Context

There is a growing awareness that empowering women in the economy and closing the gender gap in the world of work are essential to realising gender equality. When women are empowered to participate equally in the economy, they can take control over their own lives, careers, and bodies, and they have greater voice, agency, and ability to meaningfully participate in economic decision-making at all levels. However, the World Bank estimates that, globally, differences between men’s and women’s total lifetime earnings amount to $172.3 trillion, equivalent to twice the world’s gross domestic product (GDP).

Women’s entrepreneurship, particularly those in micro, small, and medium enterprises (MSMEs), is an important strategy for advancing the economic empowerment of women while also reducing gender inequality. The broader economic impact of women’s engagement in entrepreneurship is substantial, with research by the Boston Consulting Group indicating that if men and women participated equally as entrepreneurs, global GDP could rise as much as two percent, or $1.5 trillion.

However, women’s entrepreneurship cannot be divorced from the broader entrepreneurial landscape, including (amongst other factors) whether states have the regulatory and financial environment to support entrepreneurs. Discriminatory practices not only hold women back, but also impede firms’ productivity, as they are associated with lower levels of sales and labour productivity. Evidence also suggests that a more equal legal environment is associated with a higher share of female entrepreneurs.

The COVID-19 pandemic has exposed long-standing and widespread inequalities in the distribution of rights and opportunities between men and women – during the pandemic, women dropped out of paid employment at higher rates than men, took on responsibility for increased care of children and the ill, and faced greater risks of violence. Women – both employees and entrepreneurs – were also more adversely affected than men with regard to business closure, reduced demand for products or services, and financial distress. If discrimination under the law keeps women out of formal sector employment or forces women entrepreneurs to operate in the informal sector, women may find it more difficult to access emergency support to buffer the impacts of the pandemic or other crises in the future. Reducing women’s time spent on unpaid work and care responsibilities, increasing their access to assets, and addressing market and institutional constraints, including the legal barriers that hinder labour force participation and entrepreneurship, will protect not only their people, but also their economies.
Objectives

Building on the success of the UN ESCAP’s initiatives on reforming SME policies and laws, and taking the opportunity to examine the findings of the recently released Equitable Entrepreneurship report and the Women, Business and the Law (WBL) report for the Asia-Pacific region, the objective of the regional dialogue is to: 1) foster a comprehensive discussion on continuing legal and regulatory challenges facing women entrepreneurs in the region; 2) gain lessons learned from both within the region and elsewhere; and 3) identify strategies for the way forward. The dialogue will facilitate the dissemination of region-specific data from the WBL 2022 report and take a deep dive into specific country examples. It will also look at the social, cultural, and political factors holding back legal reform, including how COVID-19 has pushed gains made by women back, and how reform can have a positive impact on both a country’s economy specifically and gender equality more broadly. Finally, it will identify the elements required to establish well-functioning mechanisms to implement and enforce legal measures.

To achieve these objectives, areas of discussion include:

- An overview of findings from the WBL 2022 report, specific to the Asia-Pacific region, including average scores across indicators, areas of ongoing concern, and positive developments in the region over the years.

- An overview of findings from the Equitable Entrepreneurship report, including stylized facts of gender gaps in entrepreneurship in Southeast Asia factors associated with these gaps.

- The impact of the COVID-19 pandemic on women entrepreneurs in the Asia-Pacific region. How were women negatively affected? What gaps in laws and regulations were exposed during the pandemic? What reforms are needed to safeguard women entrepreneurs during now and during future crises?

- An overview of the breadth of areas that affect whether women pursue entrepreneurship and the success/longevity of women entrepreneurs, including (but not limited to): education; digital skills and access; access to banking, credit, and investment; financial and physical assets; ease of setting up a business; unpaid care duties; cultural and social factors; access to networks and mentorship; and access to markets. How have legal reforms in these areas (either in the region or elsewhere) positively impacted women entrepreneurs?

- Case studies of positive reforms, for example the Viet Nam SME law. Key findings from the report *The SME Law and its Impact on Women Entrepreneurs in Viet Nam*; how the report contributed to positive reforms in the SME Law; and what lessons could be used by other countries in the region.
Lessons from other countries on reaching positive reforms such as in South Africa, Kenya and the Democratic Republic of Congo. How can these lessons be applied in the Asia-Pacific region?

