



IMPACT-LINKED  
FINANCE FUND

ILF FOR GIF  
Latam Window

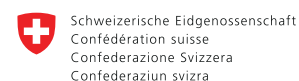


# STRENGTHENING IMPACT EVIDENCE AT THE FINANCIAL INCLUSION AND GENDER NEXUS

INSIGHTS BRIEF

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**Swiss Agency for Development  
and Cooperation SDC**

# I. SUMMARY

Digital lending and remittance fintechs across Latin America (Latam) are expanding financial access for women and migrants, yet most still struggle to demonstrate their social impact in ways that are both credible and operationally realistic. This limits their ability to access innovative financing opportunities, including Impact-Linked Finance (ILF), that could reward them for the positive societal value they create.

This Insights Brief distills a research project conducted under the [Impact-Linked Fund for Gender Inclusive Fintech](#) (ILF for GIF) – Latin America Window between July and October 2025. The project set out to answer three questions:

1. **How do Latam fintechs contribute to positive gender and migration outcomes?**
2. **Which output metrics can they realistically measure that serve as credible outcome proxies?**
3. **Under what conditions can these outputs be used as proxies in practice, be it for general impact measurement and management (IMM) or Impact-Linked Finance (ILF) specifically?**

The mixed-methods research approach combined a systematic review of 18 high-quality studies, 7 key informant interviews (KIIs) with Latam fintechs and IMM experts, and a validation workshop with ILF practitioners. It resulted in two practical tools:

## Tool 1

**Output-Outcome Metric Menus:** Three menus of evidence-based output metrics for fintechs providing digital lending solutions for women customers and/or women-led MSMEs, as well as digital remittance solutions serving women migrants.

## Tool 2

**Decision-Making Framework:** A five-criteria framework to help ILF practitioners and impact investors assess which metrics from the menus are feasible, attributable, commercially aligned, and worth the data collection effort.

Three core findings stand out from the research:

- **Proven pathways but uneven evidence:** Strong evidence links fintechs to improved access to finance, digital financial control, and business growth for women; meanwhile, positive migration outcomes beyond remittance cost savings are still under-researched, especially in Latin America.
- **Large IMM capability gaps:** Most fintechs already collect rich operational data, but systematic measurement of outcomes is rare and usually driven by donors or investors rather than fintechs themselves.
- **Outputs as “good-enough” proxies:** Well-chosen output metrics can credibly substitute for outcomes within typical 2–3year ILF timeframes—if attribution is defensible, data quality is solid, and incentives avoid perverse effects.

The Brief concludes with practical recommendations and best-practice principles for investors, public funders, fintechs and Technical Assistance (TA) providers who want to strengthen gender and migration-focused IMM among Latam fintechs while staying realistic about capacity and context.

## II. CONTEXT

Inclusive fintechs are a critical lever for advancing gender equality and financial inclusion in emerging markets. In Latin America, women and migrants are disproportionately excluded from formal finance, facing higher transaction costs, geographic barriers, and structural bias in traditional underwriting models.

Digital lenders and remittance providers can lower these barriers by:

- Using alternative data and digital channels to extend credit to previously unbankable customers.
- Offering faster, cheaper remittances that reduce reliance on informal (and often predatory) risky channels.
- Providing technology that makes it easier for women to manage money privately and consistently.

Yet a persistent challenge remains: measuring the real-world gender and migration outcomes of these services in ways that are credible, comparable, and feasible for early and growth-stage fintechs. Many fintechs track business metrics, such as customer acquisition, repayment rates and transaction volumes, but rarely measure outcomes, such as changes in women's financial control, resilience or business growth.

For ILF and other outcome-based financing structures, this creates tension:

- Outcome funders need robust evidence that financial incentives are tied to real impact.
- Fintechs often lack the IMM systems, staff capacity and budgets to run customer surveys, build robust data systems, or commission impact evaluations.

This research project therefore sits at the intersection of three needs:

- Impact investors and donors need practical, evidence-based metrics that can underpin incentive schemes and impact reporting.
- Fintechs need guidance on which existing data can be repurposed as credible impact evidence without overburdening their operations.
- TA providers and IMM specialists need frameworks that help them sequence support, build improved data capabilities and avoid pushing companies into unsustainable measurement requirements.

The present brief addresses these needs by translating a detailed research report into concise insights and tools that can help stakeholders move from “impact intent” to impact evidence, even in contexts with limited data and constrained IMM capacities.

## III. ABOUT THIS REPORT

### PURPOSE OF THE INSIGHTS BRIEF

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This Insights Brief summarizes key findings from the full narrative report *Strengthening Impact Evidence at the Financial Inclusion and Gender Nexus (2025)* and introduces two tools designed to make gender and migration-focused IMM more practical for fintechs in Latam. It is written for:

- Public funders/donors providing outcome-oriented capital, such as ILF.
- Impact investors and ILF practitioners supporting their portfolio companies with IMM guidance that is less resource-intensive.
- Fintechs—especially digital lenders and remittance providers—seeking to more credibly demonstrate their impact on women and migrants.
- TA providers and IMM specialists helping fintechs build stronger data and measurement systems.

### HOW TO USE THIS BRIEF

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Readers can use this Brief to:

- Understand the evidence base linking fintech services to gender and migration outcomes.
- See which outputs can credibly serve as proxies for those outcomes.
- Learn when and how to apply the two tools in ILF or impact investment scenarios.
- Adapt the emerging best practices for IMM in their own portfolios or programs.

The full narrative report (available on request) contains detailed literature reviews, methodological annexes, and full tool documentation. This Brief focuses on actionable insights and selected visuals to keep the content accessible and concise.

### ABOUT ROOTS OF IMPACT

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Drawing on more than a decade of proven expertise, Roots of Impact works as a trusted advisor and fund manager for impact investors, philanthropists, and catalytic funders. With its unique impact-by-design approach, Roots of Impact unlocks the full potential to deliver positive impact for people and the planet in line with the priorities of its clients.

As innovative finance pioneers who coined the term Impact-Linked Finance (ILF), Roots of Impact brings the skills, team, passion and experience to turn intentions into results across the entire spectrum of capital, spanning philanthropy, blended finance, and impact investment.

### ABOUT THE ILF FOR GIF

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In April 2022, the Impact-Linked Fund for Gender Inclusive Fintech (ILF for GIF) was launched with support of the [Swiss Agency for Development and Cooperation](#) (SDC) and the [Austrian Development Agency](#) (ADA). The ILF for GIF incentivizes a stronger focus on gender transformative outcomes by providing ILF and TA to fintechs. In addition to economic empowerment, the ILF for GIF explicitly recognizes financial inclusion as a protective outcome, particularly for women and other vulnerable groups.

