

Gender Gap in the Financial System Report 2024

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This document summarizes the main results of the 2024 Gender Gap Report in the Financial System, with data at the end of 2023 and its recent history since 2019, when the National Commission of Banks and Insurance (CNBS) has begun to prepare these reports annually, in order to compare and obtain statistical data on existing gaps in access to and use of services and products Financial. The CNBS has implemented various measures to provide detailed statistics on the financial sector by gender, an effort carried out in conjunction with the Supervised Financial Institutions and the National Supervisory Council of Cooperatives (CONSUCOOP).

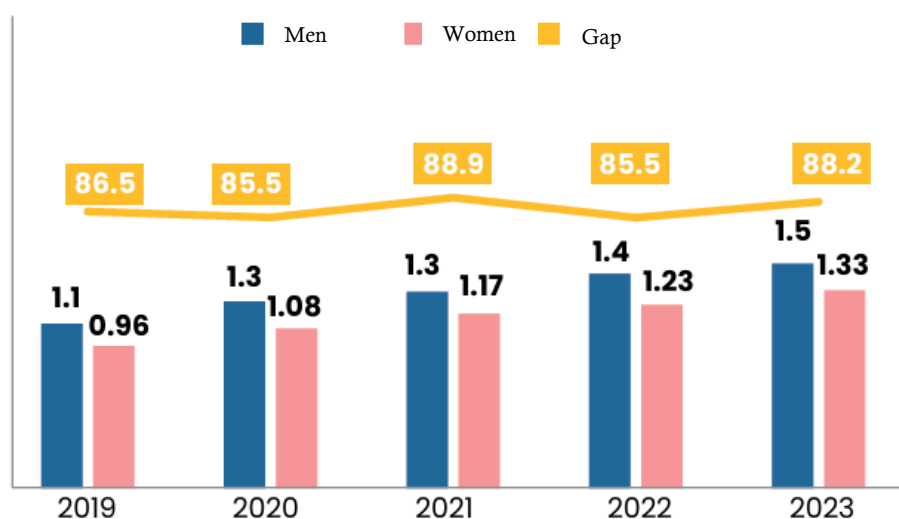
Historical data presented by the CNBS show that Honduran women have faced limited access to financial products and services compared to men, maintaining a persistent gender gap despite various national and international efforts. However, in recent years there has been an improvement in almost all the indicators that the CNBS uses to measure this disparity.

Starting with deposit accounts in Financial Institutions Supervised by the CNBS, such as savings accounts, checking accounts or certificates of deposits, in 2023, deposit accounts in Supervised Financial Institutions reached a total of 10,028,113, reflecting an increase of 8.9% compared to the previous year. Of these accounts, 98.0% (9,830,756) belong to individuals, highlighting that 50.8% (4,989,700) of the accounts belong to women.

Accounts belonging to women have been growing at a higher rate than men: since 2019 (7.7% per year for women compared to 5.8% for men), which means that the gap has been narrowing. In 2018, the ratio of women's accounts to men's was 0.97 and reached 1.03 in 2023. It should be noted that the growth rate of women's accounts was especially high in 2022 and 2023, with increases of 9.4% and 9.1%, respectively.

Since Honduras has a higher percentage of adult women than men, and the relationship changes over time depending on migratory flows, another way to see the evolution of the gap is by counting the number of accounts per capita (for which the working-age population of the National Institute of Statistics is used, INE). In 2023, women had 1.33 accounts per capita and men 1.51. Since 2019, both men and women have been improving in the number of accounts per capita, which shows an increase in access (**See Graph 1**). The gap can be measured as the ratio of women's per capita accounts to men's per capita accounts, which is expressed in the graph as a gap. This indicator was 86.5% in 2019 and has improved slightly over time to reach 88.2% in 2023.

