

# CLOSING THE GENDER FINANCE GAP

Mapping the Opportunity for Gender  
Lens Investing in the Philippines





# Foreword

In recent years, the gender financing gap for women entrepreneurs is an issue that is acknowledged and articulated across global entrepreneurial ecosystems. This has contributed to the rise of the Gender Lens Investing sector, and Southeast Asia has been at the forefront of this movement.

In the Philippines, the majority of micro, small and medium enterprises in the country are women owned and/or led. However, despite the huge success of microfinance in reaching women borrowers, access to capital for women entrepreneurs beyond microfinance remains a challenge, one that needs to be addressed urgently to unlock the true potential of these businesses.

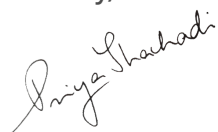
This report, though limited in scope and scale, is our effort towards highlighting the opportunity for gender lens investing in the country. This piece of research specifically focuses on the voices and perspectives of women entrepreneurs on the gender finance gap, while also highlighting data and insights from a select few key investors in the country. The demand from women entrepreneurs is quite clear – they are ambitious, driven, and ready for growth. But today they are struggling to find the appropriate capital to meet their needs. On the other hand, investors are interested and keen to support women entrepreneurs and adopt a gender lens, but they do not find many women entrepreneurs in their pipeline. This gap between demand and supply needs to be bridged through a variety of innovative, inclusive mechanisms. And this will require a collaborative effort from different actors across the ecosystem.

Our gender smart work at Villgro Philippines has led to the creation of the Nūshu Network, a platform to connect women entrepreneurs to capital, coaching and community, and the Gender Len and Impact Investment Council (GIIC), an industry body with a vision to build the gender lens and impact investment ecosystem and unlock capital for Philippine entrepreneurs. Through these platforms, we are looking to radically collaborate with ecosystem players to eliminate the gender financing gap, and build an equitable, inclusive ecosystem in the Philippines.

We are deeply grateful to all the participants and contributors to the research across the ecosystem – women entrepreneurs, investors, entrepreneurship support organizations, funders, among others – your time, effort, and candid insights were critical to this report. This research would not have been possible without the generous support of the Sasakawa Peace Foundation, Investing in Women and the leadership of the Gender Lens and Impact Investment Council members.

We hope that the research will bring you fresh insights, validate experiences, and above all create solutions to a problem that should not exist.

Sincerely,



**Priya Thachadi**

Co-founder and CEO, Villgro Philippines

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# Abbreviations

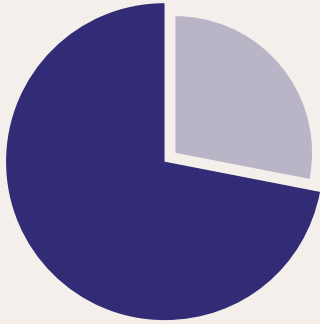
<b>APAC</b>	Asia Pacific
<b>SME</b>	Small Medium Enterprises
<b>MSMEs</b>	Micro, Small and Medium Enterprises
<b>GDP</b>	Gross Domestic Product
<b>DTI</b>	Department of Trade and Industry
<b>DFIs</b>	Development Financial Institutions
<b>DICT</b>	Department of Information and Communications Technology
<b>DOST</b>	Department of Science and Technology
<b>BSP</b>	Bangko Sentral ng Pilipinas
<b>PWC</b>	Philippine Commission on Women
<b>PII</b>	Private Impact Investors
<b>MIWE</b>	Mastercard Index of Women Entrepreneurs
<b>NCRFW</b>	National Commission on the Role of Filipino Women
<b>SGF</b>	Startup Grant Fund
<b>NCR</b>	National Capital Region
<b>NDC</b>	National Development Company
<b>SVF</b>	Startup Venture Fund
<b>SAFE</b>	Simple Agreement for Future Equity
<b>HCM</b>	Human Capital Management
<b>SEA</b>	Southeast Asia
<b>GIIn</b>	Global Impact Investing Network
<b>WSGBs</b>	Women-led Small and Growing Businesses

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# Key Highlights

## Profile of Respondents



28% are women-led businesses

72% are women-owned businesses

70%

are in their growth stages  
(1 to 5 years in operation)

47%

of the respondents  
were from NCR

35%

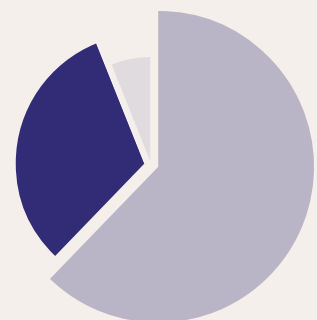
have been operating their  
business between 2 to 5 years

41%

women entrepreneurs  
were in 30-39 age group

34% had post-graduate degrees

56% were college graduates





## Motivations, Needs, and Challenges

---

41%

entrepreneurs need up to PHP 1,000,000 for their immediate growth needs

12%

women entrepreneurs have no capital ask or did not disclose immediate growth needs

18%

facilitated or hindered in proceeding with availing funds due to compliance requirements

32%

preferred convertible loans or Safe Agreement for Future Equity (SAFE) as their potential source of funding

78%

self-funded their businesses

35%

experienced gender-related challenges when accessing funding

30%

women entrepreneurs are unsure of what type of financing their business needs

58%

faced discomfort and readiness challenges when it comes to accessing capital

# Executive Summary

In the Philippines, MSMSE make up 99% of all businesses. Bucking the global trend where women entrepreneurs only make up 25% of new business owners and are seated in a board position (2022), women in the Philippines continue to dominate, own and lead micro, small, and medium enterprises (MSMEs). At the height of the COVID-19 crisis in 2019, it was found that of the 630,688 new businesses registered that year, 55.8%, or more than 352,181 were women-led (Philippine Commission on Women, n.d.). According to data from the Philippine Statistics Authority, in 2021 alone, 60% of registered small and medium enterprises were women owned.

However, despite an increasing number of women creating value-adding businesses that will ultimately bring wealth to the economy, support for women entrepreneurs—culturally, structurally, and financially—remains woefully inadequate, even though there is a clear and robust business case to stir policymakers and investors into action. Topping the list of challenges is the lack of adequate financing.

This report examines the key questions around addressing the gender financing gap for small and growing businesses that have the ambition and potential to grow. The report explored the following questions:

What are the financing needs of growing, women-led SMEs?	Where does the need and opportunity lie for investors to supply capital?
What are the obstacles to accessing adequate capital for women entrepreneurs?	What are some tailored products and services that can address the financing gap?

This report highlights findings and insights from women entrepreneurs on the gender finance gap gathered through primary data collection, including surveys and interviews of 10 women-owned and led SMEs. The report also features testimonials and stories from key opinion leaders and stakeholders, including but not limited to women entrepreneurs, investors, and entrepreneur support organizations, among others, garnered through interviews and focus group discussions.

- ⊗ The survey focused on both women-owned (51% or more ownership) and women-led businesses (20% or more ownership and one or more women in leadership and decision-making roles).
- ⊗ Out of 103 respondents, 72% were women-owned, while 28% were women-led businesses. More than 90% of the respondents had registered entities, with 47% registered as corporations and 41% as sole proprietorships.
- ⊗ The majority of the businesses, around 70%, were in their early-growth stages with 1-5 years of operations.

- ⊕ The majority of women entrepreneurs were between 30 and 49 years old, with 41% of respondents being 30-39 years old and 35% being 40–49 years old.
- ⊕ The top industries represented were wholesale and retail trade at 23%, with agriculture, forestry and fishing a close second at 18%.
- ⊕ While the respondent group represented all regions in the country, 47% were from the National Capital Region (NCR), and overall, they were mostly from urban and peri-urban centers.
- ⊕ Around 46% of women entrepreneurs started with capital below PHP 100,000.
- ⊕ Personal investment is the main source of funding for women entrepreneurs, with 78% of them having self-funded their business.
- ⊕ A significant majority (78%) self-funded their businesses. Those who sought external financing, saw funds from friends and family as the primary source, accounting for 32% of the total external funding obtained by women entrepreneurs.
- ⊕ Social media and/or online search was the main way women entrepreneurs found out about funding opportunities, at 45%, while 23% found out through family or friends, demonstrating the critical impact of personal networks in gaining information.
- ⊕ Close to half the group (49%) had taken out a loan in the past year. But they preferred and prioritized borrowing from personal networks through family and friends at zero interest.
- ⊕ The majority of women entrepreneurs needed smaller ticket sizes funding for immediate requirements; around 41% of women entrepreneurs needed less than PHP1 million for immediate growth, while a third needed between PHP1M and 5M. While 12% do not have a capital ask or did not disclose immediate growth needs, 20% of women business owners needed more than PHP 5 million urgently, while less than 14% needed more than PHP 20 million.
- ⊕ The majority of the respondents (61%) identified credit lines and convertible notes as the top forms of capital they were looking for, followed by equity and loans. A small percentage also mentioned not knowing what type of capital was right for them.
- ⊕ 69% of women entrepreneurs felt that they did not experience an explicit gender-related challenge in accessing finance but 1 in 4 entrepreneurs acknowledged it plays a role in success in fundraising unconsciously.

The key challenges faced by women entrepreneurs in accessing capital are a lack of information on funding opportunities, types of funding, and navigating fundraising. A significant number of women identified being uncomfortable with accessing external financing owing to a lack of confidence in repaying investors and not being knowledgeable about financing.

Out of 9 investors interviewed, 4 have more than 50% of capital allocated to gender lens investing. Two investment firms allocated 100% of their portfolio to gender lens investing, demonstrating the increase in players entering the gender lens investing space. The investors included in the research had an average portfolio of USD 3 million, with bigger funds managing around USD 35 million, and smaller, more boutique funds at USD 500,000 to USD 2 million. The investors used a variety of instruments: venture debt, equity, SAFE, or convertible notes.

Investors highlighted that their pipeline of investees comes from word of mouth or referrals—their current partners sharing within their networks. This is seen as a factor limiting the diversification of their pool of investees. Exposure to more women entrepreneurs is seen as an important factor in their pipeline. There was an implicit belief that women entrepreneurs were risk averse. Investors think that women entrepreneurs have an aversion to exposing their businesses to risks such as debt or equity. Some investors admitted that this was a perception stemming from their experience of women entrepreneurs who took a longer time to decide

regarding funding access compared to their male counterparts. Investors also pressed for the need to learn and understand gender-lens investments, a need for capacity-building on GLI. Their assessment tools comprised founder fit and business readiness, but they were unsure if measurement was equitable for both genders.

To move forward, a number of actions and approaches can help address the gender financing gap and encourage more women entrepreneurs to access financing to pursue their growth goals and potential.

Breaking the information asymmetry with reliable, easy-to-access information and understanding of financial products in the market. A funder map with details of investors, funding opportunities, and requirements will make the information available. However, this would need to be disseminated across the country through collaborative efforts. Investors can also support this endeavor by providing clear asks on stage and traction expected for their products.

Access to tailored financing products is crucial; unmet demand from women entrepreneurs seems to lie in smaller ticket sizes—above what microfinance can offer and below what the majority of funds in the local market are positioned at. Demand-led flexible instruments and blended financing instruments may be necessary to tackle the unmet need locally.

Knowledge and training for women entrepreneurs on investment readiness as well as soft skills training on self-confidence and mindset around raising external capital are needed to continue on a growth path for their businesses.

Capacity building and peer sharing on gender lens investing practices are key needs from investors. Support schemes to help investors adopt a gender lens in the funding process and invest in gender-diverse enterprises might be needed to move the needle. More opportunities for investors to connect with women entrepreneurs should be created to expand their pipeline-building networks.

# The Philippines

Population  
**109 million**

(Philippine Statistics Authority, 2020)

GDP Growth Rate  
**6.4%** - Q1 

(Philippine Statistics Authority, 2023)

World Giving Index  
**20 out of 119** (2021) - 47% overall score  
39% - volunteering time (6th)  
75% helping strangers (15th)  
26% - donating money (26th)

65 out of 114 (2020) - 33% overall

(Charities Aid Foundation, 2022)


Poverty Rate  
**18.1%** (2021) 

(Philippine Statistics Authority, 2021)

Global Competitiveness Index  
**64 out of 141** (2019)  
61.9 score

56 out of 140 (2018)  
62.2 score (0.3 score drop)

(World Economic Forum, 2022)

Women Managers  
**53%** (2020)  
from 50.5% (2019) 

(International Labor Organization, 2022)

GDP (nominal) (36th)  
**\$440.9 billion** (est.)

GDP per capita (124th)  
**\$3,623** (est.)



(IMF, 2023)

GDP (PPP) (29th)  
**\$1.29 trillion** (est.)

GDP (PPP) per capita (117th)  
**\$11,420** (est.)

(IMF, 2023)

Index of Economic Freedom  
**89 out of 176**



(2023) - 59.3 score  
1.8 point drop from 2022

(The Heritage Foundation, 2023)

Number of millionaires  
**79,000** (2022)

(Credit Suisse Global Wealth Databook, 2022)

Women Labor Participation Rate  
**46.9%** (2021)  
from 48.4% (2020)



compared to 73.9% (2021)  
and 74.8% (2020) for men

(Philippine Statistics Authority, 2022)

Global Gender Gap Index  
**16 out of 146** (2023)  
from 19 out of 145 (2022)

(World Economic Forum, 2023)

A woman with dark hair is looking down at a document. A pink quotation mark is positioned above her head. The background is dark and slightly blurred, showing what appears to be a meeting or office setting.

“

**Gender finance gap continues to prevail across sectors and types of financing. Beyond microfinance, women entrepreneurs face barriers to capital – both debt and equity and remain underrepresented at all levels of the financial system.**

**Ecosystem Builder**



# Context: Women's Entrepreneurship in the Philippines

The Philippines offers a dynamic business landscape for micro, small and medium enterprises (MSMEs) to rise, grow, and thrive. They are valued as a source of economic growth and employment. The numbers speak for themselves, with small and medium enterprises (SMEs) accounting for 99.5% of registered businesses<sup>1</sup> in the country. They also contributed 35.7% to the GDP and made up 63.2% of the country's total employment, generating as many as 5.7 million jobs as of 2018<sup>2</sup>. Even during the COVID-19 period, more than 1 million MSMEs were registered under the Department of Trade and Industry.

## **GOVERNMENT ENABLERS**

Public and private support play critical roles in enabling SMEs to succeed. The Philippine government launched several programs that foster economic growth and strengthen the ecosystem through technical and financial assistance.

The signing of the Innovative Startup Act in 2019 paved the way for smoother company registration processes and access to grants and funding from government agencies. What followed was a slew of programs that support and reward innovations in tech and business. The Philippine Startup Development Program is an example where the Department of Trade and Industry (DTI), the Department of Information and Communications Technology (DICT), and the Department of Science and Technology (DOST) came together to support smaller startups<sup>3</sup>. The DICT-led Startup Grant Fund (SGF), on the other hand, provides a grant of PHP 1 million to one Filipino-led startup, while the Startup Venture Fund (SVF), by the DTI and the National Development Company (NDC), provides PHP 250 million worth of funds to support selected high-potential startups<sup>4</sup>.

## **MONEY MATTERS**

The Philippine startup boom began in the 2010s, when major telecommunications companies established incubators and venture capital arms. These incubators provided support for tech companies in their early stages, allowing them to strengthen and expand their businesses.

According to Esquire, in 2020 there were



The Global Startup Ecosystem Index 2023<sup>7</sup> ranked the Philippines 59th in the world and 6th in Southeast Asia, with fintech, e-commerce, and gaming being the leading sectors for the country.

With so much action in the Philippine startup space, there is an increased interest from investors, both locally and globally. As of February 2023, the Philippines has already seen 17 investments, with Q1 projected to see 23 more investments<sup>8</sup>.

Both Foxmont Capital Partners and the Boston Consulting Group reported that the Philippines showed promise in the startup ecosystem as well as increased development of digital infrastructure and participation in the digital economy<sup>9</sup>.

This upward trajectory of business activity within the Philippines means positive news. With an increased support for SMEs through better laws, access to financial instruments, and technical assistance from various industry players, the startup space is pivoting towards a growth phase like never before. However, there's one place where the industry continues to lack focus in the Philippines – supporting women-owned and women-led enterprises.

Globally, women entrepreneurs represent 40% of the active early-stage entrepreneurs. However, only 5.7% of startups are led by women in the Asia Pacific region, a number that has remained stagnant in the past 5 years<sup>10</sup>.

But the year 2021 saw record investments for women entrepreneurs in APAC, raising almost USD 12 billion. China, Singapore, Australia, Indonesia, and South Korea are the top five countries in APAC when it comes to the most funds raised by women. Sectors that received funding and investment for women-led businesses were technology, consumer goods, retail, and healthcare.

## **GENDER IN BUSINESS - WOMEN'S ENTREPRENEURSHIP IN PHILIPPINES**

Women entrepreneurs have made a significant contribution to the economy throughout history in the Philippines, but it was only in 1975 that the government established support for mainstreaming gender equality for women's decision-making and participation.



The Philippine Commission on Women (PWC), formerly the National Commission on the Role of Filipino Women (NCRFW), the first women’s machinery in Asia, provided opportunities for women to participate in social, economic, and political activities.

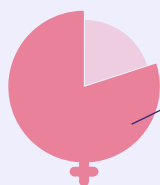
As of 2023, almost 30% of the 1.08 million registered businesses in the country belong to women, i.e., 313,608 SMEs, according to DTI Secretary Alfredo Pascual<sup>12</sup>. Even before the pandemic, an estimated 1 in every 4 SMEs in the Philippines were women-led<sup>13</sup>.

Despite its rapid growth, however, MSMEs continue to face major challenges. These include acquiring capital, becoming market-ready, acquiring talent, gaining access to networks, and processing regulatory requirements.

The reality is that these challenges are felt more intensely by women-led startups and enterprises. The primary reason is the significant gender financing gap in the entrepreneurial world. The existing gender finance gap has led to the emergence of ‘gender-lens’ investing, an investing approach that seeks to close the gap by considering gender-based factors in the investment process. Gender-lens investing and the gender finance gap are discussed in further detail in later sections.

## A. Growing Enterprises and The Gender Finance Gap

The gender finance gap for women entrepreneurs is the elephant in the room. Statistics show that almost



**80%** of women entrepreneurs are still underfunded or underserved.<sup>14</sup>

In the United States, only 2.8% of venture capital goes to women entrepreneurs<sup>15</sup>. This figure is significantly meager considering women entrepreneurs represent 40% of the total entrepreneurs in the U.S. economy.<sup>16</sup>

If only men and women received equal support and participated equally in entrepreneurship efforts, the global GDP would increase by 3% to 6%, or approximately USD 2.5 trillion to USD 5 trillion<sup>17</sup>.

In developing countries, women are 17% less likely to have borrowed formally from institutions<sup>18</sup>. Even if they have access to formal financing, they are still limited in their financial decision making. Studies show that men are 35% more financially literate than women, who ranked 30%<sup>19</sup>. This literacy is correlated with confidence and their ability to take action in borrowing loans.

According to a survey by the Asian Development Bank and BSP, 58% of women-owned MSMEs lack access to funding their businesses, compared to 37% of men-owned MSMEs<sup>20</sup>.

## Reasons why women-owned MSMEs lack access to funding their businesses:



Stringent loan requirements such as collateral, high-interest rates, and credit history.



Women entrepreneurs lack skills to identify appropriate capital and get investment-ready.



Access to networks of investors is limited.



Lack of suitable financial products for young enterprises.

Unfortunately, the pandemic has exacerbated these gaps, affecting women-led enterprises disproportionately.

## THE PHILIPPINE GENDER GAP

In the 2023 Global Gender Report, the Philippines attained 79.1% gender parity<sup>21</sup>. The country is ranked 16th in global rankings and ranked 2nd in East Asia and the Pacific region, in between New Zealand and Australia. On economic participation and opportunity, women in the Philippines maintain full representation in senior and technical roles. However, the report shows that there is still a wide financial gap, with women's income just 71.6% that of men.

A similarly considerable gap can also be found in the area of labor force participation. Women's labor force participation remains significantly low at 46.9% as compared to the participation rate of men, which stands at 73.9%.

There are several reasons for the gender gap, including women's constriction to low-skilled work, wage gaps, disparities in caregiving, and homemaking responsibilities within families. The cultural norms and expectations placed on women also prevent them from freely pursuing careers.

The existence of this gender gap in the country prevents the Philippine economy from reaching its full potential. An article for the World Bank says that if the rate of women's labor force participation is increased even just by 0.5% a year, GDP per capita would increase by 6% by 2040<sup>22</sup>.

## B. Why Women are the Opportunity

### GLOBAL SCENARIO

Globally, the number of women entrepreneurs is significantly less than that of men<sup>23</sup>. Despite the lack of gender-disaggregated data and standardization on global data collection, the World Bank looks at data by categorizing women's entrepreneurship through ownership of limited liability companies, directors of limited liability companies, and sole proprietors. A global trend shows that women entrepreneurs only make up 25% of new business owners and are seated in a board position. Meanwhile, the sole proprietorship of women entrepreneurs is slightly higher, approximately 33%<sup>24</sup>.

Interestingly, women entrepreneurs contribute to USD 5 trillion in the global economy<sup>25</sup>. Studies show that although male entrepreneurs receive more financial support, women entrepreneurs generate more revenue<sup>26</sup>.

Over the years, women entrepreneurs have been on the rise—thus contributing to economic growth, poverty reduction, and overall sustainable development. In the United States alone, women-owned businesses are growing at double the rate of other firms, accounting for USD 3 trillion of the economy and employing over 23 million people<sup>27</sup>.



In developing countries, statistics show that there is at least one woman owner within 8 to 10 million SMEs, showing how crucial women entrepreneurs are to boosting the global economy. <sup>28</sup>

### THE COVID EFFECT

The COVID-19 has had a profound impact on women entrepreneurs, both in terms of sustaining their businesses and influencing the level of interest among those considering entrepreneurship. The Global Entrepreneurship Monitor mentions that women's entrepreneurial intentions significantly dropped in 2021, which was most evident in lower-income countries. In contrast, intentions for upper-middle income countries showed an uptick<sup>29</sup>. The differences revealed the country-level market sensitivity in business confidence. Despite this, almost 50% of women in early-stage businesses agreed that the pandemic had created new opportunities<sup>30</sup>.

Even during the pandemic, women entrepreneurs continued to stay resilient and pushed for growth. The Mastercard Index of Women Entrepreneurs (MIWE)<sup>31</sup> reports that 14 out of 65 economies saw an increase in women's entrepreneurial activity, while 10 economies surpassed men's entrepreneurial activity. These countries included Uganda, Ghana, Angola, Saudi Arabia, Vietnam, the Philippines, Nigeria, Indonesia, Thailand, and Costa Rica. Some of these countries come from the lower-income segment with marginalized opportunities that include structural barriers, government support, and lower support for education, but a positive attitude towards entrepreneurship and a drive for financial independence outweigh these challenges. MIWE highlights Uganda, Ghana, Malawi, the Philippines, Vietnam, and Madagascar as countries that 'defy the odds' by making a significant contribution to the local economy by having women own over 25% of businesses.

The United States, New Zealand, and Canada are among the top three countries that show progress in women's entrepreneurship. This is attributed to strong support from government programs, access to finance, a high rate of education, the representation of women in leadership positions, and an overall positive attitude<sup>32</sup>. The World Bank notes that there is a correlation between a country's income level and women's participation in business. For lower-income countries, there are over 25% women-owned businesses, while in middle and higher income countries, there are 36% and 37%, respectively<sup>33</sup>.

Meanwhile, at the height of the pandemic, the Philippines recorded over 1 million business enterprises operating in the country, with nearly all of them (99.5%) being MSMEs. In addition, the DTI noted that out of the 630,688 business name registrations, 55.8%, or 352,181, were women-led<sup>34</sup>. More women established businesses to support the financial recovery of their families. In turn, they also supported the economy's recovery from the effects of the pandemic.

## OPPORTUNITY LENS: INVESTING IN WOMEN ENTREPRENEURS

The growing presence of Filipino women in business itself presents a considerable opportunity for large scale economic growth.

Seeing women entrepreneurs as a key opportunity area grants them equal access to be perceived as a significant contributor to the national economy. It also has several positive spillover effects, including the general boost of economic growth and the multiplier effect of more women becoming employed through women-led businesses.

A 2018 study on women entrepreneurship in the Philippines found that women-led SMEs tend to hire and promote more women employees compared to SMEs run by men. This leads to a 'multiplier effect' for women entrepreneurs in the Philippines—as women get increased access to paid employment, they then have more access to capital and are more empowered to start enterprises of their own<sup>35</sup>.

Globally, women-led companies have focused both on profitability and societal impact. Studies have indicated great returns and positive spillover effects when women entrepreneurs have increased access to financing.

Return on investment for every dollar raised<sup>36</sup> by a start-up run by

Female



78 cents

Male



31 cents

Furthermore, positive spillover effects include women reinvesting in their families and communities, leading to improved living standards and benefits for investment, business, and society.

Nonetheless, there is still a USD 1.7 trillion financial shortfall faced by women-owned MSMEs<sup>37</sup>. If women entrepreneurs participated equally, there would be an additional USD 2.5 trillion in the global GDP<sup>38</sup>. There are significant opportunities to close the gender finance gap now, as global economies have seen a 56% marked rise in women entrepreneurs worldwide.

## **C.** Investment Landscape in the Philippines

### **PHILIPPINE INVESTMENT LANDSCAPE**

According to Foxmont Capital, while global venture capital investments saw a decline of 37%, accompanied by a 27% drop in total deals for Southeast Asia, the Philippines showed a 7% growth from its previous year—noting an unprecedented peak for fundraising in 2022<sup>39</sup>. Fintech and e-commerce were dominant recipients of capital investment in the past two years. While the majority of investments were less than \$5 million USD, the Philippines is seeing growing momentum as larger investments, and deals outside fintech and e-commerce are expected to trickle in the next few years. This is a positive indication of the maturing Philippine startup space.

### **IMPACT INVESTMENT IN THE PHILIPPINES**

Comprehensive data on the growing investment landscape in Southeast Asia (SEA) remains a challenge. However, the report by the Global Impact Investing Network (GIIN) and Intellicap shares a glimpse of its expected growth trajectory<sup>40</sup>. Despite the economic implications of COVID-19, impact investing has shown resilience and has continued to increase, both in the number of deals and the investment capital deployed. SEA received USD 6.7 billion worth of investments from 298 deals, which is already more than 50% of capital deployed from 2007 to 2016 of USD 11.3 billion.

The report also showed that the Philippines ranked third largest in the impact investing market in Southeast Asia between 2017-2019, following Indonesia and Myanmar. Within these years, the Philippines received a total of USD 627.35 million in investments from 43 deals. About USD 105 million was received from 28 deals with 18 different Private Impact Investors (PIIs), while over USD 522 million was received from 4 Development Financial Institutions (DFIs). The PIIs have outpaced DFIs in yearly investment deals.

In previous reports, the DFIs deployed 65% of the capital and contributed to 70% of the deals SEA<sup>41</sup>. On average, PIIs close nine deals per year in contrast to DFIs engaging in only five.

Leading sectors of investment include financial services that are used to microfinance SMEs, fintech, and energy (mainly solar and other renewable sources). Other sectors include early-stage agriculture focused on food processing and agri-marketing. Almost 67% of these deals were under USD 5 million. Equity and debt are almost equally deployed by investors when determining which financial instruments are used. Both DFIs and PIIs used debt funding, while 75% of equity deals were made by PIIs.

### **GENDER LENS INVESTING**

Gender lens investing (GLI) is defined as the process of employing gender-based factors during the investment decision process<sup>42</sup>. This includes investment support for women-led or

owned businesses, businesses that promote workplace equality, and businesses that provide significant impact for women and girls through their products and services.

