UNCITRAL
Assisting Economic Recovery and Targeting MSMEs

Women’s World Banking

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There is a significant financing gap for MSMEs globally

- Globally, MSMEs account for $2/3$ of private sector jobs and 40% of GDP

- **131 million** formal MSMEs (41%) in developing countries have unmet financing needs

- **$5 trillion** MSME finance gap in developing countries

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Access to a line of credit from a financial institution (% of firms)

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<tr>
<th>Region</th>
<th>Access to Credit</th>
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<tr>
<td>Europe &amp; Central Asia</td>
<td>51%</td>
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<tr>
<td>South Asia</td>
<td>51%</td>
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<tr>
<td>Latin America &amp; Caribbean</td>
<td>46%</td>
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<td>MENA</td>
<td>27%</td>
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<tr>
<td>Sub-Saharan Africa</td>
<td>23%</td>
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Source: World Bank 2019
Women-led businesses represent a significant market, but struggle to access credit

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<td><strong>10.2%</strong> of working-age women globally are entrepreneurs</td>
<td>The unmet credit need for women entrepreneurs globally is <strong>$1.7 trillion</strong></td>
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<td><strong>15.1%</strong> of working-age women in low-income economies are entrepreneurs</td>
<td><strong>41.0%</strong> of formal MSMEs in developing countries have unmet financing needs</td>
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<td><strong>21.8%</strong> of working-age women in Sub-Saharan Africa economies are entrepreneurs</td>
<td>Women-owned businesses account for <strong>32%</strong> of the MSME finance gap</td>
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Sources: Elam et al. 2019, IFC 2018, World Bank 2019
Barriers to women’s access to credit

- 44% of women do not have a formal ID compared with 28% of men
- 60% of countries around the world legally discriminate between a man and woman’s access to credit
- 40% of countries limit women’s property rights; 90 countries have unequal land ownership rights
- Inadequate credit infrastructure e.g., collateral restrictions, limited credit sharing, few asset-backed lending options

Sources: ID4D; Women, Business and the Law 2019; WEF 2018
Impact of Covid-19 on our Network

Challenges...
- Unpredictability and uncertainty
- Staff and client health and wellbeing
- Leadership in a time of crisis
- Losing the client connection
- Maintaining mission to serve the vulnerable

and opportunities
- Forward looking and future thinking
- Customer focus
- Innovation and digital
- Supportive government and funders
- Supporting fight against Covid-19
Social commerce entrepreneurship and new opportunities for women’s financial inclusion in India and Indonesia