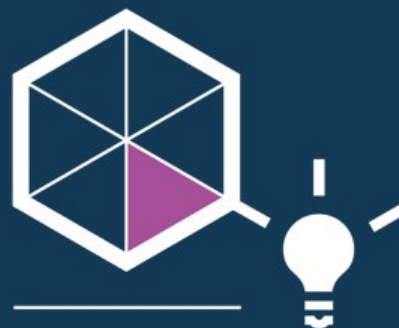
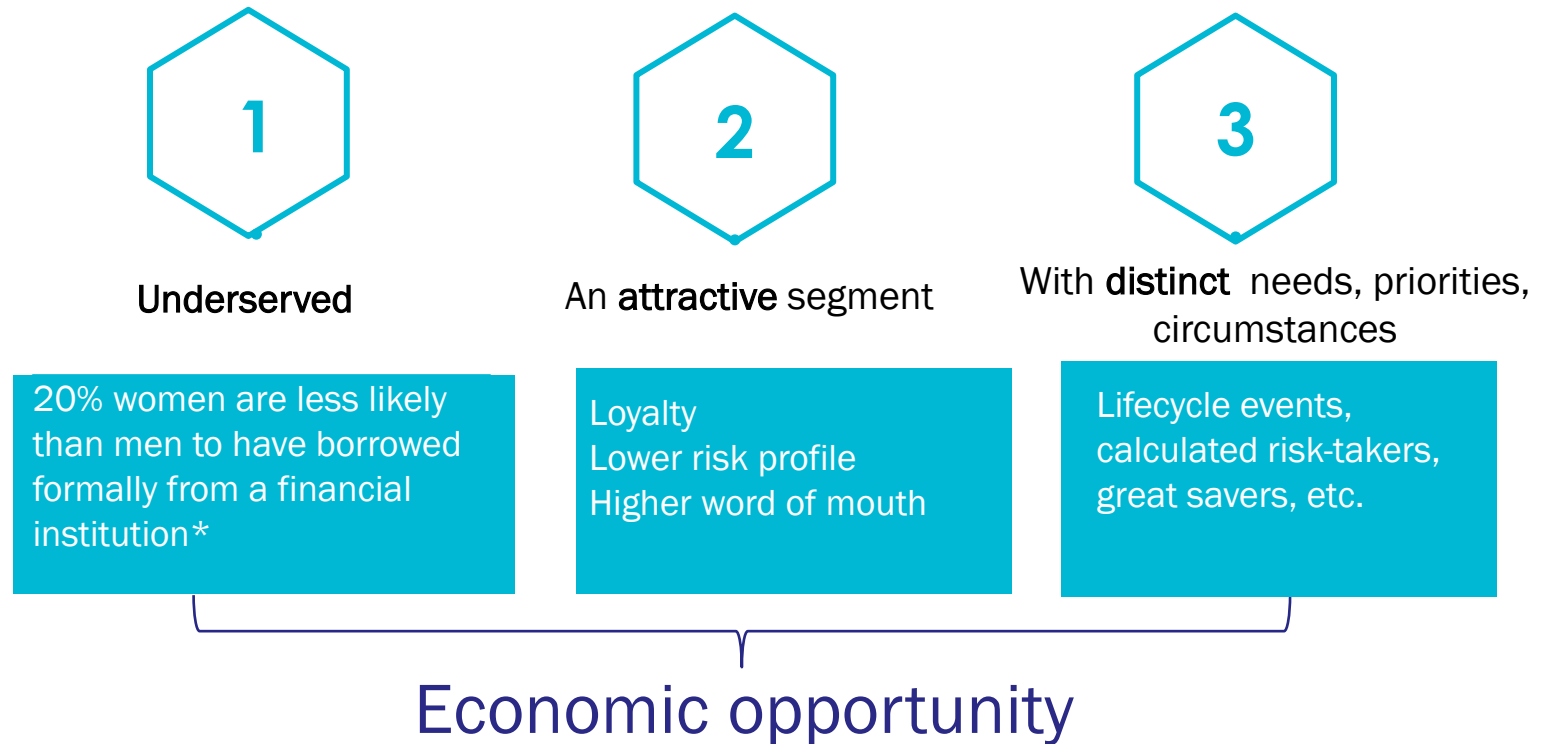


