

# Outreach to Women, 2014

## Microfinance Focus Note

UNRWA's microfinance portfolio  
March 2015

## Introduction

From its early beginnings, the microfinance industry has manifested great commitment to broadening women's financial inclusion. This was first engineered by the influential group-lending methodology pioneered by Bangladesh's Grameen Bank in the late 1970s that primarily targeted rural women. Since then, countless microfinance programmes have emulated both its method and market focus. In most countries, poor women confront particular difficulties in gaining access to credit or savings facilities. For many microfinance institutions (MFIs), targeting women is seen as a means of social empowerment, supportive of broader developmental objectives. With such considerations in mind, MFIs operating in the Middle East and North Africa (MENA) region and beyond often design microfinance services directly for women, with some MFIs focusing solely on outreach to women.

UNRWA's diverse regional experience is illustrative of many of the challenges that have to be considered in targeting women in microfinance. Since its beginnings, the microfinance programme has sought to target poor and otherwise disadvantaged clients, which is strategically enshrined in its commitment to the United Nations Human Development Goal of building inclusive financial services for the poor. Poor and low-income women are one such disadvantaged group. They are also a natural address for outreach, which seeks to help poor families sustain household consumption and make investments in health and education. Yet the programme must also weigh the need to assist other disadvantaged borrowers, including refugees and youth, and to help sustain and create jobs in communities suffering from high unemployment and poverty. While this includes creating jobs for women, if its broader human development objectives are to be achieved, UNRWA must also include services to male microentrepreneurs and householders.

## Annual Outreach to Women

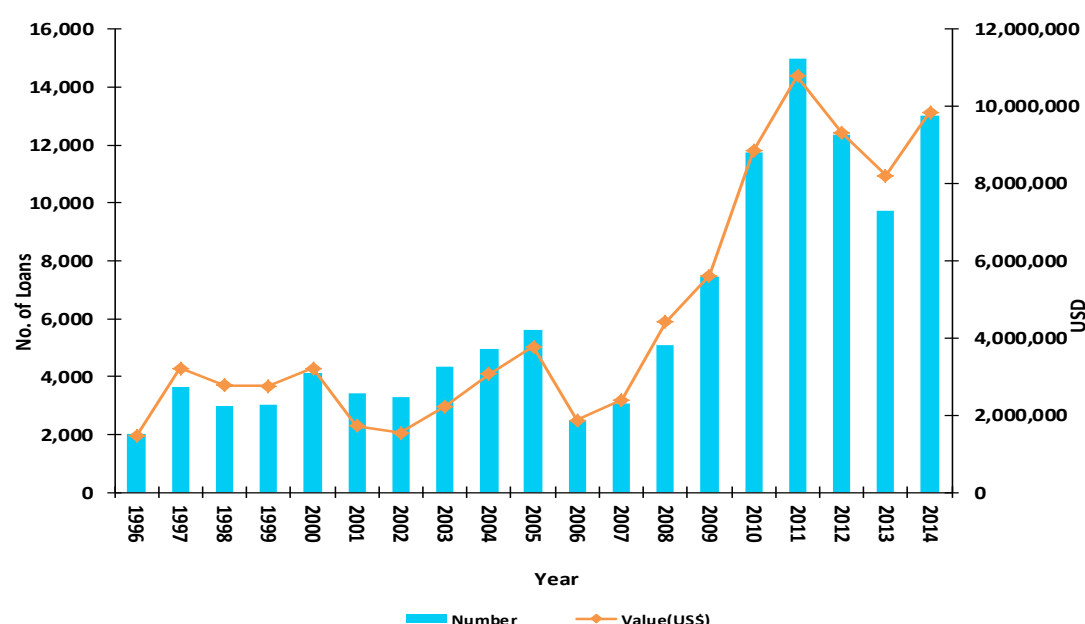
The department's outreach history since 1991 reveals some of the implications of reconciling these objectives. At various times, the department far surpassed regional industry averages for outreach to women; in 1995, women accounted for a full 87 per cent of all customers in Gaza, and between 1994 and 1998, some 60 per cent of all clients were women, although the volume of outreach at this time was low. In the following decade, however, lending to women as a share of the total outreach oscillated significantly, hitting a low of 17 per cent in 2006 as a result of the siege on Gaza and the boycott of Hamas. While, thereafter, rebounding to 38 per cent across all markets in 2012. In 2013 and 2014, women's share decreased to 37 per cent due to the armed-conflict in Syria, which has greatly affected the programme's total microfinance outreach to women.

The department's early growth is owed chiefly to successful retailing of the solidarity group lending (SGL) product to groups of female microentrepreneurs in Gaza, where women were extensively represented in small-scale street enterprise, usually owning some business assets and earning sufficient regular income to service loans. In this regard, however, Gaza, along with countries like Morocco, Tunisia and Egypt, differ from the West Bank, Jordan, and Syria, where women are more commonly engaged in home-based income-generating activity, often of a seasonal nature. Accordingly, the SGL product found little purchase in these other markets. Moreover, the programme in Gaza was particularly buffeted by a succession of economic crises after the outbreak of the second *intifada* in 2000, the economic shock brought about by the Hamas takeover of Gaza in 2006-2007, "Operation Cast lead" in 2008-2009, the short summer war of July-August of 2014 and finally

culminating in Egyptian destruction of the Gaza tunnels and imposing a siege on the southern border. As a result, the scale of outreach to women declined precipitously.

