

FINANCE FORWARD

Enhancing Women’s Financial Access and Confidence Through Knowledge

Knowledge is power. How can learning initiatives galvanize women entrepreneurs and help their businesses thrive by enhancing their financial confidence? Women-owned and led businesses face barriers in accessing finance through traditional means. Targeted knowledge sharing and support can build women’s financial acumen, networks, and access to finance. In this issue of the gWFX Dispatch, we explore digital non-financial services for female entrepreneurs, learn from Islamic finance approaches to advancing inclusive finance, and provide an in-depth look at training that enables financial institutions to transform how they serve women customers profitably.

DIGITAL NON-FINANCIAL SERVICES: A CATALYST FOR FINANCING WOMEN ENTREPRENEURS IN ASIA AND THE PACIFIC

By Amit Tendulkar, Senior Digital Finance Specialist, Asian Development Bank

Women-led micro, small, and medium enterprises (WMSMEs) are critical to inclusive growth across Asia and the Pacific, yet they continue to face persistent barriers in accessing formal finance. Limited collateral, thin credit histories, informal business operations, and constrained access to information reduce their visibility and perceived creditworthiness among lenders. Digital financial services (DFS)—such as mobile payments, digital lending, and online savings—have expanded rapidly, but their uptake among women and specifically women entrepreneurs remains uneven. Increasingly, digital non-financial services (NFS) are emerging as an essential bridge to help women entrepreneurs access and benefit from DFS.

Digital Non-Financial Services are supportive, tech-enabled services that help entrepreneurs—particularly women—build capacity, improve business operations, and prepare for formal financial engagement. They complement a financial institution’s core offering with value added services, addressing barriers to access to finance. These services are delivered through digital platforms such as mobile apps, phones, and social media, making them accessible at scale.

Digital NFS includes:

- Digital literacy training to enhance comfort with digital finance products and channels
- Mentorship and business coaching to guide growth and decision-making
- E-learning modules on entrepreneurship, financial management, legal, cyber security etc.
- Online bookkeeping and business management tools
- Assistance with business registration and formalization
- Access to digital marketplaces, supply chains, digital payments and e-commerce platforms

By equipping users with knowledge, tools, and market linkages, these services help women entrepreneurs strengthen their digital presence, operate more efficiently, and improve their chances of accessing formal finance.

Importantly, NFS are not just complementary; they are an enabling infrastructure for inclusive finance. By availing non-financial services, women entrepreneurs generate alternative data that can support credit scoring and reduce information asymmetry. NFS platforms also build confidence and capacity to engage with DFS, helping women understand products, manage risk, and meet lender requirements. As a result, more financial institutions are embedding NFS into their MSME strategies to improve credit uptake and repayment outcomes.

Several trends are accelerating this shift.

- First, NFS and DFS are increasingly bundled into unified platforms, offering end-to-end solutions from learning to lending. For example, Axis Bank in India supports WMSMEs through Pradhan Mantri Mudra Yojna (PMMY), a government scheme, and offers its NEO Beyond Banking Platform providing NFS services to accelerate business growth.
- Second, analytics from NFS platforms are being used to tailor financial products based on user behavior and risk profiles. In Sri Lanka the National Development Bank (NDB)’s ‘Araliya’ initiative focuses on providing both financial and non-financial support to women entrepreneurs, including advisory forums and tailored resources to help them navigate business challenges.

LATEST FROM gWFX

- ▶ ETHICS, EQUITY AND ENTERPRISE
THE ROLE OF ISLAMIC FINANCE IN ADVANCING WOMEN’S ENTREPRENEURSHIP
- ▶ ADB’S FIRST INSURANCE TRANSACTION FOCUSES ON HEALTH CARE IN CHINA, AIMS TO INCREASE WOMEN’S ACCESS TO INSURANCE
- ▶ WHAT’S HAPPENING AT gWFX
- ▶ LINKS TO RESOURCES

• Third, hybrid models that combine digital delivery with human support—such as peer mentors or female agents—are building trust and improving uptake. BRAC Bank’s TARA program in Bangladesh offers a comprehensive suite of NFS designed to empower women entrepreneurs and support the growth of WMSMEs.

• Finally, localized content and user-centric design are making platforms more accessible to women with low literacy or limited digital exposure.

A notable example is City Alo, the dedicated women’s banking division of City Bank in Bangladesh. City Alo offers a comprehensive suite of financial and non-financial services tailored for women entrepreneurs. Its non-financial offerings include the City Alo Certification Program, conducted in partnership with North South University, which provides training on financial literacy, business management, and digital banking. Additionally, City Alo has established a dedicated online platform (www.cityalo.com) featuring resources such as a women-owned business directory, access to third-party service providers, and articles on skill building, entrepreneurship, and health. Through strategic partnerships, including the Bangladesh Women Chamber of Commerce and Industry (BWCCI), City Alo is extending its reach, offering capacity-building programs and ensuring the availability of affordable financial services to women entrepreneurs.

