



ACCESS TO FINANCE FOR WOMEN MSMEs IN COMOROS: A CASE STUDY FROM ENABLING FINANCIAL POLICY, REGULATION AND INCLUSIVE FINANCIAL ECOSYSTEMS



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CONTRIBUTORS

From the Banque Centrale des Comores: Swabira Mohamed, Director of Financial Inclusion and Banking Sector Development; Maoulida Soudjay, Financial Inclusion Analyst; Ilhame Damas, Project Officer.

From the National Agency for Investment Promotion (ANPI): Nadjati Soidiki, Director General of the National Agency for Investment Promotion (ANPI)

From the Women's Entrepreneurship in the Indian Ocean - Comoros (EFOICOM): Archaty Assanaly, President.

From the AFI Management Unit: Audrey Hove (Head, Policy Management), Nik Kamarun (Senior Policy Manager SME Finance), Lucy Kabethi (Policy Analyst, Gender Inclusive Finance), Nur Atiqah (Policy Analyst, Policy Program Implementation), Nomcebo Sherron Hadebe (Head, Africa Regional Office), Efoe Koudadjey (Deputy Head, Africa Regional Office) and Evelyne Kilonzo.

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EXECUTIVE SUMMARY

Women-led micro, small, and medium enterprises (WMSMEs) are a cornerstone of the Comorian economy sustaining household incomes, generating employment and supporting community resilience. However, their contribution to growth remains constrained by persistent barriers to financial inclusion. This case study examines how financial policy, regulation, and ecosystem-level interventions in Comoros influence access to finance for WMSMEs, identifying progress achieved, remaining structural constraints and priority actions to unlock women entrepreneurs' economic potential. Comoros has made clear legal and policy commitments to gender equality and women's economic empowerment. Equality between women and men is enshrined in the Constitution and the country has ratified key international instruments, including the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Maputo Protocol.¹ At the national level, women's economic empowerment is embedded in development frameworks such as the National Policy on Gender Equality and Equity (PNEEG)² and the Accelerated Growth Strategy for Sustainable Development (SCA2D).³ More recently, the adoption of the National Financial Inclusion Strategy (NFIS) for 2025-2030 and the accession of the Banque Centrale des Comores (BCC) to the Alliance for Financial Inclusion (AFI) in 2023 mark an important step toward aligning national financial inclusion efforts with international good practices.⁴

The NFIS explicitly identifies women and women-led enterprises as priority groups and sets a national target to raise financial inclusion from 49.2 percent in 2024 to 67 percent by 2028.⁵

Despite this enabling policy framework, gender gaps in financial inclusion remain significant. Only 42 percent of women own a financial account, compared to 50 percent of men, and just 10 percent of women use mobile money services.⁶ Women represent approximately 26 percent of registered business founders⁷, yet the vast majority of women entrepreneurs operate informally, primarily in small-scale trade and agriculture. High levels of informality, low financial literacy, weak asset formalization and restrictive collateral requirements severely limit WMSMEs' access to productive finance. On the supply side, the financial sector remains underdeveloped and risk averse. Commercial banks extend limited credit due to high levels of non-performing loans and reliance on immovable collateral, to which most Comorians have limited or no formal access, while microfinance institutions, though dominant in outreach, largely offer short-term, consumption-oriented financial products rather than investment finance tailored to women entrepreneurs. Credit market infrastructure remains underdeveloped: the absence of a credit bureau and a movable collateral registry reinforce exclusion, particularly for first-time borrowers and informal businesses.

¹African Development Bank. 2025. Pour une croissance inclusive et durable. Available at:

https://www.afdb.org/sites/default/files/documents/projects-and-operations/cdn_comores_september_2025.pdf

²Plateforme AGGRC. 2025. Politique nationale d'égalité et d'équité du genre actualisée de l'Union des Comores. Available at:

<https://www.arc.int/gender-drmp/politique-nationale-d-egalite-et-d-equite-du-genre-actualisee-de-l-union-des.html>

³Union des Comores - Secrétariat Général du Gouvernement, Commissariat Général au Plan. 2018. Stratégie de croissance accélérée et de développement durable 2018-2021. Available at: <https://faolex.fao.org/docs/pdf/com211696.pdf>

⁴Alliance for Financial Inclusion. 2023. Banque Centrale des Comores joins the AFI network. Available at: <https://www.afι-global.org/news/banque-centrale-des-comores-joins-the-afi-network/>

⁵Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁶World Bank. 2025. The Global Findex Database 2025. Available at: <https://www.worldbank.org/en/publication/globalfindex>

⁷Agence Nationale pour la Promotion des Investissements. 2025. Aux Comores, les femmes représentent 26 % des créateurs d'entreprise. Available at: <https://www.facebook.com/agencenationalepourlapromotiondesinvestissements/photos/-aux-comores-les-femmes-repr%C3%A9sentent-26-des-cr%C3%A9ateurs-dentreprise-une-proportion/1226924156125605/>

Although digital financial services are expanding rapidly, high telecom costs, low digital literacy and limited product adaptation constrain their usefulness for WMSMEs.

The case study identifies several enabling factors that have supported incremental progress. These include improved collection of sex-disaggregated data, program conditionality linking public support to business formalization, the introduction of partial credit guarantee mechanisms, and targeted entrepreneurship programs combining training, mentoring and access to finance. Nevertheless, these initiatives remain fragmented, limited in scale and unevenly distributed across the territory.

To move from policy commitment to tangible impact, Comoros must sharpen its operational focus on women-led MSMEs through a coherent and sequenced reform agenda.

Priority actions include establishing a common MSME/WMSME definition to strengthen evidence-based policymaking; explicitly anchoring WMSMEs in national strategies with measurable targets; and reorienting financial markets toward productive, growth-oriented finance. These efforts should be supported by reforms to credit infrastructure, expanded digital and financial literacy, and stronger formalization and financial identity mechanisms. Leveraging informal financial practices, digital financial services and Islamic finance, alongside a strengthened regulatory framework for inclusive finance providers, will be key to expanding access. Addressing social norms and rebuilding trust in formal finance are essential to ensure these reforms translate into inclusive growth and resilience.

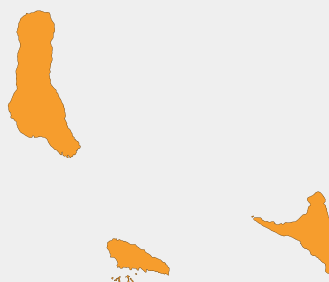


CASE STUDY: COMOROS

1. COMOROS AT A GLANCE



- **Population:** 866,628 (2024)⁸
- **Female population (%)**: 49.7% (2024)⁹

**GEOGRAPHIC INFORMATION:**⁷

- Archipelago of the Comoros in the Indian Ocean, composed of the islands of Anjouan, Moheli, and Grande Comore¹⁰



- **Main religion(s):** Sunni Muslim¹¹
- **Ethnic groups:** Antalote, Cafre, Makoia, Oimatsaha, Sakalava¹²
- **GDP Per capita:** USD1,784 (2024)¹³
- **Labor force:** 276,379 (2024)¹⁴
- **Female labor force (percent of total labor force):** 40.9% (2024)¹⁵
- **Number of formal MSMEs:** 1,320 MSMEs, employing about 50,000 people (about 20% of the labor force) (2019)¹⁶
- **Percentage of female business founders:** 26% (2025)¹⁷

⁸World Bank. 2024. Open Data. Available at: <https://data.worldbank.org/>

⁹Ibid

¹⁰Central Intelligence Agency. 2023. Comoros – The World Factbook (Archived 2023). Available at: <https://www.cia.gov/the-world-factbook/about/archives/2023/countries/comoros/summaries/>

¹¹Ibid

¹²Ibid

¹³World Bank. 2024. Open Data. Available at: <https://data.worldbank.org/>

¹⁴Ibid

¹⁵Ibid

¹⁶World Bank. 2019. Comoros - Integrated Development and Competitiveness Project (Project Appraisal Document). Available at: <https://documents1.worldbank.org/curated/en/281071558663293548/pdf/Comoros-Integrated-Development-and-Competitiveness-Project.pdf>

¹⁷Agence Nationale pour la Promotion des Investissements. 2025. Aux Comores, les femmes représentent 26 % des créateurs d'entreprise. Available at: <https://www.facebook.com/agencenationalepourlapromotiondesinvestissements/photos/-aux-comores-les-femmes-repr%C3%A9sentent-26-des-cr%C3%A9ateurs-dentreprise-une-proportion/1226924156125605/>

2. BACKGROUND

This case study is part of a series of twenty case studies developed to look at the many ways AFI member institutions in Africa are improving access to finance for women MSMEs through enabling financial policy, regulation and other initiatives.

Financial inclusion is a critical factor in economic development, particularly for women who have historically faced barriers in accessing financial services. This case study examines the financial inclusion of women-led or women-owned micro, small, and medium enterprises (WMSMEs) in Comoros. It aims to explore the economic and policy landscape influencing WMSME's financial inclusion in Comoros, with a focus on regulatory frameworks, institutional interventions and international commitments, identifying key challenges and recommending strategies to enhance financial access for women in both individual and entrepreneurial capacities.



3. INTRODUCTION

Comoros has demonstrated a growing institutional commitment to advancing gender equality and women's economic empowerment, particularly through financial inclusion policies and programs targeting women entrepreneurs.

The country has ratified key international instruments, including the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)¹⁸ and has embedded women's entrepreneurship within national development frameworks such as the 2008 National Policy on Gender Equality and Equity (PNEEG)¹⁹ - updated in 2017 - and the 2018-2021 Accelerated Growth Strategy for Sustainable Development (SCA2D).²⁰ More recently, the adoption of the 2025-2030 National Financial Inclusion Strategy (NFIS) and Comoros' accession as a member of the Alliance for Financial Inclusion (AFI) in 2023²¹ signal a formal policy commitment to inclusive finance, with women explicitly identified as a priority target group. Public institutions such as the Banque Centrale des Comores (BCC) and the National Agency for Investment Promotion (ANPI) play a central role in translating these commitments into regulatory reforms, formalization efforts and targeted entrepreneurship support programs.

