



Regional Forum for Africa on Women's Entrepreneurship Development - In Response to the Financial Crisis

1. CONTEXT AND JUSTIFICATION

I.1 Context

The global financial crisis has translated into a global economic recession that has affected the African continent. Since the crisis started, governments from developed countries and emerging economies have put in place recovery packages in an attempt to mitigate its negative impact. The ILO has been fast in its reaction to identify the impact on employment and labour market and has proposed a Global Jobs Pact as a framework for national and international responses to the crisis.

Adopted by the tripartite constituents of the International Labour Organization in June 2009, the Global Jobs Pact is intended to guide national and international policies aimed at stimulating economic recovery, generating jobs and providing protection to working people and their families. It is a set of policy responses to stimulate recovery from the current financial and economic crisis as a means of avoiding the prospect of a prolonged global increase in unemployment, poverty and inequality and the continuing collapse of enterprises. The Pact urges measures to retain persons in employment, to sustain enterprises and to accelerate employment creation and jobs recovery combined with social protection systems, in particular for the most vulnerable, integrating gender concerns on all measures.

For the implementation of the Global Jobs Pact, Africa can not afford not to utilize the full potential of his people including women, in its struggle to recover from the economic crisis. Gender discrimination is one of the major inhibiting factors to the goal of decent and productive work for all women and men; and thus, an important barrier to the recovery of the economy. Due to pre-existing inequality, women entrepreneurs face discrimination that denies their rights and is economically unproductive. It affects resources allocation within the household and labour productivity.

In this context of crisis, the AfDB had also the responsibility to respond very quickly. Its response derives from the notion that Africa's marginal integration in global trade and the financial environment has not spared the continent from the contagious effects of the financial crisis, which is certainly not temporary. The crisis does not only add to existing vulnerabilities, it also requires sustained and concerted efforts to return to the path of growth. Working in concert with other development partners and adapting financial instruments make it possible to tackle the most important steps: fast-tracking support to eligible low-income countries, keeping trade moving, providing liquidity, helping the institution's regional member countries (RMCs) stay the course of sound policy frameworks and filling financing gaps in key infrastructure projects. This effort should immediately help avoiding further damage and a major slide back. Nevertheless, it cannot be pursued without support to women. The Bank strongly believes in fostering



women entrepreneurship as a tool for economic growth. It is within that framework that the Bank is committed to assist in the promotion of gender equality and women entrepreneurship mainstreaming in Africa through its African Women in Business (AWIB) Initiative as well as through its crisis response, the Trade Finance Initiative and the Emergency Liquidity Facility in particular.

The ILO and the AfDB are co-organizing a regional forum to discuss the challenges and opportunities to promote women-owned enterprises in response to the financial crisis. This Regional forum on Women's Entrepreneurship Development is part of the implementation of the Global Jobs Pact in Africa. It is also part of the African Women In Business Initiative launched by AfDB in 2004 to promote the role of women in business and empower women entrepreneurs, in particular small and medium ones through better access to finance. The forum will offer a platform to African women entrepreneurs and various players involved in Women's Entrepreneurship Development to discuss the challenges and opportunities to growing and supporting sustainable women-owned enterprises in Africa in the context of the current global recession and beyond.

1.2 Women economic empowerment

Women entrepreneurs face gender-based barriers to starting and growing their businesses: lack of access to formal finance, limited access to information, social and cultural practices, domestic violence, etc. With regards to ILO's commitment to the attainment of the Millennium Development Goals and to different International Conventions on Women's Empowerment and Gender Equality, Women's Entrepreneurship Development has a comparative advantage to address women's economic vulnerability.

Promoting and supporting women-owned enterprises fits perfectly within the responses to the global crisis and is a powerful tool to mitigate the negative effect of the crisis on the most vulnerable population.

The Global Jobs Pact sets out principles for promoting recovery and development that include 'devoting priority attention to protecting and growing employment through sustainable enterprises' and 'enhancing support to vulnerable women and men hit hard by the crisis including youth at risk, low-wage, low skilled, informal economy and migrant workers'. Women's Entrepreneurship Development is a perfect tool that reconciles the creation of sustainable enterprises and women economic empowerment.