Despite a compressed ratio of lending to women, Chart 1 shows that there was a substantial increase in lending to women since 2007, as outreach grew five-fold from 3,055 loans worth USD 2.38 million in 2007 to 14,976 loans worth USD 10.79 million in 2011. This was achieved by offsetting the declining outreach to women in Gaza by expansion of credit to women clients in other regions, especially Jordan and Syria. However, the current conflict in Syria has compressed outreach to women, which fell during 2012 and 2013, with a partial recovery in 2014. While the crisis situation in Syria persists, the programme will attempt to increase its lending in the other fields, but will also increase its lending through new offices that were opened in safer areas of Syria in the second half of 2013. However, the compressed nature of the Syrian market has lessened the likelihood of the programme being able to make up for this loss across the other fields, which are also facing economic and political restrictions, especially in Gaza.

**Chart 1: Annual Outreach to women 1996-2014**



As part of its commitment to pioneering the development of social performance management (SPM) in the MENA region in a form that is coherent and consistent with its mission, UNRWA's microfinance programme has developed a range of social indicators and tools that measure and target specific sectors and social groups. This is considered a significant means to improve the design of loan products and develop specific products that serve explicit sectors or population segments, such as poor and low-income households, microentrepreneurs, informal enterprises, Palestine refugees, women, youth, etc.

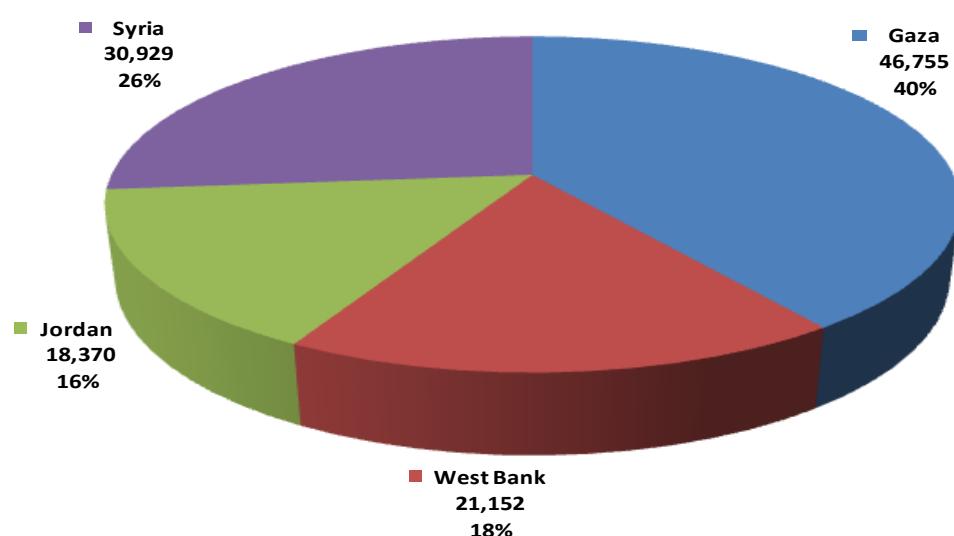
## Cumulative Outreach to Women

Over the past two decades UNRWA has financed 359,961 loans values at USD 402.56 million, with women receiving 117,206 of these loans (33 per cent), valued at USD 87.00 million (or just 22 per cent of the historical value of loans financed). As the longest running programme, Gaza financed more loans to women than any other field, financing 46,755 loans or 40 percent of total loans disbursed to women, with disbursement valued at USD 35.71 million

(41 per cent of total value of lending to women). While Syria, which began operations much later than both Gaza and the West Bank, financed 30,929 loans to women (26 per cent of all lending to them), but with disbursements of USD 12.70 million it accounted for just 15 per cent of the cumulative value of lending to women.

The West Bank financed 21,152 loans to women valued at USD 23.08 million, accounting for 18 per cent of all loans to women and 27 per cent of the value of all investments in women. Since 2003, Jordan invested 15.51 million in 18,370 loans to women, accounting for 16 per cent all loans to women and for 18 per cent of the value of all loans financed to them since 1991.

**Chart 2: Cumulative Outreach to women by region**

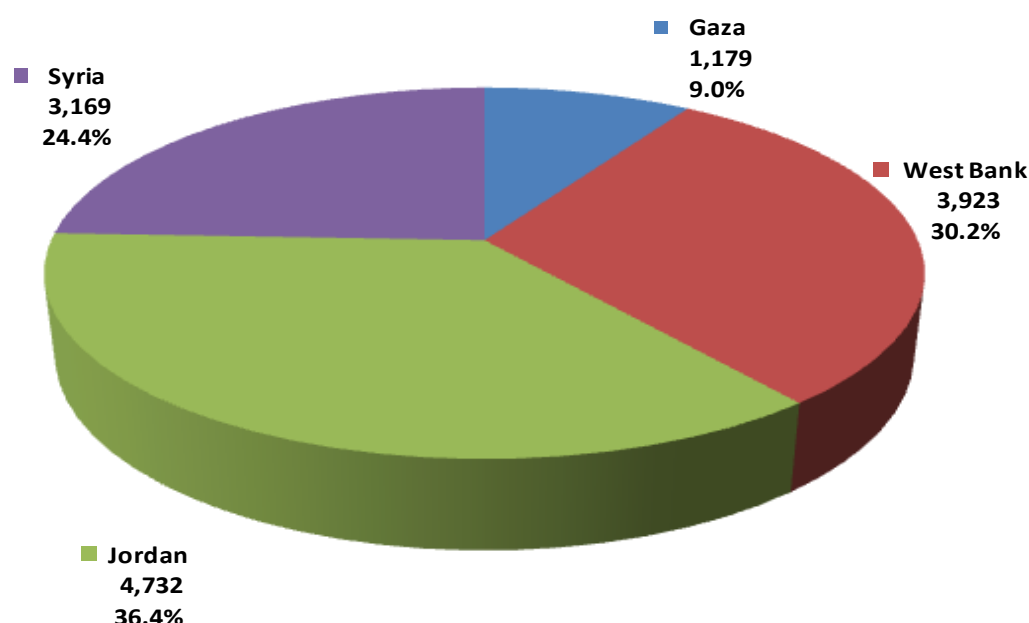


This data indicates the very significant role that the Syrian microfinance market was playing in speeding up and extending the programme's microfinance services and outreach to women. The contraction of the Syrian market, while not halting the forward march of the programme's outreach to women has significantly slowed its pace. Thus, it may be a number of years before we can expect this growth to be re-established to past levels.

