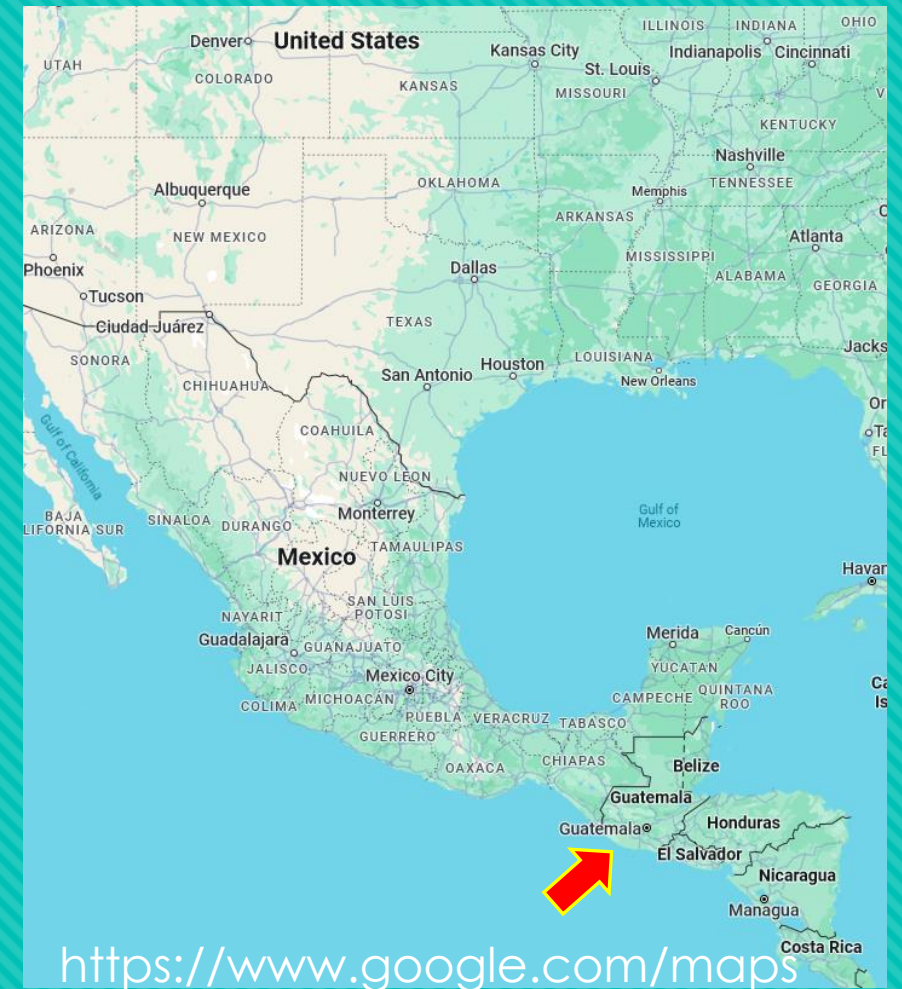


Women's Economic Empowerment through Financial Inclusion in Guatemala

(GuateCrece Project Case)



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Engaged as the Advisor for Financial Inclusion Promotion
with Immigrant Remittance in Guatemala,
for JICA (Japan International Cooperation Agency)



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- 1. Overview of the GuateCrece Project activities in Guatemala for local women's empowerment through the financial inclusion**
- 2. Changes achieved in terms of women's economic empowerment**

**1. Overview of the Project activities
in Guatemala for local women's
empowerment through the financial
inclusion**

Current situation in Guatemala (1)

