The Women Entrepeneurs Finance Code as a tool for Inclusion in Financial Servises



Unlock a \$1.7 trillion revenue opportunity for financial service providers and add \$5-6 trillion to the global economy by ensuring equal participation of women and men as entrepreneurs

Over 400 million women entrepreneurs around the world have vast potential to grow their businesses

We-Fi collaborates with Multilateral Development Banks in over 60 countries and has 250 partners to address the challenges faced by women entrepreneurs.

Skills & sector selection, social norms, and caregiving burdens limit women's opportunities, with only 75% of the legal rights granted to men

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2X higher loan rejection rate

Strong business case

Growing evidence of women entrepreneurs' lower risk profile, greater customer loyalty and cross sell

Less than 2% of venture capital funding goes to female-led teams

An unrealized global added value of US\$5-6 trillion

25% startup gap 36% growth gap 50% earnings gap

The WE Finance Code is a data-driven, multi-stakeholder approach to increasing access to financing for women-led MSMEs.

The goal of the Code is to engage countries and reach Financial Service Providers to systematically expand support and financing to womenled businesses, leveraging We-Fi's network, resources, and convening opportunities.

The Code aims to:

- 1. Identify leaders who will drive action both within and outside their organizations and promote public-private partnerships to implement the Code through national-level efforts.
- 2. Improve the collection, analysis, and use of supply-side gender-disaggregated data on the level and quality of financing provided to women-led MSMEs.
- 3. Catalyze new financial and non-financial services to meet the needs of women-led MSMEs.
- 4. Establish standards, policies and regulations to improve the availability and quality of gender-disaggregated data and address financial constraints.
- 5. Mobilize public and private capital for financing and technical support to benefit women-led MSMEs.

A two-year pilot phase involving 10-12 countries is testing the framework, which is based on the UK's Investing in Women Code, and will ensure its effectiveness in different contexts.

Six elements are essential to implement the WE Finance Code in the Dominican Republic



The Code is launched through pilots in countries by leveraging national public-private coalitions

National public-private coalitions can build on existing efforts or new structures to design locally adapted parameters for the Code, establish reporting guidelines, and leverage national data collection infrastructure to inform and implement the Code at the country level.

Each national Code must include:

- A structure that can create accountability and oversee the local adoption of the Code.
- A designated coordinator for the implementation and local reporting of the Code.
- A mechanism to aggregate data with integrity in a format that facilitates its gradual integration.
- Coordination with global efforts and the presentation of annual reports.

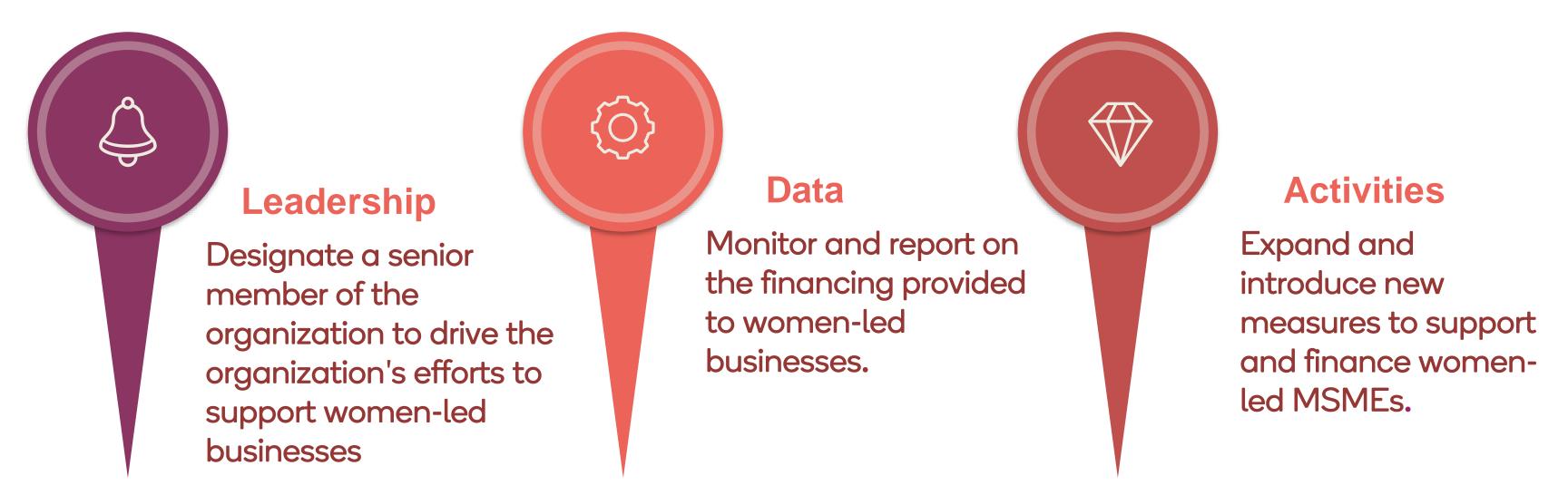
It is recommended to prepare an Annual Country Report



