



FINANCIAL INCLUSION FOR GENDER AND WOMEN

DESPITE OVERALL PROGRESS
IN FINANCIAL INCLUSION, WOMEN
ARE STILL DISPROPORTIONATELY
EXCLUDED FROM THE FORMAL
FINANCIAL SYSTEM.



ACCORDING TO 2014 GLOBAL FINDEX DATA, 58 PERCENT OF WOMEN HAD AN ACCOUNT COMPARED TO 65 PERCENT OF MEN. THIS GENDER GAP HAS REMAINED PERSISTENT AT 9 PERCENT FOR DEVELOPING ECONOMIES SINCE 2011. GLOBALLY, WOMEN ALSO MADE UP MORE THAN HALF OF THE WORLD'S UNBANKED.

Within the AFI network, there has been increasing focus and priority given to the issue of women's financial inclusion. At the 2015 Global Policy Forum in Maputo, Mozambique, AFI received the mandate from its members to explore how the gender gap in financial inclusion can be addressed through effective regulations and policies.

In the two successful "Bridging the Gap" conferences held in Yamoussoukro, Cote d'Ivoire in 2015 and Dar es Salaam, Tanzania in 2016, members reiterated the need for the Network to take concrete steps to accelerate women's financial inclusion.



$> \frac{1}{2}$

of the world's unbanked are women



58%

of women have an account compared to 65% of men



9%

gender gap has remained persistent for developing economies since 2011

In 2015, AFI together with Women's World Banking conducted a research study on policy measures that can greatly impact the advancement of women's financial inclusion. The study identified these seven policy measures:

- 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.

The issue of gender and women's financial inclusion is a cross-cutting issue that requires policy intervention in all work streams of AFI. AFI has since focused increasingly on this aspect of financial inclusion policy, gradually incorporating gender into many of its thematic work streams. In particular, AFI will focus on how to successfully integrate policies for women's financial inclusion into each stage of national financial inclusion strategy (NFIS) design and implementation through its Financial Inclusion Strategy (FIS) Working Group. A special sub-group of the Financial Inclusion Data (FID) Working Group has also been established to develop tools, build capacity and promote best practices in collecting and using sex-disaggregated data.

More importantly, the AFI Gender and Women's Financial Inclusion Committee (GWFIC) has been established with the approval of the AFI Board of Directors in February 2016, to champion the agenda and provide strategic guidance on initiatives undertaken by the Network. Members of the GWFIC comprise senior representatives from AFI member institutions across various regions:

- > **Dr. Tukiya Kankasa-Mabula**
Deputy Governor, Bank of Zambia (Chair)
- > **Dr. Natu Mwamba**
Deputy Governor, Bank of Tanzania (Vice Chair)
- > **Ms. Lobna Helal**
Deputy Governor, Central Bank of Egypt
- > **Dr. Monique Nsanzabaganwa**
Vice Governor, National Bank of Rwanda
- > **Ms. Mathabo Makenete**
Deputy Governor, Central Bank of Lesotho
- > **Ms. Chea Serey**
Director General of Central Banking, National Bank of Cambodia
- > **Ms. Eni V. Panggabean**
Executive Director, Bank Indonesia

The adoption of the Denarau Action Plan marks a significant milestone for the AFI Network in its commitment to gender and women's financial inclusion. The Action Plan reflects the commitments of AFI members in accelerating financial inclusion for women by promoting smart policies and leveraging on the success of AFI peer learning and sharing platform. The Action Plan calls for, amongst other things:

- > **To incorporate gender considerations in the AFI Network's core activities**, with each Working Group to promote peer learning and develop appropriate knowledge products relating to gender and women's financial inclusion between 2016-2018
- > **To encourage AFI members to set specific financial inclusion objectives and targets for women's financial inclusion** within the framework of Maya Declaration and their national financial inclusion strategies
- > **To collaborate and coordinate** with key stakeholders in taking concrete steps to better understand the women market segment, advocate the business case, encourage effective data collection and implementation of sound gender-sensitive policies and creating an enabling and supportive environment.

THREE MEMBER INSTITUTIONS HAVE SET SPECIFIC TARGETS IN THE MAYA DECLARATION COMMITMENTS TO SUPPORT WOMEN'S FINANCIAL INCLUSION AND BRIDGE THE GENDER GAP:



BANK OF PAPUA NEW GUINEA

1 million

more unbanked low-income people in Papua New Guinea reached, 50% of whom will be women.

CENTRAL BANK OF SOLOMON ISLANDS

160,000

people in Solomon Islands will have access to appropriate and affordable services by 2017 and at least 50% should be women.

RESERVE BANK OF VANUATU

76,000

Enable availability of relevant financial services for at least 76,000 unbanked people in Vanuatu (at least 38,000 to be women) by December 2016.

Other countries have set quantitative targets:

BURUNDI

48.7%

Women clients will make up 48.7% of the total clientele of financial institutions.

MALAWI

60%

Increase the number of women clients to 60%.