



## Special Series on COVID-19

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## Women's Financial Access in Times of COVID-19

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*Much has been debated on the potential impact of the COVID-19 pandemic on women's financial inclusion and the need for supportive policy actions (Azar and Mejía 2020, Schuttenbelt 2020, IFC 2020). However, evidence is scarce, partly due to lack of well-curated data in this area. This note reviews women's financial access during the COVID-19 pandemic—drawing on the latest data collected through the IMF's Financial Access Survey (FAS) and publicly available information on relevant gender-sensitive policies. The FAS data show that the number of borrowers declined both for men and women during the pandemic while deposit related indicators seem to have held up—which may to an extent reflect the impact of policy measures to maintain financial access. These findings are preliminary due to the limited sample size and the need to control for omitted variables. As more granular financial access data become available in the future, improved analysis could help to better tailor supportive policies.*

### MEASURING WOMEN'S FINANCIAL INCLUSION: FAS GENDER-DISAGGREGATED DATA

The gender gap in financial access<sup>2</sup> has important macroeconomic implications through its link to income inequality (Aslan and others 2017; Sahay and others 2018). Gender-disaggregated data from the [FAS](#) can offer a bird's eye view of the women's financial inclusion landscape before and during the COVID-19 pandemic. The FAS is a unique source of supply-side annual data on financial access and use, covering 189 jurisdictions.<sup>3</sup> It contains 121 time series, including gender-disaggregated data on 15 series which cover both access to and use of financial services provided by different types of financial institutions (Table 1). The FAS gender-disaggregated data has been collected annually since 2018. As of September 2021, 68 jurisdictions report gender-disaggregated data to the FAS even though data reporting is somewhat uneven with some data gaps.<sup>4</sup>

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<sup>2</sup> Financial inclusion is a multifaceted concept covering several dimensions (Espinosa-Vega and others 2020). This note focuses on access to and use of financial services as these are key pillars of financial inclusion.

<sup>3</sup> The FAS is available on the [FAS data portal](#). Some of the FAS indicators can be also accessed through third-party websites such as the World Bank [World Development Indicators Databank](#).

<sup>4</sup> Not all countries report all 121 time series to the FAS. About half of the FAS gender-disaggregated data reporters are low- and lower-middle income countries. For example, top reporters in 2021 are Guinea, Pakistan, and Zimbabwe (report all 15 gender-disaggregated series) and Bangladesh (10 series).

**Table 1: FAS Gender-Disaggregated Series**

Commercial banks	Deposit-taking microfinance institutions	Non-deposit taking microfinance institutions
Depositors and borrowers	Depositors and borrowers	Borrowers
Deposit and loan accounts	Deposit and loan accounts	Loan accounts
Outstanding loans and deposits	Outstanding loans and deposits	Outstanding loans

Source: IMF Financial Access Survey.

Note: The FAS collects gender-disaggregated data on 15 series. Each cell in the first two columns of the table lists two separate series for deposits and loans.

The FAS is based on administrative data collected by central banks and/or financial regulators, and thus tends to be more accurate and can be collected annually unlike similar statistics from demand-side surveys based on limited sample sizes. The FAS also directly measures financial access outcomes, so the FAS series capture actual outturns, free of estimates or assumptions. The FAS gender-disaggregated series allow for creating several cross-country comparable indicators to measure different aspects of financial inclusion.<sup>5</sup> While these indicators have limitations, they can still provide useful insights into the pre-pandemic state of play.