## Outreach to Women by Region

In 2014, UNRWA invested USD 34.38 million in financing 34,967 loans across the West Bank, Gaza, Jordan and Syria. Some 37.2 per cent of these loans financed 13,003 women clients with loans valued at USD 9.85 million, with loans to women accounting for 29 per cent of the total value of the portfolio financed. During this period, Jordan replaced Syria as the main centre of outreach to women by financing 36.4 per cent of all loans issued during this period with 4,732 loans to women worth USD 3.43 million (or 35 per cent of the total value of loans issued). This was followed by the West Bank, which financed 3,923 loans to women (30.2 per cent) valued at USD 4.21 million (43 per cent of loan value). Gaza financed 1,179 loans (9.0 per cent) to women worth USD 1.33 million (or 13.0 per cent of total value). In this period, outreach to women recovered in Syria, which financed 24.4 per cent of the total loans to women with 3,169 loans worth USD 885,290 (or 9 per cent of total value).

**Chart 3: Outreach to women by region in 2014**



In terms of the share of the portfolio that reached women in each field, 42 per cent of loans in Jordan went to women, 40 per cent of all clients in Gaza were women, 36 per cent of clients in the West Bank were women, while women accounted for 32 per cent of client in Syria. While the share of outreach to women remains fairly constant, there are market and politico-economic conditions in each region that impact the ability of the programme to improve the volume of outreach to women. Of specific concern, is the impact of the last Israeli war in Gaza and the subsequent destruction of the tunnel economy and the closure of the southern border by Egypt. Moreover, the continued conflict in Syria will continue to impact the growth and decelerate outreach to women as violence continues and the economy slips into deeper stagnation.

While this can be partially offset by further expansion of outreach to women in the West Bank and Jordan, these markets have much more limited women's participation in informal microentrepreneurship and home-based income-generating activities than previously existed in both Syria and Gaza. At the same time, the real potential to significantly broaden the programme's outreach to women in Gaza remains hamstrung by the UNRWA ban on using the legal system in Gaza to guarantee loan contracts.

**Table 1: Comparative outreach to women by region, 2013-2014**

Region	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
All	9,735	8,206,175	13,003	9,846,405	<b>33.6%</b>	<b>20.0%</b>
Gaza	1,447	1,549,300	1,179	1,327,640	<b>-18.5%</b>	<b>-14.3%</b>
West Bank	3,403	3,571,750	3,923	4,205,932	<b>15.3%</b>	<b>17.8%</b>
Jordan	3,676	2,816,808	4,732	3,427,542	<b>28.7%</b>	<b>21.7%</b>
Syria	1,209	268,317	3,169	885,290	<b>162.1%</b>	<b>229.9%</b>

The programme is committed to increasing its outreach to women on a year-on-year basis, as the overall outreach to women grew significantly by 33.6 in 2014, and the value of financing to women increased by 20 per cent between 2013 and 2014. This was especially marked in Syria, where women's outreach grew significantly by 162 per cent compared to

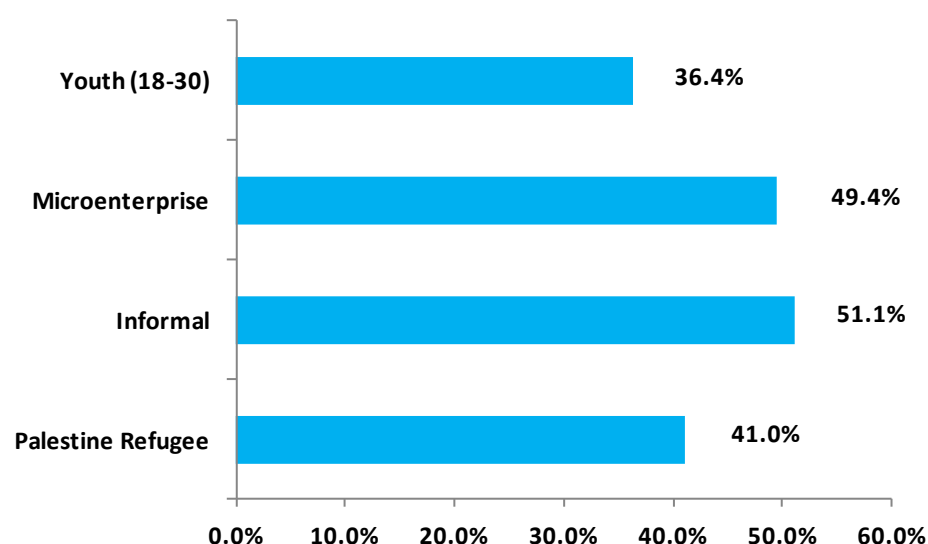
the previous year, while the value of financing increased sharply by 230 percent, as a result of increased outreach due to improving productivity in the three new branch offices that were opened in Latakia, Tartous and Sweyda in the second half of 2013.