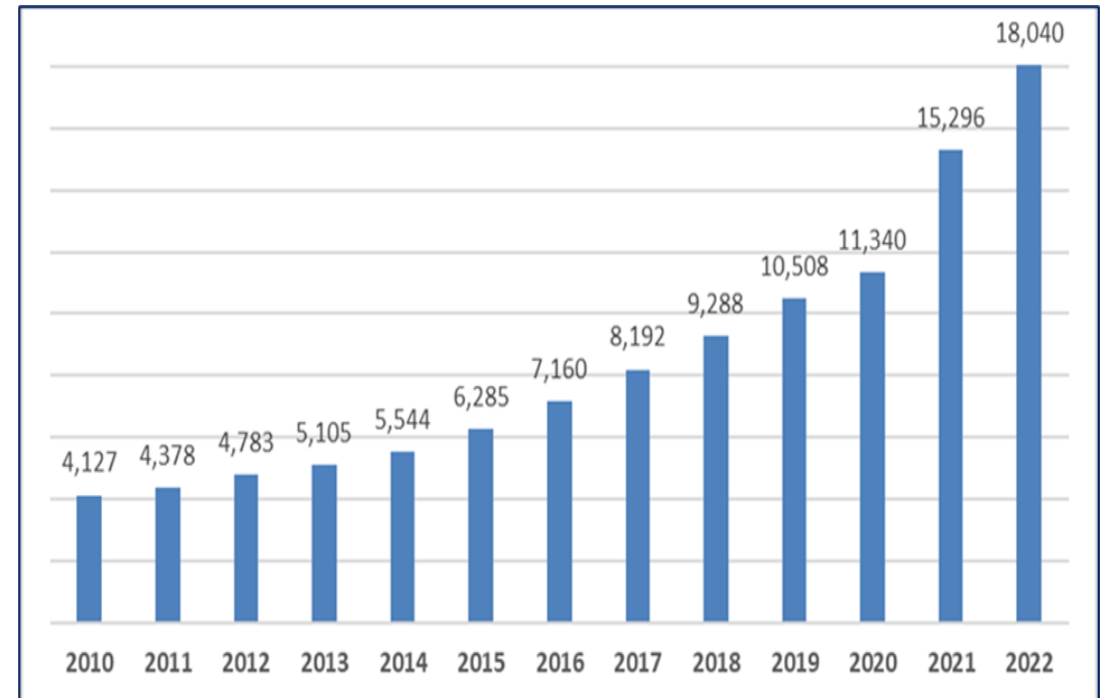
Increase of family remittance

- In rural areas of Guatemala, economic opportunities are limited, especially for women.
- Many Guatemalans are trying to get to the USA in search of better economic opportunities.
- Those who live and work in USA send the international remittance to the family living in Guatemala. The total amount of such family remittance fund represents about 20% of GDP.



People trying to get to USA

Source : <https://www.youtube.com/watch?v=z2sieXoQnQo>

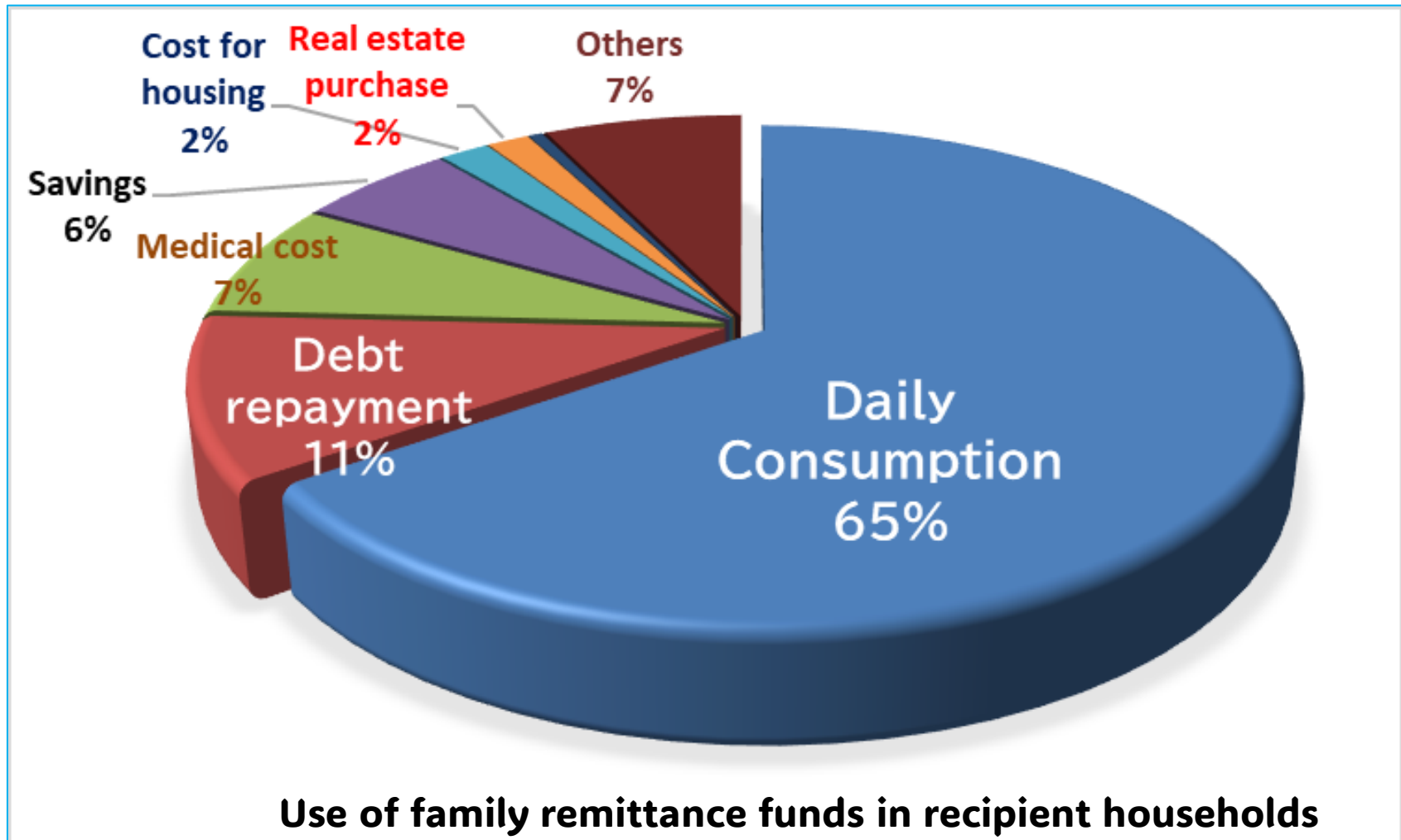


Total amount of family remittance funds

Source: based on the information of Central Bank of Guatemala

Current situation in Guatemala (2)

Use of International Remittance Funds



Source: based on ENEI-1-2021 of the National Statistics Institute (INE).

