

Sabah Almoayyed on the

"Women on the Silk Road of Impact"

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Women on the Silk Road of Impact-Sabah almoayyed

1. The impact of the development of the ecosystem for innovation in the region to help bringing in higher percentage of women as angel investors (challenges and threats)

Answer:

- The GCC countries have had the vision and objective of transforming their economies traditionally based on petrochemicals to more diversified and sustainable economies with an important component based on R&D, technology, knowledge and innovation. An important part of this vision has been attracting and supporting SMEs who focus on R&D and innovation in the various industrial sectors. This has unfurled a wide arena for investments and technological developments within the region
- Females have [historically made up less than 15% of the angel investors](#) in the United States and much less in the region. Having more women on the funding side matters. We need more angel groups with a higher representation of women tend to attract and consider a higher percentage of women-owned firms

But how we could get more women on the investing side,

1. On a macro level, the biggest impact for getting more women on the investing side is to create more women entrepreneurs. Entrepreneurs are more likely to invest in other entrepreneurs, and the risk profiles of entrepreneurs match well to investing.
 2. Highlight women investors more often. Every time she sees an opportunity to talk about angel investing, make sure women are speaking, which also brings more women.
 3. Any efforts to educate people outside of the startup community about angel investing would attract both men and women, and this would bring in investors who aren't entrepreneurs
- The volume of impact investment the expected growth in commitment in 2017 is of 25.9 percent. The supply of impact capital is expected to rise but, as yet, impact investment's share in global financial markets is estimated to be at around only 0.2 percent of global wealth. If this share rises to 2 percent, it could mean over US\$2 trillion invested in impact-driven assets. - the perception that market investments should focus exclusively on achieving financial returns is being challenged by the core characteristic of The practice of impact investing which focus on.
2. The role of multinational agencies such as AAOIFI/UNIEDO/G20 venture fund in accelerating the direction of Finance (including Islamic finance) to support closing the funding gap and network access for startup/scale up and enhance participation of women as angel investors and entrepreneurs in the region.

Answer:

- The Global Partnership for Financial Inclusion (GPII) is an inclusive platform for all G20 countries, interested non-G20 countries and relevant stakeholders to carry forward work on financial inclusion, including implementation of the G20 Financial Inclusion Action Plan, endorsed at the G20 Summit in Seoul.
- On the other hand as for UN The Women's Empowerment Principles (WEPs) is a joint initiative of UN Women and the UN Global Compact. Launched on International Women's Day 2010, the 7 principles posit how to empower women in business and are also a call to action to the corporate community. Since its launch,
 - As for the worlds of Islamic finance and impact investing are growing daily, and rapidly.,
 - As for AAOIFI and Islamic finance As previously discussed, definitions and standards for impact investing and determining "impact" are ever evolving. However, it is clear that impact investors and socially responsible businesses occur on a spectrum. Outlined in Figure 3 are the major components to the continuum of the philosophy of impact investors

How we can Make Young Entrepreneurs Visible and Bankable'. We need to focus on the potential of young entrepreneurs and innovative models for financing of their ventures from financial institutions, policymakers and other stakeholders.

- Partner with angel investors to convert public money to smart money.
- Prioritize the angel investment ecosystem. Today's start-ups, scale-ups and high-growth businesses need more than just money. Financial inclusion can serve financial development better and faster if know-how, mentorship and networking are also provided to entrepreneurs. Only angel investors can fully meet the needs of entrepreneurs, as they are able to offer the necessary know-how, mentorship and networking in addition to finance.
- Support entrepreneurs OR support the supporters of entrepreneurs. The G20 countries should arrive at a consensus on which is the better policy.
- Create ways and sources to fuel innovation from young entrepreneurs. Leveraging early and post-early stage equity markets is important in the commercialization of inventions and focusing on innovation. A well-connected entrepreneurial ecosystem needs to be established that will include angel investors, banks, crowdfunders, technoparks, technology transfer offices, incubation centres, acceleration centres, VCs, private equity, family offices, wealth management institutions, chambers of commerce and industries, public funds and stock exchanges.

