



Ignite Program Learning Event Summary

Facilitating Financial Health of Women-Led MSEs:

A dialogue on what works and what it takes to do it at scale

Tuesday December 5, 8:30 a.m. EST

Empowering Women Entrepreneurs

Proven strategies and rising imperatives

Women entrepreneurs represent a trillion-dollar economic growth opportunity with benefits that ripple through households and communities. Yet despite the proliferation of gender equality strategies, gender-focused financial inclusion policies, entrepreneurship support programs, and extensive research, we've merely skimmed the surface of tapping into this potential.

It was against this backdrop and following the successful conclusion of [Ignite](#), a three-year program, led by [CARE](#) and supported by the [Mastercard Center for Inclusive Growth](#), that bolstered the financial security and economic empowerment of more than 150,000 growth-oriented women micro and small entrepreneurs (MSEs), that CARE and Mastercard organized a practitioner dialogue. The dialogue was an opportunity to highlight successes from the Ignite program and delve into drivers of success while also spotlighting potential areas for improvement and seeking inspiration for innovative approaches.

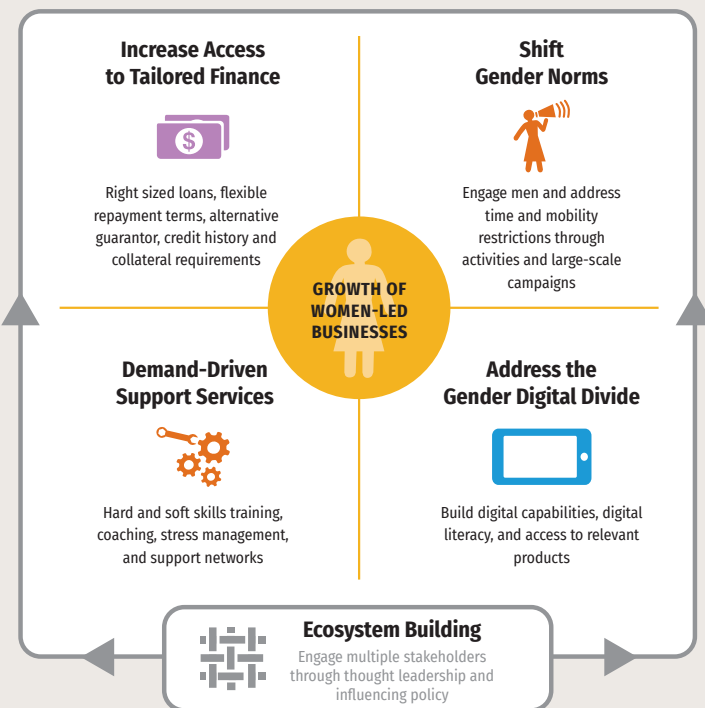
The session was opened by the Mastercard Center for Inclusive Growth Senior Vice President [Payal Dalal](#), and moderated by [Nisha Singh](#) and [Diana Dezso](#) of [Access Alliance](#). Following a presentation by [Rathi Mani-Kandt](#), Director of Women's Entrepreneurship and Financial Inclusion at CARE, who shared practical insights and learnings from the Ignite Program, three panelists discussed key drivers to scale impact for women-led micro and small businesses financial health - specifically around childcare, green business, and measurement practices. Lastly, the event was closed with a group discussion of actionable steps for joint efforts.

In this brief we share highlights from the discussion, focusing on three key strategies that are effective and worth amplifying, along with opportunities that need to be realized to achieve scalability.

Proven Strategies

1. Investing in comprehensive models that sustainably and holistically support growth-oriented entrepreneurs.

We must go beyond just improving access and usage of financial products and services for women entrepreneurs. Based on an in-depth and evidence-based understanding of women entrepreneur's lives, the Ignite program developed a comprehensive model comprised of four key elements:



Growing Women-Led Micro and Small Businesses: A Holistic Package of Services

Increase Access to Tailored Finance

Ignite's main entry point to serve women entrepreneurs was through financial services providers (FSPs). CARE partnered with FSPs to co-design tailored products and services for women, eliminating critical access and usage barriers such as collateral and guarantor requirements. FSPs leverage more accessible distribution points to onboard women entrepreneurs and expand the reach of their digital platforms.