Most of family remittance fund have been “not” spent for investment in economic activities but for daily consumption.

Our challenge

How can we increase economic opportunities in Guatemala?

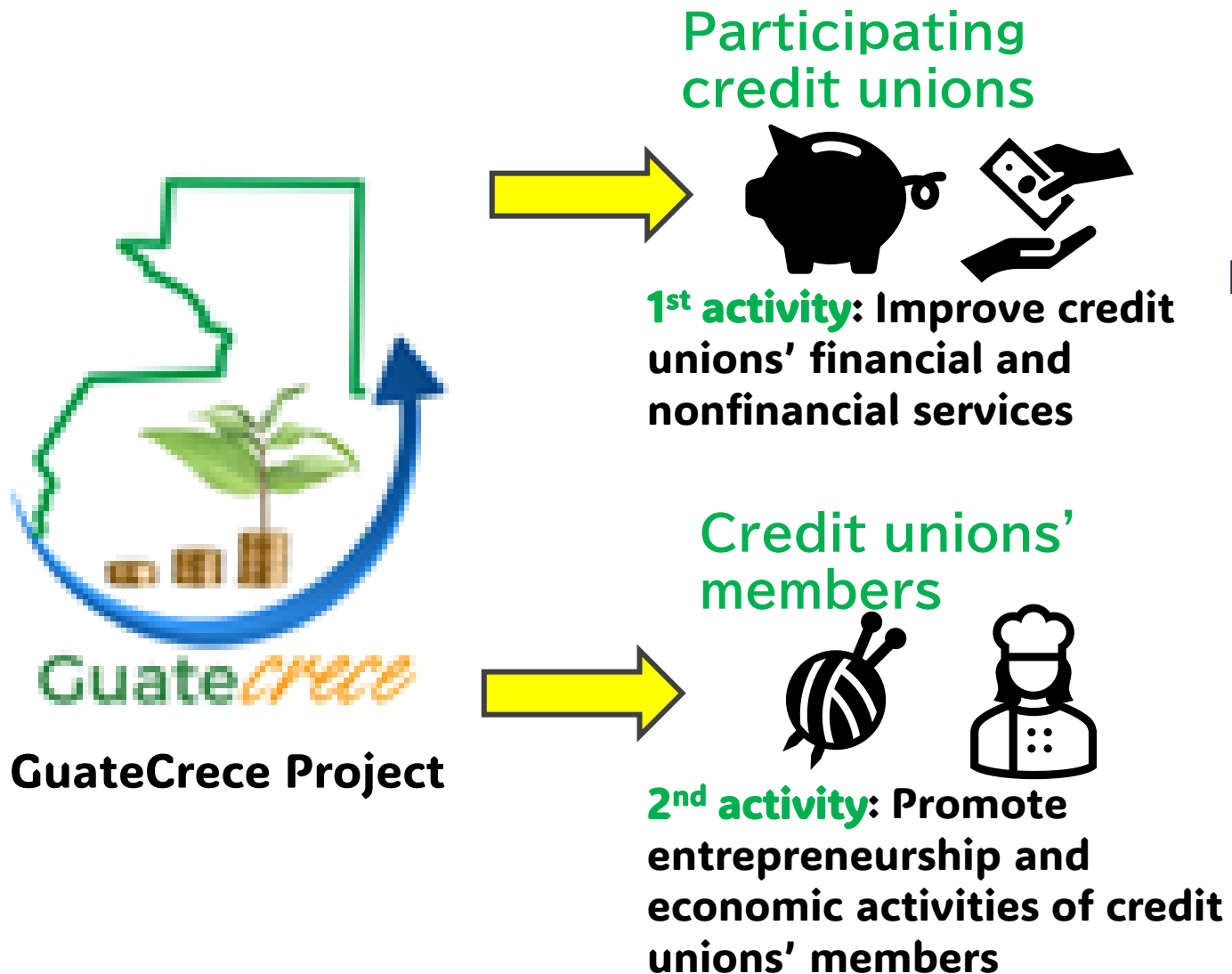
GuateCrece Project is carried out by the National Institute of Cooperatives (INCAOP) of Guatemalan government, with technical assistance of Japan International Agency (JICA).

Guatemala **Crece** con
(Guatemala growing with)

- **R**emesa familiar (eficiente use of family remittance)
- **C**ultura de ahorro (savings culture, and)
- **E**mprendimiento (entrepreneurship)



Framework of the Project activities



One of participating credit unions in Guatemala

Promote financial and economic activities of the members, thanks to credits and financial education to be provided by credit unions.

More funds can be collected in participating credit unions, because of the members' earnings to be increased.