## **ABOUT THE ILF FOR GIF – LATIN AMERICAN WINDOW**

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The ILF for GIF - Latin American Window was established under the Regional Protection and Migration Program (RPMP) of the SDC to advance innovative financial inclusion for women and people in human mobility in Colombia, Perú, and Ecuador. It incentivizes a stronger focus on gender-transformative outcomes among people on the move by providing ILF and TA to fintechs and other ecosystem actors. Through this approach, fintechs are directly rewarded with financial incentives for achieving measurable social impact, strengthening both inclusion outcomes and business sustainability.

## **ABOUT THE ILFF AND ROOTS OF IMPACT**

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The Impact-Linked Finance Fund (ILFF), established as a Dutch nonprofit foundation, is the specialized operational partner for Impact-Linked Fund Managers. ILFF provides an operational, legal, and financial back-end infrastructure that is compliant, reliable, and tailored to the needs of Impact-Linked Finance programs. It also serves as a knowledge hub and advocate for embedding impact-linked principles and terms across business, policy, and finance. Roots of Impact acts as the Fund Manager for the ILFF and respectively, for the ILF for GIF and the ILF for GIF – Latin American Window.



## IV. WHAT INFORMED THE RESEARCH APPROACH

The research design was shaped by two constraints: evidence gaps and implementation realities. On the evidence side, a systematic review identified 18 high-quality studies published between 2019–2025 on fintech, gender and migration; however, only six focused exclusively on Latin America. The strongest evidence comes from East Africa and Asia, especially on digital credit and mobile money, while migration-specific outcomes remain under-researched globally.

On the implementation side, KIIs showed that:

- Most fintechs already capture significant operational data but rarely connect it to outcomes for women and migrant customers.
- IMM resources are scarce; fintechs tend to be cash-constrained and prioritize activities with more direct links to revenue generation.
- ILF practitioners and impact investors must balance impact alignment and commercial fit when considering suitable metrics for fintechs to measure.

The research approach therefore combined:

- Desk research to map outcome pathways and rank evidence strength across six outcomes (access, control, resilience, business growth, disposable income, financial security).
- Qualitative inquiry (KIIs) to understand what fintechs and experts see as realistic to measure.
- Practitioner validation to test draft tools against real ILF transaction scenarios and surface practical constraints.

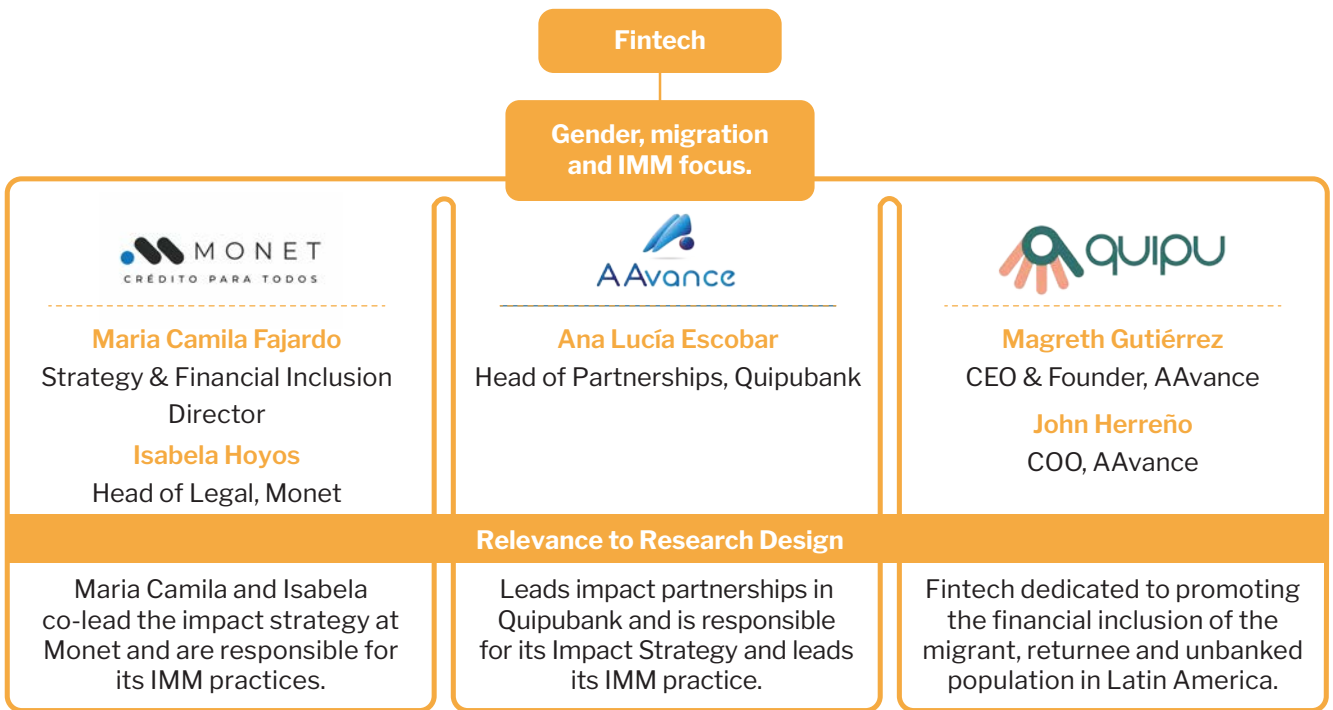
This triangulation ensured that the tools are grounded in rigorous evidence while remaining usable in real ILF and investment contexts.

## V. WHO PARTICIPATED IN THE RESEARCH

This research brought together representatives from fintechs and subject matter experts with deep experience in gender, migration, and IMM in Latam.

Three Colombia-based digital lending fintechs participated as core interviewees: [AAvance](#), focused on migrants and people on the move; [Monet](#), a low-amount lender for monthly expenses with strong gender impact initiatives; and [Quipu](#), an informal micro and small business lender building its automated impact measurement capabilities. These fintechs shared detailed information on their products, data systems, and current IMM practices, providing a realistic picture of what is currently measured, what remains aspirational, and which operational metrics are most feasible to use as outcome proxies.

Table 1. Fintechs participants



To complement the fintech perspective, four subject matter experts contributed through KIIs: migration and IMM specialists from [Sagana](#), a gender and IMM advisor from [Value for Women](#), and an impact manager from [ALIVE Ventures](#), alongside the ILF program manager at [Roots of Impact](#). Together they brought cross-regional experience (Latin America, Africa, Asia) on financial inclusion, gender-responsive product design, migration dynamics, and investor expectations for IMM, helping to interpret the desk research and stress-test proposed metrics and tools.

