Strengthening Women’s Entrepreneurship in National MSME Policies and Action plans

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United Nations ESCAP
Purpose and Objectives

OBJECTIVES

Assess barriers and challenges that women entrepreneurs face in ASEAN countries

Establish an overview of available policies and strategies that support women-led MSMEs

Analyze gaps and capacity needs in the relevant agencies to undertake policy reforms

Develop a self-assessment tool for SME Ministries to measure progress achieved through improved policies

Recommend design considerations for the future country-level action plans and strategies

Guiding Principle: ASEAN Strategic Action Plan for SME Development 2016-2025
# CONSULTATION AND ENDORSEMENT PROCESS

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>ACCMSME endorsement of Inception Report</td>
<td>February 2022</td>
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<td>Bilateral consultations with ACCMSME members</td>
<td>February-March 2022</td>
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<tr>
<td>Presentation of draft Policy Toolkit report at the 13th ACCMSME meeting</td>
<td>14th June 2022</td>
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<tr>
<td>ACCMSME comments on the draft Policy Toolkit report</td>
<td>19 - 28 July 2022</td>
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<td>Cross-sectoral consultation (virtual) (ACCMSME, ACW, ACWC, SLOM, SOMRDPE)</td>
<td>7th July 2022</td>
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<tr>
<td>Sectoral bodies’ inputs to the draft Policy Toolkit</td>
<td>July 2022</td>
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<tr>
<td>ESCAP to submit updated draft Policy Toolkit to ASEC, incorporating outcomes of the cross-sectoral consultation</td>
<td>29th July 2022</td>
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<tr>
<td>Second review and endorsement by ACCMSME</td>
<td>12th August 2022</td>
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<tr>
<td>Endorsement of the ASEAN Economic Ministers (AEM)</td>
<td>September 2022</td>
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Overview of chapters and content
INTRODUCTION AND CONTEXT

• Purpose, objectives and projected outcomes

• Description of how the Policy Toolkit will be used

• Parameters of the Toolkit
  • Primary focus on gender gaps in employment and entrepreneurial activity (does not address all women’s empowerment issues)
  • Developed primarily for use by MSME ministries/agencies (although policies cut across a number of other ministries, requiring coordination)

• Rationale for the importance of gender equality in MSME development
2 CONTEXT OF WOMEN’S ENTREPRENEURSHIP IN THE ASEAN REGION

- Gender gaps affecting women’s economic empowerment in ASEAN
- Role of women in entrepreneurial activity in ASEAN
- Key challenges to the development of women’s entrepreneurship
- Challenges of defining a women-led, women-owned – absence of disaggregated data required for policy reforms
- Adverse impacts of COVID-19 on women-owned and led MSMEs

Gender equality gaps - ASEAN member States, 2022

- Economic participation and opportunity
- Political empowerment
- Overall score (on the 4 indicators)
OVERVIEW OF MSME POLICIES AND WOMEN’S ENTREPRENEURSHIP IN ASEAN MEMBER STATES

PHILIPPINES

The Philippines has in place legal frameworks to promote women’s empowerment through entrepreneurship and MSME development.

CHALLENGES
- Gender stereotypes
- Restricted mobility
- Lack of formalization of business
- Limited educational opportunities
- Legal deficiencies in equality rights over assets

GOVERNMENT POLICIES
The promotion of women’s entrepreneurship is one of the cross-cutting issues in the MSME Development Plan 2017–2022

The gender and development agenda serves as strategic plan and framework in identifying programmes to achieve the gender and development goals.

The Department of Trade and Industry collects sex-disaggregated data

STATUS OF WOMEN’S ENTREPRENEURSHIP

<table>
<thead>
<tr>
<th>Global Gender Gap Index</th>
<th>Philippines 0.784</th>
<th>Women Business and the Law Index</th>
<th>Philippines 78.8</th>
</tr>
</thead>
</table>

| ASEAN average 0.708 | East Asia and the Pacific average 71.9 |

Self-employment rate

- 33.5% self-employment rate for women
- 31.9% self-employment rate for men

Even though 54% of businesses in 2017 were women-owned, women’s share of total self-employment is only 39.5%

INITIATIVES AND PROGRAMMES
Launch of post-COVID-19 programmes to provide affordable and cost-efficient micro loans to micro-entrepreneurs

Programmes improving the competitiveness, sustainability and productivity of women’s microenterprises

Support to access international markets

Initiatives to build the digital capacity of women entrepreneurs
COUNTRY SNAPSHOTs

INDONESIA

The President of Indonesia has directed ongoing efforts to achieve gender equality including the empowerment of women through gender-responsive entrepreneurship.

CHALLENGES
- Restrictions on ownership of assets
- Lack of awareness of regulatory environment and benefits of business registration
- Minimal prior business experience
- High degree of dependence on husbands and family
- Limited flexibility with daily time management
- Limited access to financing

GOVERNMENT POLICIES
- Implementation of flexible working arrangements, providing better childcare facilities, expanding the minimum maternity leave and introducing paternity leave.

