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

5 September 2012
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 microentreprise

• 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
THANK YOU

Erick Sile
Regional Technical Advisor – Inclusive Finance

erick.sile@uncdf.org