Finally, representatives from Roots of Impact and the SDC Bogotá office took part in an online validation workshop, where draft versions of the Output-Outcome Menus (Tool 1) and the Decision-Making Framework (Tool 2) were tested using realistic fintech case studies. Their feedback helped refine the criteria for selecting metrics, identify data quality and feasibility challenges, and ensure that both tools reflect the real constraints and decision processes of transaction design.

## LIMITATIONS OF THE RESEARCH

This research draws on a relatively small primary sample of seven KIIs, including three fintechs that are all digital lenders based in Colombia. While these fintechs offered rich insights, their experiences may not fully capture the diversity of business models, regulatory environments, or customer segments across Latam. In addition, only one-third of the 18 desk-research studies focus exclusively on Latam, with much of the strongest evidence originating from East Africa and Asia. As a result, some output–outcome linkages rely on global evidence that has been carefully adapted, but not yet fully validated, for Latam contexts.

## VI. WHAT THE RESEARCH REVEALED

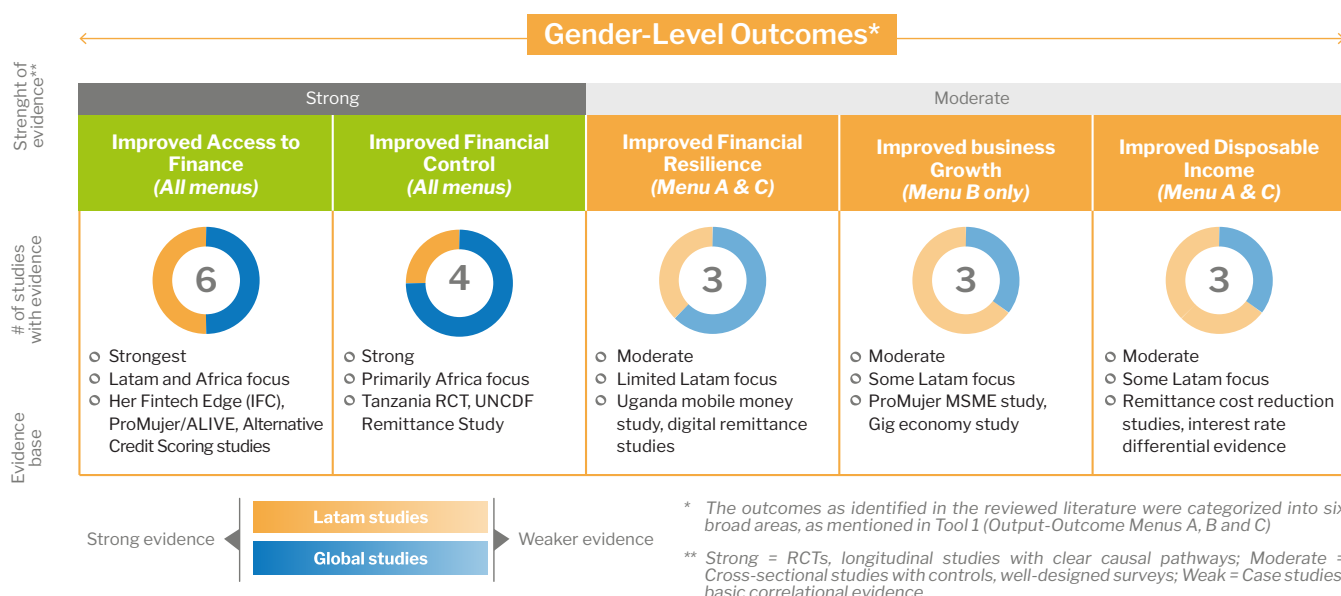
This section summarizes what the research uncovered about (i) where the evidence on fintech, gender and migration is strongest, (ii) what fintechs in practice currently measure, and (iii) how the two tools translate these insights into usable IMM guidance.

### VI.1 EVIDENCE MAP: FINTECH IMPACT ON GENDER AND MIGRATION

The desk research reviewed 18 high-quality studies published between 2019 and 2025 on fintech, gender and migration. These studies span randomized controlled trials, longitudinal analyses, and robust survey-based work, but only six focus exclusively on Latam, with much of the strongest evidence coming from East Africa and Asia. Despite these regional gaps, clear patterns emerge about which outcomes fintechs are most likely to influence and how.

Across the desk research, evidence converges on six main outcome areas (listed in order of evidence strength):

Table 2. Evidence Map



- **Improved Access to Finance<sup>1</sup>** – strongest evidence base, with multiple rigorous studies showing that digital credit, alternative data underwriting and digital remittances expand formal access for previously excluded women customers.
- **Improved Financial Control<sup>2</sup>** – strong evidence, particularly from digital lending and mobile money, that digital channels increase women’s ability to manage money privately, keep independent balances, and make financial decisions.
- **Improved Business Growth<sup>3</sup>** – moderate evidence that women-led MSMEs using fintech credit grow revenues, assets and employment, though results are more context-dependent.

1 Defined as the enhanced ability to obtain credit, savings, payments, and insurance services from formal financial providers, particularly for previously underserved individuals or enterprises ([Her Fintech Edge, IFC](#)).

2 Defined as the enhanced ability of an individual (especially a woman) to decide how money is earned, saved, and spent within the household and to keep independent custody of those funds ([Her Fintech Edge, IFC](#)).

3 Defined as the expansion of a firm measured through rising sales, profits, employee head-count, market share, or other scale metrics that demonstrate the enterprise’s increasing capacity to create jobs and contribute to economic development ([IFC, Banking on SMEs: Driving Growth, Creating Jobs](#)).

- **Improved Financial Resilience<sup>4</sup>** – moderate evidence that consistent use of digital financial services, including remittance wallets, correlates with better ability to cope with shocks.
- **Improved Disposable Income<sup>5</sup>** – moderate evidence that lower interest rates than informal lenders and lower remittance fees increase net resources available to households.
- **Improved Financial Security<sup>6</sup>** – limited evidence, mainly remittance-focused, on broader financial security or longterm financial health.

