

Unlocking **LOCAL CAPITAL**  
Strengthening **LOCAL RESOURCES**  
Benefitting **LOCAL PEOPLE**  
Geographic Reach **South Africa, Eswatini, Zambia, Malawi, Mozambique**



# Vision, Mission and History

# SHARED INTEREST

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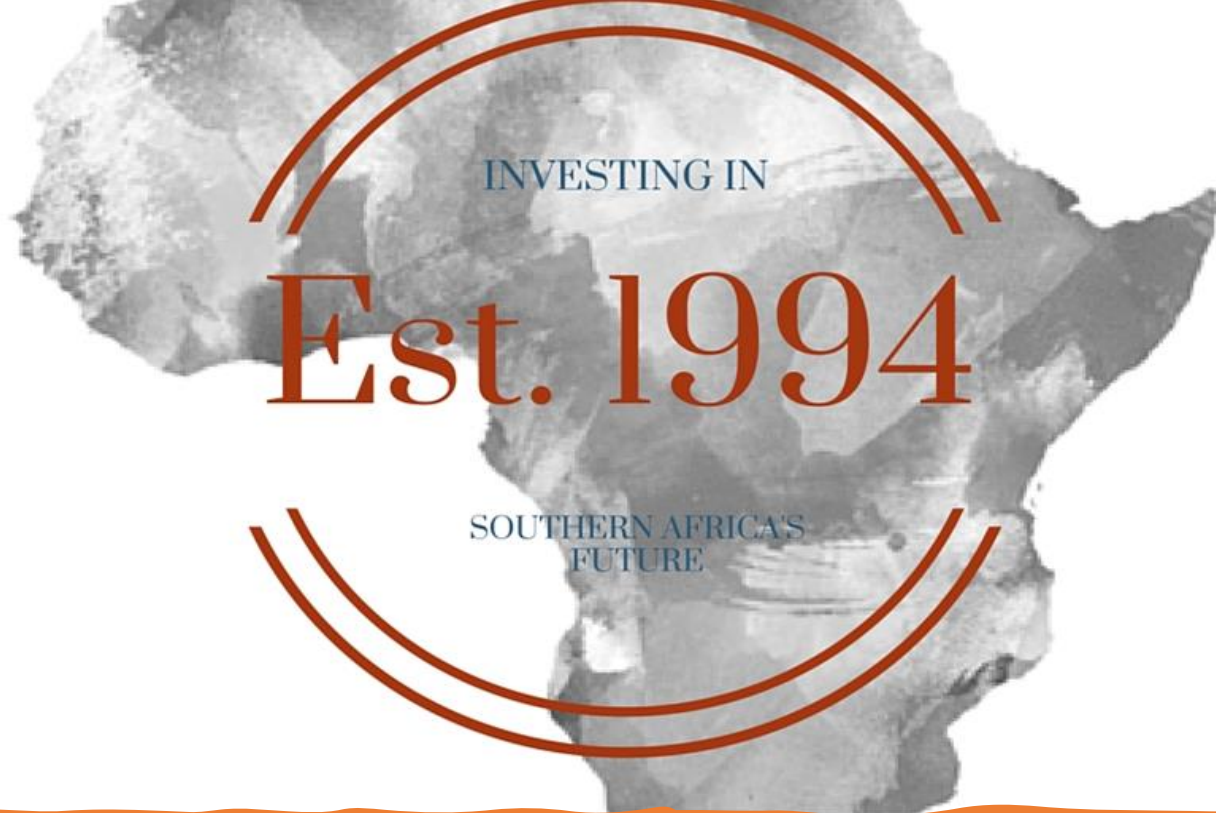
INVESTING IN SOUTHERN AFRICA'S FUTURE

## ***VISION:***

Shared Interest envisions just and vibrant Southern African nations that eliminate disparities, uphold their peoples' basic human rights and serve as models of economic justice

## ***MISSION:***

Shared Interest mobilizes the resources for Southern Africa's economically disenfranchised communities to sustain themselves and build equitable nations.



Founder: Donna Katzin

# History

In 1994, Donna Katzin and other U.S. anti-apartheid activists and socially responsible investors came together to establish Shared Interest as a non-profit guarantee fund to help reverse the legacy of apartheid.

Shared Interest was established to provide investors and donors with a catalytic vehicle to invest in the newly democratic South Africa by unlocking local capital and empowering black women entrepreneurs and other small and medium-sized enterprises (SME) as engines of economic growth and inclusive development.

The enduring vision that drives our organization – then and now – is to support sustainable solutions to address the region’s growing economic inequality and to foster long-term growth, promote systems change and achieve measurable impact for the black and economically disenfranchised communities we serve in Southern Africa.

# SI's board and management are increasingly diverse — racially and geographically with leaders from Southern Africa

## Board of Directors



## US & Africa Staff and Program Team



# Priorities, Business Model and Impact

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## SHARED INTEREST WORK AT A GLANCE

Shared Interest raises capital from social impact investors to guarantee Small and Medium-Sized Enterprise (SME) loans and receives donations from the philanthropic community to provide technical assistance to SME lenders.

Shared Interest provides capacity-building technical assistance to marginalized SMEs, particularly those that are black-owned and women-led, and serves as a loan guarantor.



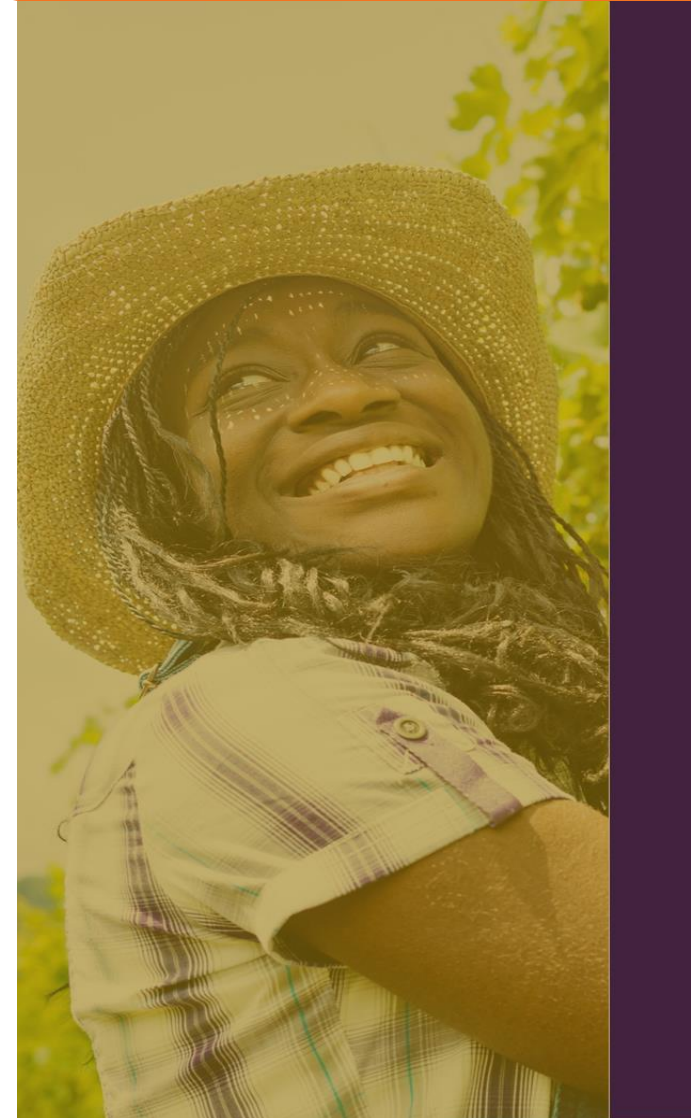
Nearly \$34 million in guarantees issued



