One of the biggest growth markets in the world may surprise you. You’ve heard about the opportunities opening up in countries like China, regions like Asia and industries like green technology. But one major emerging market hasn’t received the attention it deserves: women.

Hillary Clinton

EMPOWERING WOMEN – FOSTERING ENTREPRENEURSHIP

INTRODUCTION

With the world economy still struggling to recover from the economic shocks of the past few years, momentum is growing for a new industrial revolution that is both sustainable and inclusive. This means supporting growth within the constraints of the planet’s limited resources and putting people at the heart of development.

Central to inclusive and sustainable industrial development is the urgent need to harness the economic potential of women – half of the world’s population. It is estimated that by 2020, 870 million women who have been living or contributing at a subsistence level will enter the economic mainstream for the first time as producers, consumers, employees and entrepreneurs. The economic impact is expected to be staggering, with profound effects on global development as a whole.

It is becoming increasingly clear that women are, and will continue to be, powerful drivers of development. When men and women become more equal, economies grow faster, fewer people remain in poverty, and overall well-being increases. Studies have reported that raising female employment to male levels can have a direct impact on GDP growth rates, increasing it by as much as 34% in some countries, and that countries’ productivity can increase by as much as 25% if discriminatory barriers against women are removed.

Yet the impact of women’s economic empowerment goes beyond this. Research has shown that women are more likely than men to invest a large proportion of their household income in the education and well-being of their children. When women are empowered to make an income, accumulate assets and increase their economic security, they improve industrial capacity and spur economic growth by creating new jobs, as well as expanding the pool of human resources and talents available in a country.

At the same time, women tend to have a smaller ecological footprint than men. Their production and consumption patterns are often more resource-efficient, they are more likely to recycle and they make more sustainable decisions for their households and businesses. Therefore, their increased role in economic decision-making has positive effects on sustainable economic development.

There is increasing recognition that women entrepreneurs are the new engines for inclusive and sustainable industrial growth, and are the rising stars of economies in developing countries. In 2012, the World Economic Forum identified women entrepreneurs as ‘the way forward’. Yet, despite this, women entrepreneurs still struggle to take their rightful place in economic life. Even though more and more women are starting businesses globally, they still manage fewer businesses than men, and run businesses that are in less profitable sectors, that grow more slowly and are ultimately more likely to fail.

These gender gaps impose real costs on society. When women do not participate equally in entrepreneurship, economies lose the benefits that would otherwise be provided by new products and services, additional revenues and new jobs, economies also lose out due to the long-term negative effects on workforce skills and education occurring when half of the potential pool of labour is not developed. The clear consequences of women’s economic marginalisation further emphasise the pressing need for gender equality and the economic empowerment of women.
Both women and men face challenges in setting up their own businesses, but for women the barriers are often greater and harder to overcome. They are often confronted with a lack of government support in terms of policy, laws, and services, and in some countries have only limited access to formal bank accounts, which prevents them from accessing loans or credit.

In some regions of the world, women have fewer inheritance rights than men, and in many countries there are legal distinctions between women and men that limit women’s economic opportunities. The fact that many women receive limited education, skills training or career guidance only compounds these difficulties, and the lack of technological know-how or access to modern, affordable technology further stops women from reaching their full potential.

Cultural values can also hold women back. A UNIDO-led study on barriers to women’s entrepreneurship found that women were influenced more by traditional and internal factors than by legal or regulatory barriers when starting their business. Similarly, there are many countries where entrepreneurship is seen as an inappropriate career choice for women. In societies with rigid views of traditionally male and female roles, frequently reinforced by cultural and religious beliefs, women’s opportunities for engaging in paid work or starting up enterprises are often limited. At the same time, perceptions of family responsibility pose a challenge, with patriarchal attitudes restricting women’s responsibilities to domestic and family work, and thus preventing them from acting independently.
EMPOWERING WOMEN THROUGH TRAINING AND TECHNICAL EXPERTISE

Unemployment remains a serious issue for Iraqis, but for young women the problem is especially acute, with only 10% of 15- to 29-year-olds in formal employment. Traditional socio-cultural factors and limited infrastructure impede women’s participation in education and vocational training. As a result, Iraqi women are often socially and economically excluded from household decision-making and from community or political participation.