To make this evidence base usable for impact investing and ILF, these six outcome areas were consolidated into three proven pathways where attribution to digital lending and remittance business models are strongest, and outcomes are likely to materialize within 2–3 years:

1. **Expanding financial access:** Digital lenders and remittance providers reduce barriers such as collateral requirements, distance to branches and documentation hurdles. Evidence shows that women who were previously excluded gain formal accounts and credit, often as first-time borrowers.
2. **Enabling digital financial control:** Digital accounts and platforms create “digital financial trails” that allow women to store, move and track money without relying on cash or joint accounts that others can monitor. Experimental studies link these features to higher scores on women’s empowerment indices and shifts in household spending toward women’s priorities.
3. **Facilitating women-led MSME business growth:** For women entrepreneurs, timely and affordable capital – combined with alternative data underwriting – relieves liquidity constraints and supports investment in inventory, equipment and staff. Latam-specific research shows that gender-differentiated credit scoring can expand responsible lending to women-led MSMEs while maintaining or improving portfolio quality.
4. **Migration-related outcomes show much thinner evidence:** Most existing research studies focus on cost savings from digital remittances and basic usage patterns; there is far less rigorous work on longer-term socioeconomic mobility, host country integration or business creation among migrant populations in Latam. This reality informed a more cautious design of the remittance-focused Output-Outcome Metric Menu (Menu C).

## VI.2 FINTECHS’ IMM PRACTICES

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While the literature reveals strong potential pathways, the KIIs showed a persistent gap between impact potential and current IMM practices among fintechs.




All three interviewed fintechs collect rich operational data as part of their core business models. Typical datasets include customer demographics, loan approval and repayment behavior, transaction volumes, credit progression and basic gender disaggregation. For example, Monet can track how many customers have exited predatory lenders and progressed to formal credit lines, while AAvance can report the % of its customers that are migrants and first-time formal banking users.

4 Defined as the improved capacity to maintain financial stability and recover from economic shocks through diversified financial strategies and emergency preparedness ([Digital Financial Services and Women’s Empowerment in Tanzania, Heath & Riley, 2024](#)).

5 Defined as the growth in total earnings received from wages, self-employment, investments, or other sources, leading to higher disposable income for individuals or households ([Cambridge Dictionary](#)).

6 Defined as the ability to meet short-term and ongoing financial commitments such as on food, rent, and debt payments, with confidence in one’s ability to manage current and future financial obligations ([UN Capital Development Fund \(UNCDF\), Global Financial Health Definition](#)).

Table 3. Fintechs' IMM Practices

IMM Capabilities and Systems	Types of Metrics	Gender and Migration IMM
 <ul style="list-style-type: none"> <li>Alternative credit scoring using open banking (no credit bureau consultation initially)</li> <li>Post-loan impact tracking after 3+ loans (credit bureau integration)</li> <li>60 Decibels study integration for customer insights</li> <li>Women-focused community platform ("Yo soy M") with specific data collection</li> </ul>	<p><i>Monet has the most developed gender-specific IMM system among the three sampled fintechs.</i></p> <p><b>Outputs:</b> Loan approval rates, repayment behavior, platform usage</p> <p><b>Outcomes:</b> Access to traditional banking products (prepaid lines, bank loans, credit cards), exit from predatory lending</p> <p><b>Business Growth:</b> Revenue increases for MSME customers, employee hiring</p> <p><b>Gender-Specific:</b> Women customer retention, payment behavior comparisons</p>	<p><b>Strengths:</b> Dedicated women's program with community engagement, tracks gender-differentiated payment behavior</p> <p>Some migration tracking (internally displaced populations)</p> <p><b>Evidence Basis:</b> Uses 60 Decibels data showing women as better payers, more conservative borrowers</p>
 <ul style="list-style-type: none"> <li>Basic data collection through onboarding (KYC process, biometric registration)</li> <li>Partnership with Visa for financial education platform</li> <li>Connected to Experian for credit scoring but relies on alternative data for customers w/o credit history</li> <li>Wallet-based transaction data collection system</li> </ul>	<p><i>AAvance leads in migration-focused IMM among the three sampled fintechs.</i></p> <p><b>Demographics:</b> 85% are first-time formal banking customers, 66% are migrants</p> <p><b>Outputs:</b> Customer demographic data, transaction frequency, remittance receipt volumes</p> <p><b>Outcomes:</b> Limited systematic outcome measurement</p> <p><b>Impact:</b> Tracks customer progression to formal credit history building</p> <p><b>Outcomes:</b> Limited systematic outcome measurement</p>	<p><b>Strengths:</b> Clear migrant customer identification (66% customer base), developing PPT permit integration for Venezuelan migrants</p> <p><b>Gaps:</b> Gender-disaggregated data but no gender-differentiated credit scoring or specific gender impact tracking</p> <p><b>Migration Focus:</b> Strong - designed specifically for "people on the move" including migrants and displaced populations</p>
 <ul style="list-style-type: none"> <li>AI-powered alternative credit scoring for informal businesses</li> <li>Three main data sources: credit applications, bi-annual NPS surveys, credit bureaus</li> <li>Plans to develop quality of life impact indicators</li> <li>Alternative data integration (utility payments, mobile usage, social networks)</li> </ul>	<p><i>Quipu is building capabilities with clear targets but has limited current implementation.</i></p> <p><b>Outputs:</b> Application numbers, approval rates, loan renewal rates</p> <p><b>Business:</b> Revenue tracking for borrower businesses, credit score improvements</p> <p><b>Customer:</b> NPS scores, platform usage patterns</p> <p><b>Future Plans:</b> Quality of life indicators under development</p>	<p><b>Strengths:</b> 50% women borrower target, developing women-specific products</p> <p><b>Migration Goals:</b> Increasing from 1% to 10% migrant customer base</p> <p><b>Gaps:</b> Limited current gender-differentiated measurement, early-stage migration focus</p> <p>Currently expanding IMM capabilities for specific populations</p>

However, systematic outcome measurement remains challenging:

- Many early and growth-stage fintechs do not yet conduct longitudinal outcome tracking or use control/comparison groups, relying instead on shorter time horizons that match their operational realities.

- Outcome claims (e.g., improved income or quality of life) are often supported by customer anecdotes or small-scale one-off surveys, rather than by consistently tracked metrics with a robust sample size.
- Gender-differentiated analysis frequently focuses on basic portfolio composition (such as the share of women customers), with fewer examples of systematic assessment of whether women and men experience different outcomes.
- Migration-related outcomes are particularly difficult to capture, given documentation sensitivity, high customer mobility and the risk of underreporting migration or legal status.

These KIs also surfaced practical feasibility tiers for potential output metrics that could proxy for the six outcome areas, which informed the design of Tool 1:

- **High-feasibility metrics** – Already captured in core data systems and directly relevant to the business (e.g., share of women in portfolio, share of first-time formal borrowers, repayment rates, usage frequency). These can be used immediately as building blocks for proxy metrics.
- **Medium-feasibility metrics** – Require modest additional effort for the fintech to measure, involving tactics including short surveys, better data tagging or system integration (e.g., NPS gaps by gender, self-reported changes in financial management, basic revenue trends for women-led MSMEs). These are typically realistic for growth-stage fintechs with IMM TA support.
- **Low-feasibility metrics** – Require substantial resources for fintechs, long time horizons and/or sensitive data (e.g., household income stability, detailed migration trajectories, multidimensional poverty alleviation). These are generally unsuitable for routine impact management within the scope of impact investment, ILF or other forms of innovative finance.



