

Statistics

Women represent half of the world's population and half its economic potential; yet, the majority of women's economic potential remains untapped due to factors such as less start-up and investment capital and little or no collateral which restricts access to loans and credit.

Africa is known to be one of the few regions in the world where more women than men choose to become entrepreneurs with about one-third of registered small and medium size enterprises (SMEs) being owned by women.

It is also estimated that the annual credit gap for women owners of registered SMEs is approximately US\$320 billion—a gap perpetuated by unfavorable business and regulatory environments, as well as cultural and traditional biases. Consequently, women-owned enterprises record monthly profits that are on average 38 percent lower than those of male-owned enterprises. Yet, research shows that those businesses are equally efficient and growth oriented as male-owned businesses.

CalBank Women Banking

At CalBank, we make continuous efforts to support industry, SMEs and the retail space. Having the knowledge that it is the industry and SMEs that can transform the nation, the Bank re-strategized to ensure that the retail space is completely utilized.

Fully cognizant of the fact that women entrepreneurship continues on an upward trend and having recognized the prejudices faced by women, the Bank established the Women Banking Unit which is focused on women entrepreneurs and women-owned enterprises.

The Women Banking Unit (WBU) of CalBank provides financing, advisory, banking and investment services to women entrepreneurs. The Unit also offers Capacity Building programs to augment the knowledge of women on basic business tips, information technology and wealth creation. CalBank Women Banking is gender-specific, in that, it finances businesses owned and managed solely by women. Further to this, the Unit grants facilities (regular and schemed facilities) to both retail and corporate clients.

Through an integrated system that focuses on identifying, developing and promoting women-owned and women-managed businesses and activities, the Unit offers a bouquet of banking products and services tailor-made to meet the financial and holistic needs of women and women-owned enterprises.

CalBank Women Banking offers both financial and non-financial support. The financial support includes but not limited to the provision of;

- Specially designed products and service offerings to meet business and financial needs of women and women entrepreneurs.
- Accessible credit facilities.
- Flexible collateral arrangement for credits
- Special collateral arrangements where the client provides up to 25% cash collateral on the amount the client desires to borrow.

The Way Forward

It goes without saying that, women entrepreneurship has the potential to reduce poverty and foster sustainable development in Africa. The lack of capital is a major challenge facing women entrepreneurs. It is imperative that women-owned businesses are highly invested in to help grow them and their economic potential.

The lack of appropriate and adequate information tends to thrust women entrepreneurs to stick to traditionally female sectors. There is the need, therefore, to introduce programs that encourage women to start and operate businesses across various sectors including those assumed to be reserved for men. By providing them with appropriate information and mentoring programs, women will be empowered to engage in start-ups across all sectors.

The lack of relevant training and business skills such as sales and marketing tends to also be a major factor affecting growth of women-owned businesses. This makes it challenging for women to start or successfully operate a business. The need to raise the level of management skills and competencies in women-owned and other small businesses cannot be overemphasized.

The Women Banking Unit and CalBank as a whole recognizes the economic potential of women entrepreneur and women-owned businesses and have in that regard, put in place mentoring programs aimed at sensitizing and educating women and women entrepreneurs on financial and business literacy by offering training in basic accounting principles, personal and corporate branding, selling skills and human resources among others. These programs aimed at building capacity in women are nonfinancial.