NEW APPROACHES TO CLOSING FINANCE & DATA GAPS FOR WOMEN-LED BUSINESSES
GLOBAL PARTNERSHIP ON FINANCIAL INCLUSION (GPFI) WORKSHOP
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Rationale for collecting gender-disaggregated data

• Women entrepreneurs experience more difficult access to finance and worse financing conditions than men entrepreneurs.

• As a result, or because of that, women entrepreneurs are less likely to be involved in entrepreneurship and tend to operate smaller businesses than men entrepreneurs.

• The demand for more gender-disaggregated information is not new.
  • OECD Recommendation of the Council on Gender Equality in Education, Employment and Entrepreneurship.

• The collection of regular gender-disaggregated data is key to measuring the gender finance gap over time and across places, sectors and firm sizes, improving the evidence base for effective policy responses.
What is the OECD SME and Entrepreneurship Financing Scoreboard…

• A biennial OECD flagship publication that aims to improve the evidence base on SME and entrepreneurship finance.

• It provides information on SME debt, SME equity finance and enterprise distress indicators, as well as SME financing policies across 48 countries (35 OECD members).

• It builds on official data from ministries, central banks, statistical offices, and sector organizations.

• It has contributed to the work of the G7 and the G20, including by supporting the implementation of the 2015 G20/OECD High Level Principles on SME Finance.

• It will continue to support the implementation of the 2022 Updated High-Level Principles, welcomed by the FMCBG last week.
... and how it can help with gender-disaggregated data collection

- **Close collaboration with national country experts** from official institutions can help understand existing gender-based data collection processes and potential challenges.

- The **sharing of good practices** is facilitated within the framework of the Scoreboard.

- **Broad and growing country coverage** (from 18 countries in 2012 to 48 countries in the 2022 edition), with the objective to expand further, can facilitate harmonization.

- **Large number of financial indicators** to go beyond traditional debt finance indicators to include asset-based finance, equity finance and enterprise distress indicators.

- The work is overseen by the **OECD Committee on SME and Entrepreneurship (CSMEE)** and guided at the technical level by the OECD/CSMEE **Informal Steering Group on SME finance**, which ensures data quality.

- In 2022, for the first time, the OECE/CSMEE has begun to collect **disaggregated data**, starting with the **gender of the business owner** and the **subnational level** (TL 2 regions).
Nonetheless, there are some challenges

• Based on the experience of the Scoreboard so far, there is **limited availability** of gender-disaggregated data in SME finance.

• On the **supply side**, official institutions (e.g. central banks) tend not to collect and publish data by gender of the business owner.

• On the **demand side**, gender-disaggregated data come from national or local surveys, making information not comparable across countries.

• **Definitional issues** may be worse in the case of gender-disaggregated data.
  • SME loan definitions may already vary across countries.
  • Women-owned or women-led business definitions may also vary.

• **International partnerships**, like this one, can help overcome some of these challenges.