UNIDO, the Swedish development agency, Sida, and Scania, a Swedish manufacturer of heavy trucks, buses, and engines, partnered up in 2011 to establish the Swedish Academy for Training, officially opened in 2012 in Erbil, the Kurdistan region of Iraq. The Academy helps unemployed Iraqis under the age of 30 to develop relevant skills, including computer literacy and English, and to find professional employment. They have a 30% female participation target and strongly encourage young women to participate in technical and managerial training courses.

As a result, 38% of computer training and English-class participants are women, with several women enrolling in technical training also. Graduates are assisted in finding jobs and internships, often gaining training from Scania and other local companies. Economic development has improved in the region while traditional and discriminatory attitudes and beliefs about women’s capabilities are being challenged.

BREAKING DOWN THE BARRIERS

Businesses across the globe are nurtured and supported through complex interwoven structures reflected in laws and policies, cultural and societal norms and education and training systems. Men and women, however, are not on an even footing within these structures. For this to change women need equal access to credit to invest and expand their business ventures, equal access to markets to sell and develop their products, and equal opportunities to acquire skills, knowledge and technology. Ultimately, by treating women equally to men as potential entrepreneurs, they would be in a better position to contribute to economic growth and development.
Sectors with a high potential for wealth creation, food security or export promotion can offer particular opportunities for generating or expanding entrepreneurial and employment opportunities for women. For example, creative industries include a broad spectrum of subsectors – art, crafts, design, textiles, leather, furniture, (slow) food, and even community-based tourism related services – that allow for innovative and expanded opportunities for income generation. UNIDO projects in Bolivia, China, Pakistan, Panama and Peru have proven that creative industries can be a means for women to harness cultural knowledge and assets to generate wealth and income. xi

**PERU**

Despite the economic successes of the past decade, many women and indigenous peoples in the more isolated areas of the country, such as Puno, Ayacucho, Cusco and Lambayeque, still rely on small-scale traditional handicrafts to make a living. Limited resources, poor infrastructure and a lack of training prevent them from developing these businesses.

In 2010, with financing from the MDG Fund, UNIDO teamed up with five other UN agencies to help develop these creative industries by supporting networks of women and indigenous communities and by providing training on better manufacturing techniques and marketing. Over 65% of those participating in the initiative are women, who also run half of the small businesses across the four regions targeted. All producers received training in how to improve their products and were also helped to come up with new designs that took account of their cultural heritage.

By setting up workshops for women in the four regions, UNIDO helped to improve social inclusion and equality of opportunity. Overall, providing support to traditional creative industries, which are a priority for Peru, has had tangible effects on women’s empowerment by putting decision-making in women’s hands and giving them the skills they need to grow their businesses.

The programme has so far promoted women entrepreneurs in the areas of marble mosaic, gems, jewels and home textiles, creating over 630 women trainers who have passed their valuable knowledge onto as many as 16,000 women. Not only this, the programme has also taken on board 45 partners from both private and public sources to be sponsors, as well as creating 40 institutions to facilitate synergies between industrial sectors and the women entrepreneurs. In total, through the programme 5 million people have been reached through media advocacy campaigns surrounding the promotion of the women entrepreneurs’ crafts.

**PAKISTAN**

In Pakistan, women’s creative ability has often gone unnoticed or underutilised. With the right support, however, craft industries can play a pivotal role in the economy. UNIDO’s Women Entrepreneurship Development Programme, funded under the Joint UN Programme “Towards Gender Parity in Pakistan”, recognises that expanding employment and creating economic opportunities for women is one of the most effective ways to alleviate poverty and promote female economic empowerment. The Business Growth Centre, established by UNIDO, is aimed at enhancing the ability, mobility, visibility, and connectivity of women entrepreneurs. Gender equality is at the centre of the development process supported by the UN in Pakistan and hence the strategy focuses on finding ways to include women in the traditionally male-dominated sectors of the economy.