Prior to 2013, there were limited PIIIs that apply the GLI process, however, in recent years, more investors have shown interest in working through this lens. In the 2018 report by GIIN, 5 PIIIs have been explicitly applying GLI in Indonesia, the Philippines, and Vietnam, with over USD 40 million invested across 30 deals. Donor and multilateral organizations such as the Sasakawa Peace Foundation, Investing in Women, and the 2X Women's Initiative are some of the agencies that promote GLI across SEA.

While there is growing traction for GLI, only one PII has deployed capital to the Philippines through the gender lens in 2017. This deal amounted to USD 12.4 million for 20 investments, mostly for enterprises that supported women's accessibility to essential goods and services.

The GIIN 2018 Philippines report expressed several challenges facing GLI in the Philippines. Despite investors' awareness of the concept, they felt the opportunity to highlight the quantitative evidence on GLI performance. Investors also perceived that if they applied GLI, their pipeline would be limited, as they viewed women-led enterprises—often microenterprises—as non-viable investments.



“

**We need more data and stories from the ground to understand the needs of the women entrepreneurs better. Especially if they are further away from the cities, it is harder to discover them and see them in our pipeline.**

**Impact Investor**

## Methodology

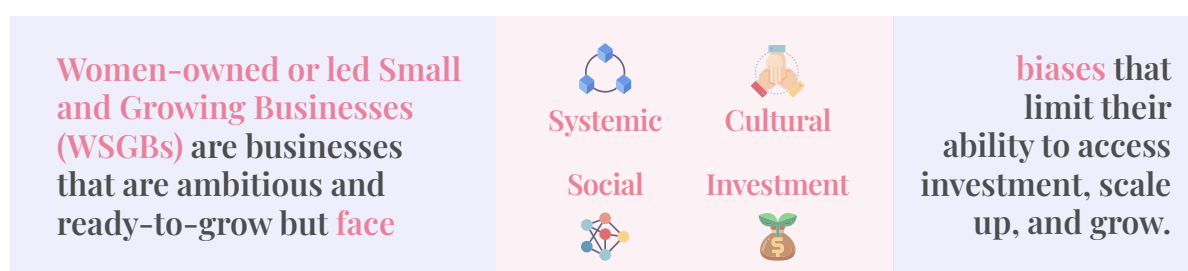
Through early 2023, we investigated the gender financing gap through the perspective of women entrepreneurs and investors. We aimed to develop a study to

1. Articulate the capital needs felt by women entrepreneurs in the Philippines.
2. Identify the barriers to accessing finance.
3. Build a business case for the specific funding gap.
4. Encourage adaptive capital structures to address the capital needs of women entrepreneurs in the local context.

In order to fulfill these objectives, the study had a two-fold target, for which we collected both quantitative and qualitative data.

### TARGET PROFILE: WOMEN ENTREPRENEURS

This study focused on women entrepreneurs from the Philippines that are traditionally defined as MSMEs, combined with the definition of Aspen Network of Development Entrepreneurs' term of Small and Growing Businesses (SGBs)<sup>43</sup>.



These are businesses that seek financing larger than microfinance loans (USD 2500) but smaller than more commonly available commercial bank loans (starting at USD 4,400) or typical equity investments (from USD 8,800).

The research study aimed to explore the existing gender financing gap in the Philippines, which underscored the specific experiences of women-owned and led small and growing businesses (SGBs) in their financing needs and challenges in unlocking capital.



## Who are WSGBs?

WSGBs have capital needs beyond microfinance

Women are the primary decision makers of their businesses

Women entrepreneurs are highly growth-oriented and revenue-focused

Women as the Primary Decision Maker of the business

Has a validated business model with paying customers

Can either be registered as Sole Proprietorship or a Corporation

The women entrepreneurs came from a mix of metropolitan cities like Metro Manila, Tier 2 and Tier 3 cities, and rural areas across the Philippines, with roughly 47% of entrepreneurs residing in Metro Manila and 53% outside Metro Manila, primarily peri-urban areas. The focus was on entrepreneurs operating micro, small, and medium enterprises, with a special focus on those directly addressing the UN Sustainable Development Goals (SDGs).

### **TARGET PROFILE: INVESTOR**

For the benefit of this study, investors that were included were start-up funders, angel investors, equity investors, venture capitalists, and other non-traditional financial service providers. Banks and traditional financial service providers, such as banks and microfinance institutions, were not included in the study.

### **RESEARCH FOCUS**

The research primarily focused on data from women entrepreneurs based on key questions to explore the gender finance gap:

- What is the size/revenue of your enterprise?
- What are your current sources of capital funding? How about non-capital resources?
- Are you looking to raise external funding?
- What type of funding do you require? How about non-capital resources?
- How much funding do you require?
- What avenues have you tried? Which financial institutions/ funding groups have you reached out to?
- What did success look like (or otherwise)?
- What were the key challenges experienced in raising capital?

Similarly, a limited sample of investors and representatives from financial institutions in the country took part in the research through surveys, phone interviews, and focus group discussions. Some key questions they answered were:

- ☑ What type of enterprises do you fund?
- ☑ What criteria do you assess to approve/disapprove investments?
- ☑ What instruments do you use to deploy capital?
- ☑ What are the key challenges in accessing a pipeline of investees, especially women?
- ☑ What are your successful exits, if any?

We also examined the following questions through existing research and data collection:

- ☑ What are the existing funding gaps?
- ☑ What criteria needs to be updated/changed?
- ☑ Where is the demand for capital felt most?
- ☑ What types of instruments are working and/or missing in the market?

## **A.** Scope and Limitations of the Study

The respondents needed to be women-owned or women-led enterprises.

**For women-owned enterprises, 51% of the ownership of the business should be attributed to the female entrepreneur.**

**For women-led enterprises, 20% of the ownership should be under the female entrepreneur, with one or more women acting as decision-maker/s (CEO/COO, President, or any equivalent level), and more than 30% of the board seats occupied by women in cases where a formal board exists.**

In addition, the study focused on Small and Growing Businesses (SGBs), that can be considered a subset of Small and Medium Enterprises (SMEs), as defined by the Philippine Department of Trade and Industry (DTI). An enterprise is considered small and growing business (SGB) if it has between 5-199 employees and/or assets between PHP 3 million and PHP 100 million and have the potential for growth. The enterprises included in the research participate in multiple sectors within the formal economy.

This distinction between women-owned or women-led SGB takes into consideration the requirements of Investing in Women (IIW), Sasakawa Peace Foundation (SPF), and the DTI.

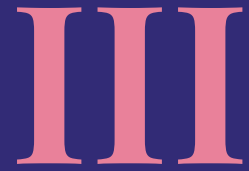
For the benefit of this study, investors that were included were start-up funders, angel investors, equity investors, venture capitalists, and other non-traditional financial service providers. Banks and traditional financial service providers such as lenders and microfinance institutions were not included in the study, as most of them already have straight-forward qualifications for application of financial services.

Limitations of the study included a relatively small sample size (103), which may not be representative of the entire population of women entrepreneurs in the Philippines. In addition, a large number of the respondents were from the National Capital Region (47%) and peri-urban towns and cities. Future research may address the limitations by including a broader sample of women entrepreneurs from regions beyond NCR. The study used a self-reported online questionnaire, which may be susceptible to bias and limited opportunity to verify information. The questionnaire did not collect the respondents' full name and email addresses to protect anonymity, which could have been used to ask for any follow-ups or data verification as some financial data appeared inconsistent.

“

**Many women entrepreneurs like me are postponing our fundraising plans and focusing on organic growth first. I am still unsure how to navigate the fundraising landscape. This might lead to my business not scaling up as fast.**

**Woman Entrepreneur in Retail**



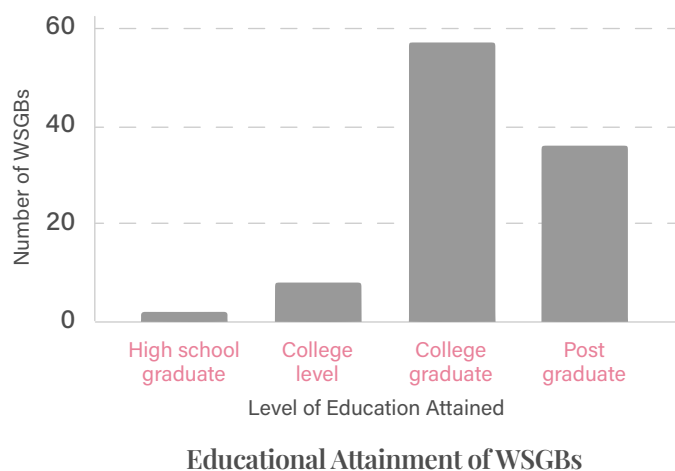
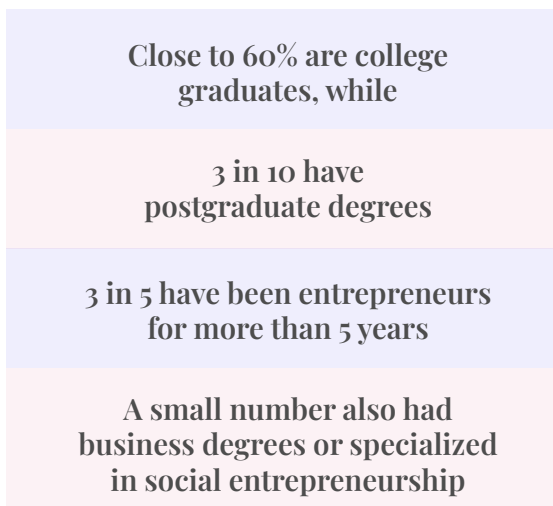
# Summary of Findings

## A. WSGBs and the Gender Finance Gap

### WHO ARE THEY?

#### Highly educated with work experience under their belt

The women entrepreneurs were highly educated and skilled. The majority of the women had prior work experience and played a role in starting their own enterprise. Some of the respondents had degrees in businesses, with a handful graduating from a master's degree program in social entrepreneurship.

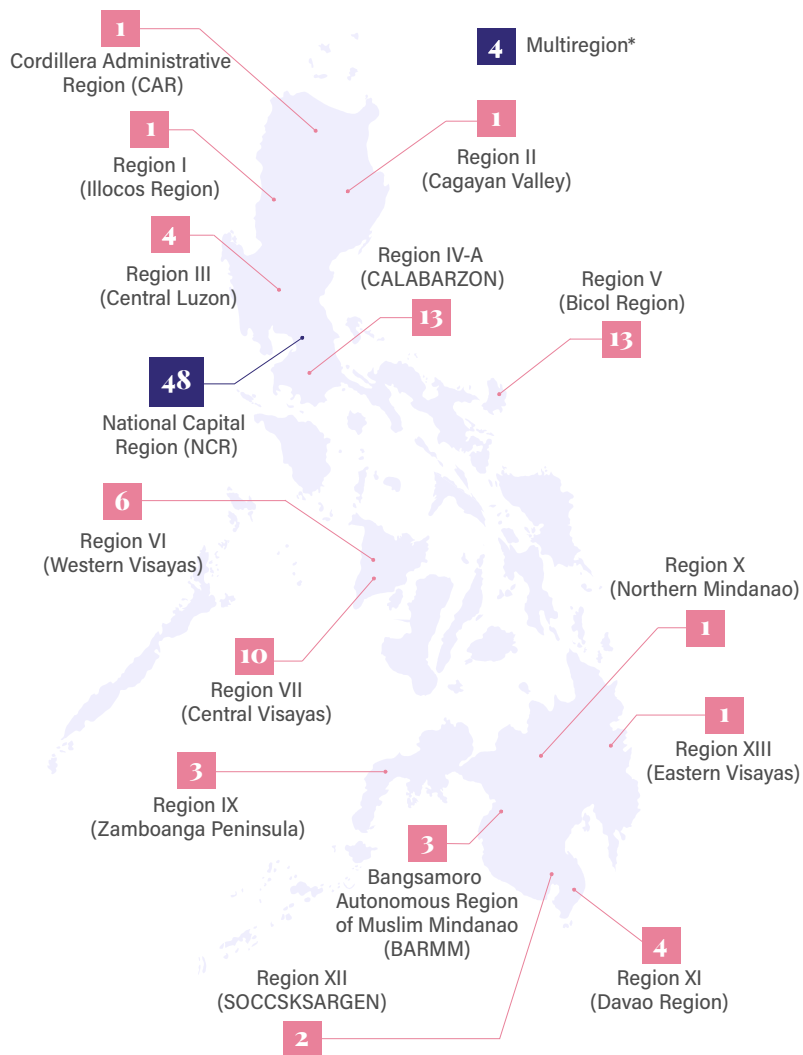


#### Motivated by impact and passion

Most women entrepreneurs are highly motivated to start businesses to address the needs they see in the country, from responding to the needs created by the pandemic to coming up with creative, environmentally-sustainable innovations. Some left stable jobs to answer their growing passion for high-impact social endeavors in arts and culture, real estate, environmental sustainability, tech startups, and business development, while others braved and stood tall in male-dominated industries (construction and automotive).

## Young, ambitious entrepreneurs from around the country

All respondents identified as female, while the majority were in the age range of 30-39 years old, and another 35% under 40-49 years old.



**Women entrepreneurs are growing businesses around the country**

47% of those surveyed came from NCR

While almost all regions were represented, majority came from urban and peri-urban areas

## Women lead small and growing businesses across industries

Women entrepreneurs are a diverse group from across industries. They lead young, ambitious enterprises set up as corporations and sole proprietorships focused on growth. Many of these enterprises have survived and gone on to thrive beyond the pandemic, operating on national and global markets.



## WSGBs are building diverse business models across industries

The majority are in retail—operating in fashion, personal care and beauty, home and lifestyle, and art.

Many identify as tech or tech-enabled: AI services, ecommerce platforms, agritech, health/fem tech, fintech, and content streaming.

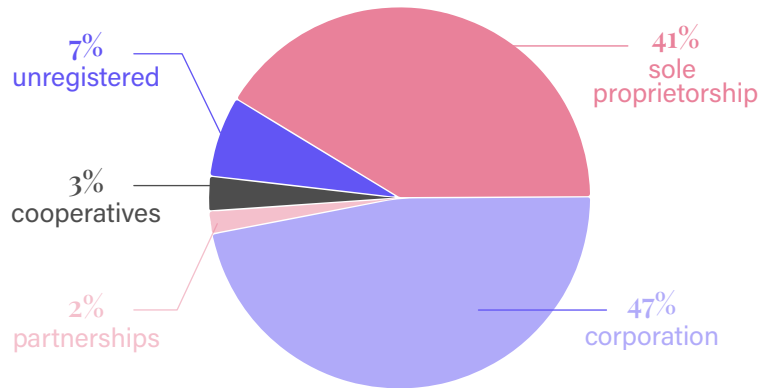
Under services, women-led enterprises are in logistics and trade, consultancy, tourism, and microfinance.

A handful of enterprises are in the agro-food industry, engaging in food processing, farm-to-market, and food services.

Some are circularity-focused enterprises in packaging, waste management, and construction.





### Women entrepreneurs are business and growth oriented

Women entrepreneurs are not a homogeneous group—they are keen to move beyond the narrative of “hobby” businesses or businesses without the ambition of growth. Based on their growth plans, they are willing to adapt to corporate structures as needed. Many are set up as sole proprietorships to start with for easier set up and compliance requirements.



Business Registration of WSGBs

### Many women-owned businesses are set up as sole proprietorship:

-  It is a top choice to start a business due to ease of setup.
-  It requires signatures of a man (typically husband or father) to sign contracts and access loans.
-  It is a struggle to attract growth financing as sole proprietors.
-  Many women entrepreneurs are open to setting up a corporation, to access growth capital.

### Defined as “micro or small,” but gearing up for growth

The majority of enterprises may be micro and small in size based on asset size but are thinking long-term and building sustainable businesses. Most women entrepreneurs do not see these definitions as limiting, as they are revenue focused and gearing up for growth. Short-term exits were not a consideration for most.

<p>As defined by DTI</p> <p><b>64%</b> of enterprises are micro and <b>18%</b> are small enterprises</p>	<p><b>78%</b> of the respondents have assets of PHP 1M to 5M</p>
<p><b>32%</b> are in 1 to 2 years of operation, while <b>35%</b> are in 2 to 5 years</p>	

### Lean businesses with focus on revenue generation

Women entrepreneurs are highly revenue focused from the get-go. While most did not identify “hyper growth” as their focus, the majority of women entrepreneurs prioritized getting recurring revenue, profitability, ability to impact their communities, beneficiary groups, or families.



**29%** of enterprises were yet to cross PHP 50,000 per month in revenues



**40%** of enterprises had a monthly burn of PHP 50,000 or less, with many not taking salaries or minimal salaries as founders



**19%** of enterprises have revenue over PHP 500,000 per month



**12%** of enterprises reported net losses



**6%** have net income of more than PHP 500,000

## GENDER IMPACT & WOMEN ENTREPRENEURS

### Women driving decisions across women-owned and led enterprises

Women entrepreneurs remained the main decision maker in businesses across both women-led and women-owned businesses. Data has shown that in many cultures, while businesses are registered in the name of women, decisions may still be driven by men.



**72%** of respondents are women-owned businesses



More than **90%** are primary decision makers of their businesses; around **20%** of these make decisions along with female co-founders



**4%** of businesses still have men as the primary decision maker despite owing/co-owning the business



**5%** had both men and women as joint decision makers

### Women led and owned businesses lead gender diverse teams

Women-owned and women-led businesses opened strong opportunities for other women in the workforce across levels. We also found through discussions that majority did not have a written diversity policy, but they had a strong intent and have acted by hiring women and diverse team members (geography, persons with disabilities, diverse genders, LGBTQ+).



Many women-owned businesses also directly impact women and girls as part of their mission and/or business models.

**54%** of management teams comprised of 100% women

**84%** of WSGBs have 50% or more women in their management team

**66%** of WSGBs have at least 50% of female board members

**12%** have boards comprising 100% women

Middle management and rank and file had both men and women

Many women-focused enterprises have a mission to provide jobs to women, as seen by the the large number of female day labourers

While many aligned with the gender lens approach in intent and action, no gender disaggregated data for teams was available.

### Models with women as customers or beneficiaries

#### Happy Helpers

Happy Helpers is a social enterprise that provides professional home services. They empower mothers in underprivileged communities through life coaching, training, and connecting them to meaningful work.

#### Kindred Health

Kindred Health is a first-of-its-kind women's health clinic that offers hybrid, online-offline (O2O) services. They offer women-centric healthcare services, including consultations, immunizations, health packages, and IV drips.



**Gendered definitions of male and female jobs need to be broken down—moving from sex disaggregated to gender disaggregated [is a step needed], but unfortunately, it's cultural and deeply ingrained in the cultural norms that many have grown up with.**

**Gender Lens Investor**

## FINANCING AND WOMEN ENTREPRENEURS

Insights from our research show that the majority of women entrepreneurs find it challenging to access finance and navigate the fundraising landscape, including the information and know-how of appropriate financial products for their businesses, even though they are ambitious to grow their businesses.

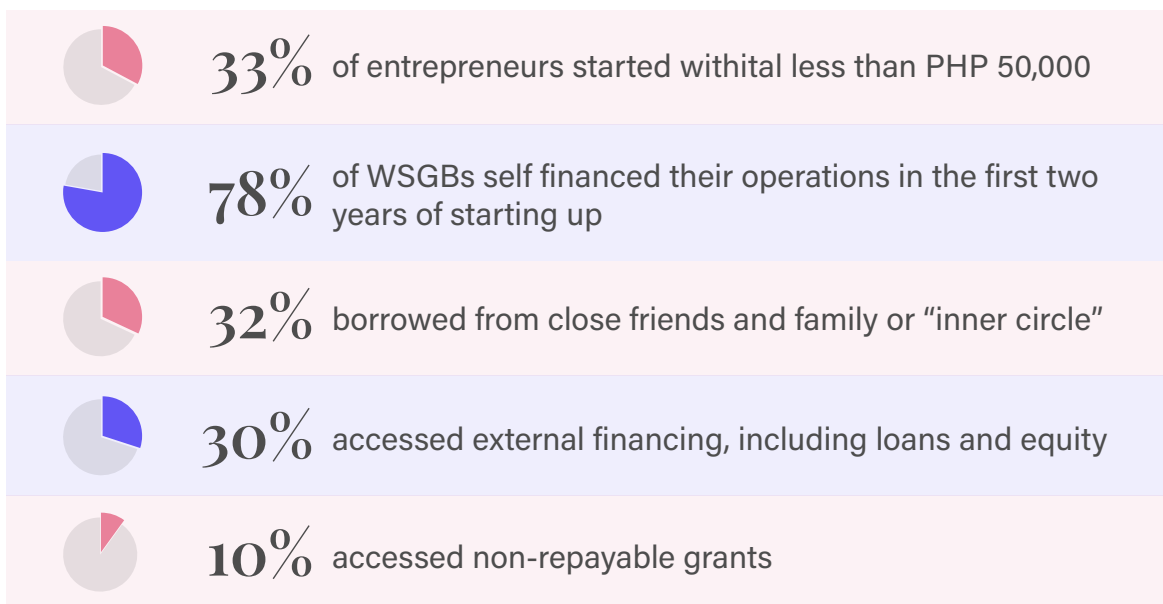
Almost **90%** of women entrepreneurs need financing to grow their businesses



but **less than 30%** have raised financing from an external source

### Women entrepreneurs rely heavily on self-financing for startup capital

Women entrepreneurs rely primarily on personal savings, borrowing from friends and family, or sales to finance their business in the early years of operations. A third of the respondents accessed external financing, which included personal loans, equity investments, business loans (based on personal relationships with banks), funding from non-traditional financing institutions like cooperatives, non-bank financial institutions, and angel investment networks, while a small number also accessed grants.



### Bootstrapping remained a top priority for women entrepreneurs



**I prefer to keep things lean, keep operating expenses low, and rely on the capacity to earn from the sales and use that to continue the business.**

**Luzon-based Services Entrepreneur**

While grants were preferred by most, this was seen as an obstacle to dividing time and attention from managing their business.



Everyone is focused on engaging in competitions. Everyone is focusing on improving their pitch just to get the competition prize and grant. We consumed around 3 months for the grant application; for the competition, instead of consuming that time to focus on our marketing. So instead of focusing on selling our products through our B2B channels, we're focusing our energy to apply for grants to engage this activity, to generate funds.

**Mindanao-based Agri Entrepreneur**

### Prior relationships and network are key to accessing equity investment at startup stage

One entrepreneur shared that they were able to gain access to convertible debt from a local impact investor and were able to receive a one-million euro guarantee from an external funding institution. She also conceded that she was able to learn about these funding sources through her network and her previous jobs.

### Women entrepreneurs are accessing non-dilutive financing products

More than half of the respondents have accessed non-dilutive debt products from a variety of sources. Women entrepreneurs heavily relied on interest free loans, mainly from family and friends, but also took on personal loans and credit cards for operations.

## 58% of WSGBs accessed credit through formal & informal means



32% accessed zero-interest loans from family/friends

30% used personal loans or credit cards

13% unlocked capital from cooperatives or MFIs



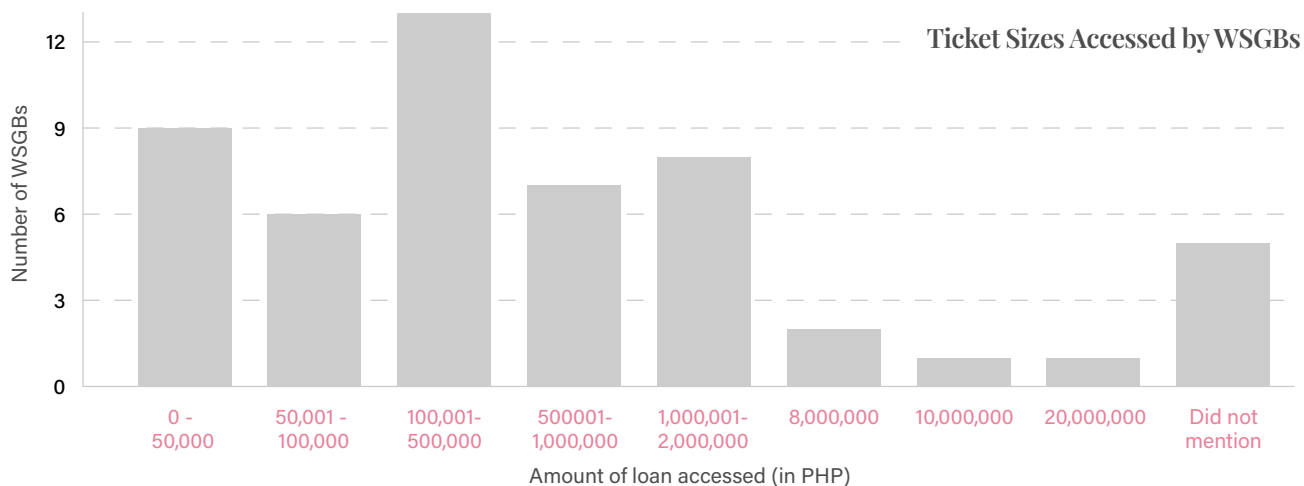
18% accessed commercial bank loans

38% have not accessed any form of credit so far

## Ticket sizes accessed among those who borrowed:



**25%\*** took loans of PHP 100,000 to PHP 500,000



## Some challenges to accessing credit have been:



**18%** found interest rates high



**10%** felt they did not have the financial knowledge to avail loans



**When there's a need for equipment, we maxed out [our personal] credit card. It helped in our operations.**

**CAR-based Services Entrepreneur**

## Online search was the top source of information for funding opportunities

Women entrepreneurs either proactively searched online for funding opportunities, including social media, or found the information through referrals by friends, thereby being limited by one's networks.



**44%\*** of WSGBs searched online for investors



**22%\*** got a referral from a friend and/or fellow entrepreneurs

\* Formal networks or attending events helped acquire the information

## WSGBs show a financing gap at a greater “Missing Middle”

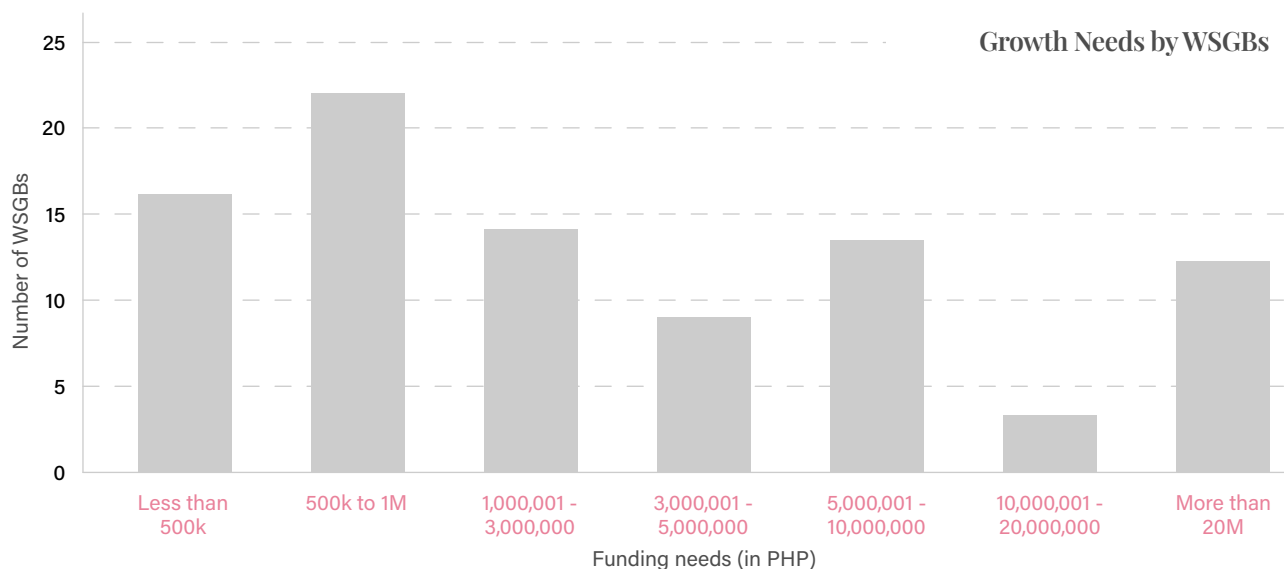
Around 90% of WSGBs need financing to scale up in the next 12 to 24 months. The majority of them are not traditional tech-based startups and need risk capital for growing operations, team expansion, and product experimentation. Most of the enterprises urgently needed less than PHP 5 million to meet immediate growth needs, showing a larger “missing middle.” To get to the depending on the type and stage of business, WSGBs need access to capital across a range of ticket sizes along with non-financial support mechanisms to get them to the next stage of growth. The needs of the respondents show a need earlier than the typical “missing middle” (USD 25,000 to USD 250,000) starting at PHP 500k onward (approximately USD 10,000).



