

Barriers, Bias and Banking

27 January 2022



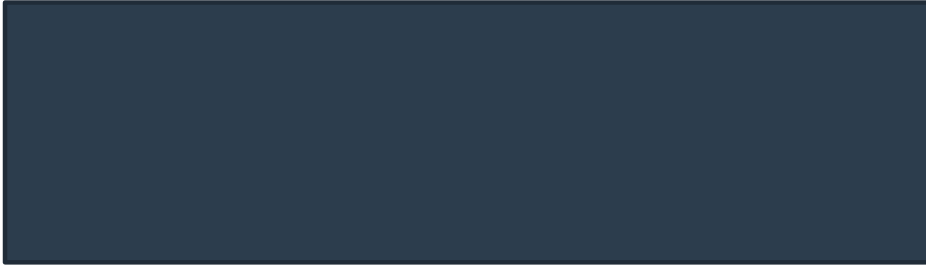
Funding is provided by the United States Department of Labor under cooperative agreement number IL-31469. 100% percentage of the total costs of the project or program is financed with federal funds, for a total of \$1,872,000 dollars. This material does not necessarily reflect the views or policies of the United States Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement by the United States Government.



Agenda

10:00 to 10:10	Welcome and introductions
10:10 to 10:20	Overview of gender-related & « unintended harm » updates to the Universal Standards
10:20 to 10:35	Introduction to the RICHES Toolkit SPM Guide
10:35 to 11:00	Questions and answers
11:00	Conclusion





Purpose

Share a toolkit that aligns with the new SPTF standards regarding unintended negative consequences and gender

Promote good practice on mitigating unintended harm regarding child labor and poor working conditions, specifically

The Promise and Perils of Women's Entrepreneurship

Intended Consequences

- Business Start-up & Growth
- Economic & Financial Autonomy
- Women's Empowerment
- Household Resilience
- Poverty Alleviation
- Achievement of Household Financial Goals
- Education of Children
- Food Security
- Healthy and Happy Family



Unintended Consequences

- Over Indebtedness
- Financial Stress
- Household Discord
- Increased Labor Burdens
- Harmful Working Conditions
- Environmental Degradation
- Gender-based Violence
- Harmful Child Work (Child Labor)
- Suicide



By the numbers...why we should care

25-44 years  is the **average age of women starting a business** (child-bearing years).



Women spend **twice as much time on domestic tasks** as men.

 **60%** of households that face an income shock will resort to harmful child work.



72% of harmful child work occurs within families, primarily on family farms or in family microenterprises.





UNIVERSAL STANDARDS UPDATE



UNIVERSAL STANDARDS UPDATE

Purposes:

- o Incorporate the latest learning (gender, environment, avoiding unintended consequences)
- o Adapt to changes in the sector (digital)
- o Improve indicators (clarity, no redundancy, no check-the-box)
- o Ensure the Universal Standards continue to reflect best practice

Process:

- o 2020-21 – literature review, expert interviews, surveys, webinars, CERISE-SPTF revisions
- o August 2021 – ongoing; digital financial standards development
- o February 2022 – launch the new standards

Uses: FSPs seeking sustainability and positive outcomes, investor due diligence, inform the work of other stakeholders (e.g., raters, regulators)

GENDER, UNINTENDED CONSEQUENCES, AND THE UNIVERSAL STANDARDS

The indicators with direct references to gender or household are found within dimensions 1, 2, 3, and 5

1.A	The provider has a strategy to achieve its social goals.
1.B	The provider collects, analyzes, and reports data that are specific to its social goals.
2.A	Members of the board of directors hold management accountable for achieving the provider's social goals.
2.B	Executive management is responsible for implementing the provider's strategy for achieving its social goals.
3.A	The provider collects and analyzes data to understand clients' needs.
3.B	The provider's products, services, and channels benefit clients.
5.A	The provider creates a safe and equitable work environment.
5.B	The provider's Human Resource Development system is designed to attract and maintain a qualified and motivated workforce.