POLICY FRAMEWORK FOR WOMEN-LED MSME ACCESS TO FINANCE



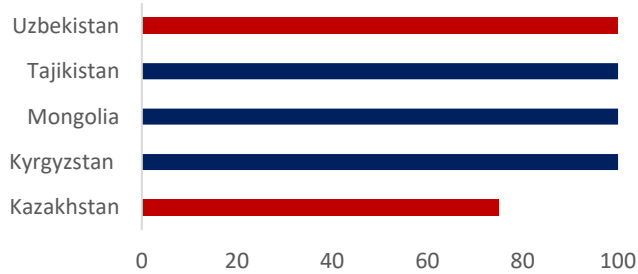
**FINANCE &
ENTREPRENEURSHIP**

Women in Business – realising economic opportunity



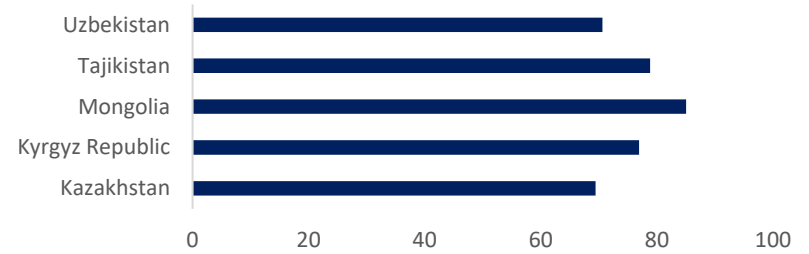
*Source: Global Banking Alliance for Women

WBL Entrepreneurship 2022



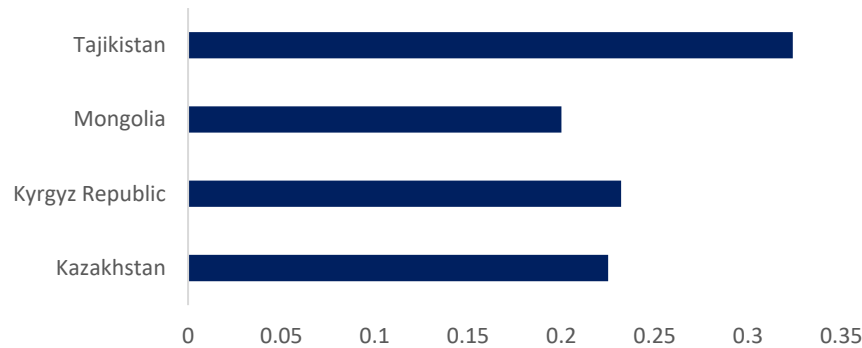
Note: WBL is World Bank's Women, Business and the Law Index. Uzbekistan and Kazakhstan score lower than the max 100 because of discrimination in accessing credit

WBL Overall Index Score 2022



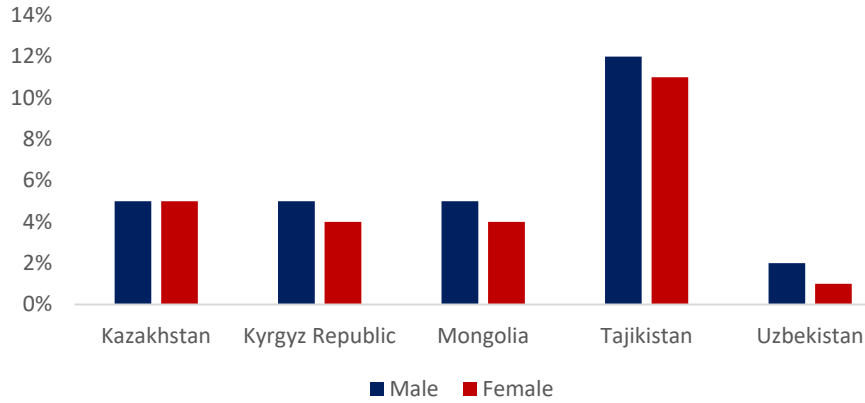
Note: Maximum possible score is 100 and is achieved by countries such as Canada and Sweden.

SIGI 2019

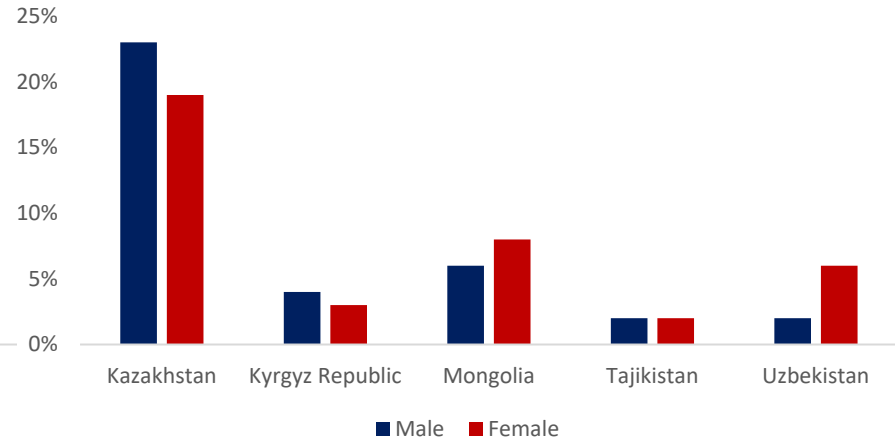


Note: SIGI is OECD's Social Institutions and Gender Index - measures discrimination against women by focusing on five aspects: familial code, son preferences, ownership rights, physical integrity and civil liberties. For comparison, Sweden scores 0.105. No data for Uzbekistan