## FINANCIAL ACCESS GENDER GAP: A PRE-PANDEMIC SNAPSHOT

### Adoption of bank accounts

The size of banked population can be proxied by the share of male/female depositors (or borrowers) in male/female adult population. Before the COVID-19 pandemic, the degree of banked population varied greatly across countries, with significant gender gaps in some cases (Figure 1).<sup>6</sup> Overall, the average share of female and male depositors in the adult population in 2019 was 38 and 62 percent, respectively. Among middle-income countries, banked population measured by the same metric was 38 and 64 percent for women and men, respectively. Even within the same income group, there were wide variations in the financial access gender gap. In some cases, the share of banked female population was less than half of the banked male population (Zimbabwe, Pakistan). A similar picture holds for the share of borrowers, with significant cross-country variations.<sup>7</sup>

Another approach to analyzing gender inequality in financial access is to examine the proportion of women among the banked population. For gender parity, the indicator should be close to 50 percent. The FAS data suggest that the proportion of female borrowers stayed at about 38 percent on average between 2016 and 2019, with the pace of progress varying widely across countries (Figure 2). In some countries such as Chad, Pakistan, and South Sudan the proportion of female borrowers was less than a quarter of total banked population in 2019.<sup>8</sup>

The gender gap in financial access may be partially mitigated, once microfinance institutions are taken into account as they are known to play an important role in providing credit to women in some low- and middle-income economies (Espinosa-Vega and others 2020). For example, in Bangladesh, women comprised by far

<sup>5</sup> The [FAS Guidelines and Manual](#) provides guidelines on how to report gender-disaggregated data to the FAS, including regarding the treatment of joint accounts. Any deviations from the methodology are reported in the metadata.

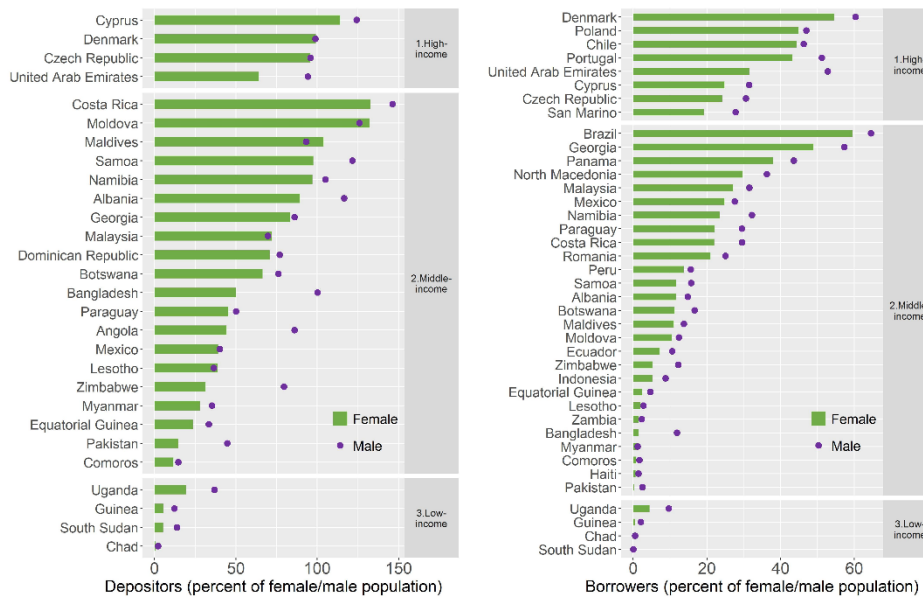
<sup>6</sup> Gender gaps in financial access can be driven by multiple factors, including structural inequality in income (for example, due to lower female labor market participation) and restricted legal rights (for example, lack of legal provision to prohibit gender-based discrimination; also see World Bank 2021).

<sup>7</sup> In 2019 the average share of female and male borrowers at commercial banks was 19 percent and 23 percent, respectively.

<sup>8</sup> A similar trend holds for the average proportion of depositors. It increased only slightly from 39 percent to 40 percent during the same period, with large cross-country variations in terms of levels. These limited changes over time may suggest persistent structural factors.

the larger share of borrowers at microfinance institutions—90 percent for deposit taking microfinance institutions in 2019.