¹⁸African Development Bank. 2025. Pour une croissance inclusive et durable. Available at:

https://www.afdb.org/sites/default/files/documents/projects-and-operations/cdn_comores_september_2025.pdf

¹⁹Plateforme AGGRC. 2025. Politique nationale d'égalité et d'équité du genre actualisée de l'Union des Comores. Available at:

<https://www.arc.int/gender-drmp/politique-nationale-d-egalite-et-d-equite-du-genre-actualisee-de-l-union-des.html>

²⁰Union des Comores - Secrétariat Général du Gouvernement, Commissariat Général au Plan. 2018. Stratégie de croissance accélérée et de développement durable 2018-2021. Available at: <https://faolex.fao.org/docs/pdf/com211696.pdf>

²¹Alliance for Financial Inclusion. 2023. Banque Centrale des Comores joins the AFI network. Available at: <https://www.afi-global.org/news/banque-centrale-des-comores-joins-the-afi-network/>

TABLE 1. AFRICA GENDER INDEX 2023

| AFRICA GENDER INDEX (AGI) | ECONOMIC & BUSINESS DIMENSION | SOCIAL DIMENSION | EMPOWERMENT & REPRESENTATION |
|---------------------------|-------------------------------|------------------|------------------------------|
| 0.394 ²² | 0.612 | 1.113 | 0.090 |

Source: African Development Bank Africa Gender Index

Despite these policy advances, structural gender disparities remain pronounced. According to the Africa Gender Index 2023, Comoros records a low overall score (0.394), reflecting persistent gaps in women's economic participation and empowerment.²³ Women account for approximately 41.5 percent of the labor force but are disproportionately concentrated in informal, low-productivity activities, particularly small-scale trade and agriculture.²⁴ While women traditionally play a central role in household economies and often hold usufruct rights to land or assets such as gold,²⁵ these resources are rarely formalized or recognized within the financial system, limiting their ability to access credit. Educational and digital divides further constrain women's economic opportunities, with lower literacy rates, limited access to vocational training and lower use of digital financial services compared to men.

These constraints directly affect women's financial inclusion and the development of WMSMEs. Only 42 percent of women in Comoros report owning an account at a financial institution, compared to 50 percent of men, and just 10 percent of women use mobile money services.²⁶

Although women represent about 26 percent of registered business founders,²⁷ the majority of women entrepreneurs operate informally, outside the reach of formal financial services and support mechanisms. Micro, small and medium enterprises (MSMEs) are the backbone of the Comorian economy, providing livelihoods for a large share of the population, yet the absence of a comprehensive national MSME definition, weak business formalization, and an underdeveloped financial sector continue to limit their contribution to growth. For WMSMEs in particular, high collateral requirements, limited access to productive finance and a financial sector largely oriented toward consumption lending perpetuate a cycle of undercapitalization and low productivity.²⁸

²²A score of 1 represent parity between women and men. A score between 0 and 1 means there is gender inequality in favour of males, while a score above 1 means that women are doing well compared to men.

²³ African Development Bank Group. 2023. Africa Gender Index 2023: Analytical Report. Available at: <https://www.afdb.org/en/documents/africa-gender-index-2023-analytical-report>

²⁴World Bank. 2025. COMOROS Gender Data Landscape: Fall 2025 edition. Available at:

<https://documents1.worldbank.org/curated/en/099917506302294489/pdf/IDU0034863b50ec6904f35082a30a47febfd002f.pdf>

²⁵ Banque Centrale des Comores. 2025. Interview with the Central Bank

²⁶World Bank. 2025. The Global Findex Database 2025. Available at:

<https://www.worldbank.org/en/publication/globalfindex>

²⁷Agence Nationale pour la Promotion des Investissements. 2025. Aux Comores, les femmes représentent 26 % des créateurs d'entreprise. Available at: <https://www.facebook.com/agencenationalepourlapromotiondesinvestissements/photos/-aux-comores-les-femmes-repr%C3%A9sentent-26-des-cr%C3%A9ateurs-dentreprise-une-proportion/1226924156125605/>

²⁸Banque Centrale des Comores. 2025. Interview with the Central Bank

4. ENTREPRENEURSHIP IN COMOROS

Entrepreneurship in Comoros is shaped by a dual reality: (W)MSMEs are essential to employment, income generation and economic resilience, yet they operate overwhelmingly in an informal and weakly structured environment.

According to the European Union, MSMEs account for approximately 99 percent of the entrepreneurial fabric in Comoros.²⁹ They are the primary source of employment and play a central role in driving economic activity across the country. Inclusive by nature and with a string presence, they nevertheless remain structurally vulnerable.³⁰

Available evidence highlights the pivotal role of MSMEs in Comoros' limited formal employment base and private sector activity.³¹ The formal sector in Comoros comprises approximately 1,320 MSMEs and employs around 50,000 people, representing about 20 percent of the labor force.³² The country's private sector is predominantly informal, accounting for approximately 33.1 percent of gross domestic product (GDP) and employing around 60 percent of the workforce, which makes it the largest source of employment nationwide.³³

The International Monetary Fund (IMF) places the share of informal employment even higher, at around 75 percent of the labor force.³⁴ Overall, the business environment and MSME ecosystem remain weak.³⁵ According to the World Bank, Comoros ranked 164th out of 190 economies in the 2019 Doing Business report, performing below most regional peers.³⁶



²⁹Comores Europe. n.d. Dialogue public-privé : les micros et petites entreprises font entendre leur voix. Available at: <https://www.facebook.com/ComoresEurope/posts/dialogue-public-priv%C3%A9-les-micros-et-petites-entreprises-font-entendre-leur-voix-/1186083240346874/>

³⁰Comores Europe. n.d. Dialogue public-privé : les micros et petites entreprises font entendre leur voix. Available at: <https://www.facebook.com/ComoresEurope/posts/dialogue-public-priv%C3%A9-les-micros-et-petites-entreprises-font-entendre-leur-voix-/1186083240346874/>

³¹World Bank. 2025. Implementation Completion and Results Report for the Integrated Development and Competitiveness Project (Credit 6423-KM) - Union of Comoros. Available at: <https://documents1.worldbank.org/curated/en/099021425154014233/pdf/BOSIB-0d127c7f-cc32-4ee5-8bb7-a3bad77275c7.pdf>

³²World Bank. 2019. Comoros - Integrated Development and Competitiveness Project. Available at:

<https://documents1.worldbank.org/curated/en/281071558663293548/pdf/Comoros-Integrated-Development-and-Competitiveness-Project.pdf>

³³Institute for Security Studies. 2025. Comoros – Geographic Futures. Available at: <https://futures.issafrica.org/geographic/countries/comoros/>

³⁴International Monetary Fund. 2024. Union of the Comoros: 2023 Article IV Consultation, First Review under the Extended Credit Facility Arrangement, Requests for Waivers of Nonobservance of Performance Criteria, and Modifications of Performance Criteria - IMF Country Report No. 24/4. Available at: <https://www.imf.org/-/media/Files/Publications/CR/2024/English/1COMEA2024001.ashx>

³⁵World Bank. 2019. Comoros-Integrated Development and Competitiveness Project. Available at:

<https://documents1.worldbank.org/curated/en/281071558663293548/pdf/Comoros-Integrated-Development-and-Competitiveness-Project.pdf>

³⁶Ibid

BOX 1. ABSENCE OF A NATIONAL (W)MSME DEFINITION

In Comoros, there is no comprehensive and up to date official national definition of MSMEs that aligns with international standards.

Existing references, such as the Investment Code, provide only a partial classification: under this Code, a Small and Medium Enterprise/Industry is defined as any enterprise with an investment capital between KMF20 million (USD47,619)³⁷ and 100 million (USD238,096)³⁸ and employing at least five workers.³⁹

While this offers a starting point, the definition excludes the vast majority of micro enterprises, which dominate the Comorian economy, and does not establish thresholds for turnover or broader categories of enterprise size.

The Union of Chambers of Commerce, Industry and Agriculture (UCCIA) classifies enterprises based on criteria such as annual turnover, number of employees, and the scale of investments:⁴⁰

TABLE 2. UCCIA'S MSME CLASSIFICATION

| ENTERPRISE CATEGORY | NUMBER OF EMPLOYEES | ANNUAL TURNOVER (KMF) | INVESTMENT SIZE (KMF) |
|---------------------|------------------------|---|--|
| Micro enterprise | 1-3 | Less than 5 million (USD~11,904) ⁴¹ | Up to 3 million (USD7,143) ⁴² |
| Small enterprise | 4-25 | Less than 60 million (USD~142,858) ⁴³ | Up to 20 million (USD47,619) ⁴⁴ |
| Medium enterprise | 26-200 | Less than 4 billion (USD~9.5 million) ⁴⁵ | Up to 1 billion (USD2.4 million) ⁴⁶ |
| Large enterprise | Above these thresholds | Above these thresholds | Above these thresholds |

³⁷As of December 2025

³⁸Ibid

³⁹Union des Comores. 2020. Loi n° 20-035/AU du 28 décembre 2020 portant Code des Investissements. Available at: <https://faolex.fao.org/docs/pdf/com205073.pdf>

⁴⁰World Bank. 2019. Comoros-Integrated Development and Competitiveness Project. Available at: <https://documents1.worldbank.org/curated/en/281071558663293548/pdf/Comoros-Integrated-Development-and-Competitiveness-Project.pdf>

⁴¹As of December 2025

⁴²Ibid

⁴³Ibid

⁴⁴Ibid

⁴⁵Ibid

⁴⁶Ibid

Although this definition exists, it has not been widely adopted by market stakeholders. This gap contributes to fragmented policymaking: without a clear, universally recognized definition, it is difficult to measure the size, performance, and contribution of MSMEs to GDP and employment. It also hinders the design of tailored support programs and financing instruments, particularly for micro and women-led businesses that fall outside the narrow parameters of current classifications. Establishing a standardized definition, anchored in national law and harmonized with regional and international practices, would be a crucial step toward strengthening evidence-based policies for private sector development in Comoros, and for ultimately for WMSMEs.

According to the National Agency for Investment Promotion (ANPI), women account for 26 percent of business founders in Comoros – a share that has grown significantly in recent years.⁴⁷ Women are particularly active in commerce (30 percent), services (21 percent), and agriculture (32 percent).⁴⁸ Beyond business registration, there is a lack of reliable national statistics on WMSMEs in Comoros. Insights from stakeholder interviews, nevertheless, suggest that at the microenterprise level, women are predominantly engaged in informal activities, notably small-scale trade, food services, handicrafts and petty resale.⁴⁹

These sectors, which are often unregistered, provide limited access to formal financial services, training, or institutional support. The absence of collateral, mistrust of financial institutions and low financial literacy constitute major barriers to access financial services.⁵⁰

In the small and medium enterprise (SME) segment, women are less represented, particularly in industrial or technology-driven activities. Those who reach this level have often benefited from targeted support (e.g. through ANPI, incubators, or donor-funded projects). Significant constraints remain for women-led small and medium enterprises (WSMEs) in terms of access to credit, logistics and markets.⁵¹

Women entrepreneurs have received targeted policy attention through the Government's National Policy on Gender Equality and Equity (PNEEG), adopted in 2008 and updated in 2017, as well as under the Accelerated Growth Strategy for Sustainable Development (SCA2D) for 2018-2021.⁵² A 2016 evaluation of the PNEEG highlighted significant gains for women, particularly in the social sectors and in strengthening the legal and institutional framework, while gaps in addressing gender-based violence led to the policy's revision in 2017.⁵³

⁴⁷ Agence Nationale pour la Promotion des Investissements. 2025. Aux Comores, les femmes représentent 26 % des créateurs d'entreprise. Available at: <https://www.facebook.com/agencenationalepourlapromotiondesinvestissements/photos/-aux-comores-les-femmes-repr%C3%A9sentent-26-des-cr%C3%A9ateurs-dentreprise-une-proportion/1226924156125605/>

