

DIGITIZING ACCESS TO FINANCE FOR FEMALE-LED SMEs

Background

Several challenges being faced by SMEs. However, the lack of access to finance is a major constrain of women-led SMEs. In Nigeria, women continue to be more financially excluded than men. A vast majority of women-led SMEs operating in the informal sectors are largely unbanked or underbanked. ¹Nigeria currently has a National Financial Inclusion rate of 64.9 percent and a financial inclusion gender gap of 8%. This impedes access to finance for women-led businesses as their viability cannot be ascertained by potential investors and financial institutions. ²Digital and mobile technologies offer various ways to help address these constraints in areas where the traditional financial infrastructure is not in place.

Leveraging technology could be a game-changing catalyst in promoting women's access to finance. It will open up different growth opportunities for women entrepreneurs in the informal sector. It will also provide means to reach marginalized groups and those in hard-to-reach areas in Nigeria.

The COVID-19 pandemic has also triggered a surge in technology and accelerated digital transformation all over the world. However, in developing countries, women-led businesses still lag in adopting technological solutions. This is revealed in a national survey carried out by SME.ING in collaboration with the Federal Ministry of Women Affairs and the Nigerian Association of Chambers of Commerce, Industry, Mines, and Agriculture (NACCIMA).

The Mobile Gender Gap Report 2020 revealed that there is a 7% gap between men and women in mobile device ownership and a 29% gap in access to mobile internet in Nigeria. The mobile gender gap must be understood and overcome, as mobile ownership and broadband access are essential in digitizing access to finance. It also provides life-changing benefits to women, their families, communities, and the economy.³

¹ Vanguard (2021) *Digital Financial Inclusion: CBN targets 25,000 women, youths in fresh push*, 09/02/2020
<https://www.vanguardngr.com/2021/11/digital-financial-inclusion-cbn-targets-25000-women-youths-in-fresh-push-2/#:~:text=Nigeria%20currently%20has%20a%20National,access%20to%20finance%20by%202024.>

² Asian Development Bank, (2019) *Leveraging Digital Solutions to Bridge Financial Inclusion Gaps in Asia and the Pacific* 09/02/2020
<https://development.asia/insight/leveraging-digital-solutions-bridge-financial-inclusion-gaps-asia-and-pacific>

³ GSMA (2020) *The Mobile Gender Gap Report 2020*. 10/02/2020,
<https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2020/05/GSMA-The-Mobile-Gender-Gap-Report-2020.pdf>

Thus, this digitization workshop is being organized to promote discussions and collaborations between public and private sectors to promote, invest and adopt technology solutions as a means to bridge the financial inclusion gap, digital gender divide, and create opportunities for women to upskill.

Objective of the Workshop

The overall objectives of the workshop include;

- i. To open a conversation on challenges and opportunities of digitizing access to finance for women SMEs in Nigeria.
- ii. To deliberate and provide strategies for the adoption of technologies bridges the financial inclusion gap.
- iii. To connect investors to entrepreneurs' digital innovations and solutions for women entrepreneurs.
- iv. To provide technical support to women SMEs to adopt digital transformation.

Expected Outcomes

- i. Increased awareness of digitization for women entrepreneurs
- ii. Enhanced access to finance for female and financial inclusion for women SMEs
- iii. Increased partnerships and investments in digital solutions for SMEs.
- iv. Increased collaborations and commitment toward funding innovative solutions that bridge gender gap in Nigeria.

Format and Structure

The workshop will feature a keynote address on the bias access to finance for women SMEs and the digital gender divide in Nigeria. It will also feature an interactive panel session on; **“Women Access to Finance and Technology - What are the Barriers and Opportunities”** to open up discussion between key players and stakeholders in the field of access to finance and digital transformation.

The workshop will be hosted virtually and shall run for 2 hours.

Participants

The target participants will comprise relevant representatives of government agencies, financial institutions, impact investors, digital transformation organizations and other stakeholders.

The event will also be open to the media, gender-based organizations and private sector firms

Date and Venue

The workshop will be held virtually and shall be hosted from IIFs and SME.NG's offices on 29th of March 2022 from 11:00 a.m. (WAT). Click [HERE](#) to register.

About the Organizer

The Impact Investors Foundation (IIF) committed to eliminating barriers to social impact investing by building an effective and supportive ecosystem that supports the growth of investment pipelines and for building sustainable impact.

The foundation was founded in 2018 as a multi-sector collaborative comprising the Ford Foundation, African Capital Alliance, Businessday Media, Bank of Industry and Dalberg Advisors. The foundation's overarching goal is to promote the growth and excellence of impact investing in Nigeria.

IIF's mission is to facilitate knowledge sharing, policy advocacy and information flow that promotes the development of impact investing in Nigeria.

SME.NG is an impact investment platform that invests in the Nigerian micro, small and medium scale enterprises and enables them to realize environmental, social and financial returns.

The platform's approach to small and medium enterprises financing is through a 'blended financing' model, which will leverage private capital, public sector investments and philanthropic giving.

The SME.NG's platform comprises of 'She Works Here' – its all-women accelerator; 'Ebi Fund'— a Bottom of the Pyramid Fund for Women; the 'Women's Investment Fund' – a fund dedicated to top tier women-owned businesses; 'Ebi Marketplace' – an access to market, finance, and knowledge platform for women entrepreneurs; and the Funding Space.