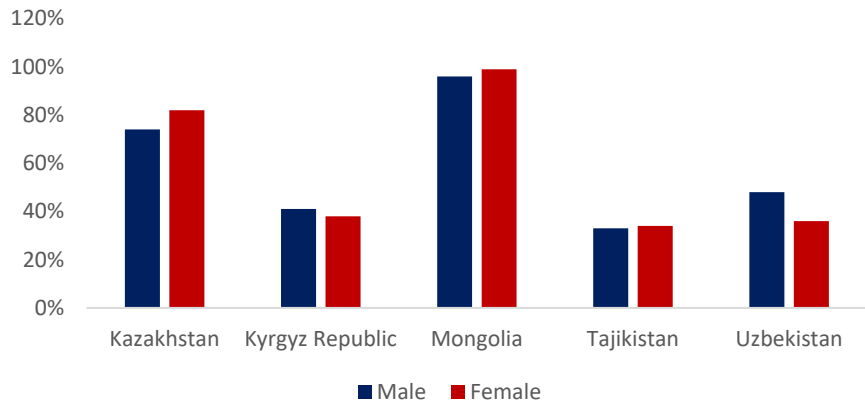
Borrowed to start, operate, or expand a farm or business (% age, 15+), FINDEX 2017



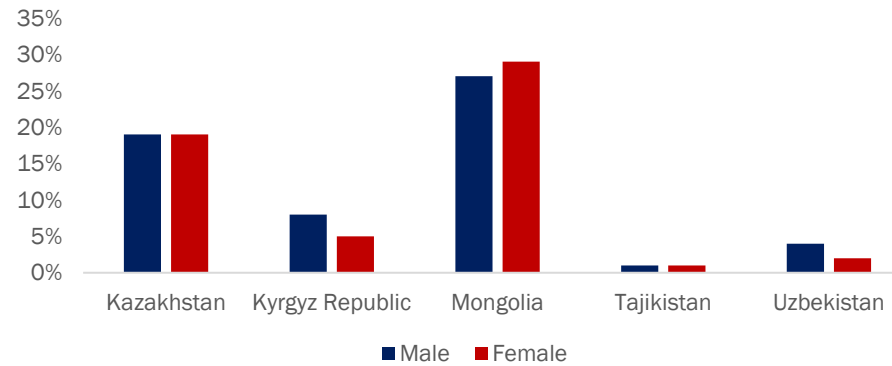
Credit card ownership (% age, 15+), FINDEX 2021