Unlocking \$131 million in local capital for SMEs



Benefitting more than 2.3 million black and economically disenfranchised Southern Africans



# Shared Interest Guiding Star: Looking Ahead

After 29 years  
of effective work...

Plan 2020 will achieve its guiding star by  
working with 10 commercial lenders in  
5 countries.

Benefitting 100k Black and  
economically  
disenfranchised Southern  
Africans



60% of whom are women and youth.



# SI Recommended Updates to Strategic Plan



1 Deploying between \$8 to \$11 million in new guarantees for SMEs that are driving community impact in our thematic focus areas: agriculture, women, climate, etc.

2 Investing in human resources to scale the impact of our new model's program design, monitoring and evaluation

3 Launching a targeted advocacy platform to support our work and establish SI as a financial inclusion thought leader for black-owned SMEs in our countries of focus

4 Implementing SI's Racial Justice Resolution, framework to increase SI's impact

5 Developing a 30th Anniversary campaign to raise awareness of SI's strategic programs and priorities

6 Developing updated metrics to measure organization

# SI Board Approved Racial Justice Resolution and Framework

In November 2020, the Shared Interest Board passed a Racial Justice resolution to redouble its commitment to this work by examining how we could increasingly apply racial justice values and anti-racist strategies to advance our mission and programs – internally and externally. This resolution is being implemented through our Racial Justice Framework adopted in 2022.

## Racial Justice Framework and Core Elements

*SI's specific areas of focus within our racial justice framework are economic empowerment of black and economically disenfranchised Southern Africans (particularly women) and promoting systems change. These core elements will drive the implementation of our racial justice resolution.*

**Understanding and acknowledging racial history and its impact on SI's work**

**Advocating for an affirmative economic vision that calls for a fair and inclusive society**

**Mobilizing resources and technical assistance that builds the disruptive economic, civic and cultural power of SI beneficiaries and partners**

**Emphasizing transformative economic solutions that contribute to systems change, financial inclusion and vibrant ecosystems for black-owned SMEs**

# Shared Interest focuses on high-impact sectors that benefit marginalized communities



## Agriculture / Food Security

Smallholder farmers are underserved by the formal financial sector. Shared Interest has historically dedicated ~60% of its portfolio to these borrowers, helping them invest in productivity, scale, and technology



## Women and Gender

Women-owned businesses face formal and social barriers to accessing finance. Businesses that disproportionately employ and/or benefit women are vital to lifting household and community livelihoods



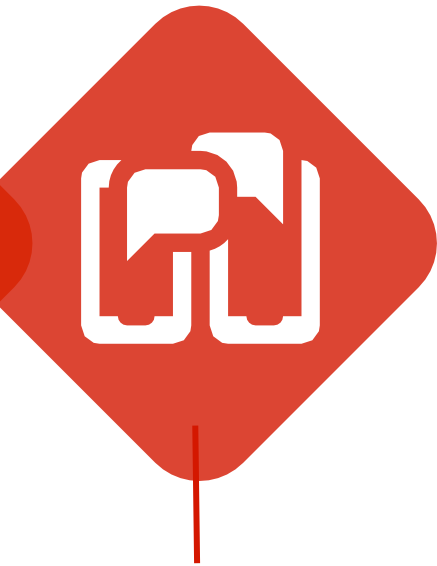
## Climate Change

Vulnerable communities, which have been particularly burdened by climate change, need solutions and technologies to build resilience and prevent further damage to the environment



## Social Enterprise

Entrepreneurs in Southern Africa are building enterprises that can do good while doing well, especially by serving base-of-pyramid communities with innovative technologies and business models.



## Financial Technology

New technologies are improving poor consumers' access to a range of formal financial services. Many of these are complementary to commercial credit, our primary focus.

# High-Impact Advocacy Partnerships

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# Shared Interest – Together Women Rise Partnership

The Shared Interest-Together Women Rise partnership has supported high-impact opportunities to economically empower women in Malawi. Shared Interest was a Featured Grant recipient in 2020 and most recently a recipient of a Transformation Partnership Planning Grant in 2022. This latest grant aligns with our Board-approved Racial Justice Resolution, Framework and Advocacy goals and supports a pilot to reduce the gendered gap in access to financial services in Malawi that policy goals have fallen woefully short of addressing.

## Systems Change Planning Goals:

- **Scaling up adoption of Movable Collateral Registries**
- **Implementing Borrower-driven changes to lender policies and products that meet the unique needs of women entrepreneurs**



# Background on SME Finance Environment in Malawi

- **MSME Definition:** Based on the Micro and Small Enterprise Development Policy and Strategy 2016.
- **Enterprise Distribution:** 74% micro-enterprises, 23% small enterprises, and 3% medium enterprises.
- **Women Ownership:** 84% of microenterprises are owned by women.
- **Turnover Distribution:** 32% fall into the micro-turnover category (US\$ 6,098 per year) with an average of US\$ 5,957.
- **Contribution to GDP:** Malawi's MSME sector contributes 40% of the total GDP.
- **Government Recognition:** Micro, Small, and Medium-Sized Enterprise Policy 2019 and Malawi 2063 Vision guide the business environment for MSMEs.
- **Registration and Licensing:** 89% of MSMEs were neither registered nor licensed, 7% registered, and 10% licensed.
- **Tax Compliance:** MSMEs are income tax, 22% municipality tax, and 40% Value Added Tax (VAT) compliant.
- **Female Ownership:** 46% of MSMEs are owned by females.
- **Business Spread:** 69% trading, 17% farming, 4% manufacturing, 1% agro-processing, 3% natural resources and mining, 1% business services, 0.3% construction, and 0.4% tourism.
- **Employment:** The sector employs nearly 2 million Malawians, generating MWK 11,771 billion (USD 15.8 billion) in revenues and MWK 5,066 billion (USD 6.8 billion) in profits in 2019.
- **Value Additions:** Formal and informal businesses contributed MWK 2,682 billion (USD 3.6 billion) and MWK 2,384 billion (USD 3.2 billion), respectively.
- **Business Owners:** 64% operate in the wholesale and retail sectors, 23% in primary agricultural activities, 4% in business services, and 5% in community or household services.
- **Developmental Challenges:** Key structural macroeconomic challenges identified in the MAP Micro, Small, and Medium Enterprise Diagnostic Report 2019.