Data generated from digital non-financial services is increasingly being used to support credit decision-making for women entrepreneurs who may lack traditional collateral or formal credit histories. This data includes: performance in online training programs; platform engagement; mentorship participation; bookkeeping and financial records; e-commerce activity; social media usage; community engagement, etc. These alternative data points help lenders build more accurate risk profiles, enabling access to loans for women who would otherwise remain invisible to the formal financial system. By transforming behavioral and business data into credit signals, digital NFS are unlocking new pathways to inclusive lending. In India ICICI Bank’s InstaBIZ platform uses customer data, particularly transactional data, to facilitate credit decisions for small and medium enterprises (SMEs). This data, including fund transfers, bill payments, and trade transactions, helps assess a business’s financial health and creditworthiness for potential loans and other financial products.

For policymakers and development actors, supporting digital NFS is a strategic investment in closing the gender finance gap. For financial institutions, NFS drives market differentiation and portfolio growth, and improves business management practices of MSMEs and client retention. By enabling readiness, visibility, and capability, digital NFS unlocks access to finance and drives long-term empowerment of women entrepreneurs across Asia and the Pacific.



ETHICS, EQUITY AND ENTERPRISE

THE ROLE OF ISLAMIC FINANCE IN ADVANCING WOMEN’S ENTREPRENEURSHIP

By Kristonia Lockhart, Lead Gender Specialist, Islamic Development Bank

There is global consensus that investing in women’s entrepreneurship delivers lasting economic and social benefits. Women-led businesses create jobs, drive innovation and reinvest up to 90% in their families and communities, strengthening local economies. For financial institutions, women-owned SMEs represent a high-growth, underserved market. Data shows that they are reliable borrowers with non-performing loan rates up to 50% lower than men in some markets and they bring long-term customer value. Niche sectors like the halal economy, a fast-growing market valued at US 2.3 trillion offer a unique opportunity for Islamic finance providers to expand their client base and enhance product relevance. Yet, despite these strengths, women entrepreneurs continue to face deep and persistent structural barriers in accessing finance and generating their estimated contribution of US \$700 billion in additional global annual revenue.

According to the International Finance Corporation (IFC) nearly 70% of women-owned small and medium (SMEs) in developing countries remain unserved or underserved by financial institutions. This translates into an estimated global finance gap of up to US\$1.9 trillion. Even where basic financial services have expanded, women’s access to formal financial services still lags behind. Structural challenges such as lack of collateral, limited credit history, and gender bias in lending practices, legal restrictions and logistical barriers like distance from financial institutions continue to prevent women from being able to access finance. These factors leave many women excluded from regulated financial systems, limiting their ability to grow or scale their businesses.

Addressing these systemic challenges calls for new approaches that go beyond conventional banking frameworks. One promising avenue is Islamic finance. Unlike conventional finance, Islamic finance prohibits interest-based transactions and relies on contracts that emphasize risk sharing, real economic activity and fairness; principles that can help address many of the structural barriers women face in accessing capital. Equity-based instruments such as profit-and-loss sharing arrangements, asset-backed microfinance, and community-based tools offer practical alternatives to traditional loans which many women cannot access. In Pakistan the adoption of the gender finance policy has led to the development of the Islamic Refinance and Guarantee Scheme for Women Entrepreneurs.

Once considered a niche offering, Islamic finance has rapidly grown in recent decades with the compound annual growth rate (CAGR) of 10.72%. In Indonesia, women’s SME development is being integrated into the five-year Roadmap for the Development and Strengthening of Indonesia Islamic Economic Masterplan.

Furthermore, the expansion of Islamic finance also coincides with rising opportunities for women owned and led SMEs in the halal economy, valued at over US\$ 2.3 trillion and projected to reach US\$ 5 trillion by 2030. Women entrepreneurs are especially active in the halal economy and are vital to industries such as food production, modest fashion, wellness and tourism. As global demand rises for halal certified goods and services, millions of women led SMEs are expected to enter or expand in these markets.

Regulatory bodies are instrumental in enabling the financial sector to respond to this opportunity. For example, the State Bank of Pakistan’s Banking on Equality policy has further enabled financial institutions to design and offer women-centric Islamic financial products. This policy also requires financial institutions’ staff to learn how to better serve women customers through targeted training. ADB is partnering with BankIslami in Pakistan to provide a training-of-trainers on effective acquisition and retention of women and women owned business customers. (This is covered in more detail in the article below.)