Made or received a digital payment (% age, 15+), FINDEX 2021



Saved at a financial institution (% age 15+), FINDEX 2021



Women MSME in Central Asia

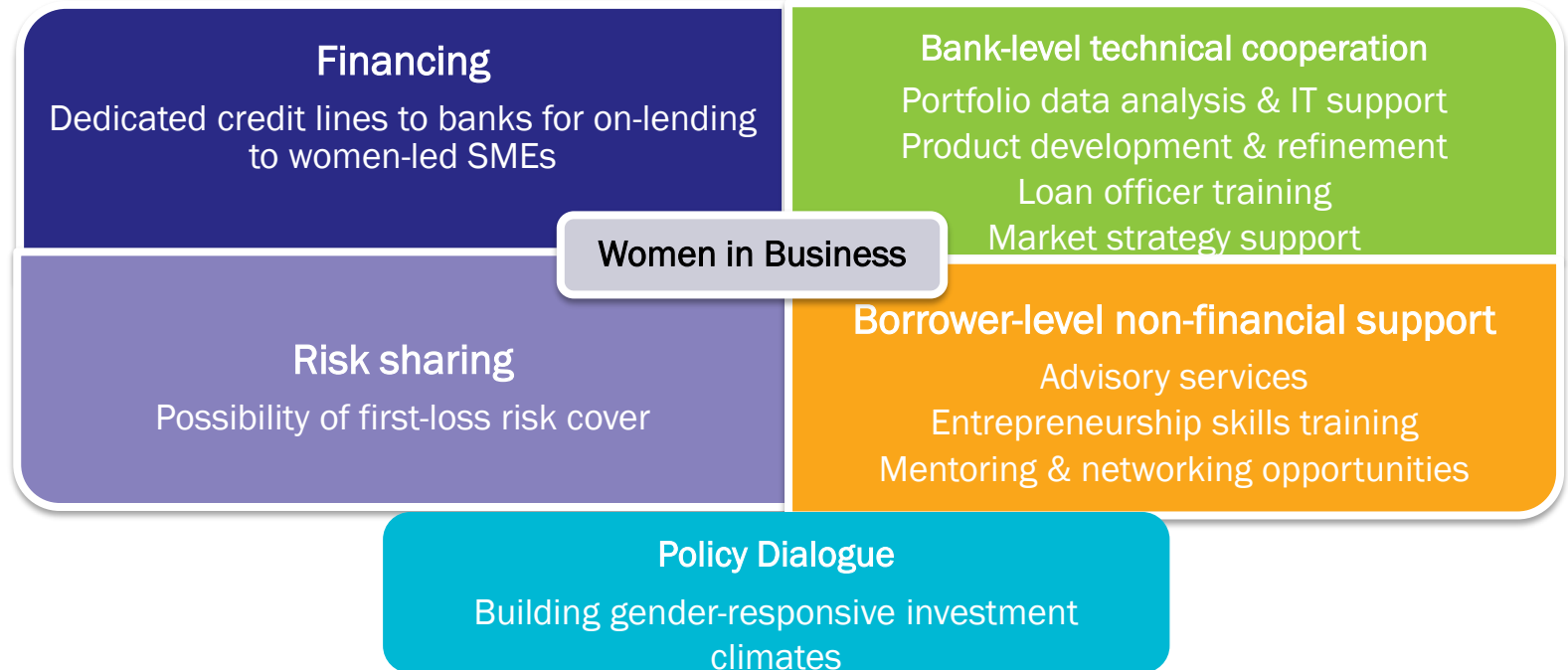
	% companies with female participation in ownership	% women led companies	% of individual entrepreneurs	Women MSME finance gap
Kazakhstan		29	54,4	USD 5 billion
Kyrgyz Republic		32,5	35,6	USD 262 million
Tajikistan		24%	31,5	USD75 million
Uzbekistan	38%		39,4	USD 915 million

Barriers to women MSME access to finance

1. Low business skills such as business plan preparation, financial recording, and other documents
2. Poor understanding of financial terminology and lack of awareness of bank and microfinance and other financial services and products
3. Lack of collateral causing women to not qualify to access loan products
4. Weak credit bureaus and/or a lack of understanding of credit processes and the role of credit bureaus
5. Lack of point of access to finance and/or appropriate distribution channels (e.g., cash or banking agent network)
6. Lack of customized banking products (e.g., bank services and products, including savings products are often unaffordable)
7. Women are not perceived to have the competence needed to start and manage firms
8. Lack of alternative sources of collateral and weak credit guarantee scheme
9. Women's educational and career choices are not relevant for entrepreneurial activities
10. Gender Bias among loan officers of financial institutions

Women in Business (WiB) programme

EBRD has operationalised Women in Business (WiB) programmes in 23 countries through 40+ partner financial institutions, including those in Eastern Europe and South Caucasus, Western Balkans



Case study: Central Bank of Uzbekistan promoting gender financial inclusion

- As AFI member, CBU made the commitment on Denarau Plan implementation
- CBU signed joint Action Plan on promoting gender financial inclusion with EBRD
- Introduce gender considerations in National Financial Inclusion Strategy

Results:

1. Develop the unified definition of women entrepreneurship (draft Entrepreneurship)
2. Collection SME supply side sex disaggregated data
3. Introducing remote client identification
4. Launch regulatory sandbox
5. Conduct the Baseline assessment on gender diversity in financial sector
6. Conduct special financial literacy program for women MSME