⁴⁸ Ibid

⁴⁹ Banque Centrale des Comores. 2025. Interview with the Central Bank

⁵⁰ Ibid

⁵¹ Ibid

⁵² Union des Comores - Secrétariat Général du Gouvernement, Commissariat Général au Plan. 2018. Stratégie de croissance accélérée et de développement durable 2018-2021. Available at: <https://faolex.fao.org/docs/pdf/com211696.pdf>

⁵³ Plateforme africaine sur le genre et la gestion des flambées épidémiques et des risques de catastrophes. 2025. Politique nationale d'égalité et d'équité du genre actualisée de l'Union des Comores. Available at: <https://www.arc.int/gender-drmp/politique-nationale-d-egalite-et-d-equite-du-genre-actualisee-de-l-union-des.html>

Within this framework, the Government established the General Directorate for Women's Entrepreneurship (DGEF) in 2008, under the supervision of the Ministry of Youth, Employment, Labor, Vocational Training and Professional Integration, Sports, Arts and Culture. DGEF is mandated to design and implement training and capacity-building initiatives tailored to women's entrepreneurship and its specific operating constraints. It also provides institutional guidance and support to women's business associations, including Women's Entrepreneurship in the Indian Ocean - Comoros (EFOICOM), founded in 2010, thereby contributing to the structuring and visibility of women entrepreneurs within the national ecosystem.⁵⁴

Other agencies and organizations play a role in supporting WMSMEs in the Comoros. At the regional and continental level, the African Women Leaders Network (AWLN) has expanded its activities to the Comoros, where it began operating approximately one year ago, with a focus on strengthening women's leadership and economic empowerment through advocacy, networking, and capacity-building initiatives.⁵⁵ At the national level, civil society organizations contribute to supporting women entrepreneurs. Organizations such as the Comorian Federation of Women in Business (COMFWB), though largely informal and limited in documentation, provide support to women entrepreneurs through peer networks, mentoring and business promotion activities.

These initiatives help foster solidarity, knowledge sharing and visibility for women-led enterprises, particularly at the community level. Together, these actors form an emerging support ecosystem for WMSMEs in the Comoros. While this ecosystem has contributed to increased visibility and targeted support for women entrepreneurs, its overall impact is not yet well documented.

Overall, while MSMEs form the backbone of the Comorian economy, persistent challenges related to informality, data gaps, and fragmented coordination of MSME support continue to constrain their productivity and growth at the national level. These structural weaknesses disproportionately affect women entrepreneurs, further exacerbating existing inequalities in access to finance and support services, and underscore the need for clearer definitions, stronger statistical systems and more inclusive, well-coordinated policies.



⁵⁴ World Bank. 2019. Comoros-Integrated Development and Competitiveness Project. Available at: <https://documents1.worldbank.org/curated/en/281071558663293548/pdf/Comoros-Integrated-Development-and-Competitiveness-Project.pdf>

⁵⁵ La Gazette des Comores. 2024. Lancement de AWLN Comores : Objectif, l'autonomisation des femmes. Available at: <https://lagazettedescomores.com/soci%C3%A9t%C3%A9/lancement-de-awln-comores-objectif,-l%E2%80%99autonomisation-des-femmes-.html>

5. ACCESS TO FINANCE FOR WOMEN AND WMSMES IN COMOROS

Women's financial inclusion in Comoros has expanded in recent years, yet progress remains uneven and masks deep structural gender gaps in access to and use of formal financial services. This chapter analyzes how demand-side constraints, supply-side limitations and weak credit market infrastructure interact to limit women's and WMSMEs' ability to access productive finance.

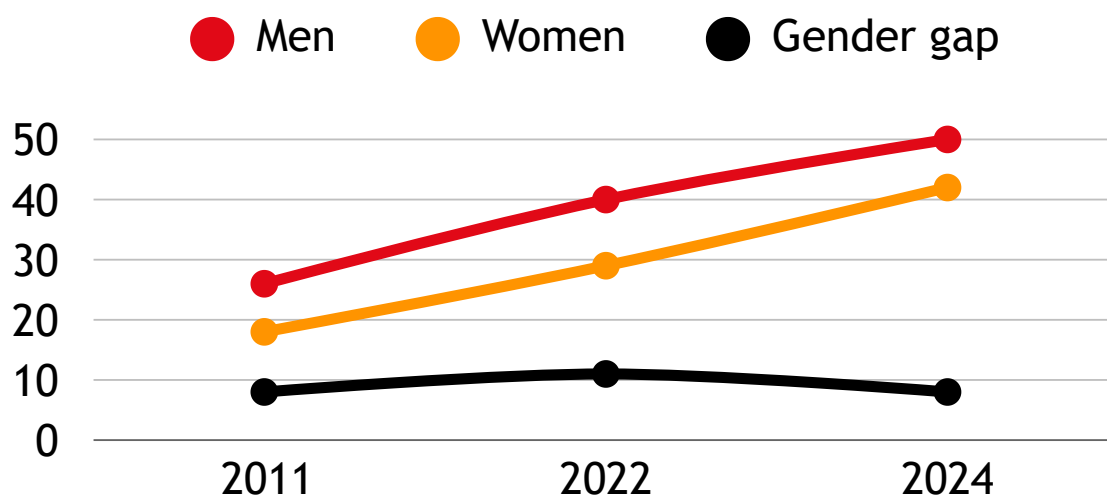
The financial inclusion landscape in Comoros has evolved in recent years but progress remains uneven, particularly between men and women. According to the latest Global 2024 Findex survey, only 42 percent of women reported owning an account at a financial institution or using mobile money services, compared to 50 percent of men.⁵⁶

10% Only 10% of women have a mobile money account compared to 19% of men⁵⁷

When focusing specifically on accounts at formal financial institutions, the gender gap persists, with 38 percent of women having such an account against 44 percent of men.

Although Digital financial services (DFS) are expanding, with the number of active mobile money accounts rising from 69,587 in 2020 to 154,587 in 2023, and transactions increasing by 79 percent in 2023 to reach 3.6 million⁵⁸, only ten percent of women have a mobile money account versus 19 percent for men.⁵⁹ Mobile money adoption in Comoros remains constrained by structural barriers affecting all users. Progress is limited by low digital literacy, underused digital infrastructure, limited interoperability between platforms, cost transparency issues, and persistent barriers to biometric identification.⁶⁰ Within this broader context, women face additional constraints.

GRAPH 1: TREND IN FINANCIAL INCLUSION IN COMOROS (SEX-DISAGGREGATED)



Source: World Bank Global Findex Database

⁵⁶ World Bank. 2025. The Global Findex Database 2025. Available at: <https://www.worldbank.org/en/publication/globalindex>

⁵⁷ World Bank. 2025. The Global Findex Database 2025. Available at: <https://www.worldbank.org/en/publication/globalindex>

⁵⁸ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available).

⁵⁹ World Bank. 2025. The Global Findex Database 2025. Available at: <https://www.worldbank.org/en/publication/globalindex>

⁶⁰ Ibid

Among adults aged 15 and above, 31 percent of women report that mobile money agents are too far away as a reason for not having a mobile money account, compared to 26 percent of men, pointing to slightly greater geographic access constraints. Affordability also weighs more heavily on women, with 55 percent reporting insufficient funds to use a mobile money account, versus 50 percent of men.⁶¹ Comoros should address structural barriers affecting all users, particularly digital literacy, interoperability, cost transparency and biometric identification, while simultaneously expanding agent networks and designing affordable mobile money solutions that respond to the specific access and income constraints faced by women.

While data on WMSMEs' financial inclusion and financing gap are not available, the 2024 financial sector diagnostic commissioned by the Central Bank of Comoros points to a broader structural shortfall in the supply of financial services.⁶² In 2023, total demand for financial services was estimated at KMF253,518 million (USD603,617 as of December 2025), yet only KMF117,632 million (USD280,077 as of December 2025), equivalent to 46 percent of estimated demand, was met.⁶³ This significant unmet demand suggests that women-owned MSMEs, already less connected to the formal financial system, are likely among those most affected by the existing financing gap.

46% In 2023, only 46% of estimated demand for financial services in Comoros was met, with KMF117,632 million (USD603,617) supplied out of a total KMF253,518 million (USD280,077) in demand.

DEMAND-SIDE BARRIERS

Women play a central role in the Comorian economy, yet women-led MSMEs remain largely excluded from the formal financial system due to a combination of sociocultural norms, structural barriers within the banking sector, and institutional constraints. These demand-side obstacles significantly limit women's ability to access, use, and benefit from financial services, thereby constraining business growth and economic empowerment.

Sociocultural norms play a decisive role. The heavy burden of household responsibilities leaves women entrepreneurs with little time to complete lengthy administrative or banking procedures. The long queues at bank branches and inflexible opening hours further discourage them.⁶⁴ For WMSMEs, this translates into missed opportunities to secure credit or open accounts, leaving them reliant on informal financing channels, such as rotating savings groups (tontines), that provide limited capital, offer little consumer protection and constrain their ability to scale or invest in productivity-enhancing assets.

⁶¹ Ibid

⁶² Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁶³ Ibid

⁶⁴ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

20% The banking sector's high share of non-performing loans, estimated at 20% of total portfolios, further constrains credit availability.⁶⁵

Financial literacy is another obstacle. Many women entrepreneurs lack exposure to financial education and receive little guidance on navigating formal financial products. Without targeted support, WMSMEs often perceive formal banking as inaccessible or too complex, reinforcing their dependence on informal savings groups. The lack of transparency in pricing compounds this problem: women, especially those without stable income, are more sensitive to hidden costs and fees, which discourages them from adopting formal services. Mistrust of financial institutions also weighs heavily on women-led MSMEs. Many women prefer to hold money in cash, citing concerns over high service fees, travel costs to branches and lack of clarity about product benefits.⁶⁶ This reluctance undermines their ability to build a financial track record, which is critical for accessing credit. The banking sector's high share of non-performing loans (about 20 percent of portfolios)⁶⁷ further reduces credit availability, leaving WMSMEs particularly disadvantaged as perceived high-risk borrowers.

Although land is not inherently unacceptable as collateral within the Comorian financial system, **prevailing social norms and institutional practices significantly constrain women's ability to use assets they traditionally control, such as gold or usufruct rights to land, for business financing.**⁶⁸

In practice, these assets are rarely recognized as eligible collateral for productive loans. At times, banks allow pawn-based lending mechanisms, enabling women to monetize jewelry mainly for emergency or consumption needs, rather than to mobilize capital for productive investment. This situation is further compounded by the high level of informality among women entrepreneurs, as the lack of business registration and formal documentation effectively excludes many WMSMEs from access to bank credit altogether.