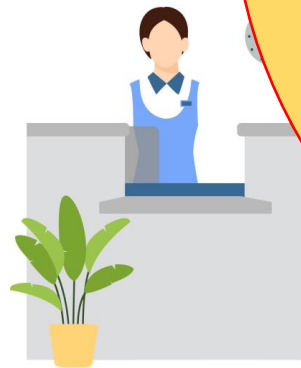
Project Concept (1)

Effective use of international remittance funds to promote businesses in Guatemala



Guatemalan women, developing their business, by using their financial resources

Saving the money received by remittance, for its effective use in the future



Credit unions' remittance receiving services, financial education, and saving account services



International remittance from husbands in foreign countries

Project Concept (2)

Enhanced financing for local businesses with a view to sustainable local economic development



A lot of savings at Credit Unions



Credits provided for local small enterprises with good potentials by credit unions



Revitalize the local economy and create economic opportunities in Guatemala

Activities of the Project for improving nonfinancial services of participating cooperatives (credit unions)

Participating cooperatives (credit unions) have improved their nonfinancial services, starting the provision of the following services

- Financial education
- Training for promoting entrepreneurship (vocational training, training on how to prepare business plan, etc.)



Financial education



New Vegetable Cultivation



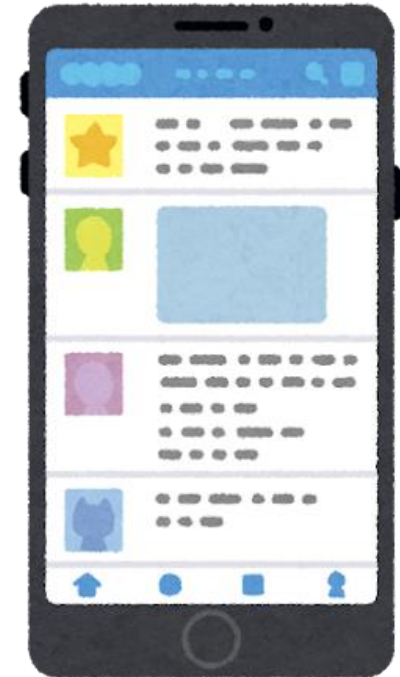
Vocational training to promote women's entrepreneurship



Use of Information Technology for promoting women's businesses



Digital marketing trainings for young people, mainly women, participating in "Puentes" project organized by [United States Agency for International Development \(USAID\)](#) and [World Vision](#)