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CLEAN COOKSTOVES IN BURKINA FASO

Locally produced millet beer, or dolo, has for generations been an important source of income for rural women in Burkina Faso, with thousands of home-based breweries spread across the country. The beer has traditionally been brewed by ‘dolotières’ using old-style cookstoves which eat up large amounts of firewood due to their low combustion rate. According to the Ministry of Environment and Sustainable Development (MESD), firewood used in the brewing process accounts for 50% of total firewood consumption in the capital, Ouagadougou. This has clear environmental consequences and is also detrimental to the health of the women who breathe in harmful smoke while they work.

Partnering with the MESD, UNIDO is carrying out a Global Environment Facility (GEF) funded project to supply clean, energy-efficient cookstoves to women. The Organization is overseeing the installation of 1500 cookstoves in the Plateau-Central region of the country. The programme will also set up a credit line provided by a regional African bank to allow the dolotières to buy the cookstoves. In total, the project will reach 1,500 women targeted in four clusters. By bringing together groups of women, they will benefit from collective gains that should stimulate the growth of the sector and make it easier for them to access credit.

The new cookstoves should also reduce the workload for women and girls and improve their safety by reducing their exposure to burning wood fumes. By expanding opportunities as well as access to sustainable energy resources, training and credit, the project empowers women and enhances gender equality.

SUSTAINABLE ENERGY ACCESS IS ANOTHER AREA WITH SIGNIFICANT ECONOMIC POTENTIAL FOR WOMEN. AS OFTEN THE PRIMARY ENERGY MANAGERS IN HOUSEHOLDS AND COMMUNITIES, WOMEN POSSESS VALUABLE KNOWLEDGE RELEVANT TO SUSTAINABLE ENERGY SOLUTIONS. WHEN ACCOMPANIED BY APPROPRIATE POLICIES AND STRATEGIES TO OVERCOME CONSTRAINTS, THESE HIGH POTENTIAL INDUSTRIES CAN BE KEY IN ALLOWING WOMEN TO MAKE AN INCOME AND GIVE THEM THE OPPORTUNITY TO TAKE PART IN AND DRIVE THE SUSTAINABLE DEVELOPMENT OF THEIR SOCIETIES.**
“When women have access to resources and opportunities and participate on an equal footing in economic life, they are in a better position to fill their roles as drivers of development outcomes and take advantage of sustainable and inclusive economic growth.” UN Women: The Future We Want (2012)
“The entrepreneurship course has awakened in me a person who I never thought I could be. The course has taught me how to have dignity in business and how to deal with my clients. I know, and have learned, to overcome difficulties, and also to be aware of my limits.” Felicidade, 16-year-old entrepreneurship student in the province of Zambezia, Mozambique

Education and skills training are key to unlocking opportunities for all young people, but especially important for girls who are at greater risk of being left behind in many developing countries. UNIDO’s Entrepreneurship Curriculum Programme (ECP) targets both girls and boys in secondary schools with the aim of giving them skills to develop business ideas and encouraging them to take advantage of business opportunities.

Launched in Uganda in 2001, the programme is very ‘hands on’, using a mixture of classroom teaching, participation of prominent business people as role models and practice at starting a business. It has successfully expanded to several other countries, including Timor Leste, Rwanda, Angola and Tanzania, as well as Mozambique. Between 2006 and 2009 courses were delivered to a total of 1,397 schools, reaching out to more than 416,000 pupils.

Within these courses, girls and young women are encouraged to take non-traditional entrepreneurial initiative that challenge the stereotypes of society and develop a positive attitude towards entrepreneurship, business and self-employment.