BOX 2: LAND OWNERSHIP, MATRILINEAL PRACTICES AND THE UNTAPPED POTENTIAL FOR WOMEN'S ACCESS TO CREDIT

Land tenure represents a significant but underutilized opportunity for women's access to finance in Comoros. In a context where matrilineal or matriarchal social practices prevail, women often hold primary rights over land, particularly in rural areas. In principle, this positions women favorably in terms of asset ownership and potential collateralization. In practice, **however, these land rights are frequently based on customary and oral arrangements, granting women rights of use rather than formally registered ownership.** While such rights may be inherited or transmitted within families, they are rarely documented and often require the authorization of other family members to be used as collateral. This lack of formalization significantly limits women's ability to leverage land assets to access credit, despite their effective control over the land.

Strengthening land tenure formalization, clarifying women's property rights, and improving recognition of these rights within the Comorian legal and financial system could unlock substantial potential for women's access to productive finance, particularly for women-owned MSMEs in agriculture and related sectors.

⁶⁵ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁶⁶ Ibid

⁶⁷ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁶⁸ Banque Centrale des Comores. 2025. Interview with the Central Bank

Identification barriers also limit women's financial access.⁶⁹ National ID cards are required to open bank or mobile money accounts, yet many rural women struggle to obtain them. For WMSMEs, this barrier is particularly damaging, as it prevents formal registration and the opening of accounts needed for business transactions. While initiatives to expand biometric ID and microfinance-driven enrolment are underway, progress remains slow.

SUPPLY-SIDE BARRIERS

The Comorian financial sector remains underdeveloped and fragmented, with a limited contribution to the real economy, despite the presence of four commercial banks and a dense network of microfinance institutions (MFIs), largely dominated by the Meck and Sanduk cooperatives.⁷⁰ Commercial banks operate in a context of structural over liquidity but extend limited credit mainly due to persistently high levels of non-performing loans.⁷¹ This cautious lending approach, combined with unreliable land titling systems, constrains the use of collateral and disproportionately penalizes women, who often hold assets in the form of jewelry or usufruct rights rather than formal land titles.

Even when credit is available, interest rates remain high, maturities are short and collateral requirements are prohibitive. Financial institutions frequently require combined guarantees that exceed the loan amount, including cash collateral of more than 20 percent alongside material guarantees ranging from 100 to 213 percent of the loan value.⁷²

As a result, financial institutions, particularly banks, are widely perceived as inaccessible and insufficiently engaged in local economic development, a perception further reinforced by limited outreach to communities and low transparency around fees and interest rates. While some banks are considering strengthening their engagement with enterprises and self-employed workers through tailored products for SMEs and the diaspora, these initiatives remain at a preliminary stage.⁷³ Overall, such conditions make it nearly impossible for WMSMEs to access bank credit and significantly constrain their potential for growth.

While MFIs play a central role in reaching underserved populations, several of them face sustainability challenges due to insufficient business volume and limited capital reallocation.⁷⁴ This highlights the urgent need for a dedicated legal framework to regulate and supervise MFIs so that they can continue to support women entrepreneurs effectively. In terms of products, although innovative products are emerging in the market they remain limited in scope and mostly target consumption purposes.⁷⁵ The Union des Meck has introduced the “Coup de Pouce” (helping hand in English) product, which allows borrowing up to a certain threshold without collateral, while the mobile money operator Mvola is preparing to launch unsecured loans based on client transaction histories.⁷⁶ These initiatives represent important steps toward adapting financial services to WMSMEs, but they are still marginal and lack proper regulation.

⁶⁹Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁷⁰ Banque Centrale des Comores. 2024. Rapport annuel 2024. Available at: <https://banque-comores.km/uploads/Rapport-annuel-BCC-2024.pdf>

⁷¹African Development Bank Group. 2024. Comoros Country Vulnerability and Resilience Assessment. Available at: https://vcda.afdb.org/en/system/files/report/comoros_final_2024.pdf

⁷² Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available).

⁷³ *Ibid*

⁷⁴ *Ibid*

⁷⁵ National Agency for Investment Promotion. 2025. Interview with ANPI

⁷⁶ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available).

BOX 3. CITIZENS MISTRUST OF FINANCIAL INSTITUTIONS

Financial institutions, particularly banks, are widely perceived as inaccessible and insufficiently engaged in local economic development, a perception reinforced by limited outreach to communities, a lack of transparency around fees and interest rates, the absence of visible success stories of entrepreneurs financed by banks, and a weak savings culture, all of which undermine trust, financial inclusion and capital accumulation.⁷⁷

Savings products remain underdeveloped in formal institutions, reflecting both a weak financial culture and limited trust in banks. With a national gross domestic savings rate of -9.3 percent of GDP,⁷⁸ formal savings mobilization is very low. Instead, community-based savings groups, or tontines, remain the preferred mechanism, especially among women, because of their solidarity-based approach. While they provide short-term liquidity, however, they are excluded from the formal financial system, limiting their ability to serve as a reliable lever for investment in WMSMEs.

79% Mobile money transactions have increased by 79% in 2023

Digital financial services (DFS) are expanding, with the number of active mobile money accounts rising from 69,587 in 2020 to 154,587 in 2023, and transactions increasing by 79 percent in 2023 to reach 3.6 million.⁷⁹

These trends highlight the potential of DFS to reduce reliance on cash and improve access to financial services for women entrepreneurs. However, DFS development is constrained by high telecom costs, low digital literacy and the absence of instant payment systems.⁸⁰ Consequently, digital tools remain largely underutilized by WMSMEs, despite their clear potential to lower transaction costs and improve market access.

Some financial products offered in Comoros are not compliant with Islamic principles, limiting their adoption among parts of the population, including women. The absence of alternative solutions, such as Islamic finance or broader social finance instruments, creates a gap for individuals seeking financial services aligned with their religious beliefs and social needs.⁸¹

The broader supply of financial products is poorly aligned with the needs of women entrepreneurs. Most offerings are oriented towards consumption or small-scale trade, with limited support for productive, higher value-added sectors.⁸² This mismatch reduces the ability of the financial sector to fuel inclusive and sustainable growth. Islamic finance, although still emerging, is attracting growing interest among the predominantly Muslim population and could serve as an entry point for more inclusive financial products. Yet the sector is still embryonic, hampered by the absence of a regulatory framework and limited expertise.⁸³

⁷⁷Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁷⁸World Bank. 2025. Gross domestic savings (% of GDP) - Comoros. Available at:

<https://data.worldbank.org/indicator/NY.GDS.TOTL.ZS?locations=KM>

⁷⁹ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available).

⁸⁰ Ibid

⁸¹ Ibid

⁸²National Agency for Investment Promotion. 2025. Interview with ANPI

⁸³ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available).



Most offerings are oriented towards consumption or small-scale trade with limited support for productive, higher value added sectors.

A major constraint to expanding access to finance in Comoros is the limited development of credit market infrastructure, particularly credit reporting systems, guarantees and movable collateral registries. Although the Central Bank established a credit risk and payment incident registry (CdRIP) in 2013, it provides only partial borrower information, and no credit bureau currently exists.⁸⁴ As a result, financial institutions struggle to assess the risk of first-time borrowers and continue to rely heavily on traditional forms of collateral.⁸⁵ This disproportionately affects women-led MSMEs, which are often informal and lack documented credit histories. To address these shortcomings, the Banque Centrale des Comores (BCC) has included in its National Financial Inclusion Strategy (NFIS) a plan to develop a comprehensive credit information-sharing system in partnership with banks and microfinance institutions. This initiative aims to improve transparency, reduce over-indebtedness risks and expand access to finance for MSMEs and women entrepreneurs.

In parallel, Comoros has yet to establish a movable collateral registry, which remains a significant barrier for women entrepreneurs. Banks continue to rely on pawn-based lending, which provides short-term liquidity but does not unlock women's assets for productive, long-term investment.

Nevertheless, ongoing discussions led by the BCC and the Ministry of Finance aim to establish a legal framework for expanded secured transactions, enabling movable assets, such as equipment, inventories, and invoices, to be used as collateral. The absence of a functional movable collateral framework, combined with weak credit reporting systems and limited guarantee coverage, entrenches structural barriers and keeps WMSMEs dependent on microfinance and informal savings groups. Strengthening credit reporting, expanding guarantee mechanisms and establishing a movable collateral registry would considerably widen financing opportunities for women entrepreneurs and help ensure their assets and business activities are recognized as reliable economic value.

In sum, supply-side barriers for WMSMEs in Comoros include high collateral requirements, restrictive credit conditions, weak alignment of financial products with women's business needs, underdeveloped savings mobilization, a DFS ecosystem still too costly and inaccessible and a limited credit market infrastructure. While MFIs and digital services are creating new entry points, systemic reforms in regulation, product design and infrastructure are needed to unlock their potential for women-led MSMEs. Overall, women's limited financial inclusion in Comoros reflects a combination of informality, restrictive lending practices and underdeveloped credit infrastructure rather than a lack of economic activity or demand. Without coordinated reforms that improve asset formalization, product design and financial market infrastructure, WMSMEs will remain largely excluded from growth-oriented finance.

⁸⁴Banque Centrale des Comores. 2015. Règlement n°013/2015/BCC/DSBR relatif au fonctionnement de la centrale des risques et des incidents de paiements (CDRIP). Available at: https://banque-comores.km/uploads/DOCUMENTS/R%C3%A8glement_013_CDRIP.pdf

⁸⁵Banque Centrale des Comores. 2025. Interview with the BCC

6. WOMEN'S INCLUSION IN THE COMORIAN SOCIETY

Women's economic participation in the Comoros is shaped by the interplay between education outcomes, labor market structures, social norms and access to technology.

While recent gains in girls' education point to positive long-term potential, persistent structural and social barriers continue to limit women's and WMSMEs' ability to fully translate human capital into productive, formal and sustainable economic activities.

SOCIAL AND CULTURAL NORMS

The analysis of gender equality and equity conducted as part of the Government's evaluation of the National Policy on Gender Equality and Equity (PNEEG) in 2016, and updated and validated in November 2017, highlights the decisive influence of social values, practices, and modes of social organization in shaping gender outcomes in the Comoros.⁸⁶ The assessment finds that these factors significantly limit the effectiveness of efforts to reduce gender disparities and inequalities, indirectly limiting women's ability to fully participate in economic activities, access productive resources, and benefit equitably from economic opportunities. Key shortcomings include the absence of a clear and shared vision of gender relations within society, weak institutional leadership on gender issues, gaps in the design and implementation of sectoral policies aimed at improving incomes, and persistent weaknesses in the collection and dissemination of sex-disaggregated data for development planning, monitoring and evaluation.

Within this context, social norms in Comoros play an ambivalent role in women's empowerment. On the one hand, women traditionally control key household resources, including land use rights and gold savings, which serve as informal forms of capital.⁸⁷ On the other hand, cultural expectations often limit women's mobility, decision-making power in business and access to formal networks. These constraints hinder women from scaling up enterprises or moving into higher-value sectors. For WMSMEs, this means many remain confined to low-margin activities, such as retail trade or subsistence agriculture, instead of diversifying into more productive industries.

