



PRESS RELEASE

Over 50,000 Women Entrepreneurs in Vietnam get support to realize their growth potential and build financial resilience through the Ignite initiative

With women-led micro and small enterprises playing a major role in the Vietnamese economy, the initiative offers unparalleled solutions including both financial and non-financial services for women entrepreneurs.

Hanoi, 29 October 2020 – CARE, Mastercard, VPBank, WISE, and Canal Circle today announced the Ignite initiative in Vietnam – a new partnership focused on promoting the empowerment of women entrepreneurs. This multilateral partnership will accelerate the growth of economy-changing businesses while advancing financial security and also promoting inclusive growth through prioritized actions to enable women entrepreneurs to thrive.

In Vietnam, 27 percent of all businesses in Vietnam are owned by women, according to the [Mastercard Index of Women Entrepreneurs 2019](#). The country also scores well on a number of indicators such as equality in entrepreneurial activity, and access to financial assets and knowledge. At the same time, the index found relatively high rates of “fear of failure” among female entrepreneurs in Vietnam, pointing to the existence of potential underlying vulnerabilities that may be preventing progress—vulnerabilities which are likely to have been amplified by the impact of the global pandemic.

Despite a clear entrepreneurial spirit among Vietnamese women, an [IFC report](#) indicates that the gap between the capital demand of SMEs owned by women and what banks offer has been estimated at VND27 trillion (*more than US\$1 billion*). Despite the relatively high levels of ownership, women face several challenges relating to social and gender norms around their ability to successfully own businesses. For example, there are pervasive beliefs about women not being able to juggle families and work life, are negatively risk-averse, less likely to repay loans, and do not have adequate knowledge and business skills.¹

COVID-19 has made women entrepreneurs even more financially vulnerable. A series of focus-group discussions recently conducted by CARE and VPBank shows that women-owned businesses are disproportionately impacted by the pandemic. 90 percent out of 21 interviewed enterprises have experienced a significant loss of income, especially those in service, trade and transportation sectors. But the crisis has also helped a number of small and agile businesses to adapt their business models and stay afloat, taking advantage of changing customer behavior.

“VPBank is pleased to join the Ignite partnership as we fully recognize the potential of women-led enterprises in the development of the economy. We have closely engaged female clients who are business owners, and their businesses are going from strength to strength. The performance of our Women Enterprises portfolio over the past few years demonstrates a strong business case to serve women entrepreneurs with tailored financial products and services that meet their needs. We are proud to be a pioneer in the market to position them as a critical customer segment,” said Dang Chau Giang - Head of Marketing & Care, SME division, VPBank.

“As a fintech partner, Canal Circle clearly sees the necessity of technology application and digitalization to facilitate access to business opportunities to female entrepreneurs. This is even more critical for female entrepreneurs in rural areas due to infrastructure underdevelopment and the lack of access to digital knowledge. We will partner with Micro-finance Institutions (MFIs) and People’s Credit Funds to help rural businesswomen

¹ Sexual harassment is also a noted pervasive issue in the workplace and in doing business.



access affordable financial resources, thus ensuring better opportunities for growing or recovery from disrupted business as a result of the pandemic,” said Evelyn Ha Nguyen – CEO and Founder, Canal Circle.

“WISE is driven by a mission to prepare women entrepreneurs for success through high-quality entrepreneurship training as well as incubation and acceleration support. It is a fact that the proportion of enterprises owned by women in Vietnam has been increasing in recent years, and this both clearly demonstrates the emerging role of women in leadership and business management, and their capacity to be equally as influential as male business leaders in the country”, said Dao Tu Hien, CEO, WISE.

“With long experience working to support women around the globe, CARE understands female entrepreneurship is a critical avenue through which to support women’s economic empowerment. We’re thrilled to embrace this partnership to fuel the growth engine of women-owned businesses with tools and financial resources that better suit their needs. This will help build their resilience and boost more inclusive and equitable economic recovery”, said Le Kim Dung, Country Director, CARE International in Vietnam.