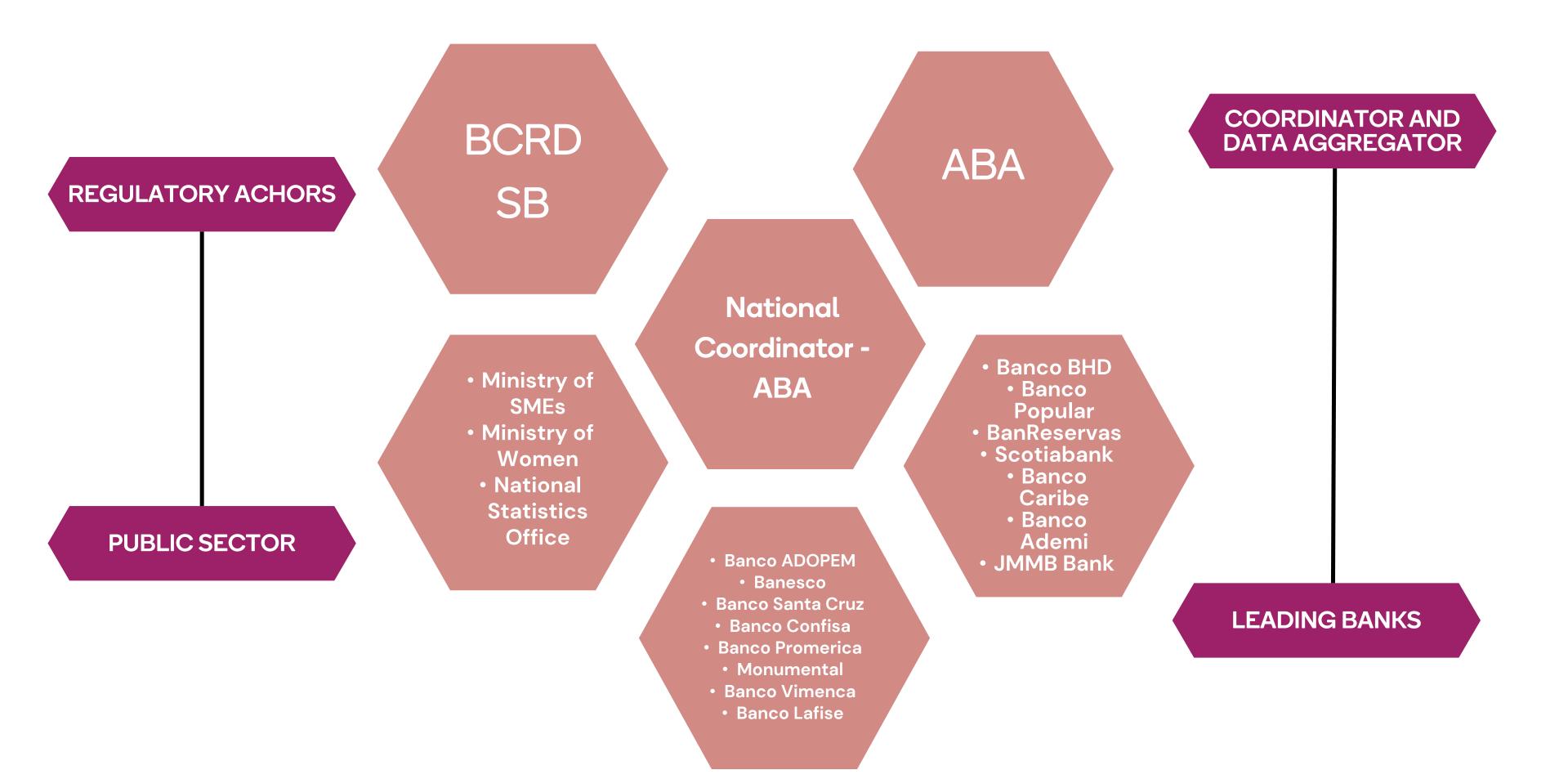
Financial Service Providers become Signatories of the Code

