

Caleb M Fundanga: Financing for gender equality

Opening remarks by Dr Caleb M Fundanga, Governor of the Bank of Zambia, at the official launch of the Financial Institutions exhibition in commemoration of International Women's Day, Lusaka, 5 March 2008.

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- The Honourable Minister for Gender and Women in Development
- The Country Coordinator of the United Nations System
- The Permanent Secretary, Gender in Development Division
- The Director, Environmental Council of Zambia
- Chief Executives of Financial Service Providers
- Heads of Non Governmental Organisations
- Invited Guests
- Ladies and Gentlemen

I am honoured this morning to address you at the launch of this important Financial Sector Exhibition by financial service providers, in commemoration of the International Women's Day for 2008, under the theme "Financing for Gender Equality". The purpose of this exhibition is for financial service providers to showcase how they are contributing to financing for gender equality. It also provides an opportunity for the various institutions to market financial products that can be accessed by women. A further objective is the sensitization of the financial service providers and indeed the public at large to the need for gender mainstreaming in access to finance.

International Women's Day began with the declaration of International Year for Women in 1975. Since then, many countries world-wide celebrate International Women's Day to recognize the achievements of women without regard to national, ethnic, cultural, economic or political divisions. International Women's Day is an occasion to look back on past struggles and accomplishments but even more importantly a time to look ahead to untapped potential and opportunities that await future generations of women. In Zambia today we recognize the strides that have been made by women in national development and we look ahead at the challenges that are before us as we strive to achieve our goal of gender equality.

In this regard, Zambia is a signatory to many international instruments and Conventions seeking to empower women. These include the United Nations Convention on the Elimination of all Forms of Discrimination Against Women and the SADC Declaration on Gender and Development. This declaration calls for the equal representation of women and men in the decision making structures of member states at all levels, and also for the achievement of at least 30 per cent target of women in political and decision-making structures.

I must concede here, Ladies and Gentlemen, that although we have made significant strides as a country in women representation; we are yet to meet the target of 30 per cent. I still believe that this target is not impossible to attain. With concerted effort we can achieve and even exceed it because this country has scores of women with untapped potential. This exhibition gives us an opportunity to identify this potential and encourage our women to stand up, and be counted and contribute to the development of this country. In this regard, the Bank of Zambia and the financial service providers under its regulation and supervision are pleased to be part of the celebrations for International Women's Day 2008

Distinguished Ladies and Gentlemen, our country has made great economic strides in the past few years. We have had positive economic growth averaging 5% in the last five years. The macroeconomic environment has stabilised with the achievement of single digit inflation as well as reduced interest rates. In addition we have seen increased investments in the mining and other productive sectors. This improved environment presents great opportunities

for our country for both men and women. As you all know, women have from time immemorial taken centre stage in the running of small and medium enterprises ranging from agriculture, mining, and tourism, to manufacturing as well as cross border trading. All these economic activities need financing in order to grow and contribute to our country's Gross Domestic Product.

Ladies and Gentlemen, this brings me to the theme of International Women's day for this year and that is "Financing for Gender Equality". At the international level, commitments have been made on financing for gender equality and the empowerment of women by governments all over the world. A large number of governments have taken initiatives to integrate gender perspectives into their national budgets in order to reflect the differentiated needs of women and men. At a national level, Zambia is committed to financing for gender equality. The theme for the 2008 national budget is "unlocking resources for economic empowerment and wealth creation". I believe the economic empowerment is for both men and women. Furthermore, in order to achieve our vision to be a prosperous middle income country by 2030, both women and men must be empowered equally. Women must not be left behind in the drive to this vision.

I recognize the creation of the Ministry of Gender and Women in Development, as a deliberate effort by the Government to ensure that the needs of women are addressed. Let me also take this opportunity to appreciate the efforts by our cooperating partners in the financing of activities promoting gender equality. This is evident by the number of non governmental organizations looking at women's issues, some of whom are represented here today.

Ladies and Gentlemen, when we talk about financing, we must focus on the institutions through which most of this financing is channeled namely, financial service providers, most of whom are participating in this exhibition. No matter what kind of financing, be it government, donor or private financing, it is channeled through our financial institutions. As earlier stated, the main reason this exhibition is being held is to showcase how our financial institutions are contributing to financing for gender equality. I also hope that the exhibition will encourage increased access to financial services by not only women but also men from all walks of life.

Ladies and Gentlemen, the 2005 Finscope Survey undertaken by Finmark Trust confirmed that levels of access to financial services in Zambia are extremely low. Fewer than 15% of adult Zambians are reported to have had access to commercial banks. Of the 15%, the majority were men. Therefore more needs to be done to enable women have increased access to financial services. This is why one of the strategic objectives of the Bank of Zambia in its 2008-2011 Strategic Plan is to promote financial inclusion. The more financial services are extended to ordinary citizens and small business enterprises, the more there will be a greater proportion of women amongst those receiving these services. We should note that it is women who have special needs in terms of access to financial services. In small businesses, such as small scale farming and market trading, it is very important to have a safe place to save money, maintain working capital and also access loan facilities.

Ladies and Gentlemen, as we discuss financing for gender equality, there are fundamental questions we need to ask ourselves such as:

- Are services available from a financial service provider more to the advantage of men, rather than women?
- Are men's interests served more than women's?
- Do financial service providers enable women to overcome discrimination against them in their economic life?

I believe these questions will be answered positively by the institutions present here.

Ladies and Gentlemen, I am happy to inform you that among the products on exhibition here, we have Finance Building Society marketing loans without collateral. This is a very welcome

development as one of the challenges to women accessing finance is the requirement for collateral which most do not have. We also have the United Nations country office with all their respective agencies participating in this exhibition to show case how they are supporting women in this country. We appreciate your collaboration with us in this exhibition. The Environmental Council of Zambia has also joined with the financial institutions to increase our awareness on environmental issues and thus promote sustainable development.

Distinguished Ladies and Gentlemen, I believe the next two days will be very informative and rewarding. We have 10 commercial banks, 2 building societies and over 10 microfinance institutions exhibiting their products. I understand that tomorrow, these institutions will be recognizing some of their most loyal and exemplary customers and for this I commend them.

I am sure that not only women but men will find this exhibition beneficial and I wish you a productive and informative two days.

Thank you.