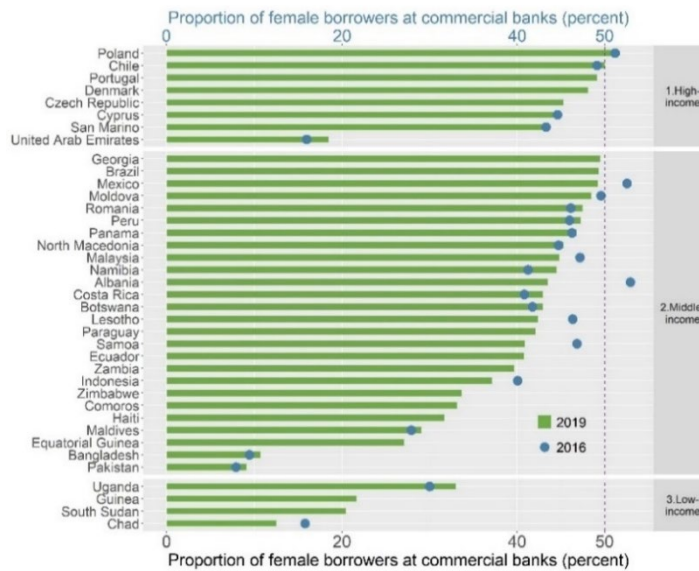
**Figure 1: The Share of Banked Population Varied Greatly across Countries in 2019**



Sources: IMF, Financial Access Survey; and IMF staff calculations.

Note: This figure shows the share of male/female depositors and borrowers at commercial banks as percent of male/female adult population in 2019. Depositors who have bank accounts in more than one bank may be counted multiple times in some cases, and thus the indicator can go over 100 percent of population. The sample was selected based on data availability.

**Figure 2: The Gender Gap also Persists among Banked Population**



Sources: IMF, Financial Access Survey; and IMF staff calculations.

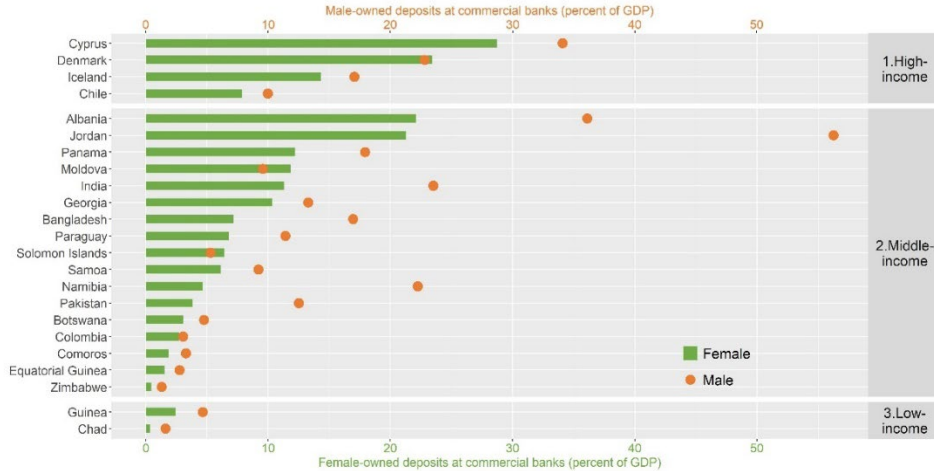
Note: This figure shows the share of female borrowers in total borrowers at commercial banks for 2016 and 2019. Some countries do not report 2016 data to the FAS. The sample was selected based on data availability.

### Financial service usage

Financial service usage can be measured by the value of outstanding deposits or loans. In 2019, the outstanding female-owned deposits at commercial banks were significantly lower than those owned by men

in most economies in the sample (Figure 3).<sup>9</sup> In several low- and middle-income economies, female-owned deposits were even less than half of those owned by men, pointing to a large gender gap in financial service usage.<sup>10,11</sup> A similar pattern also holds for the outstanding amount of female-owned loans at commercial banks.