Intended Outcomes

- Identification of how legal barriers hinder women’s labour force participation and entrepreneurship, including the impact of COVID-19 on advancing legal reforms, and how positive reforms benefit the economy and the goal of gender equality.
- Identification of priority areas of policy reforms in the Asia-Pacific region to support women entrepreneurs.
- Identification of lessons learned from both the region and elsewhere on best practices in ensuring the successful passage and implementation of key legal and policy reforms to support women entrepreneurs.
- Identification of on the ground partners for participants to continue advocating for the removal of discriminatory laws and promoting enabling policies for women’s economic empowerment.

Participants

- Representatives from relevant government ministries; women entrepreneurs; civil society organizations; UN agencies; and development and international organizations.
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<tr>
<td>9:00</td>
<td>Introductory videos</td>
<td>World Bank Group, ESCAP</td>
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<td>9:10</td>
<td>Opening remarks</td>
<td>Mr. Kaveh Zahedi, Deputy Executive Secretary of United Nations ESCAP&lt;br&gt;Ms. Hana Brixi, Global Director for Gender, World Bank Group (video message)</td>
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<td>10:45</td>
<td>Coffee break</td>
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<tr>
<td>11:00</td>
<td>Case studies of successful reforms enabling women entrepreneurs in Vietnam, Bangladesh, DRC, Kenya and South Africa</td>
<td>Ms. Trinh Thi Huong, Deputy Director General, Agency for Enterprise Development, MPI, Viet Nam&lt;br&gt;Ms. Nisha Arekapudi, Private Sector Specialist, <em>Women, Business and the Law</em>, World Bank Group</td>
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<td>Moderated by Ms. Giorgia Demarchi, Senior Social Development Specialist, EAP Regional Gender Coordinator, World Bank Group</td>
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**Respondents:**
1. Mr. Mafizur Rahman, Managing Director of SME Foundation, Bangladesh
2. Ms. Sera Dugucanavanua, Ministry of Women and Children, Fiji
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<td>12:00</td>
<td>Lunch</td>
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<tr>
<td>13:15</td>
<td>Lessons learned and ideas for the way forward</td>
<td>Breakout sessions</td>
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<td>14:45</td>
<td>Coffee break</td>
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<td>15:00 - 16:30</td>
<td>Panel discussion: Working together across sectors to enable women’s entrepreneurship</td>
<td><strong>Panelists</strong>&lt;br&gt;Ms. Sharmeela Rasool, Country Representative, UN Women Pakistan&lt;br&gt;Ms. Wendy Teleki, Head, Women Entrepreneurs Finance Initiative (We-Fi)&lt;br&gt;Ms. Vilisa Wavu, Women Entrepreneur from Suva Flea Market in Fiji&lt;br&gt;Ms. Tina Jabeen, Public Private Partnership Specialist, Bangladesh&lt;br&gt;Representative from Donor/Foundation (TBC)&lt;br&gt;<strong>Moderator:</strong> TBC</td>
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<td>16:30 - 17:00</td>
<td>Closing address</td>
<td>Dr. Srinivas Tata, Director of Social Development Division of ESCAP&lt;br&gt;Mr. Fabrizio Zarcone, Thailand Country Manager, World Bank Group</td>
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**Women, Business and the Law (WBL)**

*Women, Business and the Law (WBL)* identifies the laws and regulations that restrict women’s economic inclusion in eight indicators and 190 economies. The eight indicators are: Mobility, Workplace, Pay, Marriage, Parenthood, Entrepreneurship, Assets and Pension.

The WBL 2022 report found that East Asia and the Pacific was the fourth highest scoring region (out of seven), with an average score of 71.9. This indicates that a typical woman in East Asia and the Pacific has under three-quarters of the rights of men in the areas measured. The region’s average score is 4.6 points below the global average of 76.5.

