**women entrepreneurship Banking**

Provides incentives for Latin American and Caribbean financial intermediaries to launch innovative and inclusive lending models for women-led micro, small and medium enterprises (MSMEs).

Through a **unique combination of loans, guarantees and technical assistance**, banks and other financial intermediaries have the tools to tailor their financial products and services to better fit the needs of women-led MSMEs.

Including women-led MSMEs in the financial systems is good for business and for society.

### The Business Case

1. **Women-led SMEs** default on payments 54% less often than men’s.

2. Banks find women customers more loyal and more likely to take advantage of cross-selling opportunities than men.

3. Despite investing 50% less than men entrepreneurs, women entrepreneurs tend to make 20% more in revenue.

4. Women control 64% of household spending decisions.

- **73%** Percentage of women unserved or underserved by banks worldwide
- **$86 billion** Credit gap in Latin America and the Caribbean for women-led SMEs
- **1 in 5** Proportion of women-led SMEs in Latin America and the Caribbean that have their working capital needs financed by banks
- **30%** Amount by which extreme poverty was reduced in Latin America and the Caribbean from 2000 to 2010 as a result of women’s income growth
The IDB Group sees a catalytic role for women-led businesses in Latin America and the Caribbean. This is why our Structured and Corporate Finance Department and Multilateral Investment Fund launched the women entrepreneurshipBanking program in 2012. Two tools deployed to maximize our support for women-led MSMEs include: (i) loans, partial credit guarantees or risk-sharing mechanisms to strengthen tenor and liquidity in banks seeking to expand lending, and (ii) technical assistance to assist banks that want to target women-led MSMEs as a profitable sector.

Banco Pichincha, Ecuador: $12.8 million senior loan plus $1.1 million for training in and deployment of psychometric credit risk assessment tools

Banco Pichincha, Ecuador: $37.5 million subordinated loan to grow their portfolio

Banco Nacional de Costa Rica: $37.5 million subordinated loan to grow their portfolio

Banco Agrícola, El Salvador: $9 million senior loan to expand lending

G&T Continental, El Salvador: $1.3 million senior loan plus $855,000 for technical support to understand and better serve this segment

Banco Económico, Bolivia: $4.8 million subordinated loan plus $700,000 in technical assistance to design a more inclusive customer service strategy

Banco Regional, Paraguay: $1 million senior loan to grow their portfolio

Itaú Unibanco, Brazil: $1.2 million in technical assistance to develop targeted financial products, train loan officers and incorporate innovative credit risk assessment tools

Lafise-Bancentro, Nicaragua: $1 million subordinated loan to expand lending

Itaú Unibanco, Brazil: $1.2 million in technical assistance to conduct activities such as capacity building and mentoring

Who we are

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