# Common Gender Norms

- Women-owned enterprises should only grow large enough to support the family
- Women's business activities should never impose on household commitments
- Women should take out loans for household needs only
- Married women should seek approval from their husbands on all financial decisions
- Women should not have control over household savings and assets
- Women should not hold assets in their own names
- Women should perform lower paying jobs or accept lower pay for the same work
- Women generally lack the skills to successfully manage a business




**These norms affect women's ability to seek loans and lenders' willingness to provide them. Bank employees themselves are also influenced by these beliefs, which factor into their behavior and decision-making, from loan approval and pricing to service level and relationship management.**


*Sources: GIZ, UNCDF, EU RBA Joint Programme on Gender Transformative Approaches for Food Security and Nutrition), University of Malawi, CGAP FinEquity*

# The SI/Together Women Rise Partnership Will Support Critical Systems Change in Malawi for Women Borrowers


## Macro-level interventions




Asset / movable collateral registries



- Implemented successfully in Ghana, these systems allow women to use property they own (livestock, etc.) as collateral



- Multi-pronged strategy including:



- Educate key sector actors, from bank CEOs to gov't officials, and understand their questions/concerns
- Advance at the policy level (model legislation)

## Institution-level interventions

### Borrower-driven strategies to improve accessibility of financial services/credit

- Translation/simplification of literature, application materials, website
- Product development and targeted marketing of new offerings
- Training and hiring of women employees (esp. credit officers) and dedicated processes to evaluate women's businesses & creditworthiness



# Outcomes and Approach

As a planning grant, the project's outcomes are oriented toward the identification of information and creation of partnerships needed to lay the foundation for successful Phase II implementation, including:

- Financial, government, and other stakeholders recognize and identify key barriers to use of MCRs
- Data analysis/research provide better understanding of factors in MCR success & benefit to women
- Women's feedback on barriers to financial services is persuasive in engaging lenders to make change
- Lenders and other partners buy-in to proposed interventions to improve women's access to finance

We are working closely with borrowers through the use of focus groups, interviews, and surveys, and have used these tools to evaluate their perspectives on the process. We will keep close track of partnership development, as those relationships will be critical to the success of Phase II, and we are keeping a comprehensive record of insights collected and that data has been synthesized to validate hypotheses and formulate strategies for change.

ACTIVITY	OUTCOME	CRITERIA	DATA MANGEMENT
Research and evaluation of MCRs	Successes, failures, causes, impact to women identified	Legislation and policy analyzed and compared across countries	Project mgr review monthly & at completion
Consultation with stakeholders	Malawi-specific factors discovered, partnerships built	Key parties from each sector consulted, hypotheses tested	Interview guides, final summary of learnings
Creation of theory of change and future action plans	Highest impact, most feasible interventions selected and planned	Conclusions from data, interventions ranked, partners engaged	Scorecard/ranking system, draft Ph. II program approach
Work with lenders	Lenders' views and current activities for women assessed	All key lenders engaged and share key data and insights	Summary and detailed reports for each lender
Collect women's feedback	Women provide data on past experience and ways to improve	Broad sample of women consulted using quant. and qualitative tools	Ongoing process, analysis or report on each tool used
Generate recommendations and future plans	Sector-wide and lender-specific recs generated	Feedback incorporated into key deliverables and shared with lenders	Lender audits, sector report card, and Ph II. partners

# Methodology

## Movable Collateral Registries

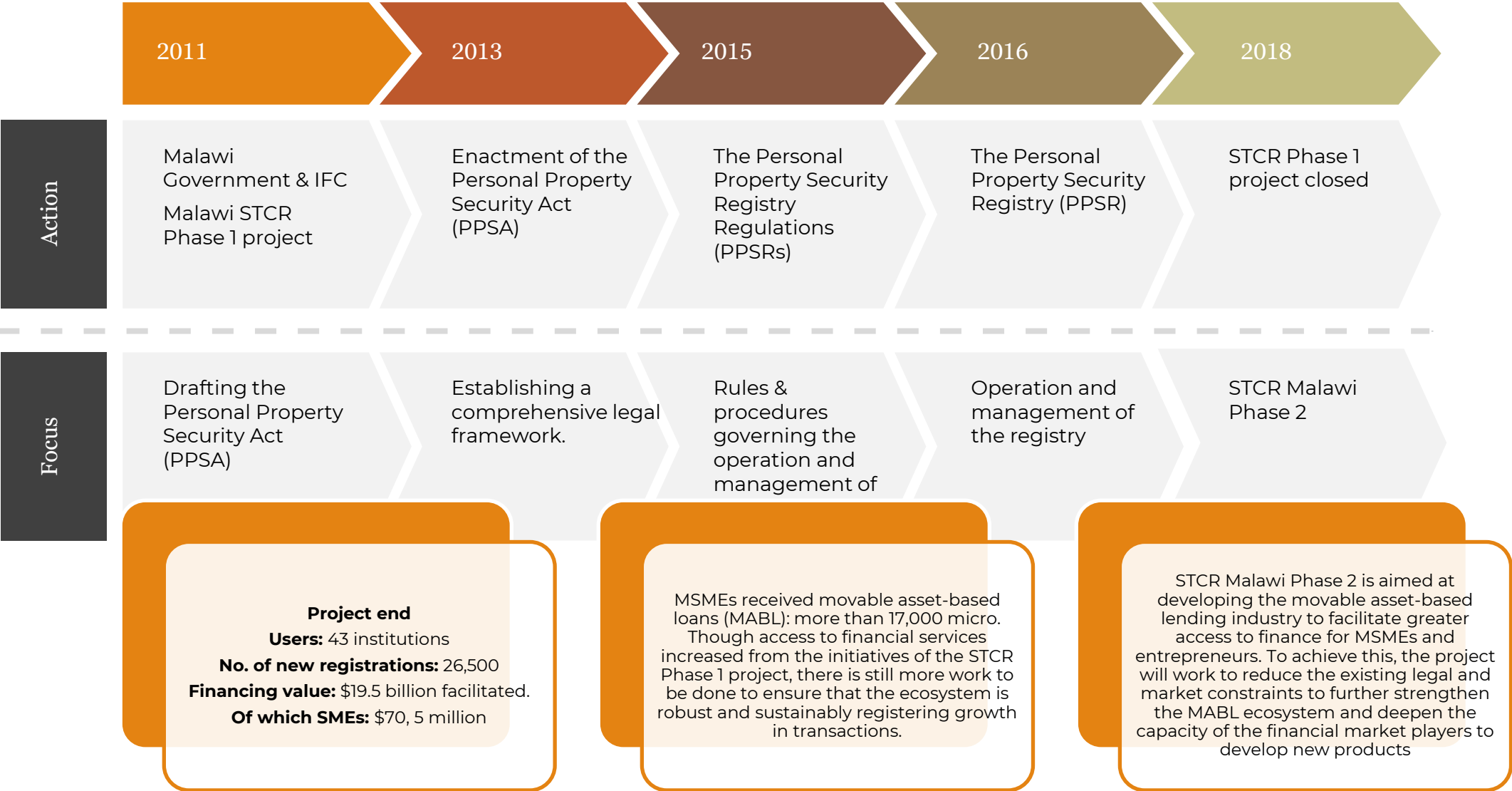
METHOD	ACTIVITIES	TIMING
Research and evaluate MCRs implemented to date in Malawi and elsewhere	<ul style="list-style-type: none"> <li>Review Malawi's Personal Property Security Registry System and evaluate barriers to adoption</li> <li>Review Personal Property Security Act, 2013, and Regulations, 2015, from Malawi and Act 1052, Borrowers and Lenders Act of 2020 from Ghana</li> <li>Compare policies of Ghana, Liberia, Mozambique, Rwanda, and other MCRs, identify the most successful, impact on women, and cause of success.</li> </ul>	Jan-Mar '23
Consult with stakeholders and analyze data to validate hypotheses	<ul style="list-style-type: none"> <li>Consult local experts on history and context of Ghana and Malawi MCR programs, i.e., advocacy process, drafting of new laws, public reception</li> <li>Engage local counsel to evaluate Malawi's regulations, legislation, and system for barriers to adoption</li> <li>Consult stakeholders (bank leadership, government representatives, community groups) to understand why MCR hasn't worked, especially for women</li> </ul>	Apr-Aug '23
Create theory of change and action plan addressing challenges	<ul style="list-style-type: none"> <li>Summarize and rank factors behind poor adoption, actors responsible for each, and change drivers that could impact or improve current conditions</li> <li>Assess feasibility, cost, timeframe, chance of success, and magnitude of impact for proposed interventions</li> <li>Design program of work II based on the above analyses, enlisting partners (where feasible) to share duties</li> </ul>	Sep-Dec '23