EDUCATION ATTAINMENT AND ECONOMIC PARTICIPATION

Educational attainment, labor market participation and entrepreneurship outcomes in the Comoros reveal a complex and unequal trajectory for women. As of 2024, 50.1 percent of girls completed lower secondary school compared to 38.4 percent of boys, creating a gender gap of 11.7 percentage points in favor of girls, far wider than the Sub-Saharan Africa average of 1.8 percentage points.⁸⁸ Yet this progress in girl's education coexists with lower adult literacy among women (72.2 percent versus 79.9 percent for men),⁸⁹ reflecting historical disparities in access to education.

Women account for about 41.5 percent of the labor force and play a crucial role in sustaining household incomes, but they remain largely concentrated in informal and low-productivity activities, particularly small-scale trade and agriculture.⁹⁰

⁸⁶Union des Comores - Secrétariat Général du Gouvernement, Commissariat Général au Plan. 2018. Stratégie de croissance accélérée et de développement durable 2018-2021. Available at: <https://faolex.fao.org/docs/pdf/com211696.pdf>

⁸⁷BCC and ANPI. 2025. Interviews with the Central Bank and the ANPI

⁸⁸World Bank. 2025. Gender Data Portal - Comoros. Available at: <https://genderdata.worldbank.org/en/economies/comoros>

⁸⁹Ibid

⁹⁰World Bank. 2025. COMOROS Gender Data Landscape: Fall 2025 edition. Available at: <https://documents1.worldbank.org/curated/en/099917506302294489/pdf/IDU0034863b50ec6904f35082a30a47febfd002f.pdf>

This pattern is mirrored in entrepreneurship: women own only 26 percent of formal enterprises,⁹¹ reflecting their predominance in informal businesses. Even when employed, women encounter persistent wage disparities that limit their full economic participation, with over 69 percent of the gap unexplained by differences in skills, experience, or other observable characteristics.⁹²

69%

More than 69% of the gender wage gap cannot be explained by differences in human capital or other observable characteristics.

BOX 4. INFORMALITY AS A STRUCTURAL CONSTRAINT TO WOMEN'S ECONOMIC INCLUSION

A defining feature of women's economic participation in the Comoros is the high prevalence of informality, particularly among women-led micro and small enterprises. Informality limits women's access to labor protections, business development services and productive assets, and constitutes a major barrier to financial inclusion, as informal enterprises typically lack the documentation required to open business accounts, access credit or participate in public and donor-supported programs. For WMSMEs, informality is both a cause and a consequence of structural exclusion: low incomes, limited literacy, social norms and weak access to technology reduce incentives and capacity to formalize, while remaining informal further constrains growth, productivity and resilience. Addressing informality among women-led enterprises, therefore, requires an integrated approach that links simplified formalization processes with access to finance, digital tools, skills development and social protection, rather than treating formalization as a standalone administrative objective.

ACCESS TO TECHNOLOGY

The data highlights a persistent gender gap in access to and use of digital technology, with direct consequences for financial inclusion and access to economic opportunities. While a majority of women own a mobile phone (65.4 percent), they remain significantly less equipped than men (79.3 percent), and the gap widens for more advanced uses: only 37.4 percent of women used the internet in the past 30 days (at the time of the survey), compared to 50.2 percent of men, and just 42 percent of women own a smartphone, versus 53.6 percent of men.⁹³ These digital disparities translate into more limited access to digital financial services.

⁹¹Agence Nationale pour la Promotion des Investissements. 2025. Aux Comores, les femmes représentent 26 % des créateurs d'entreprise. Available at:

<https://www.facebook.com/agencenationalepourlapromotiondesinvestissements/photos/-aux-comores-les-femmes-repr%C3%A9sentent-26-des-cr%C3%A9ateurs-dentreprise-une-proportion/1226924156125605/>

⁹²World Bank. 2023. Mémorandum économique de l'Union des Comores : Stimuler la croissance pour de plus grandes opportunités. Available at: <https://documents1.worldbank.org/curated/en/099090823092520222/pdf/P179329006a69d0170a9e500b534f05d74a.pdf>

⁹³World Bank. 2025. COMOROS Gender Data Landscape: Fall 2025 edition.

Available at: <https://documents1.worldbank.org/curated/en/099917506302294489/pdf/IDU0034863b50ec6904f35082a30a47febf002f.pdf>

Although mobile money can accelerate financial inclusion, women are more likely to hold only a bank account (31.7 percent)⁹⁴ and less likely to have a mobile-money-only account: ten percent of women have a mobile money account versus 19 percent for men.⁹⁵ Digital financial services offer strong potential to advance financial inclusion in Comoros for both men and women, particularly through mobile payments and online services supported by the Comores Numérique 2028 strategy. While these solutions have improved access—especially during COVID-19 social transfers—progress remains constrained by low digital literacy, underused digital infrastructure, limited interoperability, cost transparency issues, and barriers to biometric identification. Addressing these challenges is essential to unlock the full impact of digital financial inclusion.⁹⁶

Finally, the digital divide also constrains access to jobs and learning opportunities: only 17.3 percent of women report engaging in online activities to access employment or training opportunities, compared to 37.0 percent of men.⁹⁷ This digital divide limits women entrepreneurs' ability to leverage e-commerce, mobile payments, and online business tools, which are increasingly critical for MSME competitiveness.

17.3% Only 17.3% of women report engaging in online activities to access employment or training opportunities compared to 37% of men.

For WMSMEs, poor connectivity and digital literacy reinforce exclusion from formal markets and financing channels. Expanding women's digital access and training is, therefore, a high-impact lever for empowering WMSMEs. Taken together, gaps in literacy, labor market inclusion, social norms and digital access create reinforcing constraints that keep many women and WMSMEs concentrated in low-productivity and informal activities. Addressing these interconnected constraints requires a coordinated, whole-of-government approach. The Ministries of Education and Labor should lead on literacy, skills development, and women's labor market inclusion; the Ministry responsible for Gender should address discriminatory social norms and ensure gender mainstreaming; the Ministry of Digital Economy should expand women's digital access; and the Ministry of Finance, the Central Bank, and financial regulators should drive reforms to improve access to inclusive finance for WMSMEs. Effective implementation will depend on strong inter-ministerial coordination and partnerships with the private sector and development partners. Such reforms are essential for enabling women entrepreneurs to scale their businesses and for unlocking the broader contribution of WMSMEs to inclusive growth and employment in the Comoros.

⁹⁴ World Bank. 2025. COMOROS Gender Data Landscape: Fall 2025 edition. Available at:

<https://documents1.worldbank.org/curated/en/099917506302294489/pdf/IDU0034863b50ec6904f35082a30a47febfd002f.pdf>

⁹⁵ World Bank. 2025. The Global Findex Database 2025. Available at: <https://www.worldbank.org/en/publication/globalfindex>

⁹⁶ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

⁹⁷ Ibid

7. COMOROS' COMMITMENTS, TARGETS & MILESTONES TOWARD WOMEN & WMSMES' FINANCIAL INCLUSION

Comoros has established a relatively strong legal and policy framework in support of gender equality and women's economic empowerment, underpinned by constitutional guarantees, international commitments and national strategies.

These commitments provide an important foundation for advancing women's access to finance and supporting women-led MSMEs as drivers of inclusive growth.

Comoros has made explicit legal and policy commitments to advancing gender equality and women's economic empowerment. The 2018 Constitution formally enshrines equality between women and men, guaranteeing women's rights to equal remuneration and access to political institutions.⁹⁸ At the international and regional levels, Comoros has ratified key instruments on women's rights, including the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) in 1994 and the Maputo Protocol in 2004.⁹⁹ At the national level, these commitments are operationalized through the National Policy on Gender Equality and Equity, first formulated in 2008 and then updated in 2017, which identifies women's economic empowerment as a strategic priority.¹⁰⁰

By becoming a principal member of the Alliance for Financial Inclusion (AFI) on April 5th 2023, the Banque Centrale des Comores (BCC) formally committed to engaging in AFI's policy commitment pathway for financial inclusion.¹⁰¹ This membership signals an institutional commitment to advancing inclusive finance through policy reforms, peer learning and the progressive adoption of measurable targets. Through AFI, the BCC has committed to aligning its financial inclusion agenda with internationally recognized good practices, including frameworks that promote access to finance for women and MSMEs. AFI membership also entails active participation in technical working groups and peer exchange platforms, which support the development of gender-responsive and MSME-focused financial sector policies.



Axis 2 of the NFIS focuses on developing financial products targeting women, youth, persons with disabilities, and women-led enterprises, clearly positioning women as priority beneficiary groups.

Within the National Financial Inclusion Strategy (NFIS), Comoros has made an explicit policy commitment to women's financial inclusion.¹⁰² Axis 2 of the NFIS focuses on developing financial products targeting women, youth, persons with disabilities, and women-led enterprises, clearly positioning women and WMSMEs as priority beneficiary groups.

⁹⁸Constitute Project. 2018. Constitution of the Union of the Comoros. Available at: https://www.constituteproject.org/constitution/Comoros_2018

⁹⁹African Development Bank Group. 2025. Comores : Note de diagnostic pays (Country Diagnostic Note). Available at: https://www.afdb.org/sites/default/files/documents/projects-and-operations/cdn_comores_september_2025.pdf

¹⁰⁰Plateforme AGGRC. 2025. Politique nationale d'égalité et d'équité du genre actualisée de l'Union des Comores. Available at: <https://www.arc.int/gender-drmp/politique-nationale-d-egalite-et-d-equite-du-genre-actualisee-de-l-union-des.html>

¹⁰¹Alliance for Financial Inclusion. 2023. Banque Centrale des Comores joins the AFI network. Available at: <https://www.afi-global.org/news/banque-centrale-des-comores-joins-the-afi-network/>

¹⁰²Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

This axis is supported by a quantified inclusion trajectory, aiming to increase the national financial inclusion rate from an estimated 49.2 percent in 2024 to 67 percent by 2028, through the rollout of the NFIS, expanded digital financial services, the development of adapted products, financial education initiatives, and the progressive integration of excluded groups—particularly women and informal workers.

While the targets are expressed at the aggregate level and are not yet gender-disaggregated, the explicit inclusion of women and women-led enterprises in the NFIS's strategic axis represents a concrete policy commitment to advancing women's and WMSMEs' financial inclusion, aligned with AFI principles.

