

Accelerating high-growth entrepreneurship: Policy discussion

**Rodolfo Stucchi** 

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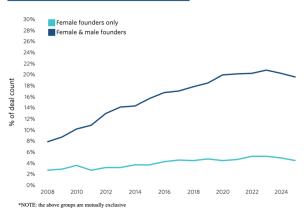
## A relevant issue in Europe and US...

24% of VC deals financed female (co-)founded startups in Europe, and 23.3% in the USA.

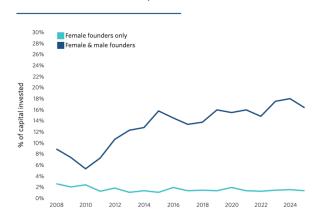
17.7% of VC capital was allocated to female (co-) founded startups in Europe, and 42.3% in the USA.

#### **Europe**





#### Female (co-)founded VC capital %

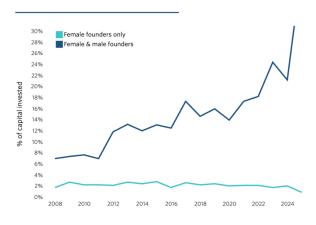


#### **USA**

Female (co-)founded VC deal count %



#### Female (co-)founded VC capital %

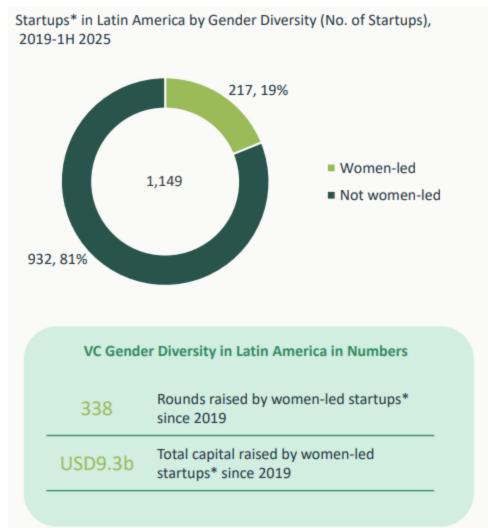


Source: PitchBook (2025) "European VC female founders dashboard" & "USA VC female founders dashboard"



### ... and in Latin American and the Caribbean.





**Source:** LAVCA. Data as of 30 June 2025. \*Startups with disclosed investments over USD1m. Women-led startups include VC-backed companies with a female CEO and/or co-founder.





## Financing The Next VC-Backed Startup: The Role of Gender by Camille Hebert, Heather Tookes, and Emmanuel Yimfor

#### **Empirical design**

• The paper compares funding for next VC-backed startups of men and women who co-founded the same startup.

#### Main results

- The study identifies a gender gap in VC funding
  - Extensive margin: lower likelihood of founding another company.
  - Intensive margin: lower capital raised in subsequent firms.
    - Even after successful first experience. This is important and can account for an important part of the financing gap.
- Asymmetric spillovers:
  - Investors who financed a women co-founded start up that fails have lower probability of financing other women founded startups. No positive effect if the women co-founded start up succeeded.
- The analysis of drivers concludes that the gap is not due to the demand side (founders' preferences or quality), but to unequal and biased treatment by investors (supply side).





## Financing The Next VC-Backed Startup: The Role of Gender by Camille Hebert, Heather Tookes, and Emmanuel Yimfor

#### **Discussion**

- 1. Given that the main problem is related to investors' bias and not to a lack of good quality women founded firms, *policies should go beyond the support to women-own business*.
  - These policies could change the market outcome but (given that do not solve the root cause of the problem) they need continuous intervention.
- 2. Key question: How to reduce the bias of investors?
  - Not easy.
  - If the bias is unconscious, make people aware of the bias and training. (e.g. bias reduction in banks' credit officers)
  - Other behavioral interventions (Next paper)





## Social Image, Organizational Values and Inclusion: Evidence from a Field Experiment by Girum Abebe, Siân Brooke, Tom Gole, Simon Quinn, and Tom Schwantje

#### **Empirical design**

Business plan competition in which judges receive three possible "treatments": (i) judges are reminded of the organization's commitment to gender equality, (ii) judges must justify their decisions to peers, (iii) both.

