

GENDER ACTION PLAN

A. Gender Context

1. Micro, small and medium-sized enterprises (MSMEs) across sectors represent an important source of employment and income for women in Asia and the Pacific. Only a few countries in the region report gender data for MSMEs, most notably Malaysia, which reports that 20% women ownership of MSMEs (2015 census data) and Viet Nam, which reports women own 21% of MSMEs (2017 data).¹ Additional market studies tend to rely on older census or extrapolated data. For instance Indonesia, using 2011 and 2013 correlated data, estimates that 34% of small and medium-sized enterprises (SMEs) are owned by women,² while the 2014 Cambodia census provided an estimate of a 26% share for women-owned SMEs.³ In terms of access to finance, and compared to other regions in the world, East Asia has the highest proportion of the SME finance gap attributed to women-owned businesses (59%, \$1.2 trillion).⁴

2. In the multi-trillion-dollar global procurement market, women entrepreneurs generally have less access to capital and fewer resources than their male counterparts due to structural inequalities and discrimination, and thus remain disproportionately represented at the lowest tiers of the supply chain, carrying out lower-skilled, lower-paid jobs and operating smaller businesses.⁵ For those women who do make it into business, Asian Development Bank's (ADB's) 2019 Trade Finance Gaps, Growth, and Jobs Survey found that the average rejection rate for women-owned firms seeking financial support for their exporting and/or importing needs was 44%, markedly higher than the 38% for male-owned firms.⁶

3. The understanding of the women's market in supply chains remains under-developed and there is very limited data available on corporate procurement and women-owned businesses. On one hand, the ability of women to participate fully in the supply chains is reduced by systemic gender-based barriers and related gender gaps such as discriminatory regulations and social norms, low financial inclusion, limited access to health and education services or unequal professional opportunities.⁷ On the other hand, women-owned suppliers have limited information and knowledge on buyers' purchase requirements, in addition to limited access to financing to bid on larger procurement contracts. Corporate buyers are also constrained by their limited understanding of how to access women-owned SMEs that may meet their procurement requirement and how to make their supplier processes more gender friendly.⁸ As such, gender is often addressed in very limited ways, if at all, in companies' supplier codes of conduct.⁹ These

¹ ADB. 2020. [Asia Small and Medium-Sized Enterprise Monitor 2020: Volume I—Country and Regional Reviews](#). Manila.

² International Finance Corporation. March 2016. [Women-owned SMEs in Indonesia: A Golden Opportunity for Local Financial Institutions](#). Washington D.C.

³ International Finance Corporation. 2019. [Exploring the Opportunities for Women-owned SMEs in Cambodia](#). Washington D.C.

⁴ International Finance Corporation. 2017. [MSME Finance Gap. Assessment of the shortfalls and opportunities in financing micro, small and medium enterprises in emerging markets](#). Washington D.C.

⁵ WeEmpower. 2020. [Women's Empowerment Principles: Gender-Responsive Procurement Guidance Note, Principle 5](#). UNWomen.

⁶ ADB. 2019. [Trade Finance Gaps, Growth, and Jobs Survey](#). ADB Briefs No. 113 (September). Manila.

⁷ K. Abbott & A. Mohapatra. 2019. [How Business Can Build a 'Future of Work' That Works for Women: A Framework for Action](#). BSR.

⁸ WeConnect International, Women Entrepreneurs Financing Initiatives, International Finance Corporation. [Strategies to Increase Access to Markets for Women Entrepreneurs in India](#). IFC.

⁹ M. Barraja et al. 2017. [Gender Equality in Codes of Conduct Guidance](#). BSR.

challenges lead to having women-owned businesses globally earning less than 1% of the money spent on products and services by large corporations and governments.¹⁰

4. **Gender in ADB Supply Chain Finance Program (SCFP).** In its 2018 design, the program did not integrate any performance indicators to provide direct or substantial benefits to women. Its focus was on skills development of female bank staff in supply chain finance and has successfully increased women's participation in related training for at least 53 women in 2018-2020, overachieving on the initial target of 40 women.¹¹ The SCFP financing operations are complemented by a technical assistance program, with a component on capacity development of partner banks in developing member countries (DMCs). These activities mostly target supply chain finance operations and credit risk personnel from DMC banks and consist of advisory services and training sessions. Under the technical assistance, SCFP identified an output on gender initiatives to encourage more female participation across the capacity building activities. The revised design and monitoring framework of the SCFP incorporates further targets that aim not only to enhance gender balance in these trainings but also to strengthen the capacities of the banks to integrate a gender lens in their supply chain finance systems and operations.

B. Gender Action Plan for the Supply Chain Finance Program

5. The program is categorized as Effective Gender Mainstreaming (EGM). The gender measures are presented in the gender action plan.

Gender Action Plan		
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and/or Reporting Mechanisms
Outputs	By end 2023	
2. Support of gender-inclusive supply chain finance expanded	2b. At least 50% of DMC banks participating in the ADB SCFP TA receive gender lens financing ^a capacity building (2020 baseline: not applicable) 2c. Institutional capability to record sex-disaggregated data introduced in the ADB cofinanced SCF Platform developed for at least 3 ADB SCFP TA beneficiary banks (2020 baseline: not applicable)	Training reports TA reports provided by the TA specialist/consultant
3. Banks' staff training in supply chain finance and gender balance expanded.	3a. Number of bank staff in DMCs participating in online or in-person capacity building activities in relation to supply chain finance increased by at least 400, of which at least 30% are women (2020 baseline: 189, baseline for gender target not applicable) ^b 3b. At least 50% of DMC banks participating in the ADB SCFP TA receive training	

¹⁰ Vazquez, E. A., and B. Frankel. 2017. *The Business Case for Global Supplier Diversity and Inclusion: The Critical Contributions of Women and Other Underutilized Suppliers to Corporate Value Chains*. Washington DC.

¹¹ Sex-disaggregated participation in e-training not available; total number of participants in e-training was 384 for two cohorts which commenced in 2018 and 2020; attendance for in-person seminars in 2018 and 2019 was a total of 124, of which 48 were women; attendance for e-webinars provided in 2020 was a total of 40, of which 5 were women.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and/or Reporting Mechanisms
	focused on improving banks' customer service to female clientele ^c (2020 baseline: not applicable)	

ADB = Asian Development Bank, DMC = developing member country, SCF = supply chain finance, SCFP = Supply Chain Finance Program, TA = Technical Assistance.

^a Gender lens financing capacity building will entail tailor-made workshop/s delivered by consultants to the bank's staff (both senior and frontline staff) on the different ways supply chain financing can define and apply a gender lens.

^b Male:female baseline is not available for e-training as the provider (International Chamber of Commerce Academy) does not track sex disaggregated data for online training. Sex-disaggregated participation data will be implemented in all capacity building activities.

^c The training delivered will be developed under the Trade Finance Program and will target customer service to female clients in corporate banking, including women-owned SMEs.

Source: Asian Development Bank.