Angel Education Targeting Women

- While many angel groups offer educational opportunities, need to programs focus on women who want to become angel investors and are looking for training, mentoring, or groups to work with in investing such as bootcamp for women, working to increase diversity in the U.S. angel investing community and create capital for women social entrepreneurs. The three main components of the program are education, mentoring and practice.

In addition, we need to connect: Connect women who have a high net worth and value social ventures with the entrepreneurs who need cash to make their big ideas a reality. Normally, the portfolios of impact investing funds focuses on commodities Energy, housing, tourism, financial services, education and other sectors with potential investment targeted to maximize social and environmental benefits.

3. The growing appeal of impact investment and how this can be used to support financial inclusion to serve the growing youth and lower income population including women.

With all the hype surrounding it these days, impact investing could easily be considered the magic remedy for international development and economic growth for the following reasons

- **Filling funding gaps**

Impact investing is a fast-growing segment of the investment marketplace; if philanthropic and public-sector funding gaps continue to grow in the trillions, even with its projected growth the impact investing sector won't be able to fully address those gaps. Many organizations and enterprises rely on grant money for seed funding, which helps them become investor-ready

The growing appeal of impact investing

But what makes impact investing have this 'silver bullet' appeal is its sustainability. You invest, you get returns (hopefully), and you reinvest those returns for further social ends, and get more returns. The cycle continues and sustains itself. From an economic standpoint, impact investing outweighs the benefits of traditional philanthropy. Investors,

- Philanthropists and the rest of the international development space have quickly picked up on this. Impact investing, as a movement, has accelerated in the past decade.
- Today most major financial institutions have an impact investing program, including major family foundations like MacArthur Foundation and Rockefeller Foundation, and multi-national banks like J.P. Moran and Bank of America.
- Many challenges that arise as the impact investing space continue to grow. Matchmaking capital with the users of capital is difficult, Grant funding remains vital and supports organizations where impact investing can't; but complement each other.
- Impact investing is a vital piece with a focus on support micro, small and medium-sized businesses (SMEs) by helping them to access finance. Government agencies can design and develop venture capital, guarantees and microfinance instruments which specifically target this market segment. In this

role, with emphasis on supporting innovation, research and development, entrepreneurship, growth, and employment

- However, due to lack of access to finance which would allow them to grasp this economic opportunity, provide sustainability to their cash flows, or invest in new value creation, they can struggle, but when they do small enterprises can thrive and more importantly, provide social transformation and well-being to their employees. In low income economies, sustainable paid employment is the main factor keeping people out of poverty and helping them accumulate resources and improve their household living standard.
- By bridging the “missing middle” between micro-, often self-employed, economic activity and large corporate finance, small enterprise impact investors contribute to densifying the SME market, creating jobs and unlocking the benefits of economic growth for the base of the pyramid. In particular for those based in more developed economies. –Today high income population faces an unprecedented period of anemic growth and stagnant economic development. Despite their savings surplus, they still require regular capital gains to sustain their retirement plans but lack the opportunity to invest in strong and lasting value creation opportunities domestically. They also are increasingly recalcitrant to investing in over-indebted governmental policies or speculative financial markets, both of which have provided more short-term volatility than long-term value creation to their portfolios in recent years. By investing in small enterprises in emerging and frontier markets, they invest in a tangible value chain, in a lasting strong growth environment, and in a fundamentally healthy underlying asset, helping low-income households access goods of first necessity.

CONCLUSION

- It is observed that women entrepreneur networks are major sources of knowledge about women’s entrepreneurship and they are increasingly recognized as a valuable tool for its development and promotion. Policy makers must foster the networking of associations and encourage co-operation and 5 partnerships among national and international networks and facilitate entrepreneurial endeavors by women in the economy.
- Balanced and efficient global capital flows the mixing between small enterprises in emerging and frontier markets lacking access to capital and investors in high-income markets with savings surpluses lacking capital gain opportunities is increasingly apparent as a contribution to solving some of the challenges of a globalized world