Economies in the East Asia and Pacific region perform well in the areas of Mobility (average score of 90), Marriage (87.2), and Entrepreneurship (83). In Entrepreneurship, for example, all the economies in the region have laws allowing a woman to sign a contract, register a business, and open a bank account in the same way as a man. However, significant challenges remain in several areas. For example, in the area of Parenthood (average score of 36), 15 economies do not guarantee at least 14 weeks of paid leave to mothers for the birth of a child, and nine of these economies do not explicitly prohibit the dismissal of pregnant workers. In addition, seven countries score under 25 on Workplace, failing to prohibit discrimination in employment based on gender, enact legislation addressing sexual harassment in employment, or provide criminal penalties or civil remedies for sexual harassment.

Over the past year, just three reforms were introduced by three of the region’s 25 economies. Cambodia introduced an old-age pension system that sets equal rates at which women and men can retire with full pension benefits’; Hong Kong SAR, China increased the duration of paid maternity leave to at least 14 weeks; and Viet Nam introduced a reform that eliminates all restrictions on women’s employment.
**East Asia and Pacific Gender Innovation Lab (EAPGIL)**

The East Asia and Pacific Gender Innovation Lab (EAPGIL) carries out impact evaluations and inferential research to generate evidence on what works in closing gender gaps in assets, economic opportunities, and agency, and how closing these gaps can help achieve other development outcomes. Ultimately, EAPGIL seeks to increase the welfare of women and men in East Asia and the Pacific by promoting the uptake of effective policies and programs identified based on evidence.

As part of its inferential research program, EAPGIL recently completed a report entitled Equitable Entrepreneurship: Women in Business in Southeast Asia. The report explores gender differences in entrepreneurial outcomes for micro, small, and medium enterprises (MSME) in Southeast Asia. It combines a review of existing evidence with new data analysis from five Southeast Asian countries: Cambodia, Indonesia, Lao PDR, Timor-Leste, and Vietnam. Using data from household and firm-level surveys, the report establishes stylized facts about gender gaps in participation in entrepreneurship and in business performance for two types of businesses: microbusinesses and small and medium enterprises (SME). After establishing stylized facts about gender gaps in entrepreneurship, the report employs various econometric techniques to better understand the factors that drive these gaps.

The report finds significant gender gaps, which differ by the scale of the enterprise. Women are as likely as men to run microbusinesses, but they earn lower profits. Women are less likely than men to own SMEs, but if they do, then gender gaps in performance are not statistically significant in most countries. Gender gaps in microenterprise performance and SME ownership are linked with lower levels of inputs in women-owned enterprises, including time for own labor, hired labor, capital, and skills. Gender norms, legal inequities, and market failures constrain inputs that are available to women and shape their preferences on how to allocate limited resources. The report reviews global evidence on policies that can address the gender gaps identified in the report.
Catalyzing Women’s Entrepreneurship (CWE) Programme

The United Nations ESCAP Catalyzing Women’s Entrepreneurship (CWE) Programme, funded by the Government of Canada, aims to advance women’s entrepreneurship and market participation in the Asia-Pacific region with the aim of poverty reduction, improved livelihoods, and economic growth. It takes a facilitative approach to strengthen the entrepreneurial ecosystem, including by enhancing women entrepreneurs’ access and use of financial services; strengthening women entrepreneurs’ use of ICT and digital solutions; and through policy and governance initiatives.

Research conducted under the CWE Programme has shown the effect of analysing the gender inclusiveness of SME laws and their impact on women-owned enterprises. In Viet Nam, the Law 04/2017/QH14 on support for SMEs (SME Law) was officially promulgated and took effect on 1 January 2018. In 2021, ESCAP, in collaboration with the Agency for Enterprise Development, Ministry of Planning and Investment, Government of Viet Nam (AED-MPI) undertook a comprehensive review of the SME Law to assess the opportunities and gaps in the scope and implementation of the law, particularly for women entrepreneurs. The report, titled *The SME Law and its Impact on Women Entrepreneurs in Viet Nam*, analysed eight key articles of the SME Law for women-led MSMEs: access to credit; tax support; production space; technology and incubation; market expansion; information and legal advice; human resource development; and transforming household businesses into enterprises. As a result of this report, several of the recommendations related to women entrepreneurs were incorporated into the new decree No. 80/2021/ND-CP, including important stipulations on incubation, human resource development and counselling support.