TABLE 3. TARGET TRAJECTORY FOR THE EXPANSION OF FINANCIAL INCLUSION

| YEAR | FINANCIAL INCLUSION RATE | ANNUAL INCREASE | RATIONALE |
|------|--------------------------|-----------------|--|
| 2024 | 49,2% | — | Estimate based on the diagnostic, supported by the rapid expansion of electronic money. |
| 2025 | 54% | +4,8 points | Launch of the NFIS, initial awareness-raising campaigns, and improved distribution of digital financial services. |
| 2026 | 59% | +5 points | Expanded deployment of access points in rural areas, development of tailored financial products, and early impacts of financial education initiatives. |
| 2027 | 63% | +4 points | Consolidation of digital financial services, increased public trust driven by stronger consumer protection. |
| 2028 | 67% | +4 points | Stronger integration of excluded groups (youth, women, informal workers) and further strengthening of inclusion mechanisms. |

Source: Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030

While the legal and policy commitments are clear and aligned with international good practices—particularly through the NFIS and AFI membership—their impact will depend on effective implementation, monitoring, and the translation of aggregate targets into gender-disaggregated outcomes. Strengthening the operational focus on women and WMSMEs, including through tailored financial products, measurable gender targets and accountability mechanisms, will be critical to ensuring that these commitments lead to tangible gains in women's financial inclusion and economic participation.

8. POLICY, REGULATORY AND INCLUSIVE INITIATIVES TO SUPPORT WOMEN AND WMSMEs' FINANCIAL INCLUSION

Key public institutions and financial sector actors play distinct yet complementary roles in advancing women's financial inclusion and supporting women-led MSMEs in the Comoros. The Banque Centrale des Comores (BCC), the National Agency for Investment Promotion (ANPI), and microfinance institutions constitute the core institutional and market architecture shaping access to finance. Their combined actions spanning regulation, formalization, entrepreneurship support and financial service delivery are critical to translating national policy commitments into practical outcomes for women entrepreneurs.

BANQUE CENTRALE DES COMORES (CENTRAL BANK OF COMOROS)

The Banque Centrale des Comores (BCC) plays a central institutional leadership role in advancing financial inclusion, particularly for women and women-led MSMEs, through its strategic, regulatory, and coordinating functions.¹⁰³ As the lead authority responsible for the design, implementation, and monitoring of the NFIS, the BCC aligns the actions of government ministries, financial regulators, development partners, and private-sector actors around shared national objectives related to access to finance, women's inclusion, and digitalization.

Through its regulatory and prudential mandate, the BCC issues rules and guidance governing banks, microfinance institutions, electronic money issuers, and fintech operators, reducing regulatory uncertainty while safeguarding financial stability. It has also strengthened supervision through risk-based oversight tools and modern financial infrastructure, including payment switches, automated transaction monitoring systems and a central banking system that enables closer tracking of credit portfolios, including exposure to MSMEs and women-led enterprises.

Beyond regulation, the BCC supports the modernization and interoperability of payment systems to lower transaction costs and expand digital financial services, particularly for small businesses and rural women. It further contributes to easing structural barriers to credit by coordinating initiatives such as credit guarantee mechanisms for MSMEs.

BOX 5: COMOROS CREDIT GUARANTEE COMPANY (SOGAK)

On the side of guarantees, the establishment of the Comoros Credit Guarantee Company (SOGAK) in 2025, supported by the French Development Agency (AFD), marks an important step forward.¹⁰⁴ With an initial capitalization of KMF1.5 billion (USD3.6 million as of December 2025), SOGAK offers partial guarantees that can cover up to 70 percent of loans in strategic sectors identified under the Plan Comores Émergent (Emerging Comoros Plan) and 50 percent in other sectors. For women-led MSMEs, these mechanisms could reduce perceived risk and encourage banks to extend credit; their impact, however, is still nascent and dependent on stronger uptake by financial institutions.

¹⁰³Banque Centrale des Comores. 2025. Interview with the BCC

¹⁰⁴Banque Centrale des Comores. 2025. Lancement officiel de la SOGAK. Available at: <https://banque-comores.km/article/show/lancement-officiel-de-la-sogak>

Islamic finance, though still emerging, holds growing potential to improve financial inclusion in Comoros by responding to the needs of a predominantly Muslim population, including WMSMEs. The BCC has played a proactive role, notably by launching an initiative in 2021 to create an enabling environment for Islamic finance¹⁰⁵ and by partnering with the Islamic Development Bank (IsDB) Group. However, limited technical capacity and low market awareness continue to constrain market development. Strengthening the BCC's supervisory and institutional capacities, alongside the gradual introduction of Sharia-compliant savings, financing and guarantee products tailored to the cash-flow profiles of WMSMEs, could help broaden access to formal finance. This focus is explicitly reflected in the implementation plan of the National Financial Inclusion Strategy (NFIS), which identifies Islamic finance as a strategic lever to expand inclusive and productive financing for underserved groups, including women-led enterprises.¹⁰⁶

Finally, the BCC promotes the collection and use of sex-disaggregated data and invests in awareness-raising and capacity-building initiatives for financial institutions, aiming to improve product design, consumer protection and the overall responsiveness of the financial sector to the needs of women and WMSMEs.

2025-2030 NATIONAL FINANCIAL INCLUSION STRATEGY (NFIS)

Comoros has adopted a National Financial Inclusion Strategy (NFIS) for 2025-2030, which provides a policy and regulatory framework to address structural barriers to financial inclusion, including those affecting women and women-led MSMEs.¹⁰⁷ The strategy emphasizes the role of digitalization and mobile money as key levers to expand access to and use of financial services among unbanked populations. Within this framework, the Banque Centrale des Comores (BCC) focuses on creating an enabling regulatory environment rather than delivering digital solutions directly. This includes the establishment of regulations that support innovation while ensuring transaction security and consumer protection, notably through the regulatory framework for electronic money institutions, the law governing payment service providers and reforms to the anti-money laundering and counter-terrorism financing regime. Additional measures under the NFIS include facilitating the licensing of digital financial service providers, developing an e-commerce law with provisions on consumer protection and advancing the implementation of a national payment switch to improve interoperability between financial platforms. Collectively, these interventions are intended to reduce reliance on cash and strengthen the accessibility and reliability of digital financial services, which are particularly relevant for women and WMSMEs that face constraints in accessing formal financial channels.

¹⁰⁵ Banque Centrale des Comores. 2025. Stratégie Nationale d'Inclusion Financière (SNIF) 2025-2030 (public link not available)

¹⁰⁶ Ibid

¹⁰⁷ Banque Centrale des Comores. 2025. Interview with the BCC

NATIONAL AGENCY FOR INVESTMENT PROMOTION (ANPI)

The National Agency for Investment Promotion (ANPI) plays a complementary role in advancing women's entrepreneurship and their integration into the formal financial system by combining investment promotion with targeted support to local entrepreneurs.¹⁰⁸ While ANPI's institutional mandate focuses on attracting foreign investment, it also serves as the main entry point for business formalization through the one-stop shop, positioning it as a key actor in the formalization of women-led enterprises.

Over the past five years, ANPI has explicitly focused on women entrepreneurs, contributing to an estimated 15 percent increase in the formalization of women-owned businesses through a combination of awareness-raising initiatives, targeted incentives, and assistance in meeting formalization requirements to access support programs.¹⁰⁹ This process has been directly linked to the opening of bank accounts, strengthening women entrepreneurs' entry into the formal financial sector. ANPI also generates and disseminates data on women's entrepreneurship through biennial reports and analytical notes, helping to improve the evidence base for policy dialogue. In parallel, it develops dedicated programs for women in partnership with development actors, including initiatives that combine entrepreneurship support with access to finance and mobile banking, such as recent cohorts implemented with private-sector and NGO partners (such as the Canadian NGO Mission Inclusion). Beyond its permanent investment facilitation services

and advocacy to improve the business climate, ANPI implements targeted, partner-financed programs, including business plan competitions with quotas to ensure significant participation by women, digital entrepreneurship initiatives and thematic programs such as the Sarumaya program.

BOX 6. THE SARUMAYA PROGRAM (OCTOBER 2024 - JUNE 2025)

Sarumaya is a women-focused entrepreneurship support program designed and financed by Yas Comores and implemented with ANPI, UCCIA, and Komlink. The program aimed to strengthen women entrepreneurs' capacities and improve their access to finance through a structured and coordinated approach.

A national call for applications reached 326 women entrepreneurs, resulting in 69 applications and the selection of 30 women-led businesses.¹¹⁰ Beneficiaries received structured training covering 10 key thematic areas related to business management, financial management, access to finance, and digital financial services, complemented by a six-month mentoring program involving 30 mentor-mentee pairs.

The program combines capacity building with incentives and visibility. These include public events, media exposure, and a final pitch ceremony which increase the visibility of women-led enterprises and strengthen linkages with formalization and financial sector actors.

Overall, Sarumaya demonstrates how targeted, time-bound programs can address key demand-side constraints faced by women-owned MSMEs and contribute to improved financial inclusion outcomes.

¹⁰⁸ National Agency for Investment Promotion. 2025. Interview with ANPI

¹⁰⁹ Ibid

¹¹⁰ UCCIA.N.d. Sarumaya brochure (public link not available)

Through these combined actions, ANPI contributes to strengthening the pipeline of formal, bankable women-led MSMEs and to linking entrepreneurship support with financial inclusion objectives.

THE ROLE OF MICROFINANCE INSTITUTIONS

The largest and most prominent microfinance institution network in the Comoros is the Union des MECK, a network of Savings and Credit Cooperatives of the Comoros that, alongside the Sanduk cooperatives, represents the main microfinance infrastructure in the country and accounts for a significant share of financial services outside the banking sector.¹¹¹ MECK is a not-for profit which focuses on microcredits for small crafts and small commerce and has grown to become one of the largest banking networks in Comoros, gradually displacing market share from larger commercial banks.¹¹² These institutions play a dominant role in the Comorian financial system and collectively function as the country's primary financing channel giving them a critical position in advancing financial inclusion. Their extensive outreach makes them the main point of access to financial services for women and women-led MSMEs.

However, this role is marked by clear ambivalence. While MFIs contribute significantly to access, their product offerings remain poorly aligned with the needs of women entrepreneurs, as they are largely oriented toward short-term consumption rather than productive or investment financing. To date, no dedicated financial products targeting women or women-led MSMEs have been developed.¹¹³

This situation underscores the need for stronger regulatory guidance and oversight to realign MFI business models with national financial inclusion objectives, including the development of more appropriate, gender-responsive financial products that support entrepreneurship, income generation and business growth.

Taken together, the BCC's leadership in financial sector regulation and coordination, ANPI's role in business formalization and entrepreneurship support, and the extensive outreach of microfinance institutions constitute a solid foundation for advancing women's and WMSMEs' financial inclusion. However, impact remains constrained by gaps in product design, coordination and alignment with women entrepreneurs' productive needs. Strengthening collaboration among these actors, reorienting financial services toward investment and growth, and embedding gender-responsive approaches across regulation, formalization, and microfinance will be essential to ensure that women-led MSMEs can fully access, use and benefit from the financial system in the Comoros.