Outreach to women increased by 28.7 per cent in Jordan, whereas the value of financing to women grew by 21.7 per cent. In the West Bank women's outreach increased by 15.3 per cent, and the value of financing improved by 17.8 per cent. Due to the impact of the war which closed credit operations for almost 3-months, only Gaza showed a negative trend in this period when outreach to women declined by 18.5 per cent, while the value of financing to women clients fell by 14.3 per cent.

## Outreach to Women by Social Indicator

Segmenting outreach through the programme's standard social performance indicators, young women (18 to 30 years old) received 36.4 per cent of all loans to youth, with loan financing of 3,534 loans worth USD 2.58 million to young women. Loans to Palestine refugee women accounted for 41 per cent of all loan financing to refugees, with financing of 5,146 loans valued at USD 4.59 million committed to Palestine refugee women.

**Chart 4: Outreach to women by social performance indicator in 2014**



Women microentrepreneurs accounted for 49.4 per cent of all microentrepreneurs, obtaining 9,544 loans valued at USD 7.50 million. Moreover, women engaged in enterprise activity in the informal sector of the economy accounted for 51.1 per cent of informal clients, with informal women's enterprises financed with 8,337 loans worth USD 6.78 million. Thus, loans to women are heavily concentrated in the informal sector, where they account for 87.4 per cent of all loans to business-women and 90.5 per cent of the value of such loans.

The comparison with the standard social indicators between 2013 and 2014 show a growth in all indicators. (As shown in Table 2) Outreach to business-women recorded the most significant growth, growing by 24.2 per cent, while the value of lending to them increased by 19.1 per cent. Loans to young women increased by 23.1 per cent, as the value of financing to them grew by 20.3 per cent. Loan outreach to women's informal businesses increased by 11.9 per cent, and the value of financing to them grew by 11.2 per cent. Loan outreach to

Palestine refugee women increased by 16.2 per cent, while loan financing to them grew by 12.8 per cent.

**Table 2: Comparative outreach to women by social performance indicator, 2013-2014**

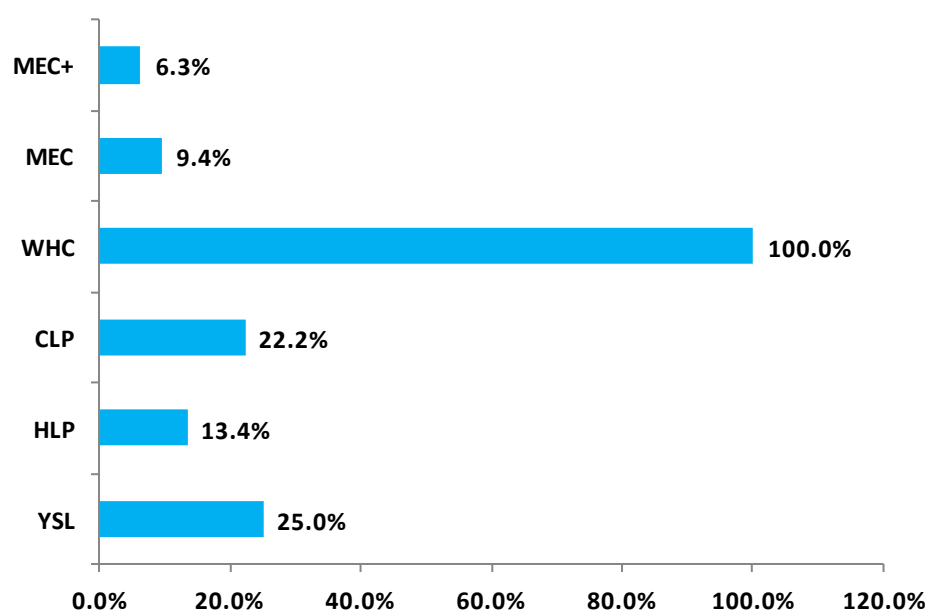
Social indicator	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
Youth (18-30)	2,870	2,146,328	3,534	2,582,745	23.1%	20.3%
Palestine refugee	4,427	4,070,014	5,146	4,591,730	16.2%	12.8%
Microenterprise	7,682	6,290,831	9,544	7,495,091	24.2%	19.1%
Informal	7,449	6,099,777	8,337	6,782,709	11.9%	11.2%

## Outreach to Women by Loan Product

UNRWA's microfinance programme retails a range of microfinance loan products, which are all provided to women, with five enterprise products that include: a core microenterprise credit (MEC) product that provides working capital loans with tenors of less than one year; an augmented microenterprise credit plus (MEC+) product with tenors of up to 24 months; a women's household credit (WHC) product for market and home-based women's income-generating and microenterprise projects; as youth start-up loan (YSL) product, which enables young persons to start new businesses that will create self-employment and investment opportunities.

In addition, UNRWA provides a consumer-lending product (CLP) for wagedworkers and low-income salaried employees to enable them to create household assets and provide for household education, healthcare and other needs. It also provides a housing microfinance (HLP) product to help poor and low-income households repair and improve their houses, renovate their homes, construct new buildings, add new rooms and purchase land for home construction.

**Chart 5: Outreach to women by loan product in 2014**



Tyhe WHC (women only) product financed 8,536 loans valued at USD 6.11 million in 2014. The microenterprise credit product (MEC) and the microenterprise plus credit (MEC+) were the two business products with the lowest ratio of outreach to women. Women received only 9.4 per cent and 6.3 per cent of MEC and MEC+ loans, respectively. Women received 1,002 MEC loans valued at USD 1.34 million, together with five MEC+ loans valued at USD 37,486. The programmes youth start-up product (YSL or *Mubadarati*) had limited impact with young women, although they accounted for 25 per cent of all YSL clients, but received just one loan worth USD 615.