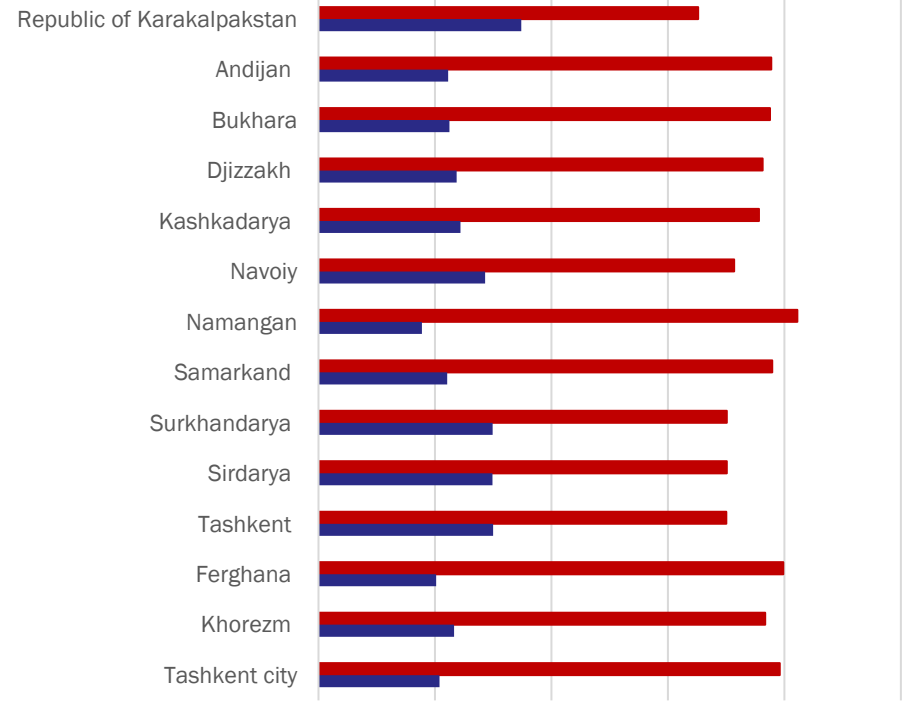
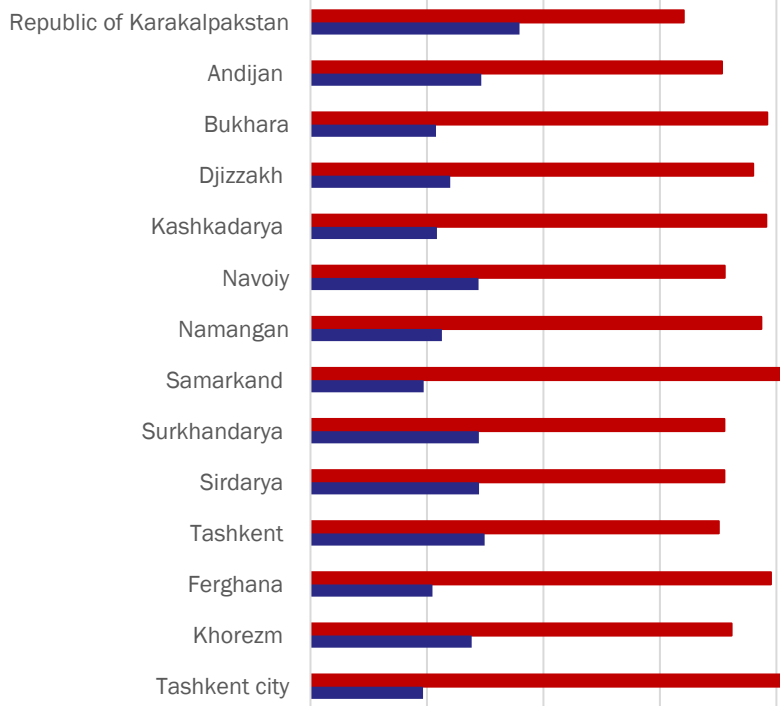
Number of loans extended to the Uzbekistan SMEs by region