1.3 Women entrepreneurs in Africa

Women entrepreneurs play a vital role in Africa's socio-economic development. In the context of global economic crisis, the fight against poverty and a push to develop the private sector in Africa, women entrepreneurs can not be ignored. It is estimated that in



Africa over one-third¹ of the businesses belong to women. Women-owned enterprises are the majority of businesses in the informal sector. *A large percentage of women entrepreneurs operate micro and small businesses in the informal economy. In the developing world, women workers make up around 60 per cent of non-agricultural employment in the informal economy – including up to 90 per cent of street vendors and up to 80 per cent of home-based workers. Consequently they often remain outside the scope of laws and regulatory mechanisms aimed at providing basic health and safety standards, and workers’ rights.*²

During these times of crisis, women entrepreneurs need to be ever more visible and have their voices heard so as to strengthen their capacity to succeed and contribute fully and equally to the recovery process and in the creation of Decent Work.

1.4 ILO and Women’s Entrepreneurship Development

Women Entrepreneurship is an important means to achieve decent and productive work for women and Gender Equality.

ILO has a long history of successful WED projects. For many years, ILO and its partners have been supporting African women to start, expand and formalize their businesses through a variety of support services, advocacy, access to finance, capacity building, etc. This support has been also extended to associations of women entrepreneurs. In the Africa region, some of this support has been carried out through ILO-AfDB collaboration. ILO has given an important role to social partners in promoting WED. Employers’ organizations have been active in extending their activities towards women entrepreneurs. Employees’ organizations and governments have benefited from WED capacity building programs in order to advocate for WED and provide an enabling environment.

WED remains a key priority for the ILO Regional Office for Africa (ROAF) and it is seeking to expand WED initiatives further in response to demands under Decent Work country Program (DWCP). This effort is part of the office contribution to the achievement of the Ouagadougou Summit on Employment and Poverty Alleviation in Africa (2004) recommendations, where women’s entrepreneurship development was identified as core to employment generation and poverty reduction. Further, in the 11th Africa regional meeting (ARM) held in Addis Ababa on May 11, 2007, women’s entrepreneurship development was designated as an area for priority action.

Moreover, the promotion of decent employment through entrepreneurship development is the fifth core element of the Global Employment Agenda (GEA) and within this context the Committee on Employment and Social Policy (ESP) of the ILO Governing Body in November 2006 stipulated that ‘specific measures may be required to enable women entrepreneurs to start, expand and formalize their businesses’. Also, in March 2008, the

¹ Gender, Entrepreneurship, and Competitiveness in Africa. Elena Bardasi, C. Mark Blackden, Juan Carlos Guzman at the World Bank.

² WED ESP, Page 2, ILO, 2008



ILO Governing Body endorsed a strategy for women's entrepreneurship development that provides the framework to guide the ILO's work in WED moving forward. This is a strong show of support for the promotion of WED both from the ILO and all constituents.

At its 98th session (June 2009) the International Labour Conference highlighted the importance for ILO to extend programmes to foster women's entrepreneurship and economic development in the conclusions from the general discussion on gender equality. Further, at the ILO Summit on the Global jobs Crisis in June 2009, ILO constituents adopted the Global Jobs Pact which identifies the need to focus priority attention to protecting and growing employment through sustainable enterprises and to enhancing support to those people most hit by the crisis, the majority who are women.

The Cairo Women's Entrepreneurship Development Forum is part of the implementation framework of the Global Jobs Pact, and is a preparation for the 1st African Decent Work Symposium on Recovering from the Crisis (Ouagadougou 30/11/2009 – 01/12/2009).

1.5 AFDB and Women's Entrepreneurship Development

Women Entrepreneurship Development is a key issue for AfDB. First; the Bank has long recognized that gender equality is a prerequisite for sustainable development on the continent. Thus, it has put in place a Gender Policy and Plan of Action (GPOA) which have been operational since 2001 and 2004 respectively. Through its development assistance, the Bank has made deliberate and sustained contributions to engender equality between women and men by supporting RMCs' efforts towards gender equality.

Second, the Private Sector Operations (OPSM) of the Bank launched in 2004 a small and medium enterprises initiative called African Women In Business (AWIB) . It responds to the Bank's Private Sector Development Strategy emphasis on women in business as well as to calls to empower women entrepreneurs, in particular SMEs, through better access to finance.

In this respect, integrated financing programs for WED were created in order to: i) Contribute to a more equitable business environment for women entrepreneurs and enhance their contribution to economic development, ii) develop SME financing instruments and mechanisms to enhance the financial market and assist successful SMEs to grow their enterprises.