UNRWA's non-business products also provide substantive outreach to women, with women clients accounting for 22.2 per cent of those with CLP loans, receiving 3,424 loans worth USD 2.09 million. This product enables many women to pay for further education and supports young married couples to establish and develop their households. Moreover, women clients were also supported through the programme's housing microfinance product (HLP), where 13.4 per cent of housing clients were women who received 35 loans worth USD 261,972.

**Table 3: Comparative outreach to women by loan product, 2013-2014**

Loan product	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
YSL	3	2,704	1	615	-66.7%	-77.2%
HLP	62	344,846	35	261,972	-43.5%	-24.0%
CLP	1,991	1,570,498	3,424	2,089,340	72.0%	33.0%
WHC	5,624	3,982,727	8,536	6,114,825	51.8%	53.5%
MEC	850	1,281,727	1,002	1,342,167	17.9%	4.7%
MEC+	6	70,073	5	37,486	-16.7%	-46.5%

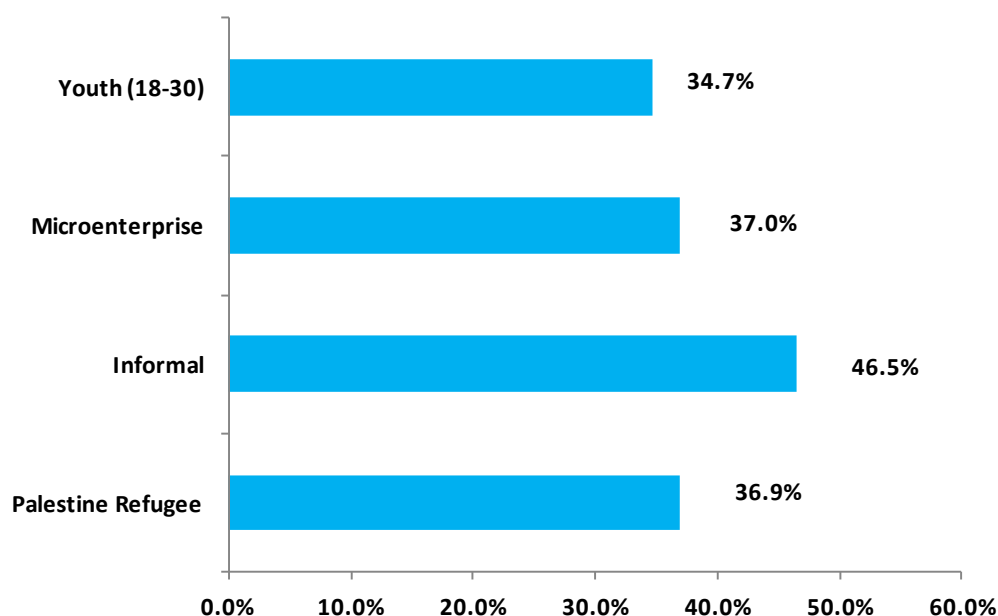
There was growth in outreach to women through the CLP, WHC and MEC products between 2013 and 2014, when outreach grew significantly by 72 per cent, 51.8 and 17.9 per cent respectively. However, there was significant decline in the programme's MEC+ business product to women, when outreach declined by 16.7 per cent and the value of lending fell by 46.5 per cent. However, more significant was the retrenchment in the HLP loan product, where the outreach to women clients shrunk by 43.5 per cent and the value of lending fell by 24 per cent. Again, most of this decline is attributable to the effects of the war in Gaza on the programme outreach. Although, the Youth-start-up-loan recorded the highest regression in this period, when the outreach 66.7 per cent and the value fell by 77.2 per cent, although that actual volumes of this decline is insignificant as the outreach of the product remains tiny.



## Outreach to Women by Social Indicator and Loan Product in Each Region

As indicated in chart 3 above, the ratio of outreach to women varies from country-to-country and region-to-region, with Jordan having the broadest outreach to women in 2014, followed by the West Bank and Syria, and then Gaza. Similarly, outreach to women varies by loan products from country-to-country and region-to-region.

**Chart 6: Outreach to women by social indicator – Syria 2014**



In Syria in 2014, the programme's social performance indicators show that women accounted for 46.5 per cent of those working in the informal sector, with women in this sector receiving 906 loans valued at USD 223,223. Palestine refugee women in Syria accounted for 36.9 per cent of Palestine refugee clients, receiving 82 loans valued at USD 19,753. Young women accounted for 34.7 per cent of youth clients, with 534 young women receiving loans valued at USD 124,088. Women microentrepreneurs accounted for 37 per cent of outreach to microentrepreneurs as they were financed with 1,132 loans valued at USD 295,928.

**Table 4: Comparative outreach to women in Syria by social indicator, 2013-2014**

Social indicator	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
Youth (18-30)	223	39,579	534	124,088	139.5%	213.5%
Palestine refugee	49	10,538	82	19,753	67.3%	87.4%
Microenterprise	528	113,204	1,132	295,928	114.4%	161.4%
Informal	498	105,065	906	223,223	81.9%	112.5%

The outreach to women in Syria in 2014 recovered partially compared to 2012 and 2013, with sharp growth prevalent across all comparative social indicators for outreach to women. Thus, outreach to young women grew sharply by 139.5 per cent over the period as the value of lending to them increased by 213.5 per cent. Similarly, outreach to women microentrepreneurs increased by 114.4 per cent as financing to them grew by 161.4 per cent. Moreover, outreach to Palestine refugee women, and women working in the informal

sector increased by 67.3 per cent and 81.9 per cent as the value of financing to them increased by 87.4 and 112.5 per cent, respectively.