Shift Gender Norms

Discriminatory gender and social norms hold women entrepreneurs back in many ways – shaping inequitable market access, limiting mobility, increasing time poverty due to household care burden, reducing education and skills building investments in women, and limiting financial control and decision-making. To truly unlock the economic power of women-led MSEs, programs can't keep operating within the confines of the norms. The Ignite program recognized this as a cornerstone of project planning and addressed these issues intentionally throughout the model.

Address the Gender Digital Divide

Through initial conversations with women entrepreneurs, the project team learned that during the COVID-19 pandemic women running micro businesses stayed resilient by embracing digital solutions. Therefore, a key part of program design was recognizing that as the economy was digitizing, women entrepreneurs needed to be digitally included as well. Depending on the size and stage of business, digital needs ranged from basic knowledge of leveraging platforms such as Whatsapp and Facebook to grow their customer base and digitally market their business, all the way to more complex digital needs such as using payroll software or invoicing systems for efficiency.

Demand-Driven Support Services

In addition to the financial product, the package of support included demand-driven support services - also known as wrap around or non-financial services. These services ranged from hard skills like financial management, record keeping and digital skills-building, to soft skills such as negotiation and leadership, stress management, as well as linking peer support networks and mentoring.

2. Local partnerships are fundamental to delivering these comprehensive models, especially partnerships with financial service providers.

Ignite highlighted the fact that key to success in adapting financial products is diversifying the range of financial services partners.

Diversification reduces reliance on a single financial service provider, and enhances consumer options. It also expands outreach, particularly benefiting women entrepreneurs. For instance, small FinTechs excel in agility, are innovative, but may lack the resources to scale rapidly or need to pivot their business model to survive. On the other hand, large banks offer scale and security, but might be slow to adapt products and services or even unwilling to do too much because of the back-end implications. Microfinance Institutions (MFIs) might be committed to serving women entrepreneurs, but might face regulatory constraints that banks don't face. For example, MFIs in Vietnam have limits on loan sizes and have traditionally been unable to provide digital wallets for customers. Mobile Network Operators (MNOs) are easily able to reach the mass market through their wide distribution networks, but might struggle to tailor products significantly, and tend to face regulatory restrictions that limit the amount of money that can flow through wallets. No one provider will have it all - it is essential to assess trade-offs in each partnership and have multiple partners.

Understanding and leaning into the partners' motivations to serve women entrepreneurs was critical to ensuring a long-term investment from the provider - and motivations varied from market to market.



*In Vietnam, one of Ignite's partners was VP Bank - a large scale commercial bank committed to serving women entrepreneurs because it made for a *good business case*. They had been tracking their own portfolio data for a while and found that on average, women had lower default rates and they were accessing more products than men.*



*In Pakistan, financial service providers were incentivized to serve the women's market by *national policies and regulation*. The State Bank of Pakistan adopted a Banking on Equality Policy in 2021 to address gendered obstacles to banking and set a target of 20 million active women's accounts by 2023 - as well as increasing the number of women in the financial sector to 20%, increasing outreach of women-centric products and services including financing to women entrepreneurs, and mandating women champions at 75% of all bank touch points. Ignite worked with an agile mid-size bank - U-Bank, and with a large scale bank - Mobilink Microfinance Banks - one of the biggest in the market with substantial outreach across the country.*



In Peru, Ignite worked with a FSP that was keen to invest in serving women as a part of their core business and social responsibility strategy. They were motivated by having access to expertise from CARE in women-centered design and grant money to subsidize the cost of market research and product design that was offered by the project. Ignite helped de-risk their market entry by covering the initial innovation cost.



