

Part III: Women Feeding Cities

1. Empowering Women for Inclusive & Sustainable Development – A Research study from MENA

- ✓ Aim, Context and Objectives of the study
- ✓ Challenges/Obstacles, Perceptions & Barriers to women entrepreneurship
- ✓ Policy Recommendations

2. New initiatives to Enhance Women Entrepreneurship in Agriculture, Climate Change and Environment - from Tanzania

- ☞ Enhancing capabilities of Women Entrepreneurs in Agriculture;
- ☞ Mainstreaming Poverty-Environment-Gender-Climate Change and SDGs
Localisation

A. Empowering Women for Inclusive & Sustainable Development – Research Results on Women Entrepreneurship from MENA

1. Background

- ☞ To *strengthen women's economic independence*, UNIDO designed a project with a holistic approach embracing Macro, Messo & Micro level intervention. The study is about *women entrepreneurship* in Egypt, Jordan, Lebanon, Morocco, Palestine & Tunisia.
- ✓ Aim - to *improve economic participation of women by creating conducive environment for inclusive & sustainable growth*.
- ✓ Data from countries shows - *while women own & manage between 31 & 38% of enterprises*, this number is only 15% (WB, 2013) & 13% (ILO, 2015) official reports. This means *there is lack of standardised national data for comparison- a problem of timey data*.
- ✓ In 2013 the estimated percentage of enterprises belonging to women in the region was 22.7%, compared with the worldwide average of 35.2%.
- ✓ The rate of entrepreneurship development by country shows - Egypt (16.1%), Jordan (15.7%), Lebanon (43.5%), Morocco (31.3%), West Bank & Gaza (12.6%), Tunisia (9.5%) & the *respective figures of women-run enterprises* were 7.1%, 2.4%, 4.4%, 4.3%, 1.2% & 8.5%.

2. *The survey*

- ☞ *The women entrepreneurship* survey in the target countries was aimed to:
 - *provide an up-to date information* on the state of development of female entrepreneurship in the countries;
 - *identify challenges* faced by women in creation & development of enterprises;
 - *produce recommendations* for entrepreneurial & more favourable ecosystem to women; and
 - *provide evidence-based input* for dialogue between public & private stakeholders.

- ☞ *Study was conducted on 1,210 female entrepreneurs/respondents. The findings were presented during Conference on Women's Economic Empowerment* in Egypt, Jordan, Lebanon, Morocco, Palestine & Tunisia, organised by UNIDO in Milan, 14 Oct 2015.

3. Context of the Study

- ☞ Respondents are *young (average age 40-yrs)*, mostly University graduates, except for Lebanese with 10-yrs of experience in entrepreneurship.
- ☞ Majority (65 - 83%) *founded their own businesses or took over their family businesses as leaders*. The *motive was positive* – i.e., they raise from identified business opportunities - a *desire for personal achievement, independence & freedom or from recognition of their own qualifications & skills*.
- ☞ Lebanese respondents reported *negative motives* – i.e., in many cases the decision stemmed from *the need to escape a challenging personal situation*.
- ☞ Respondents *dedicated time to their businesses - average work week for majority ranged from 30 – 50-hours*. About 39% of women entrepreneurs from Lebanon & 31% from Tunisia *spend more than 50-hours per week managing their businesses*
- ☞ Entrepreneurs *don't receive regular remuneration from the businesses*, instead they turn to other sources of paid activity to supplement their income.
- ☞ Most entrepreneurs reported they *benefited from support of family & to lesser degree from friends & colleagues. Associations & financial institutions also contributed to the support* though to modest degree except in Morocco & Lebanon.
- ☞ *25 - 50% of the respondents had opportunities to work with mentors* & benefited from support or assistance in solving problems & developing needed skills.

4. Characteristics of the Entrepreneurs

- Businesses operate mainly in services, merchant & craft sectors. A small percentage were involved in **manufacturing industries & agriculture**.
- Share of individual businesses is low - between 50% of Moroccan & 9% of Tunisian. The governance structure & number of shareholders are correlated to their size, the structure of shareholders is **primarily family-based** & sizeable number of entrepreneurs' work in Palestine (46.67%) & in Egypt (29.94%) as **home-based**.

5. Motives/Objectives

- Short-term objectives was to focus on business goals - **growth & expansion**, although differences between countries i.e., in Morocco, Tunisia & Palestine list **one-year objective** more focused on recruitment, capital increase & market share abroad. On recruitment, they had **strong preference for hiring women & qualified employees with professional skills**.
- Main sources of financing - **self-financing, equity funds** (savings, family, friends) & **bank credit**, with some variation by country. For e.g., **self-financing** is significant in Jordan, Tunisia, Lebanon & Morocco. **Bank credit** was used in Morocco. In Lebanon, 23.3% of the entrepreneurs turn to pawn-brokers.

