Gender Equality in Access to Capital and Entrepreneurship

The Widows’ Savings and Loan Association (WISALA)

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Micro-Banks and Economic Empowerment

WISALA – Widows’ Savings and Loan Association – is an innovative micro-bank model created to serve widows. The WISALAs provide a permanent and sustainable source of capital that allows widows and their children to rise from poverty and improve their medical and educational outcomes. Created specifically to offer financial access to widows and female heads of households, the WISALA allows previously unbanked widows to enter savings and loan associations and start their businesses.

To enter the WISALA, widows are required to make a small initial investment. In return, they own shares in the bank, granting them co-ownership status. The bank is fully owned by the women – Global Fund for Widows (GFW) does not take an equity stake. Once the WISALA is established, GFW co-capitalizes the widows’ investments, matching them 2:1 through a grant. This setup enables the borrowers to receive loans triple the amount of their initial contribution. Once the WISALA is capitalized, the widows may apply for a loan to launch a micro-enterprise or to expand an existing venture. Widows then use the income from their enterprises to repay the interest and principal on their loans, as well as purchase additional shares in the WISALA.

The women’s wealth grows in two ways. First, as they borrow and lend money from their own bank, they pay the interest back to themselves. This way, the value of their share in the bank grows, increasing their net worth. Second, women’s income grows through the business they have started.

Transformative to Income, Economic Growth, Health, and Education: WISALA Impact*

2027% Increase in Income
Through the WISALA model female heads of households and widows transform their financial paradigm. In Kenya, WISALA members saw a 2027% increase in their monthly income.

Medical Outcome Improvement
Due to the increase in income, women and their children can see a doctor when they need to. In Kenya, women participating in the WASALA program saw a 461% increase in medical spending. When they needed to see a doctor – they did.

Increasing School Enrollment for Children
Without a livelihood or income, widows are unable to pay school fees and children cannot go to school. Through the WISALA program, children are sent back to school. In Kenya, WISALA participants showed a 203% increase in educational spending.

Improved Nutrition and Stabilized Food Security
After engaging in the WISALA program, women spend more money on food. In Malawi, we saw an 81% increase in food expenses for the widows and their families. Even more telling, the widows go from rarely eating meat - as it’s more expensive than vegetables, rice, or beans - to eating meat on average three times a week.

Mental and Emotional Health
Before starting the WISALA program, most widows admit feeling lonely, wary about the future, and powerless. One year into the program, widows reported a 100% increase in their confidence, strength, happiness, sense of belonging and community, and having control over the decisions they make for themselves and their families.

*Data subtracted from GFW’s surveys in Kenya and Malawi.