**41%** of the WSGBs need less than PHP 1 million for immediate growth needs

**18%** of the WSGBs needed more than PHP 10 million for immediate growth needs

## WSGBs in industries like femtech and fintech require larger ticket sizes. Outliers:



## Flexible, non-dilutive financing is the top choice of WSGBs

Women entrepreneurs are seeking accessible adaptive capital to help them with their immediate growth needs. Most women entrepreneurs are looking to build more traction and prefer convertible loans, or SAFE and credit lines. A third of the enterprises were still looking for equity investments and bringing onboard investors to help drive growth in the business.



**31%** of the WSGBs are looking for equity investment



**32%** prefer convertible notes or SAFE immediately

**29%** are seeking credit lines but are unable to access it from banks

## INSIGHTS

Among those looking for equity investments, more than 50% were looking for angel investors who would align with their mission or bring industry expertise.

Some investors felt that despite raising awareness among women entrepreneurs, they remain risk-averse. "Despite the information, it's the confidence within them [that is lacking]. There is a fear of availing [external funding]."

### As demand and revenue grows, WSGBs are open to external financing and absorbing capital

Insights from the research show that women entrepreneurs preferred not to take money from external investors (loans or equity) before validating their models or becoming revenue generating.

Earlier-stage mission-driven enterprises were more averse to taking equity investment as they felt investors were more interested in tech-based enterprises with faster growth rates and they would not qualify.

Older WSGBs (more than 5 years) felt they were 'penalized' by the ecosystem as they had never accessed external financing, rather relied on organic growth, and were not seen as attractive for raising capital now.



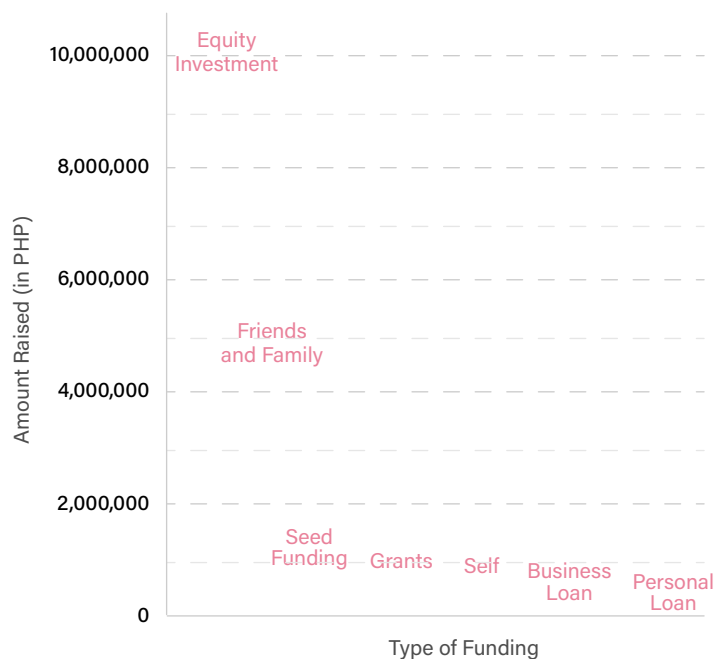
**42%** of WSGBs foresee the need of credit lines immediately but believe they are hard to access



**31%** are looking to raise equity investments but are more comfortable with convertible notes/SAFEs to start with

It is clear that equity financing is appropriate and will become necessary for many growing WSGBs as larger ticket sizes become a need in alignment with growth.

30% of WSGBs raised a larger quantum of capital, appropriate for growth through equity investments, but investments led by friends and family still remained a big part of the capital raised by WSGBs. Other sources still had limitations in ticket amounts versus their share of capitalization, which thereby led them to pawn their property, or in some cases, max out their credit cards when they needed access to additional funding.



Amount Raised by WSGBs per Funding Source

## What do women entrepreneurs want to know from investors?

Many WSGBs found the criteria for investments from investors unclear and sought clarity on the following key questions:

- 📁 What are the specific minimum growth metrics for investment?
- 📁 Do you have a minimum revenue threshold to consider a company for investment?
- 📁 What is the ideal traction you look for in different business models?
- 📁 How exactly do you define “early-stage”?

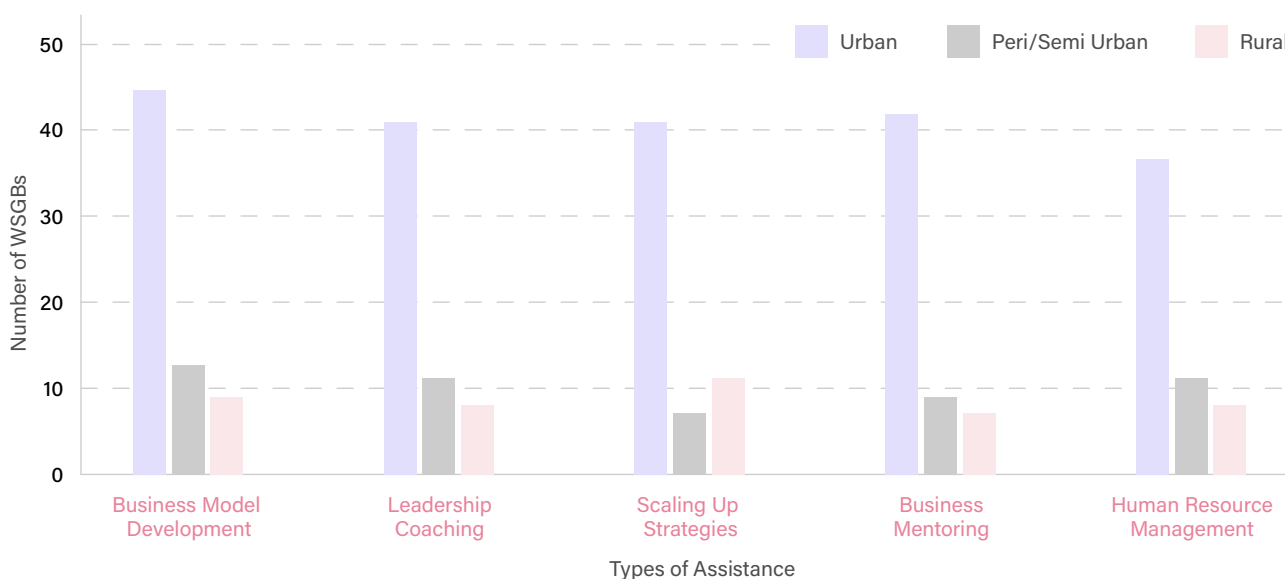
## Non-financial support and women entrepreneurs

Capital is not the only support needed by WSGBs



Over 80% of WSGBs took part in at least one training or capacity-building program

Women entrepreneurs expressed the need for support, especially to help validate their models and build traction. They highlighted that the programs and support helped them understand their business operations better and strengthen their vision for the business.



Non-financial Support Needed by WSGBs Aggregated by Location

## Increasing sales is the top priority of WSGBs in 2023

Marketing and customer acquisition were the top priorities for WSGBs to grow their business in the next 12 months. Improving sales was the focus of the majority.

One-third of the respondents highlighted the need to improve financial management and operations to keep up with growth.

Product development, adoption of technology, and improving supply sources were the other key areas of improvement for the business, while close to 30% of the enterprises identified team hiring and retention as an upcoming challenge.



>50%

of women entrepreneurs need leadership coaching, a gap in most training programs for entrepreneurs

Women entrepreneurs see the need to upskill their leadership skills, especially around team and human resources and managing crises. Around 45% of WSGBs identified gender-related training as a need.

### Types of gender training to build capacity of WSGBs



Managing impostor syndrome



Tools to deal with microaggressions



Understanding unconscious biases



Measuring and reporting impact and gender metrics



## BARRIERS TO FINANCING FOR WSGBS

While the Philippine entrepreneurial ecosystem is seeing unprecedented growth and is dominated by women-owned and led SGBs, they still face social, cultural, and investment biases that limit their ability to unlock capital to grow.

### ACCESS TO CAPITAL

#### Lack of access to 'appropriate' financing is limiting the growth of women enterprises



**83%** of women entrepreneurs feel uncomfortable or are not ready to raise external financing

#### Discomfort arose from:

- ⚠️ Afraid of borrowing money and not being able to repay on time
- ⚠️ Going into debt for the first time
- ⚠️ Not comfortable with investors being decision makers in the business

#### Not investment-ready means:

- ⚠️ Not ready with 5-year financial projections
- ⚠️ Clear long-term growth plans
- ⚠️ Books are not yet in order



**63%** cited lack of information as the reason for not being able to navigate financing

#### Lack of information about

- ⚠️ What type of financial products are available?
- ⚠️ Where to find information about investors?
- ⚠️ The process of applying for funding
- ⚠️ What type of capital is to be raised at the current stage?
- ⚠️ What growth metrics investors look for?



**18%** felt they did not meet compliance requirements



**12%** were not looking for funding right now

#### Information asymmetry remains a top barrier for women entrepreneurs



**>43%** of women entrepreneurs identified access to information as one of the biggest challenges to financing

Access to information about opportunities combined with limited knowledge regarding investment readiness are keeping women from accessing financing to match their growth ambitions.

**Women entrepreneurs need more support around information on financing:**

- ⚙️ What type of capital do they need and at what stage?
- ⚙️ What is the right instrument for the current needs of the business?
- ⚙️ Who is the right type of investor for their business?
- ⚙️ What are the ideal terms for financing?
- ⚙️ Where to look for the appropriate investors?
- ⚙️ How to access capital as needed?
- ⚙️ Where to access the information and clarify answers?
- ⚙️ How to best use capital at the early stage?



**Women entrepreneurs come across as risk averse, but a huge challenge, especially for micro and small enterprises, is financial literacy—understanding cash flows, monitoring capital needs, etc. We find that more training and capacity building are needed to truly empower women entrepreneurs to acquire the right financing.**

**Accounting Service Provider**

Insights from our research, dialogues, and data show that women entrepreneurs perceived challenges in the ecosystem through their own and peer experiences.



**62%** of women wanted to improve their businesses first before exploring financing



**30%** were uncomfortable with the idea of external investors in their business



**52%** were averse to formal debt and were worried they could not repay

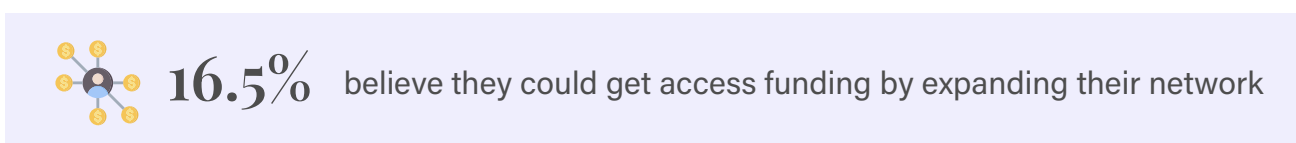
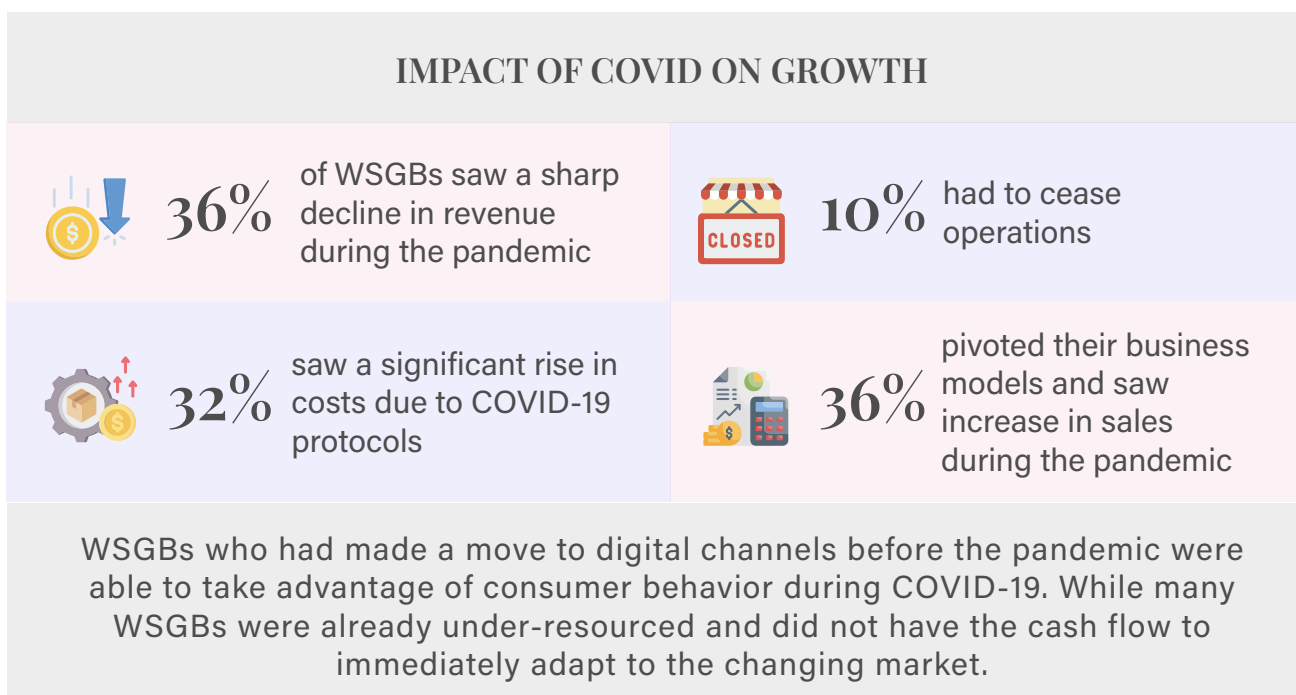


**12%** prefer to grow organically only, without external investment



**17%** felt they would not meet compliance requirements of investors even if they had not tried to fundraise

Many WSGBs expressed that they were afraid that they would not get approved if they applied for a loan or that they would not be accepted by investors as they did not seem to be the type of businesses that usually raise funding in the local ecosystem. Some also feared their business would not perform well if they were put under pressure due to debt repayment or having to follow the directives of external investors.



### Limited network and geography is limiting ‘investability’

Women entrepreneurs are highly aware of the role of networks in attracting investors. The majority of the WSGBs highlighted its importance in scaling their businesses. While many of the respondents relied on “family and friends” for financing, some WSGBs highlighted that without an affluent network to provide startup capital in the beginning they will struggle to attract capital from investment funds at a later stage.

A third of the WSGBs expressed that startup events were mostly male dominated and networks seemed hard to break into. Another third of the WSGBs felt the networks were more accessible to founders who studied abroad or had family connections to investors. Additionally, those who were not based in Metro Manila or other metro cities felt they were at a severe disadvantage in building such networks as they miss out on crucial opportunities to build such connections at in—person events and conferences.

## Along with supply of capital, accessibility to ‘right’ capital remains a top challenge

Privilege, networks, and access to funds all play a key role in creating successful businesses, but women entrepreneurs are falling behind.



**42%** of entrepreneurs feel that their geographic location (outside metro cities) limits their ability to access financing



**64%** feel they will still benefit from grants for their businesses due to the early nature of their business and associated risks



**42%** are looking for investors with patient capital but are unable to find



**37%** feel risk adjusted capital is needed at the early stages to build traction

# Mismatch of Fit, Need, & Perceptions



## Ticket Sizes

WSGBs face a "Greater Missing Middle" with financing needed from USD 4,500. Smaller tickets can help build traction, grow revenues, gear up for institutional capital.

## Perceptions of Success

Many WSGBs believe they do not fit the investor's ideal profile—lacking foreign education or influential family connections—which hinders their perceived potential for success and growth.



## Financing Instruments

WSGBs need flexible instruments like debt products with flexible repayment schedules or credit lines; or equity investments without priced rounds. Many WSGBs expressed they are either unable or unsure of where to access them.

## 'Investments' Literacy

WSGBs lack exposure and clarity on the diverse financial instruments and know-how on financing, and navigating terms that are right for their business needs.



## Collateral Requirements

Traditional banks and financial institutions demand collateral, but most WSGBs do not have personal assets or high-value business assets at the early stages to pledge.

## Gender plays a role but not seen by WSGBs as the **primary barrier** for capital access

**69%** of WSGBs felt that they did not experience an explicit gender-related challenge in accessing finance but 1 in 4 entrepreneurs acknowledged it plays a role in success in fundraising unconsciously

The majority of WSGBs felt that investors, venture capitalists, and even networking events gave more attention to their male counterparts

The majority of WSGBs perceive that it is more difficult for women founders to access funding opportunities compared to male founders, limited by their networks

Women entrepreneurs in traditionally male-dominated industries (like construction and agriculture) received what they felt were unnecessary comments about their work, i.e. men knew better than them or were asked how many men were part of their enterprise.

The majority of WSGBs cited that most investors they encountered were male

41% (sole proprietors) needed spousal or parental consent to access loans from financial institutions

## Perception of investors are hard to change



**Sometimes it's hard to be taken seriously. They [investors] really challenge how you think [when you pitch as a female entrepreneur], they have the impression that just because you're a woman, you're an overthinker.**

**NCR-based Fashion Entrepreneur**



**They think we're emotional, that's why they don't invest in female founders.**

**Davao-based Agri Entrepreneur**



**Questions for women founders are different from those for male founders. Women are asked more questions and are put in a higher standard compared to men, especially in tech. Maybe they don't realize it, but it's common.**

**NCR-based Tech Entrepreneur**



**It's not really gender; it's the stage of your business. More of a small business barrier. I think it depends more on what the industry supports and the technical viability of the business. But if they only see you through the lens of a small business and not fast growth, then chances are less.**

**I just see myself as an entrepreneur. I don't focus too much on the gender lens. I don't know if there is a specific lens that aggravates our challenges in accessing investments, as I grew up in a background with strong women role models.**

**NCR-based AI Tech Entrepreneur**

## FACTORS THAT DEEPEN THE FINANCING GAP FOR WSGBS

Investors want to see growth structures in an organization that can aid scale and impact after funding. Enterprises often lack such structures as well as the knowledge needed to operationalize growth. For many WSGBs, technical expertise in verticals like accounting, marketing, legal compliance, etc. was more challenging. Often, a solo entrepreneur or a small team is forced to navigate diverse operational demands, which leaves very little time for learning and gaining exposure to new ideas and business approaches. Enterprises also lack the know-how, comfort and language to engage with investors.

**Some factors that may lead to a higher probability of facing challenges while securing financing for a WSGB are:**

 <b>Revenue</b>	 <b>Structure</b>
Annual Turnover of less than PHP 1 million	Solo Founder Businesses
 <b>Business Model</b>	 <b>Financial Literacy</b>
No Product-Market Fit (yet) and no clear growth plan	Low clarity on type of financing needed for business goals
 <b>Team</b>	 <b>Others</b>
Lack of diverse skill sets	Never having been funded



GENDER FINANCE GAP: THE STATUS QUO OF DEMAND VS. SUPPLY

**What WSGBs Need:**  
**Demand**

**What is Available:**  
**Supply**

Startup capital at the early validation stages	
<b>Smaller ticket sizes</b>	Investors prefer larger ticket sizes, keeping in mind diligence costs and risk appetites
<p><b>Catalytic capital to test and validate the model</b></p> <p><i>“Catalytic capital is defined as debt, equity, guarantees, and other investments that accept disproportionate risk and/or concessionary returns relative to a conventional investment in order to generate positive impact and enable third-party investment that otherwise would not be possible.”</i></p> <p>McArthur Foundation</p>	<p>Catalytic capital is not very common in the local ecosystem</p> <p>Risk appetite of investors largely do not match with catalytic capital approaches</p>
<b>Investor access and engagement at the early stages</b>	Geographic location and networks are limited
<b>Navigating government support programs</b>	Government grants and schemes targeting startups are available and top of mind for entrepreneurs. A large number of the startup grants are available for R&D or technology based enterprises. Many local grants are smaller in size and not easy to navigate. Government grants also usually take longer to get disbursed.
Growth capital to expand business and grow revenues	
<b>Need for risk capital to expansion, growth and experimentation beyond early validation</b>	Most capital is available for tech startups. Risk-adjusted capital for non-tech startups is limited

**What WSGBs Need:**  
**Demand**

**What is Available:**  
**Supply**

**Growth capital to expand business and grow revenues (contd.)**

**Adaptive, flexible capital to boost growth**

Capital structures are not highly adaptive; they are at traditional or tech VC investment instruments

**Working Capital to Build Traction**

A large number of WSGBs need working capital: for Inventory (43%), salaries (30%), cashflow (37%)

For small and growing businesses without collateral or credit history, accessing working capital is challenging.

Due to the low accessibility of business loans, many WSGBs utilize personal loans or credit cards to address urgent needs.

**Many WSGBs are looking for credit lines**

Credit lines are mainly only accessible to those with strong banking relationship and larger turnover

**Flexible or revenue—based repayment schedules are needed for those still building steady cashflows or traction**

Most banks and financial institutions do not provide flexible, demand-led repayment options

# Investment Landscape

Impact capital invested in SEA totals **USD 6.7 billion** across **298 deals** from 2017 to 2019 <sup>45</sup>

**39 deals** across the region have been made using the gender lens, totalling **USD 350 million**

The Philippines has received impact capital of **USD 627.35 million** for the years 2017-2019

## 8 deals with GLI

7 with Private  
Impact Investors

1 with Asian  
Development Bank

## Venture Investments Data<sup>44</sup>

**17 investments** have already been made as of February 2023 in the Philippines

**USD 1.1 billion** capital raised in 2022

Majority of deals were **below USD 5 million**

Funds raised by Global Venture Capital Investments saw a significant **decline of 37%**, while the Philippines saw an **increase by 7%**

Increase in GLI capital in Asia, which includes East, Southeast, and South Asia (SPF, Sagana report)<sup>46</sup>

Capital raised by gender lens investment vehicles experienced a significant **growth of 80%** from USD 719 million in 2018 to USD 1.3 billion in 2019

Private market investment vehicles drove a **raise of 350%** from USD 180 million in 2018 to USD 815 million in 2019

# Gender Lens Investing

**USD 2519 million** of GLI capital was deployed in SEA with **134 deals** from 2020 to 2022, where as in 2017 to 2019 only **43 deals** were made

Indonesia, the Philippines, and Vietnam account for **80 percent** of GLI deal volume in the region

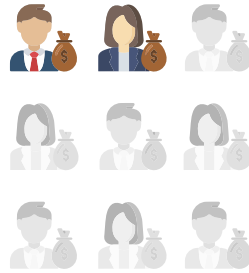
In 2023, the **Gender Lens and Impact Investment Council** was set up in the Philippines

## B. Key Findings from Investors

We surveyed and spoke to 9 investors investing at the early and growth stages in the Philippines to gather their insights on the gender financing gap and the growing Gender Lens Investing (GLI) sector in the country. Investors are a mix of venture capital funds, debt facilities, incubator-investors, non-banking financial institutions, angel networks, and foundations.



100%  
of investors expressed  
their interest in Gender  
Lens investing



2 out of 9  
investors allocate  
100% of their capital to  
Gender Lens Investing



50%  
already earmark funding  
specifically for investing  
with a Gender Lens

### Investors use varied lenses when scouting for potential investees

High Growth ventures	Cashflow positive SMEs	Impact enterprises
Women-owned or led SMEs	Tech Startups	Social Enterprises

## PROFILE OF INVESTOR RESPONDENTS

Investors are spread across a spectrum of fund sizes and stages

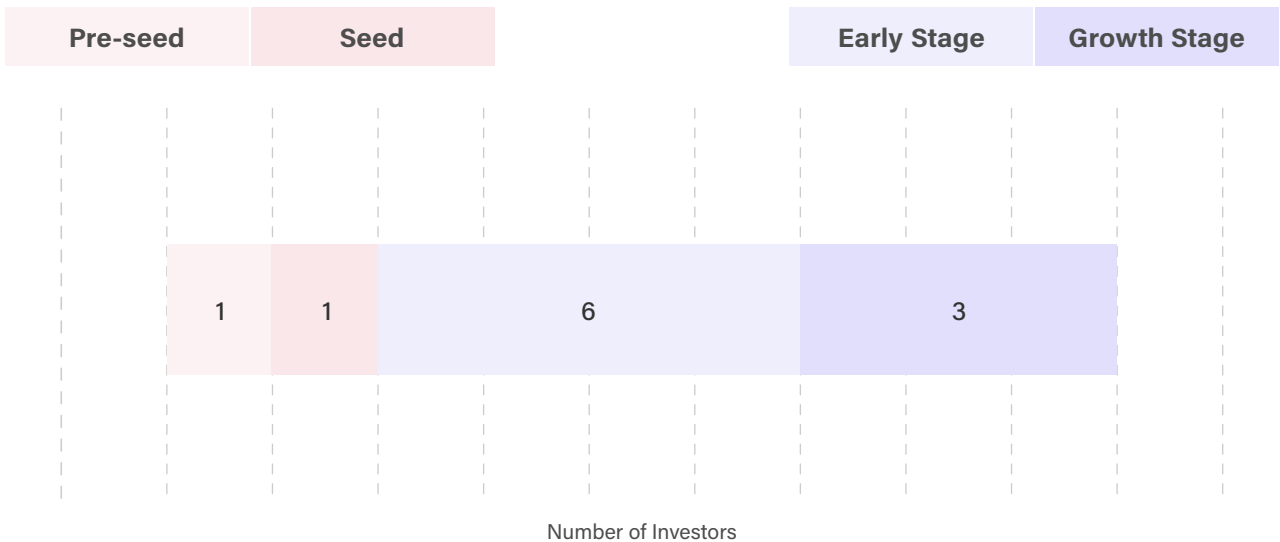


Investors range in fund size or assets under management from USD 2.5 million to USD 25 million based on their vehicle structures, while some are operated as family-funded investment vehicles or as angel investment networks making opportunity-based investments as they see fit.

