

# COUNSIOUS Processess

Results:  
Protocol and checklist  
with a gender approach





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in financial institutions and investment funds

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# Procesos CONSCIENTES

## WHAT ARE WE LOOKING FOR?

The reduction of the gender gap in financial opportunities, caused by unconscious biases in the processes of **prospecting, selection, evaluation and approval**, through the design and monitoring of the implementation of a protocol based on the analysis of supply and characterization of demand of the participating financial institutions.







# Methodology

How do we do it?

## 01. Diagnosis of Processes

We diagnose prospecting, selection, evaluation and approval processes to identify opportunities.

## 02. Supply Analysis

We individually characterize the offer of products and services of each entity and carry out a benchmark of the market.

## 03. Demand characterization

We analyze, with different statistical tools and advanced analytics, the demand segmented by gender.

## 04. Design and implementation

We designed and monitored the implementation of a protocol that seeks to standardize good practices to close the gender gap in funding opportunities for women.



Economic empowerment, with a **gender focus**, is a challenge that financial institutions, the private sector and governments must consider, through the adoption of **conscious processes** in the granting of credit and investment, to **promote the social, economic, educational, environmental and technological development** of countries; However, it has not been easy to address it because they do not know how to develop it. This document presents a proposal that consists of a protocol, to strengthen corporate culture, promote equity and inclusion in all ecosystems where women exercise their economic activity from 4 approaches with a gender perspective.





**In Latin America  
there are between  
1.2 and 1.4 million  
MSMEs owned by  
women,  
representing  
40% of the total**

- ✓ **Greater savings:** have a solid source of savings for a bank
- ✓ **Less due payment time:** The lower number of women's non-performing loans has a positive effect on banks' capital requirements. Women as a profitable segment with a proportion of tools
- ✓ **Greater fidelity:** The woman represents a loyal customer base, once she is captured.
- ✓ **Business opportunity:** There is a credit gap for women MSMEs in the region of \$86,000MM



# Opportunities for deepening and growth are highlighted in financing entrepreneurs who contribute to their development

Source: <sup>1</sup>CAF - Inclusión Financiera de las Mujeres en Latinoamérica 2018 – Banco Mundial Global Findex <sup>2</sup>PROMUJER: Emprendedoras en situación de Missing Middle y sus opciones de financiamiento <sup>3</sup> BID INVEST: Crecer siendo iguales 2018

## DEMAND

- 49% with bank account | 11% save | 10% have credit | 73% without access to financing
- In Colombia, women receive 12.1% less income than men and in Ecuador 15% less.
  - Barriers
  - Lack of financial education, high rates
  - Lack of entrepreneurship spaces
  - Low level of gendered financial solutions to undertake and grow.
  - Undervaluation in your business management capacity
  - The main purposes for financing women are health (11.8%), education (8%) and business (5%)
  - In Latin America and the Caribbean, only 20% of agricultural units have a woman as their head.

## SUPPLY

- Low level of allocation of venture capital funds for women (2.3%)
- Greater number of players in the credit offer: Fintechs, Telco, NGOs, Cooperatives, Banks, Shops, Niche Banks, among others
- Average financing ticket 19% lower than men in Ecuador and 18% lower in Colombia
- Generic Credit Analysis Process
- Generic Financial Education Programs
- Absence of special conditions for the offer of financing for entrepreneurship and strengthening women in general (only in pilots or programs)
- No accompaniment program with a gender focus for financing and scaling of the business

## OPPORTUNITIES

- Indicators for measuring gender impact and Reducing gender bias to increase credit amounts
- Deepen the design of solutions, based on current barriers and improve the conditions for granting and evaluating women. Strengthen equity and inclusion policies in the commercial team, credit and AI administrators
- Creation, promotion and strengthening of cooperation spaces for the development of networks and Strengthening of financial education programs in the stages of entrepreneurship,
- Flexible financial services adjusted to capital needs according to the stage of the business



# Insights on the profile of WMSME in Latin America

- The profile of women entrepreneurs has evolved
- Women have lower levels of risk
- Barriers still exist
- Strong need for entrepreneurship spaces for women and financial solutions with a gender perspective.
- Women entrepreneurs are looking for smart capital.



# Insights on the profile of WMSME in Latin America

- Absence of consistent statistical information
- Low level of credit supply with a gender focus in the market. Absence of value offer for entrepreneurship with a gender focus at the national level. It is done on a sectoral basis.
- The offer of credit turned out to be generic or inclusive in gender diversity and sexual inclusion
- Absence of protocols related to the management of unconscious biases. The trend is to include inclusive language





# Insights on the profile of WMSME in Latin America

- Absence of value offer for entrepreneurship with a gender focus at the national level.
- The financial education programs taught turn out to be generic.
- Absence of inclusive treatment with a gender focus for all service and marketing channels.
- **Absence of proactive credit products with a gender focus. It is not enough to wear pink products or add the word "Woman" to offer existing products.**