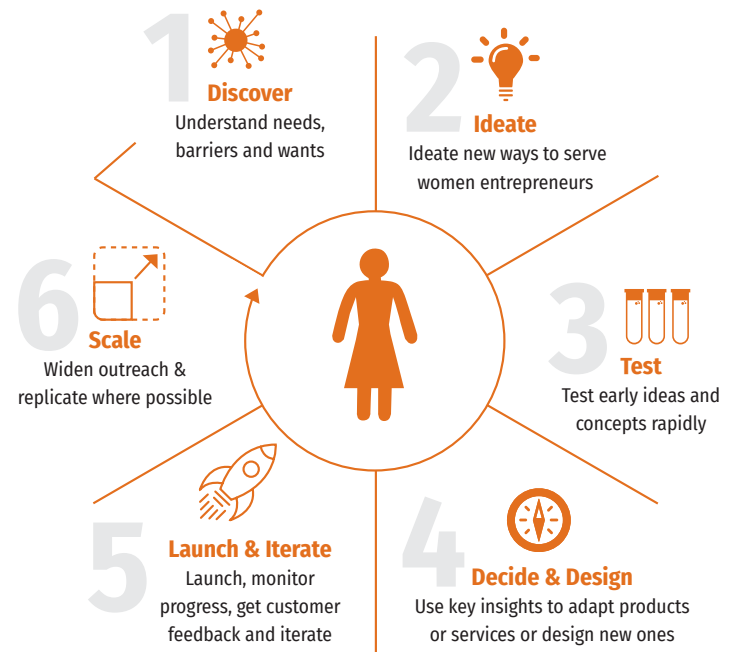
3. Women-centric product design that intentionally addresses social norms is critical to ensure women drive real value from products and services. Examples of how Ignite designed for women were different in each instance.



In Pakistan, discriminatory gender norms pose significant limitations to women's access to formal finance. These include their limited ability to own assets, restricted mobility, time poverty, and lack of credit history. One of the biggest barriers for women is that many FSPs continue to require a male family member as the guarantor. Additionally, in South Asia, gold is given to young girls early on, and savings is placed in gold as assets throughout the life of a girl, specifically for life events like weddings - and is for the most part the only investment women own and control. With these insights, Ignite took a "portfolio" design strategy to reach more women with different types of products. The program worked with [U Bank](#) to ease male guarantor requirements for women borrowers for not just the business loan products, but for all its loan products, as there was growing demand for asset loans and other types of products. Women customers of U Bank can now provide any guarantor (female or male) instead of only a male family member. Ignite also worked with U Bank to apply gold as collateral to certain products, and to lend 100% of the loan value vs. 90% of the loan value. These loans were processed quickly and efficiently, and the default rate on our product was zero, given that gold is such an important asset to women.



In Peru, [Financiera Confianza](#) and CARE co-designed [Emprendiendo Mujer](#), a loan tailored for women which has reached 57,000 clients, 100% women to date, and is gaining significant visibility in the market. Entrepreneurs stated they wanted short-term loans and flexible repayment schedules to manage the seasonality of their cash flow and businesses. For example, during Christmas, women entrepreneurs wanted 30-60 day loans to be able to produce or sell more of certain holiday items. Ignite took a customer centric approach to product design with [Financiera Confianza](#) and incorporated seasonality of cash flow into the loan product. The eligibility requirements were also changed - a husband no longer needed to be a co-signer on the loan, which had been a typical policy, and instead of traditional credit history, [Financiera Confianza](#) was willing to use references to assess credit. Another feature that emerged from the market research was that many women stated their fear of breast cancer, which is the most common cause of cancer related



death among women in Peru. Based on these insights, Ignite worked with [Financiera Confianza](#) to bundle breast cancer screening insurance into the loan product for a low cost of USD\$1, leveraging their pre-existing insurance underwriter.



In Vietnam, Ignite's partner [VPBank](#) offered more of the women's loans digitally as customers tended to be more digital, and said that time was a big barrier. And with [Thanh Hoa MFI](#), the project tested offering larger loans with the same requirements, while loan officers helped women use a loan management app - again, understanding that there were a range of levels of digital capabilities amongst women entrepreneurs. Additionally, Ignite provided non-financial services, including peer support networks which the project identified as one of the most potent tools for women to connect with fellow entrepreneurs. These support networks were often tailored to specific business or sector needs and were facilitated not only through in-person interactions but also through digital platforms such as Whatsapp or Zalo groups.

Rising Imperatives

The Learning Event featured three panelists who specialize in unpaid care, green business, and measuring financial health.

