



Gender equality and women's economic empowerment

OVERVIEW

2023



European
Investment Bank

“Gender equality is the goal that will help abolish poverty, that will create more equal economies, fairer societies and happier men, women and children.”

Graça Machel, founder of the Graça Machel Trust and member of The Elders

Equality between women and men is a fundamental value and human right, enshrined in international law and the European Union's treaties and legislation. It is a necessary foundation for a peaceful, prosperous and sustainable world.

Widespread evidence shows that gender equality is associated with faster economic development, higher income per capita, more efficient and effective businesses, more sustainable management of natural resources, social cohesion, peacebuilding and more stable societies overall.

Taking action now to advance gender equality could **add \$13 trillion to global gross domestic product (GDP)** by 2030. In the European Union, improving gender equality would lead to a 6.1-9.6% increase in EU GDP per capita, or **€1.95 trillion to €3.15 trillion**, and an **additional 10.5 million jobs by 2050**, which would benefit both women and men.

However, the unprecedented economic and social disruption caused by the COVID-19 pandemic not only overturned decades of progress in gender equality and women's economic rights and opportunities, but also widened gender-related poverty gaps. It could take another 132 years to close the global gender gap, according to the World Economic Forum's [Global Gender Gap Report 2022](#).

As crises compound, women's employment suffers and the risk of global gender parity backsliding intensifies. According to the [International Labour Organization](#), in 2022 an additional 153 million women globally were identified as having an unmet need for employment, compared with 115 million men. Limiting factors such as personal and family responsibilities, including unpaid care work, disproportionately affect women and prevent them from working or seeking employment.

Women entrepreneurs also encounter a lack of access to finance for their firms, especially in developing countries. There is a \$1.7 trillion gap in financing worldwide for formal, women-owned micro, small and medium businesses, according to the World Bank Group's 2021 [FINDEX database](#), and more than 68% of small women-owned firms have inadequate or no access to financial services.

The gender-finance gap persists globally even though female entrepreneurs make significant contributions to the economy. Supporting female entrepreneurs helps create new jobs and generates societal benefits. Evidence shows that women-led firms in the European Union and across the world are more likely to have sound management practices in place and are more willing to introduce new products and innovative solutions.



Research also shows that women tend to support the green transition more than men, monitoring CO₂ emissions and setting energy efficiency targets. Women-led companies often have higher environmental, social and governance scores, which improve how firms are perceived by investors and clients.

Investing in female leadership can have other positive effects: Women-led firms have been found to invest more in human capital and also attract (and retain) more women.

Women and men both play important roles in promoting climate action and building resilience, but are affected by climate change and environmental degradation differently because of different gender roles and access to and control over productive, natural and financial resources. Gender-responsive climate investments can strengthen climate and environmental outcomes, create business opportunities and be financially more effective.

The gender divide is also digital. Over 90% of jobs worldwide already have a digital component, and most jobs will soon require sophisticated digital skills. But in low- and middle-income countries, women are **18% less likely** than men to have a smartphone (315 million fewer women than men own one). Giving women and girls access to the internet and the skills needed to use digital technologies would provide them with economic opportunities and better access to education, health and financial services. It would also enhance their participation in public life and improve information exchange.

STRATEGY AND PARTNERSHIPS

Gender equality is one of the European Union's founding values, and a key objective of the UN Sustainable Development Goals. Through its operations, the European Investment Bank (EIB) Group seeks to ensure that gender inequalities are not reinforced or overlooked, and that women and men are equally able to access and use the assets, services, benefits and opportunities generated by its work.

To that end, the EIB Group has adopted a [Strategy on Gender Equality and Women's Economic Empowerment](#) and a [Gender Action Plan](#). The Bank aims to embed gender equality and women's economic empowerment in its business model and its lending, blending and advising work within and beyond the European Union.