## Borrower-driven change

METHOD	ACTIVITIES	TIMING
Work with lenders to gather data and identify partners	<ul style="list-style-type: none"> <li>Meet with division leaders (Head of Credit, Retail Banking, Marketing) at Malawi's 11 major lenders* to gather data and assess attitudes re: women's access</li> <li>Identify institutions open to implementing policy and product changes and leaders conscious of obstacles imposed on women.</li> <li>Catalog existing initiatives focusing on women and evaluate commercial success and impact success</li> </ul>	Jan-Mar '23
Collect and distill women's feedback and insights	<ul style="list-style-type: none"> <li>Conduct interviews and focus groups with past SI borrowers, women's groups, accelerators/incubators, and others on women's experiences interacting with the financial sector and barriers to entrepreneurship</li> <li>Collect and test suggestions for specific product and process improvements to broaden accessibility and meet women's needs by workshopping them with borrowers, conducting additional focus groups, and administering larger surveys to gauge ideas' popularity</li> </ul>	Apr-Aug '23
Generate assessments, recommendations, and plans for implementation	<ul style="list-style-type: none"> <li>Use learnings and existing research to create a 'report card' on individual lenders and the sector broadly, accompanied by a list of suggested changes (new products, rural outreach, streamlined processes)</li> <li>Discuss these deliverables with major lenders and develop customized recommendations for financial institutions that show interest in implementing them</li> <li>Develop Implementation Plan with target lenders to roll out new strategies, iterating directly with women to incorporate feedback and ensure appropriate design</li> </ul>	Sep-Dec '23

# MOVABLE COLLATERAL REGEISTRIES

The Malawi’s Personal Property Security Registry System (MPPSR) is a web-based collateral registry that was launched by the Department of Registrar General (DRG) in the Ministry of Justice and Constitutional Affairs. Its purpose is to provide a registration facility for lenders interested in taking collateral as security. It is used to both search if the proposed collateral has an existing security interest registered against it and to register lenders’ security interest against that collateral to protect their priority status as outlined in the Personal Property Security Act .



# Study Findings

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# MOVABLE COLLATERAL REGEISTRIES – DEMAND SIDE

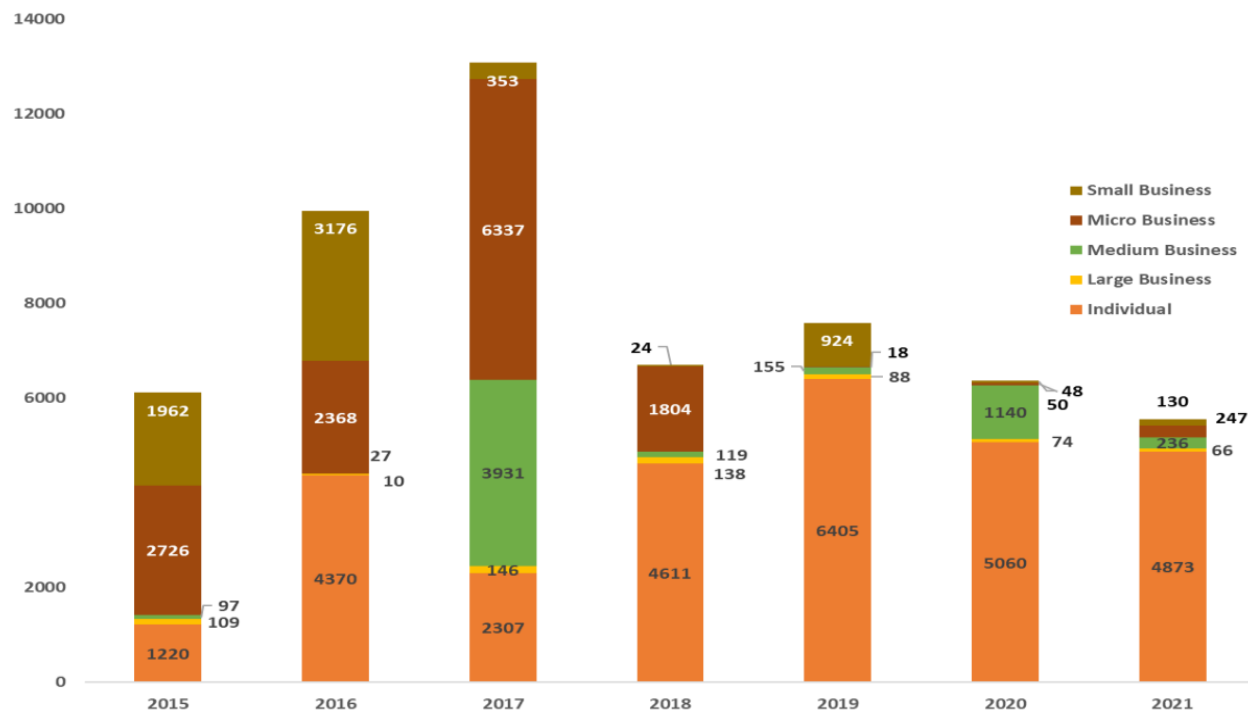


Figure 4. MSME access to MABL (Source: Malawi Registry IFC unpublished database)