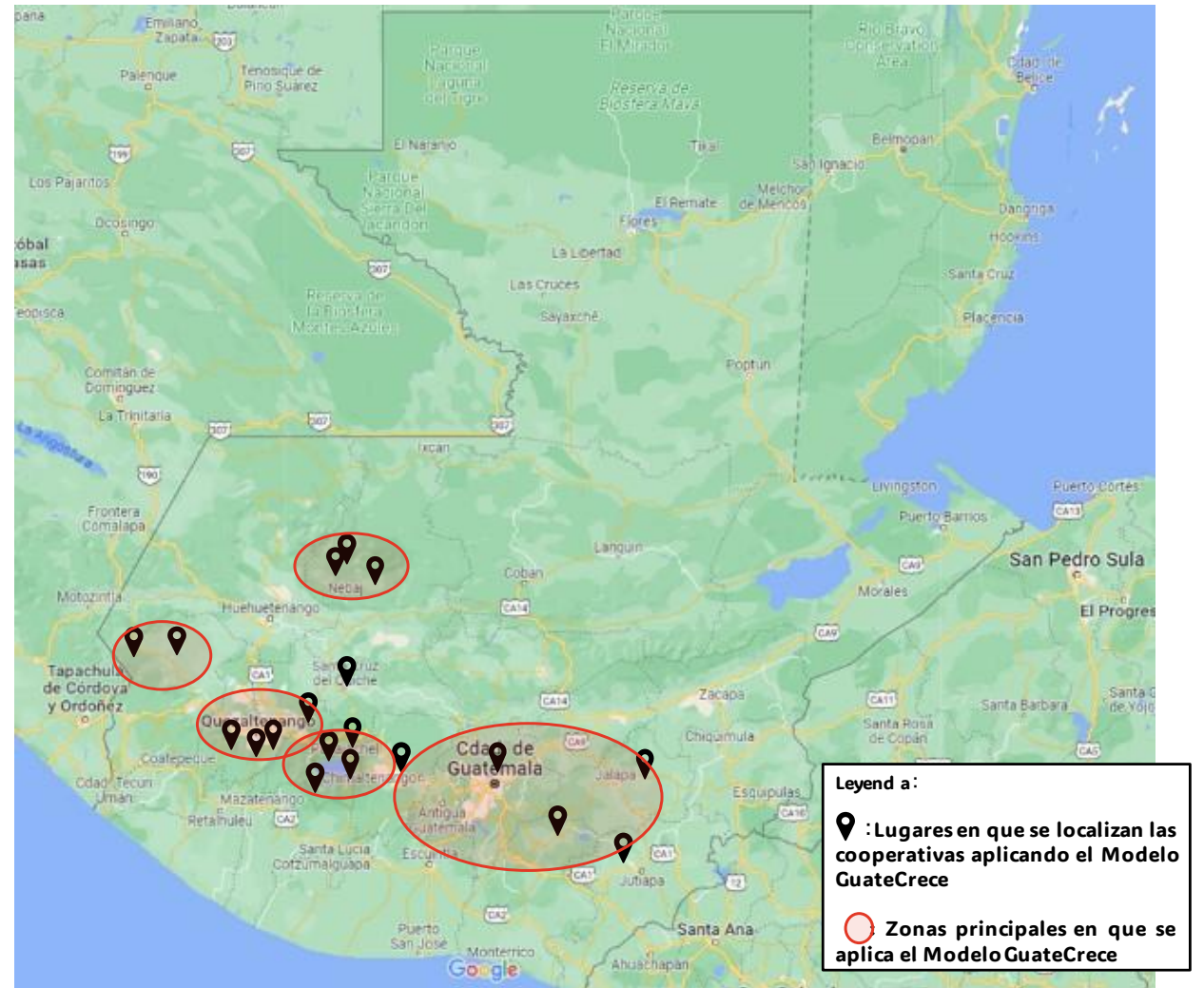


Use of SNS for marketing activities

Coverage of the application of the GuateCrece Project

GuateCrece Project's concept and methods have already been applied by approximately 40 cooperatives, benefiting almost 10,000 people directly or indirectly in the year of 2023.

(9,694 associates in total)



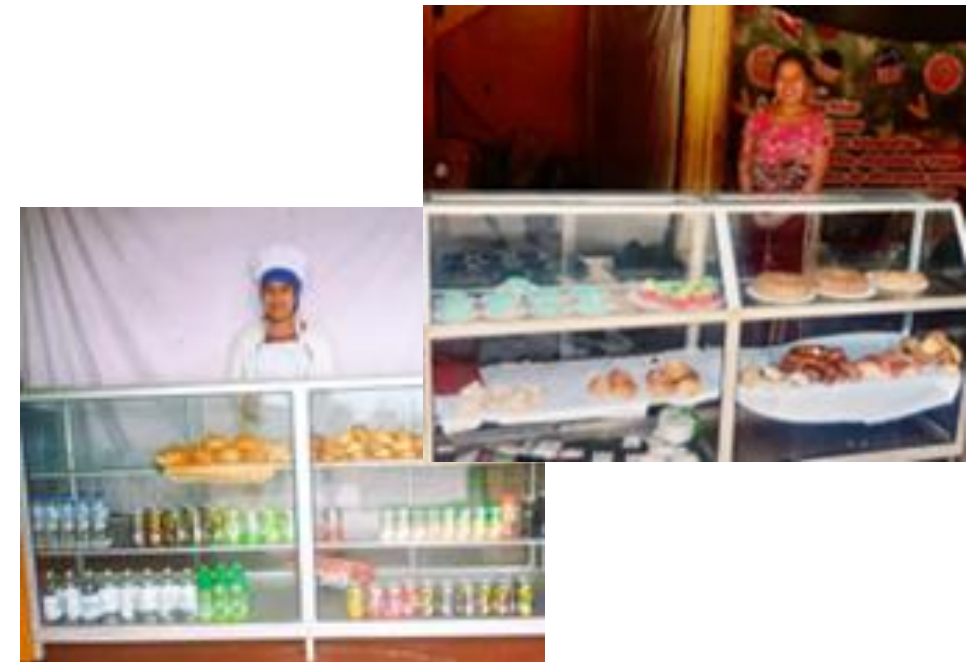
2. Changes achieved in terms of women's economic empowerment

