

InFocus Programme on Boosting Employment
through **S**mall **E**nterpris**E** Development
Job Creation and Enterprise Department

*Series on Women's Entrepreneurship Development and Gender
in Enterprises — WEDGE*

Jobs, Gender and Small Enterprises in Bulgaria

by Antonina Stoyanovska



Copyright © International Labour Organization 2001
First published 2001

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to the Publications Bureau (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered in the United Kingdom with the Copyright Licensing Agency, 90 Tottenham Court Road, London W1T 4LP [Fax: (+44) (0)20 7631 5500; e-mail: cla@cla.co.uk], in the United States with the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923 [Fax: (+1) (978) 750 4470; e-mail: info@copyright.com] or in other countries with associated Reproduction Rights Organizations, may make photocopies in accordance with the licences issued to them for this purpose.

ILO
Jobs, Gender and Small Enterprises in Bulgaria
Geneva, International Labour Office, 2001

ISBN 92-2-112649-8

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: pubvente@ilo.org

Visit our website: <http://www.ilo.org/publns>

Printed in Switzerland

Foreword

This working paper, number 20 in the series, addresses one of the major concerns of the ILO's InFocus Programme on Boosting Employment through Small Enterprise Development (IFP/SEED) — that of enhancing economic opportunities for women. Nowhere have the effects of economic transition been more evident than in the countries of eastern and central Europe. This paper tracks how many of the political changes have impacted on the economic lives, prospects and activities of women in Bulgaria.

The paper reports on the findings of a comprehensive sample of 324 women entrepreneurs and women managers in Bulgaria and, importantly, draws comparisons with an earlier study of both female and male entrepreneurs carried out by the Foundation for Entrepreneurship Development (FED) and sponsored by the UNDP. The paper reviews various articles of national legislation as well as the implementation of international conventions and agreements, such as the Beijing Platform for Action (1995). There is also a useful description of the activities covered by a wide selection of women's organizations, including national and regional associations, as well as those affiliated to international organizations.

The paper is produced simultaneously with a paper on Women Entrepreneurs in Albania (Working Paper 21 in the IFP/SEED series), thereby underscoring the emphasis that the ILO gives to employment and gender issues in eastern and central Europe.

Significantly the report shows that women are less likely than men to establish their own enterprises, and their businesses are more likely to fail within the first year. However, those women-headed enterprises that survive and grow tend to provide considerably more employment on average than male-headed enterprises. This information suggests that, with the proper advice, support and resources, women-owned enterprises have the potential to survive and grow and become major providers of new jobs in the Bulgarian economy.

The report also highlights several problems that women entrepreneurs have in obtaining access to small business training and vocational skills. It illustrates the low level of involvement by women entrepreneurs in business associations — a mere one per cent, compared to 30 per cent for male entrepreneurs. Entrepreneurship and self-employment are still viewed as “unsuitable” career options for women in Bulgarian society, although with few employment opportunities in formal employment, more women are engaging in microenterprises as a “last resort”.

This working paper has resulted from the efforts of a large number of persons. In particular I would like to acknowledge the work of the author, Ms. Antonina Stoyanovska, Director, and the researchers in the Foundation for Entrepreneurship Development (FED) in Sofia. In its early stages, the research in Bulgaria was supported by Ms. Hanna Ruszczyk, Programme Manager of the ILO/UNDP project on women's entrepreneurship, and Ms. Judith van Doorn, at that time Associate Expert attached to IFP/SEED in Geneva. However, ultimately this publication has resulted from the efforts of Mr. Gerry Finnegan, Senior Specialist in Women's Entrepreneurship Development in IFP/SEED, with additional research carried out by Ms. Ariane McCabe and Ms. Soe Le Aung, and editorial assistance from Ms. Geraldine Fitzgerald, and secretarial assistance provided by Ms. Christine Vuilleumier. All of their contributions and joint efforts are gratefully acknowledged.

Christine Evans-Klock
Director
InFocus Programme on Boosting Employment through
Small Enterprise Development (IFP/SEED)

Table of Contents

Foreword	iii
Abbreviations	ix
Acknowledgments	x
1. Introduction	1
1.1 Background	1
1.2 Objectives of this Working Paper	2
1.3 Methodology and Structure of the Survey	2
1.4 Outline of the Report	4
2. Role of Women in the Economy and Society	5
2.1 Historical Overview of the Participation of Women in the Economy: The Socialist Era, 1946–1989	5
2.2 The Effects of the “Transition” on Bulgarian Women	7
2.2.1 Women’s Employment	8
2.2.2 The Structure of Women’s Employment by Business Sectors	11
2.2.3 Increase in Poverty and Impoverishment	13
2.2.4 The Gender Gap in Education and Training	14
2.2.5 The Role of Women in Politics and Decision-Making	14
3. Survey of Women in Business	16
3.1 The Role of Women in Entrepreneurship	16
3.2 FED Survey Findings: Personal and Company Profiles of Bulgarian Women Entrepreneurs	18
3.2.1 Social and Demographic Characteristics of the Women Entrepreneurs	18
3.2.2 Business and Family	23
3.2.3 The Main Characteristics of the Companies Owned by Women	28
3.2.4 Main Constraints of Women-owned Companies	39
3.3 Summary and Conclusions	45
4. Review of Policy and Legislation Related to Women in Business	48
4.1 Constitutional Guarantees	48
4.2 International Instruments and Standards	49
4.3 Review of Bulgarian Laws and Regulations Regarding Women	51
4.4 Bulgarian Legislation Regarding Entrepreneurship	52
4.5 Existing Policies and Programmes on Women and Entrepreneurship	54
4.6 Conclusions	55

5.	Women’s Support Organizations in Bulgaria	56
5.1	The Status of Bulgarian Women’s NGOs.....	56
5.2	Support Institutions for Business Women in Bulgaria	56
5.2.1	Business Opportunities for Women (BOW).....	56
5.2.2	Union of Women Entrepreneurs (UWE)	57
5.2.3	Gender Project for Bulgaria Foundation (GPF).....	57
5.2.4	Bulgarian Association of Business and Professional Women Clubs.....	58
5.3	Participation of NGOs in the Legislative Processes	58
5.3.1	Gender Task Force of the Stability Pact.....	59
5.4	Other Women’s NGOs Active in Promoting Women’s Rights	60
5.4.1	Bulgarian Gender Research Foundation (BGRF).....	60
5.4.2	Women’s Alliance for Development (WAD).....	61
5.5	Conclusions and Recommendations for Women’s NGOs in Promoting Women’s Entrepreneurship.....	61
6.	Conclusions	63
	Recommendations	65
	References and Related Bibliography	67

Table of Figures

Figure 1	Average wage by economic branches and sex in 1998	7
Figure 2	Structure of registered unemployed released from branches of economy.....	12
Figure 3	Structure of unemployed women released from basic economic sectors	12
Figure 4	Structure of unemployed men released from basic economic sectors.....	13
Figure 5	The age distribution of women business owners in Bulgaria, Russia and USA.....	18
Figure 6	The distributions by age for women starting a business in Bulgaria.....	19
Figure 7	The levels of education attained by Bulgarian women business owners.....	20
Figure 8	The field of university specialization of women entrepreneurs.....	20
Figure 9	Women entrepreneurs' motives for establishing a private business.....	21
Figure 10	Motives to start business by age of the respondents.....	22
Figure 11	Women entrepreneurs' confidence in their choice of business sector.....	23
Figure 12	Family support for women entrepreneurs.....	25
Figure 13	Reliance on family decision-making	25
Figure 14	Perceived costs and benefits of entrepreneurship.....	26
Figure 15	Perceptions of the differences between female and male run businesses.....	28
Figure 16	Perception of the differences between female and male businesses by sector	28
Figure 17	The distribution of Bulgarian companies by sector.....	29
Figure 18	The distribution of women owned companies by sector	30
Figure 19	Year of company establishment	31
Figure 20	The distribution of surveyed companies by number of employees	32
Figure 21	The distribution of surveyed companies by start-up capital in 1999.....	33
Figure 22	The distribution of credits requested by business women.....	34
Figure 23	Assistance needed related to financing.....	34
Figure 24	The average number of employees by size of the company	35
Figure 25	Profits by sector in 1998.....	38
Figure 26	Problems of start-ups for Bulgarian SMEs and women-owned enterprises	40
Figure 27	Reasons for dissatisfaction with the quality of information	44

Index of Tables

Table 1	Rate of unemployment by gender and age — November 1999	9
Table 2	Economic activity and employment rate by sex and level of education.....	10
Table 3	Percentage of employed persons by sex and employment status	11
Table 4	The number and relative share of women employers and self-employed in 1999.....	16
Table 5	The difficulties hiring qualified personnel in women-owned and all Bulgarian SMEs	36
Table 6	The performance of women-owned companies by size	39
Table 7	Main problems in 1998-1999	41
Table 8	A comparison of women-owned companies and Bulgarian SMEs	46

Abbreviations

ASME	Agency for Small and Medium Sized Enterprises
BARDA	Bulgarian Association of Regional Development Agencies
BGRF	Bulgarian Gender Research Foundation
BOW	Business Opportunities for Women
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
CEE (countries)	Central and Eastern European (countries)
EU	European Union
FED	Federation for Entrepreneurship Development
GDP	Gross domestic product
GPF	Gender Project for Bulgaria Foundation
GTZ	German Technical Co-operation Agency
HDI	Human Development Index
HDR	Human Development Report
IFBPW	International Federation of business and Professional Women
ILO	International Labour Organization
LC	Labour Code
MLSP	Ministry of Labour and Social Policy (Bulgaria)
MSE	Micro and Small Enterprise
NEA	National Employment Agency
NEWW	Network of East-West Women
NFWBO	National Federation of Women Business Owners
NGO	Non governmental organization
NPRD	National Plan for Regional Development for 2000-2006
NSI (Bulgaria)	National Statistical Institute (Bulgaria)
OECD	Organisation for Economic Cooperation and Development
SHINE	Self Help Initiatives Network in Europe
SME	Small and Medium Enterprise
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
USA	United States of America
UWE	Union of Women Entrepreneurs
WAD	Women's Alliance for Development
WEDGE	Women's Entrepreneurship and Gender in Enterprises

Acknowledgments

The Foundation for Entrepreneurship Development would like to express its appreciation to the International Labour Office (ILO) for the support and financing of this initiative. The ILO's belief that this survey would highlight important issues concerning women and that it would lead to fruitful discussions has made the working paper possible. The Foundation would like to highlight its special gratitude to the sociological firm SOVA — 5 for conducting the field survey, to Ms. Hanna Ruszczyk for her inputs and recommendations on the content of this report and to the external experts that have contributed to some of the chapters: Professor Katja Vladimirova, Ms. Genoveva Tisheva, Ms. Regina Indshewa, Ms. Dochka Rousseva and Ms. Stanimira Hadjimitova.

1. Introduction

1.1 Background

Women represent about half the Bulgarian labour force. Women-owned small and medium enterprises (SMEs) have been growing in number and currently make up one-fourth of all registered companies. Given the fact that small enterprises are an important source of economic growth, it is important to ensure that potential and existing women entrepreneurs are not left out of the development process. For countries in the process of transformation such as Bulgaria, the support and development of women-owned small businesses is critical for several reasons. Women-owned SMEs are an important contributor to poverty alleviation; they encourage women's economic and social empowerment; they allow society to better incorporate women by capitalizing on their education and skills; and in many cases they contribute to a reduction of gender inequalities. The importance of improving national economic performance allied to the social well-being of Bulgarian women requires an examination of the contributions and needs of women-owned SMEs, and this in turn will facilitate the further development of women entrepreneurs in Bulgaria.

Despite the growing significance of women-owned businesses in Bulgaria, the economic potential of women entrepreneurs remains largely untapped. Given that several recent reports have highlighted the gender inequalities persistent in the Bulgarian labour market,¹ more attention must be paid to how women entrepreneurs in Bulgaria are faring, for example the types of obstacles and barriers that they face. Do they have equal access to financial and business advisory services? The range of issues concerning women's businesses need to be researched and assessed in order to develop appropriate policies and programmes which can unlock the potential of women entrepreneurs in the country. There is also increasing awareness of the importance of an enabling environment and a "level playing field" for enterprise development and this becomes even more important for women entrepreneurs.

The most important factors contributing to a favourable environment for the success of women's entrepreneurship are an effective overall SME policy, an economy conducive to business creation, and the raising of awareness about the significant contribution and potential of women's entrepreneurship. Having said that, there are some gender specific constraints that are cultural and therefore will require fundamental long-term attitudinal changes. Policies that are sensitive to the different needs of both women and men are especially necessary for promoting greater participation by Bulgarian women in economic development.

The difficulties of the transition period and the deep economic, political and cultural crisis in the Balkans have underlined the need for changes in patterns of behaviour and social values. The 1990s have been a period of transformation, and this has revealed the hidden inequalities of the Communist era: wage inequalities, feminization of certain employment sectors, and the entrenched role of women as "mothers". While these inequalities have continued in the post-socialist period, the transition also exposed numerous biases and has resulted in some instances of further discrimination against women; for example, many women in public administration and the former state-owned

¹ BGRF 1999; UN 1994; National Statistical Institute 2000; UNICEF 1999; ILO-UNDP 1998a, b.

industries were the first to be made redundant. As a result, large groups of women — young women, women in specific sectors and those in low qualified jobs — constitute a growing proportion of the poor and unemployed.

Good quality information and systematic sociological surveys are essential for sound social analysis, policy formulation and as inputs into the design and evaluation of developmental initiatives. Raising the visibility of and awareness about the economic and social contribution of women entrepreneurs requires an accurate and up-to-date statistical database. In general, reliable data based on research on Bulgarian women entrepreneurs is unavailable, and this has diminished the opportunity to push for the greater integration of the gender component in economic growth strategies.

In March 1999 in New York, the UN Commission on the Status of Women held its forty-third session, during which an assessment was made of the activities performed under the Beijing Platform for Action. The recommendations to national governments, including the Bulgarian government, were: to work for real gender equity; to strengthen state institutions dealing with problems concerning women; to implement an integrated approach for achievement of equal opportunities; and to assure the just recognition of women's contributions to the national socio-economic context.

1.2 Objectives of this Working Paper

The main objective of the research presented in this working paper is to collect and analyse information on women entrepreneurs in Bulgaria, including female entrepreneurs' characteristics, contributions, challenges and concerns. The paper also aims to examine the effects of the post-socialist transformations on women, to review the existing legislation related to women in business, to assess the role of support organizations assisting women entrepreneurs, and to examine women's participation in business and civil society organizations. Where possible, comparisons have been made between the situation of female and male entrepreneurs. It is hoped that this working paper will help to initiate a public discussion about the needs of women entrepreneurs, their perceptions, constraints, strengths and weaknesses, as well as to make recommendations for the introduction of policy changes, the improvement of the advocacy capacity of women entrepreneurs, and the provision of targeted support to enable women to establish and expand their own businesses.

1.3 Methodology and Structure of the Survey

The study was conducted by undertaking a sample field survey involving three hundred and twenty-four (324) questionnaires with women entrepreneurs and women managers, and semi-structured interviews with women's business organizations and NGO activists.² In addition, the report reviews statistical data from other sources, as well as relevant Bulgarian legislation and government documents; and national and international programmes and policies, thereby providing an overview of the situation currently facing women entrepreneurs.

² Hard copies of the questionnaire (comprising 93 questions) may be obtained on request from the ILO's WEDGE programme.

To fulfil the objectives described above, the survey was divided into four sections:

- i) **Statistical data analysis** — including a review of data from the National Statistic Institute and Labour Employment Office concerning women's share in GDP, employment, unemployment and the educational status of women. This information highlights the potential for women to become more actively involved in the economic transformation.
- ii) **Nationwide sample survey** — in order to fill in the gaps of missing data on Bulgarian female entrepreneurs, a nationwide sample survey was carried out between November and December 1999. Three hundred and twenty-four standard interviews of women owners and managers of private companies were conducted (a copy of the survey questionnaire may be requested from the ILO's SEED programme). A two-stage stratified random sample, based on sectoral and regional distribution, was developed from the national court's records on company registration.

The analysis used the following aggregation of sectors, which is similar to those used in other surveys made in Central and Eastern European (CEE) countries: manufacturing; construction, trade and repairs; hotels and restaurants; transport and communication; real estate and business services; and other services. Territorial distribution was based on the 28 administrative districts in which there are companies owned and managed by women.