INITIATIVES AND PROGRAMMES
- Community-based income-generating enterprise programmes provide education, training and entrepreneurship skills to socially and economically disadvantaged rural women.
- Various financing schemes for women entrepreneurs.
- Training programmes for starting an online business.
- Micro-Credit Programme for Women, which seeks to increase women’s accessibility to financing by accepting gold jewellery as loan collateral for women entrepreneurs.

LAO PEOPLE’S DEMOCRATIC REPUBLIC

Building women’s entrepreneurship is one of the top priorities for accelerating the progress for women and girls in the country in the next five years.

CHALLENGES
- Gender stereotypes
- Low education levels
- Limited experience and skills in business management
- Limited access to financing, markets and infrastructure

GOVERNMENT POLICIES
- The country is one of only four ASEAN countries to have stand-alone gender equality laws. Strengthening mechanisms for the monitoring, promotion and enforcement of laws and international conventions related to gender equality.
- The creation and use of gender equality statistics for all sectors and localities.

INITIATIVES AND PROGRAMMES
- The Annual Lao Food Festival, organized by the Lao Women’s Union and the Lao Business Women’s Association held annually since 2006, gives WMSMEs throughout the country the opportunity to participate in a trade exhibition and sell Lao handicraft and food products.

MALAYSIA

The development and empowerment of women is a policy priority of the Government of Malaysia.

CHALLENGES
- Balancing their business and family responsibilities
- Limited access to financial resources
- Lack of acquiring entrepreneurial knowledge and skills

GOVERNMENT POLICIES
- Implementation of flexible working arrangements, providing better childcare facilities, expanding the minimum maternity leave and introducing paternity leave.

INITIATIVES AND PROGRAMMES
- Community-based income-generating enterprise programmes provide education, training and entrepreneurship skills to socially and economically disadvantaged rural women.
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MYANMAR

The development and empowerment of women is a policy priority of the Government of Malaysia.

CHALLENGES
- Sociocultural gender norms and attitudes
- Limited access to finance
- Restricted flexibility in time management
- Low levels of control over, and ownership of, land and productive assets

GOVERNMENT POLICIES
- Eliminating structural barriers faced by women to broaden their participation in private sector and SME activity.
- Building and supporting inclusive business and trade associations.
- Developing a comprehensive microfinance sector that recognizes the barriers for women and ethnic groups.

INITIATIVES AND PROGRAMMES
- Government programmes to develop women’s leadership skills in businesses, improve their business networks, mentor their businesses to enhance their business management abilities and expand their markets.
FRAMEWORK OF KEY ELEMENTS FOR WOMEN ENTREPRENEUR-CENTRIC POLICIES/INITIATIVES (1)

**KEY ELEMENTS FOR WOMEN ENTREPRENEUR-CENTRIC POLICIES AND INITIATIVES**

1. Foster innovation and technology
2. Increase access to gender-responsive finance and financial services
3. Create enabling laws and initiatives to foster a gender-responsive legal and regulatory system that advances women's economic empowerment
4. Increase (domestic and international) market access
5. Enhance human capital
6. Ensure access to gender-responsive business development support (BDS) services
7. Establish multi-stakeholder governance mechanisms
8. Effective policy leadership and coordination of the promotion of women's entrepreneurship development
9. Monitor the impact of policies and programmes for women-owned-led enterprises

**Good practice examples**

<table>
<thead>
<tr>
<th>Policy/Initiative</th>
<th>Country</th>
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<tbody>
<tr>
<td>SME Corp Women Netpreneur Programme</td>
<td>Malaysia</td>
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<td>STEM Female Entrepreneurship Programme</td>
<td>Ireland</td>
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<td>WE Hub Incubator for Women Entrepreneurs</td>
<td>India</td>
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<td>Start-Up Chile start-up accelerator programme with a targeted gender component</td>
<td>Chile</td>
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<td>VPBank loan packages for women-owned enterprises</td>
<td>Viet Nam</td>
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<td>Inclusive Women Venture Capital Initiative</td>
<td>Canada</td>
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<td>Angel Investment Network (ANGIN)</td>
<td>Indonesia</td>
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<td>The Women Entrepreneurs Bonds, Krungsri Bank</td>
<td>Thailand</td>
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STRUCTURE OF THE SELF-ASSESSMENT TOOL
THE FRAMEWORK FOR THE SELF-ASSESSMENT TOOL

Aim: Gender-responsive development of the SME sector and a fuller contribution of women entrepreneurs and women-owned-led enterprises to the economy.