The strategy is based on three areas of action:

- Protect:** We identify and mitigate gender-specific risks (for example, gender-based violence and harassment) and we develop procedures and tools to uphold the rights of girls and women.
 - > Safety for women is a central issue in big infrastructure projects like the metro in Bangalore, India. Built with women in mind, this metro has reserved two cars on each train for female passengers, which is vital when the line is very crowded.
- Impact:** We back projects with services and products contributing to gender equality and increasing opportunities for women.
 - > In the favelas of São Paulo, Brazil, the EIB supported the connection of households to the energy grid. Around 60% of the households are headed by women. The project ensured their access to electricity, but also enabled them to have a formal address and opened new access to financial services and social benefits.
- Invest:** We finance female entrepreneurs and women-led companies that create quality jobs for women either directly or through credit lines. We also offer technical assistance and other incentives to clients to enhance a project's contribution to gender equality.
 - > We support funds such as Alitheia IDF, which invests in small and medium-sized enterprises led by gender-diverse teams to achieve solid financial returns and tangible social impact in Africa.

The EIB Group gender strategy

Investing in **gender equality** and **women's economic empowerment**

Protect	Impact	Invest
Upholding the rights of women and girls	Enhancing the impact of our operations on gender equality	Investing in female entrepreneurship and economic empowerment
At least 30% of women report having experienced some form of gender-based violence at least once in their lifetime	Advancing women's equality could add €11 trillion to €25 trillion to global GDP by 2025	Women-led small businesses worldwide face a €292 billion shortfall in access to credit

In 2022, the Bank financed a total of 45 projects across the globe that significantly contributed to gender equality and women's economic empowerment, providing €5.3 billion of investment.

The Bank dedicated €4.6 billion of this investment to public and private sector projects that support gender equality in the bioeconomy, digital, energy, health, mobility, urban development and water sectors. The remaining €719.5 million directly backed women's economic empowerment through local banks, microfinance institutions and private equity funds. These investments primarily help women entrepreneurs, women-headed households, and micro, small and medium-sized enterprises that empower women as leaders and employees. They are also aligned with the **2X Challenge criteria**, a global standard for gender lens investment in low and middle-income countries.

Introduced by the development finance institutions of the Group of Seven developed nations (G7), the **2X Challenge** aims to deploy and mobilise capital to support projects that empower women as entrepreneurs, business leaders, employees and consumers of products and services that enhance their economic participation. The EIB joined the 2X Challenge in June 2021 to contribute to the collective target of raising \$15 billion for gender lens investment by the end of 2022. The 2X Challenge exceeded its target with **\$16.3 billion** of gender lens investments raised. The EIB was the first multilateral development bank to formally adopt the **2X Challenge criteria**.





With other members of the 2X Challenge, the EIB also contributed to the creation of [2X Global](#), a global membership and gender lens field-building organisation for investors, capital providers, and intermediaries working in public and private markets, in both developed and emerging economies.

2X Challenge

What is a 2X Challenge investment?

It fulfills one of these criteria:

ENTREPRENEURSHIP

51%

women ownership or the business is founded by a woman

LEADERSHIP

30%

women in senior leadership or 30% women on the board or investment committee

EMPLOYMENT

30-50%

share of women in the workforce (depending on sector) and one quality indicator beyond compliance

CONSUMPTION

Product(s) or service(s) that specifically or disproportionately benefit women

INVESTMENTS THROUGH FINANCIAL INTERMEDIARIES

30% of the development finance institution loan proceeds or portfolio companies meet the 2X criteria

SUPPORTED BY



European Investment Bank

Working with other public development banks, the EIB signed the [Finance in Common statement](#) calling for the acceleration of gender equality and the empowerment of all women and girls through the international financial system. The Bank is also a signatory of the [Joint Statement on Continuous Advancement of Standards to Prevent Sexual Harassment, Abuse, and Exploitation](#) with nine other international financial institutions. At the COP27 UN climate conference in Sharm el-Sheikh, Egypt, the EIB and 14 other partners called for [urgent action to enshrine gender equality into climate finance](#).