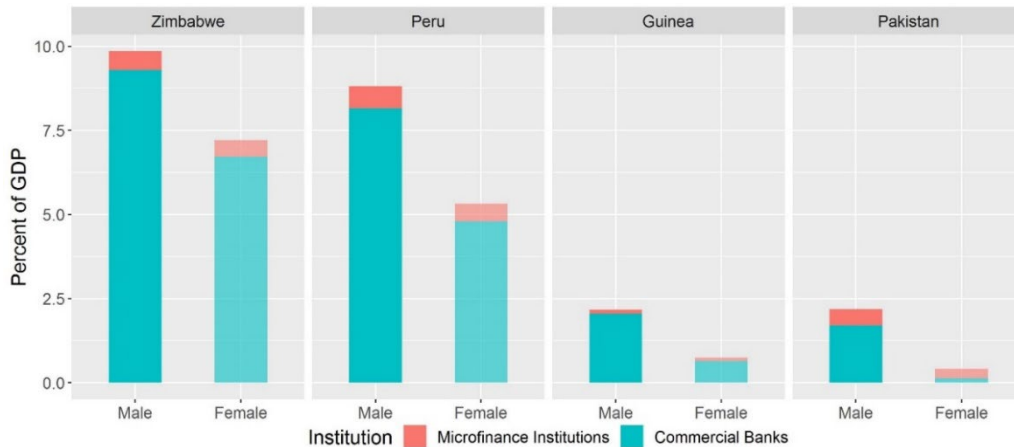
**Figure 3: Female-Owned Deposits were Smaller Than Those Owned by Men in 2019**



Sources: IMF, Financial Access Survey; and IMF staff calculations.

Note: This figure shows the male-owned and female-owned outstanding deposits at commercial banks as percent of GDP in 2019. The sample was selected based on data availability.

**Figure 4: Gender Gap Existed in Outstanding Microfinance Loans and Bank Loans**



Sources: IMF Financial Access Survey; and IMF staff calculations.

Note: This figure shows the outstanding loans at microfinance institutions and commercial banks as percent of GDP with gender breakdowns for select economies in 2019. The sample was selected based on data availability.

<sup>9</sup> According to the FAS guideline, gender-disaggregated data on outstanding deposits and loans need to be reported excluding balances in joint accounts. In practice, however, many countries do not exclude joint account when disaggregating by gender.

<sup>10</sup> The gender gap is smaller for a few countries (Chad, Guinea, Pakistan, Zimbabwe) if it is measured by outstanding deposits per depositor. However, these economies also tend to have a large share of unbanked population.

<sup>11</sup> The gender gap in outstanding deposits/loans as a share of GDP need to be interpreted with caution as these indicators can be low for women due to lower female income. Outstanding deposits/loans as a share of female income may be a useful measure in this regard, but data on female income are not readily available.

The gender gap in financial service usage seems to persist even when microfinance institutions are considered. Despite the relatively high degree of access by women, women’s loans usage with these institutions, measured by the amount of outstanding loans, tend to be lower than men’s (Figure 4).

In sum, before the COVID-19 pandemic, the degree of financial access and use via commercial banks was low for both men and women in many economies. The gender gap in financial access and usage was also sizable and persistent.<sup>12</sup> With this information in mind, the next section examines policy responses adopted during the pandemic to support women’s financial access to provide context for understanding the 2020 financial access outcomes.

## POLICY RESPONSES DURING COVID-19: A GENDER PERSPECTIVE

Countries have taken a wide range of policy actions in response to the COVID-19 pandemic. Identifying policy measures specifically targeted to support women’s financial access is not an easy task as such information is qualitative in nature and often scattered across the public domain. In addition, some measures may have benefited women but may not necessarily have been tailored for them.

**Figure 5: Policy Responses Benefitting and/or Targeting Women across Selected Jurisdictions**

<b>Income Support</b>	<ul style="list-style-type: none"> <li>• Australia, Chile, Latvia, Slovenia, Sierra Leone, Mauritania, Senegal, Russia</li> </ul>
<b>Financial Assistance to SMEs</b>	<ul style="list-style-type: none"> <li>• Burkina Faso, Guinea, Lithuania, Korea, Trinidad and Tobago, Honduras, Georgia</li> </ul>
<b>Tax Relief</b>	<ul style="list-style-type: none"> <li>• Burkina Faso, Cameroon, China, Costa Rica, Georgia, Kazakhstan, Mali, Tunisia, Niger</li> </ul>
<b>Loan Assistance</b>	<ul style="list-style-type: none"> <li>• Armenia, Cabo Verde, Colombia, Honduras, Japan, Kosovo, Liberia, Mexico, Morocco</li> </ul>

Sources: UNDP, COVID-19 Global Gender Response Tracker; and IMF staff.

