

HOW THE FINANCIAL SECTOR CAN ADVANCE GENDER-RESPONSIVE FINANCIAL INCLUSION

Background

In Latin America, as well as globally, women face significant barriers to accessing financial systems, limiting their ability to alleviate poverty and manage resources for their businesses and households. In Bolivia, over 70 per cent of working women are entrepreneurs under informal conditions, with nearly 80 per cent of women (20 years and older)* lacking access to credit services, highlighting a gender gap of 36 per cent compared to men.[1] This limited access hampers business growth and reflects systemic inequities that hinder women's economic empowerment.

Financial inclusion is a critical enabler of financial health and refers to ensuring affordable and effective access and usage for all individuals and businesses to suitable financial products (payments, remittances, saving, lending, investment and insurance) and services (financial and non-financial) via relevant channels.[2] To address the gender gaps in the financial sector, gender-responsive financial health and inclusion is essential, as it can reduce barriers, empower women to achieve financial autonomy, and help them grow their businesses, build their resilience, and improve their long-term financial health.

The private sector, particularly the financial sector, has a catalytic role in driving gender-responsive financial health and inclusion. Leveraging their close connection with clients, financial institutions are uniquely positioned to understand and meet women's specific financial needs through gender-responsive financial and non-financial products and services. They can enhance women's financial literacy and awareness, further empowering them to make informed financial decisions and enabling access to financing to build resilience or to expand their operation thereby helping them achieve entrepreneurial success. This measure not only promotes women's empowerment but also unlocks opportunities to reach underserved customer segments.

BancoSol

BancoSol exemplifies the financial sector's potential to advance gender equality and women's empowerment. As a microfinance institution, BancoSol actively supports the economic and social development of micro and small businesses owned by Bolivian women and men. Its programmes extend beyond financial inclusion, fostering women's rights and opportunities across the workplace, marketplace and community. Through its Women's Empowerment Principles (WEPs) commitment, BancoSol has become a pioneer for women's empowerment in Bolivia, contributing to broader societal transformation.

*Except for joint debtors, for example, those who share their debts with their spouses.

[1] UN Women (2022), Hacia la igualdad de género en servicios financieros. La Paz.

[2] UN Women and UNEP FI (2024), Advancing Gender Equality and Women's Empowerment: Target-Setting Guidance For Banks. Geneva and New York.

Enabler: WEPs

In February 2022, BancoSol committed to advancing gender equality and women's empowerment in the workplace, marketplace and community by signing on to the WEPs. WEPs is a global framework and programme established by UN Women and UN Global Compact in 2010. It is the primary vehicle for corporate delivery on gender equality dimensions of the 2030 Agenda and the Sustainable Development Goals. As of November 2024, over 10,000 CEOs across 190 countries have committed their companies to advance gender equality and women's empowerment by signing the WEPs. Working side-by-side with UN Women, and leveraging the WEPs framework, tools, and resources, BancoSol began incorporating a gender lens into its entire organization.

“We believe in being intentional with our commitment to gender equality. The key to our success will be sustaining our efforts on the WEPs Journey over time. We are firmly convinced that by reducing gender gaps, we all win and contribute to the Sustainable Development Goals.”

Marcelo Escobar, General Manager, BancoSol

How to Join WEPs

Download the CEO Statement of Support, have it signed by your company's CEO, and submit it with your application. The QR code below provides access to the How to Complete the Application guidelines, Frequently Asked Questions, and the submission portal.



By joining the WEPs community, the CEO signals a commitment at the highest levels of the company and to work collaboratively in multistakeholder networks to foster business practices that advance gender equality and empower women.

“We believe in the strength that drives women to move forward and grow; that is why we want to accompany them on their entrepreneurial journey, being allies in their progress.”