Graph 1. Evolution of the number of accounts per capita by sex and gap

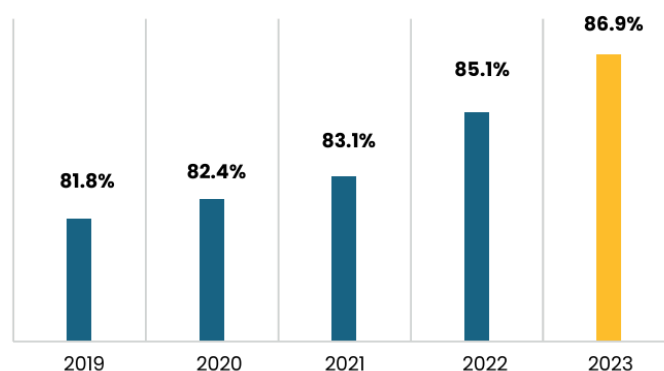


Source: Department of Economic Analysis and Financial Stability, with figures from the Internal System of the CNBS and the National Institute of Statistics (INE)

While the number of deposit accounts has grown faster for women, this has not happened with the amounts. Total deposit balances in accounts owned by women have remained between 45.4% and 47.0% of the total since 2019. In 2023, the best ratio for women was obtained, reaching 47.0%, but it is a slight improvement compared to 2022-2021 when it was 46.7%, or even 2020 with 46.6%. Deposit balances are concentrated in people over 50 years of age (57.8% of the total). An interesting aspect of deposit amounts by age is that the gender gap grows with age: younger people (under 30 years old) represent only 7% of total deposits, but, among them, women have deposits that reach 108.3% compared to men. For those over 50 years of age, the amounts deposited by women represent 85.3% of the total amounts of men. This could indicate two very opposite things, either a process of generational change is taking place where there is greater gender equality among the new generations, or that the process of income and savings development in Honduras favors men more than women. With the information available, it is difficult to elucidate, although both factors probably occur at the same time. In 2019, for those over 50 years of age, the gap was 80.5% and, for those under 30, it was 94.1% and, in 2023, this gap was 85.3% and 108.3%, respectively. This shows that this pattern already existed in 2019, but at the same time shows that the gap was narrowed the most among the youngest.

Another variable to analyze the gender gap is access to credit; according to data from the Credit Information Center (CIC) of the CNBS, the number of unique debtors in Honduras (individuals) amounted to 1,054,136 people, which represents an increase of 8.0% compared to 2022, being 7.0% for men and 9.2% for women. This pattern has been observed since 2019, due to the fact that women single debtors grow at a higher annual rate. In this way, the number of women debtors in 2019 represented 81.8% of men, but the gap was reduced year by year, reaching 86.9% in 2023. **(See Graph 2)**

Graph 2. Evolution of single debtors by sex and the gender gap



Debtors	2019	2020	2021	2022	2023
Men	551,501	510,570	511,512	533,860	571,075
Women	450,859	420,862	425,087	454,507	496,368
Gap	81.8%	82.4%	83.1%	85.1%	86.9%

Source: Department of Economic Analysis and Financial Stability with figures from the Central Credit Information Center (CIC) of the CNBS

The number of single debtors, both men and women, in relation to their adult population (+18 years), has undergone a constant evolution since 2021. However, it has not yet reached the level recorded before the pandemic.

Broken down by sex, the total number of male and female debtors represented 19.3% and 15.1%, at the end of 2023, in relation to their population segments, respectively. During the period from 2019 to 2023, the number of unique debtors experienced an average growth of 1.6%, highlighting an increase of 2.4% in women compared to only 0.9% recorded in men. **(See Illustration 1)**

Illustration 1. Evolution of the percentage of the working-age population with access to credit by sex





2019	20.5%	15.2%
2020	18.5%	13.8%
2021	18.1%	13.6%
2022	18.5%	14.2%
2023	19.3%	15.1%

Source: Department of Economic Analysis and Financial Stability CNBS

The evolution of the percentage of people with access to credit contrasts with the evolution of the amount of credit granted by Supervised Financial Institutions, which grew between 2019 and 2023 at 121% per year. In particular, the year 2023 set a record by growing at 18.6% per year, the highest rate since 2019. This shows that the country has experienced a process of improvement in financial depth but has not significantly increased coverage.