By increasing opportunities for both girls and boys to make life choices that go beyond gender-limiting cultural norms, as often seen in education, these courses help to create an environment in which female entrepreneurs can thrive, therefore promoting gender equality. They also support the promotion of youth entrepreneurship in general and the creation of clusters and partnerships to facilitate access to information, technology, and markets for youth and women.
"The global development agenda should seek not only to address and monitor the elimination of specific gender gaps, but also to transform the structural factors that underpin the widespread persistence of gender inequalities, gender-based violence, discrimination and unequal development progress between women and men, girls and boys. The empowerment of women and girls and the protection of their rights should be centrepieces of the post-2015 agenda." Realizing the Future We Want, Report to the Secretary-General – UN Task Team Report, 2012

SHAPING THE POST-2015 DEVELOPMENT AGENDA

Looking ahead to the post-2015 agenda, discussions on women’s entrepreneurship should highlight success stories and best practices of related policies and programmes, to feed into the ongoing debate about the future development framework. A number of lessons have been learned from the evaluations of UNIDO-supported programmes in Bhutan, Mali, Morocco, Mozambique and Pakistan. Specifically, these programmes have shown that educating and investing in upgrading women’s skills can have a knock-on effect on productivity, efficiency and economic growth. For example, activities such as training and providing business support services, or even sustainable energy solutions, to women entrepreneurs can significantly increase the profits of their businesses, help to provide decent work, and improve women’s standing within their families and communities.

THE TREASURE OF THE SHEA TREE – “WOMEN’S GOLD”

Mali is home to one of the largest areas of trees in the so-called shea belt, which spans almost 20 countries across West Africa’s semi-arid Sahel. For centuries rural women across the region have earned a living by producing a butter from the fruit of the tree, which is then used in cooking and on the skin. Traditionally known as “women’s gold”, the butter is hugely important for rural women in Mali, who rely on it for 80% of their income. But, despite this, rudimentary production processes have kept production stuck at only around 80,000 tons per year, far behind the estimated potential of 250,000 tons per year.

In an effort to boost output and improve the value chain, UNIDO set up a programme, funded by the Government of Luxembourg, to provide better production equipment for women’s shea butter cooperatives and to help train them in organization and management. It also provided training to raise women’s awareness of international quality standards and helped to support the protection and promotion of rights through the creation of a community-based production system. At the same time, through a successful collaboration with French cosmetics firm, Chmitex, UNIDO helped to improve direct access to international markets – especially for higher value products made locally from shea butter.

By focusing on empowerment of women and entrepreneurship development, 156 women’s cooperatives are now engaged with three shea processing centres, at least 1,200 women have been trained on production and quality control systems, and an additional 30 tons of shea nuts are being sold to processing centres. Total sales of these cooperative groups doubled between 2009 and 2011, and the total revenue of women within the groups has increased immensely. Not only has product quality and safety improved but household livelihoods have also been strengthened, leading to greater food security and better education opportunities for children.
ISSUES TO CONSIDER IN FOSTERING WOMEN’S ENTREPRENEURSHIP

» What is the role of governments in enhancing the productive capacities of women? How can we work to improve overall regulatory environments to ensure inclusive and sustainable industrial development that supports gender equality? How do we address bias in laws and regulations and discriminatory practices in service provisions?

» Considering women entrepreneurs’ leading role in managing environmentally sustainable businesses, how can we use their example to make a green approach to business the norm across the economy? How can we provide them with the assets, resources and incentives they need to further support the green economy?

» How can women entrepreneurial activities be scaled up? How do we take these from the level of the informal sector to the formal sector of the economy? How can public-private partnerships play a role in ensuring greater leverage, scale and systematic impact?

» How can we improve the competitiveness of women entrepreneurs? How can we better promote and increase women’s access to business development services, technologies and finance? How do we build education and training systems to nurture innovation and enterprising attitudes among women and girls?

» How can we overcome societal and internal barriers to women’s entry to markets? How does the lack of education, skills, or confidence affect women entrepreneurs in their ability to fully engage in the economy? How can we address discriminatory norms and beliefs?