¹¹¹Direction générale du Trésor. 2021. Lettre de services économiques de l'Afrique de l'Est et de l'Océan Indien N° 8 - Avril 2021 (Union des Comores). Available at: <https://www.tresor.economie.gouv.fr/PagesInternationales/Pages/2d677a2f-f7a7-4236-9efd-c73c6207c6fa/files/2a65c731-cdaf-4657-af8e-03b72b7a51fcmck>

¹¹²World Bank. 2019. Comoros - Integrated Development and Competitiveness Project. Available at: <https://documents1.worldbank.org/curated/en/281071558663293548/pdf/Comoros-Integrated-Development-and-Competitiveness-Project.pdf>

¹¹³National Agency for Investment Promotion. 2025. Interview with ANPI

9. FOSTERING FINANCIAL INCLUSION THROUGH WOMEN'S ENTREPRENEURSHIP

Women's entrepreneurship represents a critical pathway for advancing financial inclusion in Comoros, both by strengthening women's economic empowerment and by broadening the country's productive base.

However, Comorian women do not yet enjoy the same level of access as men to business development services, mentorship networks and tailored financial support. This gap constrains their ability to formalize, scale and sustain their economic activities. While structural barriers persist, recent years have been marked by growing institutional awareness and an increase in targeted initiatives led by public institutions, private sector actors, civil society organizations and development partners.

This momentum reflects a positive shift toward more equitable inclusion, provided that efforts are better coordinated, adequately financed and effectively extended to underserved territories, particularly rural areas. Several initiatives have been launched to promote women's entrepreneurship as a driver of financial inclusion, combining technical assistance, access to finance and business incubation.

WOMEN ENTREPRENEURSHIP PROGRAM (WEP)

Under the Women Entrepreneurship Program (WEP), EXIM-BANK and the Directorate of Enterprise Services (DSE) of the Union of Chambers of Commerce, Industry and Agriculture (UCCIA), in collaboration with its incubator INNOV'lab, signed an agreement to implement a structured support program for women-led entrepreneurial initiatives.

Planned over a five-year period starting in 2023, the program aims to create or support 50 women-owned enterprises nationwide, benefiting exclusively young women entrepreneurs.¹¹⁴ The program targets the technical and financial support of 10 women entrepreneurs per year and is structured around four phases:

- Pre-selection phase, involving 20 women project holders;
- Technical support phase, including training delivered by INNOV'lab;
- Selection phase, leading to the financing of 10 women entrepreneurs;
- Monitoring phase, focused on follow-up and performance tracking of the 10 funded projects.¹¹⁵

A dedicated support methodology has been developed to provide a logical framework for monitoring, enabling the measurement of business performance indicators and the impact of the financing provided. This approach contributes to strengthening the link between entrepreneurship support and access to finance.

¹¹⁴ Banque Centrale des Comores. 2025. Interview with the BCC

¹¹⁵ Banque Centrale des Comores. 2025. Interview with the BCC

COMPLEMENTARY INITIATIVES SUPPORTING WOMEN'S ECONOMIC EMPOWERMENT

WOMEN'S ENTREPRENEURSHIP PROGRAM

Led by the Union of Chambers of Commerce, Industry and Crafts (UCCIA) in partnership with the Permanent Conference of African and Francophone Chambers of Commerce and Industry (CPCCAF), this program targets women entrepreneurs aged 18 to 40 through a call for applications.¹¹⁶ It combines multiple forms of support, including grants, zero-interest loans, access to co-working spaces and personalized follow-up.¹¹⁷ By blending financial and non-financial services, the program addresses some of the key constraints faced by women entrepreneurs, particularly at the start-up and early growth stages.

RESEA PROJECT (REGENERATIVE SEASCAPES)

The ReSea project, implemented by the International Union for Conservation of Nature (IUCN) in collaboration with Mission Inclusion, the Platform Women, Sustainable Development and Food Security (PFDDSA), the Governorate of Mohéli, the Comorian government and Global Affairs Canada, focuses on the socio-economic empowerment of coastal communities with a strong emphasis on women.¹¹⁸ The project supports income-generating activities, women's empowerment and climate change adaptation, highlighting the intersection between financial inclusion, environmental resilience and gender equality.



BOX 7. LIMITED IMPACT OF WOMEN'S ENTREPRENEURSHIP ON FINANCIAL INCLUSION

Despite the growing number of initiatives, several challenges continue to limit the impact of women's entrepreneurship on financial inclusion:¹¹⁹

- Not all programs exclusively target women, although many include dedicated gender components.
- Access to finance remains constrained by high interest rates, collateral requirements and complex administrative procedures.
- Rural and remote areas remain underserved by entrepreneurship support and financial services.
- Gender-disaggregated monitoring and evaluation mechanisms are still limited, reducing the ability to measure outcomes and inform policy adjustments.

¹¹⁶ 115 Banque Centrale des Comores. 2025. Interview with the BCC

¹¹⁷ Ibid

¹¹⁸ Ibid

¹¹⁹ Banque Centrale des Comores. 2025. Interview with the BCC

While a growing number of programs demonstrate the potential of women's entrepreneurship to advance financial inclusion in Comoros, their overall impact remains constrained by limited scale, fragmentation and persistent structural barriers. To fully harness this momentum, greater coordination, sustained financing and stronger gender-disaggregated monitoring are needed, alongside a deliberate focus on reaching rural areas and linking entrepreneurship support more systematically with access to appropriate financial products. Strengthening these elements will be essential for women's entrepreneurship initiatives to translate into durable gains in financial inclusion, business growth and economic empowerment.



10. KEY SUCCESS FACTORS

Despite persistent structural constraints, several interrelated factors have contributed to measurable progress in the financial inclusion of women and WMSMEs.

These factors reflect both policy choices and operational practices across public and private stakeholders. While their impact remains uneven and scale is still limited, together, they provide important foundations on which further progress can be built.

INSTITUTIONAL LEADERSHIP AS AN EMERGING DRIVER OF PROGRESS

Leadership by the Banque Centrale des Comores (BCC) and key public agencies such as the National Agency for Investment Promotion (ANPI) are playing a supportive role in advancing WMSMEs' financial inclusion initiatives in Comoros. The BCC's convening and regulatory functions have helped lay the groundwork for a more coherent policy environment, and ANPI's efforts in business formalization have begun to translate policy intentions into practical entry points for women entrepreneurs. Together, these actions have provided a promising impetus for reform even though stronger coordination, scale, and sustained implementation will be needed to achieve more visible and lasting outcomes for women-led MSMEs.

ENABLING REGULATION FOR DIGITAL FINANCIAL INSTRUMENTS

The regulatory framework governing digital financial services – particularly mobile money and electronic payment instruments – has created new entry points for women and rural populations traditionally excluded from brick-and-mortar banking. Digital channels offer clear potential to overcome geographic barriers, reduce transaction costs, and decentralize access to financial services.

While this regulatory progress has supported broader access, the current challenge lies in moving beyond access to usage. Products remain largely generic and consumption-oriented, with limited adaptation to the needs, cash-flow cycles and investment requirements of women-owned MSMEs. Strengthening regulatory and market incentives for the development of digital financial products adapted to the specific needs of WMSMEs is, therefore, a key next step.

PROGRAM CONDITIONALITY AND INCENTIVES FOR FORMALIZATION

Program conditionality, where access to public or donor-supported programs is contingent on steps toward business formalization, has proven effective in encouraging women entrepreneurs to formalize their businesses. ANPI's sustained work on formalization, combined with awareness-raising and simplified procedures, has contributed to increased registration of women-owned enterprises and, in turn, facilitated access to bank accounts and financial services.

This approach has helped align enterprise development objectives with financial inclusion outcomes. However, formalization alone does not guarantee access to appropriate financing. Continued coordination between formalization efforts and financial institutions is required to ensure that newly formalized WMSMEs can translate compliance into tangible financial opportunities.

COLLECTION AND USE OF SEX-DISAGGREGATED DATA

The systematic collection of sex-disaggregated data has emerged as a critical enabler of more targeted and evidence-based interventions. Over the past five years, the National Investment Promotion Agency (ANPI) has progressively compiled data on women entrepreneurs, improving visibility of their economic participation and formalization trends. The Central Bank (BCC) also holds a formal mandate to collect gender-disaggregated data within the financial sector.

This growing data availability has helped justify targeted programs, inform policy dialogue and highlight gender gaps in access to finance. However, data collection is not disaggregated by firm size, as it generally captures women's business creation in aggregate. Moreover, data remain concentrated within a limited number of institutions and are not yet consistently embedded across the broader financial and enterprise support ecosystem. Fine-tuning, expanding and harmonizing sex-disaggregated data practices across banks, microfinance institutions and support programs remains a key condition for scaling impact.

BUILDING ON EXISTING FINANCIAL PRACTICES

Recognizing and building on existing financial practices, such as tontines and other informal savings and credit mechanisms, has been another important success factor.¹²⁰ These mechanisms are widely trusted, particularly among women, and reflect deeply rooted social and economic practices.

Rather than attempting to replace them, more effective approaches have sought to understand and integrate these practices into formal or semi-formal financial solutions. This perspective helps ensure greater relevance, acceptance and sustainability of financial products designed for women entrepreneurs.

COMMUNICATION AND MARKETING BY NEW MARKET ENTRANTS

New financial sector actors, including some commercial banks such as AGF Bank, have invested in aggressive communication and marketing strategies to expand their customer base and raise awareness of available financial services.¹²¹ This has contributed to increased visibility of formal financial institutions among women entrepreneurs. However, communication alone is insufficient. Without adapted products and adequate financial education, increased outreach risks leading to low usage or inappropriate borrowing. The combination of proactive marketing, data, regulation, institutional practices and demand-side support. Consolidating and scaling these success factors—while addressing their current limitations—will be critical to achieving deeper and more sustainable financial inclusion for women and women-owned MSMEs.

¹²⁰ National Agency for Investment Promotion. 2025. Interview with ANPI

¹²¹ National Agency for Investment Promotion. 2025. Interview with ANPI

Taken together, these factors illustrate that progress in women's financial inclusion has been driven less by a single intervention than by the interaction of data, regulation, institutional practices and demand-side support.

Consolidating and scaling these success factors—while addressing their current limitations—will be critical to achieving deeper and more sustainable financial inclusion for women and women-owned MSMEs.



11. THE WAY FORWARD

Advancing WMSMEs financial inclusion in Comoros requires a shift from broad commitments to targeted, measurable and implementable actions across policy, market, and ecosystem levels.

ESTABLISHING A COMMON DEFINITION AS A FOUNDATION FOR EVIDENCE-BASED POLICYMAKING

Establishing a standardized definition, anchored in national law and harmonized with regional and international practices, would be a crucial step toward strengthening evidence-based policies for private sector development in Comoros, particularly for WMSMEs. This definition should be consistently adopted and applied across the entire ecosystem—including public institutions, financial service providers, development partners, and business support organizations—to ensure coherence in data collection, policy design, program targeting, and impact measurement. A shared definition would reduce fragmentation, improve comparability of data and interventions, and ultimately enhance coordination and effectiveness across public and private sector initiatives.