Verónica Gavilanes, Deputy General Manager, BancoSol

BancoSol's Actions

Identifying Opportunities for Action

In 2022, as part of the WEPs Business Accelerator pilot, BancoSol identified both challenges and opportunities in integrating gender perspectives within and beyond its organization. UN Women conducted a thorough assessment, including a management evaluation, an employee survey, and focus group discussions with clients and civil society representatives to identify opportunities for improvement. Leveraging these insights, the bank developed a WEPs Action Plan, establishing 24 gender-related indicators and goals aligned with the WEPs across areas such as human resources, risk management, procurement, financial and non-financial solutions, strategic communications, and client engagement. This plan was comprehensively audited across the organization by the bank's internal audit team. In 2024, UN Women is conducting a second review to assess the bank's progress since 2022, expanding the interviews to include the administration, division managers, and suppliers.

Gender Sensitization of the Board of Directors

In October 2023, UN Women provided targeted gender equality training to BancoSol's Board of Directors, focusing on practical applications of gender equality within the bank's business model. This training fostered a supportive environment for advancing the WEPs Action Plan and secured strong buy-in from the bank's leadership and Board of Directors. To monitor and sustain progress on their commitments, UN Women and BancoSol developed a quarterly WEPs reporting template for its Board, as well as an annual reporting template for stakeholders at large.

Internal Transformation

The bank launched its gender-smart banking model *Avanza Mujer* (Advance Women) in October 2023. Internally, the programme aims to foster an equal opportunity environment for all employees where women can thrive professionally, while encouraging men to actively participate in gender equality dialogues. BancoSol implemented policies with a Diversity, Equality and Inclusion (DEI) perspective, followed by training and awareness sessions on the topic for all employees. The bank also introduced both monetary and non-monetary paternity and maternity benefits. It established indicators to promote gender parity in leadership positions and in key areas such as STEM (Science, Technology, Engineering, and Math) fields. Additionally, the bank implemented safe and confidential reporting channels, such as the *Exprésate* line, to address inappropriate situations. This approach has enabled various departments within the organization to integrate gender equality as a whole-of-organization priority.

Financial Solutions: Tailored Products for Women

Externally, *Avanza Mujer* further seeks to promote the inclusion and growth of Bolivian women-led businesses by offering comprehensive financial solutions to meet their specific needs throughout the business lifecycle: loans with adequate conditions, saving products, insurance, and other services. A significant milestone was achieved in June 2024, when BancoSol issued Bolivia's first gender bond valued at US\$30 million to finance up to 4,500 micro and small enterprises owned by women. Issued through the Bolsa Boliviana de Valores S.A. (Bolivia Stock Exchange), the bond received backing from IDB Invest—a member of the Inter-American Development Bank Group—which provided a partial credit guarantee covering up to 50 per cent of the capital. The bond also aims to promote rural development by expanding financial portfolios to underserved clients in the Amazon region.



At the networking event hosted by BancoSol to support women entrepreneurs as part of the programme *Avanza Mujer*.

Non-financial Solutions: Value-added Services

The bank focused on empowering women entrepreneurs by addressing their unique challenges and needs. *Avanza Mujer* offers value-added services designed to equip women with financial and business skills: financial literacy training course, entrepreneurship development workshop, networking opportunities and mentorships. Through these efforts, women entrepreneurs have gained the knowledge, skills, and confidence to grow their businesses and achieve entrepreneurial success.

Community Behavioral Change

BancoSol stands as an ally of UN Women in advancing gender equality by fostering behavioral change within the community. BancoSol supported the second edition of UN Women's initiative *Mujeres Extremas* (Extreme Women) to showcase women who have broken gender stereotypes in their professions and to inspire future generations. Together, they also launched the first *National Journalist Award with a Gender Perspective* to recognize contributions to an inclusive and gender-equal society.

UN Women

UN Women has significantly contributed to gender equality and women's empowerment in Bolivia. In the area of financial inclusion, UN Women has compiled evidence and generated knowledge about the situation of women in the financial sector. In July 2023, UN Women established the Alliance for Financial Inclusion, a network of around 30 financial institutions dedicated to enhancing the financial health and empowerment of women. The Alliance aims to integrate a gender perspective within financial institutions, develop recommendations for national policies, and promote collaboration between financial and non-financial service providers. With this progress, UN Women will continue to work closely with both the public and private sectors to advance gender-responsive financial inclusion.