2020

2021

0% 20% 40% 60% 80% 100%

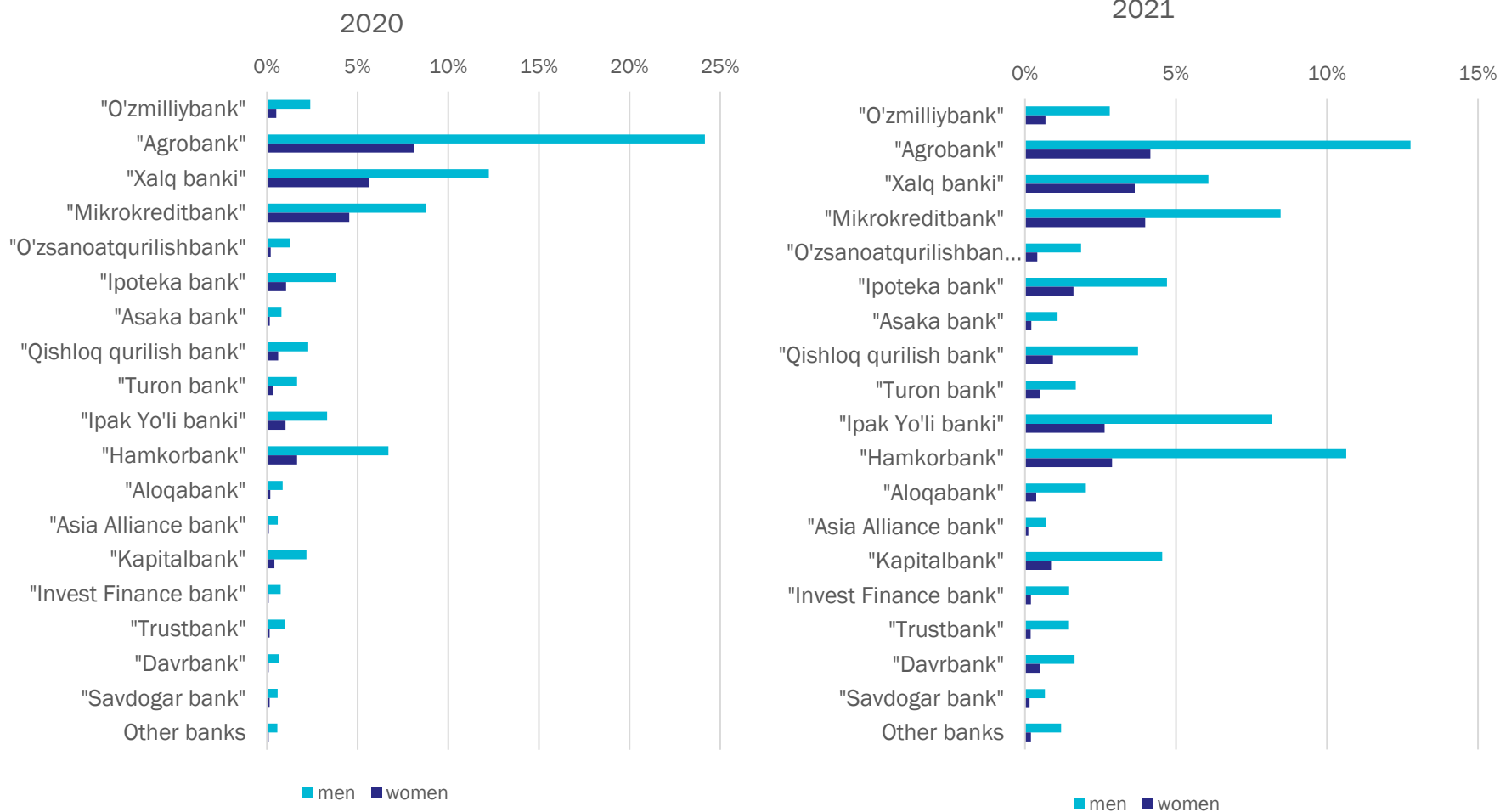
0% 20% 40% 60% 80% 100%



men women

men women

Number of loans extended to the