6. Challenges & Obstacles

- ☞ **Main obstacles** by order of importance - *lack of finance, experience & contacts*. In Egypt, Jordan, Palestine, these obstacles are *felt acutely*;
- ☞ At start-up stage, the *businesses were financed using equity*, with significant differences between Egypt (80.8%) & Jordan (58.6%). In the latter case women entrepreneurs most frequently call upon business angels (22.6%);
- ☞ **Bank credit used significantly** in Morocco (46.5%) & Tunisia (34.6%) in contrast with situations in Palestine (14.8%), where *receiving bank credit during the start-up appears to be a challenge*.
- ☞ Surveyed businesses *have limited exports of their products*, except for Tunisian businesses of which 20% have export levels exceeding 50%.
- ☞ A large percentage of businesses *don't have any operations in export* - Morocco (74.36%), Lebanon (69.38%) & Palestine (64.74%).
- ☞ **Obstacles to growth** are linked to - *access to capital & new international markets* & in some countries *political conditions* (Jordan, Lebanon, Palestine & Tunisia) and *cost of public services* (Jordan, Palestine, & Tunisia), or *lack of economic growth* (Lebanon, Palestine & Tunisia).

7. Findings & Perception on Women's Entrepreneurship

- Between 20% (Egypt) & 40% (Lebanon) of the entrepreneurs **feel their environment is discriminatory toward women**, but < 13% of Tunisians shared that perception. Majority (>78%) of respondents in Tunisia felt **the support provided to women is the same as that of men**. This feeling was less strong in Lebanon (46.99%) & in Palestine (47.22%).
- Factors **negatively affect the businesses** in the sample are - **regulatory environment, followed by laws & public order**.
- For many respondents, **access to financing is more difficult for women**. This perception is more prominent in Lebanon, Tunisia, Jordan & Morocco & less so in Egypt.
- Sampled entrepreneurs feel **it is more difficult to be taken seriously as woman in business**, managing male employees, achieving work-life balance & effectively dealing with administration are also seen as specific challenges to women.
- Almost all respondents **perceive themselves as less skilled compared to men** when it comes to international communication, networking, delegation, consulting & decision-making.
- By contrast, **they see themselves as more competent in influencing others, solving internal problems, providing support, haling remuneration & inspiring**.

8. Barriers to Entrepreneurship

- ☞ The barriers are - *existence of stereotypes & preconceptions about role & ability of women, inability of political & economic leaders to grant positions with major responsibilities to women.*
- ☞ Respondents said - *to succeed, women must learn to manage themselves & manage others successfully. They required recognised experience in the field & need to maximise entrepreneurial skills.*

9. Critical Factors for Survival & Expansion of Women's Businesses

- ☞ Entrepreneurs *with university degree have a higher number of employees than those who didn't have a degree.* In contrast, *the percentage of women employed is higher when the female entrepreneur is single & a non-university graduate.*
- ☞ The longer women has been entrepreneur *the larger their home-based work, less engaged in the businesses & continue to hold supplementary side work*
- ☞ Women most engaged in businesses are those *who are married & have own premises to host their activities.*
- ☞ *Single women who are less educated & sole owners of their businesses posted very high levels of engagement,* although there are various levels of engagement depending on the type of financing.
- ☞ *Single women entrepreneurs are more engaged when they have taken out bank credit,* while *married women are more engaged when they have financed their businesses using equity capital.*

10. Policy Recommendations

- ✓ Educate and avail **improved market information & communication systems** for entrepreneurs;
- ✓ Promote entrepreneurship & **facilitate entrepreneurial behaviours** among women;
- ✓ Establish foundations of a **knowledge based business & entrepreneurship** among women

B. New Initiatives to Enhance Women Entrepreneurship in Agriculture, Climate Change & Environment - Tanzania

Project 1: Mainstreaming Poverty-Environment-Gender-Climate Change & SDGs for SD & Poverty Eradication in Tanzania

Objectives – National level - integrating poverty, environment, gender & climate change goals into policies, guidelines, frameworks & programs.

- ▶ Local level - enhance capacities in poverty & gender analysis, business development, resources mobilisation & dialogue between LGAs, private sector & CSOs

Implementing Partner: Ministry of Finance and Planning (MoF&P)

Start Date: 1 July 2018 **End Date:** 30th June 2022

Duration & Partnership – 4-yrs, in collaboration with PED of MOF&P, the President’s Office for Regional Administration & LGAs

Outputs - i) Local authorities technical capacities (in planning & budgeting) to implement poverty-environment-gender-climate change goal & relevant SDGs built; ii) Capacities for partnership development with private, gender responsive livelihood improvement, poverty eradication, ENR sustainability & SDGs built; iii) Productive capacity & incomes of women from natural resource management & extractive industries (enterprises) increased. **Budget - Required:** 5,800,000 **Available:** 2,150,000

Project 2: Enhancing capabilities of Women Entrepreneurs in Agriculture sector

Objectives – i) reduce poverty by supporting women entrepreneurs increase their incomes from agribusiness; ii) promote women economic empowerment through enterprise development & creating sustainable employment in agriculture; and iii) contribute to the achievement of SDG 1, 5, 8 & 9.

Implementing Partner: School of Agricultural Economics & Business Studies - SUA

Budget - Required: 6,474,709 **Available:** 500,000

Duration: TBD – the project is on pipeline development

THANK YOU