Table 4. Output Metrics Feasibility Levels

Feasibility Level	Example Metrics	Data Source	Key Characteristics	Resource Requirements
High	<ul style="list-style-type: none"> <li>• % women in customer portfolio</li> <li>• % first-time formal borrowers</li> <li>• Average loan amounts over time</li> <li>• Repayment rates and on-time payment</li> <li>• Platform usage frequency/duration</li> <li>• Transaction volumes and costs</li> </ul>	Existing business systems (credit risk, operations, financial reporting)	<ul style="list-style-type: none"> <li>• Already collected for business purposes</li> <li>• Strong outcome linkages</li> <li>• Defensible attribution</li> <li>• No additional data collection burden</li> </ul>	Minimal – leverages existing data infrastructure
Medium	<ul style="list-style-type: none"> <li>• Net Promoter Score (NPS) gender gap</li> <li>• Self-reported improved financial management</li> <li>• Business revenue changes (for women-led MSMEs)</li> <li>• Reduced reliance on informal lending</li> <li>• Adoption of complementary financial services</li> </ul>	Periodic customer surveys; cross-system data integration; renewal/service interactions	<ul style="list-style-type: none"> <li>• Likely requires modest data collection investment</li> <li>• More manageable for growth-stage fintechs</li> <li>• Reasonable outcome linkages</li> <li>• Survey design expertise needed</li> </ul>	Moderate – may require quarterly/semi-annual surveys; data integration between systems; added internal IMM budgets
Low	<ul style="list-style-type: none"> <li>• Household income stability tracking</li> <li>• Business employee hiring verification</li> <li>• Gender-specific business formalization</li> <li>• Individual migration status identification</li> </ul>	Longitudinal studies; repeated measurement; external verification	<ul style="list-style-type: none"> <li>• Methodologically complex</li> <li>• Resource-intensive data collection</li> <li>• Weaker attribution potential</li> <li>• Likely impact verification challenges</li> </ul>	High – potentially needs specialized methodologies and/or dedicated research staff; also, extended timeframes for outcomes to materialize from outputs

A crosscutting insight from fintechs and experts is that resource constraints and opportunity costs are critical. Early-stage fintechs are typically “cash-constrained”; dedicating staff time or budget to sophisticated IMM directly competes with product development and customer acquisition. This underscores the need for practical tools that privilege metrics which can be drawn from existing data and that also add value to making core business decisions.

### VI.3 FROM EVIDENCE TO TOOLS: OUTPUTS AS PROXIES

Given the evidence base and practical constraints, the research focused on when and how output metrics – drawn largely from routine business data – can be used as credible proxies for outcomes.

A good-enough proxy metric in this context has three characteristics:

1. **It sits close to the outcome on the causal chain** (e.g., repeat borrowing, fintech product graduation, or digital usage patterns instead of broad “empowerment”).
2. **There is empirical evidence** that positive changes in this output are associated with expected changes in the outcome.
3. **The fintech’s contribution to the change can be reasonably attributed**, and the metric can be measured reliably with available systems (or modest TA support).

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## TOOL 1 – OUTPUT-OUTCOME METRIC MENUS

[DOWNLOAD HERE](#)

Tool 1 translates the evidence map and KII insights into three business model specific menus<sup>7</sup>:

**Menu A<sup>8</sup>**: Digital lending fintechs serving individual women customers (B2C).

**Menu B**: Digital lending fintechs serving women-led MSMEs (B2B/B2B2C).

**Menu C**: Digital remittance fintechs serving women migrant customers (B2C).

Each menu:

- Groups output metrics under a small set of outcome areas (e.g., Improved Access to Finance, Improved Financial Control, Improved Business Growth) exhibiting the strongest linkage.
- Lists a handful of operational metrics that fintechs can realistically measure, such as:
  - Year over year growth in first-time women borrowers.
  - Percentage of women borrowers returning for a second or third loan.
  - Percentage of women-led MSMEs graduating to larger loan products.
  - Percentage of women users completing their first digital remittance transaction.
  - Percentage reduction in remittance transfer costs compared to traditional channels.
- Provides a short evidence-based rationale for each output–outcome link, drawing on the studies reviewed.

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<sup>7</sup> Output metrics can lead to multiple outcomes. Therefore, the outcomes linked to the relevant output metrics on Menus A, B, and C exhibit the strongest correlation given the research evidence.

<sup>8</sup> As it can sometimes be difficult/imprecise for fintechs to distinguish between women borrowers (Menu A) and women-led MSME borrowers (Menu B), there exists a certain degree of interchangeability between the metrics on both menus. Broadly, to differentiate between the two, Menu B focuses more on business-related aspects while Menu A emphasizes livelihood improvements.

Graph 1. Illustrative example on how to use the Tool 1 Menu

Note: Time indications are illustrative and can change depending on the fintech business model

📝 Outcomes	🎯 Relevant Output Metrics
Improved Access to Finance	Year-over-year growth rate in number of new first-time women borrowers
	% of loans given to women as a proportion of the total base of borrowers
	<i>Suggested to pair with absolute #, potentially as a scale multiplier: Total number of new women borrowers acquired annually</i>
	<b>% of women customers receiving credit limit increases within 24 months (measured among customers maintaining 95%+ on-time repayment)</b>
	Average speed of loan disbursement (minutes vs. days) for women using digital vs. traditional channels
	<i>Improved time savings (above) correlates with two outcomes, namely Improved Access to Finance and Improved Income</i>
🔗 Rationale	Repeat borrowing indicates successful loan utilization and improved creditworthiness, demonstrating sustained and deepening access to formal credit markets. The progression from initial access to increased credit limits – often offered by fintechs after sustained on-time repayments – represents financial access expansion, moving beyond basic inclusion to robust empowerment.

A deliberate design choice was to exclude self-reported survey outcomes (e.g., “% of women reporting improved confidence”) from the menus. Instead, the menus focus on behavioral and transactional metrics that are both easier to track and less prone to response bias.

## TOOL 2 – DECISION-MAKING FRAMEWORK

[DOWNLOAD HERE](#)

While Tool 1 answers “What could fintechs measure?”, Tool 2 helps answer “What should fintechs measure in this specific context?”