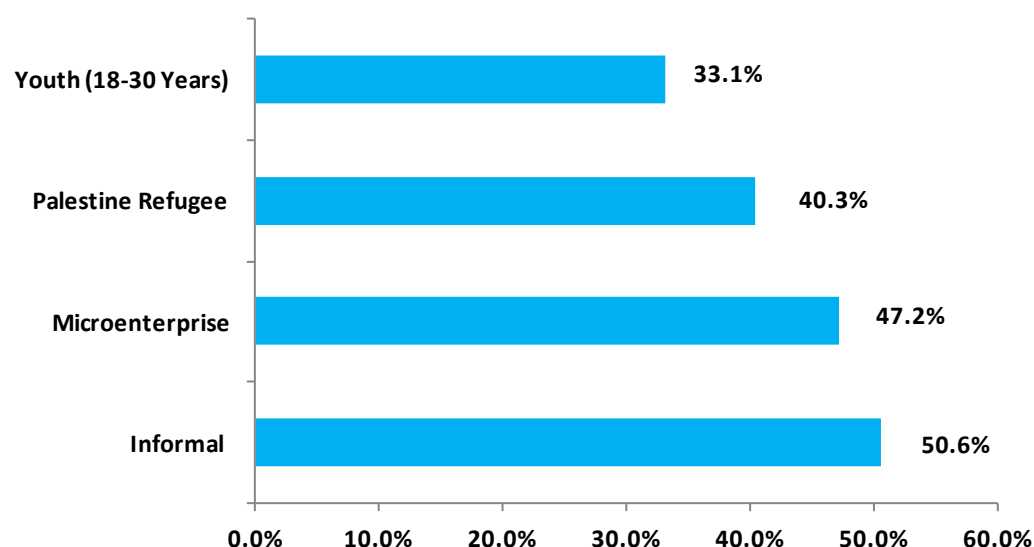
**Table 5: Comparative outreach to women in Syria by loan product, 2013-2014**

Loan product	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
YSL	1	303	1	615	0.0%	103.1%
CLP	681	155,113	2,037	589,363	199.1%	280.0%
WHC	427	87,106	870	192,270	103.7%	120.7%
MEC	100	25,795	261	103,042	161.0%	299.5%

There was comparative improvement in outreach to women, through all products in Syria. Outreach of CLP, MEC, and WHC products grew significantly by 199.1 per cent, 161 and 103.7 per cent respectively, and the value of financing also sharply increased as shown in table 5 above.

In the West Bank during the same period, young women accounted for 33.1 per cent of youth clients, with young women financed with 1,325 loans valued at USD 1.33 million. Women clients composed 51 per cent of those working in the informal sector in the West Bank portfolio, with Informal women's enterprises receiving 3,074 loans valued at USD 3.19 million.

**Chart 7: Outreach to women by social indicator – West Bank 2014**



Moreover, women accounted for 47.2 per cent of microentrepreneurs, receiving 3,293 loans valued at USD 3.45 million. Palestine refugee women in the West Bank accounted for 40.3 per cent of Palestine refugee clients, receiving 1,000 loans valued at USD 1,068,362.

**Table 6: Comparative outreach to women in West Bank by social indicator, 2013-2014**

Social indicator	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
Youth (18-30)	1,151	1,116,243	1,325	1,331,073	15.1%	19.2%
Palestine Refugee	795	828,814	1,000	1,068,362	25.8%	28.9%
Microenterprise	2,878	2,919,349	3,293	3,447,599	14.4%	18.1%
Informal	2,834	2,840,677	3,074	3,187,429	8.5%	12.2%

The comparative view of social indicators to women in the West Bank between 2013 and 2014 indicates significant improvement across all indicators. Outreach to Palestine refugee women grew by 25.8 percent, while the value of loans to them improved by 28.9 per cent. Lending to young women increased by 15.1 per cent in terms of loan outreach and by 19.2 per cent in the value of financing they received. Loan outreach to women's informal enterprise increased by 8.5 per cent, as the value of financing to them grew by 12.2 per cent. At the same time, lending to women microentrepreneurs grew by 14.4 per cent, with financing to them increasing by 18.1 per cent.

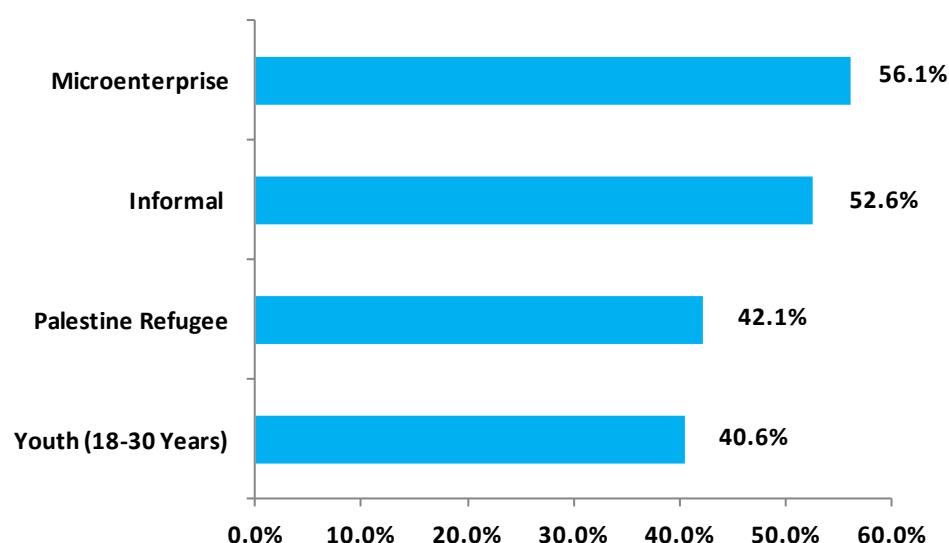
**Table 7: Comparative outreach to women in West Bank by loan product, 2013-2014**