Women entrepreneurship

Trainings

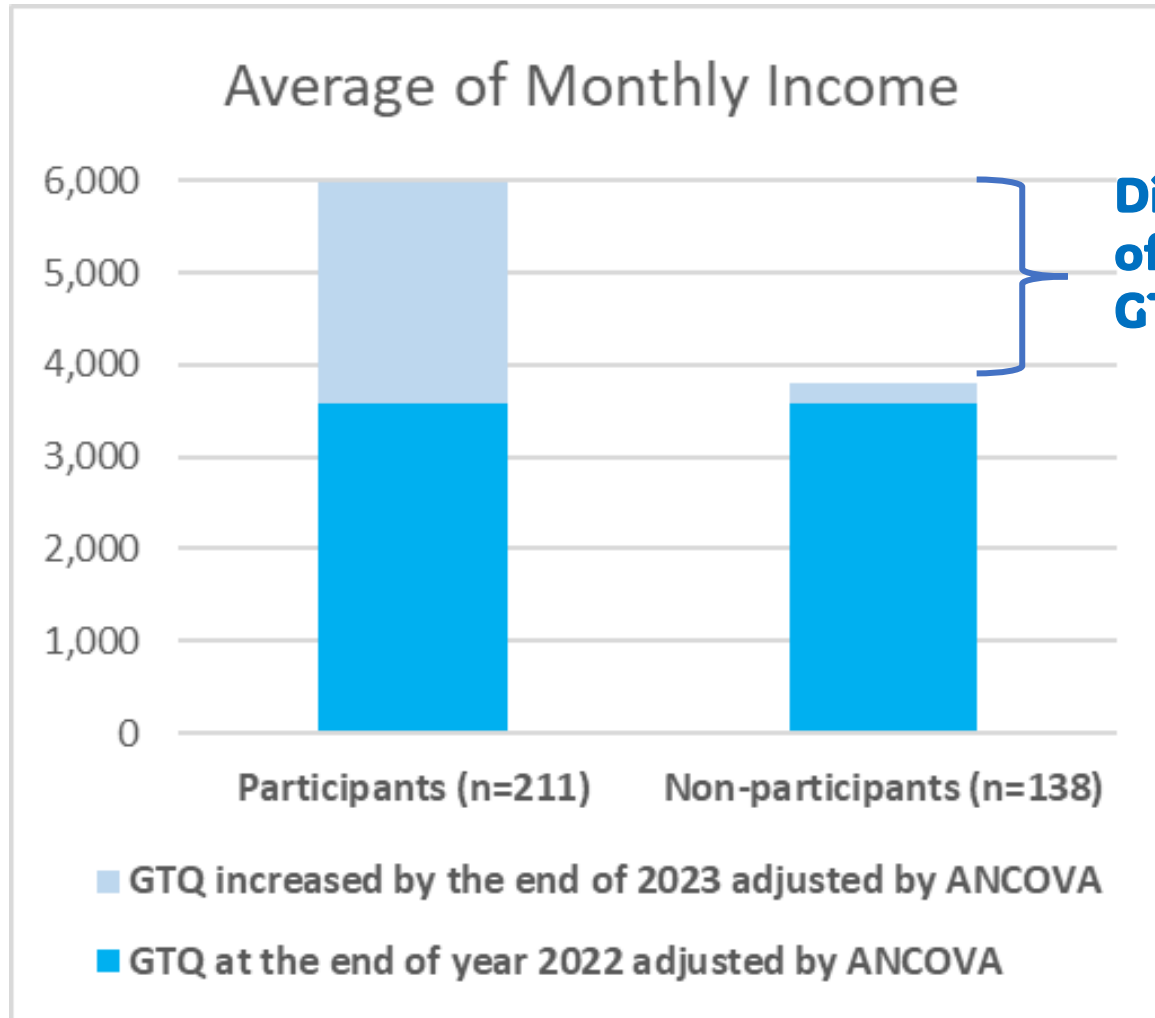


Women who have started new business



Several women have developed their own business, by utilizing the knowledge learned from the training courses in which they participated.

Increase in monthly income of participating cooperatives' (credit unions') members



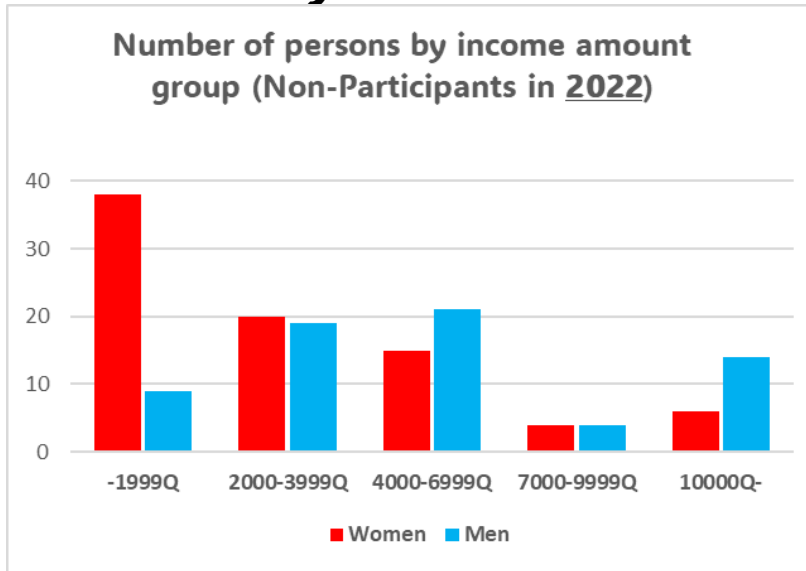
- The GuateCrece Model has resulted in an increase of 2,175 GTQ per cooperative member, in terms of monthly income. This increase has been caused by the newly developed economic activities of the participants.
- The impact is larger for women than for men. (Effect size for men = 0.192, Effect size for women = 0.212)



