

**Virtual Roundtable Series on COVID-19 Mitigation Efforts #6:
Banking Women Entrepreneurs during COVID-19
April 30, 2020**

Q&A summary

Questions for BRAC Bank:

1. *What sort of regulatory challenges have you faced when expanding digital channels pre and post crisis?*

From a regulatory standpoint, the biggest impediment has been due to physical documentation requirements, but since COVID, the Regulators are taking suggestions from BRAC and others in the industry and changing their minds and supporting digital efforts.

2. *On digital usage do you have gender disaggregated data on channels you are developing?*

3. *Could you please explain further on your efforts to build women friendly digital supply chains?*

We are designing this in partnership with large FMCGs like Nestle & Unilever

Question for Santander:

- 1) Training and financial inclusion – In 2019, we provide face-to-face and online training to more than 6,000 women on topics of interest like access to finance, entrepreneurship, digital marketing, international trade, etc. We provide all this for clients and non-clients.
- 2) Networking - we have created exclusive events, to provide networking opportunities for women. We also offer a coworking space for clients and non-clients
- 3) Financial products - our financial solutions include loans, insurance, and a special business account for women entrepreneurs. We also provide microcredit loans for entrepreneurs with subsidized rates
- 4) Benefits - Through our Visa credit card line for women, we provide specific discounts such as for training, digital marketing and other promotions.

1. *Are you doing any industry specific programs for women entrepreneurs specifically for COVID response?*

Yes, Santander has a financial education program for women entrepreneurs and has trained 2300 women online in 2020 so far, and besides these videos achieved 20000 views. Also, Santander has a web site specific for training, "Aula Virtual".

<https://www.santander.com.ar/banco/online/banca-women/aula-virtual>

We are active in all segments, and so have no specific industry focus for these efforts.

Santander launched some scholarships for Women.

<https://www.becas-santander.com/es/program/santander-w50-the-next-generation-of-leading-women>

We promote our women entrepreneurs in our social Media networks, our target is to advertise their businesses. ([Promocionamos nuestras emprendedoras mujeres en nuestras redes para dar a conocer sus negocios](#))

Questions for BHD León:

BHD Leon is an IFC Banking on Women client since 2014 that started its program in the Retail Bank and has since developed several Financial and Non-Financial Services products and services targeted to Women. Its Insurance offering for women is a global industry benchmark.

1. *Are there any specific initiatives you are launching on decision making?*

Yes, we have alliances with entrepreneur centers and with different universities to provide knowledge about business planning and how to improve business performance. We have a platform where businesses can go and find available courses, and some are specifically tailored to the COVID situation. We have quite a bit of existing content and we keep producing more and adding to our offerings.

Questions to all:

1. *What do you do for the more informal businesses specifically, and for informal rural which may have fewer digital capabilities?*
2. *Do you think ensuring women's access to financial services should be the first step in coping with the crisis?*

BHD Léon: We have our call centers still for these businesses, and we have consultants for our smallest business. We are connecting virtually and, on the phone, and the Dominican Republic has a surprisingly high rate of penetration of telecommunications at over 90%, and many people have smart phones not just phones. We find that our audio channel is very important.

Santander: 1- Informal businesses are a very large part of the market in Argentina and is important for Santander, and we have prepared a special education program for this sector, such as videos online. Additionally, we work with NGOs and other organizations who have regular/increased contact with these businesses, and we work through them to promote financial inclusion on special products. We have a microcredit line to promote labor and financial inclusion
2- In my opinion, the Covid Crisis is the opportunity for increasing women's access to financial services. For example, we launched a campaign for women who work as housemaids, where they can open a "remuneration" account.

BRAC Bank: We are taking advantage of the phone which is the only connection with many of our customers in this segment. We do provide training services, but this segment is not used to using webinars, zoom, conference calls so physical calls is the most effective channel. We have a daily roster through which we call each customer, as we have a very relationship-focused model that gives these businesses the confidence and support that we are in it together.

3. *Women businesses are clustered in some industries but not others, this is a good opportunity to decluster women businesses by encouraging women business startups in new industries. Would banks and financial institutions consider being conduits for it? Is this crisis a time where we can decluster women from low growth segments into higher growth segments?*

Santander: We believe this is very important. To promote the inclusion of women in male dominated industries, we provide (access to knowledge) with articles and videos on our website. Our goal is to end gender stereotypes. We also launched a course to train women in technology providing special (registration) discounts.

BHD Léon: I think there are two aspects to consider: 1) focus on what you know and on what to do in crisis even if you have to change to digital means and channels, and 2) for industries that are hardest hit and significantly damaged, those sectors could be identified by MDBs for programs to help entrepreneurs transition out of and into new industries. This could be facilitated if there are transferrable skills that would help women transition to other industries.

From Ada Udechukwu at Access Bank PLC in Nigeria

In Nigeria, we ran a webinar on business remodeling at this time. We taught WSMEs about exploring and exploiting opportunities to enable them transition from greatest hit sectors.