Loan product	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
HLP	7	48,446	3	28,672	-57.1%	-40.8%
CLP	518	603,955	627	729,661	21.0%	20.8%
WHC	2,599	2,485,875	2,986	2,942,514	14.9%	18.4%
MEC	277	431,073	306	498,023	10.5%	15.5%

Similarly, there was general growth in lending to women in the West Bank across all loan products, except for a significant decline in the housing product (HLP). Although not numerically significant, it retrenched by 57.1 per cent in loan outreach and by 40.8 per cent in the value of loans financed. The outreach of MEC and WHC products to women both increased by 10.5 and 14.9 per cent, while the value of loans financed increased by 15.5 per cent and 18.4 per cent, respectively. The number of CLP loans to women grew by 21 per cent and the value of loans financed increased by 20.8 per cent.

In Jordan young women accounted for 40.6 per cent of youth clients, receiving financing of 1,378 loans valued at USD 853,884. Women clients made up 52.6 per cent of those working in the informal sector, with women-owned informal enterprises receiving 3,383 loans valued at USD 2.51 million. Moreover, women also accounted for 56.1 per cent of microentrepreneurs, receiving 4,144 business loans worth USD 2.89 million. Palestine refugee women in Jordan accounted for 42.1 per cent of Palestine refugee clients, receiving 3,052 loans valued at USD 2.33 million.

**Chart 8: Outreach to Women by social indicator – Jordan 2014**



The comparative analysis of outreach to women through the standard social indicators show that, the number and value of loan products to Palestine refugee women between 2013 and 2014 grew by 30.2 per cent and the value of financing increased by 24.5 per cent. The outreach to young women increased by 22.6 per cent and the value of lending to them grow by 20.9 per cent. Similarly, lending to Microentrepreneurs grew significantly by 34.8 per cent as the volume of financing increased by 27.6 per cent.

**Table 8: Comparative outreach to women in Jordan by social indicator, 2013-2014**

Social indicator	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
Youth (18-30)	1,124	706,356	1,378	853,884	22.6%	20.9%
Palestine Refugee	2,344	1,870,763	3,052	2,328,176	30.2%	24.5%
Microenterprise	3,074	2,265,678	4,144	2,891,664	34.8%	27.6%
Informal	2,922	2,199,435	3,383	2,513,557	15.8%	14.3%

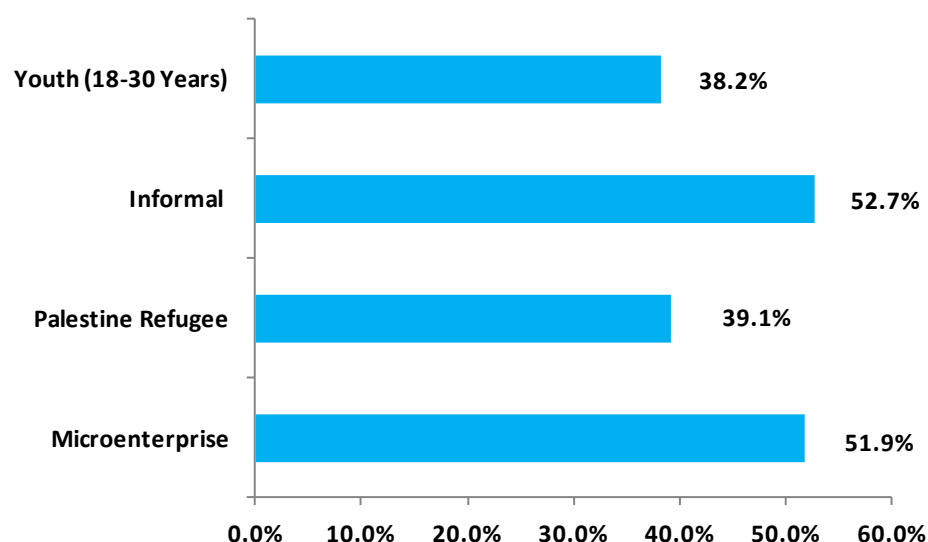
By comparison of outreach to women marked a decline across all loan products, with the exception of the WHC product which grew significantly during this period by 42.6 per cent while the value of lending increased by 50.8 per cent. On the other hand, number of women receiving CLP product slipped by 2.3 per cent, while the value of loans financed decreased by 2.7 per cent. Lastly, the ratio of MEC loans to women regressed by 8.0 per cent and the value of loans financed slipped by 10.2 per cent.

**Table 9: Comparative outreach to women in Jordan by loan product, 2013-2014**

Loan product	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
CLP	602	551,130	588	535,876	-2.3%	-2.7%
WHC	2,598	1,409,746	3,706	2,125,141	42.6%	50.8%
MEC	473	824,859	435	741,099	-8.0%	-10.2%
MEC+	3	31,073	3	25,424	0.0%	-18.2%

In Gaza, young women accounted for 38.2 per cent of youth clients, receiving 297 loans valued at USD 273,700. Women clients made up 52.7 per cent of those working in the informal sector, with informal women-owned enterprises receiving 974 loans valued at USD 858,500. Moreover, women also accounted for 51.9 per cent of microentrepreneurs, receiving 975 loans valued at USD 859,900. Palestine refugee women in Gaza accounted for 39.1 per cent of Palestine refugee clients, receiving 1,012 loans valued at USD 1.18 million.

