

GENDER ACTION PLAN

A. Georgia Gender Context

1. **A recently established gender legal framework has not yet resulted in measures conducive to women's equal economic participation.** Provisions under the 2010 Georgian Law on Gender Equality include ensuring equal access to employment opportunities for women and men, promoting fair and equitable working conditions and pay, and supporting elimination of gender-based violence.¹ Although these and other national legal mechanisms are in place, more efforts are needed to effectively mainstream gender in women's productive capacity and private sector participation, including in employment opportunities.² A key factor restricting Georgian women's economic participation is unequal access to assets and resources.³

2. **Economic activity remains much higher among men than women.** Only about 40% of Georgian women are in the labor force and 33.9% are formally employed, compared with 62% and 49.5% for men, respectively. Women represent 46.2% of contributing family workers i.e., without any job protection and compensation, as opposed to 14.2% of men. The labor market landscape in Georgia is one of sectoral segregation by gender, whereby women are mostly concentrated in education, wholesale and retail trade, agriculture, and human health and social work, followed by industry, and accommodation and food services.⁴

3. **Women in agriculture are predominantly informally occupied and have no control over land use.** About 57% of employed Georgian women work in agriculture.⁵ The 2014 agricultural census found that only 31% of total agricultural holdings are owned or managed by women.⁶ Most self-employed women (59%) were non-paid workers engaged in subsistence or small-scale activities.⁷ Rural women in Georgia are also disproportionately affected by poverty and the lack of access to basic supplies (water, gas) and services (information, innovation, knowledge, new technologies, machinery, wholesale markets), as well as experience gaps in access to finance and agricultural inputs.⁸

4. **Women's entrepreneurship and access to finance in Georgia reflect deep-seated inequalities.** Women are equally likely as men to have a bank account in Georgia, yet overall account penetration is lower than elsewhere in Eastern Europe and Central Asia.⁹ And in terms of financial inclusion (including saving, borrowing, receiving remittances, getting wages and agricultural payments) men are doing better than women.¹⁰ Particular barriers to becoming entrepreneurs or consolidating businesses encountered by women include lack of relevant skills and knowledge, poor access to start-up capital and bank loans, in addition to a low level of property and asset ownership. For instance, the collateral requirements for business loans are onerous, and difficulties in accessing financing may affect women disproportionately because

¹ Government of Georgia. 2010. [Georgian Law on Gender Equality](#). Tbilisi.

² Asian Development Bank. 2018. [Georgia Country Gender Assessment](#). Manila.

³ National Statistics Office of Georgia (GEOSTAT). 2018. [Women and Men in Georgia](#). Tbilisi.

⁴ GEOSTAT. 2021. [Women and Men in Georgia 2021](#). Tbilisi.

⁵ World Bank Group. 2016 [Georgia Country Gender Assessment](#). Washington, D.C.

⁶ Asian Development Bank. 2018. [Georgia Country Gender Assessment](#). Manila.

⁷ Food and Agriculture Organization. 2019. Georgia Agricultural Census 2014 – Metadata Review. In: Main results and metadata by country (2006–2015). World Program for the Census of Agriculture 2010. FAO Statistical Development Series No.17. Rome.

⁸ UN Women. 2020. [Country gender equality profile of Georgia](#). Tbilisi.

⁹ World Bank Group. 2016 [Georgia Country Gender Assessment](#). Washington, D.C.

¹⁰ World Bank. [The Global Findex Database 2021](#) (accessed 5 September 2022).

they are less likely to own property, leading to smaller and higher-interest loans than men. Only 22% of Georgia's formally registered firms have female participation in ownership.¹¹

B. Company Context

5. **Crystal's clientele, product, and gender inclusion.** With national coverage throughout Georgia, Joint Stock Company Microfinance Organization Crystal (Crystal) is the largest microfinance lender and 62% of its borrowers are women as of December 2021.¹² Crystal's business clients are mostly micro and small, predominantly sole entrepreneurs, accessing loans to improve or expand their business operations via acquiring fixed assets or investing in working capital. Crystal is actively engaged in climate finance although it is yet to target these products specifically at WMSMEs. Crystal's strategic objective is to become a regional customer-centric, people-oriented, and data-driven financial inclusion organization and it is starting efforts to digitize all its processes, including service delivery with modern fintech solutions.