While there were a lot of proven strategies that were tested and refined through the Ignite project, the project also highlighted significant challenges that continue to hold back growth oriented women entrepreneurs. One such critical challenge is time poverty, with project data showing that women often only access digital training late at night, which highlights the need for more time not just for training, but also for rest. The COVID- 19 pandemic also revealed the vulnerability of women in sectors like food production, food processing, and retail, emphasizing the need to shift towards high-value, less climate vulnerable sectors, such as green businesses, to prevent women from

being left behind like in the tech boom. Additionally, there's a need to better measure women's holistic financial health, looking beyond traditional financial metrics to include factors like time use and stress levels, which affect their ability to fully realize their economic potential. Launched at the end of 2023, [Strive Women](#) is the follow on 3.5 year initiative to Ignite. Operating in Pakistan, Peru, and Vietnam, and supported by the Mastercard Center for Inclusive Growth, Strive Women will build on the work of Ignite to address some of these critical but catalytic issues, unlocking the potential of women entrepreneurs to contribute significantly to economic growth and social impact.

Investing in childcare solutions for women entrepreneurs



Aatif Somji
Senior Research Officer,
Gender Equality & Social Inclusion at ODI
(‘childcare’ specialist)

Balancing childcare responsibilities can be a significant challenge for women MSEs. Due to prevalent social norms, women are expected to prioritize child and household care. According to the [ILO](#), globally on average, women do 3.2 times as much unpaid care work as men. Lack of adequate and affordable childcare solutions affect the choices women make regarding the type of work and how to balance paid and unpaid care responsibilities.

As a result of this constraint, women MSE's often stay informal, home based and segregated in low margin sectors that provide women the flexibility they need. Addressing this critical constraint can unlock a triple win by – a) facilitating women's labor force participation and economic agency; b) enhancing child wellbeing and development; and c) creating decent job and business opportunities in the paid care sector and a recent [research report](#) highlights several promising models. Providing childcare to women could add USD 3 trillion to global GDP and expanding the childcare workforce to meet the current needs can create 43 million jobs globally. For any program looking to support growth oriented women MSE's, ensuring access to quality and affordable childcare that is context appropriate coupled with interventions that address underlying caregiving norms can be a game changer.

Supporting women entrepreneurs in climate resilient and green sectors



Lelemba Phiri
Principal & Founder, Africa Trust Group
(‘green business’ specialist)

Climate change presents a unique set of challenges and opportunities, particularly when considering the disproportionate impact on women. From an investment perspective, this dynamic is both a challenge and an opportunity. The challenge lies in the fact that climate change often exacerbates existing gender inequalities. Investing in women-led initiatives or those that empower women can lead to more sustainable and resilient communities. Gender-sensitive investment strategies can create a positive impact while also generating financial returns. For example, in the renewable

energy sector supporting companies led by women or those that employ a significant number of women and provide clean energy solutions in rural areas not only help mitigate climate change but also empower women by providing them with employment and skill development opportunities, while also increasing rural women's access to clean technologies. This in turn is key to enabling rural women led MSEs in agri-business value chains to adopt clean technologies. To scale women entrepreneurs' transition into climate-resilient sectors, a multifaceted approach is needed. This includes greater access to finance, mentorship, and markets; policy support that recognizes and addresses the unique challenges faced by women; and a concerted effort to foster a supportive ecosystem that includes investors, governments, and development organizations. By addressing these areas, we can not only promote gender equality but also drive effective climate action.

Measuring financial health of women entrepreneurs



Liz McGuinness
Sr. Director, Monitoring, Evaluation and Learning at CFI
(‘measuring financial health’ specialist)

A financially healthy business is defined as one that has the practices and/or resources to manage economic shocks and return to at least a break-even point. The financial health of an MSE is shaped by a number of endogenous and exogenous factors of which gender is key. The financial health of a woman entrepreneur is a critical aspect of her overall business success and empowerment. It’s important because it not only reflects the viability of her business but also her ability to influence economic growth, create jobs, and contribute to community development. Women often face unique challenges in entrepreneurship, including access to capital, balancing business and family responsibilities, and navigating gender biases in business environments. Indicators for measuring a

woman’s financial health include her business’s profitability, cash flow stability, access to financial resources (like loans or grants), creditworthiness, and the ability to save and invest for future growth. Other qualitative indicators, like financial literacy, confidence in financial decision-making, and the level of control over financial resources, are equally important. Adopting a lens of a woman entrepreneur’s financial health can be incredibly useful in assessing her specific financial needs. This perspective helps in understanding not just her current financial status but also her potential risks and opportunities. Tailoring financial products and services to meet these needs can lead to more effective support. For instance, flexible repayment schedules for loans, financial education programs, networking opportunities, and mentorship can be more beneficial than traditional one-size-fits-all solutions. Financial service providers using this lens and recognizing the unique financial journeys of women entrepreneurs can develop targeted products bundles of financial and non-financial services that contribute to business growth and entrepreneur wellbeing.