**\*Investors deploy across the continuum of capital but the Greater Missing Middle is still a gap, especially for WSGBs**

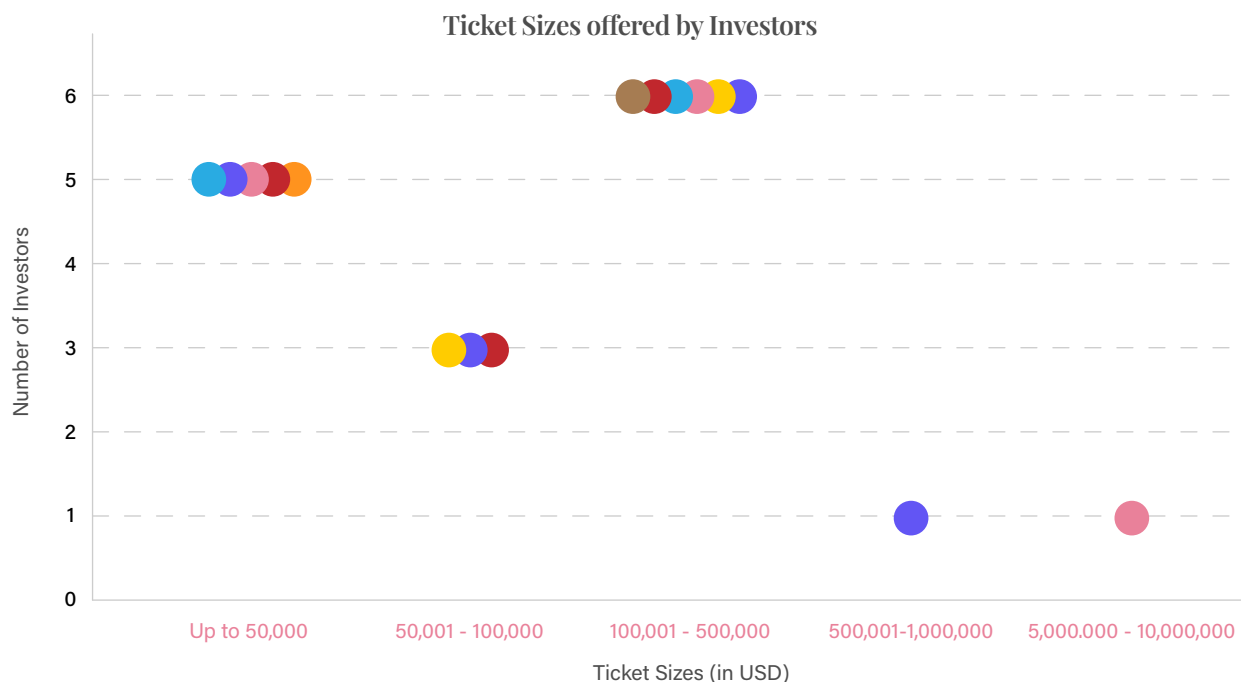
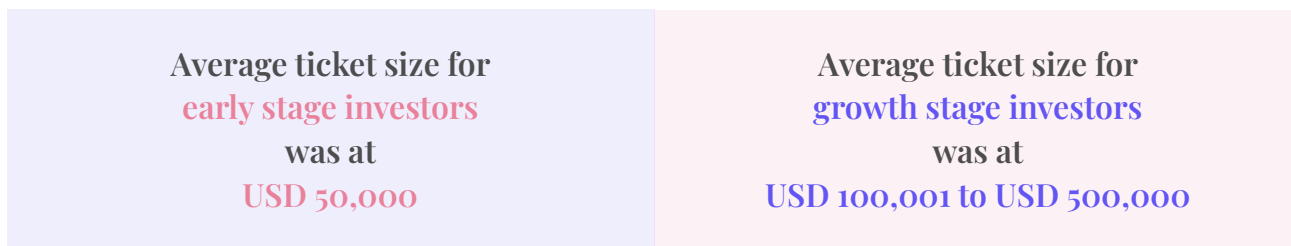
### Stages

Stages of Investment by Investors



**5 out of 9** investors invested in the early stage, while **2** invested in growth stages, **1** mentioned investing in both the early and growth stage, while **1** invested in pre-seed and seed.

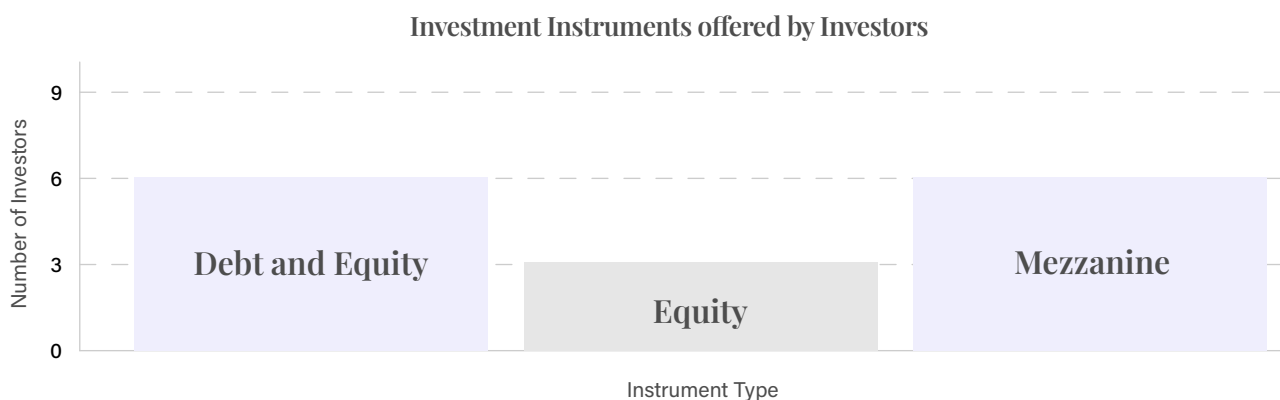
## Ticket Sizes



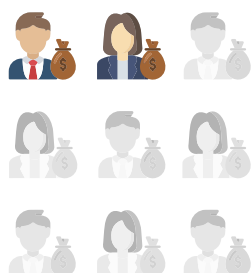
*\*Each colored dot is a unique investor*  
*\*Some investors offer multiple ticket sizes*

## Instruments Offered

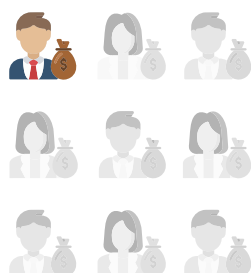
Investors used a mix of instruments, while debt providers offered a small range of products including short-term loans, venture debt and credit lines, equity investors mainly offered straight equity instruments, while some offered mezzanine including Convertible Notes and/or Simple Agreement for Future Equity (SAFE).



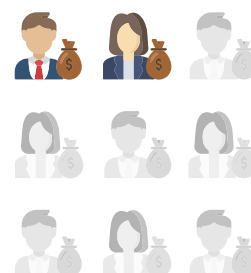
## Sectors investors have deployed capital in



2 out of 9 investors primarily invest in **tech or tech-enabled startups**



1 out of 9 investors is **sector exclusive**



2 out of 9 investors identify as **impact investors**

## Geography

Investors are keen to invest across the country but are limited by networks and access to pipelines.

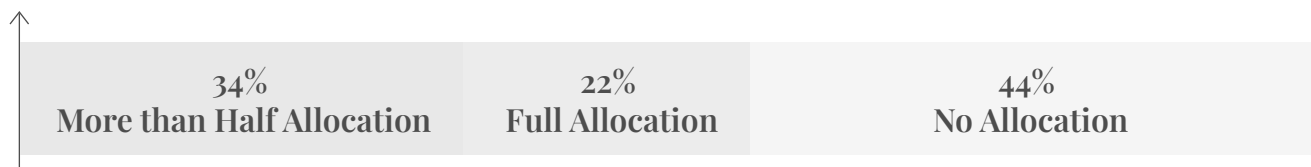
Most investors find their investees through referrals or word-of-mouth. A third of investors have their own pipeline events like venture competitions, pitch days, etc.

Like any other startup ecosystem,

- 📍 Majority of investors have made investments in NCR\*
- 📍 2 investors have a portfolio 100% based in NCR
- 📍 1 investor has a multi-country SE Asia focus
- 📍 2 investors have majority of investees with head offices in NCR but operations outside NCR

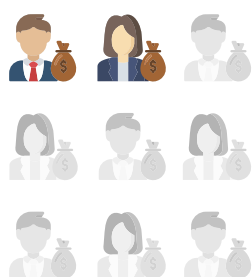
\*Luzon does not include NCR

## Gender Lens is a new but growing area of interest for local investors

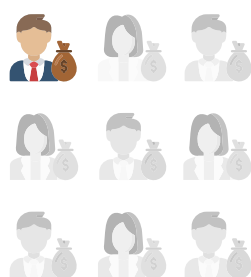


Portfolio Allocation towards Gender Lens Investing

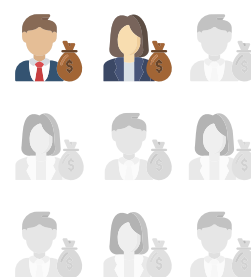
Below is the range of investments in female founders by PH Investment Vehicles



**2 out of 9**  
investors exclusively  
invest **with a gender  
lens**



**1 out of 9**  
investors **did not want**  
**to focus on GLI** but  
wanted to promote  
equal opportunity for  
all founders



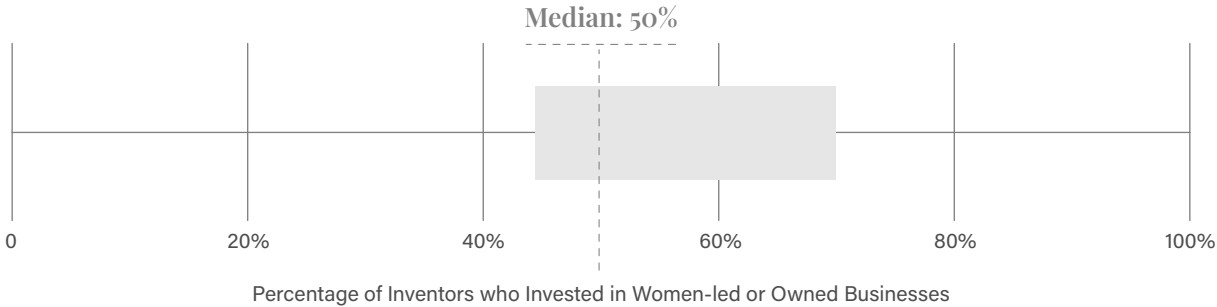
**2 out of 9**  
investors want to  
**commit to GLI in future**  
**investments**, including  
earmarking a portion of  
the fund

Number of investments made	% of women-led / owned investees	Investor
24	95.83%	InBEST Ventures
1	100%	SWEFF Capital
8	50%	Gobi-Core Philippine Fund
15	46.60%	xchange
41	69%*	Foundation for a Sustainable Society
10	50%	Pulse 63 Healthcare Ventures
3	0	Ignite Impact Fund
36	25%	Foxmont Capital
26	42%	Manila Angel Investors Network

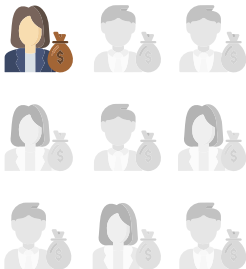
*\*data available for 33 active investments*



### Investment in Women-led or Owned Business by Investors



### Gender diversity of the investment teams



**1 out of 9**  
investor has 100% women in management



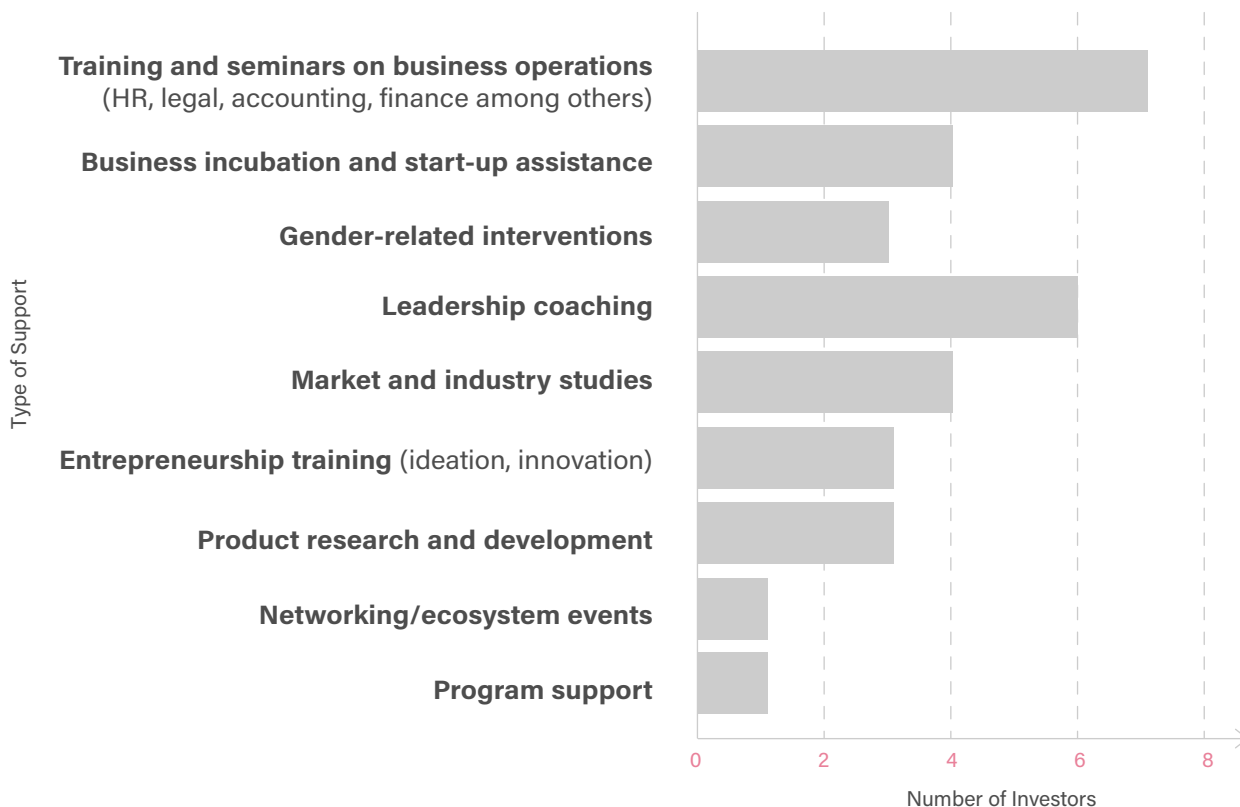
**4 out of 9**  
investors have 50% or more women in management or decision-making roles

Globally, one of the key challenges in the investing world, is the low number of female investors (or key decision makers). In the Philippines, we found that close to half the respondents had 50% or more women in management.

## Investors provide a range of business support services to their portfolio

To maximize the potential of their investees, the investors shared that they offered active non-financial support. The support they provided ranged from workshops and training to business mentorship for the founders.

Non-financial support offered by Investors





**>80%** of investors provide support on business operations



**60%** of investors focus on leadership coaching

# Key Barriers in Deploying Capital to (more) WSGBs

## Mismatch of existing products for WSGB needs

WSGBs require financing across a broader Missing Middle with diversified terms, while most investors are focused on larger ticket sizes and limited flexibility in the investment instruments. Many WSGBs felt that they are not yet at the traction that investors are looking for and need more risk capital in the early stages, but were unsure where this could come from. In addition, the majority of WSGBs did not fall into the category of 'hyper growth' businesses that many venture capital funds (the most visible startup funders) seek.

Typical venture capital products may not be appropriate for the diverse needs of WSGBs.



## Perception of narrowing the pool with GLI lens

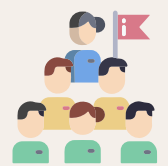
Some investors cited the challenges of narrowing down the pool of investees with additional lenses, such as gender. While they expressed the need to diversify their portfolio, they did not want to commit to a specific target number for WSGBs, as they felt they needed to prioritize their core investment thesis.



## Improving diversity of investment teams

Given that investment opportunities are primarily sourced through word-of-mouth or referrals, it relies heavily on the networks of investment team members. Lack of diversity in gender and other aspects of an investment impact the diversity in the pipeline of the investor.

The lower number of women in decision making roles, especially on investment committees at the fund, also impact the diversity of the portfolio.



## More awareness needed around gender finance gap and GLI

All investors we spoke to did not think they excluded women entrepreneurs in any way. They expressed that ultimately, business metrics will drive the decision to invest. However, more awareness is needed with regards to the specific needs of WSGBs.



## Low Visibility of WSGBs in pipeline

Majority of investors source investees through word-of-mouth or referrals. They cited the low visibility of WSGBs in their current pipeline networks. Investors will need to actively expand their networks beyond their traditional sources and geographies to improve access to WSGBs.



## Lack of data and success stories of WSGBs in diverse sectors

There is a lack of data and success stories of women entrepreneurs from diverse sectors and business role models. The coverage and narrative of success stories in the startup ecosystem also need to diversify to showcase those other than tech startups as well. The lack of success stories of women entrepreneurs can make it difficult for investors to see women as successful business owners.



## Differences in risk appetite of women entrepreneurs & investors - both perceived and real

Some investors highlighted the risk averseness of WSGBs when it comes to accepting capital, sharing ownership, and citing their lack of aggression toward growth targets. While WSGBs cited the need for investors in the early stages of growth who can absorb the risk of experimentation with models and help build traction, this difference in perceptions of risk appetites has continued to exacerbate the gender finance gap. However, women entrepreneurs are typically more prepared for risk than investors realize. Women entrepreneurs often have a strong track record of managing risk in their personal and professional lives. They are also more likely to have a detailed business plan and to have done their research on the market. Investors may underestimate the level of risk preparedness of women entrepreneurs. More opportunities for women entrepreneurs and investors to network and gain exposure to what each other is seeking is important.




“

**It has been challenging to find capital to support testing our model and build traction. Most investors want to see a particular level of traction before they invest. But we do also need access to capital that can take some early risk along with us.**

**Agritech entrepreneur**

# IV

## Voices from the ground: Women Entrepreneurs

<b>Name</b>	Marie Joy Balmaceda-dela Cruz	Nelben Moreno
<b>Enterprise</b>	 Sustansiya	 Green Habits Agriventures, Inc.
<b>Sector</b>	Agriculture	Agriculture
<b>About the Enterprise</b>	Sustansiya is an agricultural company that specializes in post-production services, innovates poultry processors/integrators and contract farmers throughout South-East Asia	Green Habits Agriventures, Inc. supports smallholder farmers towards inclusion in the value chains.
<b>Status on fundraising</b>	Accessed debt for CAPEX (capital expenditure), Founder's Fund, Equity, Convertible Debt	Accessed flexible debt
<b>Funding need</b>	USD 2-3 million	USD 84,800
<b>Funding type</b>	Convertible loans/Safe Agreement for Future Equity (SAFE)	Equity

# CREDIBILITY IS KEY IN SUCCESSFUL FUNDRAISING

## Case Study on Sustansiya

What aspects are critical for a company to gain funding? Of course, there's that unique business idea, market potential and scalability, but as Marie Joy Balmaceda-Dela Cruz realized, there is a very intrinsic aspect: Integrity.

A principle that went a long way in securing their investment and access to funding.

Having worked for the International Finance Corporation, the private sector arm of the World Bank Group in Washington DC, Joy is no stranger to the rigorous investment processes as it is the main function of the department she was assigned to. Both co-Founders agreed that in starting Sustansiya they will adopt all of the best practices they have learned from IFC.



**Marie Joy  
Balmaceda-dela  
Cruz**

Sustansiya, founded in May 2016 is a Philippines-based startup co-founded by Marie Joy Balmaceda-Dela Cruz and Shane Kiernan. The company focuses on addressing the challenges in the poultry industry, offering solutions for poultry manure disposal and creating biofertilizers. With an initial emphasis on catching services for poultry processors, Sustansiya aims to revolutionize the sector through innovations, addressing operational constraints and enhancing productivity.

Initial inspirations for the business concept stemmed from Joy and Shane's analysis of the problems faced by Philippine poultry growers during their research study. Combining Joy's experience in Poultry operations and Shane's experience in large scale tomato production in Nigeria both decided to pack up and move to the Philippines to start Sustansiya.

Initial funding came from personal funds, followed by seed investments from friends and family. Luckily in participating in one of MAIN ( Manila Angle Investors Network ) Pitching competitions, one of the interested investor was able to connect Sustansiya to a private investor who is active in the Poultry and Livestock that welcomed the idea as a game changer for the industry . In total Sustansiya was able to gather USD 675,000 to kick off.



Image Source: pexels.com

### ***Keeping it clean and transparent***

To protect the credibility and integrity of the company, Joy and Shane hired a reputable law firm not only to structure the company correctly but also made sure that Sustansiya is compliant in all the necessary permits and registrations to operate the business. An Accounting firm and auditor were retained next to ensure proper accounting of all company transactions, allowing easy access to all of their detailed books of account should any of their current and potential investors request review as part of any due diligence process. Sustansiya was able to gain the trust of major poultry processors and secure contracts due to readily available and prompt delivery of any documentary requirements. Sustansiya was also able to show good banking records and consistent revenue track record that they were granted a PHP 8 million clean line of credit by Union Bank as it serves as check writer for one of their clients. Inbest, also granted a PHP 10m line of credit dedicated to the operation of their poultry manure processing part of the business. Trade Finance from the Dutch Good Growth Fund in the amount of EUR 675,000 to finance importation of the manure processing equipment.

### ***Industry Bias***

Former colleagues from IFC provided business guidance and mentorship to Joy that kept her motivated to focus and stay on track with the mission and vision of Sustansiya even when the company experienced start-up challenges. It is unavoidable to experience gender biases in the agriculture sector, as male counterparts are expected to dominate this field. Having a male, Irish co-founder, clients tend to assume that Shane was the only owner of the company. Most clients get surprised to learn that Joy head's business development and operations for Sustansiya, while Shane the male co-founder is in charge of the finance side of the business. Integrity, dependability and consistency became the strength of Sustansiya that contributed to the company's success in fundraising.



## CASH ISN'T ALWAYS THE MAIN PROBLEM

### Case Study on Green Habits Agriventures, Inc.

When one door closes, another opens. Who better than Nelben Moreno would understand this? When her role as the Executive Director ended with the closure of the DANA Foundation, Nelben found her calling.

An aspect of her previous project included creating an alternative source of income for the farmers, who were encouraged to grow vegetables, and setting up a market linkage to help them sell the produce. Soon, the farmers made progress, and the operations began to grow.



Nelben Moreno

Nelben decided to continue to support the farmers and not let the closure of the foundation deter their success. That's how Green Habits Agriventures, Inc. was born. With support from her previous boss, she inherited assets that were important to their farming operations: scale, crates, a chiller, and a small, decently furnished office. More importantly, they provided her with an initial capital of PHP 5 million that was needed to run the project.

Green Habits Agriventures, Inc. assisted farmers by linking them to corporate buyers rather than the consumer market to help them sell higher volumes of produce and earn more from the transactions. They work with smallholder farmers or farmers with less than a hectare of land and help them grow and sell fresh vegetables such as carrots, spring onions, lettuce, etc. to large companies in Tagum City like the Jollibee Foods Corporation (JFC) and the Department of Social Welfare and Development. The arrangement meant she needed to have enough cash on hand to pay the farmers upfront.

So, while her husband managed the business operations, Nelben focused on fundraising.



As she approached investors, she faced some challenges. Since most agribusiness owners were male, Nelben felt that they viewed her through a different lens, making her feel inadequate in her agricultural experiences. Another challenge was that banks viewed agriculture as a very risky investment, making access to financial products from banks and other financial institutions difficult.

#### ***Network matters***

But as she got along her journey, she realized something, cash and money weren't the things that mattered. The role of the network in getting resources, business solutions, and access to funding is indispensable. "A lot of my suc-

cess was made possible by my network and support system,” says Nelben.

For example, her contacts at the Department of Agriculture helped with additional crates for vegetables and access to their facilities and warehouses. They also helped her with soil-testing services and partnered with a PhD student to provide technical assistance.

On the other hand, their client JFC provided them with an agro-enterprise facilitator and covered the cost of it. Under their partnership, Nelben had access to technical assistance for the farmers and accounting software, along with a grant of PHP 500,000 for 6 months. JFC’s role was also crucial in expanding her market linkages in Tagum City.

Nelben recognized that one pain point for farmers was logistics. Thus, Green Habits covered the cost of transportation from the farms to the clients by picking up the produce themselves and delivering it to the restaurants using a multi-cab they procured. This was made possible through a loan from Pag-Ibig amounting to PHP 60,000. This answered their concern about logistics, lowered operational costs, and removed dependence on third-party providers.

As the business grew, so did its capital needs. Nelben then applied for a PHP 1.6 million loan from Impact Pioneers to buy another vehicle and add to their working capital. She also continued her partnership with JFC, which evolved into her becoming a mentor to other agro enterprises.

### ***Search for an equity partner.***

Next, she plans on expanding to Davao City, followed by the rest of Mindanao. A plan that requires an additional PhP4.7 million—enough to cover upfront payments to farmers, working capital for the business, and operating costs of their Tagum and Davao operations.

In this case, her search for an equity partner hasn’t materialized yet, and she hopes to get some marketing support that will help get introduced to B2B clients and those involved in food processors, such as kimchi makers, that can extend the lifespan of their vegetables and create value addition for their products.



A group of people, including a woman on the left and a man in the center, are seated around a table in a meeting. They appear to be engaged in a discussion. The background is slightly blurred, showing office windows. The overall tone is professional and collaborative.

“

**Creating more demand driven instruments, use of blended financing mechanisms will help us move faster to address the disparity in funding for men and women, especially at the early stages. We need to work together to create more agile, risk-adjusted capital.**

**Ecosystem Donor**



# Investor Profiles: Perspectives on Gender Lens Investing



Note: All data and information has been collected through two rounds, initially in March-May 2023 and updated in December 2023.



**We need to create flexible investment and financing products fit for where the women entrepreneurs are relative to the size of their business and the bottlenecks they face in accessing capital.**

**David King Pangan**  
 Managing Partner, inBEST Ventures

Portfolio Size	USD 2,700,000
Ticket size	<ul style="list-style-type: none"> <li>USD 20,000 to USD 80,000</li> <li>USD 100,000 to USD 300,000</li> </ul>
Stage at which you invest	<ul style="list-style-type: none"> <li>Early and Growth stage</li> </ul>
Number of investments made	24
Percentage of investments in women-owned/led enterprises	<ul style="list-style-type: none"> <li>95.83%</li> </ul>
Sectors of investment	<ul style="list-style-type: none"> <li>Agnostic</li> <li>Preference for gender lens investing (women-owned and led SMEs)</li> </ul>
Investment instruments	<ul style="list-style-type: none"> <li>Short term loans</li> <li>Long term loans</li> <li>Equity investment</li> <li>Mezzanine and Hybrid Investments</li> </ul>
Non-financial assistance provided	<ul style="list-style-type: none"> <li>Provide relevant business, corporate governance, and financial management related advice</li> <li>Advisory Services</li> </ul>

“ Driving more private capital into gender lens investing and showcasing successful examples and lessons learned can establish a track record and inspire increased investment. Empowering women economically means greater access to economic resources, opportunities, and skills, they become active agents of change fostering environmental sustainability, social inclusion, and shared prosperity which form the foundation of a more sustainable and equitable society. That benefits us all.

Developing a pipeline of investable companies will certainly support more capital going towards Southeast Asia, particularly in Vietnam, Indonesia, and the Philippines. Proven business models, scalability and impact are important considerations for responsible investments.

**Rowena Reyes**  
Director, SWEEF Capital

Assets under management/ Fund size	Unavailable
Ticket size	USD 5,000,000 to USD 10,000,000
Stage at which you invest	Growth Stage
Number of investments made	Unavailable
Percentage of investments in women-owned/led enterprises	100%
Sectors of investment	Gender lens investing (women-owned and led SMEs)
Investment instruments	Equity investment
Non-financial assistance provided	<ul style="list-style-type: none"> <li>Gender related interventions</li> <li>Training and seminars on business operations (HR, legal, accounting, finance among others)</li> </ul>

# Gobi-Core Philippine Fund



“ Promoting DEI in venture capital continues to be an ongoing priority as the progress of women's representation in the tech ecosystem remains stagnant; According to Bloomberg (2022), only 2% of the billions of dollars invested in startups globally every year are allocated to women founders. Gobi acknowledges that it takes a lot more than funding to build the ecosystem, which is why the firm has partnered with various organisations across private and public sectors to co-create meaningful programmes driving awareness, knowledge-sharing, and technical support geared towards both the investor and startup communities across Asia.

