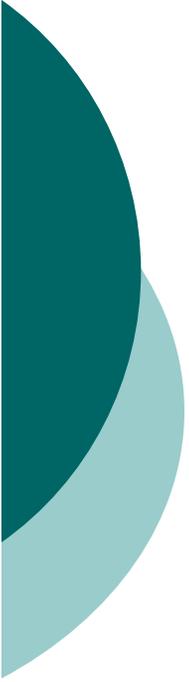




Women and SME Development

**Regulation Impediments to Enterprise
Development:**

**Mobilizing Women's Economic
Potential**

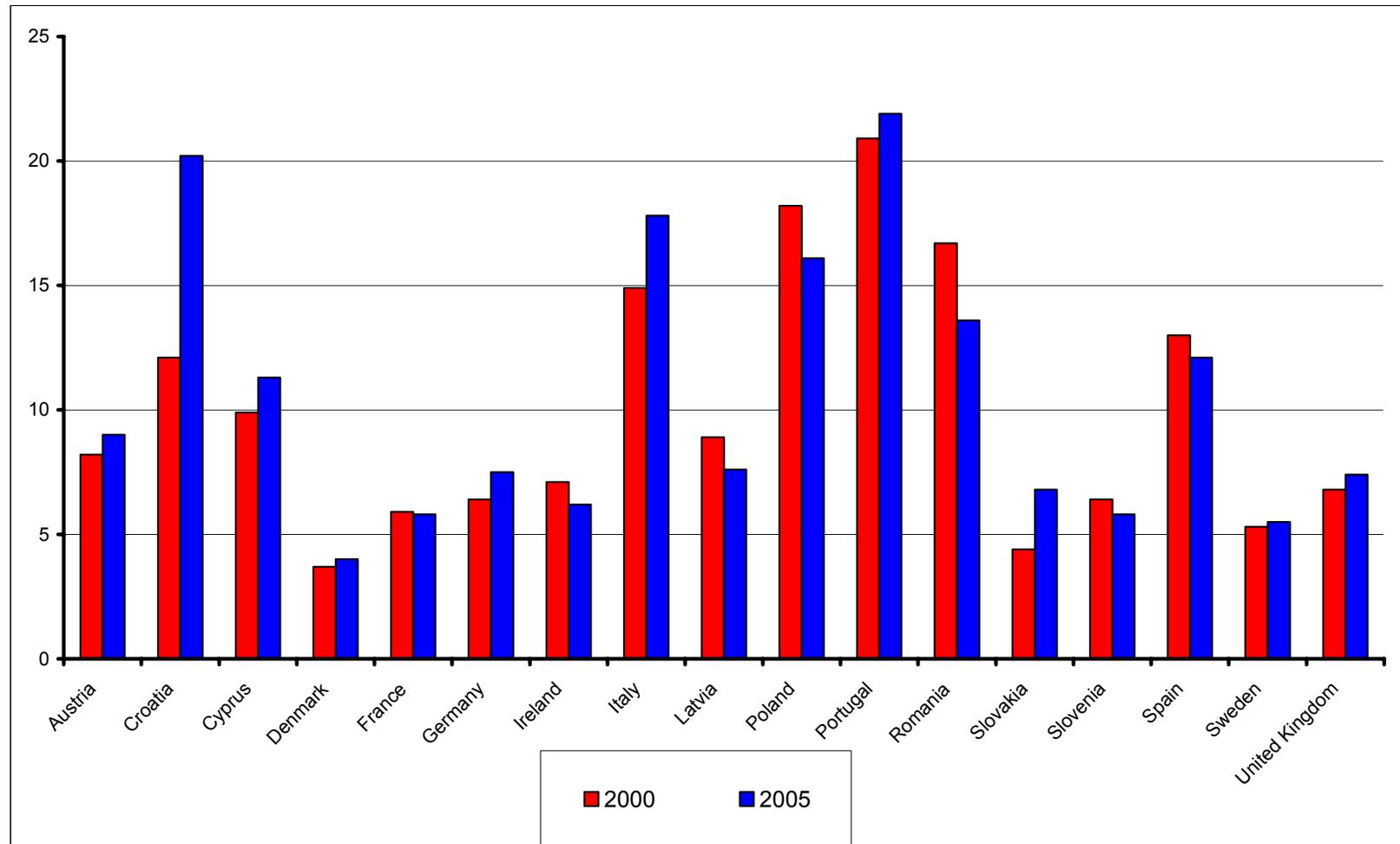


Women are important in enterprise development

- **Stimulate economic growth and job creation**
- **Increase income & improve their quality of life**

Increase of women in in SME development

Employers and own-account workers, percentage of all employed, UNECE

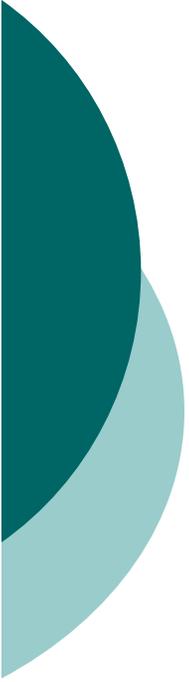


- More and more women are starting up business.