In addition, as Islamic finance continues to integrate into mainstream markets, innovations in digital banking, fintech and environment, social and governance (ESG)-aligned products create new and scalable entry points to reach more women entrepreneurs. For instance, Islamic fintech companies like HIJRA in Indonesia play a key role in closing the gender gap by enabling more inclusive access through digital platforms while also generating valuable sex-disaggregated data and behavioral insights that can be used to design better more targeted financial solutions for women entrepreneurs. Additionally, HIJRA provides non-financial services like the HijraBox feature embedded in the app which allows entrepreneurs to manage their finances according to their goals.

As development partners and financial institutions explore ways to improve women’s financial inclusion, Islamic finance is a model with significant potential in helping women to access the capital they need on their terms that reflect not only commercial goals but social and development values.

BACK TO MAIN

DEAL SPOTLIGHT

ADB’S FIRST INSURANCE TRANSACTION FOCUSES ON HEALTH CARE IN CHINA, AIMS TO INCREASE WOMEN’S ACCESS TO INSURANCE

ADB’s equity transaction with Fosun United Health Insurance in the People’s Republic of China, signed on 31 March 2025, marks ADB’s first investment in the insurance sector. The Fosun United Health Insurance Supporting Commercial Medical and Long-Term Care Insurance Development Project will provide critically needed capital to support the growth of a young health insurance company. It will also increase commercial medical insurance coverage to complement public health insurance, and expand the provision of long-term care insurance for the country’s rapidly aging population.

The project also includes a component focusing on women’s equity. In China, the private health insurance market for women is projected to reach \$375-575 billion by 2030. However, women’s access to insurance remains limited. This investment aims to increase women’s uptake of individual long-term care and medical insurance products. It also aims to design new products addressing women’s needs and barriers and to improve women’s financial literacy through specialized training.

BANKISLAMI PAKISTAN CELEBRATES FIRST WOMEN-MANAGED BRANCH

BankIslami has launched its first fully women-managed branch in Karachi, Pakistan to promote gender equality in the workplace. Women’s representation in the workforce in Pakistan stands at just 21%. BankIslami aims to empower women as customers and employees in the financial sector to break barriers in an industry that has long underserved women. The initiative was supported by gWFX, which provided training and capacity building to improve their engagement and value proposition for female clients.

Read the full press release [here](#).

ADB ANNUAL MEETING IN MILAN INCLUDES PRIVATE SECTOR FOCUS

The 58th ADB Annual Meeting, bearing the theme “Sharing Experience, Building Tomorrow” was held from 4-7 May in Milan, Italy. The meeting attracted several thousand participants from the government, private sector, development partners, civil society, academe, and media.

ADB’s Private Sector Operations Department (PSOD) hosted seven events at the Annual Meeting at a Private Sector Client’s Day held on 6 May. This included the seminar Banking on the Future: Digital Disruption and Partnerships Driving Financial Inclusion, which focused on how digital innovation and strategic partnerships are advancing financial inclusion, highlighting the role of fintech innovations. Cathy Marsh, PSOD Deputy Director General and Officer-in-Charge, provided opening remarks, while closing remarks were delivered by Private Sector Financial Institutions Division Director Asif Cheema. All recent gWFX publications were featured during the Private Sector Client’s Day. The showcase included these publications:

- *Leveraging Fintech for Women Entrepreneurs in Indonesia, the Philippines and Viet Nam*
- *Women Business Owners Present Green Growth Potential in Pakistan*
- *Sustainable Finance Benefits from a Gender Lens*

Read the publications [here](#).

BACK TO MAIN

What’s Happening at gWFX

ADVANCING THE WE FINANCE CODE IN FIJI, SRI LANKA, AND INDONESIA

Following the launch of the WE Finance Code in Fiji, Sri Lanka, and Indonesia, gWFX is set to hold comprehensive capacity building trainings for signatories of the Women Entrepreneurs Finance Code (WE Finance Code) in all three countries. The practical training curricula will focus on key areas essential for enhancing the financial institutions’ service offerings to women-led micro, small, and medium enterprises (WMSMEs). Participants will delve into policy and strategy development tailored for WMSMEs, harness the power of sex-disaggregated data (SDD) to refine their value propositions, and explore innovative approaches to market research and product development.

The Women Entrepreneurs Finance Code is a commitment by FSPs, regulators, development banks, and other financial ecosystem players to work together to increase funding provided to WMSMEs around the world, so that they can grow and add value to the economy and their communities.

