



POLICY BRIEF

FINANCIAL INCLUSION IN FOOD, LAND AND WATER SYSTEMS: WHAT WORKS FOR WOMEN?

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Financial Inclusion in Food, Land and Water Systems: What works for women?

This brief draws on distilled evidence from research and practice from CGIAR and beyond to highlight how to design financial products, approaches and processes to reach, benefit and empower women through financial inclusion.

Women across Low- and Middle-Income Countries (LMICs) contribute to food, land and water systems (FLWS) as agricultural producers, entrepreneurs, consumers, and conservationists. They produce [60 to 80 percent of the food](#) in most developing countries, are responsible for half of the world's food production but remain disproportionately excluded from financial services. [742 million](#) rural women who are also least educated, among the poorest and have low or no access to mobile phones are left out of formal financial services, globally. This exclusion discounts their essential roles in the sector, stymies their potential, and hinders their well-being and that of their households and communities. [Barriers](#) to women's financial inclusion include lack of collateral, cumbersome documentation and procedural requirements, legal discrimination, financial illiteracy, discriminatory social norms, financial risk aversion and lack of gender disaggregated data. Financial service providers generally view rural women as risky or unprofitable, moreover, financial services are poorly adapted for low-literacy, low-income women.

Financial inclusion of women in FLWS is a critical enabler for achieving the Sustainable Development Goals—particularly SDG 1 (No Poverty), SDG 2 (Zero Hunger), and SDG 5 (Gender Equality). It also aligns with broader global commitments to women's economic empowerment. Under South Africa's G20 presidency, agriculture has been recognized as a key sector for addressing food insecurity, malnutrition, and improving the livelihoods of marginalized and vulnerable groups. The G20 Agriculture Working Group (AWG) has prioritized:

1. Inclusive market participation to enhance food security and nutrition;
2. Empowerment of women and youth in agri-food systems;
3. Innovation and technology transfer in agriculture and agro-processing; and
4. Climate resilience for sustainable agricultural production.

The **EWVG** focus on **financial inclusion of and for women** (Key Priority Area 2) **reinforces these agricultural priorities**, providing a critical lever to unlock inclusive and resilient food systems.

Financial inclusion is not just about access—it's about **agency, autonomy, and transformation**. Investing in [inclusive financial services](#) for women and young women in agri-food systems can unlock productivity, improve food security, and accelerate gender equality.

Seven good practices for scaling financial inclusion

Evidence shows that increasing financial inclusion for women in FLWS requires a multi-dimensional strategy that addresses structural barriers, including social norms and systemic biases.

1. **Tailored product design:** Financial products must acknowledge and cater to heterogeneity among women (age, class, education, religion etc); women's occupational and life course needs (agricultural cycles, risk profiles) and the gender-based barriers they face (e.g., lack of legal identity and collateral, seasonal and small cash flows and transactions, non-monetary roles in agri-value chains). Some of these include:
 - Products having **low or no collateral requirements** like [Rwanda's Women's Guarantee Fund](#)
 - [Kisan Credit Card in India](#), which provides **flexible, low-interest crop loans** and allows **joint accounts** and **simplified documentation** for women self-help group (SHG) members
 - Chile's [Cuenta RUT](#), that removes documentation barriers, is low fee, low risk and provides a **simple user interface** and **links women with credit, government transfers and savings**

- Loans by [One acre fund](#) in East Africa, which do not require collateral, and provided **in kind**, bridging the gender gap in access to inputs
- [Sharia-compliant microfinance](#) in Indonesia, which uses profit-and-loss sharing (PLS) arrangements, sales contracts with markups, or fee-based services instead of interest is effective in reaching Muslim women in agriculture
- Carefully calibrated [flexible repayment schedules](#) that can increase welfare effects
- Using **different** [credit scoring](#) that reflects women's socio-economic situation
- **Subsidies/incentives** like interest subvention/grant to lower the cost of lending.

Engaging women as financial agents for popularising products and digitalising payments as well as **including women and making them lead the designing process** of financial products are effective.