The breakdown of respondents is as follows:

Professional Status:

Managers	57 women (17.6 per cent)
Owners	138 women (42.4 per cent)
Managers and Owners	129 women (40 per cent)

Age:

18-25 years old	16 women (5 per cent)
26-35 years old	74 women (22.7 per cent)
36-45 years old	129 women (39.7 per cent)
46-55 years old	89 women (27.6 per cent)
56+ years old	16 women (5 per cent)

Business Sector:

Manufacturing	42 women (12.9 percent)
Construction	16 women (5 per cent)
Trade and Services	153 women (47.2 per cent)
Hotel and Catering	16 women (5 per cent)
Transport and Communications	14 women (4.4 per cent)
Real Estate	30 women (9.1 per cent)
Other	53 women (16.4 per cent)

The questionnaire included general questions regarding the company (sector, number of employees and technology); specific data on businesses (markets, clients and their relationship with banking services); views on the economic environment and barriers to starting and developing a business; women's perceptions about society's attitudes towards businesswomen and women's role in society; and the adequacy of assistance related to information, education, training and consultancy.

-
- iii) **A review of policy measures** assesses whether policy-makers adequately address gender issues. The most significant laws and regulations concerning government policies, economic activity, investment promotion and enterprise growth are discussed, as well as programmes related to promoting employment, such as self-employment and self-confidence building.
 - iv) Finally, **semi-structured interviews** were conducted with twenty women from business organizations and NGOs representing women, or those directly involved in the support of women's entrepreneurship. The most active of these organizations which support and lobby for the promotion of businesswomen and women's self-employment are highlighted.

1.4 Outline of the Report

The Working Paper's coverage of this review is dealt with in the following four chapters:

Chapter 2 — The Role of Women in the Economy and Society. This chapter focuses on the description and the analysis of women's participation in economic and social life from the end of the Second World War until today. Economic activity and employment rates of women and men are presented, and cover the period of transition to a market economy. Characteristics of women's employment by age, marital status, business sector and educational level are presented. Issues also discussed in this chapter include: increases in levels of poverty, the gender gap in education and training, and the role of women in politics and decision-making.

Chapter 3 — The Results of the Survey of Women in Business. This chapter includes information and analysis based on the survey's findings and compares these results with other surveys on women's entrepreneurship, as conducted in Bulgaria and abroad. The analysis covers issues such as the role of women in entrepreneurship; the proportion of women who are employers or self-employed; and societal attitudes and values concerning entrepreneurship by women. Special attention is paid to the company profiles and the personal qualities of the Bulgarian women entrepreneurs; social and demographic characteristics of women entrepreneurs, including distribution by age and education; motivation to start a business; and the relationship between business and family. The main features of women-owned businesses are analyzed: their geographic and sector distribution; legal status and trends in the life of the company; quantification of employees and equipment; information on clients and markets; company performance; as well as problems during the start-up period and in the period of development of the enterprise.

Chapter 4 — The Review of Policy and Legislation Related to Women in Business. This chapter includes information about national legislation and ratified international instruments affecting women entrepreneurs in Bulgaria. Bulgarian laws and their consistency with international standards are evaluated, as well as international documents that are not legally binding but which serve as important frameworks for the evolution of desirable legal contexts. Existing policies and programmes for women in general, and women entrepreneurs in particular, are also discussed.

Chapter 5 — Women's Support Organizations in Bulgaria. This chapter focuses on the most important and active women's support organizations, their missions, objectives and activities. The identification of women-focused NGOs' role in the process of drafting, adopting and assessing the implementation of regulations is made, and recommendations for improving their capacity for advocacy and services are suggested.

It is hoped that this Working Paper will serve to highlight what has, thus far, been a largely neglected issue: women's entrepreneurship in Bulgaria. It will present a clearer view of the characteristics of Bulgarian women business owners; their reasons for becoming entrepreneurs; their needs and the barriers that they face; and it will highlight the cultural, economic and political environment in which they work. Hopefully, this paper will also stimulate fruitful discussion on the ways in which the business environment can facilitate women's business ownership and therefore benefit women's rights and empowerment, as well as further stimulate Bulgarian economic and social development. In order to do so the chapter situates women entrepreneurs in the contemporary Bulgarian context by highlighting the role of women in society and the effects that the post-socialist transformation has had on them.

2. Role of Women in the Economy and Society

The role of contemporary women in Bulgarian society has been shaped by the country's historical, political and economic situation. The Communist period aimed to create a form of gender equality in order to fulfil the needs of the rapidly industrialising economy. However, with the fall of this regime, the effects of decades of structural gender inequalities became evident. The withdrawal of the Communist policies highlighted women's triple roles (reproductive and productive roles, as well as their role as active members of society), the significant wage disparities and the feminization of certain sectors. All of this has resulted in higher unofficial levels of unemployment for women and contribute to their greater difficulty in finding work in the formal sector.

2.1 Historical Overview of the Participation of Women in the Economy: The Socialist Era, 1946–1989

From 1946 until the fall of the regime in 1989, the Communist party instituted a variety of economic, legal, and social mechanisms that resulted in many fundamental changes, including the formal equality between the sexes and the establishment of new gender roles. This commitment to gender equality was expressed in social welfare measures aimed at assisting women combine their professional engagements with their family responsibilities. The model of the "emancipated woman" was imposed, and women were strongly encouraged to fulfil three roles: to participate in all forms of labour on a par with men, as well as to be good mothers, and to be "socially engaged persons".

The rapid industrialization of the post-World War II planned economy and the artificially sustained levels of full employment, required the encouragement of a relatively high proportion of female participation in the workforce. In order to facilitate women's fulfilment of these three designated roles, the state hoped to create more favourable legal, economic and social conditions for women. By the 1970s and 1980s, Bulgarian women's labour force participation rates were higher than in Western countries, reaching 87 per cent, while in other countries it was much lower (France 55.1 per cent; United States 65 per cent; Federal Republic of Germany 56.6 per cent; Russia 74.7 per cent).³

The policies of the Communist era had several positive effects. First, they officially changed the attitude of society towards working women. Traditional family patterns that

³ ILO's Key Indicators of the Labour Market 1999. Numbers are for women between 15-64 years of age in 1980.

only decades ago were associated with village life, a patriarchal family hierarchy and the stereotype of the self-sacrificing mother, were transformed under the pressure of shifting gender relations, rapid industrialization and urbanization of societies. Second, in addition to the policy of compulsory and guaranteed employment, women were encouraged to enter all types of education and professions. As a result, women attained quite high levels of education. By 1988, women accounted for 48.9 per cent of all enrolled students, and 64.9 per cent of university professors.⁴ In 1992, the literacy level among women was 97.7 per cent.⁵ During this period, women were able to and encouraged to enter new employment sectors such as engineering, construction and mechanized farming.

Thirdly, the Bulgarian Communist regime encouraged several forms of legal protection for women in the labour market. The 1971 constitution proclaimed the equality of women and ensured the protection of maternity, childcare and family. For example, in the 1970s mothers were provided with generous maternity leave for pregnancy, childbirth and the raising of children, which many other European countries lacked. The 1970s also saw the introduction of greater social legislation, such as more favourable conditions for women in the divorce procedures and the right to abortion. A more in-depth discussion of the policies and legal framework regarding women in Bulgaria can be found in Chapter 4.

By the 1960s and the 1970s, the national targets of rapid industrialization, mobilization of the work force, and the establishment of universal health and education standards were almost completed, and the Government believed that its equal rights agenda had been accomplished. However, despite the many positive aspects of such policies, encouraging women's participation in the national economy did not automatically guarantee women's *de facto* equal status with men. Largely this was because women's status in society was legally defined in terms of being "mothers" and "workers", while a parallel definition did not exist for men. In many ways, such a definition of women, and the related legal protections, resulted in structural discrimination and created other serious obstacles for women.

These numerous legal protections were seen as detrimental for several reasons. First, as already mentioned, such policies burdened women with a triple role. Bulgarian women were encouraged to participate in social or political organizations, in the labour force and in the household. In practical terms this meant that all women's "free time" was spent on household chores. As a result women often perceived the right to work as an obligation — a duty in addition to their family responsibilities — rather than a right they could enjoy. This has had important ramifications on women's participation in the labour force in the post-socialist era. In contemporary Bulgaria, some women prefer to remain at home rather than participate in the active work force.

Also disadvantageous were the prescribed social roles' effects on women's incomes. Due to imposed protections and the early retirement age,⁶ women's working hours and wages were lower than men's. Pensions were calculated on the basis of wages earned in paid work, and without any recognition of family and care work. Women's pensions were therefore generally lower. Women's roles as care givers also prevented them from taking advantage of beneficial opportunities for career advancement.

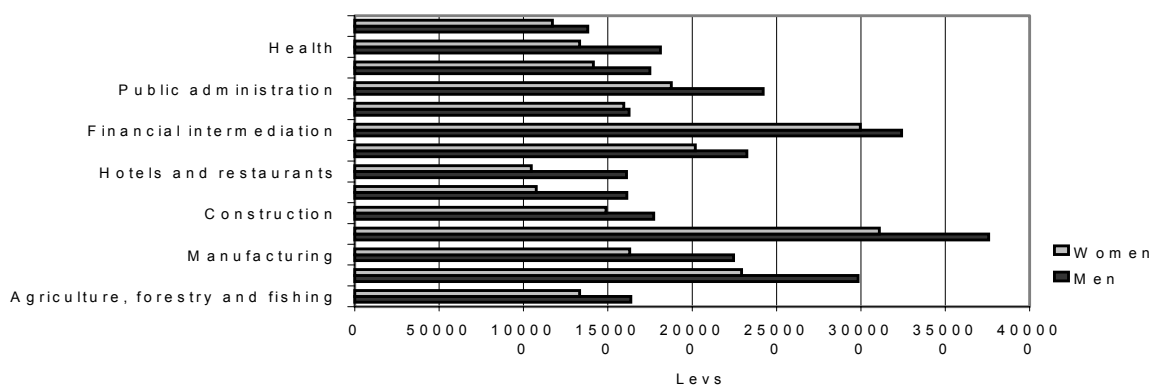
⁴ UN 1994.

⁵ International Helsinki Federation for Human Rights 2000: 103.

⁶ Women were forced to retire five or more years earlier than men, depending on the employment sector.

While officially women were encouraged to enter the work force on a par with men, thus creating many new opportunities for women, certain sectors became female dominated. This was particularly true of the lower paid sectors, such as education, health and social services, public administration, accounting and retail trade, as well as some of the productive sectors such as textile and food processing industries. At least two generations of students rarely encountered a male schoolteacher so that in 1999, 85 per cent of all teachers (from kindergarten to primary school) were women.⁷ The feminization of some professions had a number of detrimental effects, including a sharp reduction in the prestige of those professions, and a negative impact on salaries. This served to push more men out of such sectors and into more profitable ones. Furthermore, women were and still are rarely found at higher echelons of the executive hierarchy. Vertical segregation was the rule: managerial positions, heads of schools and departments, as well as chief accountants were typically positions reserved for men. Several reports have found marked disparities in wages between women and men. A National Statistics Institute Labour Force Survey, found that in 1996 women's wages were equivalent to 68.9 per cent of men's earnings.⁸

Figure 1: Average Wage by Branches and Sex in 1998



Source: National Statistical Institute 2000.

Although official policy regarded women and men as equals, attitudes towards women remained unchanged. Stereotypes of men as the family breadwinners, that “men are good managers and women are good assistants,” or that “women are not as productive or reliable as men”, contributed to the structural gender inequalities evident in the dramatic wage gap (see Figure 1).

2.2 The Effects of the “Transition” on Bulgarian Women

The end of the Communist era highlighted and exacerbated the structural gender inequalities of the previous regime. The collapse of the socialist economy and the introduction of market principles based on supply and demand, led to the privatization or

⁷ International Helsinki Federation for Human Rights 2000: 103.

⁸ National Statistical Institute 2000: 10. See also UNICEF-MONEE 1999.

liquidation of many state-owned companies and a restructuring of the work force, which led to increased levels of unemployment. During 1990-1998, employment in Bulgaria decreased by one-and-a-half million people, or about 25 per cent of 1989 employment level.⁹ Initially, especially hard hit were light industries — which employed mostly women. The demand for female and non-qualified labour decreased dramatically.

Women continue to be more affected by the political and economic transformations than men, due to the entrenched gender roles of the socialist era. In the next sections, official statistics will show that there is little difference between how women and men fare in the labour force. However, it is important to note that often official statistics disguise gender discrimination. Throughout the transition women continued to receive lower wages than men, have been made redundant more often, and are often passed over in favour of men in the hiring process. Despite women's high level of education, there are a limited number of suitable employment opportunities for them. The positions that are available are often in unskilled work and involve short-term contracts without appropriate social insurance and having illegal working hours. One woman in Sofia complains that:

“...more women began to work in the enterprises where the owners have changed...Women accept lower salaries...it seems that suddenly after privatization, low qualification labour became the more valuable labour. Inexplicably, women turned out to be more suitable for low qualified labour. Production in the privatized enterprises is feminized.”¹⁰

Thus, although unemployment or economic activity rates are similar, women are often forced to accept low-paid and unskilled work in order to get by.

In addition, women's responsibilities have increased due to the decline in income and the reliance on personal farming,¹¹ as well as the scaling back of social services such as childcare. Women carry the main burden of unpaid family work which totals approximately 4 hours per day.¹² Thus, the underdeveloped labour market with its inequalities and unfavourable labour conditions are forcing women to consider alternative forms of employment, such as self-employment and entrepreneurship. The consideration of entrepreneurship as an employment option for women will be taken up in the next chapter.

2.2.1 Women's Employment

It is clear that overall employment rates have dropped in the past decade. What is less clear is how women have fared. It seems that although in the early years of the transition, women experienced higher levels of official unemployment than men, today the rates of unemployment are quite similar for both sexes: 17.3 per cent for men and 16.8 per cent for women (see Table 1). However, as indicated above, the reality is much more complicated than the data suggests. Some warn that unofficial estimates of women's unemployment are much higher,¹³ as official unemployment refers only to those who are fifteen years of age

⁹ Bulgaria 1995.

¹⁰ BGRF 1999: III p. 10

¹¹ Personal farming provides on the average one-fifth of household income and for the particularly disadvantaged (such as pensioners, unemployed), even as much as two-thirds.

¹² Bulgaria 1995.

¹³ International Helsinki Federation of Human Rights 2000: 105.

or older who are unemployed and seeking a job during the period of the survey.¹⁴ Since women often remain students longer in order to gain higher educational qualifications, stay home to raise children, and are more likely to accept low-paid work, fewer women actively seek work in the formal labour market. In addition, there are discrepancies in the statistics available. Whereas the UNDP reports that women represent a greater number of long-term unemployed as in 1998 women made up 57 per cent of the long term unemployed,¹⁵ the National Statistical Institute's data indicates that women and men spend equal amounts of time unemployed.¹⁶

Not surprisingly, the data also suggests that the levels of economic activity and employment of women and men vary according to educational qualifications, geographic location, marital status and to a lesser extent age. As expected, statistics suggest that women with higher educational levels and greater professional skills have a higher rate of economic activity (see Table 2).

Table 1: Rate of Unemployment by Gender and Age — November 1999 (per cent)

Gender	Total	Age					
		15-24	25-34	35-44	45-54	55-64	65+
Total	17.0	36.7	16.7	13.8	14.0	13.1	7.0
Men	17.3	37.6	16.4	14.4	13.8	13.1	6.7
Women	16.8	35.7	17.1	13.2	14.2	13.0	7.7

Source: National Statistical Institute 2000.

The greatest differences in employment rates are determined by geographic location. For the same period (1999), the employment rate¹⁷ of the Bulgarian population aged 15+ in the cities was 46.9 per cent, while in rural areas it was 21.4 per cent. This variation is due largely to the differences in the age structure of the population and to the bankruptcy and privatization of non-agricultural enterprises (e.g. industry and construction). Restructuring and liquidation of companies continues in Bulgaria: 20,265 companies were scheduled for liquidation in 1998 and a further 4,175 in 2000.¹⁸

¹⁴ National Statistical Institute 2000.

¹⁵ UNDP 1998

¹⁶ National Statistical Institute 2000.

¹⁷ National Statistical Institute 2000 defines the employment rate as persons aged 15 or older who during the period of the survey: work for the production of goods and services for at least one hour for which they receive wages or other income; do not work but have a job from which they are temporarily on leave; persons who work for payments in cash or kind, managing their own firm or farm.

¹⁸ UNDP 1999: Appendices.

Table 2: Economic Activity and Employment Rate by Sex and Level of Education (per cent)

Level of Education	Economic Activity			Employment Rate		
	Total	Men	Women	Total	Men	Women
Total	49.1	54.2	44.4	41.3	45.5	37.5
Higher/University Education	76.8	74.4	79.1	72.8	70.9	74.7
Semi-higher Education	69.1	70.4	68.6	64.8	65.1	64.7
Secondary Vocational Education	72.6	75.0	69.6	63.0	65.2	60.2
Secondary General Education	60.7	65.8	55.8	51.0	55.3	47.0
Elementary Education and Lower	26.4	33.1	20.6	19.2	24.4	14.7

Source: NSI, Employment and Unemployment, 01/99, Sofia.