80.6% of the credit portfolio of individuals is granted by Commercial Banks. This credit is distributed as follows: 44.7% consumer loans and credit cards, 31.2% housing, 22.9% commercial and 1.2% microcredit. 40.7% of the total credit is granted to women and 59.3% to men. This distribution of credit shows that men on average have a higher per capita amount than women: the average credit of a woman represents 79% of the average amount accessed by a man. The largest difference between men and women in terms of credit granted per capita is in the commercial sector: the median for men is 110,000 lempiras and the median for women is 75,000 lempiras. **(See Illustration 2)**



Illustration 2. Gender difference in the median balances granted – 2023 (In lempiras)

 Women		 Men
75,000	Commercial	110,000
98,000	Consumer	98,000
31,000	Microcredit	42,500
48,857	Credit Card	52,381
673,311	Household	799,508

Source: Department of Economic Analysis and Financial Stability with data from the Credit Information Center (CIC) of the CNBS

Regarding the cost of access to financing, Figure 3 shows the interest rate (median) for men and women, where the largest gap is again in commercial credits. In the rest of the types of credit, there are no significant differences in the cost of access to credit by gender. **(See Illustration 3)**

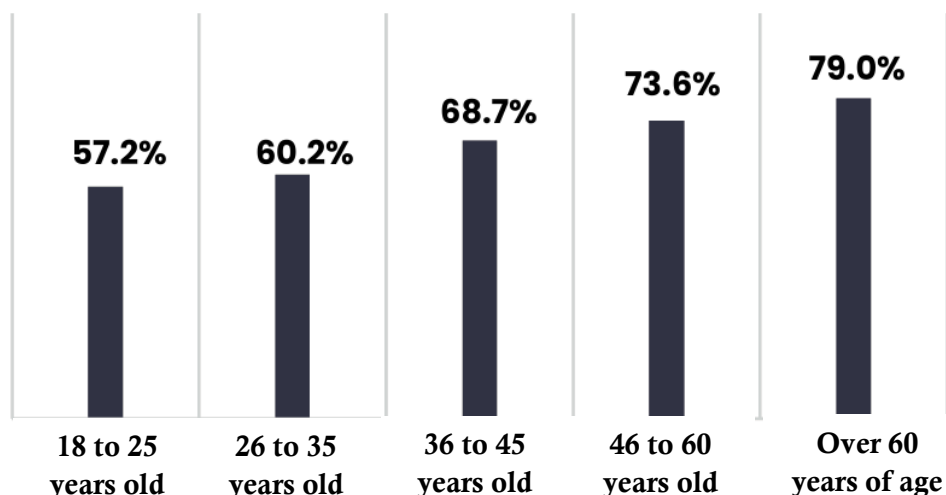
Illustration 3. Median interest rate by credit type and gender – 2023

 Women		 Men
36.00	Commercial	31.00
19.00	Consumer	18.00
38.50	Microcredit	36.00
47.74	Credit Card	47.66
10.00	Household	9.75

Source: Credit Information Center (CIC) of the CNBS

Unlike what was observed with the amounts of deposits where the gap grew with age, in credit it is the other way around, the gender gap is greater for the youngest. The following Graph 3 shows the evolution of the gap measured as the ratio of credit accessed by women of that age to men of that age. Among the youngest, women only account for 57.2% of the credit granted to men, but among those over 45, it is 75%. (See Graph 3)

Graph 3. Gender gap in portfolio balance by age – 2023



Source: Department of Economic Analysis and Financial Stability CNBS

A final aspect of credit to highlight is payment behavior. The CIC classifies a debtor into 5 categories according to the state of compliance. 88.8% of women are in categories I and II (the best) compared to 86.9% of men. At the other extreme, 10.4% of men are in the worst categories, 4 and 5, as opposed to 8.7% of women. This confirms that Honduran women, on average, have better payment behavior, something that is usually observed in other countries as well.

The Report looks at other important dimensions. It shows that remittances are mostly received by women (they represent 60.4% of the total where sex could be determined), and that women have a greater participation than men in electronic wallets (they represent 65% of transactions).

Finally, it should be noted to close this summary that the National Commission of Banks and Insurance (CNBS) remains committed to the analysis of the gender gap. Among these actions, the implementation of the **"Financial Inclusion Capturer"** stands out, approved by **GRD Resolution No.366/26-05-2023**, which requires Financial Institutions to report gender-disaggregated data. In addition, **GHG Resolution No.859/19-12-2023** defined the concept of **"Women's MSME Company"** to promote support for women-led companies. These measures underscore the CNBS effort to promote greater financial inclusion in the country, reiterating its commitment to equity and equal access and use of financial products and services.