



Financial gaps and opportunities for rural women-led innovation projects

Policy Brief Spain

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1

Executive Summary

Women in rural areas are key drivers of innovation and sustainability, yet they face persistent barriers in accessing the financial resources needed to grow and sustain their initiatives. Evidence from across the EU highlights that rural women are often excluded from formal funding systems due to structural, cultural, and administrative constraints. This financial gap limits their potential to contribute to inclusive economic growth, social cohesion, and the EU's long-term rural development goals.




Despite the availability of European funds such as the ERDF, ESF+, and EAFRD, rural women frequently encounter difficulties in navigating complex application procedures, meeting eligibility criteria, or securing co-financing. Current funding mechanisms rarely consider the specific needs of women-led innovation in rural territories.

This policy brief calls for the creation of dedicated funding instruments, simplified access procedures, and locally grounded support structures to improve financial inclusion. Solutions such as cascade funding schemes, microloans, and targeted grant lines can enhance rural women's ability to innovate, lead, and contribute to the vision of stronger, more resilient rural communities set out in the EU Rural Vision 2040.




The Challenge

Women innovators in rural areas possess immense potential to drive local development, tackle pressing challenges, and contribute to economic growth. However, financial barriers often stifle their ability to transform ideas into impactful ventures. Addressing this gap is essential to fostering gender equity, promoting sustainable rural development, and unlocking untapped innovation. EU



funding is needed to address this gap either in form of direct funding (or cascade funding) or through specific lines under indirect funds (ERDF, ESF+ or EARDF) to address the following specific challenges:

-  Limited Access to Capital: Rural women innovators often lack access to formal credit systems due to insufficient collateral, credit history, or financial literacy.
-  Social and Cultural Constraints: Gender norms in many rural regions restrict women's entrepreneurial activities, leaving them underrepresented in innovation ecosystems.
-  Disparities in Policy Focus: Rural women are often overlooked in national innovation strategies, exacerbating gender and regional inequalities.

Policy Solutions

-  Supporting the establishment of financial products and services that are specifically tailored to the needs of rural and women-led businesses. These might include microloans, grants for specific types of businesses, or funding pools dedicated to sustainable rural innovations.
-  Simplifying the application processes for public grants and loans procedure to make it easier for entrepreneurs to access the necessary funds. Clear guidelines and support structures, such as local advisory services, could assist applicants throughout the process.
-  Establishing support programmes specifically tailored to the needs of rural and women-led businesses to improve access to technical support and funding or incentivizing the submission of proposals from women.

Practical Tips

-  Dedicated funding programmes could be launched at EU level through piloting cascade funding schemes. This type of schemes delegates the efforts of managing the calls for proposals and the delivery of funding to intermediate organizations based in the territory and in direct contact with final beneficiaries.
-  At regional level, dedicated instruments could be foreseen linked to Smart Specialization Strategies which include the agro-food as priority sector.

Supporting Evidence & Best Practices

EMPOWOMEN – Cascade funding supporting women entrepreneurs in deep tech

EmpoWomen is a European Union-funded initiative under Horizon Europe, addressing the underrepresentation of women in deep tech sectors, particularly in widening countries. Despite growing interest in gender equality in entrepreneurship, only 15% of deep-tech startups are founded by women, and less than 10% of patents are filed by women innovators.

By providing €1,125,000 in cascade funding, as well as acceleration programs, mentorship, and investor connections, EmpoWomen is actively supporting women-led startups to break through systemic barriers. More information at www.empowen.eu

Spanish funding programmes

In Spain, several initiatives provide financial support and resources to women entrepreneurs in rural areas. Notable programs include:

1. Programa de Apoyo Empresarial a las Mujeres (PAEM)

The PAEM program, promoted by the Instituto de las Mujeres and the Cámara de Comercio de España, with co-financing from the European Social Fund, aims to support women with business ideas or plans to modernize and expand existing enterprises. It offers microcredits of up to €30,000 without requiring third-party guarantees, along with business information, personalized advice, and training. Consult the following link for further information: www.inmujeres.gob.es.

2. Programa Desafío Mujer Rural

Launched by the Instituto de las Mujeres and co-financed by the European Social Fund, this program seeks to stimulate female entrepreneurship in rural areas to bridge the gender gap in employment and entrepreneurship. It provides technical training, personalized advice, and access to the Rural Women's Entrepreneurship Portal, facilitating product commercialization and information on available aids.

3. Proyecto Mentorías Rurales 'Crecemos Juntas'

Developed by the Ministerio de Agricultura, Pesca y Alimentación (MAPA) in collaboration with Caixabank, this project connects rural women entrepreneurs with experienced mentors. It offers personalized guidance and advice, organizes workshops, networking events, and training sessions to support the growth and consolidation of businesses led by rural women. These programs exemplify Spain's commitment to empowering rural women entrepreneurs through dedicated funding and support structures. https://www.mapa.gob.es/es/desarrollo-rural/temas/igualdad_genero_y_des_sostenible/crecemos-juntas/



Conclusion & Call to Action

This policy brief highlights the need to facilitate access to funding to women entrepreneurs and innovators in rural areas and calls for the establishment of dedicated funding and loans programmes. EU policy makers are called to establish cascade funding schemes for rural women while national and regional policy makers are invited to establish funding or lending programmes linked to smart specialization strategies or entrepreneurship and innovation supporting programmes.

Further Reading

www.cascadefunding.eu

<https://www.guiafc.es/en/guia-de-oportunidades-de-financiacion-para-las-zonas-rurales-de-la-union-europea-ruraltoolkit/>

About FLIARA

The project is on a mission to create a more sustainable future by highlighting the role of women in agriculture and rural areas. FLIARA will boost understanding of the needs and challenges facing women leading innovative environmental and rural development practices in EU farming and rural areas.

Contact

Email: info@fliara.eu

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Female-Led Innovation in Agriculture and Rural Areas

www.fliara.eu



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