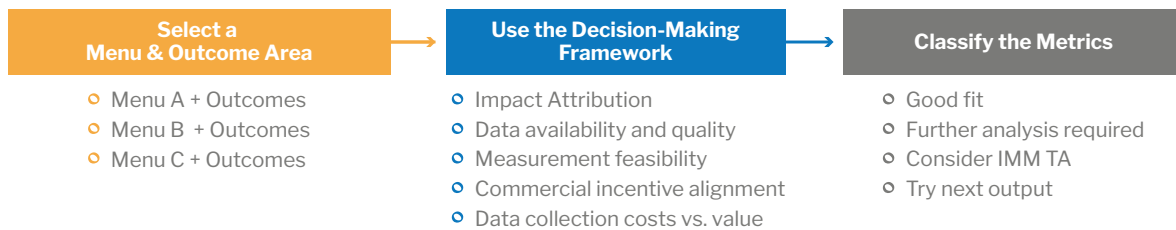
The Decision-Making Framework guides practitioners through five sequential criteria for assessing proxy metric selection from one of the three Menus:

- 1. Impact attribution** – Can observed changes reasonably be linked to the fintech’s services, or are they likely driven by external factors?
- 2. Data availability and quality** – Does the fintech already collect this data in a complete and consistent way, or would major system changes be required?
- 3. Measurement feasibility** – Is it realistic to capture this metric regularly given current staff capacity, systems and processes?
- 4. Commercial incentive alignment** – Would tying financial incentives to this metric reinforce, or potentially undermine, sound business and customer outcomes?
- 5. Data collection costs vs. value** – If required, is the extra effort or investment justified by the usefulness of the metric for both impact and commercial decision-making?

Based on this assessment, each metric from the relevant Menu is then classified as:

- **Good fit** – suitable for usage in an ILF incentive scheme (or for impact reporting within an impact investment context).
- **Further analysis required** – promising but needs additional clarification from the fintech first before determining suitability.
- **Consider IMM TA** – valuable but requires targeted TA support to become feasible.
- **Try next output** – not suitable given current fintech context.

Graph 2. Decision Framework Process



One distinctive element of Tool 2 is its focus on screening for potential risks with metric measurement. It particularly supports identifying potential perverse incentives that could be inadvertently induced by rewarding a fintech for achieving certain impact targets via ILF. Examples include:

- **Over-lending** to women customers to reach ambitious loan size or growth targets.
- **Cherry-picking** higher-income women or “easier” migrants to improve portfolio quality at the expense of financial inclusion objectives.
- **Encouraging migrants to send** unsustainably high remittance volumes or at high frequencies in order to boost metric performance.

By combining the Menus with this framework, practitioners can select a small number of metrics that are (i) grounded in evidence, (ii) realistic to measure, and (iii) aligned with both impact and commercial performance for the fintech.



## VII. BRINGING IT TOGETHER: BEST PRACTICES FOR GENDER IMM AMONG FINTECHS IN LATAM

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This section distills the research into practical principles for designing gender and migration-focused IMM with fintechs in Latam. It is aimed at investors, outcome funders, fintech teams and TA providers who need to balance evidence, feasibility and commercial realities.

### 1. Start from outcome pathways, not from data lists

Effective IMM begins with a clear view of how a fintech is expected to create impact, and only then moves to what can be measured. The research showed three proven pathways where fintechs have strong, defensible contributions: expanding financial access, enabling digital financial control, and supporting women-led MSME business growth.

For each fintech, practitioners should first identify which of these pathways are most relevant, given the business model and customer segment, and then select outputs from the menus that best proxy those outcomes. This avoids the common pitfall of building frameworks around whichever data happens to be available, even if those metrics say little about meaningful change for women or migrants.

### 2. Prioritize “high-feasibility, high-value” metrics

The study found that most fintechs already collect a wide range of operational data, but only some of these metrics have strong links to outcomes (and are thus realistic for ILF use). A practical consideration is to focus on metrics that are both:

- **High feasibility:** Already captured in core systems or easily derived (e.g., share of women in portfolio, first-time formal borrowers, repeat borrowing, repayment behavior, digital usage frequency).
- **High value:** Strongly connected to the relevant outcome pathways and useful for internal business decisions (e.g., customer retention, credit progression, segment profitability).

Once those metrics are in place and consistently measured, practitioners can consider adding a few medium-feasibility metrics (such as NPS gaps or basic self-reported changes) for more nuance, ideally with IMM TA support, if available.

### 3. Align IMM with the business model and incentives

IMM is more likely to be sustained when metrics serve both impact accountability and business management purposes. The research underscored that early and growth-stage fintechs are typically cash-constrained and will naturally deprioritize indicators that only serve external reporting for investors or funders.

Good practice is to favor metrics that:

- Directly inform product or portfolio decisions (e.g., repayment and repeat-usage metrics by gender or segment).
- Reflect the fintech’s core value proposition (e.g., first-time access for excluded women, reduced dependence on informal lenders, lower remittance costs for migrants).
- Can be embedded into dashboards or standard data reviews, rather than existing in a standalone IMM spreadsheet.

Where metrics require additional data collection or analysis effort, linking them to clear commercial insights – such as customer lifetime value, churn, or new segment opportunities – helps justify the resource investment.

#### 4. Be explicit about evidence strength and context limits

The evidence map showed that some outcome areas – particularly access to finance and digital financial control – have more robust causal backing, while others, especially migration outcomes and longer-term financial security, are supported by thinner and/or non-Latam evidence.

Best practice is to:

- Use outcome claims that match the strength of the evidence – for example, treating “improved access to finance” as a strongly evidenced impact area, and “improved financial security for migrant households” as a more exploratory outcome.
- To avoid impact washing, be transparent in investor or donor communication about which metrics rest on Latam-specific studies and which are adapted from global research.
- Treat the menus and evidence map as living tools that should be updated as new regional research emerges.

A brief “evidence note” alongside selected metrics can be an effective way to communicate this nuance without burdening reporting.

#### 5. Systematically screen for perverse incentive risks

The Decision-Making Framework emphasizes that even well-intentioned metrics can create harmful incentives for fintechs if not carefully designed with suitable targets in mind. The research identified potential recurring risk patterns, including:

- **Over-lending:** setting ambitious targets (and associated financial incentives) that inadvertently push up average loan sizes for women borrowers, for instance, in ways that may exceed their risk tolerance or repayment capacity.
- **Cherry-picking:** focusing targets (and associated financial incentives) on women customers who are comparatively easier and more profitable to serve, at the expense of more vulnerable customer segments.
- **Unsustainable remittance behavior:** measuring metrics that reward increased remittance transaction volume or frequency without checking whether senders can afford it, potentially encouraging migrant customers to send more than is financially safe.

