INNOVATIVE FINANCE AND INVESTMENT FOR WOMEN ENTREPRENEURSHIP: EXPERIENCES FROM ESCAP’S CATALYSING WOMEN ENTREPRENEURSHIP PROGRAMME (CWE)

DR. RUPA CHANDA, DIRECTOR TRADE, INVESTMENT & INNOVATION DIVISION, ESCAP
OVERVIEW OF THE CWE PROGRAMME

THE CHALLENGES FOR WOMEN ENTREPRENEURS

INTERSECTION OF TECH AND FINANCE: CASE STUDIES

POLICY WORK & GETTING INVOLVED

Q & A
CATALYZING WOMEN’S ENTREPRENEURSHIP PROGRAMME

5-year programme (2018-2023) that aims to advance women’s entrepreneurship in the Asia-Pacific region through three interconnected pillars of influence:

- **POLICY & GOVERNANCE ENVIRONMENT**
  - Creating an enabling ecosystem for women

- **INNOVATIVE FINANCING**
  - Enhancing access & use of financial services

- **ICT & BUSINESS SKILLS**
  - Strengthening use of ICT & digital solutions
WOMEN ENTREPRENEURS ARE CRITICAL TO ECONOMIC DEVELOPMENT, BUT THEY FACE MANY BARRIERS...

**CAPACITY**
- Educational attainment and skills gap
- Lower self confidence and appetite for risk taking
- Heavier burdened of judgment for failure
- Unequal share of domestic duties can affect aspiration
- Family financial constraints limiting educational opportunities

**CULTURE**
- Burden of care; early marriage or childbearing
- Public mobility constraints
- Entrenched gender inequalities
- Discriminatory gender norms
- Expectations from family and community can affect aspiration
- Lack of women role models in entrepreneurial spaces

**FINANCING**
- Inadequate access to business networks or peers, or information on financing
- Information (and marketing) for financial services often gender blind

Interconnected and compounding

Effects of the COVID 19 pandemic on business environment
INNOVATIVE FINANCING MECHANISMS

WOMEN’S LIVELIHOOD BOND
Debt security mobilizing private investment capital to fund a portfolio of loans to women focused borrowers

IMPACT INVESTMENT FUND
Private equity gender lens investing fund

GUARANTEE FUND
Credit guarantee fund to de-risk the perceived risk of investing in women-led enterprises

INNOVATION CHALLENGE FUND
Co-funds and provides technical support to companies and start-ups to pilot innovative digital solutions and/or digital financial solutions which support women entrepreneurs
INNOVATIVE FINANCING RESULTS

A total of **41,216 women entrepreneurs have directly benefited** from the programme through access to finance and enhanced digital skills to start and grow their businesses.

Additionally, the programme has contributed to **unlocking US$64.9 million in private capital** to support women entrepreneurs.
15 Fintech start-up partners are offering innovative financing solutions to women-MSMEs

- **iFarmer**: Crowdfunding platform linking urban farm investors to rural women farmers.
- **BRAC BANK**: Digital solution for SMEs on logistics, payments and online stores.
- **Romoni**: Uber-like platform for women entrepreneurs in the beauty industry.
- **CVC Finance**: Inventory management and loan app for micro-entrepreneurs.
- **mManta**: Online marketplace and payments gateway.
- **Cyfora**: Online delivery and payments platform for food delivery.
- **Kiu**: Financial management app which builds credit history in order to access loans.
- **Khalti**: Digital marketplace with a bulk payment system, includes financial literacy.
- **80Nitro**: Digital token system for electric vehicles and access to digital loans.
- **Himalayan Innovations**: E-commerce platform for women smallholder farmers.
- **A Boost Capital**: Digital microfinance platform in Khmer.
- **Reach52**: Agent-based microinsurance platform for rural areas.
- **SME Tools**: Financial record keeping tool for women MSMEs.
- **Banhji**: Financial services management platform.
- **E-commerce platform with business management and bankability focus.**
Crowdfunding platform linking women farmers with urban farm investors in Bangladesh

- An alternative source of low-cost capital for the women farmers
- Over 5,000 cattle and vegetable farmers have participated
- Each credit-backed investment of about $500 generates $80-$100 profit
- New services are being offered, such as remote digital onboarding using the Sofol app, delivering farm products through a business-to-business (B2B) supply chain platform, and value chain linkages with institutional buyers.
- The company is targeting 40,000 farmers in 2022.

Partner website - https://ifarmer.asia/
App-based bookkeeping and literacy solutions for women-led micro enterprises in Cambodia

- **KOTRA Riel** – the first gender-focused and culturally tailored business support and bookkeeping application
- 7,000 women MSMEs have registered for the service and over 2,500 are actively using it.
- In 2021 alone, over 5,000 financial reports were generated digitally on the app that replaced manual bookkeeping
- The partner has recently signed MOUs with microfinance institutions to extend credit lines using the app transaction data.

"KOTRA Riel app has helped me make financial decisions for my business, and I love using the app because it was designed particularly for women business owners like me"

~ Sreypouv Tan, a local business owner of Coffee and Honey, shared how KOTRA Riel is helping her business.

Partner website: [https://www.sheinvestments.com/](https://www.sheinvestments.com/)
Inventory management and loan app for micro-entrepreneurs

- Started with Cye app that offered bookkeeping and inventory management but has evolved into a B2B marketplace.
- Groups small retailers to benefit from bulk buying and access CVC-operated fulfilment centres.
- Field operatives called ‘drones’ provide local support to women retailers.
- 2192 MSMEs have registered, recording over $3.5 million worth of transactions on the digital platform.
- Testing new service innovations: mobile payment integration, credit line for inventory with suppliers, local fulfilment centers, and automating orders based on inventory levels.
WHAT WE ARE THINKING ABOUT:

- Deepening in Nepal
- Intersection of Women, MSME, Climate
- Bespoke Subregional Approaches
- Refining Specific Policy Approaches
- Other Ideas?
THANK YOU

https://www.unescap.org/projects/cwe