Uzbekistan SMEs by banks



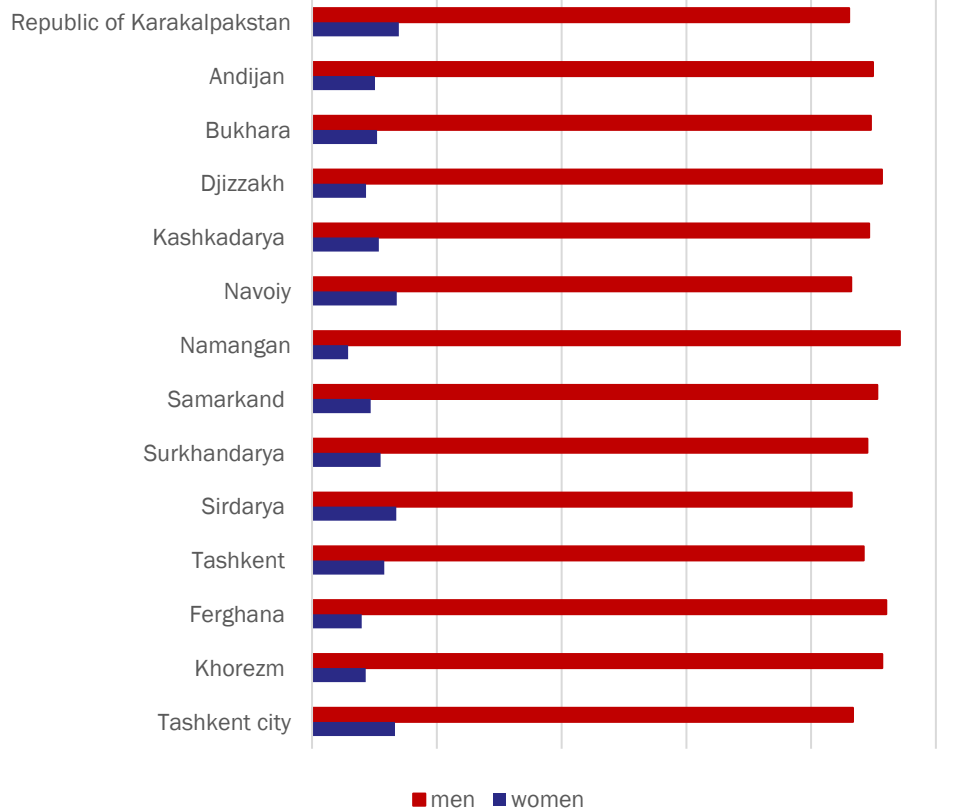
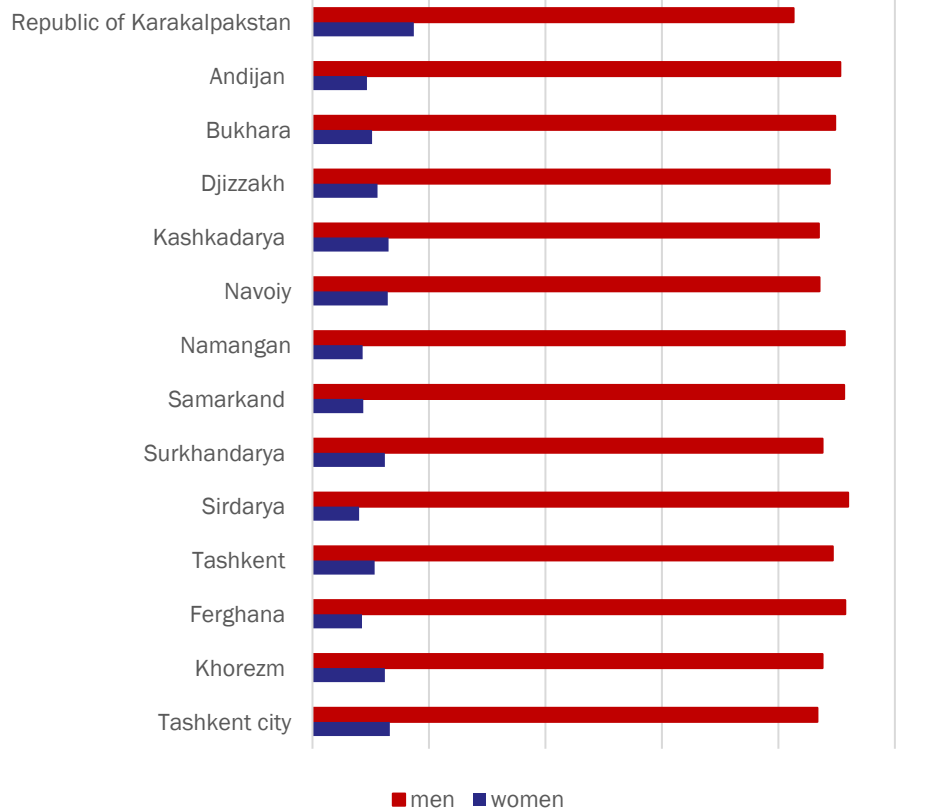
Volume loan extended to the Uzbekistan SMEs by region