GENDER & UNINTENDED HARM IN DIMENSION 1: SOCIAL STRATEGY

1.A.1.4	Indicator	The provider defines a “do no harm” strategy that articulates how it will mitigate the social risks connected to the use of its products and services:
1.A.1.4.1	Detail	Negative effects on clients and their households
1.A.1.4.2	Detail	Human rights violations
1.A.1.4.3	Detail	Corruption and bribery
1.B.1.3	Indicator	The provider collects data on an ongoing basis to measure whether it is achieving its social goals.
1.B.1.3.1	Detail	The provider collects quantitative data that measures both positive and negative changes for clients and their households. Minimum frequency: annually
1.B.1.3.2	Detail	The provider collects qualitative data that measures both positive and negative changes for clients and their households. Minimum frequency: annually
1.B.2.2	Indicator	The provider analyzes outcomes for different segments of clients according to their profile and financial behavior. Minimum frequency: annually
1.B.2.2.1	Detail	By client profile: gender; age; location (urban/rural); poverty/income level
1.B.2.2.2	Detail	By financial behavior: types of products or services used; tenure with the provider
1.B.2.2.3	Detail	Other segments that are relevant to the provider's social goals (please specify):

GENDER IN DIMENSION 2: COMMITTED LEADERSHIP

2.A.1.3	Indicator	At least 20% of board members are women.
2.A.3.3	Indicator	The board uses the following data, provided by management, to monitor decent work conditions for employees (with the listed minimum frequency):
2.A.3.3.1	Detail	Employee turnover rate, by gender. Minimum frequency: annually
2.A.3.3.2	Detail	Analysis of employee satisfaction surveys. Minimum frequency: every two years
2.B.2.1	Indicator	Senior management analyzes the following data and assesses risks. Minimum frequency: annually
2.B.2.1.1	Detail	Analysis of client protection risks (over-indebtedness, unfair treatment, lack of transparency, privacy of client data, complaints, fraud, corruption and bribery)
2.B.2.1.2	Detail	Analysis of outcomes for clients and their households
2.B.2.1.3	Detail	Analysis of decent work conditions (health and safety, compensation and benefits, working conditions)

GENDER & UNINTENDED HARM IN DIMENSION 3: CLIENT-CENTERED PRODUCTS AND SERVICES

3.A.1.1	Indicator	Before introducing new products, services, or delivery channels, the provider conducts market research that includes gathering the following data about its target clients:
3.A.1.1.1	Detail	Analysis of market share, market saturation, and potential market
3.A.1.1.2	Detail	Client profile data, including gender, age, location (urban/rural), and poverty/income level
3.A.1.1.3	Detail	Data on clients' needs, goals, and any obstacles to using financial services
3.A.2.1	Indicator	The provider analyzes transactional data (PAR, average loan size, loan repayments, savings deposits and withdrawals) by demographic and socioeconomic segments of its clients.
3.A.2.2	Indicator	The provider analyzes product use (types and frequency) by demographic and socioeconomic segments of its clients.
3.A.3.3	Indicator	The provider investigates whether stresses at the household level make it more difficult for clients to use its products and services.
3.B.3.3	Indicator	The provider accepts alternative forms of collateral from clients whose gender or age creates barriers to access in the local context.
3.B.3.5	Indicator	If the client business is related to sectors known to have high social risks, the provider conducts additional due diligence to mitigate risk.

GENDER IN DIMENSION 5: RESPONSIBLE HUMAN RESOURCE DEVELOPMENT

5.A.1.2	Indicator	The provider meets or exceeds local regulations in the following areas:
5.A.1.2.6	Detail	Maternity / paternity leave
5.A.1.3	Indicator	The provider's non-discrimination policy towards employees covers all internationally recognized Protected Categories. [Note: Protected Categories are as follows: People over 40 years old; Sex; Race/ethnicity/national extraction/social origin /caste; Religion; Health status, including HIV status; Disability; Sexual orientation; Political affiliation/opinion; Civil/marital status; Participation in a trade union.]
5.A.1.4	Indicator	The provider analyzes employee data by gender and job position to check that men and women are equally represented at different levels of the organization.
5.A.2.3	Indicator	The provider analyzes salary data to check that men and women receive equal pay for equal work and have equal opportunities for pay increase/promotion.
5.A.3.2	Indicator	The provider documents and reports to management all occupational accidents, injuries, and illnesses. The results are disaggregated by gender and by position. Minimum frequency: annually
5.B.1.4	Indicator	Men and women receive equal opportunities for training and skill development.