Changes in monthly income of cooperatives' members

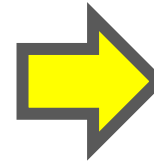
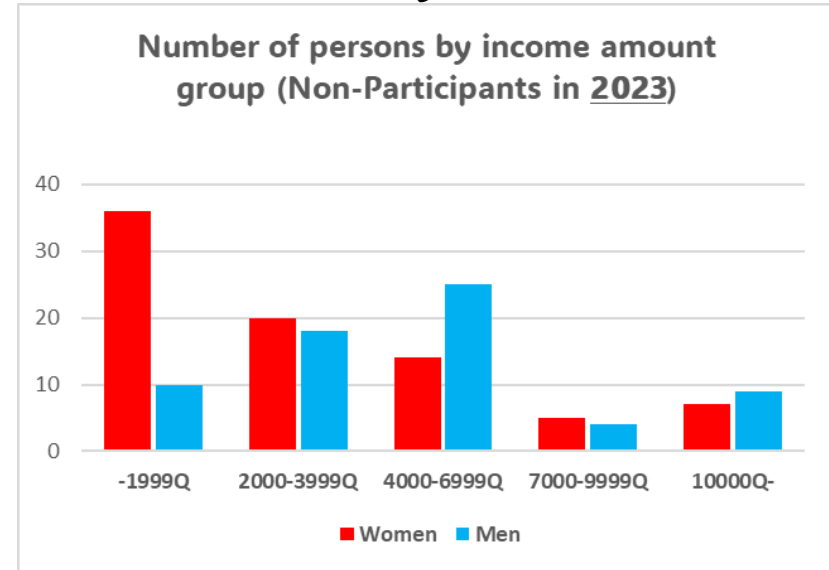
End of year 2022

Number of persons by income amount group (Non-Participants in 2022)



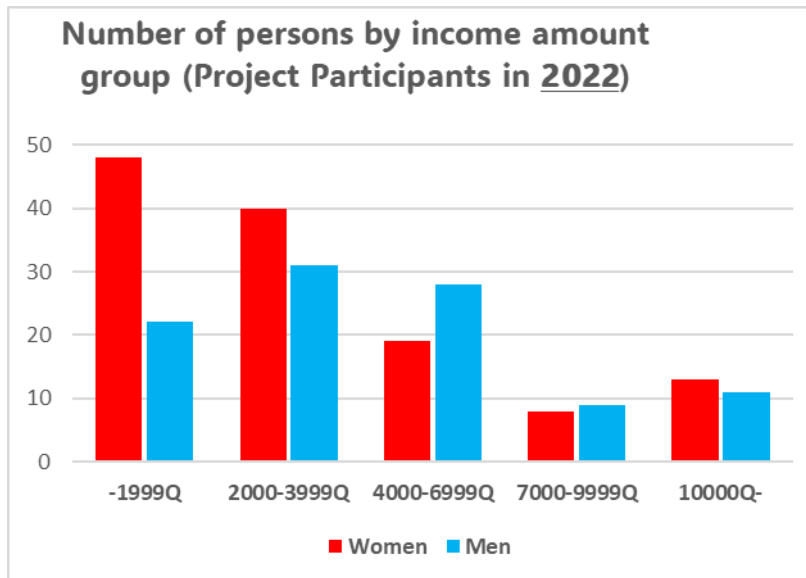
End of year 2023

Number of persons by income amount group (Non-Participants in 2023)

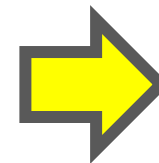
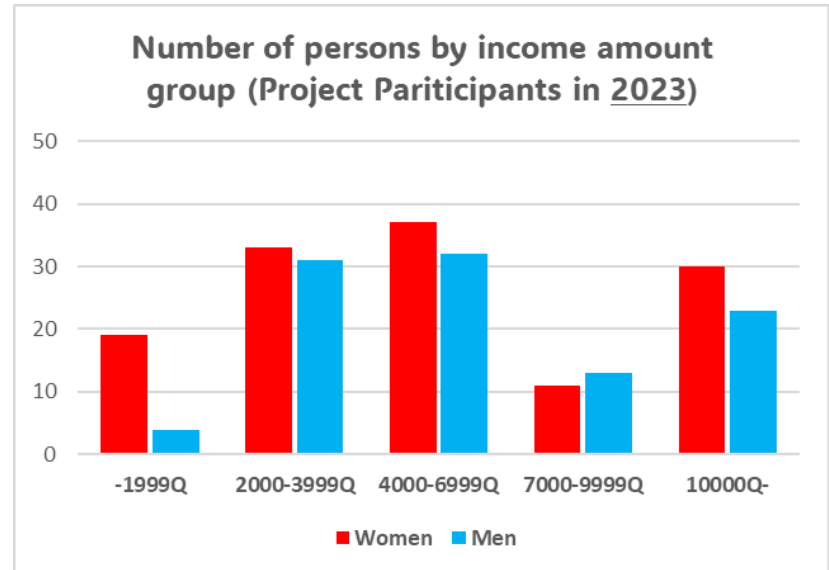


Non-participants

Number of persons by income amount group (Project Participants in 2022)



























Number of persons by income amount group (Project Participants in 2023)



Participants

The positive impact is the largest in young women group.