2020

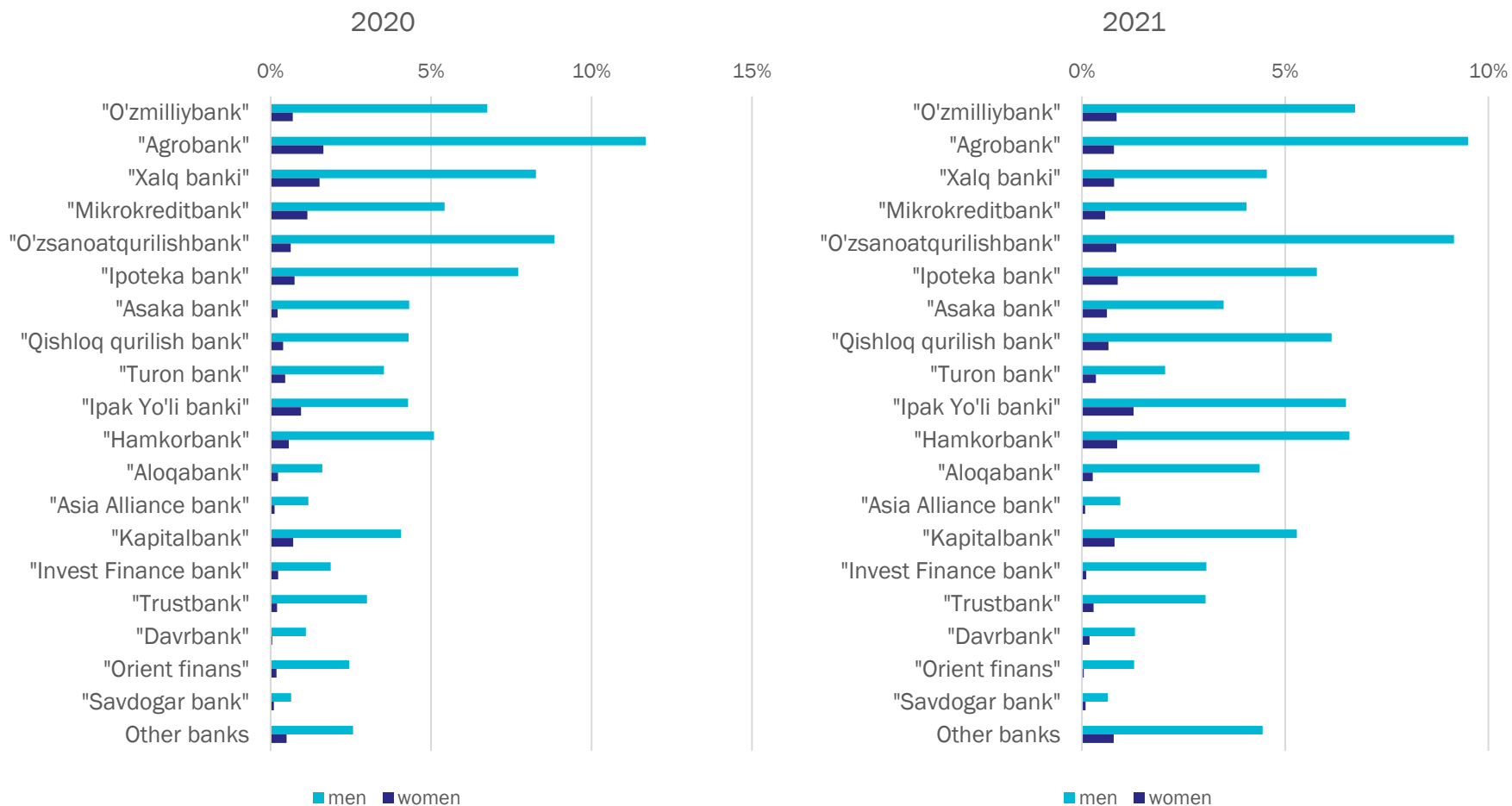
2021

0% 20% 40% 60% 80% 100%

0% 20% 40% 60% 80% 100%



Volume loan extended to the Uzbekistan SMEs by bank

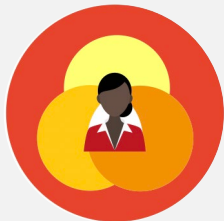


Financial Inclusion Policy Framework

PILLAR 1

Develop an enabling environment

Refers to the set of national policies that contribute to developing a conducive environment to enhance WSMEs access to finance and they include fiscal and monetary policies, industrial and sector specific policies



PILLAR 2

Collect sex-disaggregated data

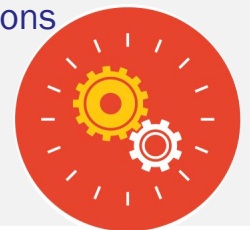
Relates to the importance of gathering detailed and disaggregated data that can enhance the ability of policy makers and financial regulators to develop effective WSMEs policies



PILLAR 3

Build skills for women-led MSMEs and financial services Providers

Includes the provision of tailored technical assistance services to build adequate skills, enhanced access to business networks and mentoring, capacity building of financial institutions and DFS providers to serve WSMEs.

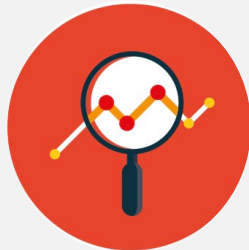


Financial Inclusion Policy Framework

PILLAR 4

Allow alternative sources of collateral and alternative ways of building credit for women-led MSMEs

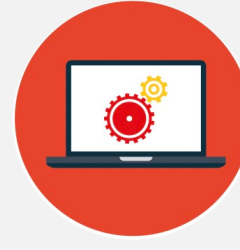
Is about the need to overcome the lack of assets to use as collateral through the introduction of alternatives such as movable asset registries and credit bureau.



PILLAR 5

Develop digital financial services focused on women-led MSMEs

Comprises the inclusion of WSMEs' needs in DFS policy, the provision of capacity building to increase knowledge about DFS, the enhanced access to universal digital identities.



PILLAR 6

Encourage diversity and women leadership in the financial and business sectors

Is linked to the need to increase the presence of women in leadership positions in financial institutions, the creation of women's business associations and networks, the creation of business opportunities for WSMEs value chains.