UPCOMING WEBINAR FOR FINANCIAL INSTITUTIONS: LEVERAGING PLANTO’S FINTECH SOLUTION TO BETTER SERVE SMES

On 27 June, gWFX will hold a knowledge sharing session for financial institutions featuring the fintech company Planto, the winner of the recent AI for SMEs Challenge held in partnership with ADB’s IT Department and the High-Level Technology Fund. Planto will demonstrate how its open banking-ready data rails and analytics stack (i) give FIs a fuller picture of SME cash flows, (ii) shorten onboarding and credit decision cycles, and (iii) unlock tailored working capital, trade finance, and sustainability linked products for underserved customers. A live demo, client use case deep dive, and interactive Q&A will leave participants with concrete next steps for piloting or scaling similar solutions in their own institutions. Please email us for more information: womenfinx@adb.org

UPCOMING EVENT: 5TH ASIA FINANCE FORUM, MANILA, 23-25 SEPTEMBER

The 5th Asia Finance Forum will be held by ADB on 23-25 September in Manila. The event will serve as a platform to explore new developments and emerging trends and challenges in financial technology, sustainable finance, and regulatory frameworks; foster knowledge sharing through real-life use cases; build a future-ready financial system by finding solutions that emphasize trust building and robust regulation; and strengthen cross-border collaboration. It will include sessions on financial inclusion and innovative solutions for MSMEs.

Learn more [here](#).

MENTORING AND TRAINING FOR WOMEN ENTREPRENEURS IN THE PACIFIC CASE STUDY: MARNITTA’S BAKERY, SAMOA

Through the “Accessing Formal Finance” program, supported by the Women Entrepreneurs’ Finance Initiative (We-Fi), gWFX has provided targeted financial training supplemented by one-on-one mentoring to help women owned and led businesses scale up their businesses and access the funding they need. The training program included digital literacy, business planning and debt management, and e-commerce modules. Training sessions took place in September 2024 and were attended by 40 participants in Fiji, 29 participants in Samoa, and 10 in Tonga.

Training and mentoring program participants learned key skills that enabled them to access formal finance and grow their businesses in meaningful ways. In Samoa, Vaotoga Lauaki-l’aulualo improved her bookkeeping skills and learned how to navigate the process of applying for a loan. Vaotoga owns Marnitta’s Bakery, named after her daughters Mary and Anita, which she established in 2019. Many of her customers are schoolchildren. Her bakery was unable to meet demand and she needed to purchase more equipment to expand her business. Vaotoga did not have any formal business training and was keen to learn financial accounting skills to strengthen her understanding of how to run a business. Lupematasila Rajendra Singh (Raj) from SynBiz Business Solutions, the local delivery partner in Samoa, provided one-on-one mentoring to Marnitta’s Bakery. During the mentoring sessions, Raj installed the accounting software system, enabling Vaotoga to be able to see and track revenue and expenses and generate daily reports.

Following the workshops and mentoring sessions, Raj worked with Vaotoga to apply for a loan from Samoa Commercial Bank (SCB). With Raj’s support, they were able to create a formal financial statement, which was a requirement for the loan application. Marnitta’s Bakery was successful in securing a formal loan of USD 75,000 to USD 100,000 from SCB in November 2024, backed by an 80% guarantee. The loan enabled Marnitta’s Bakery to purchase a commercial oven for the bakery. In the future, Vaotoga hopes to be able to provide technical training to her staff (bakers) to potentially create more products and increase the market share of the bakery.



[BACK TO MAIN](#)

LINKS TO RESOURCES

- [State Bank of Pakistan’s Banking on Equality Policy](#)
- [Leveraging Fintech for Women Entrepreneurs in Indonesia, the Philippines and Viet Nam](#). ADB. 2024.
- [Islamic Microfinance for Women](#). Islamic Development Bank. 2020.
- [Non-financial services: The Key to Unlocking the Growth Potential of Women-led SMEs](#). International Finance Corporation and FMO Dutch Entrepreneurial Development Bank. 2020.
- [The great leveller: How fintech is saving Muslim businesswomen](#). World Economic Forum. 2018.
- [MSME Finance Gap: Assessment of the Shortfalls and Opportunities in Financing Micro, Small and Medium Enterprises in Emerging Markets](#). International Finance Corporation. 2017.
- [WE Finance Code website](#)
- [Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable Development](#). UN Women. 2016.
- [State of the Global Islamic Economy Report](#). Dinar Standard. 2022.
- [The Power of Parity: Advancing Women’s Equality in Asia Pacific](#). McKinsey & Company. 2018.
- [Visa Financial Education Modules](#) (available to gWFX members)

Photo Credits

Page 1
Trainees listen attentively to their instructor at the regional training center
© 2016 Chor Sokunthea for ADB. All Rights Reserved.

Page 2
Trainee at work for the Women’s Development Center Project in Siem Reap Province, Cambodia.
© 2010 Pring Samrang for Asian Development Bank

Page 3
Products at Marnitta’s Bakery, gWFX trainee and client of Samoa Commercial Bank.

Subscribe to our newsletter [CLICK HERE](#)
Visit our website: wfx.adb.org
Email us: womenfinx@adb.org

[BACK TO MAIN](#)