

Lower Non-performing Loans (NPLs) for Women and Women-owned Businesses

IFC's annual survey of its financial institution (FI) clients in EMDEs continues to provide insights into the performance of women customers in the SME, micro, and retail segments. The data shows why financial institutions should tailor products and services to women's customer segments

SME

Loans to Women-Owned SMEs represent **19%** of the outstanding US\$ volume in SME loan books



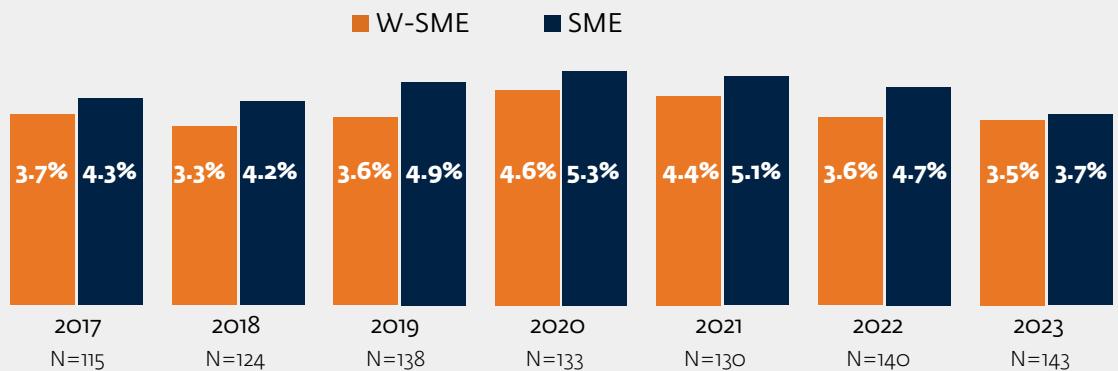
*Based on 169 surveyed IFC client FIs in 2023

Average outstanding loans to W-SMEs are **smaller** than the average for the total SME portfolio



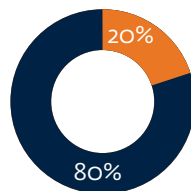
*Based on 169 surveyed IFC client FIs in 2023

Loans to Women-Owned SMEs consistently exhibit **lower NPLs** compared to total SME loan portfolios³



*N = surveyed IFC client FIs in dataset for each calendar year

W-SME deposits contribute **20%** of the overall volume of SME deposits.



*Based on 78 surveyed IFC client FIs in 2023

Average W-SME deposit size is **larger** than average SME deposit size



*Based on 78 surveyed IFC client FIs in 2023

1/ The data used in this research is sourced from IFC's annual survey of its financial institution (FI) clients across more than 100 emerging market economies. This is the 7th update of the business case, incorporating data up to the end of CY2023.

2/ Unless otherwise specified, the term "SME portfolio" refers to the overall portfolio, which includes both women-owned SMEs and other SMEs.

3/ The term "NPL" refers to the weighted average 90-day Non-Performing Loan ratios pertaining to the loan portfolios of surveyed IFC client FIs.

micro

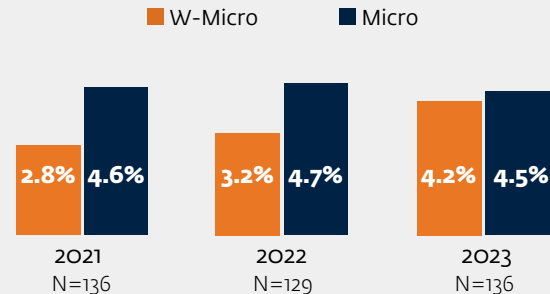
Women-owned Microenterprises (W-Micro) represent **37%** of the outstanding US\$ volume in micro loan books



*Based on 159 surveyed IFC client FIs in 2023

Loans to Women-Owned Microenterprises exhibit **lower NPLs** compared to total micro portfolios⁵

*N = surveyed IFC client FIs in dataset for each calendar year



Average outstanding loan sizes to W-Micros are **similar** to the total micro portfolio

*Based on 159 surveyed IFC client FIs in 2023



retail



37% of Retail loans are to women customers, while

*Based on 133 surveyed IFC client FIs in 2023



34% of Retail deposits come from women customers

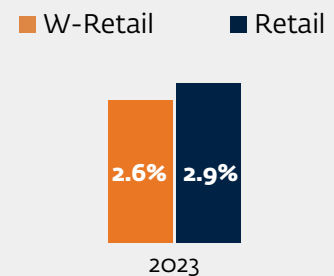
*Based on 115 surveyed IFC client FIs in 2023

Average outstanding Retail loans to Women customers (W-Retail) are **smaller** than the average for the total retail portfolio⁶



*Based on 133 surveyed IFC client FIs in 2023

... with **lower NPL** ratios



*Based on 78 surveyed IFC client FIs in 2023

4/ The microenterprise portfolio analysis excludes 11 surveyed IFC client financial institutions in India due to the large volume of group lending to bottom-of-the-pyramid women borrowers. The average loan size and performance of these portfolios differ significantly from the rest of the world.

5/ Unless otherwise specified, the term "Micro portfolio" includes both women-owned microenterprises and other microenterprises.

6/ Unless otherwise specified, the term "Retail portfolio" includes both retail loans to female and male customers.

7/ IFC's Banking on Women business provides finance, expertise, and actionable data to financial institutions in emerging markets to expand opportunities and launch tailored value propositions for women customers, especially W-MSMEs. As of November 2024, we have invested and mobilized over US\$9 billion in EM financial institutions dedicated to women and women-led businesses through 280 financial institutions in 81 countries, with over US\$5 billion specifically to finance W-SMEs. Read more about our work in Gender Bonds, MSME finance for working capital and growth, housing finance, NFS, and other areas here: [IFC Banking on Women](https://www.ifc.org/bow).