**Chart 9: Outreach to women by social indicator – Gaza 2014**



The outreach to women in Gaza, as with the programme's broader outreach there, has been significantly affected by the 2014 war and the recent Egyptian siege of the Gaza borders, which has served to intensify the effect of 9-year-long Israeli siege on Gaza. Moreover, the general outreach of the programme in Gaza is trapped by internal UNRWA administrative instructions tied to the boycott of HAMAS, which prevents the programme from realising its full potential to provide inclusive financial services to the population. Unlike its operations in the West Bank, Jordan and Syria, the programme in Gaza is prohibited from guaranteeing loans through loan contracts guaranteed through the legal system in Gaza.

**Table 10: Comparative outreach to women in Gaza by social indicator, 2013-2014**

Social indicator	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
Youth (18-30)	372	284,150	297	273,700	-20.2%	-3.7%
Palestine Refugee	1,239	1,359,900	1,012	1,175,440	-18.3%	-13.6%
Microenterprise	1,202	992,600	975	859,900	-18.9%	-13.4%
Informal	1,195	954,600	974	858,500	-18.5%	-10.1%

As a result of this combination of factors, the programme's outreach to women in Gaza is revealed quite starkly in the between 2013 and 2014. A decline that is prevalent across all comparative social indicators of outreach to women. Thus, outreach to young women regressed by 20.2 per cent over the period as the value of lending to them slipped by 3.7 per cent. Equally dramatic, outreach to women microentrepreneurs declined by 18.9 per cent as financing to them fell by 13.4 per cent. Similarly, outreach to women working in the informal sector decreased by 18.5 per cent and financing to them regressed by 10.1 per cent. Moreover, outreach to Palestine refugee women fell by 18.3 per cent as the value of financing to them contracted by 13.6 per cent.

**Table 11: Comparative outreach to women in Gaza by loan product, 2013-2014**

Loan product	2013		2014		Growth/decline	
	No. of loans	Value (USD)	No. of loans	Value (USD)	Loans	Value
HLP	55	296,400	32	233,300	-41.8%	-21.3%
CLP	190	260,300	172	234,440	-9.5%	-9.9%
WHC	1,199	953,600	974	854,900	-18.7%	-10.4%
MEC+	3	39,000	1	5,000	-66.6%	-87.2%

The impact of these factors is again apparent in the growth/decline ratio of loan products received by women clients. The most profound regression was seen in the HLP product, when the number of loans to women retrenched by 41.8 per cent and the value of loans fell by 21.3 per cent. Additionally, outreach to women through the MEC+ product shrunk by 66.6 per cent as financing fell by 87.2 per cent; although this product marked the highest decrease, it is not statistically significant as the number of loans disbursed to women is very small. Lastly, lending to women through the WHC product decreased by 18.7 per cent over the period, while the value of lending decreased by 10.4 per cent.

## Women in the Microfinance Department

It is often asked: Is it possible for MFIs to empower women clients if they do not empower their own female staff? As the microfinance industry has grown and professionalized, gender inclusiveness in staff recruitment has become increasingly important to many MFIs, as it is now routinely assessed in benchmarking social performance and compliance with industry best practice and standards. While UNRWA's microfinance management team is committed to the economic empowerment of women clients, it believes this is best achieved with strategies, policies and recruitment practices that encourage equity and gender balance within the institution. Although still far from equity in staffing structure, the department has been successful in increasing its ratio of women staff to 43 per cent in 2014, with 57 per cent of its staff positions in Syria filled by women. This is followed by its Jerusalem headquarters, which increased its women staff from increased from 27 per cent in 2010 to 53 per cent in 2014. The programme in West Bank also improved its ratio of women staff from 32 per cent to 40 per cent, while Jordan enhanced its ratio significantly from 26 to 41 per cent. More marginally, Gaza increased its gender ratio from 32 to 36 per cent. While these achievements are positive, there is still space for further improvement, particularly in the percentage of women occupying senior positions within the department, where women managers and technical specialists are still too few.

## Conclusion and Summary

UNRWA is committed to improving and developing its social performance management framework to ensure that its microfinance programme is successfully operationalizing its social mission. In the context of mainstreaming gender, this is reflected in a significant portion of its portfolio financing women clients, who are being financially and economically empowered to participate in the social life of their communities through their access to credit. By ensuring that women have access to operationally self-sufficient, sustainable and inclusive financial services for enterprise, household and individual needs, UNRWA is providing increasing and continuous services to women in a manner that has generally broadened in scope and scale each year, even if the current conflict in Syria and recent war in Gaza has partially rolled back the programme's past achievements. Despite this regional setback, UNRWA remains committed to develop more businesses, employment and asset-building opportunities for women, while reducing the poverty of those participating in the programme.

Thus, in 2014, UNRWA invested 37.2 per cent of its loans in women clients with financing equal to 29 per cent of the value of its portfolio. Over a one-year period, 13,003 women were financed with loans valued at USD 9.85 million. As UNRWA continues to grow its branch office network and increase its outreach in each region, it is committed to provide more credit to an increasing number of women clients in the coming years to help them improve their enterprises and provide them with the resources to improve their households and the lives of their families.