By the end of 1997, there were more employed persons in the private sector than in the state sector (See Table 3). According to the NSI data, in 1999 there were 1.9 per cent more men than women in the private sector. Much higher were the shares of male employers (2.9 per cent compared with 1.1 per cent women employers) and male self-employed (12.2 per cent compared with 7.2 per cent of women). The majority of workers in the public sector continue to be female (56.6 per cent). However, since June 1997 this number has decreased considerably (by 11.5 per cent) as a result of economic restructuring. At the same time the share of women employed in the private sector has increased by almost the same amount (12.2 per cent), suggesting that many women who lost their jobs in the public sector found work in the private sphere.

Table 3: Percentage of Employed Persons by Sex and Employment Status

Period	Total	Employers	Self-employed persons	Total employed in companies			Unpaid family workers	Status not indicated
				All companies	Private companies	State companies		
Total								
June 1997	100.0	1.8	9.7	86.3	22.4	63.9	1.8	0.4
June 1998	100.0	1.8	10.4	85.7	29.0	56.7	1.9	0.2
June 1999	100.0	2.1	9.9	86.2	33.7	52.5	1.5	0.4
Men								
June 1997	100.0	2.8	11.5	84.3	24.0	60.3	1.1	0.3
June 1998	100.0	2.5	12.2	83.7	29.8	53.9	1.4	0.3
June 1999	100.0	2.9	12.2	83.4	34.5	49.0	1.1	0.4
Women								
June 1997	100.0	0.8	7.6	88.6	20.6	68.1	2.6	0.4
June 1998	100.0	1.0	8.4	87.9	28.1	59.8	2.4	0.2
June 1999	100.0	1.1	7.2	89.4	32.8	56.6	1.9	0.4

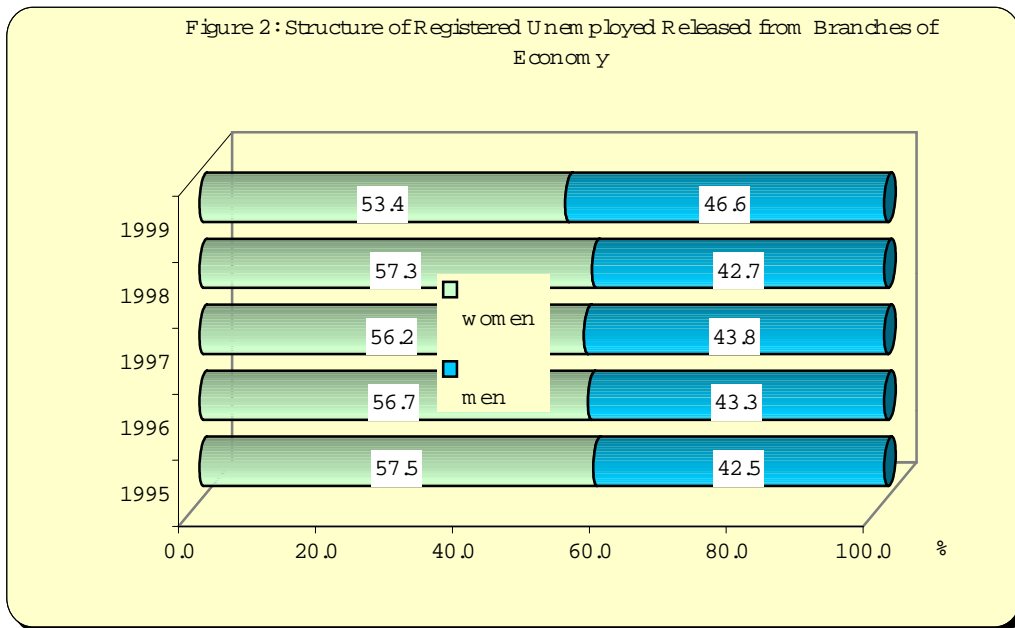
Source: NSI, *Employment and Unemployment*, various issues 1994-1999.

2.2.2 The Structure of Women's Employment by Business Sectors

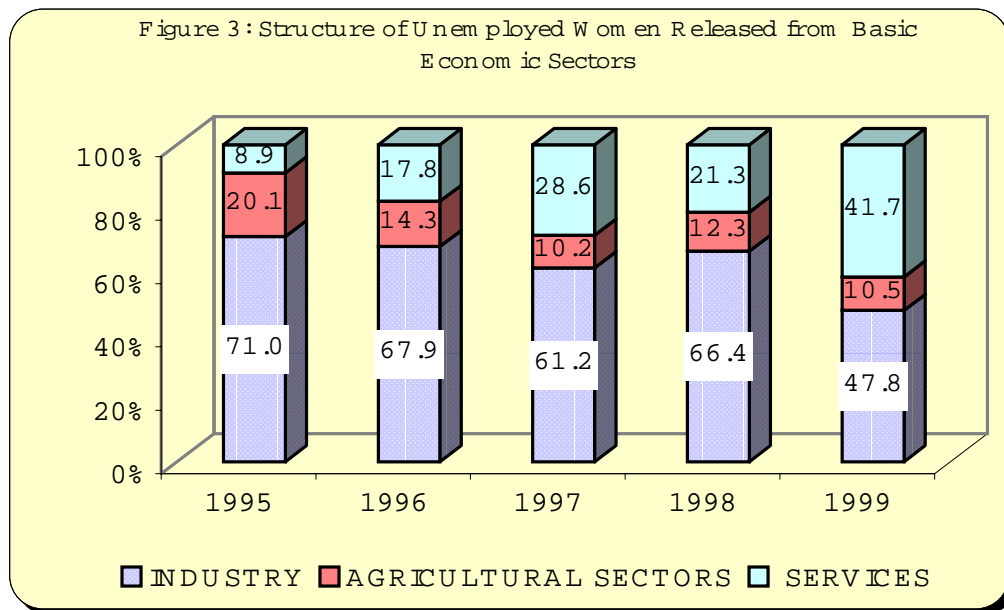
By 1999, over sixty per cent of the Bulgarian population was employed in the private sector.¹⁹ However, the segregation by sex of certain industries common in the socialist period continues. As of November 1999, women dominated education (79 per cent), health (78.7 per cent) and financial intermediation sectors (66.6 per cent).²⁰ As mentioned above, many women in the socialist era were employed in light industries such as the food industry, textiles and electronics. The number of employees in industry has been reduced by over a third since 1989. As in many sectors, the share of women made redundant is more significant than men. In 1999, 53.4 per cent of women registered unemployed were released from employment compared to 46.6 per cent of men (see Figure 2). Figure 3 and 4 show that most of the laid-off workers had been employed in the industry and service sectors.

¹⁹ NSI, *Employment and Unemployment*, various issues 1994-1999.

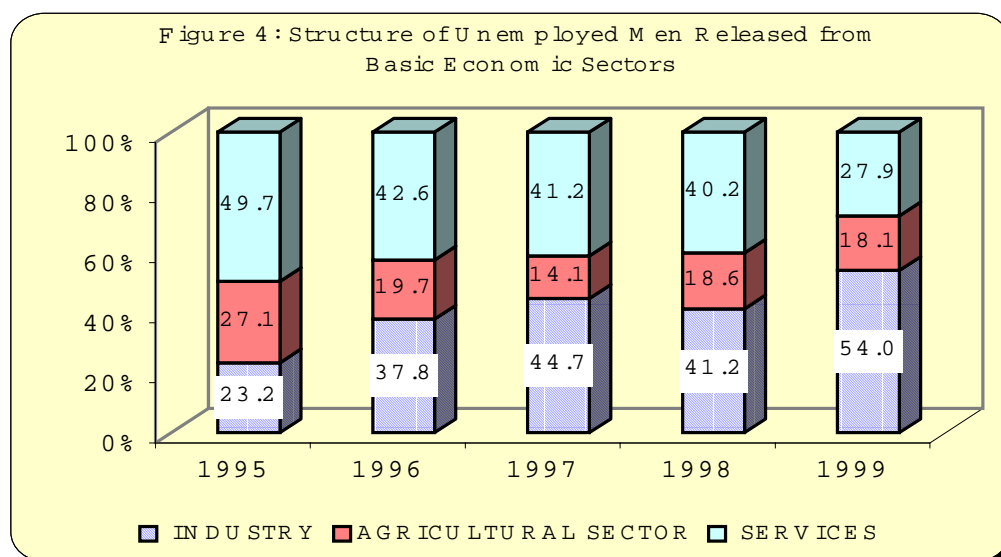
²⁰ National Statistical Institute 2000.



Source: National Statistical Institute 2000.



Source: National Statistical Institute 2000.



Source: National Statistical Institute 2000.

Similarly, there has also been a drastic decrease in personnel in the science and scientific services sector which had been previously dominated by highly educated women. Ten years after the fall of the Communist regime, only one-quarter of those in the science and scientific sector remain in employment as almost all branch research institutes were liquidated. As scientific sectors and the electronics industry were severely affected by restructuring, the number of unemployed women with university degrees in engineering and other technical specialties increased greatly.

2.2.3 Increase in Poverty and Impoverishment

Poverty is a growing problem for women in Bulgaria. Two-thirds of the poor in Bulgaria are women and children.²¹ Poverty is growing, especially among women-headed households which comprise 21.4 per cent of households in Bulgaria.²² This number is expected to grow as women's life expectancy increases (63 per cent of elderly people are women), the number of divorces rises and fewer people get married. In 1998, 64.9 per cent of women-headed households were considered poor according to the norms of absolute poverty.²³ Furthermore, they are generally poorer than male-headed households.²⁴ The factors causing women's poverty are related to their role as family caretakers, their limited territorial mobility and the lack of appropriate skills, which prevent them from successfully competing with men in the tight labour market.²⁵ Social discrimination and exclusion "hides" them at home away from view. Many women do not even receive the social

²¹ ILO-UNDP 1998a.

²² ILO-UNDP 1998a, www.undp.bg

²³ ILO-UNDP 1998a, www.undp.bg

²⁴ ILO-UNDP 1998a: 16 - 19

²⁵ Social Watch 1999: 120

benefits to which they are entitled.²⁶ The researchers in Bulgaria suggest that this is one reason why they have difficulties identifying and addressing the range of social problems affecting women.

2.2.4 The Gender Gap in Education and Training

At present there is a serious gap between the high level of women's educational attainment and their low professional status. Often this is due to the fact that the majority of female university students choose to study the humanities and social sciences which lead to work in government or administration. These are sectors with limited job opportunities and women are either forced to change jobs frequently or to get additional training. The employment of highly qualified women in low skilled work is also exacerbated by reduced opportunities in engineering, construction and farming (previously sectors in which well-educated women found work) as a result of the transition.

While the National Statistical Institute suggests that more women are enrolling in professional training classes, which is leading to wider employment opportunities,²⁷ the Women's Alliance for Development (WAD) on the other hand, found that more young women are finishing secondary school without any vocational training. This is due to increased pressures from family responsibilities and child-rearing.²⁸ WAD notes that often training courses are not designed in a way that allow mothers from minority groups, and women and children with disabilities to attend, thereby adding to the problem.

2.2.5 The Role of Women in Politics and Decision-Making

In Bulgaria, despite the constitutional and legislative safeguards of the rights of women, there is unequal representation of women in political decision-making at the national and regional level. The current representation of women in positions of responsibility in trade unions, professional unions and the public and private sector is also insufficient. The percentage of parliamentary seats occupied by women has fallen from 21 per cent in 1987 to 11 per cent in 1999.²⁹

However, until 1989 the equality of women was officially proclaimed and codified in law. Gender equality was more a matter of government policy and quotas, than of daily social equality. The Communist regime held elections in which the ruling Communist party appointed all candidates, and in this system quotas guaranteed women a share of seats, but gave them little practical power. Though women did have the formal right to belong to the highest political body, the Political Committee, in 1989 there were no women on this committee. Furthermore, women's participation was limited in those other civil institutions that were not affiliated with the Communist party.

²⁶ WAD 1997.

²⁷ National Statistical Institute 2000.

²⁸ ILO-UNDP 1998a: 30; also: Women have limited access to re-training, because they can barely save money from an average per day/per capita income of 700 Bulgarian levs (less than 50 US cents). Mothers of small children are poorer even than women pensioners. (Statistical information on 2100 women-headed households in Sofia, Rousse, Pernik, Stara Zagora, Plovdiv - WAD, 1997 - 1998)

²⁹ UN 2000.

Since the introduction of democratic multi-party elections, the number of women in national parliaments of Eastern European countries has fallen drastically. In Bulgaria, different trends are observed regarding women in decision-making positions and in government administration. In general women hold few positions of executive power. In 1996, women held 4.8 per cent of the seats at the ministerial level.³⁰ In 2000, women held three of sixteen ministerial positions, including the Ministers of Foreign Affairs, Culture and the Environment. Women also held 18.8 per cent of the seats in the 2000 Council of Ministers³¹ and made up 16.2 per cent of seats at the sub-ministerial level in 1996.³² Women also constitute more than 60 per cent of the judiciary.³³ However, in general women predominate at the administrative rather than the executive level.

The low success rate of women winning parliamentary seats tends to discourage other women from participating and political parties from backing them. A UNICEF report, *Women in Transition*,³⁴ found that there has been little demand for increased political participation of women and some women politicians have even claimed that because of the transition crisis, it is not an appropriate time to deal with women's issues. They assume that a stable democratic system must be in place before issues of women's equality can be addressed. As the imposed quotas of the Communist era are now discredited, a successful approach to surmount the prevalent negative gender stereotypes and traditions should start within the new political parties which are an integral part of civil society and, therefore, of social change.

Another important field of women's participation is their role in high-level economic decision-making. Under the Communist regime, women rarely held key economic positions, thus reflecting their lack of influence in this field. Unequal participation in policy and decision-making positions is a result of the low participation of women in the decision-making structures, and this has not been reversed by the presence of a few "token" women in important positions. Measures and strategies should be developed to combat inequalities between women and men, as well as to eliminate their causes.

Therefore, it is important to highlight the contribution that women in general, and women entrepreneurs in particular, make to the economic and social development of the country. This can be brought about by initiating a positive image-changing media campaign, as well as by profiling a number of case histories of dynamic entrepreneurial and mould-breaking women business owners. Such women entrepreneur role models can help to create a more positive image of women's role in economic development and portray entrepreneurship as a positive, lucrative and satisfying career option for female youth, as well as for well-qualified but unemployed women.

The next chapter embarks on this process by examining Bulgarian women's views of entrepreneurship and the current role of women in business. The results of the Foundation for Entrepreneurship Development's (FED) survey of women business owners and managers throughout Bulgaria, are discussed. The survey's findings profile currently successful women entrepreneurs in Bulgaria and indicate some of the problems these women face. The survey also highlights how women entrepreneurs are coping with the

³⁰ HDR 1999.

³¹ Indicators, www.undp.bg

³² HDR 1999.

³³ International Helsinki Federation for Human Rights 2000: 115.

³⁴ Reference not provided.

current gender stereotypes, uncertain economic climate and complicated legal context, in order to increase their earnings and gain greater financial independence. As the survey concentrates on assessing the performance, needs and problems of existing women entrepreneurs, there is yet another story which needs to be investigated. That concerns the plight of those women who wanted to pursue entrepreneurship, but were unable to do so. It also concerns those who have gone into business and failed, and the reasons why this has happened.

3. Survey of Women in Business

This chapter discusses the findings of the survey commissioned by the ILO and carried out by the Foundation For Entrepreneurship Development (FED) commissioned by the ILO, concerning the participation of Bulgarian women in business. It profiles women entrepreneurs, their attitudes and the influence of their work on family life, as well as examining their performance and needs, and the gender inequalities and barriers which women entrepreneurs face.

3.1 The Role of Women in Entrepreneurship

The latest information on the labour force from the Bulgarian National Statistical Institute (NSI) shows that approximately 115,000 Bulgarian women operate their own business out of an active labour force of 2,811,000 people³⁵ (see Table 5). Only 15,000 (13 per cent) of women-operated businesses have employees, whereas the vast majority of them (87 per cent) do not.

Table 4: The Number and Relative Share of Women Employers and Self-Employed in 1999

Type	Total		Women		Men	
	,000	per cent	,000	per cent	,000	per cent
Employers*	62.2	100.0	15.5	24.9	46.7	75.1
Self-employed**	292.8	100.0	100.1	34.2	192.7	65.8
Total	355.0	100.0	115.6	32.6	239.4	67.4

Source: NSI, Employment and Unemployment, 2/1999.
 * An employer is a person who alone or in partnership operates their own business and employs at least one person.
 ** Self-employed refers to a person who operates a professional practice or other business with no hired employees.