Since January 2022, the EIB has chaired the Multilateral Development Bank Working Group on Gender. The group, made up of 11 multilateral development banks plus the International Monetary Fund, was established in 2001 to serve as an important platform for the most senior staff leading gender work in member institutions to exchange and collaborate on current and pressing issues and challenges affecting gender equality globally. Among other events, the working group held the 2022 Global Gender Summit of the Multilateral Development Bank Working Group on Gender, with a focus on [advancing gender equality for a more resilient future](#).

ECONOMIC EMPOWERMENT IN AFRICA

In 2019, the European Investment Bank launched *SheInvest*, an initiative to boost women's economic empowerment in Africa by mobilising gender-responsive investments compliant with the 2X Challenge criteria.

The Bank has mobilised more than €2 billion in gender lens investing since the beginning of the initiative, providing African women with better access to finance and dedicated coaching and tailored services and products, thereby making much-needed business and social transformation possible. In October 2022, the EIB announced the extension of *SheInvest* to mobilise another €2 billion of gender lens investment not only in Africa but also in Asia and Latin America.

SUPPORTING CLIMATE ACTION WITH A GENDER LENS

The [EIB Group Climate Bank Roadmap](#) defines the provision of gender-responsive climate finance as a priority area. It commits to investing more strategically in projects that simultaneously support the green transition, environmental sustainability and gender equality.

The Bank has therefore invested in projects enabling women to play an active role in tackling the effects of climate change and has backed women-led climate funds and female entrepreneurs in the fields of climate and environment. It finances projects that tackle deep-rooted gender inequalities while strengthening the resilience and adaptive ability of women and girls worldwide, ensuring that they have access to and benefit from the low-carbon and climate resilient infrastructure and services generated by its investments.

Through advisory and technical assistance, the Bank also supports its clients in setting targets for women's employment and leadership opportunities in their climate projects. To this end, the EIB Advisory Hub and the EIB Projects Directorate introduced the [Gender and Social Advisory Initiative](#).

DESIGNING INFRASTRUCTURE WITH WOMEN IN MIND

Women make up the majority of the urban population, yet their perspectives and voices are under-represented in urban leadership worldwide. Women make up less than 5% of mayors and occupy only about 10% of the highest-ranking jobs in leading architecture firms.

Critical infrastructure and services in cities, including housing and land, transport, public spaces, and utilities serve women and men differently. This infrastructure is often developed without considering gender and social inclusion, and so may not accommodate women to the same degree as men.

The EIB is helping to change how infrastructure is planned and delivered to make [cities more inclusive](#) and climate resilient.



PROJECT HIGHLIGHTS

A crucial vaccine for pregnant women

MinervaX, a privately held Danish biotechnology company, is developing a new, protein-based vaccine against Group B Streptococcus (GBS). GBS can lead to severe health issues in pregnancy or childbirth, including neonatal or infant infection and disability, maternal infection, abortion or stillbirth. The EIB provided €50 million in financing to enable MinervaX to advance the late-stage development of its GBS vaccine candidate. A GBS maternal vaccine would fill an unmet global public health need and its development is a World Health Organization priority.

[More information online](#)

Investing in global food security

The EIB signed a €500 million loan agreement with the UN International Fund for Agricultural Development to improve food security and reduce poverty in rural areas. The new EIB financing will strengthen the UN fund's urgent response to help small-scale farmers to adapt to climate change and cope with the current global food, fertiliser and fuel crisis. At least 60% of the supported projects are expected to contribute to gender equality.

[More information online](#)

Improving the social impact of small firms in Bosnia and Herzegovina

Intesa Sanpaolo Banka BiH signed a €20 million loan with the EIB to foster youth employment, gender equality and socially inclusive practices among small and medium-sized enterprises and mid-caps. These funds will enable Intesa Sanpaolo BiH to lend to local companies that are committed to improving the social impact of their activities.