Gender Barriers in SMEs

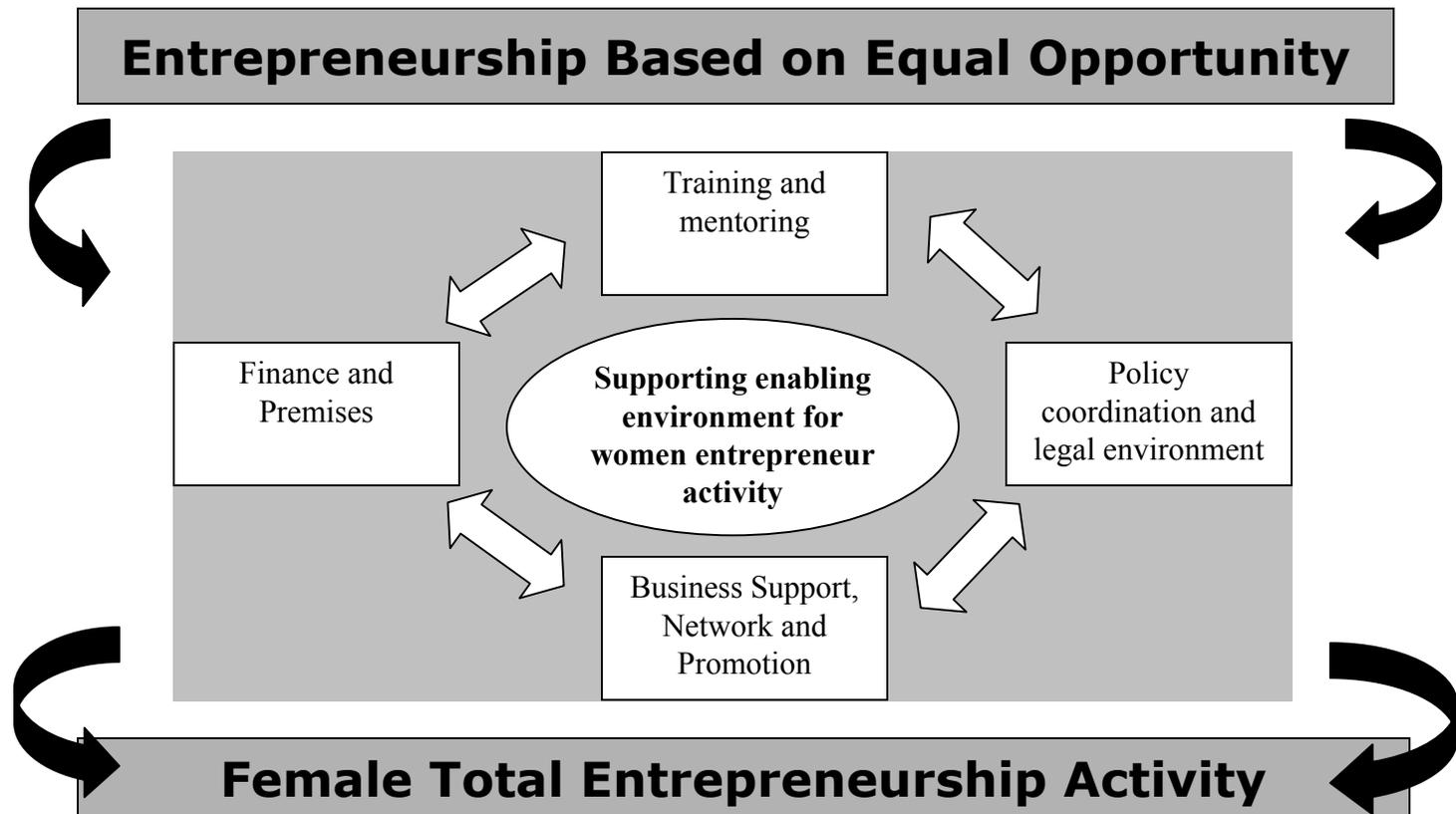
- Gender neutral legislation.
 - Reality not the case. Must ensure equality of treatment. Gender Audit Unit.
- Regulatory obstacles.
 - In certain countries, women have higher rejections for registering a business. Sometimes husband signature needed as property may only be in his name. Bureaucratic demands and impact on women with respect to household obligations. ‘..equal property rights for women ...collateral’.
- Limited access to finance.
 - Women, ownership of property, collateral and banking