This data also shows that there are considerable differences in the number of female and male entrepreneurs in Bulgaria (Table 5). Only 24.9 per cent of employers are women while 34.2 per cent of the self-employed are women. The findings of this survey suggest that this is mainly due to the attitudes of both women and men regarding women's role and the nature of entrepreneurship, which are reflected in society and by government policy and legislation. Somewhat surprisingly, the survey results indicated that overall women entrepreneurs did not feel that there were any gender barriers to their success in the market place.

Much of the discrepancy between the numbers of female and male entrepreneurs in Bulgaria can be explained, as suggested in Chapter 2, by the socially ascribed role of women and also the values that Bulgarians attach to entrepreneurship itself. A UNDP

³⁵ NSI 2000. This number is for November 1999.

survey indicates that more Bulgarian men plan to start a company (16.5 per cent) than women (6.3 per cent).³⁶ Bulgarian women are less likely to attempt to start a business than men, and those women that do attempt it are more likely to fail. Whereas 11.6 per cent of Bulgarian men have tried and succeeded to establish an enterprise, only 6.3 per cent of women have been successful.³⁷

Although the women in the sample are generally highly educated (22 per cent of the women versus 14 per cent of men in the 1998 FED survey sample³⁸ have a bachelor's degree and higher education), a lower percentage of women (23 per cent compared to 35 per cent of men) believe that they have the necessary qualifications to start a private business. Almost 70.6 per cent of women compared to 64.9 per cent of men believe that they lack essential skills to start-up their own private enterprise.³⁹ However, over time women tend to become more optimistic about their chances of succeeding as entrepreneurs, compared with no change in men's outlook.

Women are also more likely to believe that they lack key attributes, such as specific expertise, knowledge of business opportunities and managerial skills. This probably stems from the fact that historically, women and men have been involved in different, gender-determined, professional areas. Manufacturing enterprises tend to be male-dominated, while services tend to have a greater concentration of women. Although there are no differences with regard to intentions to start manufacturing enterprises, a higher proportion of women (13 per cent) than men (10 per cent) consider setting up trading enterprises. Interestingly, the respondents noted that there are no major gender differences in access to capital or in the effects of the uncertain economic situation. This will be taken up in the following sections.

Compared to men, women tend to place a higher value on career development, prestige in society and leisure time than on income. These societal values are reflected in the fact that in Bulgaria, more women than men aspire to become doctors, bankers, state officials and lawyers — professions that bring such widely valued benefits.⁴⁰ In addition to the historical segregation of women in the state sector, many Bulgarians have a negative view of the private sector due to their difficult experiences throughout the past decade of transition and the lack of transparency due to corruption, racketeering and crime.⁴¹ Women not involved in private enterprise tend to place a lower value on jobs in the private sector. Many who are uninformed about entrepreneurship, therefore, believe that the private sector offers fewer chances to achieve these life-goals, thus discouraging them from becoming entrepreneurs.

³⁶ UNDP 1999: 60.

³⁷ UNDP 1999: 60-61.

³⁸ FED 1998.

³⁹ UNDP 1999: 60.

⁴⁰ UNDP 1999: 59.

⁴¹ UNDP 1999: 60.

3.2 FED Survey Findings: Personal and Company Profiles of Bulgarian Women Entrepreneurs

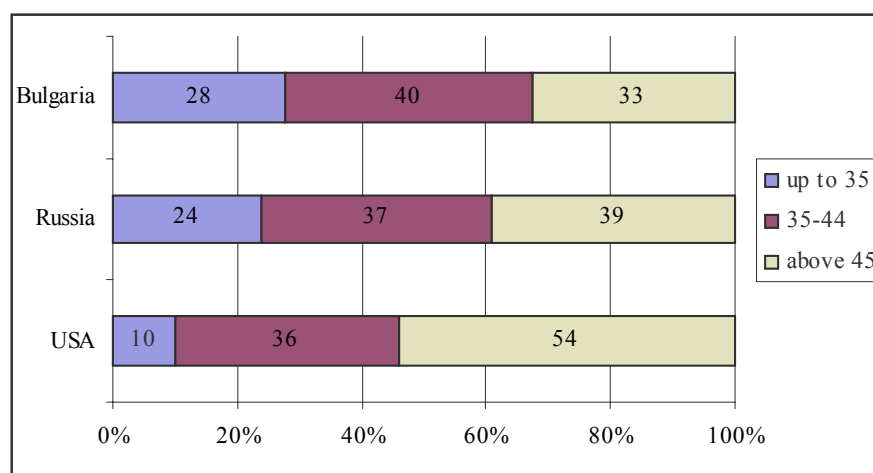
The analysis of the profiles of companies and women entrepreneurs is based on the findings of the sample survey carried out between November and December 1999, in which 324 women owners and managers of private companies were interviewed. For comparisons between women-owned companies and Bulgarian SMEs in general, data from the FED 1998 representative nationwide survey are used.⁴²

3.2.1 Social and Demographic Characteristics of the Women Entrepreneurs

a) Age and Education

About two-thirds of the women entrepreneurs in the sample are between 31 and 50 years of age. The survey data confirms that, as in other transition countries, Bulgarian women business owners are younger than in the countries with developed market economies. While in the United States, for example, only 10 per cent of women entrepreneurs are younger than 35 years of age, in Russia this age group makes up 24 per cent of the total,⁴³ in Albania 17 per cent, and in Bulgaria 28 per cent.⁴⁴ This difference between transition and developed economies can be partly explained by the low overall levels of incomes in transition countries and the lack of other income generating options. As a result, fewer households in transition countries can survive on only one income, and therefore women are forced to find a paid job or start up a business.

Figure 5: The Age Distribution of Women Business Owners in Bulgaria, Russia and the USA



Source: National Federation of Women Business Owners (NFWBO) Survey of Women Business Owners in Russia, 1996.

In specific sectors of the Bulgarian economy, the age distribution is slightly different. Female entrepreneurs in transport and communications are on average younger than their counterparts in other industries: 36 per cent of them are between 18 and 35 years old.

⁴² FED 1998.

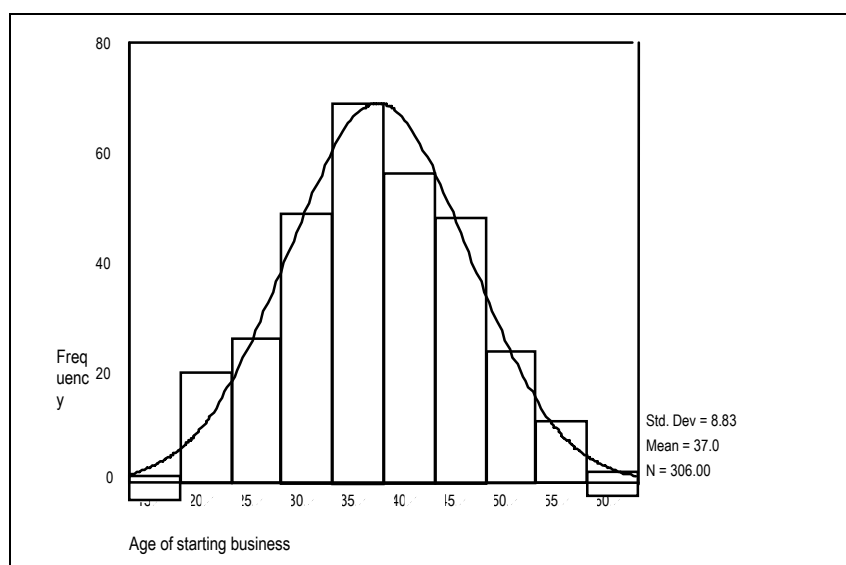
⁴³ NFWBO 1996: 2.

⁴⁴ Unspecified source.

Similarly, the distribution by age in the sector of trade and services is as follows: 31 per cent between 18 and 35; 33.3 per cent between 35 and 45 years old; and 30 per cent between 45 and 55. In contrast, 75 per cent of women entrepreneurs in construction and 55 per cent of women entrepreneurs in manufacturing are between the ages of 35 and 45. In real estate and business consulting, and in catering and hotel management, women tend to be older — as 45 per cent and 38 per cent of women entrepreneurs from the respective sectors are between the ages of 45 and 55.

The distribution by age for starting a business is given in Figure 6. It shows that women aged between 30 and 45 are more inclined to start up their own business than any other age group. The average age for women starting a business is 37 years of age. These findings can be explained by the fact that women entrepreneurs use their educational and work experience as a basis for establishing a business.

Figure 6: The Distributions by Age for Women Starting a Business in Bulgaria



This explanation is confirmed by the fact that Bulgarian businesswomen are relatively well educated: 47 per cent have graduated from a university, and a further 39 per cent from either a college or a specialized secondary vocational school. This is similar to the pattern for all Bulgarian SMEs. Data from other FED surveys shows that 51 per cent of all SME managers in Bulgaria have a university degree.⁴⁵ However, this conflicts with the results of a UNDP survey which suggests that only 4.3 per cent of women and 10 per cent of men surveyed have a higher education, whereas 10 per cent of women and 14.2 per cent of men with a primary education or less have become entrepreneurs.⁴⁶ A comparison with other Central and Eastern European (CEE) countries shows that the share of women business owners with a university degree in Russia is much higher, at 79 per cent, while in other countries it is lower — for example in Hungary it is 24 per cent, and Albania 22 per cent.

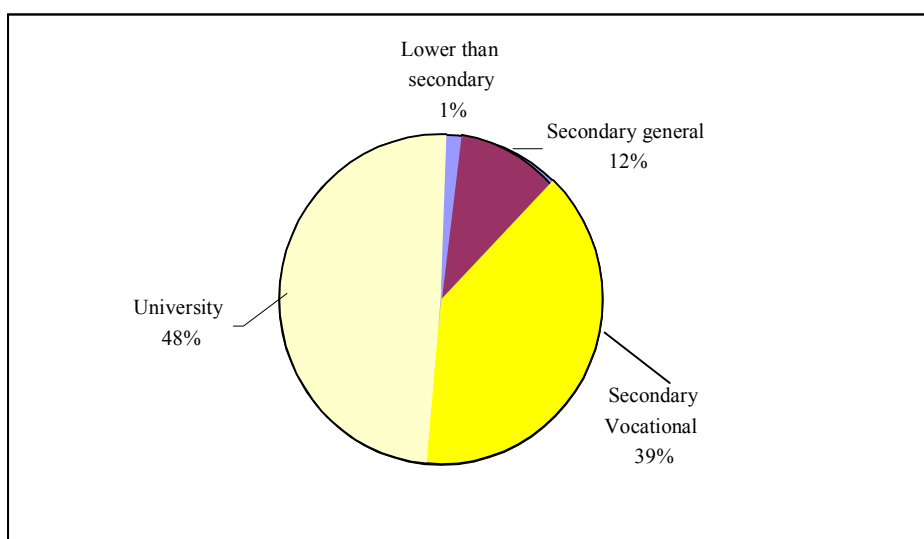
The highest percentage of Bulgarian businesswomen with a university degree is found in construction (60 per cent), followed by transport and communications (57 per cent).

⁴⁵ FED, State of SMEs in Bulgaria, 1998

⁴⁶ UNDP1996: 44.

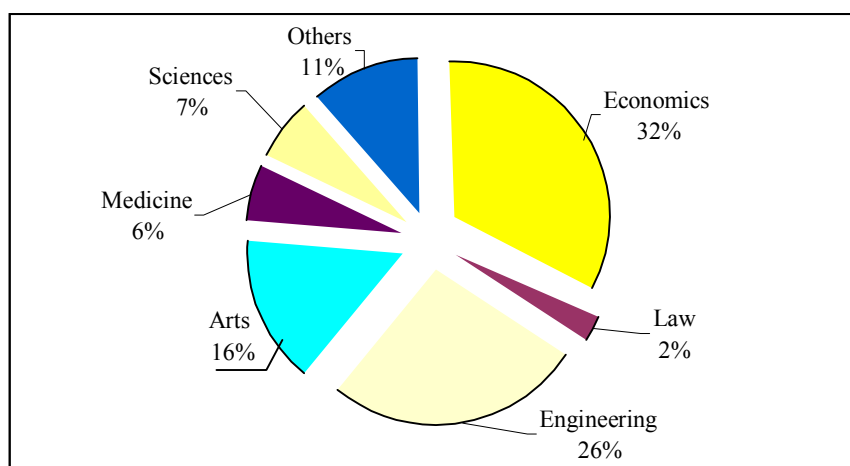
Women restaurant and hotel owners tend to have the lower educational levels, where over 60 per cent have only graduated from special secondary schools.

Figure 7: The Levels of Education Attained by Bulgarian Women Business Owners



The most commonly reported educational backgrounds of women owners are in economics and engineering (See Figure 8). This is partly due to economic restructuring over the past ten years which led to large-scale unemployment, especially amongst engineers. Since there were few suitable employment alternatives, women turned to self-employment as an opportunity to make a living.

Figure 8: The Field of University Specialization of Women Entrepreneurs



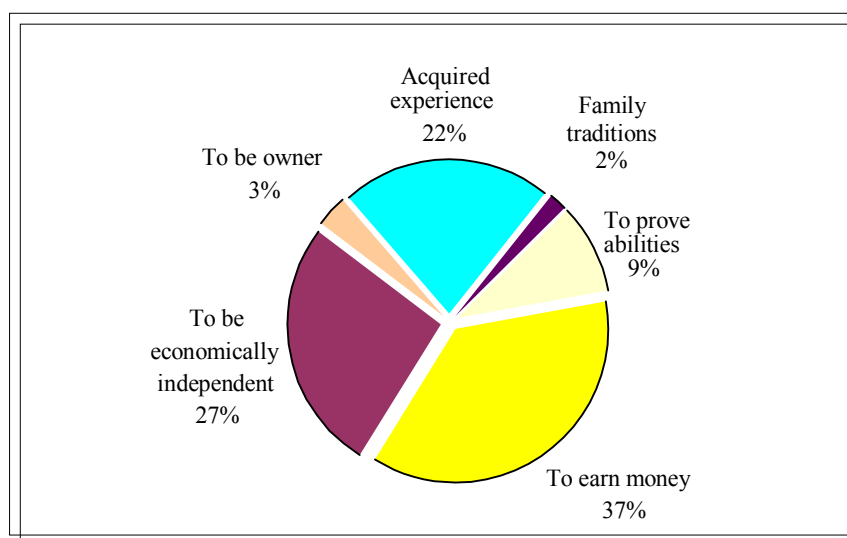
b) Motivation to Start a Business

Not surprisingly, the survey showed that many women entrepreneurs (37 per cent of those interviewed) indicated a desire to earn more income as a main reason for establishing businesses. Economic independence (27 per cent) and using previously gained experience (22 per cent) were the next most important motives. This information is contrasted with Albania, where in 77 per cent of cases the main motivation to start up a business is to increase income. In Hungary, 23 per cent of all women entrepreneurs expect to earn a

higher income, whereas 12 per cent seek more freedom, 12 per cent seek better use of previous expertise, and a small proportion were following a family tradition.⁴⁷ Given the economic performance of these countries (GDP: Albania US \$870, Hungary US \$4,650, Bulgaria US \$1,380),⁴⁸ one could conclude that there is some correlation between the economic success of the transition and women's reliance on entrepreneurship as a survival strategy.

In support of this argument, it also seems that the desire to earn more money is a greater incentive for business establishment in smaller towns than in larger cities, where women are more often motivated by a desire to build upon previous work and educational experience. Presumably, this is also due to higher levels of poverty and fewer employment opportunities in rural areas.⁴⁹

Figure 9: Women Entrepreneurs' Motives for Establishing a Private Business



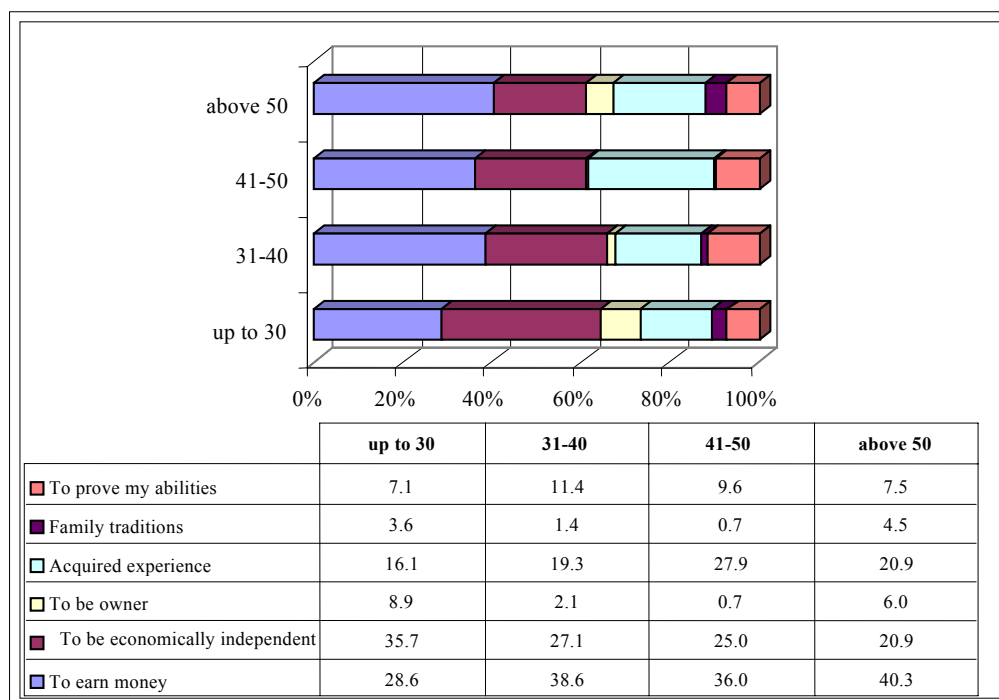
Similarly, compared with older urban women, younger entrepreneurs place less importance on income as an incentive to start a business. Independence and a desire “to be your own boss” are more important. The younger generation views income as a secondary, rather than a prime incentive for becoming an entrepreneur.