The Action Plan of the African Women In Business Initiative is built on 4 strategic pillars: i) Raise awareness and capacity among stakeholders, in particular policy makers, on the challenges affecting businesswomen in Africa, and mobilize key players for the promotion of AWIB; ii) Reinforce Business Support Provision by promoting interalia capacity building and networking among businesswomen associations, which can support



the emergence and growth of women-owned SMEs; iii) Develop concrete forms of support for enterprise education and entrepreneurship development; and iv) Design specific programs and launch initiatives aiming at providing tailored and adequate financial and technical support to the development of women entrepreneurship in Africa. To date, a regional study was conducted, five country assessments carried out in partnership with ILO and a documentary film produced. In addition, AfDB organized or co-hosted four African Women in Business pan African conferences and various regional and sub-regional awareness meetings.

The Cairo Women's Entrepreneurship Development Forum is part of the Plan Of Action of AWIB in the specific context of the financial crisis.

2. OBJECTIVES

The forum aims at addressing the challenges and opportunities for Women's Entrepreneurship Development to contribute to the crisis response and recovery process in Africa. The regional WED meeting will specifically:

1. Give high visibility to African women entrepreneurs so that their voices are heard in the debates around recovery packages.
2. Give high visibility to both the Global Jobs Pact and AFDB's African Women In Business Initiative's response to the global economic crisis
3. Enhance and promote partnership for responding to women entrepreneurs' needs.
4. Share knowledge on effective monitoring of WED impact and contribution to women economic empowerment.
5. Share knowledge and good practices on WED mainstreaming in recovery packages from Africa and elsewhere.
6. Identify strategic orientations for strengthening future WED interventions and contribution to creating an enabling environment for WED enhancing women enterprises access to finance and linking WED to growth drivers in order to ensure women enterprise sustainability.

3. OUTCOMES

The expected outcomes of the forum are:

- Cairo WED communiqué
- Report on the WED forum to be shared with all participants
- Joint ILO-AFDB follow-up mechanism: Institutionalization of the forum: i.e. set-up a Secretary
- WED Observatory in Africa
- Publication of African women entrepreneurs' profile.



4. SCOPE

The forum will adopt a stream approach and will be composed of both plenary panel sessions.

Women Entrepreneurs Roundtable

The forum will start with a panel of women entrepreneurs to discuss the impact of the financial crisis on women-owned enterprises, the challenges they face to adjust to the new context and the opportunities that arise. This panel will also address the impact of stimulus packages on WED.

Streams

There will be three streams. Each stream will be introduced by a keynote speech and comprised of three panels.

Stream One: Promoting Sustainable Women Enterprises

This stream is about creating the conditions for developing growth-oriented women-owned enterprises. The keynote speech and working sessions under this stream are:

- *Keynote speech: WED in a globalized world: The importance of the Global Compact*
- *Panel 1: Enabling environment for WED*
- *Panel 2: Access to finance for enhanced Women's Entrepreneurship Development*
- *Panel 3 : Linking WED to Growth Drivers*

Stream Two: Monitoring of Women's Entrepreneurship Development Impact

This stream is about ensuring that WED strategies, programmes, activities and tools are effectively implemented and provide the expected results. The keynote speech and working sessions under this stream are:

- *Keynote speech: Global Jobs Pact contribution to Women Economic Empowerment*
- *Panel 4: WED impact indicators*
- *Panel 5: Enhancing WED programmes' Effectiveness*
- *Panel 6: Up Scaling successful WED strategies and programmes*

Stream Three: Partnering for WED in Africa



This stream is about the way the various players involved with WED can/should work together in order to create, expand and grow more sustainable women enterprises. The keynote speech and working sessions under this stream are:

- *Keynote speech: Working as One for WED*
- *Panel 7: Expanding government's programs for WED*
- *Panel 8: Enhancing women entrepreneurs networking in Africa*
- *Panel 9: Expanding WED donors' support in Africa.*

5. ORGANIZATION AND PARTICIPATION

The forum is a tripartite meeting that will bring together representatives of workers' organizations, employees' organizations and African governments. The meeting will also target African women entrepreneurs from various sectors, including women entrepreneurs with disability and from informal economy. It is also expected that senior representatives of regional economic communities and African Union will attend. A selected number of other participants from academia, international organizations, donors' committee and NGO networks will also be invited to participate.

The meeting will include a number of resource persons to present, share experience and facilitate discussions. Participating countries and social partners will contribute their experience. Discussions will be held in English, French and Arabic with simultaneous interpretation.