IMPLEMENTATION RESOURCES: SPM ESSENTIALS WEBINAR SERIES

Webinar 2: “Practical ways to address gender-related risks at your organization”

Speakers from CREDICAMPO and ODEF

Recording; PowerPoint; Brief

POLICIES, PROCEDURES, AND STRUCTURES CAN ALL CREATE BARRIERS TO WOMEN

Each FSP also underwent a social audit using the SPI tool, with a specific focus on gender indicators, and reflected on what policies, processes, and elements of their organizational structure could create barriers to women. They shared several examples:

- The committee in charge of interviewing job candidates was all male. Women can feel discomfort being interviewed by a group of men only.
- Female employees said they did not have the same channels within the organization to express themselves as men, and they did not always feel safe voicing their thoughts.
- The FSP’s guarantee policy asked for proof of land ownership, but in its country, typically men and not women held title to land.
- Some clients felt the institution trusted men more than women when making a decision about who got a loan, and in what amount.

<https://sptf.info/spm-essentials-2021>



RICHER SPM GUIDE & TOOLKIT



SPM Guide Objectives

- Identify areas of performance improvement which demonstrate intent, commitment, and processes for mitigating the risks of potential unintended consequences of WEE programming.
- Access validated survey questions that can be added to participant satisfaction, exit, or outcomes surveys to measure and monitor whether a participant is resorting to harmful coping mechanisms or experiencing the unintended consequences of WEE programming.
- Consider safeguarding and gender policy and code of conduct language that can be adopted or adapted to demonstrate organizational intent to do no harm and commitment to gender equity and equality.



SPM Guide Tools

Phase 1: Setting the Foundation

- Tool 1: Social Performance Management Assessment

Phase 2: Build the Structure

- Tool 2: Example 'Unintended Consequences/Negative Coping Mechanisms' Survey Questions
- Tool 3: Gender Policy Template
- Tool 4: Safeguarding Policy Template
- Tool 5: Code of Conduct Template
- Tool 6: Do No Harm Assessment for Projects, Products, Services



SPM Assessment

No.	1. Standards of Practice	2. Evaluation	3. Next Steps
<i>Dimension 1: SOCIAL STRATEGY</i>			
Service Provider Strategy			
1	The service provider’s strategy includes a clear articulation of how it will reach and serve women and other marginalized groups (including intersectionality of these groups, i.e. urban/rural women, young/older women, etc.)	<i>(Where typically found: gender policy, strategic and/or operational plans)</i>	<i>(See example Gender Policy Template in Tool 3 found this guide.)</i>
2	The service provider’s strategy includes an articulation of social norms (for example, caretaking) that affect inclusion, participant vulnerability, and economic success.	<i>(Where typically found: gender policy, strategic and/or operational plans)</i>	<i>(See example Gender Policy Template in Tool 3 in this guide.)</i>
3	The service provider defines a “do no harm” strategy that articulates how it will mitigate the social risks connected to the use of its products (and/or through program participation). This strategy should include: <ul style="list-style-type: none"> ● Negative effects on participants’ households ● Human rights violations ● Corruption and bribery 	<i>(Where typically found: safeguarding or participant protection policies, strategic and/or operational plans)</i>	<i>(See example Gender Policy Template in Tool 3, Safeguarding Policy Template in Tool 4, both found in this guide.)</i>



Survey Questions

Indicator: The service provider investigates whether stresses at the household level make it more difficult for participants to use its products and services.

In the [SPECIFY TIME PERIOD, ex. PAST 6 MONTHS], has your household had to do any of the following or have you experienced any of the following in order to make a loan payment?