Note: The country examples in this figure are not exhaustive. For the entire sample of 69 jurisdictions used in this note, see IMF COVID-19 Financial Access Policy Tracker, which organizes the information according to the classification listed in this figure.

The UNDP and UN Women have recently launched the [COVID-19 Global Gender Response Tracker](#).<sup>13</sup> This comprehensive policy tracker contains information on measures announced in response to the pandemic to support women’s social and economic security, covering a wide range of policy areas. Combing through this wealth of information documented in the UNDP policy tracker, we have identified measures targeting or benefiting women’s financial access—to help women continue to engage in financial transactions and alleviate credit constraints. These measure are classified into the four categories for 69 countries: 11 low-income, 38 middle-income, and 20 high-income (Figure 5).<sup>14</sup> These categories are also added to the [IMF Financial Access COVID-19 Policy Tracker](#) as follows:

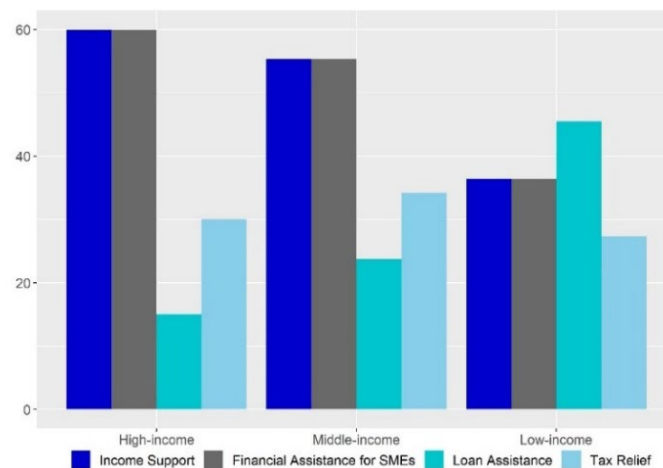
<sup>12</sup> It is important to note, however, that in many low- and middle-income countries, mobile money plays a key role in facilitating financial inclusion (Bazarbash and others 2020). More holistic assessment of financial inclusion will require accounting for the role of digital finance in addition to traditional banking services. However, gender-disaggregated data on digital finance are scarce.

<sup>13</sup> The UN tracker classifies measures into four categories: (1) social protection, (2) labor markets, (3) violence against women, and (4) fiscal and economic policies. The measures under each of these categories are further divided into several types and sub-types. Measures used in this note come mainly from (5) fiscal and economic policies and have been classified into four categories focusing on women’s financial access as explained in the main text.

<sup>14</sup> Some of these measures are specifically geared toward supporting women’s financial access (“targeting women”), but others may be for broader population yet benefit women (“benefitting women”). These classifications are also included in the newly added gender component of the Financial Access COVID-19 Policy Tracker.

- **Income support** for women has been provided in the form of direct cash transfers to individuals or wage subsidies to compensate for lost income in certain sectors. For example, in Burkina Faso, the government has announced cash transfers for workers in the informal sector, which employs 98 percent of employed women in the country. More generally, the COVID-19 pandemic is estimated to have led to the loss of 255 million jobs worldwide for both men and women, leading to an 8.3 percent decline in global income in 2020 (ILO 2020).
- **Financial assistance for SMEs** has been implemented in the form of grants and subsidies, directly or indirectly supporting women. In Benin, the authorities announced a XOF 74 billion (~ USD 124 million) stimulus package including temporary wage subsidies to support formal enterprises, craftsmen, and small service providers in the informal sector, which employs 98 percent of employed women. In Senegal, the government provided subsidies to women entrepreneurs in the informal sector having experienced significant operating losses as a result of the pandemic.
- **Tax relief** includes tax exemptions or delayed filing of returns, aimed at alleviating the financial burden of female entrepreneurs. In Costa Rica, tourist services have been exempted from value-added tax services for two years and granted a reduced rate in the following two years. Tourism accounts for close to 10 percent of women’s employment relative to 4 percent of men’s employment.
- **Loan assistance**, such as loan moratoria, reduced interest rates, and loan guarantees, have been implemented to support sectors where women are overrepresented. In Liberia, as part of the Market Women and Small Informal Petty Traders Bank Loan Program, the government has been paying the loans owed by market women and petty and small traders in affected regions of the country.