⁴⁷ Foundation for Small Enterprise Economic Development 1997.

⁴⁸ World Development Report 2000. Figures are for 1999.

⁴⁹ UNDP 1999.

Figure 10: Motives to Start Business by Age of the Respondents



When selecting a business sector, women generally base their decisions on work experience (36 per cent), the known profitability of the sector (18 per cent), advice of relatives and friends (16 per cent), and education (15 per cent). Previous experience is the major determinant for the selection of business areas in other CEE countries as well. In Albania, for instance, 44 per cent of all women owners selected their business sector on the basis of experience. The success of others in similar businesses was important for 46 per cent of the women interviewed, and 13 per cent followed the advice of friends and relatives.

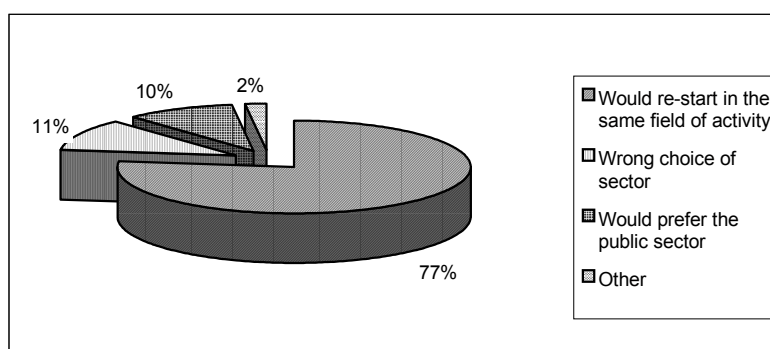
For Bulgarian women, previous work experience is most important for those engaged in construction, hotels and catering businesses, 63 per cent of hotel and restaurant owners and approximately 50 per cent of construction entrepreneurs based their businesses on accumulated expertise and skills. Educational background also played an important role in the selection of type of business for 31 per cent of women entrepreneurs in construction, and 19 per cent in real estate and business. “Profitability of the sector” and “the advice of friends and family” are less significant in sectors such as trade, transport and communications. Least important in deciding to start-up a business are business opportunities and economic trends in the sector.

Younger entrepreneurs mostly base their business decisions on education, advice from friends, and profits in the sector, while those above 40 years of age mostly make a choice on the basis of experience, followed by education. Relevant experience from a similar job influenced 81 per cent of women in manufacturing, 71 per cent of those involved in business services and real estate, and 62 per cent of those on construction. A more detailed analysis of the survey findings shows that a lower percentage of women in smaller towns (37 per cent) are ready to start a business without previous experience than in larger towns (57 per cent).

The survey data shows that women generally select businesses based on their capabilities and skills and are confident that their choice was the right one (Figure 11).

Thus, 77 per cent of respondents confirmed that they would start a private company in the same field of activity if they had to begin again. Only 11 per cent of those interviewed felt that their choice was the wrong one and would prefer to work in another sector. Another 10 per cent stated that if they had to choose again, they would prefer to be employed in the public sector. Entrepreneurs younger than 40 seem to be more flexible and appear to be willing to begin again in a different business activity than women over 40 (30 per cent and 20 per cent respectively). However, 20 per cent of women above 40 years of age said if they were to start again, they would not get involved in private business at all. As noted above this is possibly due to the economic uncertainty brought about by the transition, as well as concerns about corruption, racketeering and other crimes.

Figure 11: Women Entrepreneurs' Confidence in their Choice of Business Sector



c) Attitudes Towards Business Growth and the Economy

About 32 per cent of interviewees intend to expand their business and in manufacturing this percentage is higher, where 49 per cent of all women owners have expansion plans. This suggests that a significant proportion of women in businesses are not subsistence oriented, as is commonly perceived. Women with higher educations are more focused on growth (37 per cent of those surveyed), than women with secondary general education (21 per cent) or vocational education (28 per cent).

However, the survey results show that the women business owners in general are not optimistic about the business environment in the medium-term. Only 24 per cent consider that the business environment in the next two to three years will improve. Bulgarian women managers express pessimism, presumably as a result of the weakness of the economy in general rather than as a result of economic competition.

In summary, the businesses in larger towns that are operated by those women with a higher level of education and aged below 40 are more oriented towards expansion than others. This indicates that plans for growth correlate positively with education, access to information, business opportunities, and the perceptions of women about their abilities to manage a growing company. Younger entrepreneurs up to 30 years (36 per cent) and university graduates (30 per cent) are more optimistic about the business situation in the medium-term.

3.2.2 Business and Family

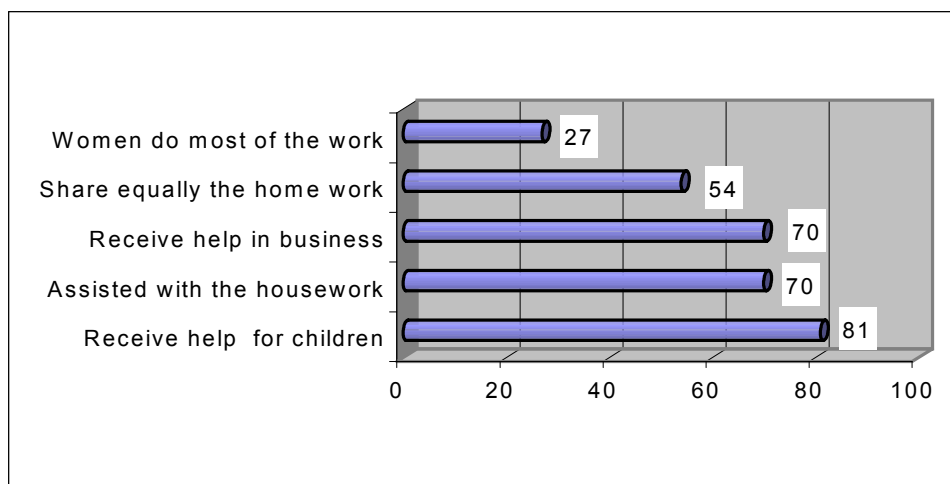
The survey results show that 76 per cent of women entrepreneurs are married. The highest proportions of single women are employed in the transport and communication sector (43 per cent) and hotel and catering sector (38 per cent). The majority (53 per cent) of businesswomen have 2 children, which is higher than the one child per family norm.

a) Role of the family in women-owned businesses

Of the Bulgarian businesswomen surveyed, 61 per cent stated that their husbands admire their business success. This is especially the case with young couples, where 70 per cent of women entrepreneurs' husbands, acknowledge their business efforts. Less appreciated are the efforts of those women above 40 years of age, of whom only 57 per cent feel that their husbands value their achievements. Overall, though, only 9 per cent of women in the survey experienced negative attitudes and jealousy towards their success from their spouses.

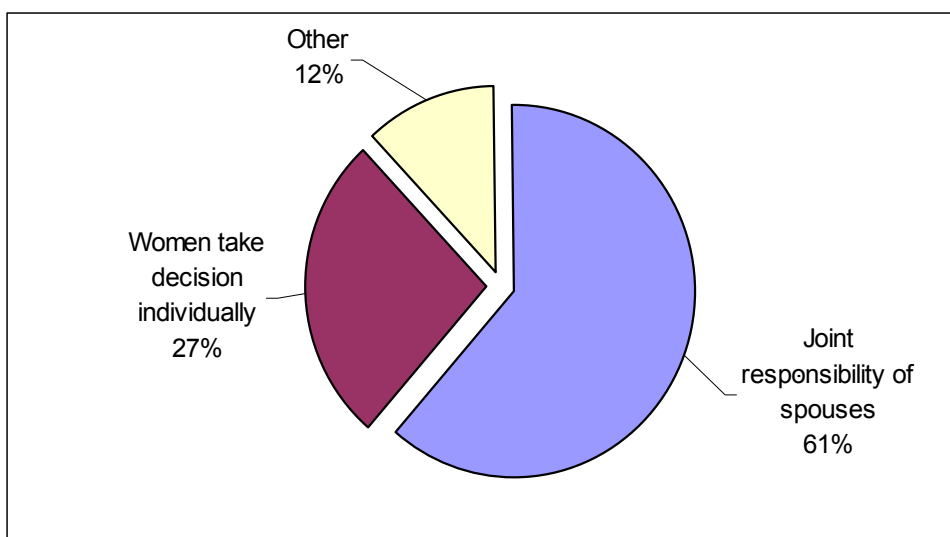
Contrary to the stereotypical gender roles discussed in chapter two, the majority of married businesswomen feel that they receive strong support from their spouse in household management and in business affairs: 81 per cent state that their husband helps with childcare (see Figure 12). While 70 per cent of respondents noted that they are assisted with the housework, 54 per cent said that they shared housework equally with their spouse, and 27 per cent do most of the work themselves. In addition, 70 per cent of women also rely on the spouse's assistance with their business. The percentage of women who receive support from their families is higher amongst older entrepreneurs, whereas 39 per cent of women up to 30 years of age get little or no help with the housework from their husbands.

Figure 12: Family Support for Women Entrepreneurs



In addition to support and assistance from their spouses, the survey data indicates that women's families value their entrepreneurship and that husbands take on a significant share of the responsibilities related to family and business. In comparison, only 25 per cent of women business owners in Hungary feel they receive support in housework from their husbands — 24 per cent of Hungarian women entrepreneurs do the housework entirely by themselves,⁵⁰ whereas this percentage for Bulgaria is only 7 per cent.

Figure 13: Reliance on Family Decision-Making



The FED data shows that the more a husband is involved with his wife's business, the more aware he is of the problems and the efforts involved. Many women (61 per cent of the respondents) made business decisions jointly with their spouses and fewer (27 per cent of women) take decisions individually without consulting their husbands (see Figure 13). The most independent in their decision-making are women aged between 45 and 55 years.

Considering their enormous efforts and sacrifices, 47 per cent of women state that the challenge of running a private company has had a positive impact on their lives. However, another 37 per cent state that business has not significantly affected their private life. These

⁵⁰ Foundation for Small Enterprise Economic Development 1997.

findings are compared with information on Hungary, in which women entrepreneurs have a less positive outlook: 40 per cent of women feel that running a company has been a positive undertaking and 60 per cent believe that it has not significantly impacted on their lives.⁵¹

The large majority — between 55 per cent and 71 per cent — of Bulgarian respondents feel that starting and running a business has had a positive impact on their lives — mainly those involved in business services; hotels and catering; and transport and communication. More specifically, 55 per cent of businesswomen under 30 years of age are more satisfied with their lives having gone into business, while 45 per cent of women older than 41 years of age are more content with their lives.

Those who found that establishing a business has had a negative impact on their personal lives are single (21 per cent of respondents) or divorced (23 per cent of respondents), and live in larger urban centres (19 per cent compared with 12 per cent in smaller towns). However, for most women entrepreneurs in smaller towns (60 per cent) self-employment has not substantially changed their way of living. These results suggest that women find it difficult to juggle commitments to both their families and a career. Those women who consider entrepreneurship as a positive experience receive support and assistance from their partners.

Figure 14: Perceived Costs and Benefits of Entrepreneurship

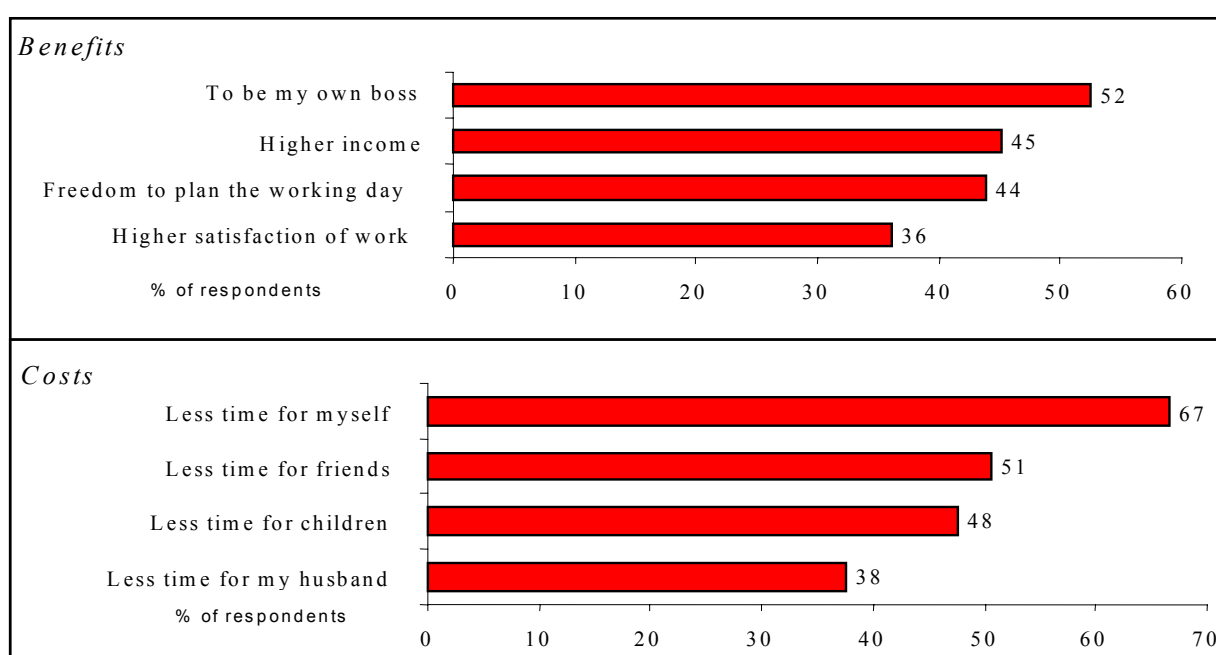


Figure 14 shows the benefits and costs of women's entrepreneurship according to the women interviewed. It appears that the more recently established companies consume more of the time usually dedicated for personal purposes. However, these trends are reversed as the company matures. This is possibly because the start-up period of a company involves more hours than for those companies already established.

⁵¹ Foundation for Small Enterprise Economic Development 1997.

b) Perceptions of Gender Issues in Bulgaria

Given that the first chapter described the existing gender inequalities in Bulgaria which place women at a disadvantage in the labour market in terms of salary, security and job satisfaction, a quite important finding of the survey is that women in business believe that there is no gender discrimination in Bulgarian society. Only, one-quarter of the respondents consider that the main role society assigns to women is with family and children. Having said that, there are significant differences in the findings across the various age groups. Approximately 30 per cent of women under 40 consider that the main role of women is to look after family and children, compared to only 19 per cent of women aged 41 years more.

This change in social expectations of women may have a negative impact in the long run on the participation of women in business. Changing perceptions may be a response to the normal media coverage of women, stressing as they do the reproductive rather than the productive functions of women. This campaign was provoked by a drastic reduction in birth rates and in reaction to the socialist regime's perceived enforced involvement of women in the economic sector. Recent government policies have to some extent effectively decreased the work force participation rate of women in order to combat unemployment.

The society's perceptions of gender roles are translated into beliefs regarding women's business skills. Approximately 69 per cent of younger women believe that society sees links between gender and management ability, while 43 per cent of women above 59 years of age believe that the society values their managerial skills and abilities as equal to male managers.

In contrast, the businesswomen interviewed do not consider that the sex of the owner influences company performance or management. Approximately 80 per cent of all respondents think that there is no difference between companies managed by women and men, and 17 per cent of respondents believe that women business entrepreneurs are better managers than men. This is compared with only 3 per cent who hold the opposite opinion.