Category	MSMEs	Large corporations/salaried individuals
% of women making up	49%	51%
Registered transactions	48%	52%
Transactions for women	5%	95%
Women with access to MABL	27%	71% individuals 2% large
Reasons	lack of acceptable collateral high transactional costs	considered by financial institutions to be less risky strong balance sheets guaranteed monthly income
Main source of credit	MFIs, SACCOs, Informal sources (e.g.VSLAs)	
Survey respondents	Banks reluctant to accept alternative moveable assets e.g. kitchen utensils, furniture, crops, and livestock besides motor vehicles	
Balance Sheet	largest number of creditors	greatest share in loan value

- Challenges:**
- High levels of financial illiteracy amongst MSME business owners;
  - Lack of skills to develop bankable business plans among MSMEs;
  - Lack of business registration and licensing;
  - Lack of business management skills;
  - Lack of saving culture;
  - Lack of access to financial services
  - Lack of property rights for women.

# MOVABLE COLLATERAL REGISTRIES – SUPPLY SIDE

## Challenges

Challenges include internet downtime affecting register efficiency

1.5% stamp duty cost

Lack of payment gateway

Collateral identification and valuation expertise

Collateral management challenges

Loan agreement violations

lack of awareness

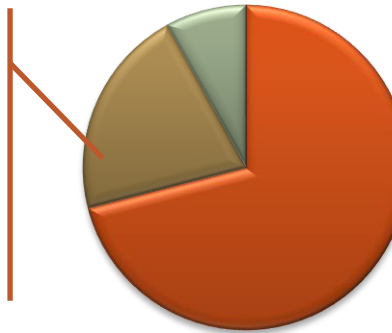
Rigid manual systems.

Thin secondary markets

Low patronage by MFIs and SACCOs contribute to challenges in asset disposal.

## Gender-based loan distribution

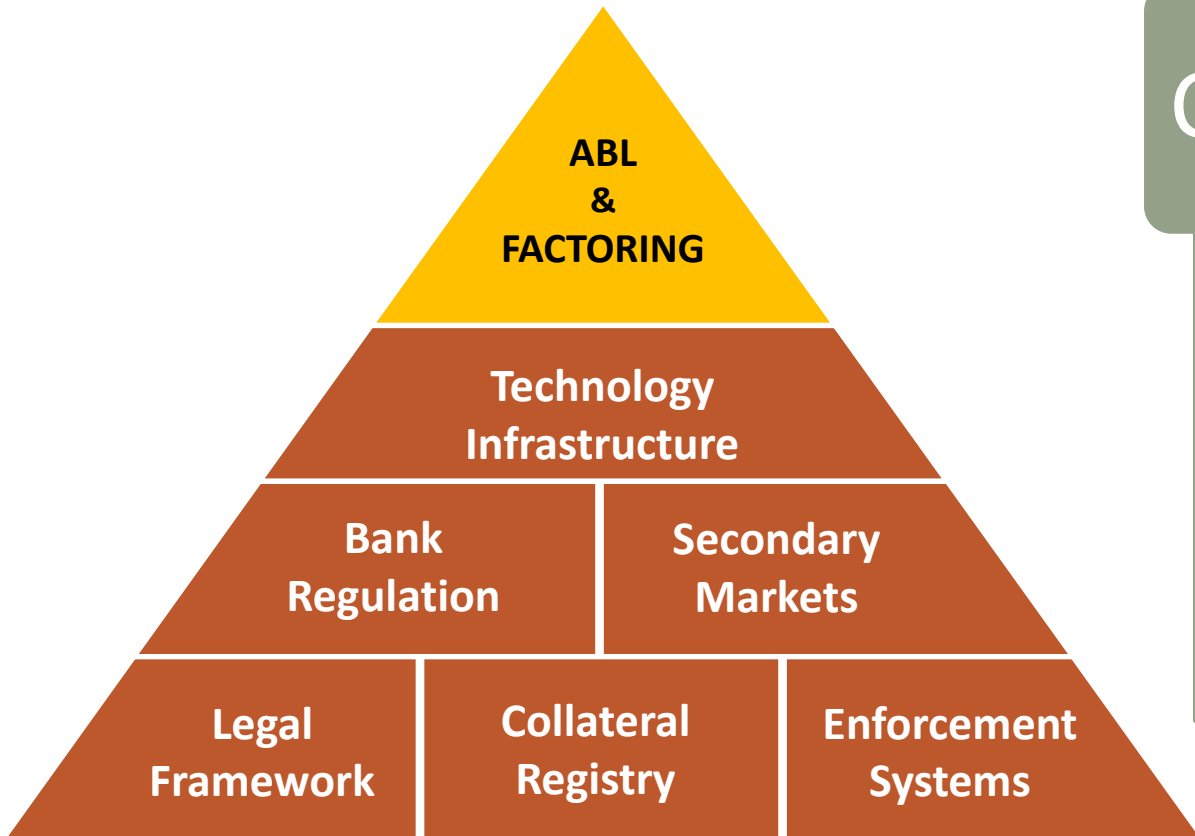
This suggests that Financial Institutions perceive women-owned businesses as riskier borrowers



■ Individuals ■ MSMEs ■ Large

	BANKS	MFIS	SACCOs	
<b>Total loan value</b>	97.6%	2%	0.4%	
<b>Number of borrowers</b>	27%	65%	8%	
<b>Participation of Institutions in MABL</b>	All	Few	Few	
<b>Dominance in MABL by Institutions</b>	Loan values	Number of transactions	Number of transactions	Banks have fewer clients with larger loan sizes, while MFIs and SACCOs have many borrowers with smaller loans.
<b>Collateral Composition in MABL</b>	motor vehicles,	alternative collaterals.	alternative collaterals.	Reasons for banks favoring motor vehicles include lack of secondary markets, fluctuating values, and absence of insurance cover.