1. Used savings
2. Took out another loan to repay a current one
3. Used remittances (domestic or international)
4. Used insurance
5. Sought support from or used government or non-governmental organization social protection schemes, such as cash transfer programs
6. Reduced air-time top-ups
7. Reduced the quantity or quality of food in your family
8. Worked more than normal, overtime, additional jobs, working weekends or when sick
9. Delayed major expenses such as health, home improvement or buying a business asset
10. Sold or pawned assets such as jewelry, appliances, or animals
11. Used the financial support of family or friends
12. A bank or microfinance company seized any asset or guarantee from you
13. Suffered from embarrassment, insults or gossip
14. Pulled children out of school or reduced their attendance/participation in school to reduce education costs
15. Pulled children out of school or reduced their attendance/participation in school to assist a parent with income generation (either supporting a household activity or income generation of their own)
16. Increased the hours children worked to earn income or support household chores or caretaking to allow parents to work
17. Sent children to eat at others' homes or to be supported by other guardians
18. Sent children to work in others' homes or businesses
19. Had to beg for financial help from others
20. Argued with a spouse on how to make a loan payment
21. Experienced violence from family members or others (including any form of physical, verbal, emotional, sexual, financial violence)
22. Other (specify) _____
23. Other (specify) _____
24. No response/none of the above



Survey Questions

Indicator: The service provider investigates whether stresses at the household level make it more difficult for participants to use its products and services.

Unacceptable Sacrifices		
Questions	Acceptability	Frequency
<p>I am going to list a series of strategies a business owner may or may not use to either start, manage, or grow a business. You will be asked your opinion on how acceptable the strategy is to you and then the frequency in which you use the strategy.</p> <p><i>(Note: Since questions may appear repetitive, the words in bold font are how to identify the difference from one question to the next. You may need to emphasize these words when asking the question.)</i></p>	<p>Please indicate on a scale of 1 to 4 how acceptable the strategy is to you. (1 is Very acceptable, 2 is Acceptable, 3 is Not very acceptable, and 4 is Not acceptable at all.)</p>	<p>How often have you had to use this strategy in the [SPECIFY TIME PERIOD, ex. PAST 6 MONTHS]? Please indicate on a scale of 1 to 5 how often you had to use this strategy, where 1 is Never in the last year, 2 is Once in the last year, 3 is A few times, 4 is Very often in the last year.</p>
<p>A. Asking older children (ages 15-18) to support the business before or after school or on the weekends and holidays</p>	<p>1. Very Acceptable 2. Acceptable 3. Not very acceptable 4. Not acceptable at all</p>	<p>1. Never 2. Once 3. A few times 4. Very often</p>
<p>B. Asking older children (ages 15-18) to care for others or take over your chores at home before or after school or on the weekends and holidays</p>	<p>1. Very Acceptable 2. Acceptable 3. Not very acceptable 4. Not acceptable at all</p>	<p>1. Never 2. Once 3. A few times 4. Very often</p>
<p>C. Asking older children (ages 15-18) to support the business, care for others, or take over your chores at home during school hours</p>	<p>1. Very Acceptable 2. Acceptable 3. Not very acceptable 4. Not acceptable at all</p>	<p>1. Never 2. Once 3. A few times 4. Very often</p>
<p>D. Asking younger children (14 and younger) to support the business, care for others, or take over your chores at home during school hours</p>	<p>1. Very Acceptable 2. Acceptable 3. Not very acceptable 4. Not acceptable at all</p>	<p>1. Never 2. Once 3. A few times 4. Very often</p>



Gender Policy Template

Indicator: The service provider's strategy includes a clear articulation of how it will reach and serve women and other marginalized groups (including intersectionality of these groups, i.e. urban/rural women, young/older women, etc.)

Commitment

[NAME OF SERVICE PROVIDER] is committed to adhere to the Minimum Standards for Mainstreaming Gender Equality as defined by **The Gender Practitioners Collaborative**[1]. These are:

1. *Policy.* Adopt and apply a policy that institutionalizes a commitment to gender equity in operations and programs.
2. *Culture and Capacity.* Promote a shared commitment to gender equity by ensuring staff have the proper understanding, skills and support.
3. *Analysis.* Perform gender analyses for every project, engaging a diverse range of stakeholders and using findings to inform partnerships, design and implementation.
4. *Budget.* Allocate organizational and program budget resources to meet gender mainstreaming and capacity building needs.
5. *Data.* Collect, analyze and use sex- and age-disaggregated data for all applicable programs and organizational data collection processes.
6. *Indicators.* Develop and track specific indicators to measure progress toward gender equality.
7. *Do No Harm.* Perform risk assessments and develop corresponding mitigation and response strategies.
8. *Accountability.* Establish accountability mechanisms to monitor the status of gender equality within organizational practices and programming.
9. *Partnerships.* Partner with organizations that bring gender capacity or to commit to building their gender capacity.