Questions and comments around Regulation and Digitization

It's clear that digitization will be critical in helping SMEs during this time. But this also means the digital divide between men and women around the world is more apparent. It will be important to address gender gaps in access to digital tools to mitigate for their potential impact.

- 1. Curious to hear what this group is doing to support (women) end-customers who don't have access to/familiarity with digital tools or devices?*

IFC: Very important point: using sales force to help increase women's participation in the digital platforms/digital economy, both in rural and urban locations

From Akanimoh Ojo from First Bank Nigeria: Customers are more open to embracing digital channels following the impact of COVID-19. Even in rural areas where we recorded initial resistance (Nigeria)

- 1. Were there any regulatory challenges or barriers to quickly transform to the digital platform? Are there any recent regulatory developments triggered by the pandemic to enhance interoperability?*

Santander: The most important challenge that we see to adjust to this pandemic is that companies and small businesses don't have the means and best technologies for remote working.

- 2. Many women retailers need to shift their sales from in-person to online and e-platforms. Are any of the banks providing advice/links to help women-led companies move to e-platform sales?*

Santander: We believe this is very important because many women retailers have to change their whole operation systems to move their businesses online. Therefore, Santander Bank provides access to credit lines to buy equipment and technology for remote working, and especially to increase productivity and working capital.

- 3. Are there women focused initiatives that are industry specific?*

BHD Léon: We have developed an impact assessment tool that our SME salesforce uses to provide better deals or to be aware when more flexibility to current measures should be escalated or considered.

- 4. Are there any sectors that have been more resilient to the adverse impacts of Covid-19?*

Santander: The low-income segment is the most impacted by the pandemic, and for economic reasons, it is difficult for them to stay in complete lockdown.

Questions and comments about support to women-owned SMEs during the COVID-19 crisis

1. *Are there any initiatives to help women make decisions about how to better manage their businesses during COVID? For example, advice or guidance on how to keep their businesses afloat and switch to crisis mode vs feeling overwhelmed with the situation and just shutting down?*

Santander: Yes, we have a great activity Women in Live, it's a virtual live training for women about emotional intelligence, networking, finance and how to communicate in COVID.

BRAC Bank: In order to make any solution work we believe it has to be co-created with the customers. In these difficult times we have to give our women customers the confidence by showing that we are by their side in all kind of situations.

IFC: One common theme among all banks today: they are designing COVID responses in consultation with their women customers. All have reached out/surveyed/asked women customers what they need during this time. Customer insights

IFC: We have found that trusted advice and guidance, in addition to financial services (or in this case payment waivers), to be a critical way to support women

From Umaira Akhter from Prime Bank Limited in Bangladesh:

In Bangladesh, we are working to create local solutions that meet women's needs and the businesses that serve them; most importantly we aim to tackle women's financial inclusion at all levels. Prior to Covid we were working to bring more un-banked women into the banking network. There are still many women entrepreneurs whose business run in cash, and they aren't equipped with proper knowledge about wealth management, let alone management during this time of crisis.

From Michael Gold from Crimson Capital Corp:

In the Western Balkans, Central Banks and Financial Institutions are implementing 3 to 6-month delays on loan repayments. The Financial Institutions are also not downgrading the classifications of the loans that are late due to the crisis for a period of time. In addition, they are blocking enforcement and collection actions on late loans by bailiffs/private enforcement agents. Several of the tax authorities have postponed tax filings and payment of taxes. Several governments are providing salary and operational support to micro and small businesses. The Kosovo Credit Guarantee Fund (KCGF), in conjunction with the Government, donors and IFIs, is creating a "COVID-19" guarantee window to support new loans to entrepreneurs, sole proprietors, and micro businesses to help them bridge the liquidity gap due to the crisis. The loans will have a higher guarantee percentage and good terms and conditions. KCGF will continue to encourage the banks to increase their support to women owned entrepreneurs and businesses.

Resources provided during the session:

- Banking on Women Business Case Update #2: evidence to show lower NPL ratios to women-owned businesses

https://www.ifc.org/wps/wcm/connect/c56cb1b8-2773-43e0-9912-1d19f16ae652/Banking+on+Women_NPLBusinessCaseUpdate%232+2019FINAL.pdf?MOD=AJPERES

- Link and information about Santander's W50 program at the London School of Economics:

<https://www.becas-santander.com/es/program/santander-w50-the-next-generation-of-leading-women>
<https://www.santander.com.ar/banco/online/banca-women/aula-virtual>

- Link to Banco BHD León's seminars, webinars, and education content for businesses
<https://negocios.bhdleon.com.do/covid-19/capacitacion>

- Link to Banco BHD León's customer survey
<https://negocios.bhdleon.com.do/covid-19/encuesta>

- IFC SME/Banking on Women is launching a capacity building series which focuses on business management, accessing finance and communication for SMEs in this challenging environment. Please feel free to contact us for further information.