



2X Challenge group welcomes new members from the world of development finance

– Four new investors join the initiative to boost women’s economic empowerment –

The Hague– May 14th, 2019 – Four new members have joined the founding group of seven industrialised countries committing to the “2X Challenge: Financing for Women”. The group behind the initiative, which aims to collectively mobilize \$3 billion in commitments for women’s economic empowerment in developing countries, now includes the development finance institutions (DFIs) of the Netherlands (FMO), Sweden (Swedfund), Finland (Finnfund) and Denmark (IFU).

The 2X Challenge was launched in June 2018 as a major new commitment to unlock resources that will help advance women as entrepreneurs, as business leaders, as employees and as consumers of products and services that enhance their economic participation. A group of DFIs from the G7 countries - Canada, the United Kingdom, the United States, Italy, France, Japan and Germany – have since been backing investments and initiatives that provide women in developing countries with access to leadership opportunities, quality employment, finance, and enterprise support.

During a signing ceremony at the headquarters of the group of European Development Finance Institutions in the Hague, the new members committed as a part of their membership of the 2X Challenge group to increase the number of gender-smart investments they make and improve the support they give to existing investee business to advance gender equality.

The case for investing in women:

- **Growth opportunity:** Studies have repeatedly demonstrated that women are key drivers to achieving economic prosperity and global stability. In its 2015 report, “*The Power of Parity: How advancing women’s equality can add \$12 trillion to global growth*”, the McKinsey Institute forecasted a GDP growth opportunity of \$700 billion for Sub-Saharan Africa and \$2,600 billion for Latin America by 2025 if the gender gap is bridged.
- **Women as consumers:** In 2018 alone, women globally were estimated to control around \$40 trillion in consumer spending.
- **Credit gap:** Women SME’s worldwide face between \$260 billion and \$320 billion shortfall in access to credit, representing a significant opportunity for investors to bridge this financing gap.
- **Women as leaders:** Research regularly demonstrates that an increase in women across senior management, executive, and board level generates an increase in business performance.