**Figure 6: Most Countries Used Income Support and Financial Assistance to SMEs**  
(Percent of countries adopting each type of measure)



Sources: IMF, Financial Access COVID-19 Policy Tracker; and IMF staff calculations.

Note: This figure shows the percentage of countries adopting each kind of measure. The sum of the bars within an income-group exceeds 100 as one country can adopt more than one measure.

The most popular gender-sensitive measures in the sample were income support and financial assistance to SMEs (adopted by more than half of the countries in the sample). However, the adoption of these policy measures varies across different income groups (Figure 6). Loan Assistance was the most commonly used measure by low-income (46 percent) economies. On the other hand, both income support and financial assistance to SMEs were popular measures among middle-income (55 percent) and high-income (60 percent) economies. The majority of the countries in the sample (59 percent) adopted a single gender-sensitive measure, with only three countries adopting all four types of measures.

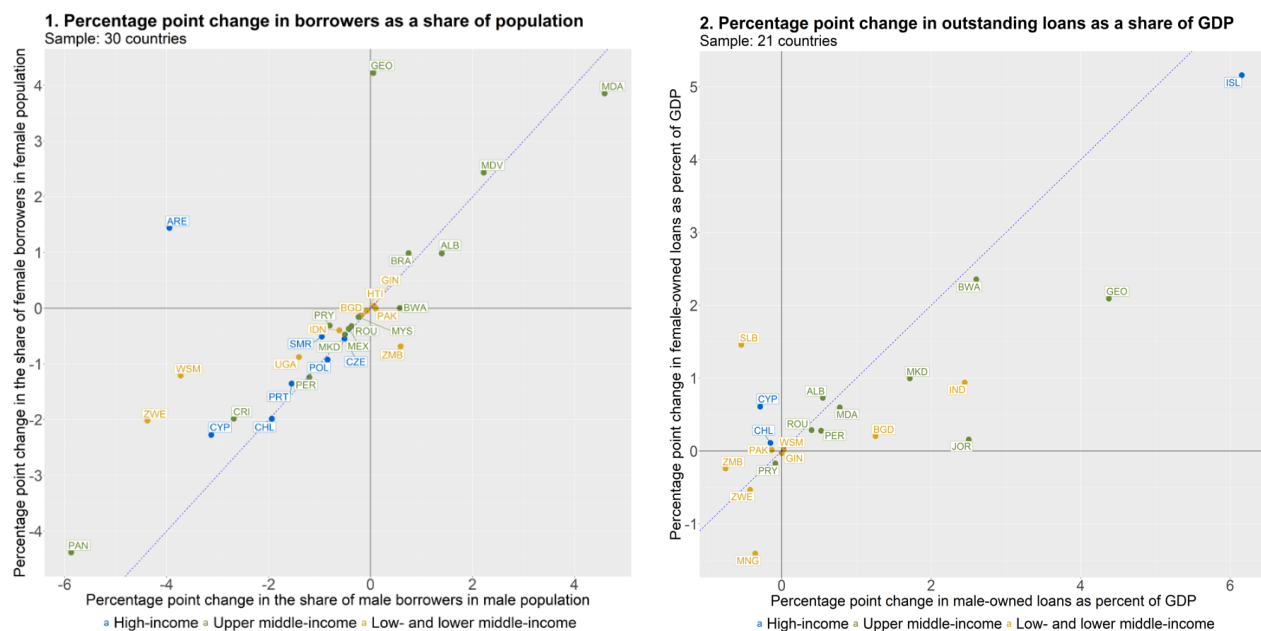


Income support for individuals and wage subsidies for SMEs (to the extent that they provide support for household income) are likely to help maintain the number of depositors and borrowers as well as the level of outstanding deposits and loans during the pandemic. Other measures will likely have similar effects on corporate accounts, but such gender-disaggregated data are not readily available. While the FAS collects gender-disaggregated data for households, understanding the effectiveness of these policies will require more granular data, highlighting the pressing need for such data for policy purposes.

## THE COVID-19 PANDEMIC AND WOMEN'S FINANCIAL ACCESS: SELECT OUTCOMES

This section presents findings from the 2021 round of the FAS data collection (referring to 2020), to offer a glimpse of what has happened during the pandemic.<sup>15</sup>

**Figure 7: Male and Female Borrowers Fell in Many Countries While Outstanding Loans Rose in Some**



Sources: IMF, Financial Access Survey; and IMF staff calculations.

