Protecting the Lives and Livelihoods of Women and Girls During the COVID-19 Pandemic

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Women and Girls During the COVID-19 Pandemic

1. Households
2. Adolescents
3. Farms
4. Firms
Response

1. Cash transfers – chunky vs smooth (Nigeria)

2. Mobile payments with SMS nudges (Cote D’Ivoire)

3. Mobile savings (Kenya)

4. Delivering mobile phones directly to women

5. Comprehensive support (life skills, business skills, productive grant, mentoring, savings groups)
Households

Recovery

1. Cash transfers – stimulate business starts (Nigeria)

2. Public works (CAR)

3. Access to caregiving resources (Kenya, Mozambique)
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Background

- Ebola lead to:
  - Market closure
  - Health facilities diverted to Ebola care
  - School closures for a year
Adolescents: Ebola Crisis

Time to first pregnancy

Source: Rasul et. al. 2020, IGC & GIL
BRAC’s ELA

• 3 basic components:
  – Safe space (clubhouse)
  – Life skills training
  – Vocational skills training

• Impacts:
  – Ebola → girls 12-17 increased pregnancy rates (7.2 percentage points)
    Those in ELA clubs (prior to Ebola) did not
  – Ebola → younger girls dropped out of school (16 percentage points).
    ELA club exposure halved this (sometimes with IGA combinations)
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1. Over 90% of Africa’s extreme poor are engaged in agriculture

2. Over 60% of all employed women in Africa work in agriculture

3. Women contribute roughly 40% of agricultural labor across the continent

4. Women also play a critical role in keeping the food system functional, as street vendors and primary sellers in informal daily food markets

5. Women have lower access to productive inputs, information, and liquidity than men so their farm productivity and food security will likely be hit hard
Response

1. Providing productive inputs directly to women farmers (Mali)

2. Digital extension services (Kenya)

Recovery

1. Encouraging couples to create joint action plans (Cote D’Ivoire)
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Firms – Some Statistics

Women in SSA more likely to be self-employed than men

1. Female owned firms concentrated in consumer-facing sectors (services, hospitality, retail trade) where demand shock hitting hardest
   – 64% of female owned firms in one sample in Ethiopia are closed (many say it’s temporary)

2. Female-owned firms are smaller, have thinner capital buffers
   – 24% of respondents said they were having trouble paying outstanding loans and 70% say they could use loans to get through the crisis

3. Less likely to have access to formal financial services or relationships with financial institutions

4. Increasing household demands – providing childcare, caring for sick/elderly

5. Increase in domestic violence
Response and Recovery

1. Women entrepreneur finance rescue facilities (Ethiopia)

2. Credit guarantees/guarantee windows for WSMEs (Burkina)

3. Psychometrics and screening technologies (Zimbabwe)

4. Digital and remote mindset entrepreneurship training – mindset, heuristics (Togo, DRC)
Firms

**Rescue Facilities**

A three-window crisis response fund to support distressed but viable women-owned enterprises with outstanding loans

**Commercial banks** that serve WSMEs to finance the deferral of principal and interest repayment on outstanding WSME loans during emergency period and support re-financing to distressed but viable WSME borrowers.

**Microfinance institutions** short-term balance sheet support to enable them absorb repayment and liquidity challenges for women entrepreneurs.

**Digital lenders** providing emergency finance to viable but distressed WSMEs – working capital infusions with longer maturities and grace periods on principal repayment.
Firms

**Partial Credit Guarantees**

A guarantee fund to provide partial coverage for loans made to eligible women-owned enterprises. Bridge financing that can help firms to survive lockdown period and re-start operations.

**Meso-Finance:** De-risk provision of mid-sized capital, ideally unsecured or with lower collateral, to firms on a growth trajectory with the potential to restart operations.

**Guarantee coverage:** Higher than pre-COVID, but must be set to ensure financial institutions still have ‘skin in the game’

**Outreach:** Aim should be to have a diversified portfolio, spread across sectors and business sizes. Potentially a window within a larger guarantee scheme.
Alternative Credit Scoring

Fintech and data-driven credit scoring tools can reduce reliance on asset collateral and enable efficient screening of large volumes of borrowers.

**Use-cases:** Successful pilots (Ethiopia, Zimbabwe, Madagascar) using psychometrics to predict credit risk and provide unsecured loans to WSMEs.

**COVID-Replication:** Can the same tools be used to screen large pools of potential borrowers, to verify identity, detect potential fraud, and minimize moral hazard?
Digital and Remote Entrepreneurship Training

Transitioning to digital modes of delivery, drawing on successful pedagogies and approaches to business training.

**Heuristics:** Teaching heuristics and ‘rules of thumb’ to entrepreneurs via SMS and IVR (interactive voice recording): 1-2 messages per week, targeting micro-entrepreneurs

**Mindset-oriented:** Digital MBAs (Quantic); Personal Initiative training (MOVE)

**Enterprise Software:** Leveraging transaction data to provide business insights via smartphone
Thank you

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