# The Enabling Environment



## Challenges

PPSR Act  
Stamp duty increases cost making it unaffordable for small businesses - limited usage

There is a lack of integration of systems which support MABL such as the PPSR, Micro-finance Hub and National Registration Bureau.

## Solutions

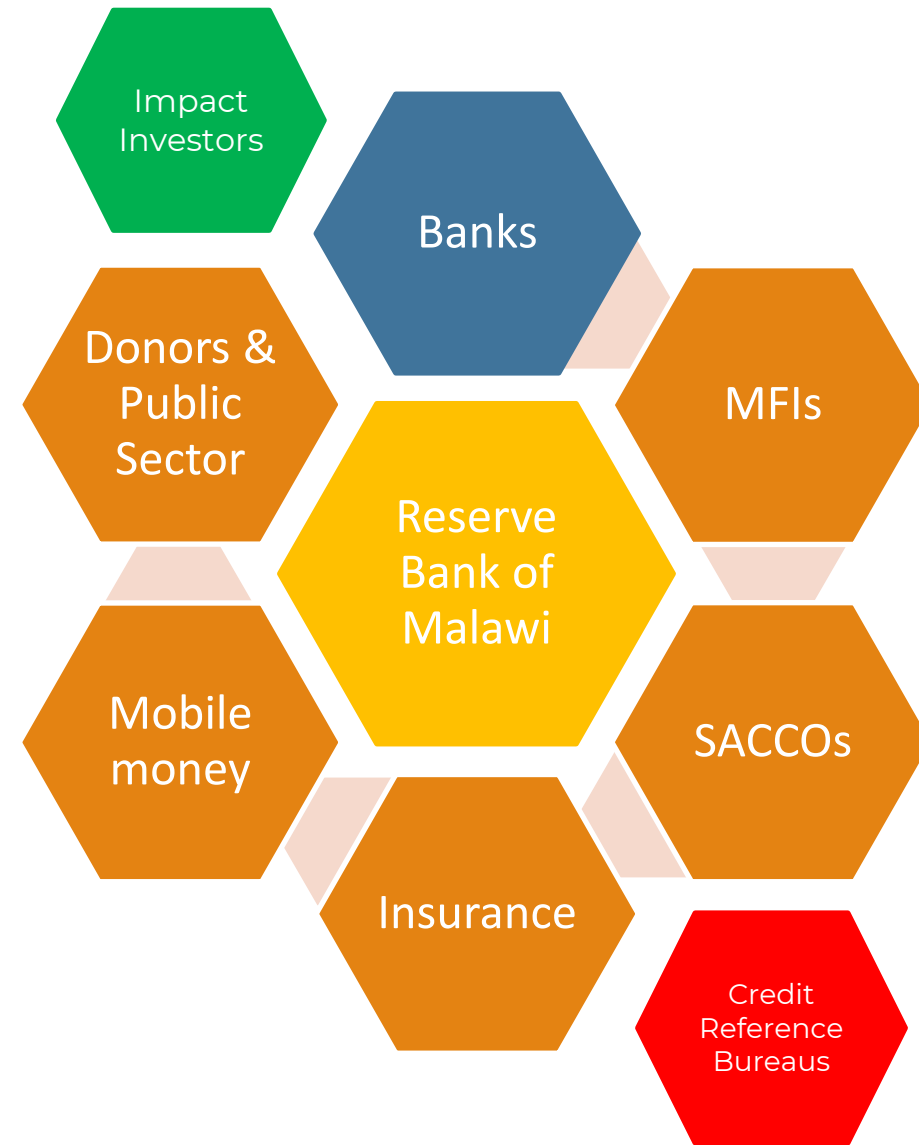
Removal of stamp duty on specific assets such as household items, livestock and crop inventory

This will help speed up the registration process of notices of security interests and reduce the cost of credit for MSMEs who rely on such assets. .

# BORROWER-DRIVEN CHANGES TO LENDER POLICIES & PRODUCTS

Existing Formal and Informal Financial Support Mechanisms among Farmers, FBOs and SMEs in Malawi Strengthening Inclusive Markets for Agriculture Project that the financial sector in Malawi has membership bodies that play important roles in representation, advocacy, capacity building, and promotion of financial inclusion. These membership bodies include:

- Bankers Association of Malawi (BAM) for commercial banks;
- Malawi Microfinance Network (MAMN) for microfinance institutions;
- Malawi Union of Savings and Credit Cooperatives (MUSCCO) for Savings and Credit Cooperatives; and
- Insurance Association of Malawi (IAM) for Insurance companies)



Malawi Financial System





## Financial Institution Barriers to Women

- Most financial institutions are gender blind at best neutral concerning treating women borrowers.
- Most Banks and MFIs do not have specific products for women
- Certain MFIs have a special focus on women borrowers.
- MFIs and SACCOs acknowledge the advantages of borrowing women which include:
  - They usually have high repayment rates
  - More organized socially compared to men.
- Some MFIs such as Vision Fund Malawi, CUMO and Microloan Foundation have deliberated policies for lending to women. Their policies stipulate the percentage of women to be in a group.
- Given their propensity to participate in collective action, women tend to borrow as a group rather than as individuals.
- Group lending is one of the products which have been developed by MFIs to serve women-owned MSMEs, these groups have more than 95% repayment.

# Loan Products

Overdraft

Working Capital Loans

Warehouse  
facility loans

Insurance  
Premium  
Finance

Asset Finance  
loans

Capital  
expenditure  
loan

Business  
revolving  
loans

Short- and  
Medium-term  
business  
loans for SME  
and large  
enterprises

Leasing  
facilities loan

Value  
addition loan

Farm  
Infrastructure  
and  
Implements  
loan

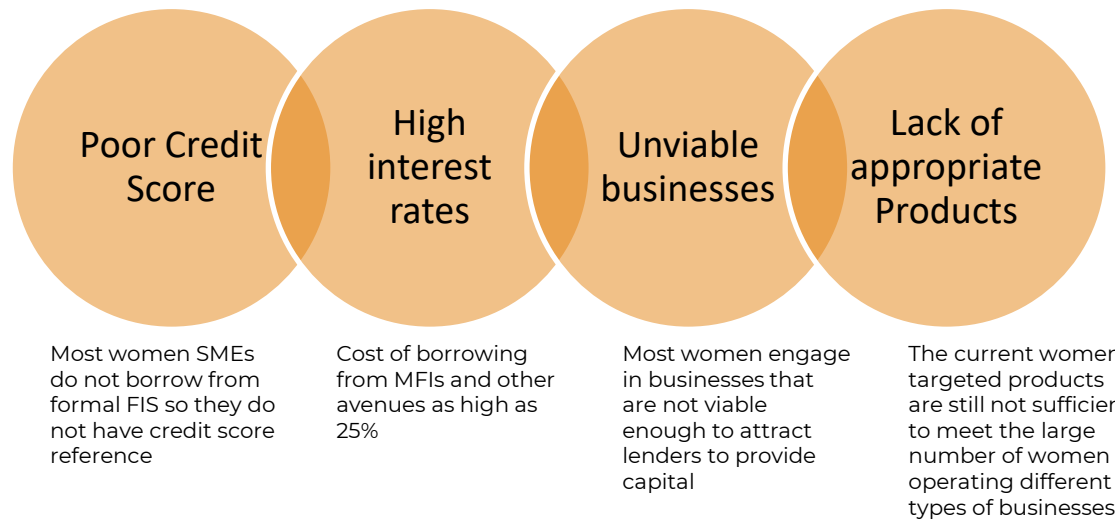
Banks are located in urban centres of Malawi and because of long distances, they are not easily accessed by the rural masses who by the year 2020 formed 81.5% of the Malawi population