Age & Gender	Participación en el Modelo GuateCrece	n	% who have developed new economic activity	% who have increased income by more than 20%	% who have increased savings in the account by more than 20%
Women 20s-30s	Participants	75	 48.0%	 48.0%	 52.0%
	Non-Participantes	43	 20.9%	 20.9%	 25.6%
Women 40s-50s	Participants	43	 51.2%	 46.5%	 14.0%
	Non-Participantes	48	 47.4%	 39.5%	 31.6%
Men 20s-30s	Participants	62	 50.0%	 50.0%	 30.6%
	Non-Participantes	34	 35.3%	 20.6%	 23.5%
Men 40s-50s	Participants	28	 53.6%	 57.1%	 17.9%
	Non-Participantes	26	 34.6%	 26.9%	 38.5%

A woman's successful case



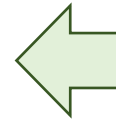
- She had only completed the basic education.
- She receives international family remittance from her husband, at the local credit union, which is located near by her house.
- By using the fund provided by her husband and credit granted by the credit union, she has been able to develop and expand her business on garment, taking in advantage of having participated in vocational training about it.

Theory of change (Women empowerment)

Achieve economic empowerment



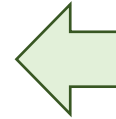
Earn money by starting the microbusiness



- Credit for expanding the business



Use their money strategically



- Financial education
- Trainings on entrepreneurship



Have their own money through deposits or remittances

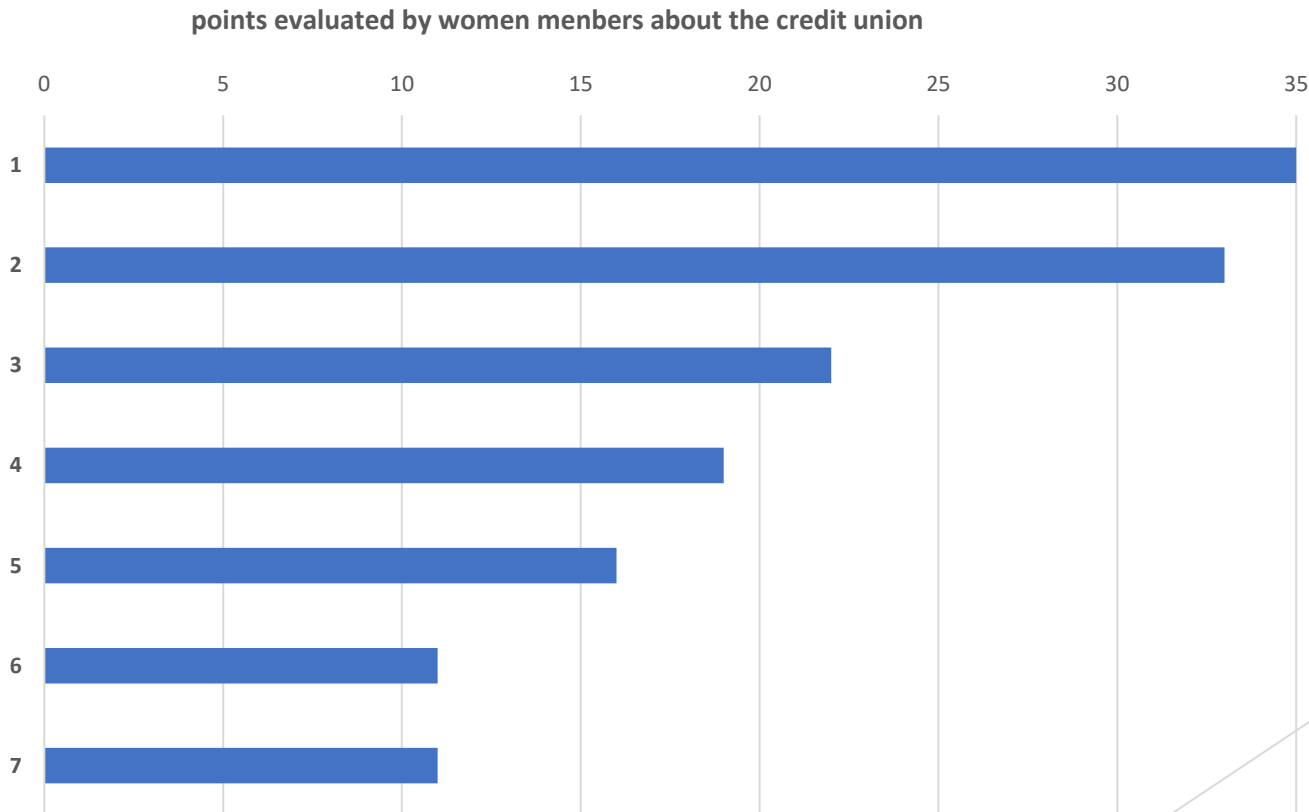


- Remittance receipt service
- Savings

Conclusion (I)

Importance of Credit Unions for local development

- Credit unions can be important instrument for women's economic empowerment. Because credit unions are more familiar for local people than banks.
- Women members evaluate positively financial and nonfinancial services of credit unions, in terms of gender equality.



Conclusion (2)

Utilization of international experience

The Project's positive effects have been increased, thanks to;

- Collaboration with “Puentes” Project organized by USAID and World Vision, and
- Applying lessons learned from experiences developed in Honduras



Trainings on how to form a cooperative, for young people, mainly women, participating in “Puentes” project organized by **United States Agency for International Development (USAID)** and **World Vision**



Financial education realized in Honduras as an activity of the Project named as “ACTIVO” by the Japanese technical assistance

Thank you!

