

# UN Capital Development Fund

## Global Forum on Cooperatives

5 September 2012

**Women and cooperatives: promoting empowerment and equality**

**Promoting empowerment and equality through financial cooperatives**

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# Outline

- Cooperative principles and women inclusion
- Cooperative model and women access to finance
- Some challenges women face in accessing services provided by financial cooperatives



# Cooperative guiding principles and women inclusion

- Open and voluntary membership
- Democratic control
- Non-discrimination



# Cooperative principles and women inclusion

- Women empowerment: combination of self-reliance with collective action at the community level
- Women have direct experience with decision-making and election process
- Investment in social capital through training of volunteers, board members, local staff
- Trust building among people of different background



# Savings and Credit with Education in Philippines and Ecuador

- WOCCU and Freedom from Hunger in the Philippines (2002-2006) and Ecuador (2002-2005)
- Loans, savings and informal education for poor women engaged in microenterprise
- Financial and non-financial services leading to improved financial and social status, and collective action beneficial to the local community



# Savings and Credit with Education

- Members approve all loans, groups run by women, executive board made up of president, secretary, treasury
- 46,000 women SCWE members in 16 credit unions in the Philippines by December 2005
- By August 2005, 13,000 women in Ecuador



# Cooperative model and women access to finance

- Women's savings represent about 40% of total savings in Kenya, Uganda and Tanzania (ILO survey)
- Women's loans represent about 35% of total volume in the same region;
  - 32% women took out loan for business compared to 44% for men
  - 31% women took out loans for family or personal use compared to 23% for men



# Cooperative model and women access to finance

- Women in East Africa more reliable in repaying loans
  - Late repayments: 8.1% women and 19% men
  - Non-repayment: 3.4% women and 9.9% men
- About 44% of board members in financial cooperatives in East Africa
- In Uganda, most financial cooperatives have a policy about minimum representation of women in the boards



# Cooperative model and women access to finance

- Women represent 45% of salaried employees in East African financial cooperatives



# Some obstacles to women participation in financial cooperatives

- Limited collateral capacity
- Limited scale of business
- General low income
- Low level of education and literacy that create low self-esteem in some instances
- Traditional beliefs that may allow husbands to prevent wives from joining cooperatives



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**THANK YOU**

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