Inclusion
IFC	International Finance Corporation
IMF	International Monetary Fund
INFE	The OECD International Network on Financial Education
KYC	Know Your Customer
MENA	Middle East North Africa
MSME	Micro Small & Medium Enterprises
OECD	Organisation for Economic Cooperation and Development
PKH	Program Keluarga Harapan (Indonesia)
RCT	Randomized Control Trial
SDG	Sustainable Development Goals
SME	Small and Medium Enterprise
UNCDF	United Nations Capital Development Fund
UNSGSA	United Nations Secretary-General's Special Advocate for Inclusive Finance for Development
WB	World Bank
WBL	Women, Business and the Law program, World Bank

APPENDIX 2: NATIONAL FINANCIAL INCLUSION STRATEGIES ANALYZED (2011-MARCH 2015)

1.	Burundi	National Financial Inclusion Strategy (NFIS) 2015-2020, 2012
2.	Côte d'Ivoire	Elaboration de la Stratégie Nationale pour l'Inclusion Financière en Côte d'Ivoire
3.	Indonesia	National Strategy for Financial Inclusion Fostering Economic Growth and Accelerating Poverty Reduction, 2012
4.	Malawi	The Malawi National Strategy for Financial Inclusion 2010-2014, 2010
5.	Malaysia	Financial Sector Blueprint, 2011-2020 (Section 2.3),
6.	Namibia	Financial Sector Strategy with Inclusion, 2012
7.	Nigeria	National Financial Inclusion Strategy, 2012
8.	Papua New Guinea	National Strategy on Financial Inclusion and Financial Literature 2014-2015
9.	Paraguay	National Financial Inclusion Strategy (Estrategia Nacional de Inclusión Financiera)
10.	Rwanda	Vision 2020 and Financial Sector Development Programme II (2012); (National Financial Inclusion Strategy, in preparation, to be added (April 2015)
11.	Tanzania	National Financial Inclusion Framework, 2012
12.	Turkey	Financial Access, Financial Education, Financial Consumer Protection Strategy and Action Plans, June 2014

APPENDIX 3: LIST OF INTERVIEWEES

Olubunmi Adebisi	Deputy Manager, Financial Inclusion Secretariat, Central Bank of Nigeria
Mohammad Ashraf Alam	MSME Banking & Development Finance Specialist, Bangladesh Bank
Aris Alip	Chairman, CARD Bank, Philippines
Diane Jocelyn Bizimana	Microfinance Supervisor, Banque de la République du Burundi
Anne-Marie Chidzero	CEO, Mozambique Financial Sector Deepening (FSDMoç) programme
Eden Dema	Deputy Governor, Royal Monetary Authority, Bhutan
Mayada El-Zoghbi	Senior Microfinance Specialist, CGAP
Irene Espinoza Cantellano	Tesorera de la Federación, Mexico
Cheikh Amadou Bamba Fall	Commissaire aux Enquêtes Économiques, Direction de la Réglementation et de la Supervision des Systèmes Financiers Décentralisés, Ministry of Finance & Economy, Senegal
Tazeen Hasan	Women Business and the Law, World Bank
Marie José Ilungu	Banque Central du Congo, Democratic Republic of the Congo
Sarah Iqbal	Coordinator, Women Business and the Law, World Bank
Lanna Jome	Manager, Financial System Development, Central Bank of Samoa
Sarah Kambou	President, International Center for Research on Women
Evelyne Kilonzo	Manager, Financial Inclusion, Central Bank of Kenya
Kennedy Komba	Adviser, National Payment Systems, Bank of Tanzania
Modupe Ladipo	Executive Director/CEO EFINA, Nigeria
Esselina Macome	Executive Director, Banco de Moçambique
Enrico Nora	General Manager, Mobile Banking, Equity Bank, Kenya
Monique Nsanzabaganwa	Vice Governor, National Bank of Rwanda
Arunma Oteh	former Director General, Securities and Exchange Commission, Nigeria
Beth Porter	Policy Advisor, Financial Inclusion, UNCDF
Tiana Ramparany Ramanarivosa	Coordinateur National Adjoint, Finance Inclusive, Direction des Opérations Financières, Direction Générale du Trésor, Madagascar
Veronica Santamaria	Directora de Inclusión Económica en Ministerio de Inclusión Económica y Social, Ecuador
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APPENDIX 4: BIBLIOGRAPHY

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