Women founders need exposure. To facilitate funding opportunities, it would be beneficial to compile an accurate data-set of existing start-ups in the country, including information on their funding amounts, sectors, and whether they are women-founded and led. Hosting events dedicated to showcasing these specific start-ups, whether in particular sectors or with women founders, would allow them to present their models and connect with like-minded founders and potential funders. These events could serve as touchpoints for venture capitalists (VCs) to discover new talent within the ecosystem and explore potential synergies. **Gobi-Core Philippine Fund**

Assets under management/ Fund size	USD 10,000,000
Ticket size	USD 100,00 to USD 1,000,000
Stage at which you invest	Seed to Series A
Number of investments made	8
Percentage of investments in women-owned/led enterprises	50%
Sectors of investment	Sector Agnostic; Technology or Technology-enabled Startups
Investment instruments	<ul style="list-style-type: none"> <li>Equity investment</li> <li>Convertible loans / Secure Agreement for Future Equity (SAFE)</li> </ul>
Non-financial assistance provided	<ul style="list-style-type: none"> <li>Business incubation and startup assistance</li> <li>Gobi value creation support for international operations, product research, and business development</li> <li>Workshops on Entrepreneurship (ideation, innovation, risk management, etc.) through the Gobi GUIDE program and Alibaba Netpreneur Masterclass program</li> <li>Training and Seminars on business operations (HR, legal, accounting, finance etc.)</li> </ul>



To grow the gender lens investing space, we will need continued activities to build awareness and interest and we also need to provide investors with opportunities to invest.

As an investor, what will help increase the chances of investing in more female founders from diverse backgrounds is to build the pipeline actively. It would be great to meet more women founders, perhaps through an informal discussion or round table discussion to understand their needs, opportunities, challenges, and ambitions.

For entrepreneurs who move forward to diligence, at xchange, we have drafted our own diligence process but it will be helpful to have a basic standard process that different investors can use for clarity on metrics on the part of the entrepreneurs.

**Love Gregorie Perez**  
Director, xchange

Portfolio Size	USD 3,000,000
Ticket size	USD 50,000
Stage at which you invest	Early stage
Number of investments made	15
Percentage of investments in women-owned /led enterprises	46.60%
Sectors of investment	<ul style="list-style-type: none"> <li>▪ Gender lens investing (women-owned and led SMEs)</li> <li>▪ Agriculture</li> <li>▪ Environment</li> <li>▪ Education</li> <li>▪ Health</li> <li>▪ Agnostic</li> </ul>
Investment instruments	<ul style="list-style-type: none"> <li>▪ Short term loans</li> <li>▪ Long term loans</li> <li>▪ Equity investment</li> <li>▪ Other quasi-equity instruments</li> <li>▪ Credit Lines</li> <li>▪ Project Finance</li> <li>▪ Convertible Notes</li> </ul>
Non-financial assistance provided	<ul style="list-style-type: none"> <li>▪ Leadership mentoring and coaching, Business incubation and start-up assistance</li> <li>▪ Training and seminars on business operations (HR, legal, accounting, finance among others)</li> </ul>



“ **Non-government and government support institutions need to have more coordinated efforts to identify and provide financial and capacity building services to women-owned/led enterprises, especially small enterprises and micro enterprises that are ready to grow.**

**Sixto Donato Cabrera Macasaet**  
Executive Director, FSSI

<b>Portfolio Size</b>	USD 4,700,000
<b>Ticket size</b>	USD 9,000 to USD 650,000
<b>Stage at which you invest</b>	Growth stage
<b>Number of investments made</b>	41 *About 240 investments have been made since FSSI started its operations in 1995. Out of these, 41 are active.
<b>Percentage of investments in women-owned /led enterprises</b>	69%
<b>Sectors of investment</b>	<ul style="list-style-type: none"> <li>▪ Gender lens investing (women-owned and led SMEs)</li> <li>▪ Agriculture</li> <li>▪ Environment</li> </ul>
<b>Investment instruments</b>	<ul style="list-style-type: none"> <li>▪ Short term loans</li> <li>▪ Long term loans</li> <li>▪ Credit lines</li> <li>▪ Equity investment</li> <li>▪ Deposits</li> </ul>
<b>Non-financial assistance provided</b>	<ul style="list-style-type: none"> <li>▪ Training and Seminars (on business management, business operations, human resource management, financial management, among others)</li> <li>▪ Mentoring and coaching</li> <li>▪ Workshops on Entrepreneurship (innovation, risk management, among others),</li> <li>▪ Gender related interventions</li> </ul>



**Bringing in successful women entrepreneurs and professionals to encourage and motivate more women to take up entrepreneurship or startups should help. Current challenge is the top of the funnel flow.**

**More women-owned or led startups building should be enough. Investors like us are happy to back good founders and businesses irrespective of gender.**

**Abdul Paravengal**  
Managing Director, Pulse 63 Healthcare Ventures

Assets under management/ Fund size	USD 5,000,000 to USD 10,000,000
Ticket size	USD 250,000
Stage at which you invest	Pre-seed, Seed
Number of investments made	30
Percentage of investments in women-owned/led enterprises	50%
Sectors of investment	Health and Wellness
Investment instruments	Equity investment or service(s) investment
Non-financial assistance provided	<ul style="list-style-type: none"> <li>▪ Leadership mentoring and coaching</li> <li>▪ Business incubation and start-up assistance</li> <li>▪ Market and industry studies</li> <li>▪ Product research and development</li> </ul>



“ I think the knowledge gap in the investment community regarding social impact and gender lens investing should be addressed. We have to establish good business cases and show winning examples to encourage more investors to strategically choose investing in women and women-led businesses.

I would appreciate having access to more entrepreneurs from all over the country. We need more and deeper connections in underserved communities in the Philippines so that we can better use capital to uplift and support women.

**Kristine Mae Magtubo**

Associate - Health Lead, Ignite Impact Fund

Assets under management/ Fund size	Unavailable
Ticket size	Unavailable
Stage at which you invest	Early Stage
Number of investments made	3
Percentage of investments in women-owned/led enterprises	0%
Sectors of investment	Impact Investing
Investment instruments	<ul style="list-style-type: none"> <li>▪ Revenue-based loans</li> <li>▪ Equity investment</li> <li>▪ Convertible loans / Secure Agreement for Future Equity (SAFE)</li> <li>▪ Credit lines</li> </ul>
Non-financial assistance provided	<ul style="list-style-type: none"> <li>▪ Training and Seminars (on business management, business operations, human resource management, financial management, among others)</li> <li>▪ Leadership mentoring and coaching, Business incubation &amp; start-up assistance</li> <li>▪ Market and industry studies</li> <li>▪ Workshops on Entrepreneurship (ideation, innovation, risk management, among others)</li> </ul>

“ I believe that gender lens investing needs more education to the greater investing population. To understand that we have a blind spot, and to acknowledge it and identify key steps moving forward that can directly and immediately address it.

As an investor, we recognize that we need to do more to empower more female entrepreneurs. We need classes/courses to help us identify our blind spots, even to the point where we are given a checklist of clear action items that we can adhere to, and check in on during the fiscal year.

**Franco Varona**  
Managing Partner, Foxmont Capital

Assets under management/ Fund size	USD 25,000,000
Ticket size	USD 250,000 to USD 500,000
Stage at which you invest	Early Stage
Number of investments made	39
Percentage of investments in women-owned/led enterprises	30%
Sectors of investment	<ul style="list-style-type: none"> <li>▪ Tech-enabled</li> <li>▪ Philippine focused businesses</li> </ul>
Investment instruments	<ul style="list-style-type: none"> <li>▪ Convertible loans / Secure Agreement for Future Equity (SAFE)</li> <li>▪ KISS</li> <li>▪ Equity investment</li> <li>▪ Preferred shares</li> </ul>
Non-financial assistance provided	<ul style="list-style-type: none"> <li>▪ Convertible loans / Secure Agreement for Future Equity (SAFE)</li> <li>▪ Short term loans</li> <li>▪ Long term loans</li> <li>▪ Equity investment</li> <li>▪ KISS Preferred shares</li> <li>▪ Monthly check-ins with portfolio</li> <li>▪ Networking opportunities via LPs</li> </ul>

“ MAIN is constantly on the lookout for passionate but responsible female founders with viable business models. Aside from investment opportunities MAIN would like to see these startups grow and mature during their journey whatever the outcome may be. As the Philippine investment appetite grows cautious the last few months we still see startups continue to sprout and investors still seeking to make that one great breakthrough.

**Quenby Go**  
Executive Director, Manila Angel Investors Network (MAIN)

Assets under management/ Fund size	Unavailable
Ticket size	Unavailable
Stage at which you invest	Early Stage
Number of investments made	26
Percentage of investments in women-owned/led enterprises	42.3%
Sectors of investment	<ul style="list-style-type: none"> <li>▪ Agnostic</li> <li>▪ Gender lens investing (women-owned and led SMEs)</li> <li>▪ FinTech</li> </ul>
Investment instruments	Unavailable
Non-financial assistance provided	Unavailable

## INVESTORS AND FINANCING INSTITUTIONS IN THE PHILIPPINES

The list below, although not exhaustive, identifies some of the financing and investment products in the local ecosystem for entrepreneurs.

Type of Financing	Institution	Product Offering	Articulated Gender Lens Investing Strategy
Debt Financing	RCBC	SME Loans	Yes, they have a product for women-owned SME
	LandBank of the Philippines	SME Loans	Yes, they have a product for women-owned SME
	inBEST Ventures	Business Acceleration Finance	Yes, products are for women-owned or led enterprises
	Manila Angel Investors Network	Short-term and Long-term loans	Yes
	Foundation for a Sustainable Society	Short-term loans, Long-term loans, Credit Lines	Yes
	Brixton Xchange Inc.	Short-term loans, Long-term loans, Credit Lines	Yes
	Esquire Financing	SME Loans	Not yet, they will be launching products for women-owned SMEs
	CardSME Bank	SME Loans	None, but majority of their clients are women-owned microenterprises that have graduated to an SME
	First Circle	Revolving Credit Line	None
	SeekCap	Business Loan	None
	Radiowealth Finance	Business Loan	None
	Welcome Finance	Business Loan	None
	Zenith Capital	SME Loan	None
	Right Choice Finance	Business Loan	None

Type of Financing	Institution	Product Offering	Articulated Gender Lens Investing Strategy
Debt Financing	Investree	Invoice Financing Purchase Order Financing	None
	BDO	SME Loan Revolving Credit Line	None
	BPI	SME Loan Revolving Credit Line	None
	Metrobank	SME Loan	None
	Maybank	Revolving Credit Line	None
	Ignite Impact Fund	Short-term loans Long-term loans Credit Lines	None
Equity Financing	Manila Angel Investors Network	Equity Investment	Yes
	Brixton Xchange Inc.	Equity investment	Yes
	Foundation for a Sustainable Society	Equity investment	Yes
	Sweef Capital Management Pte. Ltd.	Equity investment	Yes
	inBEST Ventures	Strategic Investment Venture	Yes, products are for women-owned or led enterprises
	First Circle	Growth Partners Program	None
	Kickstart Ventures	Equity Investment	None
	SPIRE Group	Equity Investment	None
	Ray Alimurung	Equity Investment	None
	Angels Investment	Equity Investment	None
	Network PH	Equity Investment	None
Core Capital	Equity Investment	None	

Type of Financing	Institution	Product Offering	Articulated Gender Lens Investing Strategy
Equity Financing	First Asia VC	Equity Investment	None
	Golden Gate VC	Equity Investment	None
	Gobi-Core Philippine Fund	Equity investment	None
	Pulse 63 Healthcare Ventures	Equity investment	None
	Ignite Impact Fund	Equity investment	None
Hybrid	inBEST Ventures	Mezzanine and Hybrid Investments	Yes
	Brixton Xchange Inc.	Convertible loans / Secure Agreement for Future Equity (SAFE)	Yes
	Gobi-Core Philippine Fund	Convertible loans / Secure Agreement for Future Equity (SAFE)	None
	Pulse 63 Healthcare Ventures	Convertible loans / Secure Agreement for Future Equity (SAFE)	None
	Ignite Impact Fund	Convertible loans / Secure Agreement for Future Equity (SAFE)	None



“

**Due Diligence processes are in place to assess businesses on their merit. But to get into the pipeline of investors, an entrepreneur needs access to the right information and networks. And that is always the challenge.**



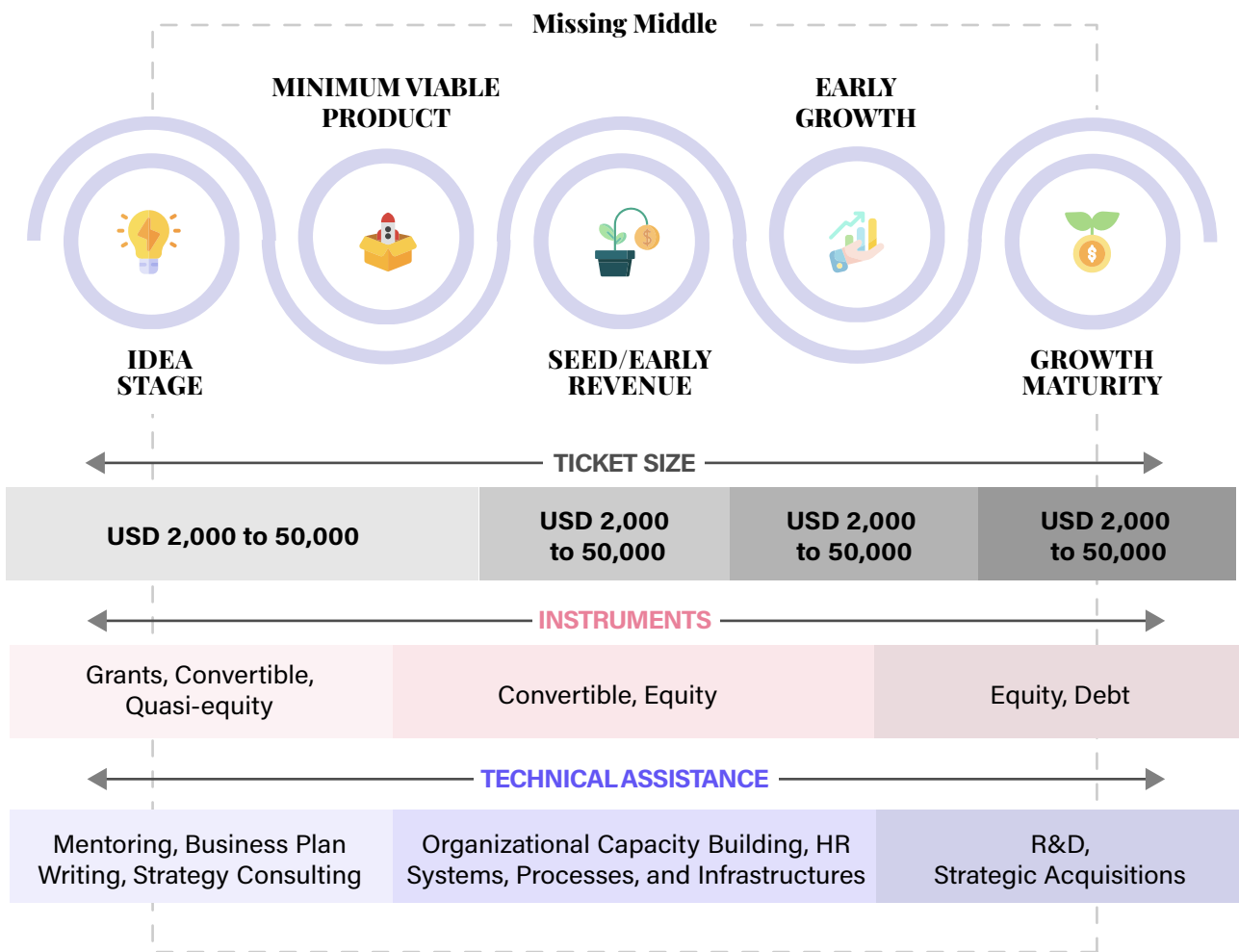
**A.**  
**Addressing the  
Gender Financing Gap  
as an ecosystem**

## Capital and support are needed along the continuum of business growth

### DEMAND-LED, ADAPTIVE INVESTMENT STRUCTURES ARE NEEDED TO ADDRESS THE GREATER MISSING MIDDLE

Many of the WSGBs are trapped in the Greater Missing Middle, with financing needs that are too big for microfinance loans and too small or risky for other, more traditional financing, such as business banking, venture capital (VC), or private equity (PE).

For any enterprise to go from micro to small, small to medium, and medium to large, support and financing is needed at every step. This becomes challenging as the financing needs and challenges of WSGBs vary across industries and types of businesses.



### CATALYTIC CAPITAL - RISK CAPITAL - COMMERCIAL CAPITAL NEEDED

Risk appetites vary across the continuum of capital and across industries. Philanthropic funders, angel investors, banks and government agencies, PE-VC capitalists, and impact investors, all bring diverse motivations and therefore distinct strengths and ticket sizes to the table<sup>47</sup>.

Startup ecosystems typically do not account for small and growing businesses that have potential for growth and profitability but may not deliver returns over a 3-5 year horizon. The larger narrative in ecosystems today is about supporting and driving unicorns. While this is needed for high growth tech startups, many WSGBs need support and capital that is more tailored to profitability and steady growth. They also need risk-adjusted financing in the early stages to build traction.

## CATALYTIC CAPITAL TO BRIDGE RISK AT THE EARLY STAGES





As defined by Tideline and the McArthur Foundation, Catalytic Capital accepts disproportionate risk and/or concessionary return to generate positive impact and enable third-party investment that otherwise would not be possible.

Catalytic capital can be deployed using any traditional financial instrument, including debt, equity, hybrid debt/equity instruments, or guarantees.

<b>Forms</b>	PRICE	PATIENCE	PLEDGE	PURPOSE	POSITION
<b>Roles</b>	SEEDING		SCALING		SUSTAINING
<b>Uses</b>	FACILITATING INNOVATION		HELPING BUILD TRACK RECORD		SAFEGUARDING MISSION
	LEVERAGING ADDITIONAL INVESTMENT			SIGNALING IMPACT POTENTIAL	
<b>Results</b>	Expanding, deepening, or otherwise amplifying positive social and environmental outcomes.				

Source: *Catalytic-Capital: Unlocking More Investment and Impact*, Tideline, 2019

## Examples of Catalytic Capital

 Debt	 Equity	 Hybrid	 Guarantees
Working capital to help build traction	Flexible, tailored financing for alternative exits	Flexible, debt and equity like features	Credit enhancement through blended finance
PO Financing	Longer or undefined exit timing	SAFE/convertible loans	
Unsecured Loan	Redeemable equity	Royalty-based lending	Loss guarantee coverage
Low or Zero Interest Loans	Impact-Linked Financing	Revenue-Based Financing	

## ADAPTIVE CAPITAL STRUCTURES NEEDED IN THE LOCAL ECOSYSTEM TO MANAGE RISK-RETURN MISMATCH BETWEEN INVESTORS AND WSGBS

Risk-return profiles of WSGBs are diverse—they can be high-growth tech startups or niche startups with moderate growth trajectories that are profitable. Capital providers and funders across the ecosystem need to consider diversification of capital available—more flexible, fit-for-purpose financing is needed to address the gender finance gap.

### *Risk-Return Mismatch*

RISK-RETURN MISMATCH OR GAP	IDEAS FOR ACTION	PROMISING SOLUTION EXAMPLES
<b>Time Horizon Mismatch or Gap</b>	Increase use of alternative fund structures beyond VC/PE	Increase use of alternative to closed-end fund structures such as permanent capital vehicles like holding or open-ended funds including evergreen structures
<b>Scale Potential Mismatch</b>	Expand local sources of very early-stage finance	<ul style="list-style-type: none"> <li>▪ Create fund/s for local VCs</li> <li>▪ Develop local angel investing networks</li> <li>▪ Grow local seed funds</li> </ul>
<b>Financial Intermediary Gap</b>	Spread use of flexible debt tailored to SGB needs	<ul style="list-style-type: none"> <li>▪ Expand alternative funds offering revenue-based debt products including royalty kicker and/or demand dividends</li> <li>▪ Facilitate tailored commercial bank SGB lending based on cash flows and know your customer requirements</li> </ul>
<b>Transaction Cost Gap</b>	Grow use of high-quality TA and capital advisory	<ul style="list-style-type: none"> <li>▪ Deliver advisory services to drive sustainable growth in emerging economies</li> <li>▪ Improve operational performance of debt provider/ increase knowledge of your customer</li> </ul>

Source: *The Missing Middles: Segmenting Enterprises to Better Understand Their Financial Needs* by Collaborative for Frontier Finance, 2018.

### *Time-Horizon MisMatch*




Risk-return profiles of WSGBs are diverse, ranging from high-growth technology startups niche startups with moderate growth trajectories that are profitable. In navigating the diverse risk-return profiles, it is crucial for funders across the ecosystem to consider diversification of capital available to WSGBs. This includes providing flexible and fit-for-purpose financing solu-

tions to effectively address the gender finance gap.

**Scale Potential Mismatch**

The “scale potential mismatch” refers to companies with more moderate growth prospects, or targeting limited addressable markets, seeking out investors and sources of financing that are geared toward companies with rapid growth and exit prospects. This mismatch is particularly acute in young ecosystems like the Philippines, where local capital for startups is a new sector. Expanding local sources of very early stage finance can help address the “scale potential” mismatch.

**To address the Greater Missing Middle faced by WSGBs, a diverse range of investment instruments need to be made available in the local ecosystem at the early stages of financing.**

To address the Greater Missing Middle, flexible and tailored investment instruments need to be made available at the early stages.		
 <b>Debt</b>	 <b>Mezzanine</b>	 <b>Equity</b>
Asset-based Lending	Partially Unsecured Junior Loans	Common Shares
Cash Flow-based Lending	Royalty-based Lending	Preference Shares
Working Capital	Convertible Loans	
Leasing/ Pay-as-you-go	Redeemable Equity	
Trade Finance	Preference Share	

**Ecosystem Alert: Impact Pioneers Network**

The Impact Pioneers Network is a gender smart impact investment network with a mission to catalyze local capital to invest in high potential impact enterprises. The network facilitates through its investor members flexible and tailored investment structures to accelerate enterprises addressing the Sustainable Development Goals. In 2023, the Network has launched a blended financing facility to disburse short term collateral-free working capital to early-stage enterprises in the Philippines. The Network also has its own digital deal share platform which allows impact enterprises to sign up and showcase their investment ask and connect with investors. The Network also hosts training and capacity building on impact investing for both entrepreneurs and investors.

Sign up via: [invest.impactpioneers.ph](https://invest.impactpioneers.ph)



**B.**  
**Actions**  
**Forward**

## Actions for Investors

-  Build pipeline partnerships to increase access to a diverse pipeline, these partnerships could be with incubators, accelerators or women's networks to address both the gender and geographic limitations of pipeline.
-  Co-create and customize approaches, metrics, and financial structures that address enterprises' needs and challenges along the Greater Missing Middle. This could include intentionally co-investing in the early-stages, allocating small pools of capital to smaller ticket sizes, and using tailored and flexible financial instruments.
-  Introduce catalytic capital offerings in partnership with philanthropic and upstream actors by using first-loss mechanisms to de-risk financing.
-  Offer post funding support and mentorship to help enterprises with linkages to international markets, design networks, business strategy, capacity building and raising additional capital.
-  Improve diversity of the investment committee, including women at the partner or decision making levels.
-  Conduct regular training on unconscious biases for your investment team, including the junior team members who undertake the initial scouting and screening of deals.

### Ecosystem Alert: Gender Lens and Impact Investment Council (GIIC)



The GIIC is a member-based industry body that aims to move capital towards positive and measurable impact across social, climate, and gender businesses in the Philippines. GIIC sets footing for industry stakeholders to expand the reach and effectiveness of gender lens and impact investing through education and awareness, effective storytelling, and policy advocacy. The council was formally established in March 2023 consisting of the following members: ARQCapital Partners, SWEEF Capital, Ignite Impact Fund, inBEST Ventures, Gobi-Core Philippine Fund, Foxmont Capital, Manila Angel Investment Network, xchange, and Villgro Philippines.

Learn more about GIIC here: <http://www.giicph.com/>



# Actions for Women Entrepreneurs

## PREPARE TO GET INVESTMENT READY AND GROWTH READY

Improve "investments" literacy by learning about the 'appropriate match' for you—instrument, terms, funder—and get ready with the right documents. Plan your growth based on your ambitions and market opportunity, articulate this through succinct financial projections, go-to-market strategy and a business plan.

## UPSKILL ON FINANCING OPTIONS

Proactively learn and gather information on a range of financing options that is suitable and available for your business at each stage

Types of Financing By Stage

Idea Stage to Early Growth	Early Growth to Growth	Growth to Scale Up
<ul style="list-style-type: none"> <li>Grants</li> <li>Self-Financing</li> <li>Advances Against Orders</li> <li>PO Financing</li> <li>Revenue-Based Financing</li> <li>Govt. Schemes</li> <li>Incubators</li> </ul>	<ul style="list-style-type: none"> <li>Debt-Based Solutions</li> <li>Advances Against Orders</li> <li>PO Financing</li> <li>Revenue-Based Financing</li> <li>Impact-First Equity</li> </ul>	<ul style="list-style-type: none"> <li>Equity-Based Solutions</li> <li>Debt-Based Solutions</li> <li>Social Impact Bonds</li> </ul>

## CONDUCT DUE DILIGENCE ON POTENTIAL FUNDERS

Conduct your own diligence on potential investors to understand their scope, approach, what support they bring in addition to capital, and exit expectations by asking the investors questions, checking in with peer entrepreneurs and ecosystem actors who (may) know them.

## EXPAND YOUR NETWORKS INTENTIONALLY

Actively build your networks to access investors and financing opportunities, and better understand expectations of potential investors

## Ecosystem Alert: Nüshu Network



The Nüshu Network is an award-winning platform and community for women entrepreneurs across South and Southeast Asia. The Network provides access to a peer community of women entrepreneurs, access to coaching through self-paced finance and leadership curricula, and access to capital by providing connections to investors and the larger gender lens investing ecosystem as well as investment readiness training. Through community events, learning sessions and tailored programs, women entrepreneurs across Asia can find support on an ongoing basis. Its “Pitch Perfect” is a monthly closed door session for women entrepreneurs to practice their pitch and prepare for questions with actual investors (leading VCs and impact investors in Asia), in a safe space.




Learn more about Nüshu Network here: <https://www.nushunetwork.asia/>

## GUIDE QUESTIONS: ARE YOU INVESTMENT READY?

Here are a set of questions to consider as WSGBs prepare for fundraising and get investment ready:

- Do you have a financial model with projections for the next 5 years?
- Do you have a business model and go-to-market strategy for the next 5 years?
- Do you have a transaction history that demonstrates your ability to grow at a steady pace?
- Do you have your compliances in place—Audited AFS, tax filings, registration documents, FDA/ other relevant certifications, etc.?
- Are you ready to embrace digital for your back-end and front-end operations?
- Do you have business structures and systems that can scale with the enterprise? (E.g. accounting, operations, HR, etc.)
- Do you have key contracts, such as co-founder agreements, etc., in place?
- Do you measure and communicate the impact of your enterprise?