PRACTICES LEVERAGE AND INTEGRATE EXISTING INFORMAL FINANCIAL PRACTICES

Policy makers and financial sector stakeholders should build on trusted informal financial mechanisms—particularly tontines and community-based savings groups—rather than seeking to replace them.

This entails designing hybrid financial products and delivery models that formally recognize these practices, for instance through linkages with microfinance institutions, adapted savings accounts, or group-based credit and guarantee schemes. Such an approach would help channel informal savings into the formal financial system while preserving the solidarity and trust that underpin women’s participation. Strengthening these linkages can improve savings mobilization, create pathways toward investment financing for WMSMEs, and enhance the relevance, uptake, and sustainability of financial services targeting women entrepreneurs.

STRENGTHEN THE REGULATORY FRAMEWORK FOR INCLUSIVE FINANCE PROVIDERS

Authorities should prioritize the establishment of a dedicated legal and regulatory framework for microfinance institutions and other non-bank providers offering credit to underserved segments, including WMSMEs. Such a framework should aim to enhance institutional sustainability, ensure adequate supervision and consumer protection, and enable MFIs to scale innovative products such as unsecured, transaction-based lending. In parallel, regulators should create clear guidelines for digital and mobile money-based credit products to ensure their safe integration into the financial system. A coherent regulatory environment would support responsible innovation, improve capital allocation, and allow inclusive finance providers to more effectively and sustainably serve women entrepreneurs.

ANCHOR WMSMES EXPLICITLY IN NATIONAL STRATEGIES

Women are already included as a cross-cutting priority in the National Financial Inclusion Strategy (NFIS). The next step is to explicitly reference women-led MSMEs as a distinct target group and to define quantified objectives (e.g. share of credit allocated to WMSMEs, number of women-led formal enterprises financed, or growth in women-owned productive loans). Clear targets would strengthen accountability, guide resource allocation and enable monitoring of progress beyond access metrics.

REORIENT FINANCIAL MARKETS TOWARD PRODUCTIVE FINANCE FOR WMSMES

Expanding access to finance for women-led MSMEs requires a deliberate shift away from predominantly consumption-oriented lending toward productive, growth-enabling financial products tailored to WMSMEs. Women entrepreneurs are often concentrated in sectors such as agriculture, trade, and services, where cash flows are irregular and investment needs are closely linked to seasonal or value-chain cycles. Financial institutions should, therefore, be encouraged through regulatory guidance, incentives and technical assistance to design dedicated credit and saving products for WMSMEs, aligned with their business realities and risk profiles. This applies both to traditional financial products and to digital financial services (DFS), which can play a critical role in reaching women entrepreneurs operating informally or in remote areas. By better matching product design to WMSMEs' productive needs, financial providers can improve portfolio performance while enabling women-led enterprises to invest, formalize and scale, rather than remain locked in short-term, low-productivity activities.

SYSTEMATIZE THE USE OF GENDER-DISAGGREGATED DATA

The deployment of gender-disaggregated data across the entire ecosystem—from regulators to financial institutions and support programs—is essential. Consistent data collection and use would improve policy design, product development and impact measurement, while making women-led MSMEs more visible in decision-making processes.

LEVERAGE ISLAMIC FINANCE TO EXPAND WMSME INCLUSION

Authorities, under the leadership of the BCC, should accelerate the development and regulation of Islamic finance as a strategic lever to expand access to finance for WMSMEs, particularly women entrepreneurs who remain underserved by conventional banking products. This includes strengthening the BCC's technical capacity and encouraging financial institutions to develop Sharia-compliant savings, credit and risk-sharing products adapted to the needs and cash-flow patterns of WMSMEs. Linking Islamic social finance instruments with formal financial institutions could further support capital mobilization, business formalization, and productive investment among vulnerable WMSMEs, in line with the implementation objectives of the National Financial Inclusion Strategy (NFIS).

STRENGTHENING INCLUSIVE ACCESS TO MOBILE MONEY

To accelerate digital financial inclusion in Comoros, policy and regulatory efforts should simultaneously tackle system-wide constraints such as low digital literacy, limited interoperability, insufficient use of digital infrastructure, cost transparency issues, and barriers to biometric identification, while also addressing gender-specific obstacles. This includes expanding and better distributing mobile money agent networks, particularly in underserved areas, and promoting affordable, low-balance mobile money products adapted to women's income patterns. Complementary investments in digital and financial literacy, combined with consumer protection measures, would help ensure that increased access translates into sustained and effective usage for both women and men.

REBUILD TRUST THROUGH TRANSPARENCY, OUTREACH AND DEMONSTRATION EFFECTS

Financial institutions, particularly banks, should adopt a more proactive role in local economic development by strengthening community outreach, improving transparency around fees, pricing, and lending conditions, and tailoring products to the needs of underserved segments, including WMSMEs. Public authorities and financial institutions should also promote and document successful cases of entrepreneurs supported by bank financing to create positive demonstration effects. In parallel, targeted financial literacy and savings promotion initiatives are needed to strengthen savings behavior and gradually rebuild trust in the formal financial system, thereby supporting deeper financial inclusion and capital accumulation.

COMBINE DEDICATED PROGRAMS WITH FINANCIAL EDUCATION & ASSET PROTECTION

Targeted programs for women entrepreneurs should integrate financial education and responsible asset management, including awareness around the use of gold as a store of value. The growing number of gold auctions reflects a loss of capital for households and businesses.¹²² Strengthening financial capability can help women make informed decisions, preserve productive assets and better leverage formal financial services.

SCALE UP WOMEN-FOCUSED CAPACITY BUILDING AND SUPPORT PROGRAMS

Existing entrepreneurship and business development initiatives targeting women should be strengthened and scaled, with a focus on growth-oriented MSMEs. This includes technical assistance, mentoring and linkage to finance, ensuring that successful pilots are expanded rather than remaining fragmented or donor dependent.

OPERATIONALIZE THE MOVABLE COLLATERAL REGISTRY

The establishment of a movable collateral registry is a key structural reform. Once operational, it can unlock access to finance for women-led MSMEs that lack land titles, or cannot readily prove ownership of them, but possess productive movable assets. Ensuring that financial institutions actively use the registry will be critical to translating this reform into tangible financing outcomes.

¹²² National Agency for Investment Promotion. 2025. Interview with ANPI

ACCELERATING FORMALIZATION AND FINANCIAL IDENTITY

Sustaining and accelerating business formalization efforts remains essential to deepen women's financial inclusion and unlock access to finance for WMSMEs. Building on ongoing initiatives led by the ANPI and aligned with the National Financial Inclusion Strategy (NFIS), continued support to simplified registration processes and awareness-raising is required. In parallel, the Central Bank of Comoros, in coordination with public authorities and financial service providers, should accelerate the rollout of biometric identification and promote microfinance-driven enrolment. Given their outreach to women entrepreneurs, MFIs are well positioned to act as entry points into the formal financial system by facilitating biometric ID registration, account opening and the gradual integration of WMSMEs into formal financial services. Strengthening interoperability between civil registration systems, MFIs and MSME support programs would help consolidate women entrepreneurs' financial identity and support their transition from informality to sustainable and productive growth.

PRIORITIZE IMPLEMENTATION OF EXISTING LEGAL FRAMEWORKS AND LAND TENURE FORMALIZATION

While legal and regulatory reforms are often complex and slow, immediate gains can be achieved by systematically inventorying existing laws and regulations that have an impact on WMSMEs' financial inclusion and strengthening their enforcement.¹²³ In particular, improving the formalization and security of property and land titles is critical.

Women's ability to use land as collateral is currently constrained by weak titling systems and high land tenure risk, reflecting entrenched social and cultural norms that limit the formal recognition of women's land rights, even where women exercise de facto ownership or control. Improving the formalization of property and land titles would directly expand women's access to secured finance.

MITIGATING SOCIAL NORM CONSTRAINTS

To mitigate the impact of restrictive social norms on women's economic participation, Comoros should adopt a coordinated approach that combines community-level behavior change interventions with institutional reforms. This includes engaging religious and traditional leaders in promoting positive narratives around women's entrepreneurship, integrating gender-transformative modules into education, vocational training and entrepreneurship programs, and strengthening gender mainstreaming across public institutions. Complementary measures, such as improving the collection and use of sex-disaggregated data and supporting women's business networks and role models, are essential to shift perceptions, expand women's agency, and enable WMSMEs to participate more fully in formal economic and financial systems.

Together, these actions provide a pragmatic and sequenced pathway to move from policy intent to measurable improvements in access to finance, resilience and growth for women-led MSMEs.

¹²³ National Agency for Investment Promotion. 2025. Interview with ANPI

ACRONYMS AND ABBREVIATIONS

| | |
|------------------|---|
| AFD | Agence Française de Développement (French Development Agency) |
| AFI | Alliance for Financial Inclusion |
| AGF | Banque AGF |
| AGI | Africa Gender Index |
| ANPI | National Agency for Investment Promotion (Agence Nationale pour la Promotion des Investissements) |
| AWLN | African Women Leaders Network |
| BCC | Central Bank of Comoros (Banque Centrale des Comores) |
| CDRIP | Centrale des Risques et des Incidents de Paiements (credit risk and payment incident registry) |
| CEDAW | Convention on the Elimination of All Forms of Discrimination against Women |
| COMFWB | Comorian Federation of Women in Business |
| CPCCAF | Permanent Conference of African and Francophone Chambers of Commerce and Industry |
| DFS | Digital Financial Services |
| DGEF | General Directorate for Women's Entrepreneurship |
| DSE | Directorate of Enterprise Services |
| EFOICOM | Women's Entrepreneurship in the Indian Ocean - Comoros |
| EXIM-BANK | Export-Import Bank |
| GDP | Gross Domestic Product |
| IMF | International Monetary Fund |

| | |
|-----------------|---|
| IUCN | International Union for Conservation of Nature |
| KMF | Comorian Franc |
| MECK | Savings and Credit Cooperatives of Comoros |
| MFI | Microfinance Institution |
| MSME | Micro, Small and Medium Enterprise |
| NFIS | National Financial Inclusion Strategy |
| NGO | Non-Governmental Organization |
| PFDDSA | Platform Women, Sustainable Development and Food Security |
| PNEEG | National Policy on Gender Equality and Equity |
| RESEA | Regenerative Seascapes Project |
| SCA2D | Accelerated Growth Strategy for Sustainable Development |
| SOGAK | Comoros Credit Guarantee Company |
| UCCIA | Union of Chambers of Commerce, Industry and Agriculture |
| USD | United States Dollar |
| WEP | Women Entrepreneurship Program |
| WMSME / WSME | Women-led Micro, Small and Medium Enterprise |

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Alliance for Financial Inclusion

AFI, Sasana Kijang, 2, Jalan Dato' Onn, 50480 Kuala Lumpur, Malaysia
t +60 3 2776 9000 e info@afi-global.org www.afi-global.org

 Alliance for Financial Inclusion  AFI.History  @NewsAFI  @afinetwork