Financial Service Providers become signatories of the Code to indicate a commitment to this market segment, access impact investments, align with the regulator, engage in peer learning, and demonstrate leadership.

Financial Service Providers make three commitments:



Public - Private Coalition in the Dominican Republic



WE Finance Code Activities for the National Coalition

Identify anchors from the Private and Public sectors

- Identify 1 to 3 national champions
- Build the case to launch WeCode in the country
- Discuss the vision for the Code
- Promotional activities carried out by FAFW and the first private sector champion, Banco BHD Leon.
- Several public sector champions have been identified: Superintendency of Banks, Central Bank, Ministry of Women, and Ministry of Commerce.
- The Bankers Association (ABA) supports the Code, becoming a champion of the private sector.

Create a National Coalition

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- Call the coalition.
- Establish key roles and responsibilities.
- Sign the Letter of Intent to launch the Code
- Public launch event at the Annual FAFW Summit, attended by the President of the Dominican Republic.
- Public sector champions along with ABA signed the letter of intent.

Prepare for Implementation

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- · Recruit initial signatories.
- Launch Working Groups.
- Build consensus on key decisions (definitions of MYPYMES, reporting structure).
- Publish the National Letter.
- ABA leads promotional activities, recruiting 14 signatories, including the main commercial banks and the 2 largest microfinance institutions.
- Two working groups were launched.
- ABA calls the signatories and public sector champions to align on the definition of MYPYMES based on the results of the FSP survey.

Implementation of the Pilot and execution of **Working Groups**

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Monitor and Accelerate advances

- Promotion and excitement were created.
- ABA incorporated signatories.
- The Working Group on Building the CVP for Women is being implemented, a series of 6 trainings taking place this year and early next year on designing and implementing a strategy for WMSMEs by Financial Alliance For Women.

Sep-Oct 2023



Nov 2023



Dec 2023 - Mar 2024



Mar 2024 - Dec 2024



2025

Signatories





























WSME Data Journey

Next Steps

Campaign and Incorporation

Attract Fls to become Signatories of the Code. Incorporate Fls and collect baseline data.

Continue providing support as Fls implement the three commitments (e.g., working groups, peer learning events).

New participants in the Code sign a Letter of Intent to indicate their support for the Code and how they will support its implementation.

Continue with the data transfer pilot

Continue with the 3 data transfers for 2024 and incorporate more institutions for 2025.

Publish annual report.

Lessons learned and take action

Learning events and publications to share best practices.

Evaluate progress year after year.

Use data to take evidence-based measures (policies, practices).

THANK YOU

WOMEN ENTREPENEURS FINANCE CODE AS A TOOL FOR INCLUSION IN FINANCIAL SERVISES