#### Main results

- Highlighting organizational values promoting gender equality increased the likelihood that high-quality female entrepreneurs were selected for funding.
- Social image concerns—requiring judges to justify their decisions to peers—did not improve women's success but enhanced agreement among judges (even without communication).
- The combined treatment attenuated both effects.
- These findings suggest that simple institutional nudges promoting equal opportunity can enhance the quality of evaluative decisions and improve outcomes for high-potential female applicants.





## Social Image, Organisational Values and Inclusion: Evidence from a Field Experiment by Girum Abebe, Siân Brooke, Tom Gole, Simon Quinn, and Tom Schwantje

#### **Discussion**

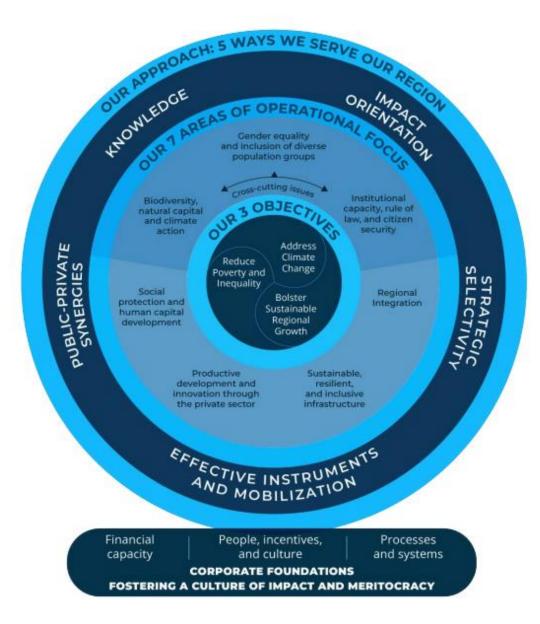
- 1. Relatively simple solution that aims at tackling the **root cause of the problem**, and in principle could be tested in other environments.
- 2. How much does it depend on the **culture of the organization**?
- 3. Would it be effective after **repeated applications**?
- 4. The **type of message** is important. If the objective is to reduce bias, it would be interesting to compare:
  - Message about the organization's gender equality values
  - Message about fairness and the importance of meritocracy

## Our Institutional Strategy at a Glance

#### **OUR 3 OBJECTIVES**

Three mutually reinforcing objectives are at the core of the Institutional Strategy, driving action across the full range of our development projects.

- Reduce Poverty and Inequality: We are devoted to eradicating extreme poverty and investing in human capital – from education to food security and health to gender equality.
- Address Climate Change: We are dedicated to combating and adapting to climate change, including by safeguarding the Amazon, curbing emissions and preserving biodiversity, while strengthening resilience.
- Bolster Sustainable Regional Growth: We are committed to increasing the region's long-term growth, including by investing in infrastructure, empowering the private sector to drive productivity and innovation, and enhancing regional integration.









## \$100 billion

MSME financing gap in LAC

IDB Invest works with **financial institutions** across the region to expand financing opportunities for women.

From 2026-2024

44

20

operations

countries

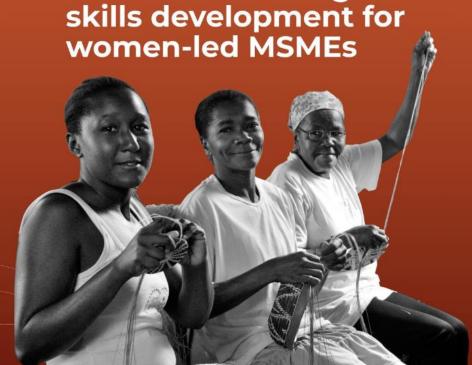
**1.4** 

million women-led MSMEs access the credit



# BOOSTING ECONOMIC OPPORTUNITIES FOR WOMEN ENTREPRENEURS

IDB Invest and IDB Lab support Banco ADOPEM to enhance financing and skills development for women-led MSMEs



A 20-year history of collaboration:

- 2004 IDB Lab supports the transformation of ADOPEM from an NGO into a regulated bank.
- 2014 IDB Lab launches project to support women microfranchisees
- 2022 Crece con ADOPEM digital skills platform launched with IDB Lab support.
- 2,500 women entrepreneurs enrolled in the Crece con ADOPEM platform
  - 800 using digital payments
  - 1,200 using digital technologies

ADOPEM issues its first outcome-based social bond with IDB Invest support











**Boosting Business Growth while Leveling** the Credit Playing Field for Women MSMEs

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THE CASE OF KONFID: EQUITABLE CREDIT FOR MEN AND WOMEN

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# THANK YOU

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