[More information online](#)

Protecting Ukrainian refugees

Social inclusion has been a focus of the EIB's response to Russia's invasion of Ukraine, including the Ukraine Solidarity Package investing in services for refugees from Ukraine and their host communities. The Ukrainian refugee population consists predominantly of women, children and elderly people, since most Ukrainian men are banned from leaving the country. The EIB-financed operations address gender-based violence and abuse and child protection concerns and include a gender perspective in infrastructure design.

[More information online](#)



African Women Rising Initiative

The [African Women Rising Initiative](#) is a €2 million technical assistance programme set up by the EIB to provide support to financial intermediaries promoting financial services better tailored to the needs of women entrepreneurs in Cote d'Ivoire, Rwanda, Senegal and Uganda. Announced in October 2022, this programme complements the Bank's [ShelInvest](#) initiative.

[More information online](#)

Reducing the gender gap in Bologna

The Bank is working with the municipality of Bologna to develop infrastructure and services that support growth and make life in urban areas more sustainable and inclusive. Bologna plans to prioritise initiatives that reduce gender inequalities. The EIB is providing a €50 million framework investment for the project as well as free technical assistance for developing a system of indicators measuring the impact of such initiatives. The technical assistance aims to refine and standardise Bologna's municipal gender survey and impact measurement tools to monitor the investment project's implementation.

[More information online](#)

Safer transport for all in Barcelona

The transport company of the metropolitan area of Barcelona requested the EIB's technical assistance for enhancing measures to prevent sexual harassment on their transport network. The Bank will help the company to monitor and measure the impact of its harassment prevention plans, making transport services accessible and safe for all, regardless of gender.

[More information online](#)



RESOURCES

WEBPAGES

- [Gender equality and women's economic empowerment](#)
- [Diversity and inclusion](#)
- [2X Challenge](#)
- [2X Global](#)

NEWS AND PRESS RELEASES

- [Over 470 businesses supporting women's economic empowerment across developing country markets have received investment over the last two years](#)
- [EIB survey: Evidence for why it makes sense to support female entrepreneurs in Europe](#)
- [Boosting gender equality around the world: EIB expands SheInvest initiative and strengthens cooperation with Development Bank of Rwanda](#)
- [2022 Global Gender Summit of the Multilateral Development Banks Building Back Better: Advancing Gender Equality for a More Resilient Future](#)
- [Global gender finance initiative sets ambitious new \\$15 billion fundraising goal after securing more than double its original \\$3 billion target](#)

VIDEOS

- [Chance for change](#)
- [SheInvest](#)
- [2X Challenge - Invest in women, invest in the world](#)
- [2X Challenge Financing for Women initiative - PEG Ghana](#)
- [2x Challenge Financing for Women initiative - Food Concepts Plc \(Chicken Republic\)](#)
- [2X Climate Finance Taskforce: Gender Lens Climate Financing Investing Guide](#)
- [Conversations@COP26: EIB Tania Colantone & DEG Invest Jessica Espinoza](#)
- [Clean water for Cambodia](#)
- [D-light project in Kenya](#)
- [Solar power in Gambia](#)
- [Twiga Foods](#)

PUBLICATIONS

- [Female access to finance: A survey of literature](#)
- [Support for female entrepreneurs: Survey evidence for why it makes sense](#)
- [The EIB Group Strategy on Gender Equality and Women's Economic Empowerment](#)
- [The 2X Gender and Climate Finance Toolkit](#)

BLOGS

- **Free electricity in favelas boosts Brazil's social inclusion**
- **Infrastructure Solutions: Built for women**
- **Women's leadership boosts climate action, profits**
- **Women's solutions stories create a world where everyone thrives**
- **Investing to bridge the urban infrastructure gender gap**
- **A solidarity package helps Poland integrate Ukrainian refugees**
- **Investment in women entrepreneurs delivers higher returns**
- **Women prefer clean transport but want to keep cars, survey shows**
- **4 ways to make venture capital work better for Africa**
- **Brazilian microcredit loans boost women's financial inclusion**
- **Getting women into boardrooms**





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This overview, with links to stories, brochures and videos, is available at:

www.eib.org/gender