Conclusion

This vibrant exchange of insights and experiences represented a convergence of diverse perspectives, strategies, and success stories on the core of empowering women entrepreneurs. However, the dialogue doesn’t end here—it continues in the actions we take, the policies we shape, and the support systems we strengthen. For example, several participants were looking for insights on how to create lasting change within the FSP partners to continue to be gender intentional after these programs?

CARE and the Mastercard Center for Inclusive Growth share a commitment to designing innovative programs and partnerships centered around gender equality and inclusive growth, and we look forward to deepening this ecosystem through these exchanges, and through [Strive Women](#). Together, let’s amplify what works and co-create the path forward—scaling impact, empowering women, and driving lasting change.



Please contact us to discuss opportunities for collaboration.

Rathi Mani Kandt | Director of Women’s Entrepreneurship and Financial Inclusion, CARE USA

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IGNITE RESULTS



CAMPAIGN REACH



Global gender norms campaign reached **27 million**



Vietnam campaign promoting women-led MSEs reached over **1 million** on Facebook



Co-led event with State Bank of Pakistan with **200+** ecosystem attendees



Peru campaign fighting gender stereotypes reached over **4 million** people

IMPACT ACHIEVED



First time loan access



Business growth



Improved mental health and well-being



Excellent loan performance



Improved skills and financial resilience



Increased confidence



51%
first time loan access



49%
previously had no easy access to a good alternative



8-18%
took more than one loan



0-5%
average PAR of loans



81%
increased sales



92%
applied what they learned



86%
increased ability to manage finances



58%
find it easy to raise emergency funds



90%
report an improved quality of life



82%
report decreased stress levels



89%
report increased confidence

IMPACT ON WOMEN



68% of customers are female

32% male



INCREASED ACCESS & RESILIENCE



55% first-time loan access



54% can easily raise emergency funds

BUSINESS GROWTH



79% increase in business sales



79% achieved their business goals

WOMEN'S ECONOMIC JUSTICE: IMPROVED CAPABILITIES & CONFIDENCE



83% now use digital tools and services



79% say digital tools and services helped their business grow



85% increased ability to manage finances



91% applied what they learned



89% increased confidence in running the business

IMPROVED WELL-BEING



90% report an improved quality of life



82% reduced stress levels

Resources

Ignite Learning Report

<https://www.care.org/news-and-stories/resources/unlocking-the-potential-of-women-led-micro-small-enterprises/>

Strive Women Website

<https://www.care.org/our-work/womens-economic-justice/womens-entrepreneurship/strive-women/>

2X global - Climate toolkit

<https://www.2xglobal.org/climate-toolkit-home>

DCED MSME/Childcare report -

<https://www.enterprise-development.org/wp-content/uploads/Childcare-Solutions-for-Women-Micro-and-Small-Enterprises-MAY-22.pdf>

2020 Report on Measuring Financial Health

<https://content.centerforfinancialinclusion.org/wp-content/uploads/sites/2/2020/08/MSME-Framework-08122020.pdf>

Tara Bedi interview highlighting the role of men in supporting women entrepreneurs

<https://www.findevgateway.org/finequity/interview/member-spotlight-tara-bedi>

Clean energy innovations for women-led SGBS in Africa

<https://shellfoundation.org/learning/getting-innovative-in-the-agri-energy-ecosystem-financial-instruments-better-suited-to-women-led-sgbs-in-africa/>

ODI Report: Transforming gender norms for women's economic rights and empowerment

<https://www.alignplatform.org/resources/report-transforming-gender-norms-women-economic-rights-empowerment>

We-Fi resources

Evidence paper (evidence review on A2F, A2S, A2M) <https://we-fi.org/evidence-paper/>

Knowledge portal <https://we-fi.org/evidence-base/>

Research agenda <https://we-fi.org/research-agenda>