



European  
Investment Bank

**Financing for gender equality**  
**with the European Investment Bank**  
Guidelines for banks and microfinance institutions

## **Financing for gender equality with the European Investment Bank**

Guidelines for banks, funds and microfinance institutions

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# Investing in women

## Why invest with a gender lens?

Many studies have shown that startups founded and co-founded by women perform better over time. According to the [Boston Consulting Group](#), these businesses generated 10% more in cumulative revenue over a five-year period compared to startups founded or exclusively co-founded by men.

Women-led firms also achieve higher environmental, social and governance scores than other companies. They attract and retain more women, positively affecting female employment and reducing gender disparities, while promoting more inclusive growth.

However, women's small and medium enterprises face an annual [\\$300 billion shortfall](#) in credit globally, even though female-owned and led businesses typically have lower non-performing loan rates than men.

Gender lens investing helps address these issues by taking factors and situations often unique to women into account when making investment decisions.

The female economy is growing rapidly. Women consumers controlled around [\\$30 trillion](#) of global consumer spending in 2019, more than the economies of India and China combined. That figure is expected to grow strongly in the coming years, as the world's population swells.

“There is a \$700 billion global revenue opportunity for financial services providers in better serving women as customers.”

Oliver Wyman

However, the (often profitable) women's market is underserved. Investing in companies serving women makes sense for businesses and society.

## The European Investment Bank's focus on gender lens investing

Gender equality is one of the founding values of the European Union, and a key objective of the United Nations' Sustainable Development Goals. The European Investment Bank (EIB) Group is working to [advance gender equality and women's economic empowerment](#) and to ensure that women have equal access to the assets, services, benefits and opportunities our investment generates.

The EIB Group has included these goals in its business model and is implementing its [Strategy on Gender Equality and Women's Economic Empowerment](#). The EIB applies our Financing for Gender Equality (F4GE) criteria across the world. The criteria are conceptually aligned with internationally recognised gender lens investment frameworks such as the [2X Challenge](#) and the [gender marker](#) developed by the

Organisation for Economic Co-operation and Development. The criteria guide EIB efforts to advance gender equality through the commitments we have with a wide range of clients.

## EIB financing for gender equality

Financial institutions that meet the following criteria will be considered to contribute to the EIB's financing for gender equality.

- Financial firms that pledge to devote a minimum of 30% of the EIB credit line to small, medium or large companies that clearly meet one of the EIB's F4GE criteria; or
- Microfinance institutions that devote 50% of the EIB loan to female beneficiaries

Portfolio companies need to meet at least one of the four criteria outlined below.

### EIB financing for gender equality: Criteria for bank portfolio companies

#### ENTREPRENEURSHIP AND OWNERSHIP 51%

Share of women ownership

#### LEADERSHIP

**European Union: 40%\***  
**Non-European Union: 30%**

Share of women in senior management OR on the board OR on the Investment Committee

**EMPLOYMENT**  
**European Union: above national thresholds**  
**Non-European Union: 30-50%**

Share of women in the workforce/ one quality indicator\*

#### PRODUCTS / SERVICES

Products or services that enhance the well-being of women/girls and/or tackle a recognised gender gap

\*The "quality" employment indicator addresses a firm's efforts to increase the share of women in the workforce and/or to support them. This builds on the original [2X criteria](#) of focusing on women's recruitment, retention and career advancement.

Eligible financial institutions will be welcome to communicate that they have been recognised by the EIB for their commitment to gender equality and women's economic empowerment. The EIB highly encourages banks and funds to increase their commitment to gender equality, and we work to enhance the visibility of clients that do so.

Financial institutions are also encouraged to promote gender diversity within their own leadership teams and within their workforce, in line with the EIB's leadership and employment criteria for direct investments.

The commitment and reporting requirements are laid down in the agreement (side letter) the EIB signs with clients.

Financial institutions working with the EIB will benefit from the advantages listed below from the day your institution signs a side letter with the EIB that contains a commitment to financing for gender equality.

## Benefits of an EIB F4GE credit line

### Attracting investors

Becoming an EIB F4GE client is a testimony to your institution's commitment to women's economic empowerment. It can help raise your profile within the broader investment community and attract funds from gender-focused investors. As the EIB's financial partner, you are welcome to mention the Bank's F4GE recognition in communication relative to your investment.

### Helping clients qualify for the 2X Challenge

At the Group of Seven summit meeting in 2021, 20 global development finance institutions and multilateral development banks committed to mobilise \$15 billion for gender lens investing under the 2X Challenge, which was founded in 2018. That commitment grew to \$20 billion at the G7 summit meeting in Italy in June 2024. The number of institutions involved rose to 26.

Closely aligned with the objectives of EIB finance for gender equality, the [2X criteria](#) provide a way to further recognise financial institutions whose commitment applies not only to their investment portfolio, but also to diversity within their own organisation.

The EIB can help F4GE clients that meet the 2X criteria to qualify for the 2X Challenge. Organisations that qualify can refer to the 2X Challenge and can use the 2X Challenge logo in their communication and marketing materials following the [brand use policy](#).

A complete guide to the 2X criteria and the 2X Challenge is available [here](#).

### Telling your stories

Case studies are a great way to show the impact of your investment. The EIB promotes stories that explain how money raised to finance gender equality is changing the lives of women and their communities across the world.

The EIB can help you write case studies and stories that can be featured on the [EIB website blogs](#), on your website and, if relevant, on the [2XChallenge/stories](#) website.

## Engaging on social media

You are encouraged to promote your F4GE investment on social media, using the hashtag #F4GE, and tagging the EIB. Upon 2X confirmation, you can also use the #2X hashtag and tag the 2X Challenge and 2X Global in your posts.

 X: [EIB, 2X Global](#)

 Instagram: [EIB](#)

 LinkedIn: [2X Challenge, EIB](#)

 Facebook: [EIB](#)

## Other resources and areas of support

In some instances, the EIB may be able to offer additional support for financial institutions that are trying to adopt gender lens investing practices. That additional support can take many forms, such as training, technical assistance and guidance on how to use [Equilo 2X assessment online tools](#), which help investors target projects that promote women and gender equality.

## Disclaimer

The EIB may decide not to count an investment as F4GE if the financial institution fails to meet the investment targets, namely that 30% of the credit line goes to companies or funds that meet at least one of the F4GE criteria or that 50% of microfinance funds go to final beneficiaries who are women.

For investments that qualify for the 2X Challenge, the EIB will inform the 2X Challenge secretariat if the financial institution fails to meet the commitments. In that case, the financial institution will no longer be entitled to use the 2X logo in its communication or outreach activities.

## **Annex: Examples of EIB financing for gender equality and 2X Challenge clients**

### **Banks:**

- **Enda Tamweel:** [A helping hand for young entrepreneurs in Tunisia](#)
- **Compagnie Financière Africaine COFINA:** [EIB and COFINA Group sign a €26 million agreement to boost development of sustainable agriculture](#)
- **Banfondesa in the Dominican Republic:** [Dominican Republic: EIB and BANFONDESA to provide new microfinance support for entrepreneurs](#)
- **Ecobank Malawi and First Capital Bank Malawi:** [Boosting women agri-businesses in Malawi](#)
- **Uganda Development Bank (UDB):** [UDB's first dedicated credit line to women entrepreneurs in partnership with EIB \(2X Challenge\)](#)