- Gender-sensitive legal and regulatory system
- Policy leadership, institutional support and coordination
- Gender-sensitive and responsive financial services
- Gender-sensitive and responsive business development services
- Access to domestic and international markets
- Access to ICTs and production technology
- Monitoring the impact of policies and measures for women-led enterprises
<table>
<thead>
<tr>
<th><strong>Policy area domains (7) and sub-domains (21)</strong></th>
<th><strong>5. Gender-responsive financial access</strong></th>
</tr>
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<tbody>
<tr>
<td><strong>1. Gender-sensitive legal and regulatory system to advance women’s economic empowerment</strong></td>
<td><strong>• Inclusiveness of women entrepreneurs and WMSMEs in generic financing programmes</strong></td>
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<tr>
<td>• Gender impact assessments</td>
<td><strong>• Financing programmes specifically targeted to women-owned enterprises</strong></td>
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<td>• Gender equality in labour market participation</td>
<td></td>
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<tr>
<td>• Women’s property and inheritance rights</td>
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<tr>
<td>• Business registration regulations and procedures</td>
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<tr>
<td><strong>2. Policy leadership, coordination and institutional support for WED</strong></td>
<td><strong>5. Gender-responsive business development support (BDS) services</strong></td>
</tr>
<tr>
<td>• Women’s entrepreneurship as a national development and MSME policy priority</td>
<td><strong>• Gender responsiveness of BDS organisations and services to needs of women entrepreneurs</strong></td>
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<tr>
<td>• WED focal points and the MSME ministry/agency</td>
<td><strong>• Women-targeted BDS services and programmes</strong></td>
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<td>• Formal mechanisms for the engagement of women entrepreneurs and representative bodies in public-private sector policy dialogue</td>
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<tr>
<td>• Inclusive response to WED in the entrepreneurial ecosystem</td>
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<tr>
<td><strong>3. Monitoring the impact of policies and measures for women-owned-led enterprises</strong></td>
<td><strong>6. Access to domestic and international markets</strong></td>
</tr>
<tr>
<td>• Collecting and reporting on sex-disaggregated statistics relative to women’s entrepreneurship</td>
<td><strong>• E-commerce adoption and use of online trading platforms</strong></td>
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<td>• Monitoring and evaluation</td>
<td><strong>• Government procurement targeting WMSMEs</strong></td>
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<td><strong>• Supply chain linkages and integration for WMSMEs</strong></td>
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<td></td>
<td><strong>• Export promotion for women entrepreneurs</strong></td>
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<td></td>
<td><strong>• Gender-sensitive trade facilitation mechanisms</strong></td>
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<tr>
<td><strong>4. Gender-responsive business development support (BDS) services</strong></td>
<td><strong>7. Access to ICTs and production technology</strong></td>
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<td><strong>• Inclusiveness of women entrepreneurs and WMSMEs in generic financing programmes</strong></td>
<td><strong>• Digitalization and technology upgrading of WMSMEs</strong></td>
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<tr>
<td><strong>• Financing programmes specifically targeted to women-owned enterprises</strong></td>
<td><strong>• Supportive ecosystem for women-led start-ups in ICT and technology-based sectors</strong></td>
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<td><strong>• Gender responsiveness of BDS organisations and services to needs of women entrepreneurs</strong></td>
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Each section of the self-assessment tool includes four aids:

- A set of “yes”, “no” questions to guide areas for consideration in determining the current situation regarding the sub-domain theme and the possible gaps.
- A list of aspirational goals for optimal policy or programme actions.
- A scoring grid for each sub-domain:
  - Uses a 1 to 5 scale (1 = not much is being done; 5 = indicates strong performance).
  - Scoring grid includes a list of five statements. The one statement most closely describing the overall situation regarding the sub-domain is selected.
  - Totalling the scores for each of the sub-domains in a domain category will produce the overall assessment score outcome.
- Place markers at the end of each section for recording insights from the assessment analysis and for presenting potential actions to improve performance.
The main objectives behind development of the Policy Toolkit project are to

**ASSESS**
barriers and challenges faced by women entrepreneurs in the ASEAN countries.

**ESTABLISH**
an overview of available policies, strategies, reforms and responsible agencies that are currently supporting WMSMEs in ASEAN member States.

**ANALYSE**
gaps and capacity needs in the relevant agencies to implement policy reforms for WMSMEs.

**DEVELOP**
a self-assessment toolkit for ministries responsible for MSMEs and women’s MSME development that will enable an analysis of gaps, the design of appropriate interventions to address gender gaps and the tracking of achieved progress.

**LEAD**
to gender-responsive development of the SME sector and a more extensive contribution of women entrepreneurs and women-led enterprises to the economy.

The projected outcome of the self-assessment toolkit is to affect

- An increased number of women starting entrepreneurial activities.
- An improved level of women's economic empowerment and gender equality.
- An increased rate of entrepreneurial activity among women.
- An increased share of all enterprises owned by women.
- Greater sector and market diversity of women-owned enterprises.
- Growth in women-owned enterprises, such as a larger proportion of women-owned small and medium versus micro-scale enterprises and more WMSMEs trading in national, regional and international markets.
THANK YOU