Winnie Wong, Country Manager, Vietnam, Cambodia and Laos, Mastercard said: *“Women are the core of a country’s economic success and growth. Increasing women’s access to financial services is essential to reducing poverty and also unlocking the true economic potential of the country. Mastercard is truly honored and excited to be part of this initiative that will enable women entrepreneurs in Vietnam access the right tools they need to digitally transform and accelerate their recovery. This initiative is part of the organization’s global efforts for financial inclusion commitment, that includes providing 25 million women entrepreneurs with solutions that can help them grow their businesses.”*

Ignite Initiative is part of a broader three-year partnership between CARE and Mastercard, that aims to equip 3.9 million micro and small businesses in Peru, Pakistan and Vietnam with increased financial access and digital know-how. This is in line with all partners’ shared commitment to financial inclusion and women’s economic empowerment. Earlier this year, the partners collaborated to provide both funds and expertise to help 1,000 women-led MSMEs in Hanoi and Ho Chi Minh City to drive a robust recovery from the pandemic, followed by sustained long-term inclusive growth. The aid disbursement initiative is also part of Mastercard’s worldwide agenda to connect [1 billion people to the digital economy by 2025](#).

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About CARE International in Vietnam

CARE International in Vietnam is a creative and dynamic organization which has worked with Vietnamese and international partner organizations since 1989 in over 300 projects. We recognize that the key to achieving equitable development outcomes lies in addressing deeply rooted, structural underlying causes of poverty and injustices which contribute to the exclusion and vulnerability of particular groups in society. Our long-term program goals in Vietnam are that Remote Ethnic Minority Women (REMW) and Socially Marginalized People (SMP) in urban areas equitably benefit from development, are resilient to changing circumstances and have a legitimate voice. To learn more, visit www.care.org.vn and www.facebook.com/CAREinVietnam.

About Mastercard (NYSE: MA), www.mastercard.com

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help



individuals, financial institutions, governments, and businesses realize their greatest potential. Our decency quotient, or DQ, drives our culture and everything we do inside and outside of our company. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

About Canal Circle

Canal Circle is a technology organization that partners with Micro-Finance Institutions and People's Credit Funds nationwide. Our team comprises experienced engineers and banking experts. With a mission to serve over 40 million people living in poverty or near poverty conditions in rural areas and in ethnic minority groups. We constantly learn and improve to introduce breakthrough technology solutions that help Micro-Finance Institutions and People's Credit Funds improve their operation ability and scale up to achieve higher goals. This helps everyone in our community access financial resources in the fastest and easiest way. We believe that technology is the key to financial inclusion and to the goal of improving the quality of life of people living in poverty in Vietnam.

About WISE

The Women's Initiative for Startups and Entrepreneurship (WISE) is the go-to organization supporting women-led startups and businesses in Vietnam. WISE offers all rounded business development support for women, including (i) capacity building, (ii) business incubation and acceleration, (iii) business mentoring, (iv) improving access to finance and investment; (v) business community building; (vi) research and policy advocacy; and (vii) fostering connection with resources and opportunities for women to create new startups as well as innovate and grow their businesses. WISE grows a big community of women entrepreneurs and is the go-to organization in the Mekong region for governments, donors, partners and investors when it comes to supporting women entrepreneurs.

About VPBank

As one of the earliest-established Joint-stock Commercial banks in Vietnam, VPBank has achieved steady development throughout its history. VPBank has set an ambitious target of becoming the most consumer-friendly technology- driven bank and among Vietnam's top 3 most valuable banks by 2022. In 2020, despite many challenges, rapid changes in digital technology and consumer behaviors, and new players, VPBank is willing to take both new opportunities and challenges to sustain growth and conquer new heights. VPBank believes that its above-mentioned vision and strategy will help the Bank to achieve its mission to maximize customers' benefits, attach special importance to the interests of employees and shareholders, build a strong corporate culture, and contribute effectively to community development.

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