## Actions for the Ecosystem

-  Create new and untapped collaborations for financing by working closely with philanthropic players and other ecosystem partners to unlock catalytic or concessional capital
-  Focus on depth over breadth and provide interventions along the continuum of capital and support to plug gaps in the pan-national ecosystem
-  Provide reliable information, trends, market intelligence, and data to direct the appropriate capital to address the gaps in the local ecosystem



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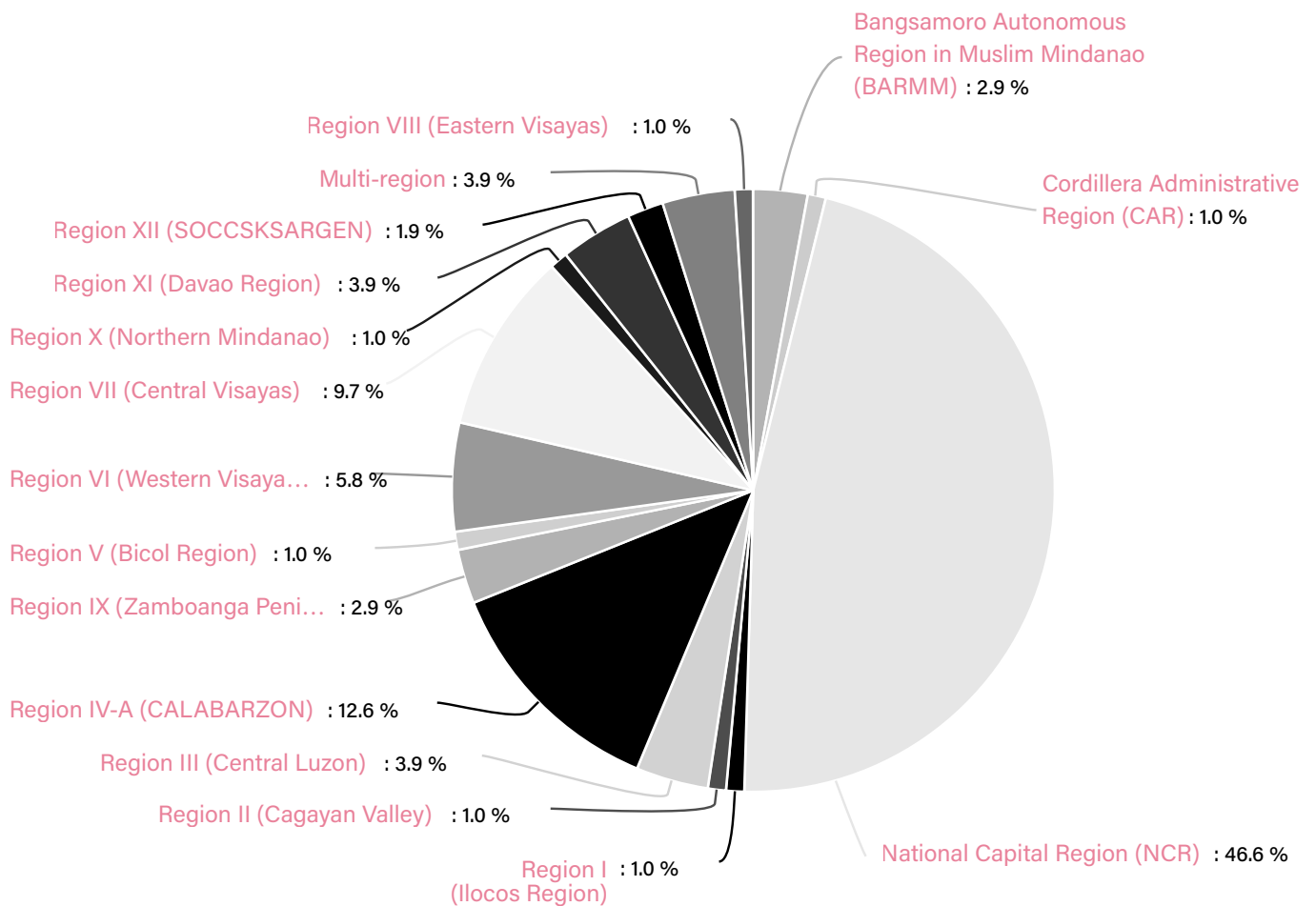
**We hope to see  
a near future where  
disparity in capital  
access for women and  
men is a thing of the  
past. But to get there  
we need to take  
proactive steps and  
address unconscious  
biases.**

**Ecosystem Funder**

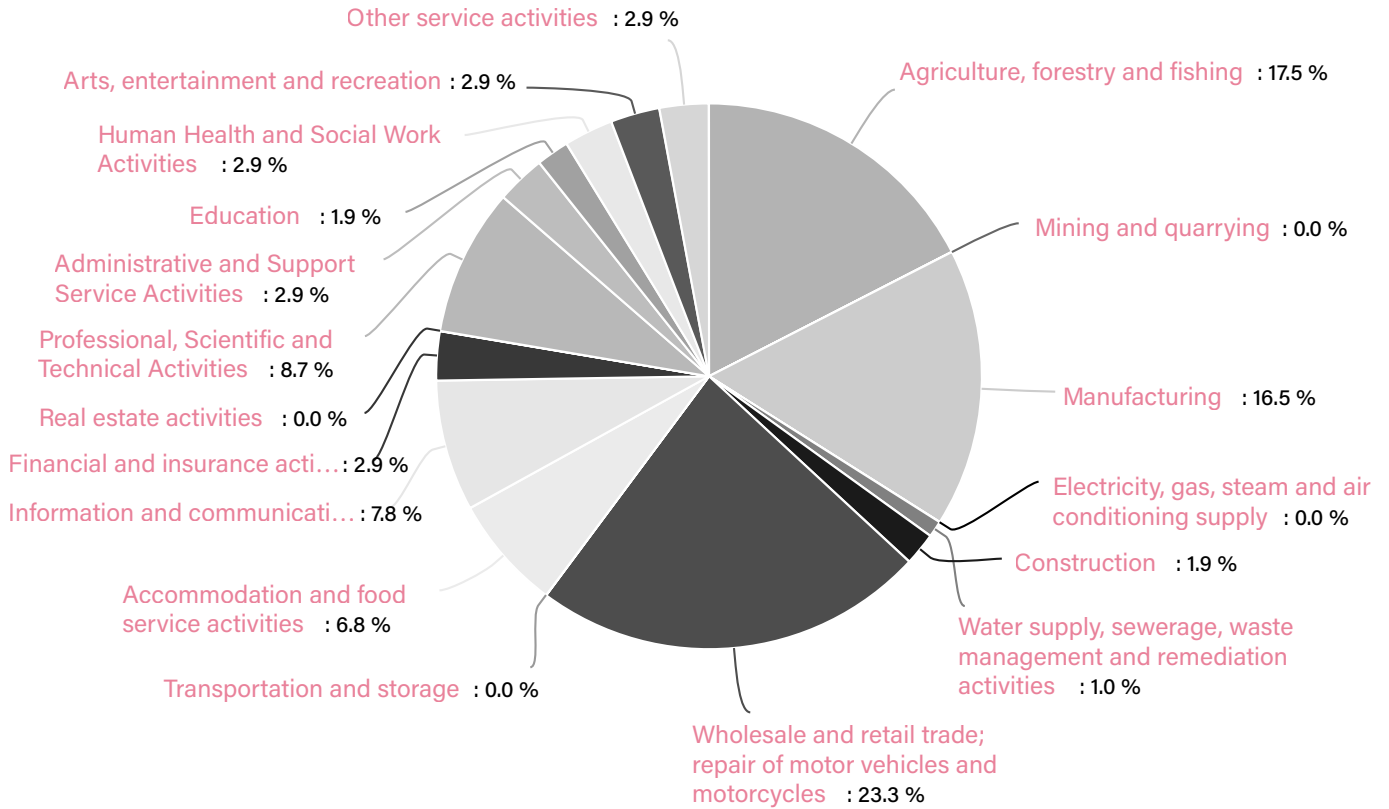
## Appendix

### PROFILE OF WSGBS

Distribution of WSGBs according to Geographic Location

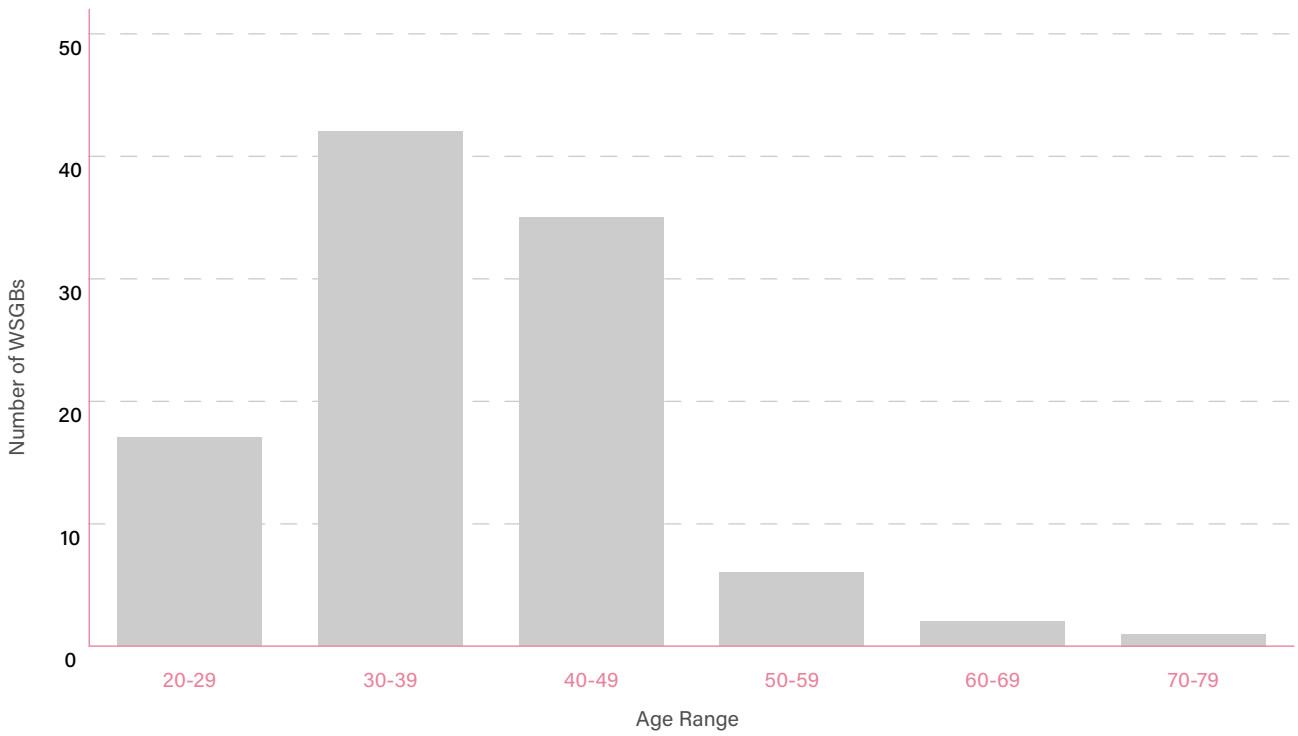


## Distribution of WSGBs' Businesses According to Industry Sectors

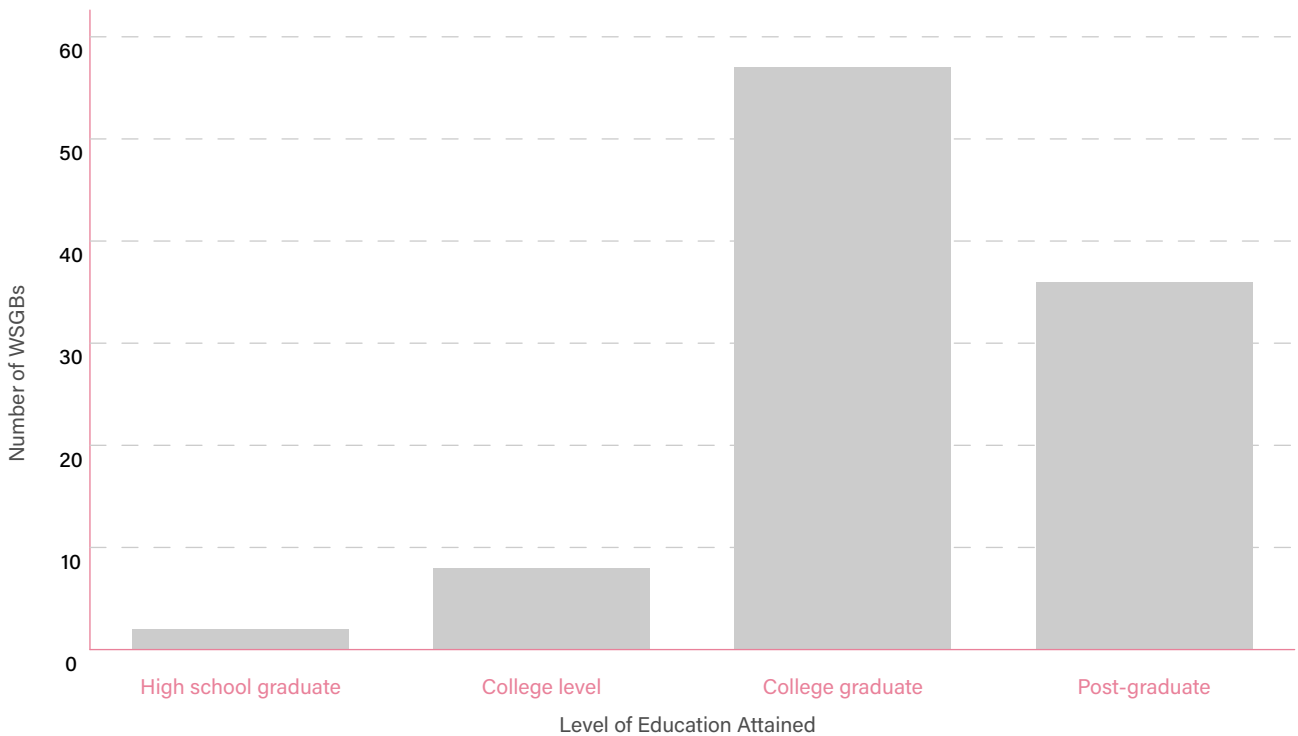


- Agriculture, forestry and fishing
- Mining and quarrying
- Manufacturing
- Electricity, gas, steam and air conditioning supply
- Water supply, sewerage, waste management and remediation activities
- Construction
- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Transportation and storage
- Accommodation and food service activities
- Information and communication
- Financial and insurance activities
- Real estate activities
- Professional, Scientific and Technical Activities
- Administrative and Support Service Activities
- Education
- Human Health and Social Work Activities
- Arts, entertainment and recreation
- Other service activities

## Age Distribution of WSGB Founders

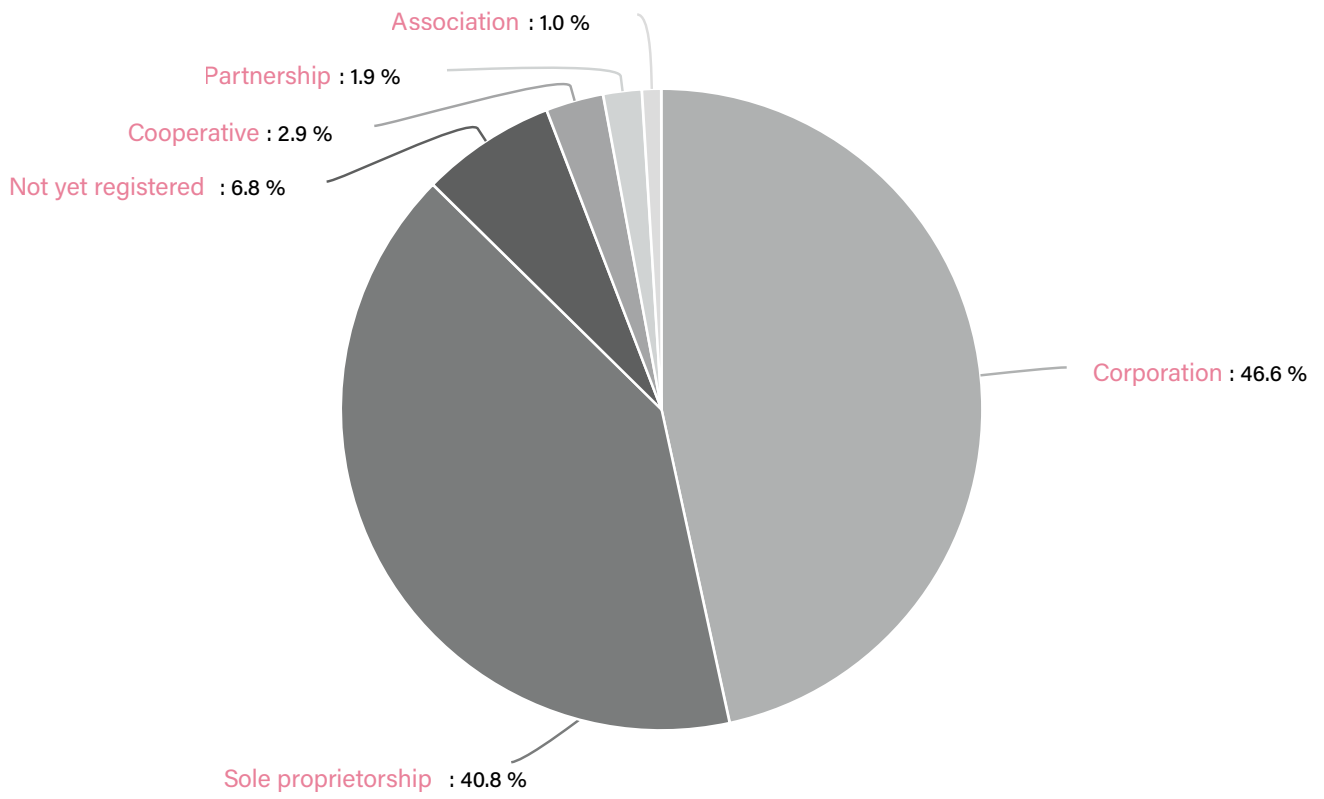


## Educational Attainment of WSGB Founders

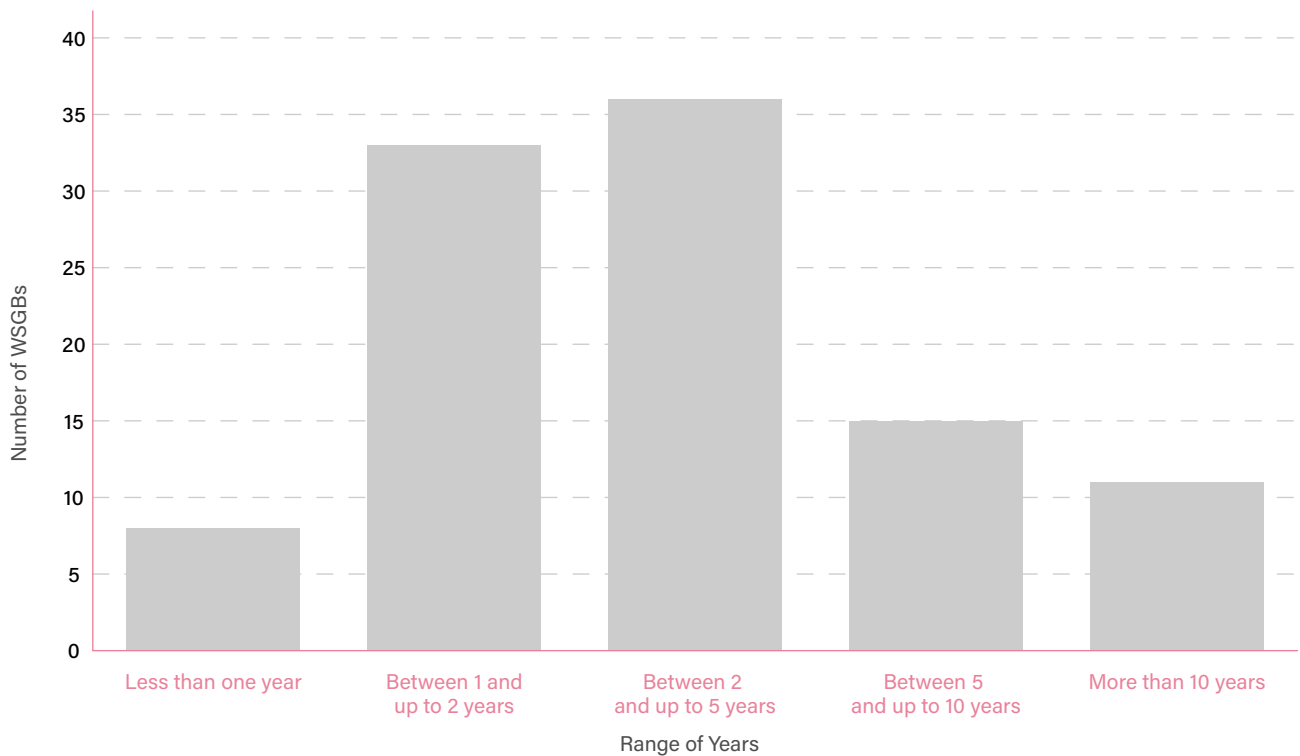




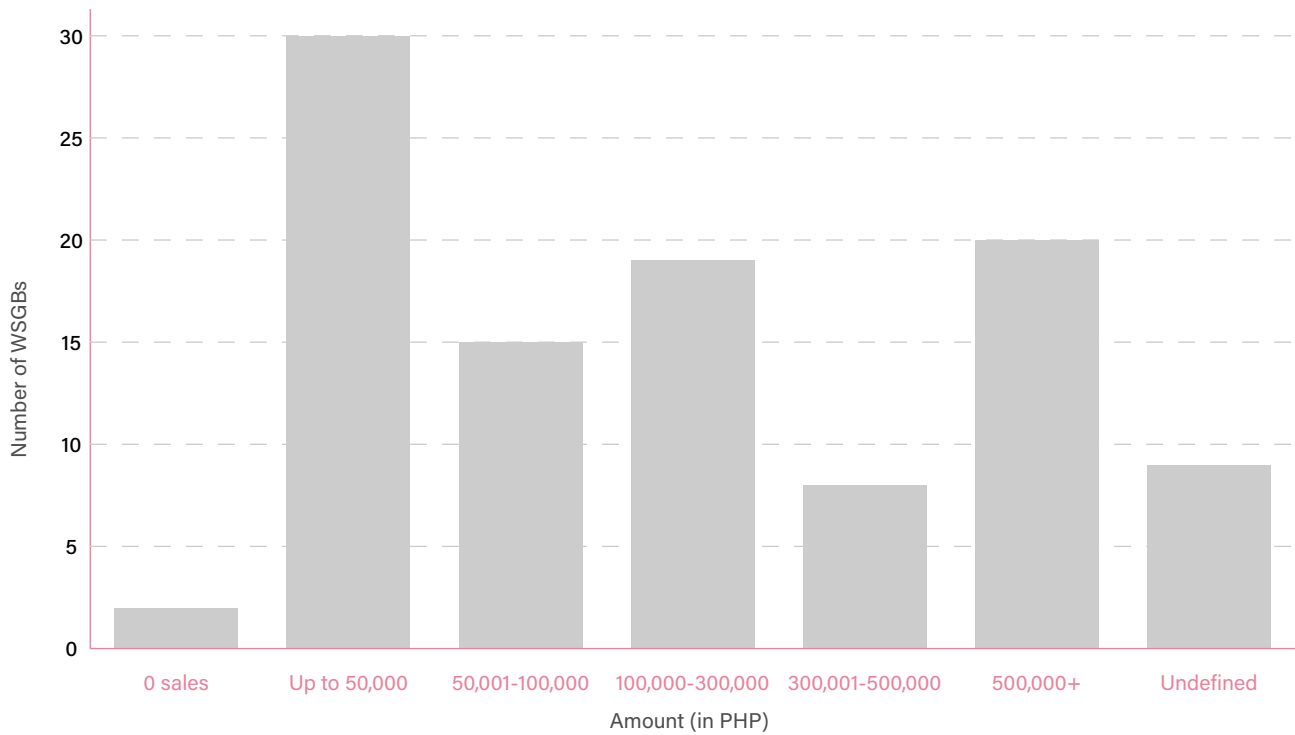
## Business Structure of WSGBs



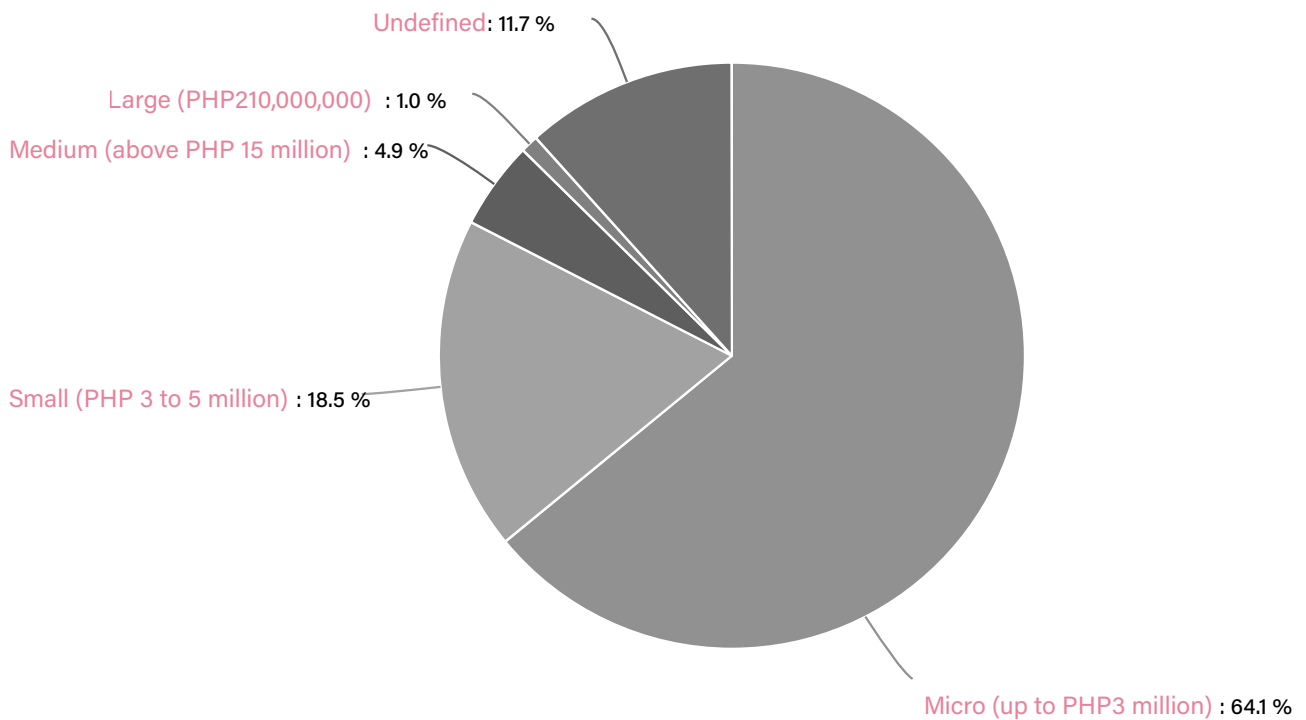
## Number of Years of Business Existence



