

# Visa Foundation launched with up to \$20m commitment to Women's World Banking

Established as part of its larger social impact strategy, Visa recently announced the launch of its newly incorporated foundation, which aims to prioritise the growth of micro and small enterprises around the world. To mark its inception, the Visa Foundation is making its first financial commitment of up to \$20m to Women's World Banking.



Image source: Women's World Banking

According to the International Finance Corporation (IFC), small and medium enterprises account for more than 90% of enterprises worldwide, and contribute 50-60% of global employment. However, these segments struggle to access the financial tools, capital and training programmes required to enable them to fully thrive. At the core of the Visa Foundation's mission is supporting efforts to rectify this imbalance.

"As a brand and a business, Visa has always stood for making a positive and transformational impact on the world," said Al Kelly, chief executive officer for Visa and Visa Foundation board member. "The Visa Foundation has been established to build on a long history of corporate giving and will accelerate the delivery of our social impact goals. Our intention is to establish a legacy of meaningful contributions by helping millions of microenterprises thrive."

## Women's World Banking support

The Visa Foundation's first multi-year initiative will be a five-year, up to \$20m grant to Women's World Banking aimed at supporting millions of women-led small and micro enterprises.

Despite their contribution to both the formal and informal economy worldwide, women-owned micro and small businesses are unserved or underserved financially. According to the World Bank there is a staggering \$300bn annual credit deficit for formal sector women-owned small and medium sized businesses. Financial products such as savings, credit and insurance can help low-income women to build their assets, grow their businesses, and ensure economic resilience in challenging times.

With the Visa Foundation's support, Women's World Banking will develop sustainable solutions for women entrepreneurs to build their enterprises and establish financial safety nets while also advancing leadership skills and financial capabilities. Over the next five years, the program will:

- Develop, test and scale innovative and sustainable products, that may include bundled financial services, business continuity insurance and technology-based solutions that drive positive financial behaviours.
- Expand Women's World Banking's global network of partner financial service providers to effectively serve 50-million more financially underserved individuals.
- Measure the impact that having access to improved financial services has on women enterprise owners.
- Drive knowledge sharing, innovation and best practices within the global community on how to best support small and micro enterprises.

The Visa Foundation grant is designed to support Women's World Banking's efforts around the world, with an initial focus in India, Mexico, Egypt and Nigeria, as key markets to drive growth among low-income, women-owned small enterprises.

## **Accessing formal financial services**

"Women and women-owned businesses continue to be disproportionately excluded from accessing formal financial services, impacting hundreds of millions of individuals with a significant effect on families and communities," said Stephen Kehoe, Visa's senior vice president for global financial inclusion, speaking at Women's World Banking Making Finance Work for Women Global Summit in Dar es Salaam in Tanzania. "By supporting measures to include women, there is a strong multiplier effect in terms of increased financial health for all. For this reason, the Visa Foundation chose to focus its first grant on women-owned enterprises and has selected Women's World Banking as our first grant recipient."

"Women's World Banking is thrilled to be Visa Foundation's inaugural grantee. We share a vision to serve low-income women entrepreneurs whose contribution to economic growth is far below its potential," said Mary Ellen Iskenderian, president and CEO of Women's World Banking. "One billion women worldwide are unbanked, a significant number of them business owners. Through this partnership, we will deliver solutions that drive women's access and usage of innovative financial services, so that they create economic opportunity for themselves and their families."