6. **Crystal's corporate gender profile.** As of December 2021, women held 69% of staff roles at Crystal. In the management division, which includes division, branch, team managers, and technical jobs, women made up 39% and 38%, respectively. Women held a majority of customer facing jobs that included loan officers and relationship managers as presented in Table 1.

Table 1: Crystal Staff Distribution by Sex - December 2021

Job Category	Male	Female	Total	Female proportion
Management	59	38	97	39%
Technical employees	74	45	119	38%
Customer facing staff	244	609	853	71%
Administration jobs	124	402	526	76%
Total	501	1,094	1,595	69%

Source: JSC Microfinance Organization Crystal.

The company exhibits intentionality in ensuring that both women and men employees feel part of its goals and mission. According to its Labor Rules of Procedure, Crystal offers equal employment opportunities to all employees regardless of gender, race, and other conditions; prohibits discrimination, clearly codifies sexual harassment, offers a complaint system open to all staff; and provides maternity leave provisions beyond the mandated law.

C. Proposed Gender Action Plan for Crystal

7. The project is categorized as Gender Equity Theme (GEN) with the gender action plan presented in Table 2.

Table 2. Gender Action Plan

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting
Outcome	By 2025:	
Access to finance of WMSMEs ^a in	a. Number of WMSME borrowers increased to 63,017 (2021 baseline: 42,677)	a–c. Crystal's Annual Development

¹¹ World Bank. 2019. [Enterprise Survey - Gender Indicators for Georgia](#). Washington, D.C.

¹² This figure includes both, women entrepreneurs and women with steady sources of income such as salaries. The use of proceeds of ADB bond will only be applied to women entrepreneurs.

Georgia, focusing additionally on climate-related financing and borrowers in rural areas, improved	<p>b. Number of WMSME borrowers of climate-related loans^b increased to 7,811 (2021 baseline: 3,571)</p> <p>c. Number of WMSME borrowers in rural areas^c increased to 46,859 (2021 baseline: 33,726)</p>	Effectiveness Monitoring Reports
<p>Outputs</p> <p>1. Crystal's capacity to lend to WMSMEs increased</p> <p>2. Crystal's climate related and rural WMSME portfolio expanded</p> <p>3. Gender equality in Crystal's operations improved</p>	<p>By 2025:</p> <p>1a. Full subscription of approximately GEL27 million in a gender bond issued by Crystal (2021 baseline: 0)</p> <p>1b. Annual disbursement to WMSMEs increased to \$78.0 million (2021 baseline: \$38.5 million)</p> <p>1c. At least 80% of Crystal branch managers trained on how to better serve WMSMEs (2021 baseline: 0%).</p> <p>2a. Share of loan portfolio to WMSME borrowers in rural areas increased to 25.0% (2021 baseline: 23.1%)</p> <p>2b. Share of loan portfolio to climate related WMSME investments increased to 3.3% (2021 baseline: 1.4%)</p> <p>2c. At least 2 capacity development events targeted at WMSMEs on green technologies or green financial products organized by 2025 (2021 baseline: 0)</p> <p>3a. At least 3 internal communication pieces that promote advancing gender equality at Crystal disseminated by 2025 (2021 baseline: 0)</p>	1–3. Crystal's Annual Development Effectiveness Monitoring Reports

^a WMSMEs are defined as Crystal's clients with loans applied by, disbursed to, and signed by woman for a business which is the main source of repayment of her loan as per the loan application. This definition excludes loans to women whose main source of repayment for the loan is a formal salary, remittances or other sources of non-business-related income.

^b Climate-related loans are loans extended by Crystal mainly for i) renewable energy such as solar power; ii) energy efficient buildings and household improvements with appliances and products which reduce or avoid carbon dioxide emissions; iii) clean transportation such as hybrid or electric vehicles; and iv) drip irrigation systems.

^c Rural is defined as outside the cities of Georgia.

Source: Asian Development Bank.