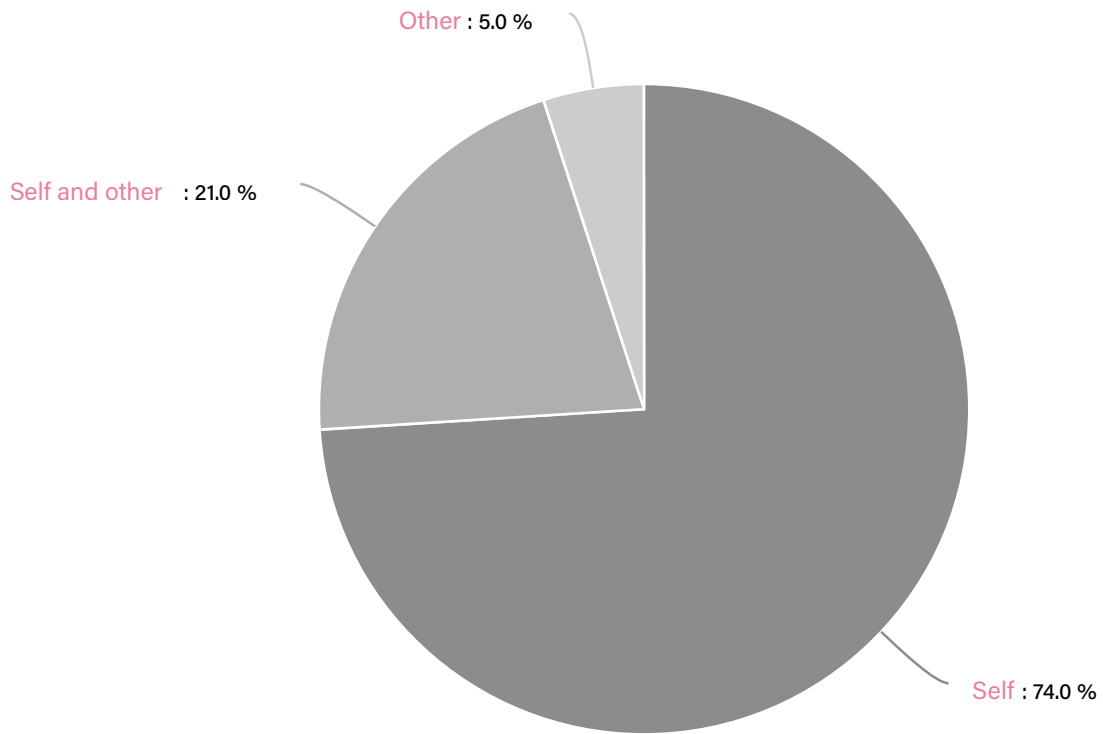
## Average Monthly Net Income of WSGBs



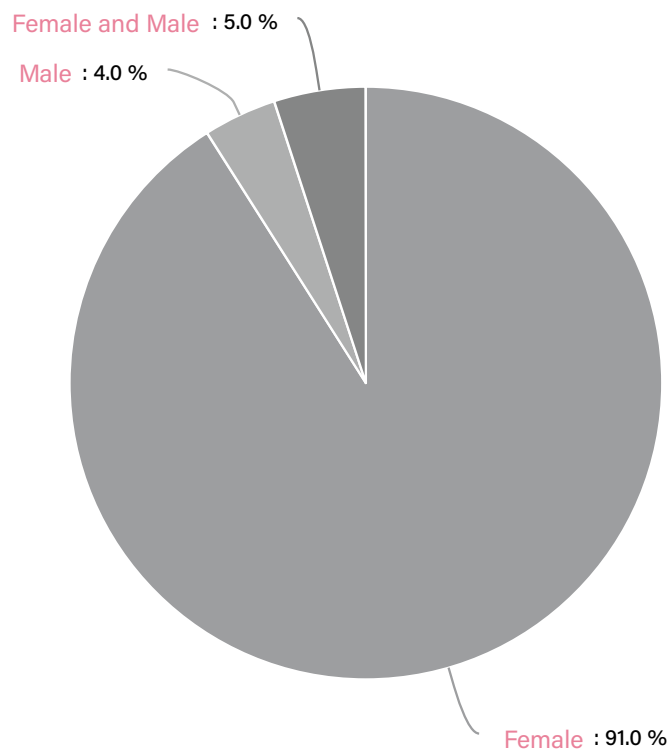
## Approximate Total Assets of WSGBs (in PHP)



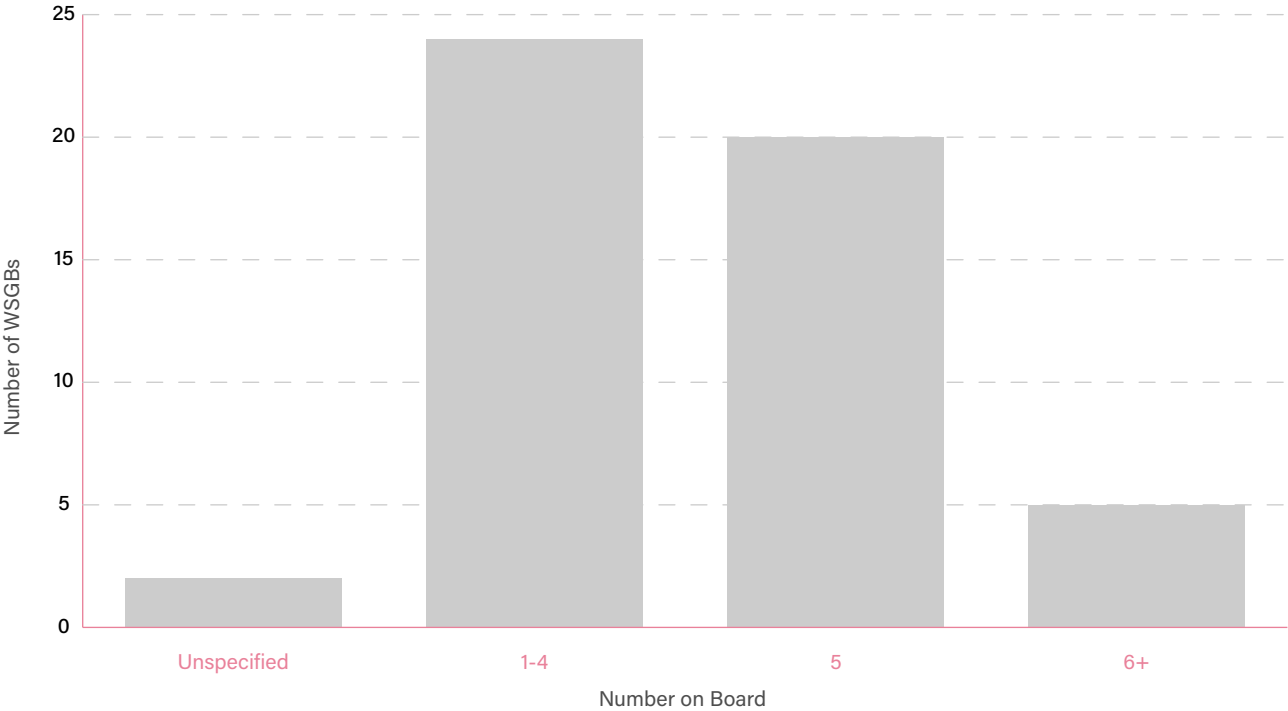
## Identified Sex of the Main Decision-Maker of WSGBs