# Assessing Women's Access to Financial Services/Credit

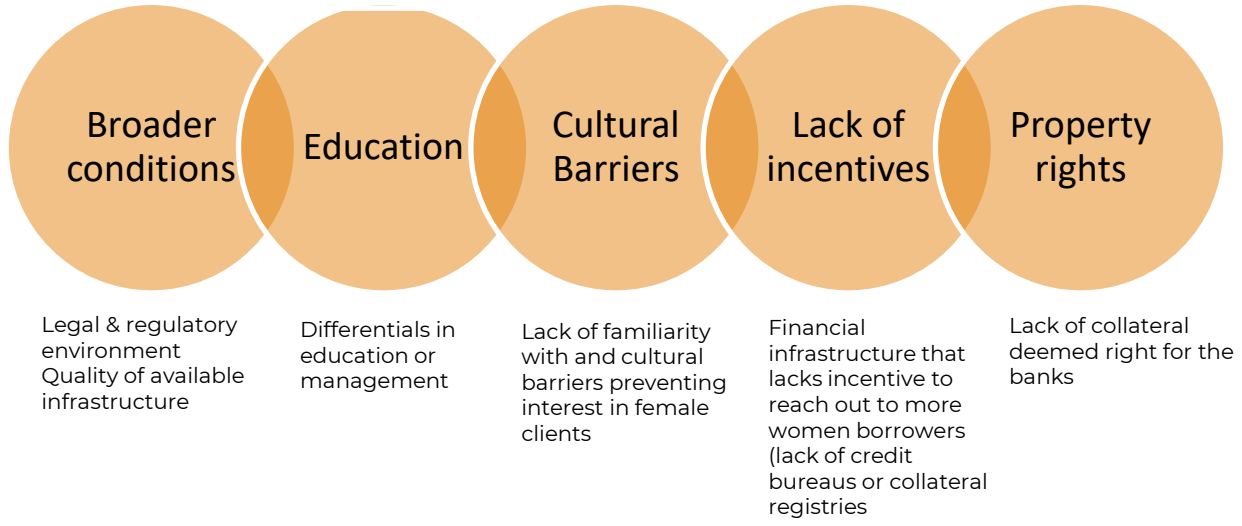
Category	Female-headed households	Male-headed households
Loan Access	3.6%	7.1%
Own-savings from agriculture	28%	34%
Informal Lender Dependency	rely more on informal lenders Puts women at risk of harsh lending conditions and sexual violence.	
Family and Friends Loans	8% (initial funding)	4%
Individual loans	Women less likely to take individual loans for various reasons. they do not consider themselves likely to qualify for loans from financial institutions	
Bank Account	less likely to open bank accounts in the formal financial sector	
Alternative Financial Services	Village Savings and Loan Associations (VSLAs).	



## Financial Barriers



## Non-Financial Barriers

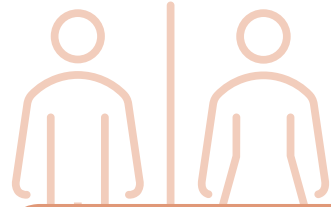


# Women Credit Facilities



**FDH Bank**  
**Amayi Atakate**

Women SMEs to increase working capital to grow their businesses



**NBS Bank**  
**Bank Pafupi**

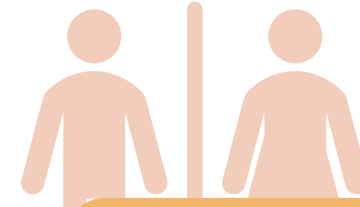
Mobile savings account for low-income people in rural areas especially women with no previous access to a bank account

**Chipelengano loans**  
Women Groups



**National Bank**  
**Amayi Angathe**

Women owned business with annual turnover of K50 million



**Centenary Bank**  
**Business Itukuke**

MSME owners access to finance in groups for capital expenditure and working capital



**CUMO Finance**

Masika Loans  
MSMEs in groups for working capital



**Vision Fund**

Tayamba Loans  
Start-up capital to grow MSMEs

# Shared Interest Stakeholder Convening

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# Event Name: Driving sector-wide adoption of practices that remove gender-based barriers to credit and financial services

**Date:** Thursday, 27th October 2023

**Time:** 09:30 - 11:30

**Location:** Lilongwe, Malawi

**Event Goals and Objectives:** Identify the most impactful interventions to drive our desired changes in the financial system. Those are:

Driving adoption of movable collateral registries with usage at gender

- Comprehensive slide-deck and materials provided by the Office of the Registrar General and the IFC (Secured Transactions Collateral Registry (STCR) Diagnostic Report), the custodians and implementing partners of the MPPRS respectively



Implementing borrower-driven changes to lender policies and products

- Presentation by MAIIC Acting CEO



Borrower Perspective

- LenzieMill Milling Limited Founder & CEO

**Specific objectives:** Facilitate discussions among key stakeholders to support the main objectives

- **Media Coverage:** Videography, photography, DJ/MC services, projector screen for presentations, live-stream link
- **Outputs:** Video, photographs, report



# Discussants



## Government of Malawi

Reserve Bank of Malawi  
Department of the Registrar General  
Ministry of Finance

## International Organisations

World Bank  
USAID  
Foundation for a Smoke-free World

## Financial Institutions

FDH Bank  
MAIIC  
Tradeline Corporation Limited  
Community Finance (CoFi) Limited

## International Organisations

World Bank  
IFC  
USAID  
Foundation for a Smoke-free World

## Community Partners

COMESA Federation of Women in Business - Malawi Chapter  
Joyce Banda Foundation International (JBFI)  
Market Women Activities Initiative (MWAI)  
Agricultural Transformation Initiative (ATI)  
Centre for Agricultural Transformation (CAT)  
National Smallholder Farmers Association of Malawi (NASFAM)  
International Womens Association of Malawi (IWAM)  
Network for African Business Women (NABW)  
African Women in Agribusiness (AWAB)