Good practice is to combine “headline” growth metrics with safeguard metrics, such as on-time repayment, portfolio quality, or recommended remittance thresholds (e.g., transactions remaining below a reasonable share of estimated income). The Decision-Making Framework can then help flag metrics as “high-risk” unless appropriate guardrails are built into the incentive design.

## **FICTIONAL CASE STUDY: AVOIDING OVER-LENDING RISK WITH CREDIABC**

“CrediABC” is a digital lender in Colombia that focuses on women micro-entrepreneurs selling food and household goods in low-income neighborhoods. In an ILF transaction, the initial proposal was to tie a significant portion of the total incentive payment to a single growth metric: “increased average loan size to women borrowers” with a target of at least 30% above baseline loan amounts, spread over a two-year duration. On paper, this looked like a strong signal of improved financial access and business growth.

In practice, however, the Decision-Making Framework flagged a risk: CrediABC front-line staff could feel pressure to push larger loans to women MSMEs even when they explicitly prefer smaller, more manageable amounts, potentially increasing over-indebtedness and stress. The framework thus categorized this metric as “high-risk” on both the commercial incentive alignment and data collection cost criteria, triggering a deeper discussion with the fintech on how women borrowers actually use and repay credit over time.

In response, ILF practitioners and CrediABC worked together to redesign the incentive structure around a bundle of metrics rather than a single loan-size target. They retained a modest growth indicator: “percentage of women borrowers who graduate from very small loans to the next product tier within 24 months,” but paired it with two safeguard metrics: (i) “share of women borrowers maintaining on-time loan repayment over the past 6 months,” and (ii) “portfolio-at-risk >30 days for women borrowers does not exceed a predefined ceiling.”

The Decision-Making Framework was then used to stress-test this bundle against all five criteria, confirming that it rewarded *responsible* credit progression, not just bigger amounts. In practice, this means that ILF payments would only be triggered when growth in loan size among CrediABC borrowers coincides with strong repayment behavior and acceptable risk levels, reducing the likelihood that well-intentioned incentives would nudge CrediABC toward aggressive over-lending to women customers.

### **6. Set realistic IMM expectations by fintech maturity**

The study and validation workshop both highlighted that applying the same IMM expectations to all fintechs is unrealistic. Instead, expectations and support should be calibrated to commercial and organizational maturity, in line with best practices from [Ventures at the Helm](#) guidance:

- **Early-stage fintechs (pre-Series A/very lean teams):** focus on a very small set of high-feasibility metrics from the Menu in Tool 1. Tool 2 is used mainly to confirm that metrics can be gender disaggregated, are attributable and do not create perverse incentives.
- **Growth-stage fintechs:** build on established operational metrics with one or two medium-feasibility indicators (e.g., NPS by gender, simple outcome surveys for women-led MSMEs), supported by targeted IMM TA (if available).
- **More mature fintechs:** may have sufficient data and resources to pilot deeper evaluations or contribute anonymized datasets to sector-level learning.

Clarifying these tiers with fintechs at the outset helps avoid frustration on both sides and supports a more realistic progression of IMM capabilities as commercial maturity develops.

## 7. Pair financial incentives with IMM TA

Across interviews, fintechs and experts stressed that many companies have strong impact intent but lack the IMM systems, staff and analytical skills to fully operationalize it. The research therefore recommends treating TA as an integral part of any outcome-oriented finance, including ILF, not a nice-to-have add-on.

Priority TA topics that emerged include:

- **Clarifying impact strategy:** helping fintech teams document how their business activities contribute to achieving their impact goals, most easily done through the creation of an adaptable Theory of Change.
- **Improving data architecture:** ensuring gender and (where possible) migration status are captured consistently across channels; cleaning and standardizing key fields.
- **Building basic analytical muscle:** helping fintech teams segment results by gender, product and cohort, and interpret trends for both commercial and impact questions.
- **Designing light-touch outcome surveys:** short, mobile-friendly instruments aligned with existing customer touch-points, with a focus on a few high-value questions.
- **Supporting tool adoption:** advising fintech teams and practitioners on integrating Tools 1 and 2 into existing processes.

### CASE STUDY: THE IMPACT READY MATCHING FUND (IRMF) AND QUIPUBANK

The IRMF instrument pairs financial incentives with IMM TA by providing direct results-based payments to enterprises for developing a strong IMM system. The financial instrument, pioneered by Roots of Impact in the [Biniyog Briddhi \(B-Briddhi\) programme](#), offers 1:1 matching funding to enterprises who raise external investment and complete three pre-agreed IMM milestones over a 14-18-month timeframe. The milestones include developing a robust Theory of Change, set of core impact metrics, operationalizing a data management system, showcasing proof of collecting business-relevant impact data over time and presenting the results via an impact report. The completion of each milestone is guided by IMM TA expertise to empower enterprises on their journey to access impact investment and ILF. More information about IRMF can be found at [this link](#).



Based on the successes of using the IRMF instrument with 12 enterprises in Bangladesh through B-Briddhi, IRMF was adapted and leveraged in the ILF for GIF Latam to support two fintechs in Colombia. One of the selected fintechs, Quipubank is an unbanked and unregistered MSMEs credit platform leveraging proprietary AI credit score using financial and non-financial information, offering working capital credit lines (productive loans) to business owners. Throughout the work with the IRMF, Quipubank has rigorously evaluated how their solutions are reaching those who need them most: underserved micro-enterprises, women entrepreneurs, and populations in motion, including migrants and displaced persons.

The fintech has not only strengthened their Theory of Change and carefully selected and projected their impact KPIs, but has also automatized their IMM system entirely. Quipu is now able to measure more impact KPIs (at both output and outcome level) than before and has gathered detailed data not only on impact achievement, but also on business-related aspects such as key customer journey challenges and potential product enhancements.

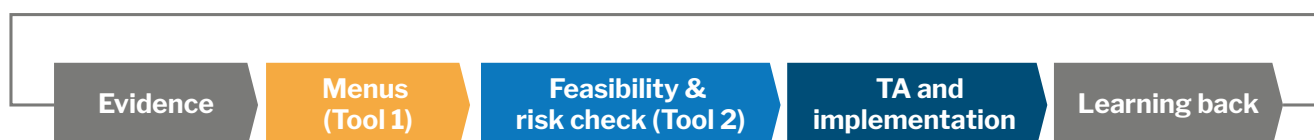
*‘Being part of the IRMF has been a transformative experience for Quipubank. The programme enabled us to rigorously and thoughtfully strengthen our impact management and measurement system, going far beyond compliance. Through a deep and structured process, we made critical decisions about how to measure impact in a way that is robust, transparent, and aligned with our mission to serve underserved micro-entrepreneurs, women, and migrants.*

*More importantly, IRMF helped us embed impact measurement into our strategic decision-making. It is no longer a parallel function, but a core driver of how we design products, allocate resources, and define new horizons for growth and innovation.”*

– Ana Lucía Escobar, Head of Strategic Partnerships & Impact

Where TA and incentives are combined, the tools can serve as a roadmap: Tool 1 defines the possible metric set, and Tool 2 helps identify which IMM capacity gaps TA could help address first, if needed.