[1] Minimum Standards for Mainstreaming Gender Equality. The Gender Practitioners Collaborative. <https://genderstandards.org/>



Safeguarding Policy Template

Indicator: The service provider defines a “do no harm” strategy that articulates how it will mitigate the social risks connected to the use of its **products** (and/or through program participation). This strategy should include:

- Negative effects on participants’ households
- Human rights violations
- Corruption and bribery

Standard 1: Prevention of Violence, Harassment, Exploitation and Abuse

Standard 2: Child Protection

Standard 3: Labor Protection and Counter-Trafficking in Persons

Standard 4: Non-Discrimination, Diversity, and Inclusion

Standard 5: Safety and Security

Standard 6: Privacy and Confidentiality

Standard 7: Whistleblower Protections

Standard 8: Digital Safeguarding



Code of Conduct Template

Indicator: The service provider informs participants, verbally or in writing, about the prohibited behaviors found in the code of conduct.

All [NAME OF SERVICE PROVIDER] Employees Shall Not:

1. Engage in sexual activity with children (persons under the age of 18) regardless of the age of majority or age of consent locally. Mistaken belief in the age of a child is not a defense.
2. Engage in sexual relationships between [NAME OF SERVICE PROVIDER] staff and beneficiaries of assistance, since they are based on inherently unequal power dynamics, undermine the credibility and integrity of the work of [NAME OF SERVICE PROVIDER] and are strongly discouraged.
3. Engage in exploitation of child labor or labor that compromise the health, safety, mental and social development, and schooling of a child (Note: a Child is a person under the age of 18).
4. Engage in any activities that may support or lead to slavery, servitude, forced and compulsory labor and human trafficking.



Do No Harm Assessment

Before introducing new products, services, or delivery channels, the service provider conducts market research[1] that includes gathering the following data about its target participants:

- Analysis of market share, market saturation, and potential market
- Participant profile data, including gender, age, location (urban/rural), and poverty/income level
- Data on participants' needs, goals, and any obstacles (including social norms such as caretaking responsibilities; beliefs about women's roles; past, present or potential risks experienced, such as those related to traveling or convening to engage with products, services, or programs; engaging household decision-makers; theft, bribery or extortion; negative coping mechanisms or experiencing negative consequences) to using products and services/participating in program activities.

10 As of Do No Harm	Key Questions	Assessment	Potential Impact of Risk (Serious, Moderate, Low)	Potential Mitigation Strategies (WISE)
<p>Actors</p> <p><i>(People engaged with a project, product, or service)</i></p>	<ul style="list-style-type: none"> ● Have you identified the key gatekeepers to women's access and benefit of the services? <i>(A gatekeeper is anyone who can prohibit or restrict a participant's participation in a project or use of a product or service. Gatekeepers can be husbands, community leaders, political parties, family members, etc.)</i> ● Have you identified stakeholders that have potential to "divide" or "connect" participants to the intervention? What are strategies to leverage the "connectors" and mitigate risks/influence of the "dividers"? ● Does your market research plan/implementation plan/ describe how and when the actors will be engaged? 			



RICHES Toolkit Alignment with New SPTF Indicators

<p>The service provider collects quantitative and qualitative data, at least annually, that measures both positive and negative changes for participants and their households (for example, unintended consequences of harmful work for children or adults).</p>	<p><u><i>RICHES M&E Guide</i></u>, <u><i>RICHES Market Research Guide</i></u>, <u><i>RICHES Business Diagnostics Guide</i></u></p>
<p>The service provider designs new products, services (financial and non-financial), and delivery channels using insights from market and pilot studies, participant feedback, and participant outcomes (positive and negative) data.</p>	<p><u><i>RICHES Design Workshop</i></u></p>
<p>If the participant business is related to sectors known to have high social risks (such as risks to harmful work for children and adults), the service provider conducts additional due diligence to mitigate risk.</p>	<p><u><i>RICHES Risk Assessments</i></u> <u><i>RICHES Business Diagnostics Guide</i></u></p>
<p>The service provider provides (or links participants to) a portfolio or comprehensive products and services that help participants respond to economic risk (i.e. emergencies) and support investment in economic activities.</p>	<p><u><i>RICHES Financial Services Guide</i></u> <u><i>RICHES Linkages Guide</i></u>, <u><i>RICHES Risky Business Curriculum</i></u>, <u><i>RICHES Intra-Household Dialogue Guide</i></u></p>





Toolkit for WEE Actors

SETTING THE FOUNDATION Phase 1

Start here: Use these tools to build **management-level** awareness and understanding of organizational and program risks of harmful work for children and adults.