## SMEs

Greenleaf Investments  
MAGWAZ Physiotherapy and Life Coaching  
CDI Holdings Limited  
MARS Photography  
Warm Heart Football Foundation  
Inu Ndi Ife  
Dream Pictures  
Homesphere  
Summer Jam Gardens  
Le Jardin  
Bespat Enterprise  
TnT Decor

# Break-out Session Feedback Reports

## Group 1



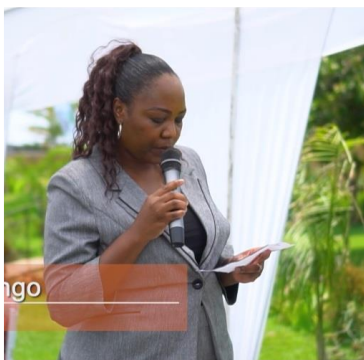
- 70% of MFI financing goes to smallholder farmers (groups, association & cooperatives)
- Very difficult to use the MPPSR system
- Lack of a secondary market for the asset types typically held by Smallholder farmers
- Asset registration & identification are key challenges especially on repossessed assets
- Motor Vehicles assets are easier as there is integration with Directorate of Road Traffic
- Lack of financial literacy in SMEs

## Group 2



- Challenges like collateral disappearing  
Fake land titles
- Moral hazard
  - Complicated area from bank side to find comfort in the security registered under MPPRS
  - 1% charge on property from the Malawi Law Society
  - Costs are high
  - Find alternative collateral like warehouse receipts
  - One size fits all does not work as the needs of MSMEs are very different to bank's traditional borrowers
  - Best solution for SMEs would be blended finance (TA, grant, part commercial)
  - SMEs need to put skin in the game
  - EIB Euro12 million 50% PCG cover from EIB is targeted to larger borrowers. It is provided through FCB and Ecobank is finishing soon and hopefully banks like MAIC can get a portion when it is renewed

## Group 3



- Need for stakeholder collaboration (insurance, government, Directorate of Road Traffic)
- Traceability of assets

## Group 4



- Capacity of borrowers regarding asset quality dictated by banks
- Banks need to consider the alternative assets owned by rural borrowers
- Most of the clients on the MPPSR platform are from banks and not MFIs
- MPPSR charges are exorbitant
- Lack of knowledge of the existence of the MPSSR

## Group 5



- What criteria is used by SI to assess the 75% PCG
- Lack of awareness
- How is the risk managed under MCR
- Is it easy to get funding for just business ideas without anything else?
- When banks provide equity are they getting involved
- in the operations of the organisation?

## Group 6



- The presentations are an eye-opener
- Looking forward to receiving more literature on these discussions
- Banks give SMEs a lot of run around. SMEs miss opportunities or get money when the opportunity is gone and they misuse the funds
- Banks need to communicate their position regarding credit applications



# Validation of hypothesis through Stakeholder Engagement

Targeted areas of the gendered gap in access to financial services, in which we feel that policy goals have fallen short in the actual implementation or there is a need to better reflect the voices of women in the process of change:

# 1

## **Driving adoption of movable collateral registries with usage at gender parity or better**

Enabling women to reap the benefits of recently implemented legal and regulatory structures (movable collateral registries and redesigned laws regarding personal property) specifically designed to eliminate the gender bias inherent in banks' current collateral and lending practices by transforming attitudes and practices necessary to drive their adoption and routine use.

# 2

## **Implementing borrower-driven changes to lender policies and products**

Helping lenders realise that by perpetuating exclusion of women through systems, products, and services that create barriers and reinforce harmful gender norms, they are neglecting a valuable market opportunity, and spurring them to create new processes and design new offerings that incorporate women's preferences and needs.

# Shared Interest Recommendations

## Scaling up adoption of Movable Collateral Registries and Borrower-Driven Loan Products for Women

Initiative	Key Actions
<b>Plan for MPPSRS Uptake in Malawi</b>	<ul style="list-style-type: none"> <li>➤ Lobby for improvements to the existing system</li> <li>➤ Provide targeted training to lenders.</li> <li>➤ Conduct outreach to women to increase awareness and utilization.</li> </ul>
<b>Lobbying for System Improvements</b>	<ul style="list-style-type: none"> <li>➤ Advocate for policy changes</li> <li>➤ Streamline procedures.</li> <li>➤ Enhance functionality and accessibility.</li> <li>➤ Work with government agencies and financial institutions</li> </ul>
<b>Training for Lenders</b>	<ul style="list-style-type: none"> <li>➤ Ensure thorough understanding of MPPSRS.</li> <li>➤ Equip lenders with knowledge and skills.</li> <li>➤ Focus on collateral search, asset assessment, and integration into loan evaluation.</li> </ul>
<b>Outreach to Women</b>	<ul style="list-style-type: none"> <li>➤ Increase awareness of MPPSRS</li> <li>➤ Target women entrepreneurs and MSMEs</li> <li>➤ Provide information about registry benefits and registration process.</li> <li>➤ Address specific needs and concerns of women.</li> </ul>

Initiative	Key Actions
<b>Recommendations and Future Plans</b>	<ul style="list-style-type: none"> <li>➤ Integrate financial literacy training for MSMEs.</li> <li>➤ Improve financial record-keeping.</li> <li>➤ Implement credit guarantee schemes for MSMEs.</li> <li>➤ Bundle microinsurance with loans</li> </ul>
<b>Comprehensive Adoption Approach</b>	<ul style="list-style-type: none"> <li>➤ Raise awareness through targeted campaigns.</li> <li>➤ Provide capacity-building initiatives.</li> <li>➤ Simplify registration procedures.</li> <li>➤ Ensure accessibility to the registry platform.</li> <li>➤ Improve institutional support.</li> <li>➤ Create an enabling legal and regulatory environment.</li> </ul>
<b>Collaboration Among Stakeholders</b>	<ul style="list-style-type: none"> <li>➤ Involve government agencies, financial institutions, legal professionals, etc.</li> <li>➤ Overcome barriers and maximize registry benefits.</li> </ul>
<b>Holistic Approach to MSME Finance Challenges</b>	<ul style="list-style-type: none"> <li>➤ Address gender inequalities</li> <li>➤ Promote financial inclusion.</li> <li>➤ Strengthen legal frameworks for women's rights.</li> <li>➤ Provide targeted financial education and support.</li> <li>➤ Create an enabling environment for women's equal participation in economic activities.</li> </ul>



# TOGETHER WOMEN RISE

Collective action for global gender equality

We are grateful to Together Women Rise for its forward-thinking approach to Transformation Partnerships and for giving us the opportunity to present our proposal for your feedback and continued support. We hope to partner with you once again to create change and provide equal opportunity to women and girls. Thank you for your consideration.