2. **Bridging the digital divide:** Increasing women's access to digital tools and digital literacy is critical for them to take advantage of the fast-growing Fin tech innovations. They have the potential to [enhance access](#) for young women, reduce gendered mobility constraints and reduce transaction costs, thereby improving women's market access. However, if the digital gender gap is not addressed, digital provision can [exacerbate](#) gender gaps in financing. Examples of good practice include:
 - [Women digital ambassadors](#) in Indonesia, which leverages mobile platforms in rural island communities and offers loans and savings digitally to women SHGs.
 - [Mobile Money integration](#) in [Kenya](#) and [Mozambique](#), has enabled rural women to save, receive payments, and transact securely, enhancing their resilience.
3. **Group-based approaches** are effective in contexts of low literacy and limited collateral. In SHGs and Joint Liability Groups (JLGs) in [India and Nepal](#), [collateral is replaced with trust-based lending](#) and enables women farmers to access formal loans jointly, allowing for [risk sharing and peer guarantees](#). This also works well for [tenants and sharecroppers](#). Widespread financial literacy building of women can be undertaken through these collectives.
4. **Bundled innovations:** The effects of financial inclusion interventions on women's empowerment depend on financial inclusion program features that are often peripheral or unrelated to the financial service itself. Bundled innovations have proven to be more effective to enable access and use of credit.
 - The UJJWALA scheme-linked livelihood loans in India links LPG subsidy to women's credit access and links energy security with microenterprise.
 - The long-standing highly successful [BRAC Microfinance](#) in Bangladesh targeting ultra-poor rural women combines loans with health, education and agri-training.
 - The [Chomoka App](#) of CARE International bundles loans + training/insurance/input bundles/health/mobile access to meet multiple needs.
 - [Philam Life](#) in the Philippines bundles micro-insurance with migrant remittances and protects women headed households dependent on male migrants.

Bundling social innovations (e.g., gender transformative approaches like Gender Action Learning System (GALS), engaging men and boys in challenging discriminatory gender norms, social and behaviour change communication) along with institutional and technical innovations allows resolving constraining social and gender norms that deter women's financial inclusion.
 - For example, [Social Analysis and Action](#) (SAA) in Burundi & Ethiopia, engaged men and gatekeepers to shift norms and improve financial behaviour.
5. **Building rural financial institutions and private sector engagement:** is critical for building a sustainable financial eco-system that works for rural women.
 - Mexico pegs [lower capital requirements](#) for banks offering loans to women, responding to evidence from supply side data that showed women had lower number of 'non-performing loans' and repaid their loans in time.

- [Ananya Finance](#) and [SEWA Bank](#) in India provide wholesale lending to Micro Finance Institutions (MFIs) serving women farmers and able to reach informal women workers and agri-entrepreneurs with affordable credit.
 - The [Financial Sector Charter \(FSC\)](#) in South Africa was a voluntary agreement that brought together private sector institutions, civil society organizations, and government to address historic marginalization and drive financial inclusion effectively.
 - Blended finance is an essential next step in elevating finance for women from microfinance to formal, institutional finance. [Only 1%](#) assets managed by blended finance vehicles are currently dedicated to gender equality, which indicates an untapped potential. It is important to demonstrate and promote that women are a profitable customer segment for formal financial institutions.
 - [Impact investing](#) and [gender bonds](#) should be promoted to fund women-focused agri-enterprises and support [climate action](#).
 - It might also be worthwhile investing in development of women-led and [women-owned](#) rural financial enterprises.
6. **Policy Reform:** is essential for scaling financial inclusion. Land rights, inheritance laws, and financial regulation should be reformed to ensure women can own assets and act as loan guarantors. Gender equality mandates in financial inclusion policies (e.g., quotas, incentives for lending to women) should be enforced. Better institutional coordination and dialogue between government, private and Non-Government Organisations (NGO) sectors is key to arrive at key issues, challenges and solutions.
- [Indonesia's](#) national finance inclusion strategy offers a useful template and [model](#), and demonstrates the need to be intentional and have a clear strategy for reaching and delivering appropriate products and services to women.
7. **Data and Accountability:** Generating and analysing [evidence](#) and gender disaggregated data is needed to identify gaps in service, use of financial products, financial behaviours, barriers, repayment, and aspirations of women leading to better product designs, targeting and policies. It also helps to build a business case for women as customers of financial products, without which investors and market regulators often overlook women as a viable market segment.
- FinScope South Africa pioneered demand-side measurement as the first nationally representative [financial inclusion-focused survey](#), prioritizing understanding consumer needs, behaviours, and challenges through direct data collection — a methodology now considered the global standard for financial inclusion research.

Policymakers, financial institutions, and development partners must work together to design context-specific **integrated, inclusive, and transformative solutions for financial inclusion** that address the specific barriers faced by women and young women in agriculture.

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