Note: The panels in the figure plot changes in the share of male borrowers in the male population (or male-owned loans as percent of GDP) at commercial banks against the share of female borrowers in the female population (or female-owned loans as percent GDP) between 2019 and 2020. The observations on the 45-degree line (blue line) indicate the same degree of change for men and women. The area below the 45-degree line captures an increase in gender gaps.

The latest FAS data for 2020 show that the number of borrowers, both men and women, declined in many economies (left bottom quadrant in Figure 7.1), but the amount of outstanding loans increased for both men and women in several countries (upper right quadrant in Figure 7.2).<sup>16</sup> In terms of deposits, the number of male and female depositors increased in many economies even though some saw a decline in 2020. The amount of male- or female-owned deposits grew in 2020 for almost all countries that report data to the FAS.<sup>17</sup> These findings suggest that while deposits seem to have held up during the pandemic, fewer people

<sup>15</sup> The 2021 FAS round collects data for 2020. Newly reported data to the FAS are normally disseminated on a rolling basis on the [FAS portal](#) starting from June, with the announcement of the main findings made in the fall every year.

<sup>16</sup> Some countries may report the data based on their financial year, and thus the 2020 data may not necessarily correspond to the calendar year but also include part of 2021.

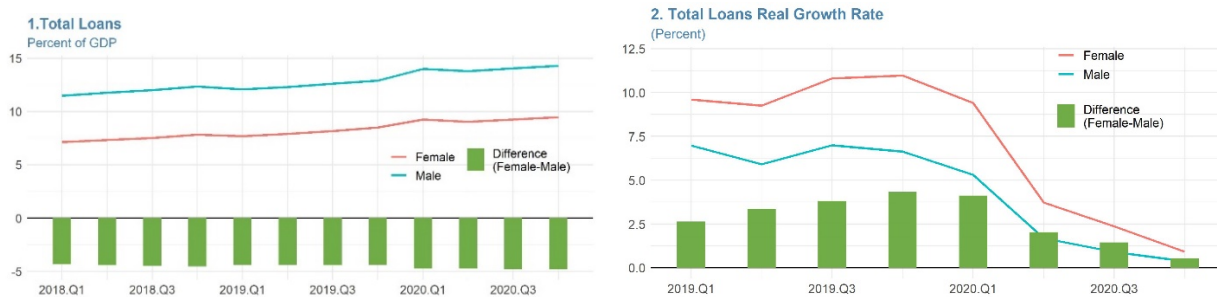
<sup>17</sup> Some of these countries also implemented supporting policy measures. For example, in India, cash transfers of INR 500 (US\$ 6.5) were distributed for three months (April–June 2020) to 200 million women with a Pradhan Mantri Jhan Dhan Yojana (financial inclusion) accounts. In Chile, a new, transitory transfer program intended for households that depend on informal work for their livelihood has been introduced, and women have been prioritized as recipients of this program.

borrowed from commercial banks, but outstanding loans per borrower seem to have increased in some of these economies. This could be a result of people with little/no collateral not being able to borrow during the pandemic while creditworthy individuals borrowing more either to make up for lost income or take advantage of low interest rates in some cases.