- **Making the Case Presentation**
- **Risk Assessments**
- **Social Performance Management (SPM) Guide** (SPM Assessment Only)
- **Understanding Harmful Work Training** (with Management Only)
- **Linkages Guide** (Emergency and External Support Contact List Only)
-
- **Investor's Guide** (For Investors Only)

BUILD THE STRUCTURE Phase 2

Use these tools to build **frontline staff-level** awareness and prioritize new or improved products and services.

- **Social Performance Management (SPM) Guide** (All tools)
- **Understanding Harmful Work Training** (with All Staff)
- **Market Research Guide**
- **Financial Services Guide**
- **Design Workshop**

ENGAGE PARTICIPANTS Phase 3

Use these tools to build **participant-level** awareness and support their needs.

- **Linkages Guide** (All tools)
- **Business Diagnostics Guide** (Paper + Digital Versions)
- **Intra-Household Dialogue Guide**
- **Risky Business Curriculum** (Paper + Digital Versions)
- **Monitoring and Evaluation Guide**





Thank you!

For more information, contact us via:

Email | riches@grameenfoundation.org; info@sptfnetwork.org

Web | <http://www.grameenfoundation.org/riches>;
<https://sptf.info/universal-standards-for-spm/universal-standards>

Twitter | [@RICHES4WEE](https://twitter.com/RICHES4WEE)

Facebook | [RICHES for Women's Empowerment](#)

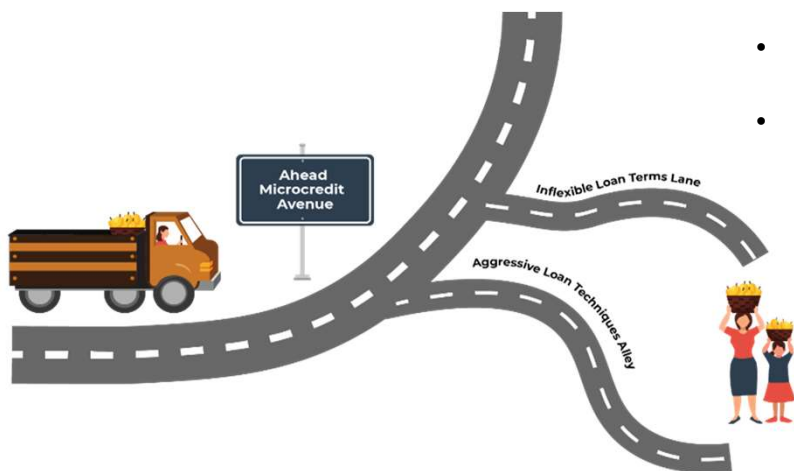
Relationship between Child Labor and Microcredit*

CHALLENGES

- Short loan repayment periods
- High interest rates
- Aggressive loan recovery



- Families resort to selling productive assets, borrowing from money lenders, using child labor



OPPORTUNITIES

- Flexible product design (i.e. repayment schedules and liability models)



- FSPs: Increased client acquisition and retention, decreased transaction costs, lower defaults.
- Clients: Improved demand and consumption smoothing,
- Increased investments in higher-return businesses, reduced financial stress.

DESIGN CONSIDERATIONS

- Offer grace periods.
- Allow repayment holidays.
- Align repayment schedules with seasonal cash flows.
- Consider flexible interest rates and longer repayment periods which can help entrepreneurs be less short-term and more long-term in their thinking.
- Restructure or refinance loans in case of crises.
- Take care that field staff are trained on appropriate loan recovery techniques.
- Increase loan sizes to allow entrepreneurs to employ external adult workers to reduce labor burdens.
- Collaborate with business owners and parents to review children's work schedules and set limits for working time.

*From research conducted for the RICHES Financial Services Guide