Graph 3. Impact Measurement and Learning Cycle



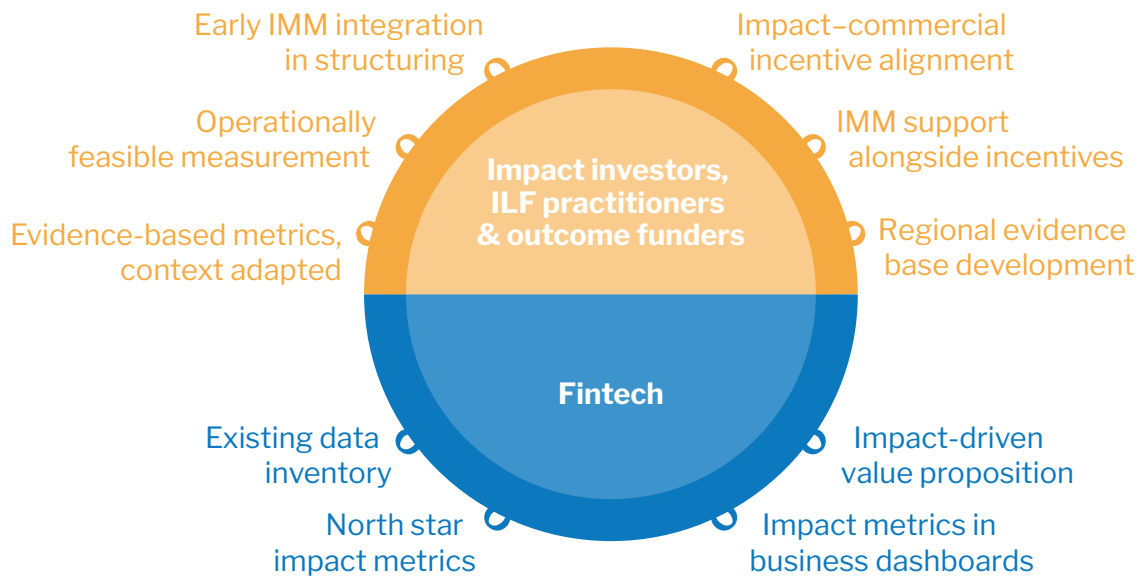
Taken together, these practices offer a pragmatic way to strengthen gender and migration-focused IMM among fintechs in Latam: start from clear outcome pathways, use evidence-based but feasible proxies, align metrics with business realities, guard against unintended harm, and invest deliberately in the data capabilities that will make IMM both credible and useful over time.



## VIII. FROM INSIGHTS TO ACTION: THE WAY FORWARD

This final section translates the research findings and tools into potential next steps for different stakeholder groups and highlights priority areas for future learning.

Graph 4. Recommendations per stakeholder type



### RECOMMENDATIONS FOR IMPACT INVESTORS, ILF PRACTITIONERS AND OUT-COME FUNDERS

For impact investors, ILF practitioners and outcome funders, the key opportunity is to use evidence-based metrics without overburdening fintechs.

- **Adopt evidence-based output metrics as a starting point, then tailor by context.** Use the Output-Outcome Menu to identify a small set of gender and migration-relevant metrics that match the fintech's business model, and refine them with the Decision-Making Framework to ensure they are attributable, feasible, and commercially aligned.
- **Balance measurement ambition with operational realism.** Set expectations that reflect fintech maturity, existing data systems, and ticket size. For early-stage fintechs, prioritize a few high-feasibility metrics grounded in operational data; for more mature fintechs, consider layering in additional outcome-oriented indicators only where they add clear commercial value.
- **Integrate IMM considerations early in the investment or ILF structuring process.** Consider including initial metric identification, light data-quality checks and perverse-incentive screening during impact due diligence—not as afterthoughts at the post-investment impact reporting stage. This avoids potential agreement on metrics that later prove unmeasurable or misaligned with the business model.
- **Use incentives to align impact and commercial performance, not to distort it.** Link financial rewards to metrics that support longer-term livelihood improvement and customer wellbeing (e.g., first-time access combined with repayment behavior or responsible remittance patterns) and avoid standalone targets that could encourage over-lending, cherry-picking or unsustainable transaction volumes.

- **Pair outcome-linked incentives with dedicated IMM support.** Where feasible, ensure that budgets for TA are built into fund design, especially for promising metrics flagged as “medium feasibility” or “TA required.” This increases both the credibility and longevity of IMM post-exit or beyond the life of the ILF instrument.
- **Contribute to building the regional evidence base.** Encourage anonymized data sharing and document transaction-level learning – what worked, what did not, and why – so that proxy relationships and benchmarks can be progressively refined for Latam fintechs over time.

## RECOMMENDATIONS FOR FINTECHS

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For fintechs, the research underscores that IMM can be a strategic asset, not just a reporting requirement. Practical steps to consider taking include:

- **Inventory your existing data before adding new metrics.** Map current data you collect against the high-feasibility metrics in Tool 1; many data points (e.g., first-time borrowers, repeat usage, basic gender breakdowns) can be leveraged as valuable output-outcome proxies with little extra effort.
- **Choose a small set of “north-star” impact metrics.** Identify 3–5 metrics that reflect your Theory of Change and that leadership will use – ideally drawing from the most relevant Menu for your business model.
- **Integrate impact metrics into business dashboards.** Track selected metrics alongside commercial KPIs (e.g., Customer Acquisition Cost, Customer Lifetime Value, portfolio quality) so that teams see impact data in the same place and at the same cadence as business data.
- **Use impact metrics to sharpen your value proposition.** For example, being able to show that a high share of your women customers are first-time formal borrowers, or that your loans allow customers to exit predatory lenders, helps strengthen both fundraising and market positioning.

At its core, this work shows that it is possible to raise the bar on impact evidence for gender and migration-focused fintechs without demanding gold-standard impact evaluations from every early-stage company. By combining rigorous desk research, grounded practitioner insights and pragmatic tools, the project offers a middle path with output metrics that are good-enough to support credible ILF incentives and impact investor decisions, yet – for the most part – simple enough to be implemented with existing systems.



## IX. ACKNOWLEDGEMENTS

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