The differences that women point out between female and male businesspeople mainly refer to personal qualities: women are more ambitious, more honest business partners, and put more effort into maintaining business relationships. Women consider men to be greater risk-takers and more profit-oriented, while women tend to value the working environment and teamwork. Therefore these women feel that companies run by women are more friendly and democratic, while male managed companies tend to be more authoritarian.

When asked about differences in their specific sector, more than 50 per cent of women believe that despite differences in management style, success in business is gender neutral — 58 per cent of the interviewees state that companies run by women and men in their sector are equally likely to succeed, while 22 per cent consider that companies managed by women perform better (see Figures 15 and 16). Women in manufacturing and in hotels and catering believe that their companies are more competitive than those run by men. On the other hand, women in traditional male sectors like construction (25 per cent) and transport and communications (21 per cent) are less confident of their chances for success compared with companies managed by men.

These more pessimistic opinions about women's success are more likely to be held by women from smaller towns and those aged 41 years and above. The greater self-confidence of young entrepreneurs could be explained by the fact that the younger generation grew up in a more competitive, demanding environment, which has led to their greater level of self-confidence.

Figure 15: Perceptions of the Differences between Female and Male Run Businesses

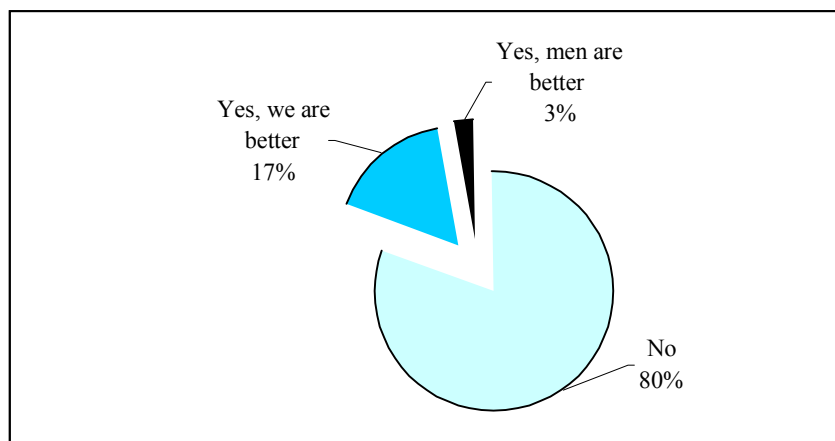
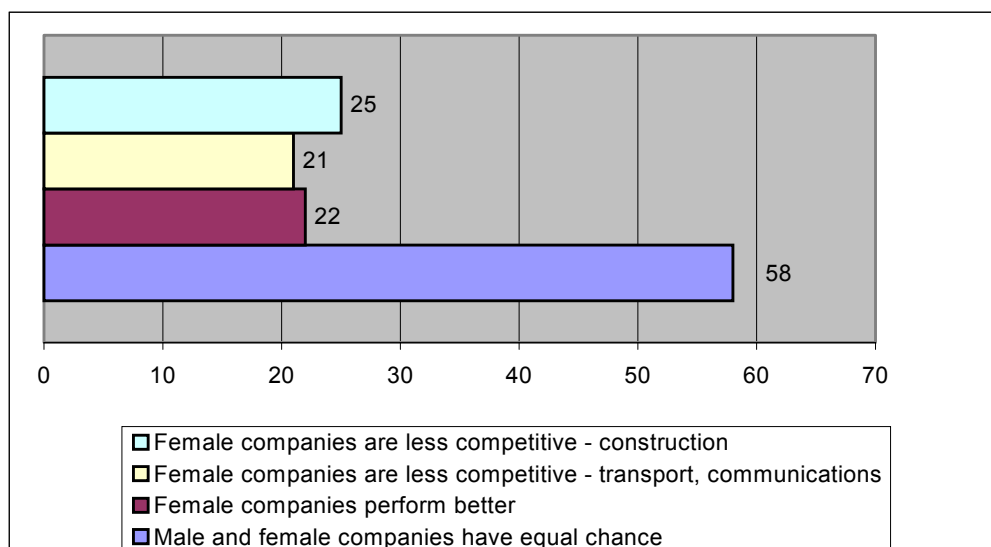


Figure 16: Perception of the Differences between Female and Male Businesses by Sectors



As far as the perceptions of women’s future role in Bulgarian business are concerned, 54 per cent of women believe that their role will increase, 19 per cent consider that it will not change substantially from the present situation, and nearly 25 per cent cannot give a definite answer. Least positive are those women from the construction sector and entrepreneurs above 50 years of age. Women in manufacturing (68 per cent) and those involved in hotels and catering (69 per cent), as well as businesswomen under 30 years of age, had the most positive outlooks about women’s future contributions in business.

3.2.3 The Main Characteristics of the Companies Owned by Women

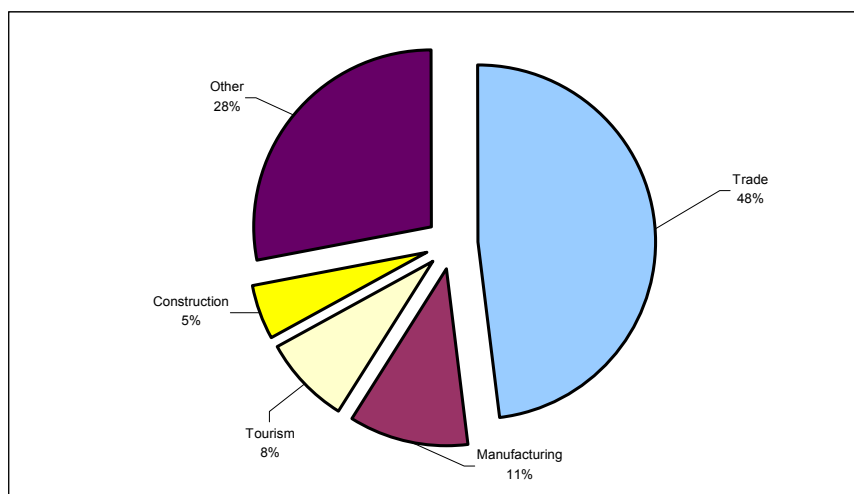
a) Geographic and Sector Distribution

Women-owned businesses, as with SMEs in general, have an uneven geographic distribution throughout Bulgaria, and 63 per cent of companies established by women are registered in the larger urban centres with populations of over 100,000 inhabitants. In general, the clustering of women-owned enterprises coincides with that of all Bulgarian

enterprises, as well as with high levels of the Human Development Index ratings (HDI), and urbanization.⁵² Most women-owned businesses are registered in Sofia; the Plovdiv region ranks second with 10 per cent of the companies run by women, followed by the Varna and Burgas regions with 7 per cent and 6 per cent respectively of all women's businesses.

Women are mostly involved in trade (48 per cent); followed by manufacturing (13 per cent); business services and real estate (9 per cent); construction (5 per cent); transport and communication (5 per cent); and hotels and catering (5 per cent) (see Figure 18). This is similar to the nationwide sectoral distribution for all SMEs — trade 48 per cent; manufacturing 11 per cent; tourism 8 per cent; and construction 5 per cent (see Figure 17).⁵³

Figure 17: The Distribution of Bulgarian Companies by Sector

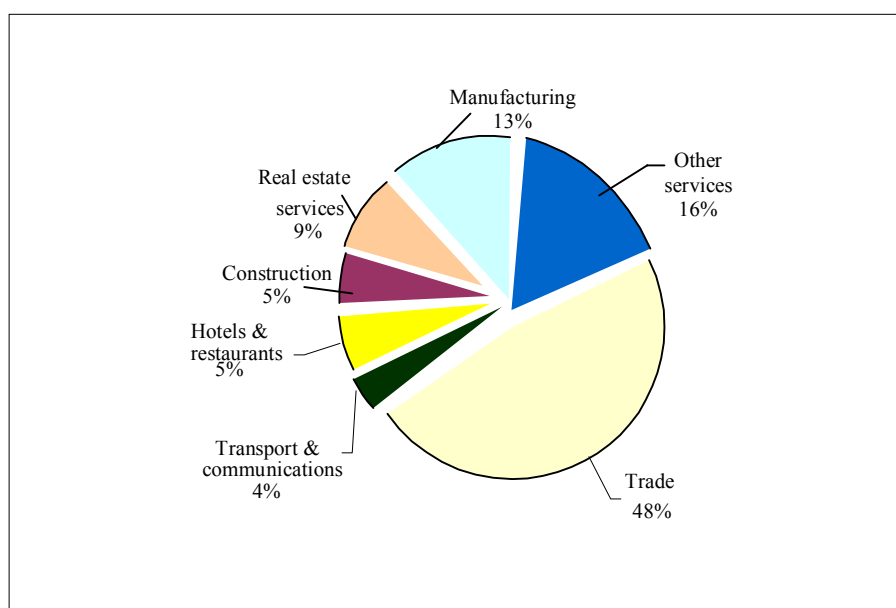


Source: FED 1998a: 19.

⁵² UNDP 1999.

⁵³ FED, The State of Small Business in Bulgaria 1998: 19.

Figure 18: The Distribution of Women-Owned Companies by Sector



Businesses are more diverse in the Sofia, Varna and Plovdiv regions. Thus, 46 per cent of female entrepreneurs in Varna and Sofia are involved in trade, while in other towns this percentage is much higher — Shoumen 86 per cent; Blagoevgrad 80 per cent; Pazardjik 78 per cent; Vidin 75 per cent. In Sofia, 22 per cent of businesswomen are involved in manufacturing, in Varna 17 per cent and in Plovdiv 15 per cent, whereas Varna and Plovdiv have a higher proportion of women in construction and transport and communications than other regions.

Despite these figures, 43 per cent of Bulgarian businesswomen believe that there is no gender dominance in their sector. However, opinions vary by sector — for example 81 per cent of women active in construction and 71 per cent in transport and communications consider these sectors to be male dominated. On the other hand, 50 per cent of women with businesses in the fields of real estate and business services; 29 per cent of those in service and trade; and 34 per cent of women involved in manufacturing and production think that these activities are dominated by women. The prevailing opinion among 37 per cent of women with businesses in manufacturing and 48 per cent in trade and services is that there is no gender dominance.

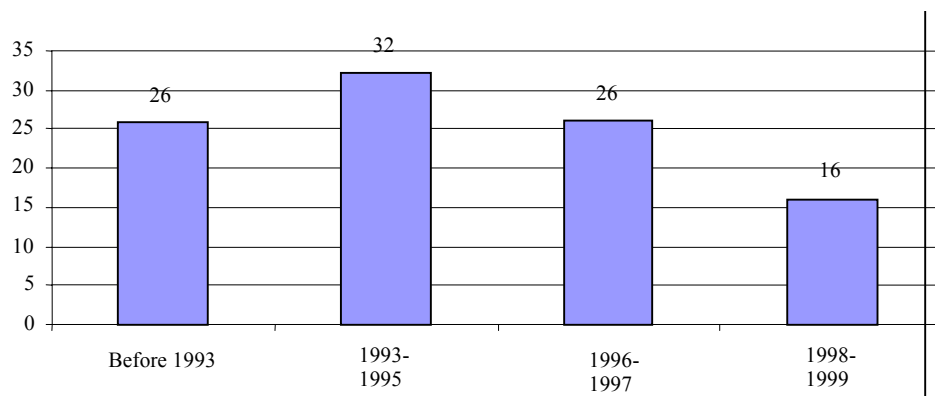
b) Legal Status and Company Establishment

Most women-owned companies are registered as sole proprietorships (71 per cent), followed by limited liability companies (17 per cent), and partnerships (3 per cent).⁵⁴ Of the relatively small number of enterprises registered as limited liability companies or partnerships, most are in the “manufacturing” and “hotels and catering” sectors (9 per cent), while 83 per cent of companies in trade are registered as sole proprietorships. This can be expected as a greater capital outlay is required for establishing businesses in manufacturing and hotels and catering.

⁵⁴ This compares with 25 per cent of Polish women-owned businesses registered as limited liability companies and 19 per cent as partnerships.

The number of women-owned companies established in Bulgaria since the 1990s has fluctuated greatly (see Figure 19). However, these statistics reflect the economic changes in Bulgaria, and are not necessarily connected to the segmentation of business activities by gender. Enterprise creation boomed in the first years of the transition period, fell in 1994, increased slightly in the period 1995 to 1998, and decreased further in 1999.

Figure 19: Year of Company Establishment (percentage by year)



In the 1999 Survey carried out by FED for the ILO, the majority (58 per cent) of the women-owned companies that participated were established before 1995; another 26 per cent were set up in 1996-1997, and approximately one sixth were established between 1998 and 1999. Over 90 per cent of the companies are “green field” investments (i.e. started from scratch) and very few emerged out of the economic transformation or privatization of state-owned firms.⁵⁵ In one per cent of the cases surveyed, the company was set up as a subsidiary of a woman entrepreneur’s husband’s firm, and in another one per cent of the sample there was participation in some form by a foreign firm.

The oldest firms in the sample were set up before 1993 and are in the fields of manufacturing (39 per cent), real estate and business services (33 per cent) and construction (31 per cent). By contrast, most of the companies in trade (67 per cent) and transport and communications (50 per cent) were set up between 1993 and 1996. Companies in hotels and catering are evenly distributed according to years of establishment with 25 per cent in each of the four time intervals. The share of the companies registered in 1993 was 20 per cent in manufacturing. This share decreased to 10 per cent during 1998-1999. This may indicate either that niches for new and very small companies in manufacturing could not be found, or that the lack of access to institutional sources of capital is a barrier to entering the manufacturing sector. The same tendency is observed in real estate and business services, which prior to 1993 made up 11 per cent of all the companies registered, and fell to 4 per cent in 1998-1999.

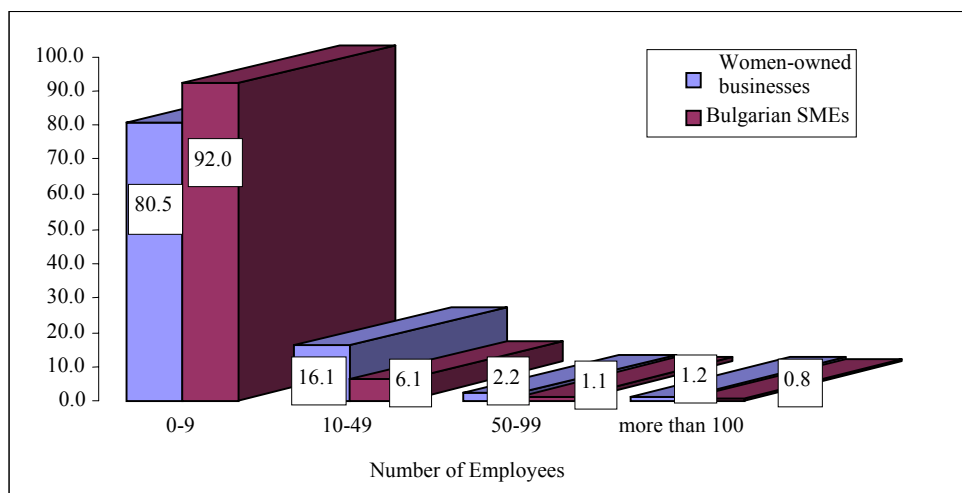
c) Company Size

Figure 20 shows that the share of women-owned MSEs compared with all female owned companies is 80.5 per cent. This is less than the 92 per cent of MSEs found among all sizes of Bulgarian companies. These figures suggest that the proportion of women-owned MSEs is smaller than those run by men. However, in general, women-owned enterprises employ a greater number of employees than the average Bulgarian SME. This

⁵⁵ See OECD (1996) for information on the effects of privatization on entrepreneurship in the Czech Republic, Hungary, Poland and the Slovak Republic, and OECD (1998) for information on the Russian Federation.

fact also highlights that once women-owned businesses have established themselves and expand beyond 9 employees, they tend to employ more people.

Figure 20: The Distribution of Surveyed Companies by Number of Employees



d) Start-up Capital

In general, the start-up capital of the companies run by women was obtained from personal savings (57 per cent), loans from friends and relatives (17 per cent), and loans from another company (5 per cent). In only a few cases (6 per cent) were bank credits relied upon. Although one may be tempted to conclude that women have difficulty accessing financial support and are forced to rely on savings and loans from friends, these figures appear to be similar to the country average and do not indicate any gender bias. The various FED studies show that 68 per cent of all entrepreneurs (male and female) in Bulgaria started their businesses with their own savings, as this is often the only readily available source of finance in the start-up period for the business. This is followed by credits from relatives and women-owned companies' friends (15 per cent), and bank financing (8 per cent).⁵⁶ It is interesting to note that in smaller towns 12 per cent of companies started with the support of a bank credit, while only 2 per cent did so in the bigger towns. Of all the women-owned companies that had access to some form of credit for starting a business, 77 per cent were located in small towns versus only 23 per cent of those located in bigger towns.⁵⁷

This contrasts with business start-up experience in other countries. In Albania, 40 per cent of women-owned companies used family savings to start-up their enterprise; in Hungary this figure is approximately 26 per cent. In contrast, 22 per cent of Russian businesswomen used formal sources (a bank credit), which is higher than in any of the other transition countries documented.⁵⁸

The survey findings also indicate that the distribution of companies by year of establishment shows that companies established prior to 1993 — and to some extent in the period 1993-1995 — had better access to bank credits. Prior to 1993, approximately 50 per cent of the companies established in small towns utilized bank credits. In light of the fact

⁵⁶ FED 1998: 24.