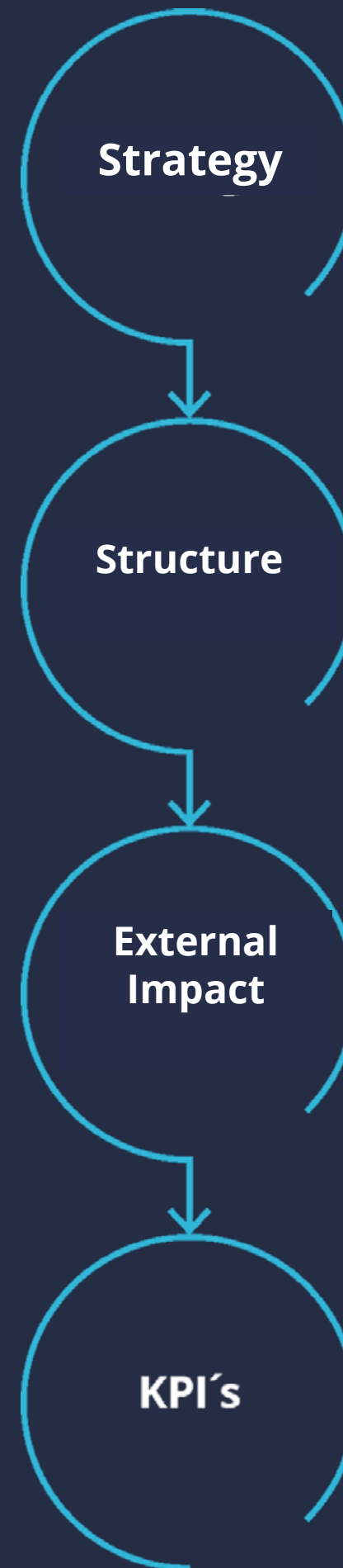
A close-up photograph of a woman with dark hair, smiling gently while holding a young child with curly hair. The woman is wearing a blue top, and the child is wearing a pink and white patterned shirt. The background is blurred, showing an outdoor setting with a building.

# Protocol

and Checklists



Approach from  
**4**  
**perspectives**  
**with a gender**  
**focus**  
for closing the access  
gap  
to financing for  
women entrepreneurs



Strengthening the gender approach in the **mission, vision, values** and strategy to be developed and implemented in the organizational culture

Establishing within **the structure, policies and processes** the strategy that incorporates the objectives of women's economic empowerment.

**Impacting entrepreneurs** with products, services, relationship and communication model, including attributes and benefits appropriate to their specific needs.

**Monitoring and measuring** progress on implemented strategies

Establish **indicators or metrics** to monitor the productive development of entrepreneurs with financing or investment capital

<b>MEASURING PROGRESS</b>	DEMOGRAPHIC CHARACTERIZATION OF WOMEN	DEMOGRAPHIC CHARACTERIZATION OF MEN
	AGES, ACTIVITIES, SCOPE, EDUCATIONAL LEVEL, INCOME, MARITAL STATUS	
<b>BUSINESS PROGRESS CHARACTERIZATION</b>	% GROWTH IN LEVELS OF ACTIVE WOMEN	% GROWTH IN MALE ASSET LEVELS
	% GROWTH IN FEMALE SALES LEVELS	% GROWTH IN MALE SALES LEVELS
	% GROWTH IN PROFITABILITY WOMEN	% GROWTH IN PROFITABILITY MEN
<b>FINANCIAL CHARACTERIZATION BY GENDER</b>	WOMEN'S SAVINGS PARTICIPATION/TOTAL	
	WOMEN PARTICIPATION INSURANCE/TOTAL	
	WOMEN'S DEBT/TOTAL SHARE	
	PARTICIPATION IN FINANCIAL EDUCATION PROGRAMS AND ENTERPRISE/TOTAL	



# Recommendations for Gender Financial Inclusion



- The gender gap in the Financial System and Investment Funds is a reality.
- Financial institutions and investment funds are urged to strengthen their culture towards a more visible, more measurable and closer empowerment perspective within the model of attention, value proposition and communication with a gender approach.
- It is necessary to strengthen gender equity policies and seek greater support with tailor-made products in terms of meeting financing needs at different stages of productive development.
- It is necessary to measure and monitor key indicators at each stage of the credit process (disaggregated by gender) to identify gaps and be able to propose actions.



# Conscious PROCESSES

Study: Gender Biases in Access to Finance for Women Entrepreneurs

Using a 4-perspective approach

with a gender perspective to close the gap in access to finance for women entrepreneurs

Protocol web platform for the change







# FUNDES

LATINOAMÉRICA

La organización sin fines de lucro más grande de América Latina dedicada al crecimiento sostenible de las Mipymes y sus ecosistemas.

*38 años de experiencia*

Transformando  
**comunidades y sectores  
integrados por Mipymes**



A woman wearing a dark blue hijab is looking down at a document held by another woman. The second woman, who has brown hair and is wearing a black top, is smiling and looking at the document. They are in a store with shelves of snacks in the background, including bags of Jujubes and other packaged goods.

# FUNDES

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impact & growth through  
small businesses since  
1984.**



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To unleash the sustainable development of Latin America through the growth of small businesses. We fight poverty through livelihood and job creation.



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years of experience  
in the development of  
**+1 million MSMEs.**



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