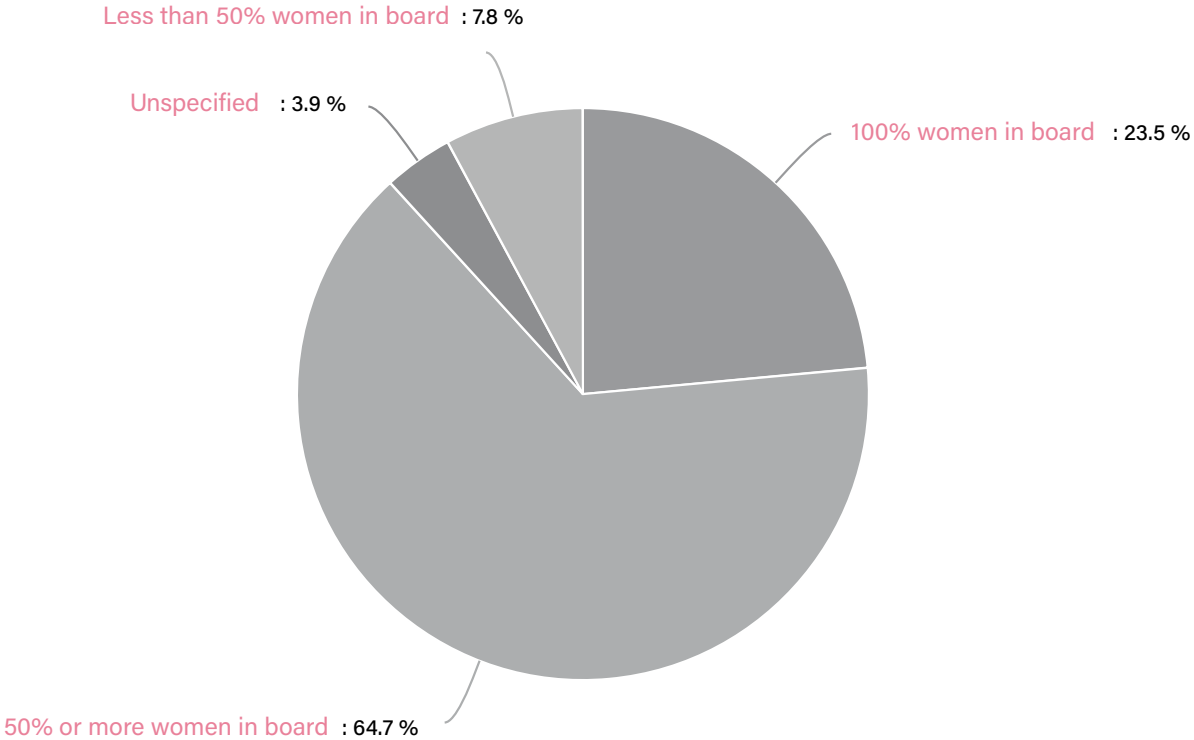
## Main Decision-Maker in WSGBs



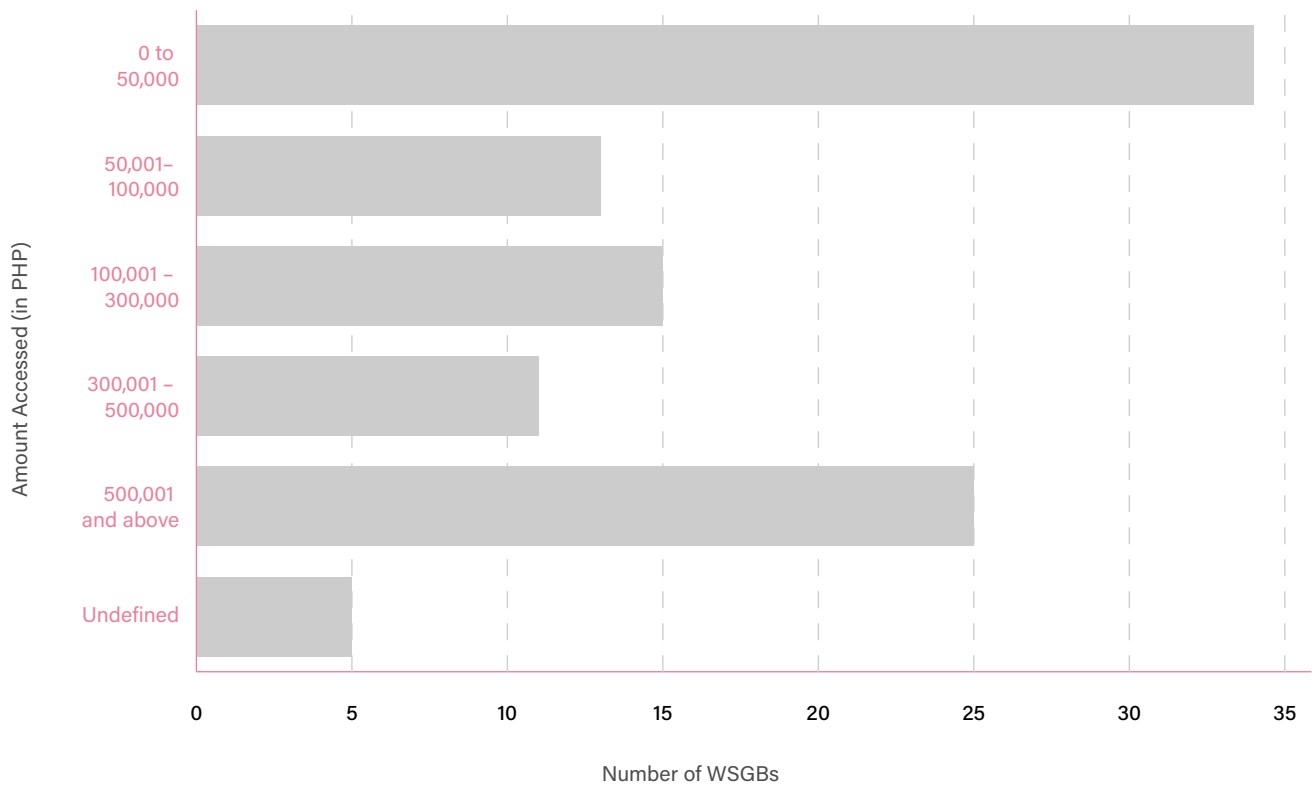
### WSGBs who have Women Board Members



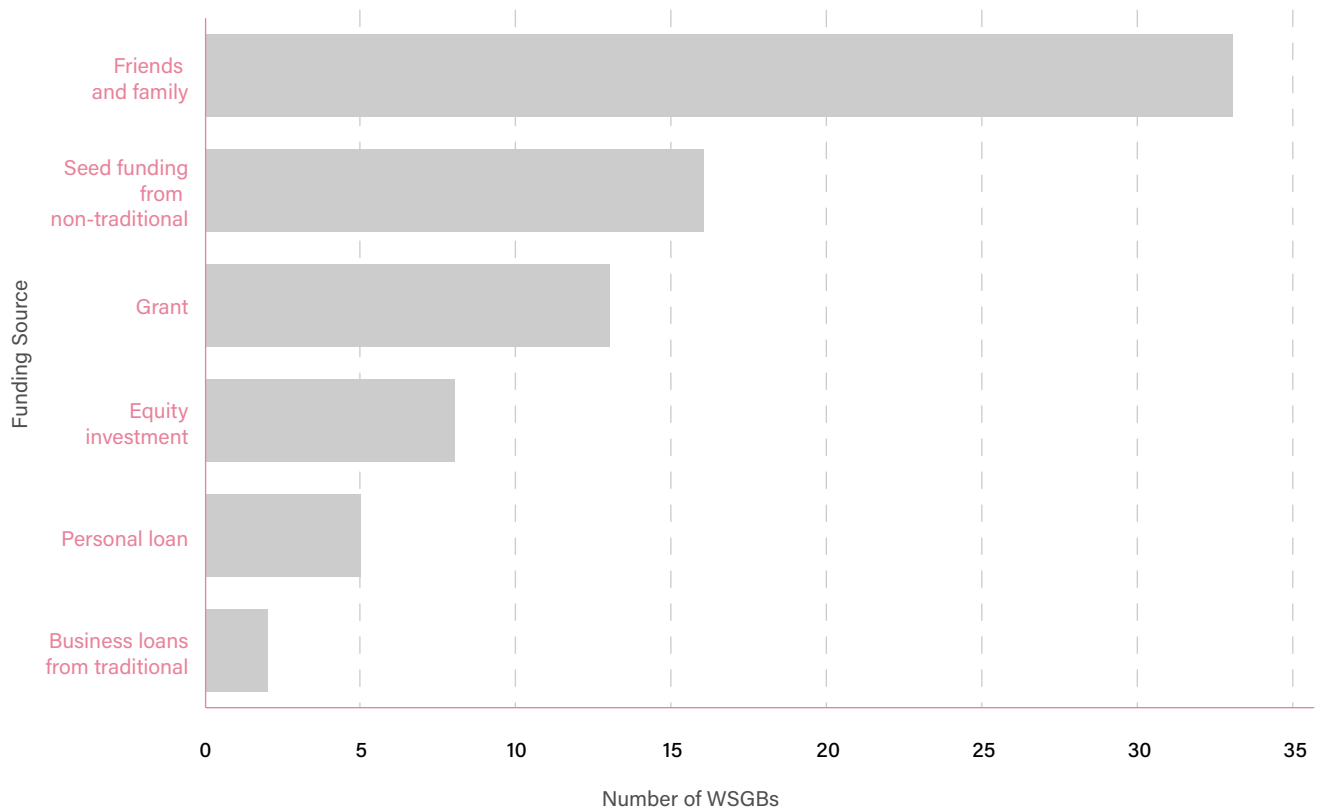
### Percentage of Women in Board\*



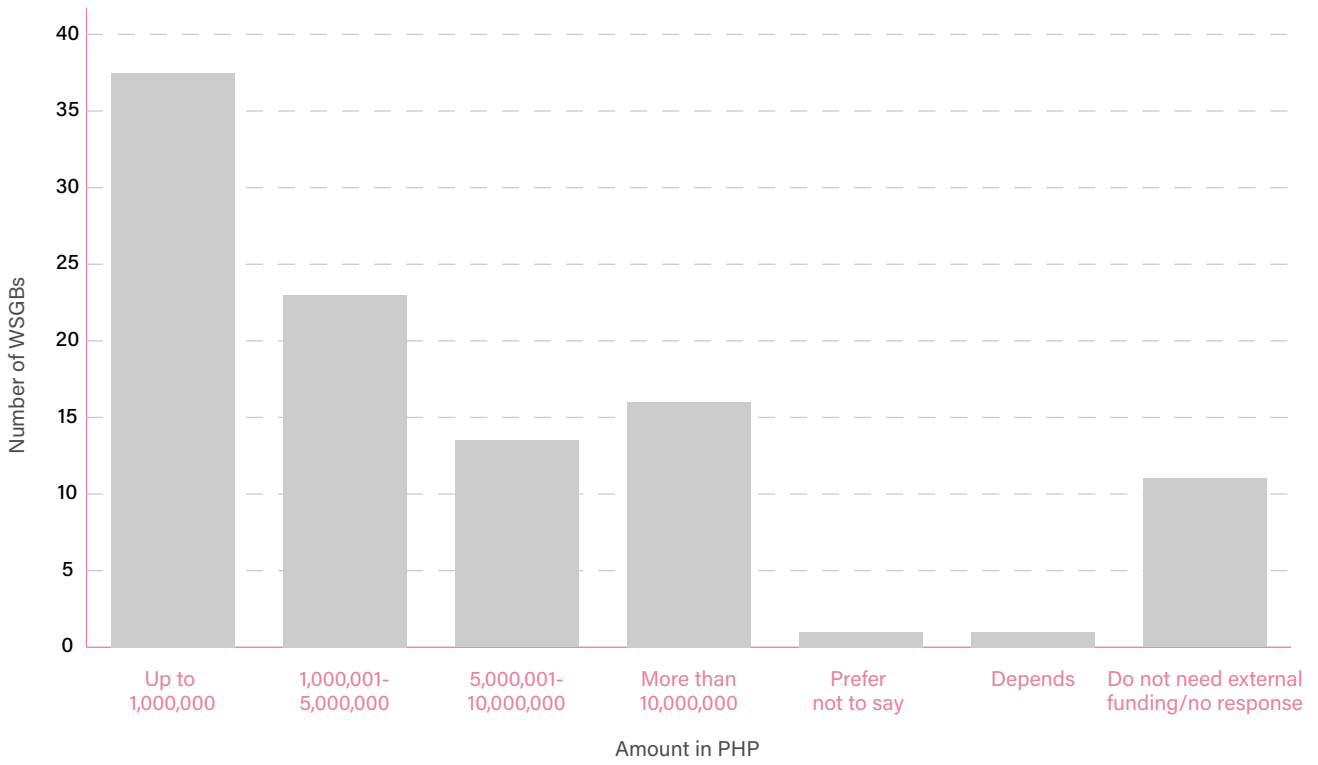
## Initial Capital accessed by WSGBs



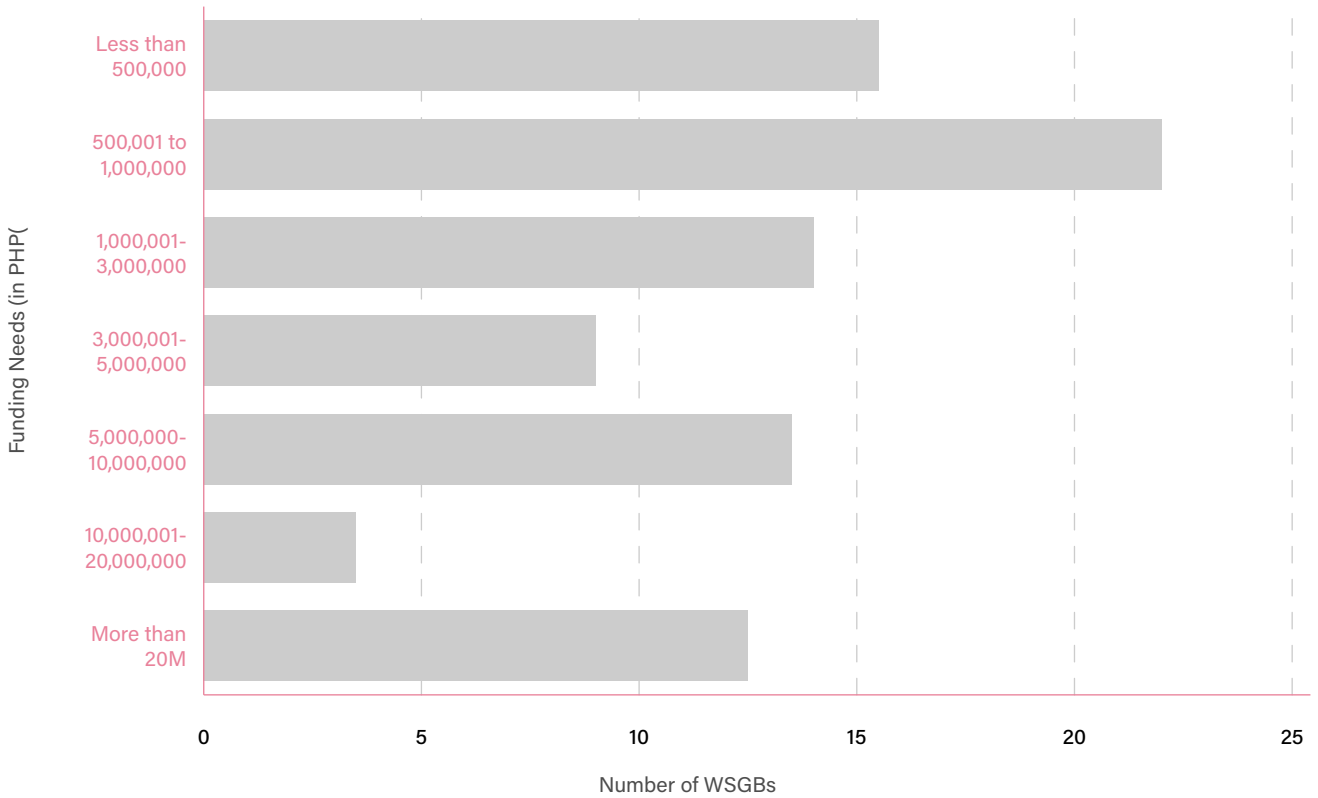
## Initial Source of Funding by WSGBs



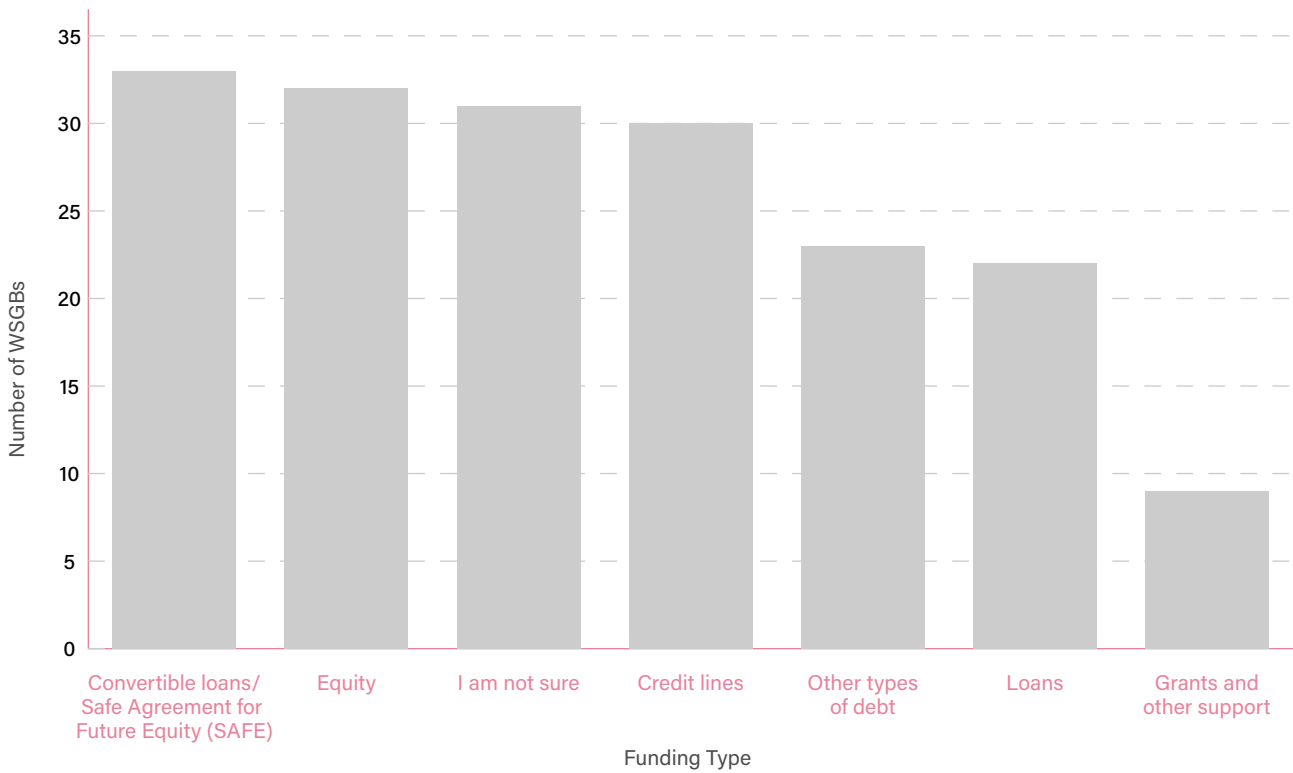
## Funding Needs by WSGBs



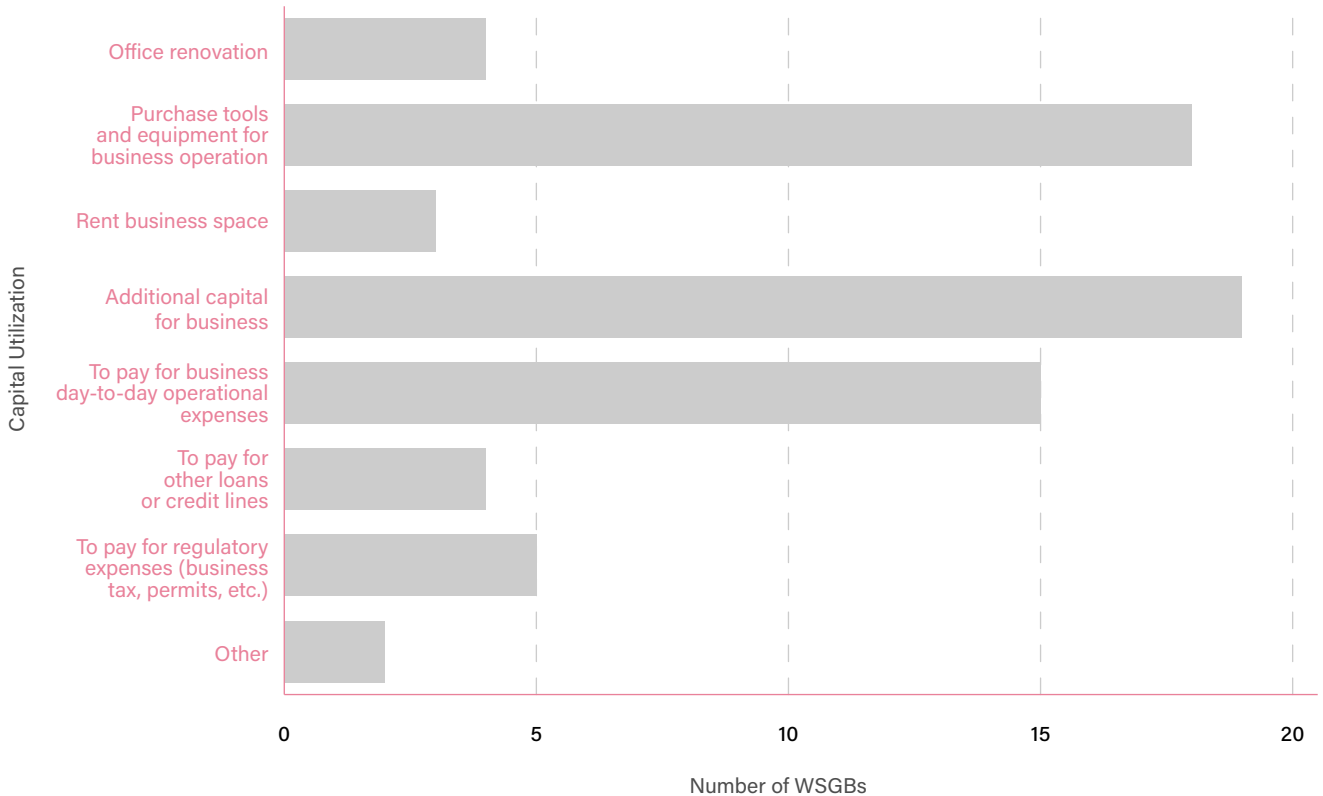
## Growth Needs by WSGBs



## Types of Capital Needs by WSGBs

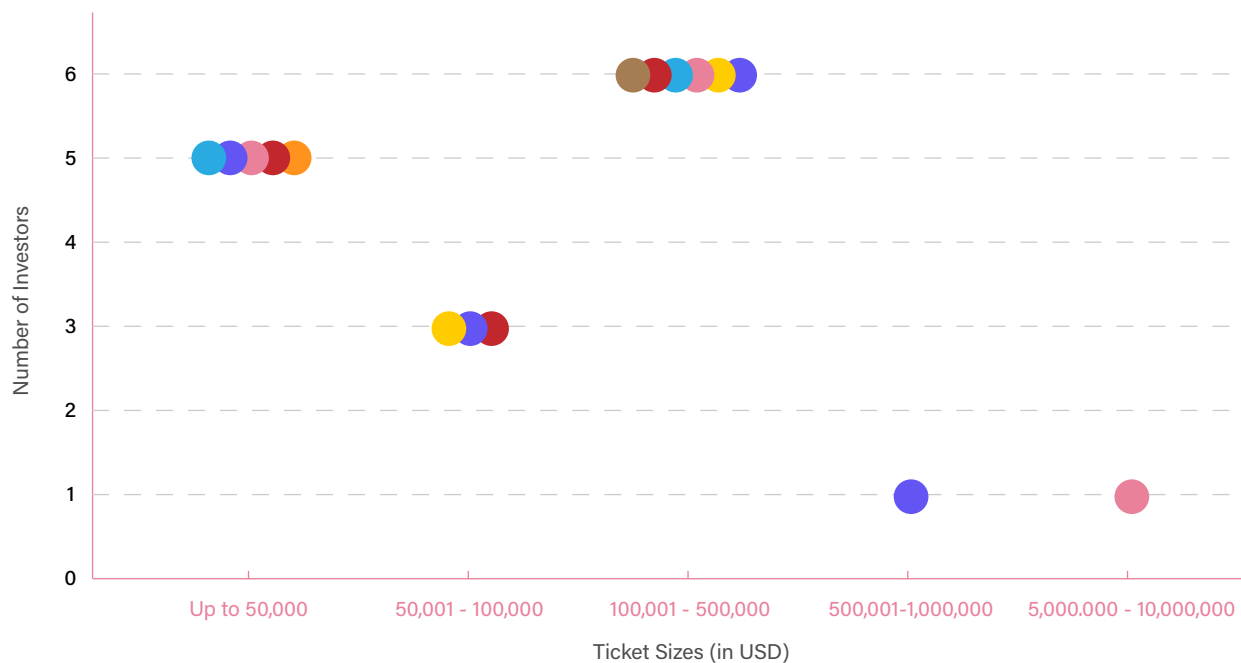


## Working Capital Utilization by WSGBs



## PROFILE OF INVESTORS

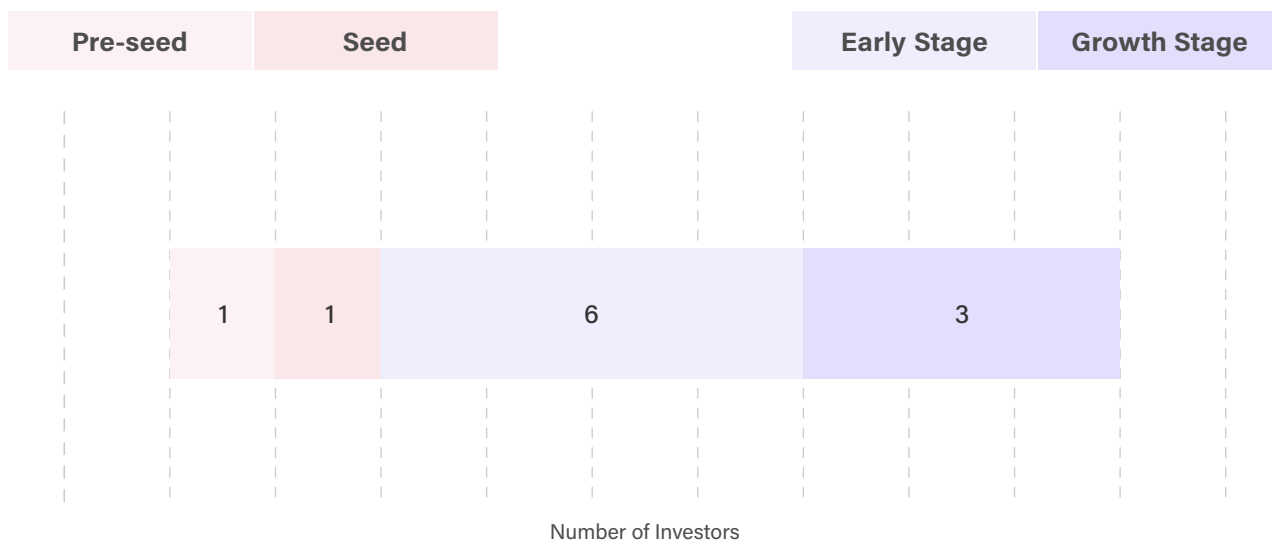
### Ticket Sizes offered by Investors



*\*Each colored dot is a unique investor*

*\*Some investors offer multiple ticket sizes.*

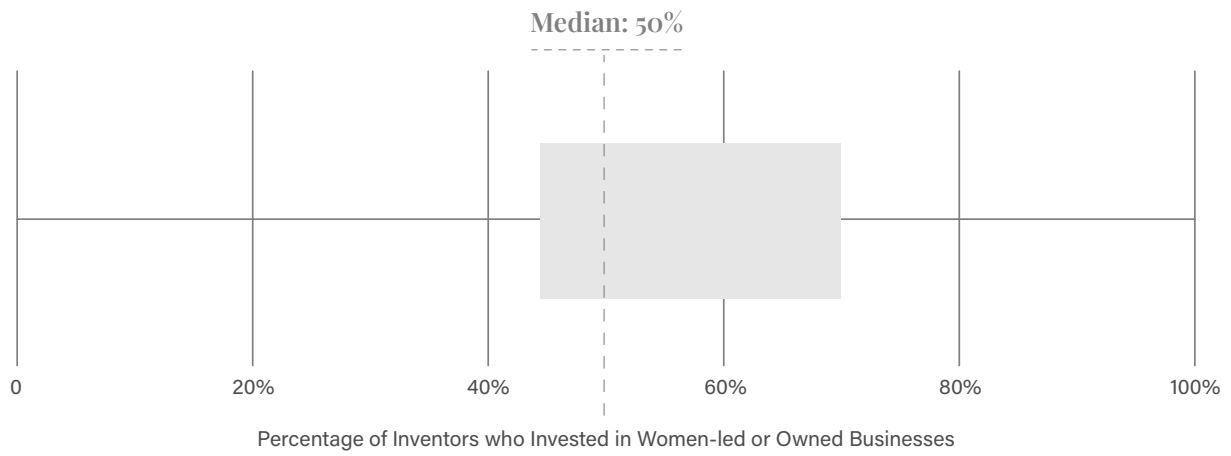
### Stages of Investment by Investors



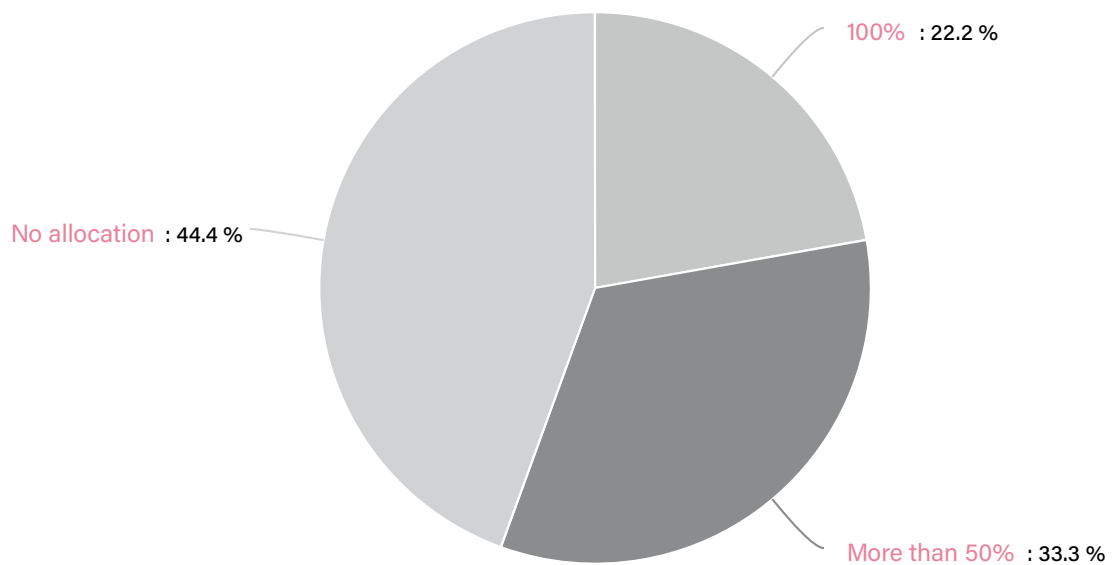
*\*Please note some investors invest in multiple stages.*



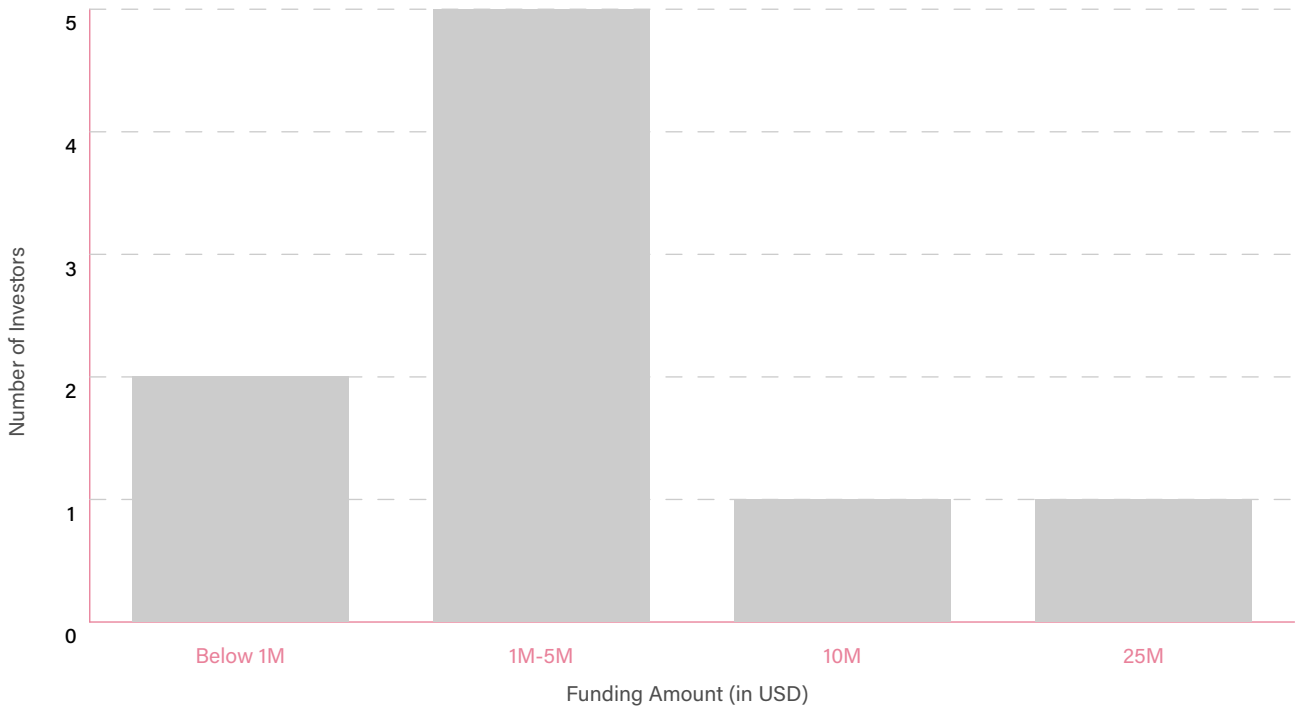
## Investment in Women-led or Owned Business by Investors



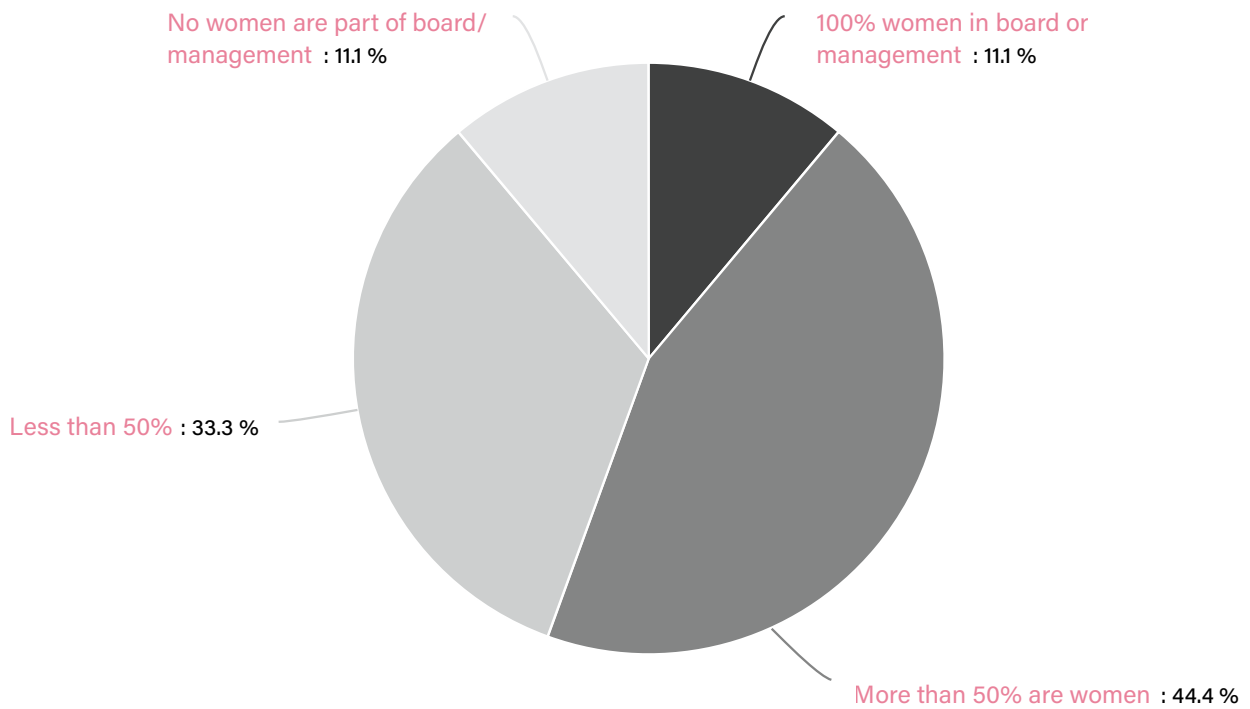
## Portfolio Allocation towards Gender Lens Investing



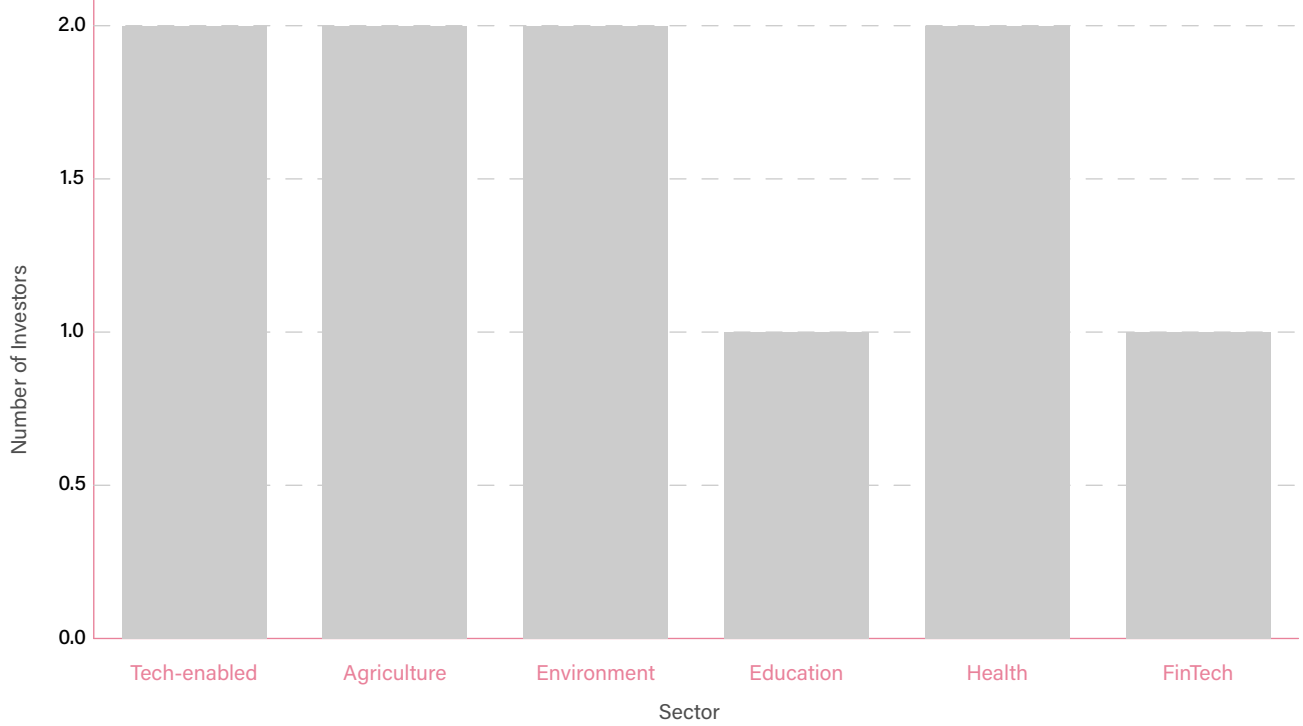
## Fund size or assets under management by Investors



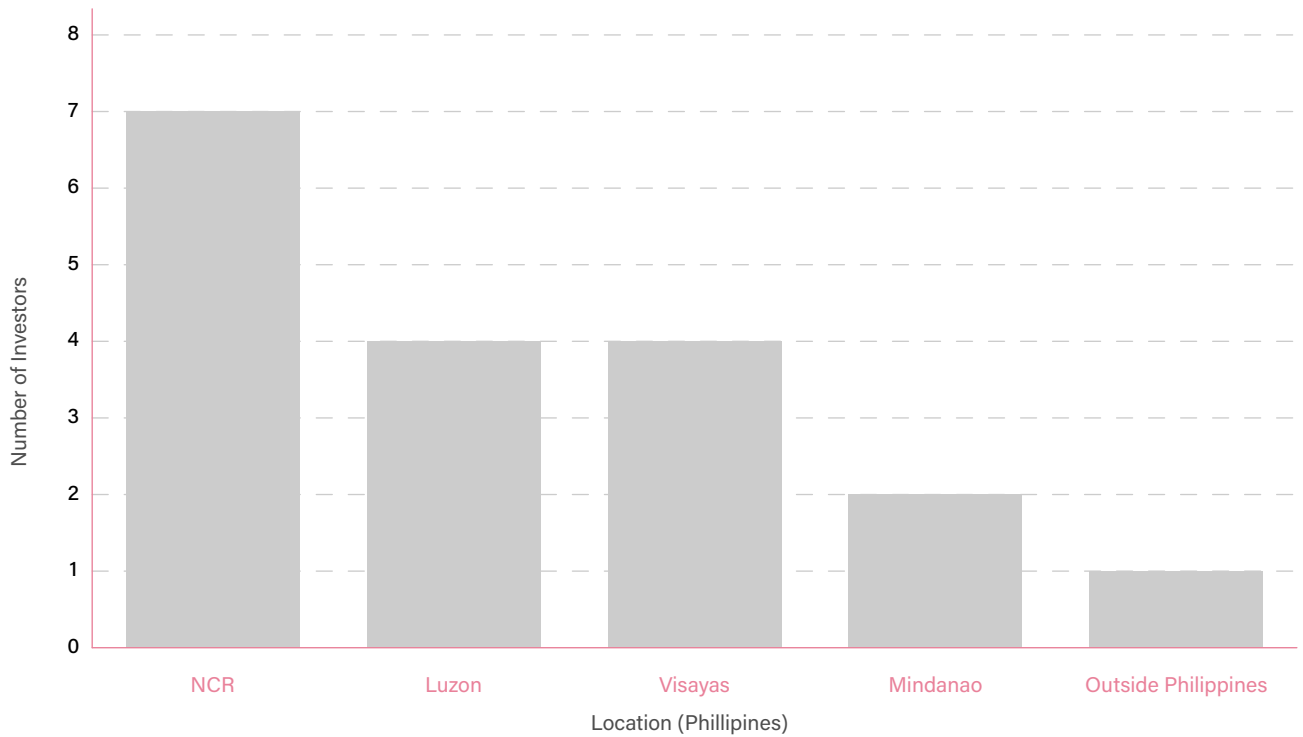
## Percentage of Women in Board or Management Positions in Investing Firms



## Sectors of Investment



## Location of Investment



*\*Please note: NCR data is excluded above.*

Investor	Assets under management / Fund Size	Ticket size in USD	Stage of where they invest	Sector	Investment Instruments	Location of Investment	Non-financial Support for Investees
<b>inBEST Ventures</b>	USD 2,700,000 *portfolio size	Short to Medium Term 20,000-80,000 USD Medium to Long Term 100,000-300,000 USD	Early and Growth stage	Agnostic  Preference for gender lens investing (women-owned and led SMEs)	Short term loans Long term loans Equity investment Mezzanine and Hybrid Investments	Luzon and Mindanao	Provide relevant business, corporate governance, and financial management related advice  Advisory Services
<b>SWEEF Capital</b>	*confidential	USD 5,000,000 to USD 10,000,000	Growth Stage	Gender Lens Investing (women-owned and led SMEs)	Equity investment	Vietnam Indonesia, Philippines	Gender related orientation and training Value creation work encompasses gender interventions Strategic and operational improvements Technical assistance
<b>Gobi-Core Philippine Fund</b>	USD 10,000,000	USD 100,000 to USD 1,000,000	Seed to Series A	Sector Agnostic; Technology or Technology-enabled Startups	Equity investment Convertible loans/ Secure Agreement for Future Equity (SAFE)	NCR, Visayas	Business incubation & startup assistance Gobi value creation support for international operations, product research, and business development Workshops on Entrepreneurship (ideation, innovation, risk management, etc.) through the Gobi GUIDE program and Alibaba Netpreneur Masterclass program Training and Seminars on business operations (HR, legal, accounting, finance etc.)

Investor	Assets under management / Fund Size	Ticket size in USD	Stage of where they invest	Sector	Investment Instruments	Location of Investment	Non-financial Support for Investees
Gobi-Core Philippine Fund  (contd.)							Local management providing nationwide operational support with pan-Asian regional shared services from the Gobi ecosystem that includes: legal, compliance, marketing, PR, investor relations etc.
							Additionally, we share best practices, leverage relationships and infrastructure across our pan-asean presence to give our Philippine tech-enabled ventures an unfair advantage as they expand to foreign markets
xchange	USD 3,000,000 *not a fund, they do not have fixed fund size	USD 50,000 initial with the expectation that they will top up	Early Stage	Agnostic  Gender Lens Investing (women-owned and led SMEs)  Agriculture  Environment  Education  Health	Short term loans  Long term loans  Credit Lines  Project finance  Equity investment  Convertible notes  Other quasi-equity instruments	Mostly NCR in terms of main office/ business address but with operations outside NCR.	Leadership mentoring and coaching, Business incubation and start-up assistance  Accounting set up and services Training and Seminars (on business management, business operations, human resource management, financial management, among others)  Mentoring and coaching  Workshops on Entrepreneurship (innovation, risk management, among others)  Gender related orientation and training

Investor	Assets under management / Fund Size	Ticket size in USD	Stage of where they invest	Sector	Investment Instruments	Location of Investment	Non-financial Support for Investees
<b>Foundation for a Sustainable Society Inc.</b>	USD 4,700,000	USD 9,000 to USD 650,000	Growth Stage	Gender Lens Investing (women-owned and led SMEs)  Agriculture  Environment	Short term loans  Long term loans Credit line  Equity investment  Deposits	Nation-wide	Training and Seminars (on business management, business operations, human resource management, financial management, among others)  Mentoring and coaching  Workshops on Entrepreneurship (innovation, risk management, among others)  Gender related orientation and training
<b>Pulse 63 Healthcare Ventures</b>	USD 5,000,000 to USD 10,000,000	USD 250,000	Pre-seed and Seed	Health and wellness	Equity investment or service(s) investment	NCR  *Open to investments across Philippines	Leadership mentoring and coaching  Business incubation and start-up assistance  Market and industry studies  Product research and development
<b>Ignite Impact Fund</b>	*confidential	*confidential	Early stage	SDG Solutions	Revenue-based loans*  Equity investment Convertible loans / Secure Agreement for Future Equity (SAFE)  Credit Lines*	*confidential	Training and Seminars (on business management, business operations, human resource management, financial management, among others)  Leadership mentoring and coaching  Business incubation and start-up assistance

Investor	Assets under management / Fund Size	Ticket size in USD	Stage of where they invest	Sector	Investment Instruments	Location of Investment	Non-financial Support for Investees
<b>Ignite Impact Fund</b>  <b>(contd.)</b>					For Philippine arm		Market and industry studies  Workshops on Entrepreneurship (ideation, innovation, risk management, among others)
<b>Foxmont Capital Partners</b>	USD 25,000,000	USD 250,000 to USD 500,000	Early Stage	Tech-enabled, Philippine focused businesses	Convertible loans/ Secure Agreement for Future Equity (SAFE)  Equity investment  KISS, Preferred shares	Nation-wide	Leadership mentoring and coaching  Founders summit  Various ecosystem events, no set schedule  Monthly check-ins with portfolio  Networking opportunities via LPs
<b>Manila Angel Investors Network (MAIN)</b>	*confidential	*confidential	Early Stage	Gender lens investing (women-owned and led SMEs)  Sector agnostic  FinTech	*confidential	*confidential	*confidential

A photograph of three women in professional attire. The woman in the center is holding a smartphone and looking at it with a smile. The woman on the left is also smiling and looking towards the phone. The woman on the right is partially visible, also looking towards the phone. The background is a plain, light-colored wall. The image is overlaid with a dark, semi-transparent filter.

“

**Its important to  
highlight stories  
of women  
entrepreneurs as  
well as cases of  
gender lens investing  
in the country.  
So more of us can  
understand what it is.**

**Women Entrepreneur in Health**



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