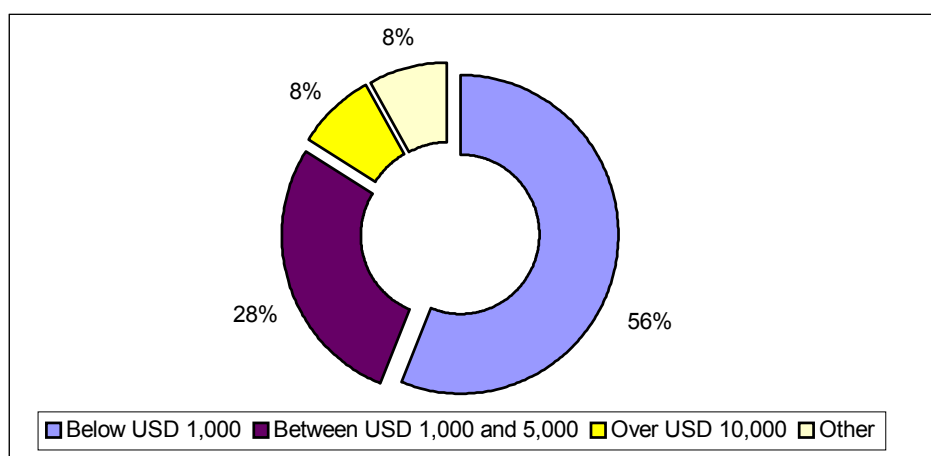
⁵⁷ FED 1998.

⁵⁸ Unspecified source.

that the lack of a credit history is a common problem for start-ups, it would appear that the reputation of the owner and the visibility of the undertaking — which is easier in small towns — has facilitated access to credit. Companies in manufacturing and construction relied upon bank credits more often than those in other sectors.

The survey indicates that women-owned companies start with less capital than men's businesses. In 56 per cent of surveyed cases, companies owned by women were established with less than US\$ 1,000 of start-up capital. Approximately 28 per cent of surveyed firms were established with between US\$ 1,000 and US\$ 5,000, and only 8 per cent were founded with over US\$ 10,000 (see Figure 21). One possible reason for this discrepancy is that women may ask for a smaller amount of capital. There are various reasons for this, as women tend to start in sectors where less capital is required (i.e. trade or services) and they tend to be more averse to risk

Figure 21: The Distribution of Surveyed Companies by Start-up Capital in 1999



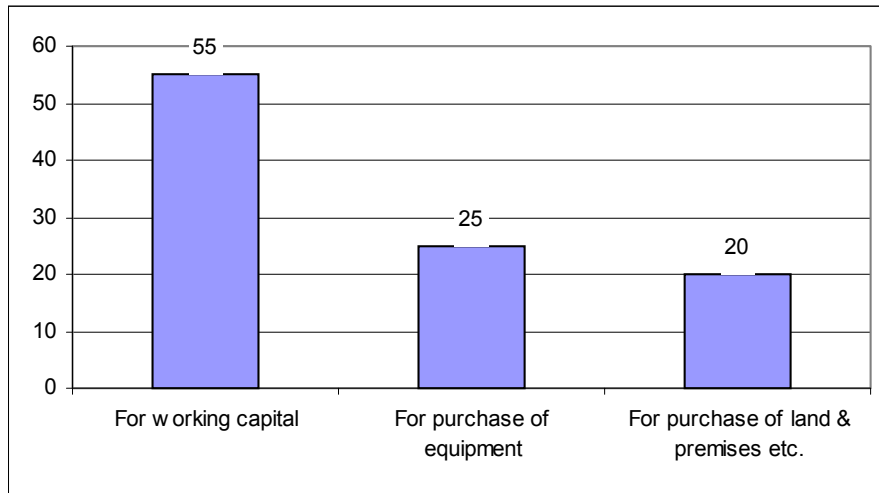
Of those established prior to 1993, a higher proportion of the companies (14 per cent), had access to start-up capital of more than US\$ 10,000. In part, this may be explained by the use of savings that had been accumulated during the pre-transition period, and the greater availability of international donor funds and projects in support of economic reforms in the early nineties. For example, overseas development aid to Bulgaria was US\$ 36.6 per capita in 1991 and decreased to US\$ 23.9 per capita in 1997.⁵⁹ For many prospective entrepreneurs, these possibilities for access to donor-assisted capital ended in the mid-nineties. The 1996 bank crisis and the hyperinflation wiped out savings and blocked access to bank credits, and also contributed to the decrease in the amount of capital available to establish companies.

More recently this trend is changing as potential entrepreneurs are approaching financial institutions more readily. The survey showed that in 1999 more companies approached banks for credit than in all previous years (13 per cent of all interviewed). The main types of credit requested were for working capital (55 per cent of the cases), credits for purchase of equipment (25 per cent), and credits for the purchase of fixed capital such as land and infrastructure (see Figure 22). In 1999, in the trade and services sector, almost 67 per cent of women sought working capital, while 43 per cent of women producers applied for credits for investment purposes (see Figure 23). In 1998, the requested credits were for less than US\$ 5,000 in 70 per cent of the cases. However, the average amount needed was US\$ 12,608, indicating that a large amount of credit was requested in a

⁵⁹ World Bank 1999.

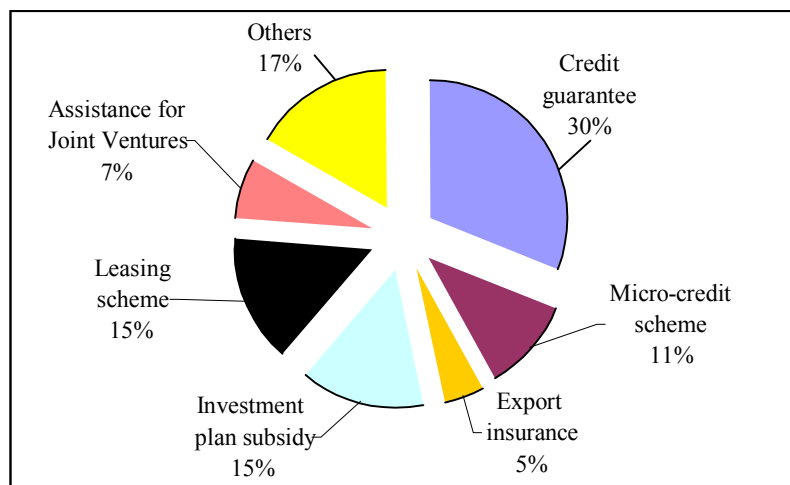
relatively small number of cases. In 1999, the demand for credits of up to US\$ 5,000 decreased to 64 per cent, but the average required credit did not increase considerably in comparison and was US\$ 12,731.

Figure 22: The Distribution of Credits Requested by Business Women (per cent)



Access to bank credit is limited by the need for collateral, and this was a problem for approximately 40 per cent of the women business owners in the survey. Due to these limitations, women entrepreneurs mention that the most valuable support in facilitating access to credit is a bank guarantee (31 per cent); assistance in the preparation of an investment plan and a leasing scheme (15 per cent each), and the provision of micro-credit schemes (11 per cent).

Figure 23: Assistance Needed Related to Financing



e) Equipment

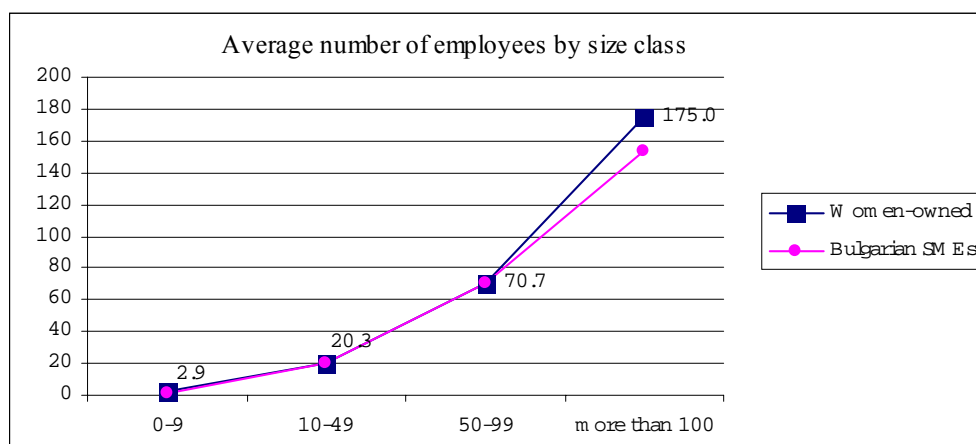
Another important factor in running a successful business is access to supplies, equipment and technology. Of all the respondents, 48 per cent estimate their equipment to be of “average quality”, 19 per cent say that it is “modern”, while 20 per cent consider their equipment to be “out of date”. Therefore, most respondents (67 per cent) felt that their equipment and technology was appropriate to guarantee the quality of output.

Thus, despite the wide-ranging effects of the transition (such as rising unemployment, large foreign debts, stagnant economic growth, loss of traditional markets, uncompetitive goods, obsolete technical equipment, dropping standard of living), most entrepreneurs do not feel hampered by their equipment and technology. However, presumably as a result of the stagnant economy, in 1999 74 per cent of women entrepreneurs refrained from investing in long-term assets. The share of those that invested in new production equipment is highest in the hotels and catering sector (31 per cent).

f) Labour Resources

In the category of women-owned enterprises with up to 9 employees, the average number of employees is 2.9, while the national average for all microenterprises is 1.9 workers. The average number of employees in small women-owned companies (10-49 employees) is 20.3, and in medium sized companies is 70. The structure of women-owned businesses in smaller towns is different from those in bigger towns. In smaller towns the businesses are often family-run, whereas in larger towns, husbands and wives usually have different occupations and/or business activities.

Figure 24: The Average Number of Employees by Size of the Company



Source: FED 1998(a).

It is useful to compare experiences of women-owned enterprises and the average Bulgarian SME in hiring new employees (see Table 6). Contrary to general opinion, women business owners do not perceive themselves to be less competitive in the labour market. The differences between female-run and the average Bulgarian SME are small, and in some cases it would also appear that for (unspecified reasons) women-owned SMEs face fewer problems hiring new personnel.

Table 5: The Difficulties Hiring Qualified Personnel in Women-Owned and all Bulgarian SMEs

Problem	Response	Type Of Company	
		Women-owned	Bulgarian SMEs
		(per cent of cases)	(per cent of cases)
Difficulties hiring workers who are motivated to do a good job	Yes	38	41
	No	46	43
	No answer/Don't know	16	16
	Total	100	100
Difficulties hiring workers with good technical skills	Yes	34	40
	No	43	39
	No answer/Don't know	23	21
	Total	100	100
Difficulties hiring workers with good commercial skills	Yes	37	39
	No	42	39
	No answer/Don't know	21	22
	Total	100	100

Approximately 72 per cent of businesswomen believe that when hiring personnel qualifications are much more important than the sex of their employees. Except in the case of the construction sector where there is a greater demand for male employees, businesswomen from all the sectors believe that being a women or a man “does not matter”. However, 23 per cent of women entrepreneurs prefer to employ women because they consider women better employees — they are more precise and more accurate. Women entrepreneurs who prefer to hire men cite as reasons, the characteristics of the job, male qualities such as reliability, and their easygoing nature.

Since the establishment of their company, two-thirds of women owners have not increased their number of employees. Only 12 per cent have increased their staff by up to 10 per cent, even higher in 14 per cent of the cases which had more than a 20 per cent rise in staff numbers. Most of the new employees (60 per cent) were blue-collar workers rather than administrative staff.

g) Clients and Markets

The target markets for the majority of Bulgarian SMEs and women-headed enterprises' target markets are local. The survey data shows that the main clients of female-headed companies are the final consumers (52 per cent), private commercial firms (18 per cent), and state manufacturers and traders (14 per cent each). For a very small percentage of the companies (2 per cent), their main clients are foreign companies. Of the sampled businesses most clients are local and are in the same town or district (75 per cent). There is a small percentage of companies that export products and services (13 per cent) — 8 per cent export occasionally; 4 per cent do so regularly, and 1 per cent aggressively export. In comparison, 19 per cent of Russian female-headed companies and 13 per cent US female-headed businesses are involved in international trade.

Many respondents felt that price is not what made Bulgarian exports competitive: 50 per cent concluded that export price only gave low-to-medium competitive advantage, and only 15 per cent regard it as a very strong competitive advantage. Surprisingly the quality of exported goods and services and their efficient delivery are highlighted by 68 per cent of women surveyed as factors leading to a strong and very strong competitive advantage.

h) Company Performance

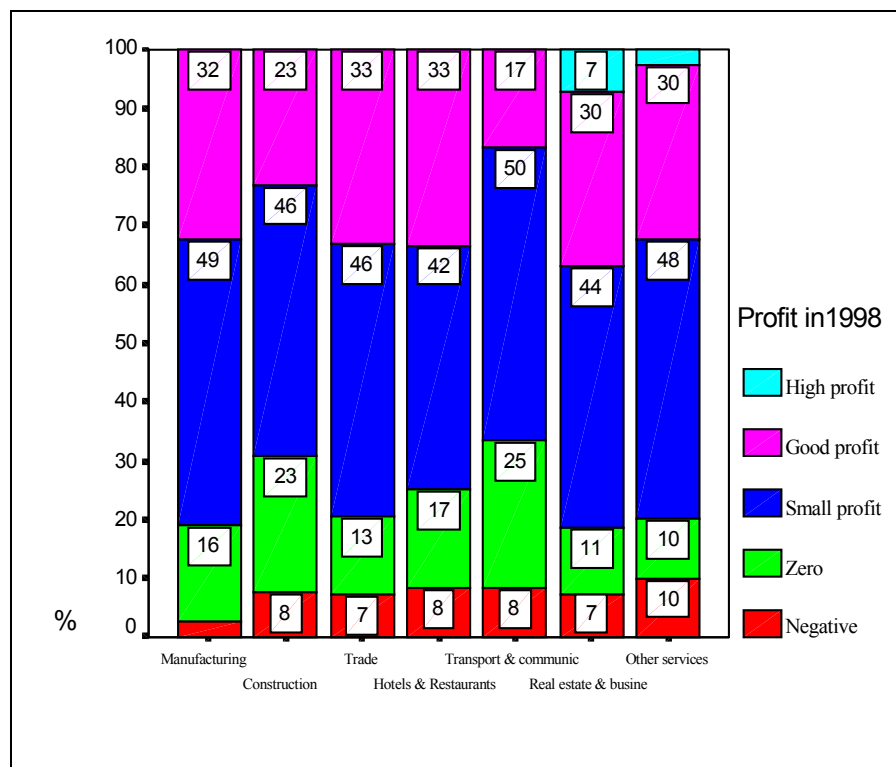
In 1998 and 1999, demand grew slowly, and some entrepreneurs believe that there was a decrease in demand for consumer goods. In this context, competition increased and companies in trade, real estate and business services registered a decline in sales. The situation was most difficult in smaller towns where 55 per cent of the female-owned companies in the survey experienced a decrease in sales in 1999. However, companies that registered an increase in sales in 1999 were in manufacturing (26 per cent) and in hotels and catering (29 per cent). The data also shows that sales in mature companies fluctuated more than those in younger companies.

Few women in 1997-1999 reported an increase in the total volume of sales: 18 per cent registered an increase in 1998 compared with 1997, and 14 per cent reported an increase in 1999 compared with the previous year. Nearly half the companies surveyed registered a decrease of 20 per cent or more in the total volume of sales in comparison with 1998, while for most the situation was stable in 1998 in comparison with 1997.

Despite a general trend in the decline in sales since 1998, it seems from the findings that profits have generally risen. At the end of 1998, 42 per cent of women entrepreneurs reported low profits, 30 per cent reported medium profits, 13 per cent gained no profits, and 8 per cent experienced losses. However, the profit gains set in 1998 did not continue in 1999: only 13 per cent of women entrepreneurs increased profits, 45 per cent experienced the same levels of profit as in 1998, and 40 per cent saw a decrease in 1999 profits. The sectors in which the greatest share of companies made profits in 1998 were in manufacturing (81 per cent), and real estate and business services (80 per cent), whereas the hotel and catering, transport and communications and construction industries' performances were more vulnerable to losses.