Environmental conditions for women-owned enterprise

- Environment is very dynamic.
 - Social & Cultural norms and resultant structural inequalities. Women absent from labour force due to family responsibilities. Retraining courses: Ireland FAS Programme.
- Environmental conditions may be hostile in transition countries.
 - All barriers are more pronounced. Lack of legal environment, lack of institutional capacities and business regulation and bureaucracy, e.g., Central Asia Countries.
- Environment Evaluation critical for the success of any SME but particularly so in regard to women-owned enterprises. Canadian federal government policies.

Framework to Support Women in SME Development





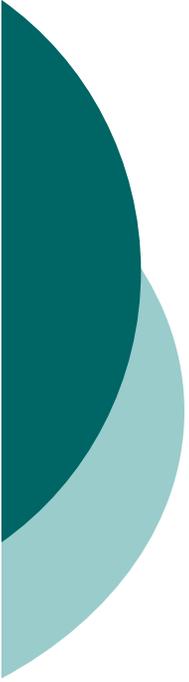
Eliminating Barriers

- Gender barriers cannot be eliminated by reforming laws in isolation from other policies and actions.
- In many countries the key to improving women's access to formal credit is through equal property rights.



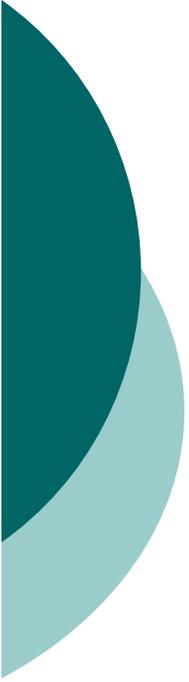
United States

- Aimed at awarding at least 5% of all contract dollars to women-owned small businesses. Some agencies have exceeded the 5% goal.
- Department of Housing and Urban Development leads by far with 32.8%. Agencies including the departments of Commerce, Education, Interior, and the Office of Personnel Management (OPM) hover in the 7-8% range.
- On pensions, women have special needs because they have different employment patterns from men which was recognised in the 2001 Act "Enhancing Fairness for Women."



Canada

- More than 10 federal government departments, as well as some provincial governments, have developed self-employment programmes targeted to women.
- Regionally, Western Economic Diversification Canada, established the Women's Enterprise Initiative (WEI) with a view to provide business guidance and services.
- The Business Development Bank of Canada (BDC) launched in 2003 a \$25million-fund to provide quasi-equity financing for women entrepreneurs wishing to expand their businesses to cover all stages of business development and a wide range of relevant issues, including among other things start-up help, advice concerning the acquisition of businesses, purchasing equipment, strategic planning, exporting and e-business.
- The Royal Bank of Canada (RBC) offers training sessions, publications and other services to women business owners across Canada and sponsors the RBC Canadian Women Entrepreneur Awards.



European Union

- Female self-employment is seen as one of the means to achieve the Lisbon Strategy goal on EU competitiveness.
- Examples of EU-funded initiatives include e.g. the NOW (New Opportunities for Women) Initiative, for which more than half of the 1750 projects financed between 1994 and 1999 addressed business creation, or EQUAL, that provided since 2000 financial support to some 1200 projects whose main focus was to support entrepreneurship of disadvantaged groups, including women.
- The LEADER+ rural development initiative has funded projects targeting rural women as micro-entrepreneurs.
- Nationally, many EU governments include among their active labour market policies the provision of start-up incentives for unemployed people who pursue self-employment, such as the Überbrückungsgeld in Germany and the Back-to-Work Enterprise Allowance in Ireland. Although roughly half of all unemployed, they only make up 29 per cent of participants in Germany and 18 per cent in Ireland. (EUROSTAT 2003)
- In the UK, the Industry and Regions Minister Margaret Hodge announced in February 2007 a new support programme for women graduates within the past 10 years and are thinking about starting a business will be launched in 2007, including a three-day residential business readiness course, one-to-one mentor support and access to dedicated online support.



Key policy recommendations

- **Recognise the role of women** in enterprise development in the modern economy.
- **Increase women's participation** through
 - understanding factors influencing SME development and
 - eliminating major barriers to SME development for women.
- **Improve access to finance** by women-owned enterprises.
- **Reduce the regulatory barriers** related to establishing and operating of a new enterprise.