Financial service usage through commercial banks may not provide a complete picture of the impact of the pandemic on vulnerable groups. A closer look at microfinance institutions—a key financial service provider to women in developing economies—reveals that many countries that report these data to the FAS experienced a decline in the number of loan accounts and borrowers at these institutions. In a few cases, these have reverted to lower than pre-pandemic levels (IMF 2021).

Several factors need to be considered in interpreting these findings from the FAS data. First, as noted earlier, countries have taken measures to support women’s financial access since the pandemic started. Moreover, countries have taken various policy actions to mitigate the economic fallout from the pandemic more generally (IMF 2020a). These policy responses are likely to have limited severe disruptions to financial service usage to some extent. Second, the impact of the COVID-19 pandemic might have not been fully manifested in the 2020 data. The timing and the degree of lockdown measures have varied across countries. Due to these timing effects, the impact of the pandemic might have been more pronounced in the second half of 2020, thus not clearly revealed in the annual data. Third, outstanding loans and deposits tend to evolve slowly and may not fully reflect the impact of the pandemic yet. Finally, these observations are based on simple plots of a limited set of countries, and more data points and controls will be needed for a complete and formal assessment.

**Figure 8: Peru’s Quarterly Gender Gap Dynamics**



Sources: Superintendencia de Banca y Seguros del Perú; and IMF staff calculations.

Note: Panel 1 shows the evolution of quarterly outstanding loans as a percent of GDP during 2018–20. Panel 2 shows the real growth rate of quarterly loans (deflated by CPI) during 2019–20. Green bars capture the difference between the female-owned loans and male-owned loans as percent of GDP (panel 1) and the difference in real growth rate of female-owned loans and male-owned loans (panel 2).

Higher-frequency data can help offer a more nuanced insight, shedding light on the timing effect. Figure 8, panel 1 shows quarterly data on total outstanding loans in percent of GDP during 2018–20 for Peru.<sup>18</sup> Before the pandemic, the gender gap measured by the loan usage was almost constant at around 4 percent of GDP. During this period, women-owned outstanding loans were growing faster than those owned by men in real terms (Figure 8, panel 2), but not fast enough to close the gender gap. Since the onset of the pandemic in 2020,<sup>19</sup> outstanding loans continued to grow for both men and women, but real growth rates of loans declined significantly in the second quarter (Figure 8, panel 2), with the growth differential between women

<sup>18</sup> Total loans here include consumption; mortgage; and micro, small, and medium enterprise loans. This number is not equivalent to the FAS data as gender-disaggregated data on outstanding loans is reported only for the household sector in the FAS.

<sup>19</sup> The first case of COVID-19 was confirmed in March 2020 in Peru (IMF 2020b).



and men (green bar) further narrowing in the fourth quarter of 2020—leading to a slight widening of the gender gap.

## CONCLUSION

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The COVID-19 pandemic has amplified the need for better-tailored policies to support women and thus the need for gender-disaggregated data to better track women's financial access. The early outcome data presented above suggest that women's financial access has continued to deepen in 2020, but there were also some cases of a widened financial access gender gap or a slowdown in narrowing the gender gap. These findings are based on relatively small samples, and a more complete analysis will require more data with greater country coverage.

The FAS gender-disaggregated data series can offer a good starting point for countries that currently do not collect gender data but are faced with the need to better monitor the gender gap in financial access. For countries that already collect some annual gender-disaggregated data, broadening series coverage or collecting higher frequency supply-side data (monthly or quarterly) can provide further insights. These data can also help better understand the effect of various policies implemented to support women's financial access during the pandemic. The IMF's Financial Access COVID-19 Policy Tracker, recently enhanced with a gender component as described in this note, can also help facilitate peer-learning on gender sensitive policies to support women's financial access.

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