Overall, it seems that more mature companies were more successful in "weathering the storm" than younger companies — 61 per cent of the companies registered in the last two years reported some profits while in the more established companies profit was registered in about 80 per cent of the cases.

Figure 25: Profits by Sector in 1998



Although there are significant variations in company performance related to sector and maturity, they are not as marked as those discrepancies in performance according to company size (see Table 7). The data shows that smaller companies have less capacity to adapt to a stagnant market environment and to develop and implement efficient adjustment strategies. Only 11 per cent of MSEs registered growth, compared to 37 per cent of companies with more than 10 employees. The differences in the profit rates are similar, showing 11 per cent and 31 per cent respectively. A reduction of profits was observed in 45 per cent of all companies with up to 10 employees, while only 16 per cent of those with more than 10 employees saw a cut in profits. This confirms that smaller companies have fewer resources to compete and to retain market share in ways such as developing new services or marketing strategies.

Table 6: The Performance of Women-owned Companies by Size

Indicator	Number of employees	Change compared to 1998			
		Increase per cent	Stable per cent	Reduction per cent	Total per cent
Profit					
	0-9	11	44	45	100
	10 and above	31	53	16	100
	Total	15	45	40	100
Sales					
	0-9	11	33	56	100
	10 and above	37	41	22	100
	Total	16	35	49	100
Employment					
	0-9	9	83	9	100
	10 and above	29	67	4	100
	Total	13	80	7	100

Although profits in microenterprises were less stable than in larger firms, the employment situation in smaller companies was more stable. In 83 per cent of microenterprises employment did not change. In bigger companies, growth of employment was registered in 29 per cent of the cases. Analysis shows that microenterprises react less to the volatility of sales through changes in employment than larger companies. Detailed survey findings show that larger organizations increase employment as sales increase in 55 per cent of the cases. However, this is true in only 10 per cent of cases in micro-companies.

Having said this, it would appear that microenterprises are more likely to reduce employment when sales decrease (9 per cent of cases), while a small decrease in sales in bigger companies is not necessarily followed by a decrease in employment. This could be explained by the fact that some of the larger companies are very lean and any reduction in staff may lead to liquidation or the halting company activities. Instead, companies of all sizes may not fire employees but rather will reduce wages and other benefits. Such strategies enabled many Bulgarian SMEs to survive the economic crisis of 1996-1997.

3.2.4 Main Constraints of Women-owned Companies

The FED⁶⁰ and UNDP⁶¹ surveys highlighted several possible constraints to female entrepreneurship, such as the lack of confidence in their skills and experience; family support; ascribed gender roles; family responsibilities, and limited savings. However, overall it is important to highlight that most problems faced by entrepreneurs — such as sources of capital, high taxes, the state of the market — are common for both women and

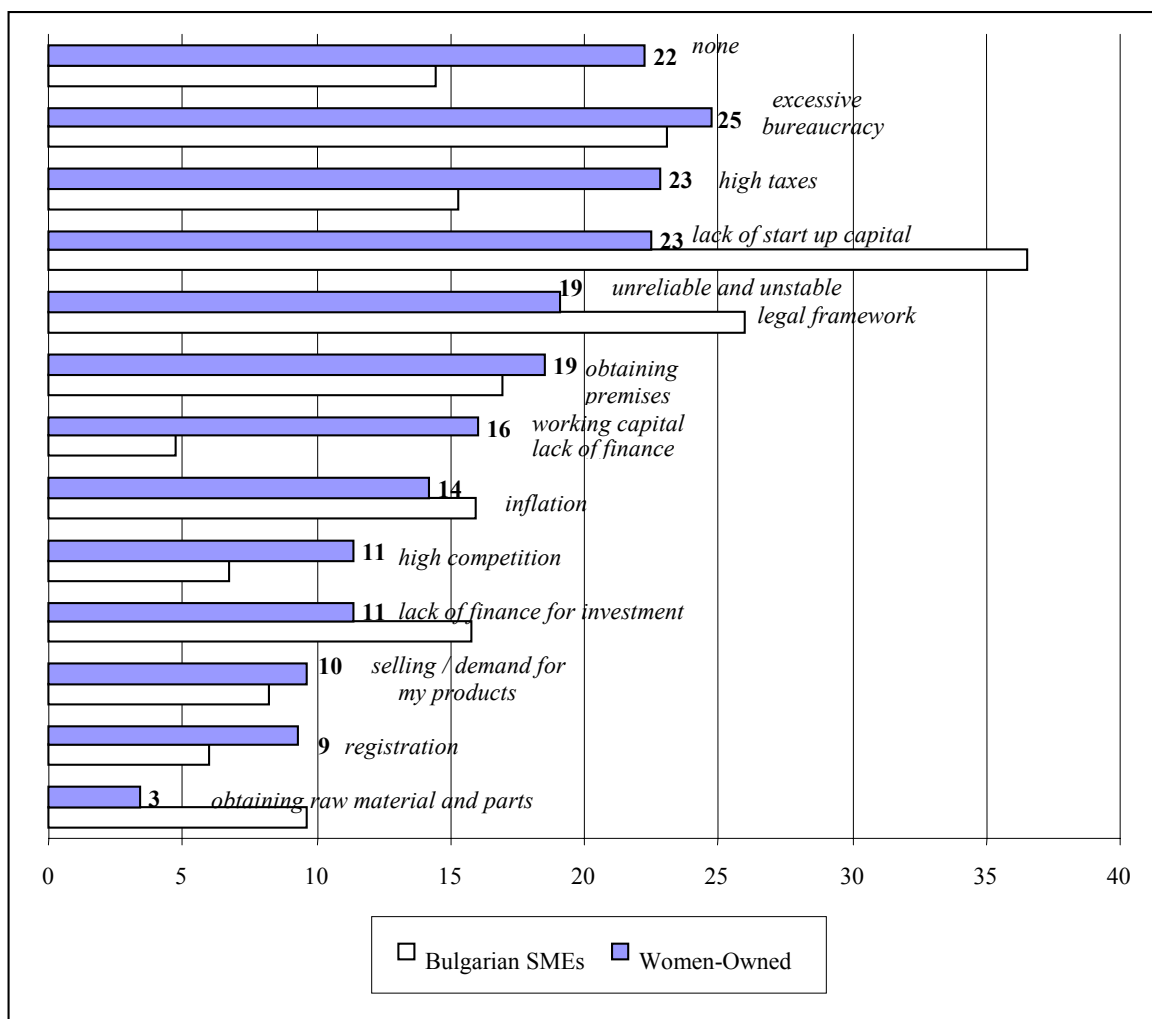
⁶⁰ FED 1999.

⁶¹ UNDP 1999.

men. The difficulty of raising capital, for instance, is not a unique problem for women. It is significant that the percentage of women who believe that they have not experienced problems during the start-up period (22 per cent) is higher than for the average Bulgarian SME (14 per cent). This may be due, in part, to the fact that female entrepreneurs are more cautious, they evaluate the environment more extensively, and therefore are more aware of the risks associated with starting up a new business.

However, when it comes to ranking the problems faced by the female entrepreneurs and the average SME owner (see Figure 27), there are some marked gender differences. Among the most serious constraints cited by businesswomen are excessive bureaucracy (25 per cent); high taxes (23 per cent); lack of start-up capital (23 per cent); finding premises (19 per cent); the unreliable and unstable legal framework (19 per cent), and the lack of working capital (16 per cent). Almost 60 per cent of all SMEs pointed to the lack of capital for the initial start-up, as well as for finance and investment; the unreliable legal framework; and bureaucracy as the most serious problems for start-up companies. Although the problems are ranked in a different order of importance for women-owned businesses than for SMEs in general, the problems are of a similar nature. It is interesting to note, however, that women found considerably more problems than Bulgarian SMEs as a whole with the lack of working capital in particular, but also the registration of companies, the level of competition, the demand for products, access to premises, excessive bureaucracy and taxes.

Figure 26: Problems of Start-Ups for Bulgarian SMEs and Women-Owned Enterprises



The severity of the constraints appears to be related to the age of the entrepreneurs, location of the companies, and the sector. The survey shows that more of the women entrepreneurs older than 40 years of age have fewer problems in the start-up phase compared to younger entrepreneurs. This may be in part because of their greater experience and access to personal networks. Younger entrepreneurs (those under 40 years of age) have more difficulties than older women in financing their businesses: lack of capital for investments is a problem for 14 per cent of younger women and only 9 per cent of older women, and the limited access to working capital was experienced by 19 per cent of younger women and 14 per cent of older entrepreneurs. Younger women cite difficulties in the areas of sales and marketing of their products in 12 per cent of the cases, and only by 8 per cent of older women. Finally, the lack of market information was referred to twice as often by younger women (8 per cent), compared with 4 per cent among businesswomen above 40 years of age.

Women entrepreneurs in smaller towns face more problems than those in bigger towns in aspects such as finding the initial capital, selling products and services because of lower demand, and problems in finding information. On the other hand, the women in smaller towns have fewer problems with registration, bureaucracy, finding premises and competition.

The survey data indicates that women in manufacturing face more problems than businesswomen in other sectors. Their main initial constraints were: finding premises (29 per cent); lack of financing for investments (27 per cent); finding equipment (13 per cent); and the unstable legal framework (27 per cent). The problems with bureaucracy are the greatest in the “hotel and catering” and “trade sectors” — 31 per cent cited by these companies. Registration and licensing is a constraint in “hotel and catering” and “real estate and business services” sectors, according to 14 per cent of the respondents.

Table 7: Main Problems in 1998-1999

Main Problems	Bulgarian SMEs	Women-owned	Women-owned
	1998	1998	1999
	per cent	per cent	per cent
None	13	13	11
High taxes	36	42	42
Unreliable and unstable legal framework	35	31	34
Excessive bureaucracy	22	27	26
Selling / demand for my products	19	20	23
Lack of finance working capital	23	18	17
High competition	17	17	21
Lack of finance for investment	11	13	13

These problems appear similar to those faced by female-headed businesses in other CEE countries. For example, in Russia women entrepreneurs cited high taxes (90 per cent); an unstable legal environment (81 per cent); limited access to capital (67 per cent); corruption and racketeering (55 per cent), and the Mafia (40 per cent) as the major problems. However, in Hungary women mentioned that the major problems were in

finding premises and equipment (40 per cent); lack of demand (40 per cent); need for capital (21 per cent); and high interest rates and taxes (17 per cent).⁶²

It is significant that this study for the ILO found that two-thirds of respondents believe that men have the same business problems as women, and according to 84 per cent of those questioned there are no gender specific problems in the start-up or development period of a company. Approximately 13 per cent of respondents believe that some of their problems were exacerbated by being a woman, and stated that in particular, their “financial problems” were associated with gender. Only one per cent of Bulgarian businesswomen perceive that they have problems due to unfair attitudes towards women.

i) Business Information, Training, Consultancy

In general, Bulgarian businesswomen believe that they have sufficient information about their target markets. Almost 60 per cent of those surveyed consider that they have reliable information about the market size, development trends, structure of prices, terms of delivery and the purchasing habits of their customers. 62 per cent of those interviewed felt that they were knowledgeable about product quality requirements. However, they believe that they are less informed about their competitors and their intellectual property rights. Only 18 per cent of the respondents are very well informed about these aspects of the market. Women consider themselves to be equally well informed about external markets as internal markets. Over half of the women involved in exporting state that they have relevant information about market size, price structures and consumer behaviour of their target market, and a high percentage (60 per cent) are well aware of their competitors and their strengths. Also important is that many women entrepreneurs have considered the potential impact of EU integration on their businesses. Less than one quarter of women (24 per cent) believe that membership would positively influence their business, while only 14 per cent of the average SMEs owners expressed the same view. Those women who intend to enter and export into the European Union’s markets made up 14 per cent of the sample.

Women entrepreneurs appear to have a restricted network structure. However, informal sources of information are used more often than formal ones, no matter whether the question is about internal and external markets, or about specific information for the management of a firm. More women entrepreneurs contact their friends and families (59 per cent); their clients (51 per cent); their partners (41 per cent), and business collaborators (37 per cent), than business associations, chambers of commerce or women’s NGOs. Only a small percentage (8 per cent) stated that they would consult other businesswomen. Businesswomen active in the hotels and restaurants management, in particular, rely on personal contacts (73 per cent of respondents), followed by women entrepreneurs in trade (63 per cent) and manufacturing (60 per cent).

Having said this, women do make use of other sources of information. Market research is the preferred source of information for 28 per cent of the women businesses in real estate and business services, and for 25 per cent of entrepreneurs in the manufacturing and other services. Publications are used as the main source of information by 28 per cent of the women active in real estate and business services. The most preferred method of getting information is by a personal visit (60 per cent), followed by telephone inquiry (13 per cent), and through magazines and bulletins (11 per cent). These are the most preferred and most accessible methods for obtaining information since survey data shows that 63 per cent of the women entrepreneurs have no access to a fax, and 72 per cent have no access to e-mail or the Internet.

⁶² Unspecified source.

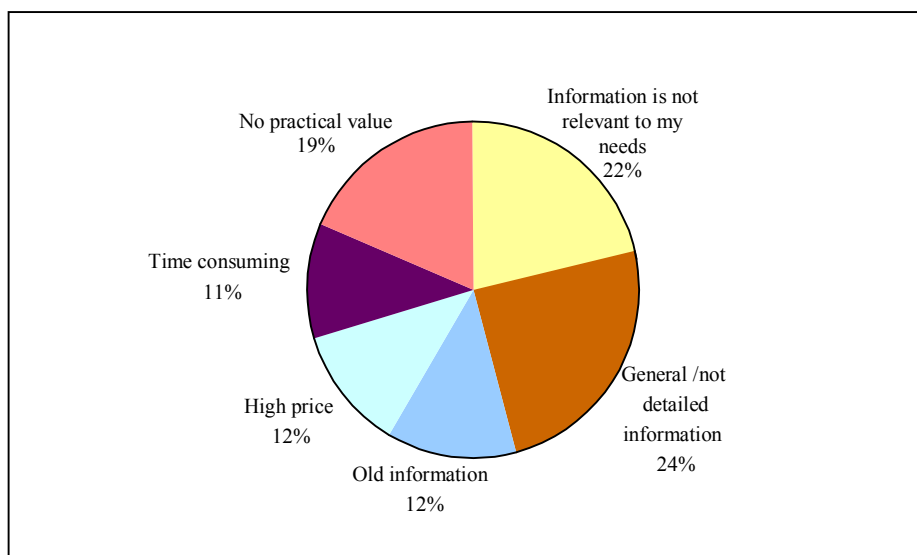
It is noted that 90 per cent of Bulgarian women entrepreneurs surveyed have never contacted the Bulgarian Industrial Association, the national SME Agency, regional development agencies or business centres as sources of information. Over 80 per cent of the Bulgarian businesswomen have never contacted the Bulgarian Chamber of Commerce and Industry or its branch offices. Approximately 90 per cent of the few who have contacted such support organizations have only done so once, although they were satisfied with the information provided. The business centres and other support institutions also are not popular: only 4 per cent have approached them to access information. More often, although still not significant, some women contacted banks and their branches for information.

It is noted that this tendency is not limited to women entrepreneurs: in general, small companies (with staff less than 49 employees) prefer personal contacts as a main source of information about markets (61 per cent); market research (20 per cent), and other business related publications (11 per cent). For the bigger companies (with personnel between 50 and 99 employees), personal contacts (47 per cent) and marketing research (20 per cent) are also the most important sources of information, but Chambers of Commerce, business centres and other support institutions are in third place (10 per cent).

One reason for women's reluctance to elicit information from institutions providing assistance to entrepreneurs may be because they have insufficient knowledge of the availability or benefits of such services. Moreover, although the users of these formal sources of information are satisfied, the informal resources are considered "more reliable". In general, businesswomen do not place high regard on having membership of business support organizations. Only 2 per cent stated that they are members of a women's support organization, 1 per cent are members of other business associations, and less than 2 per cent participate in women's support networks. This is far below the national average for SMEs, in which 30 per cent of companies refer to such associations for information and advice.

Those businesswomen who have approached such business associations have expressed dissatisfaction with the services provided because the information provided was not relevant (22 per cent) or was too general (24 per cent). Larger companies (staff over 10 employees) and companies located in bigger towns (over 100,000 inhabitants) express more complaints about the general nature of the information provided — 40 per cent and 30 per cent respectively. In addition, there was dissatisfaction with the customer service of the business associations. Complaints included lack of customer service (22 per cent), the lack of confidentiality (17 per cent), and the unacceptable attitude of the responsible persons (16 per cent).

Figure 27: Reasons for Dissatisfaction with the Quality of Information



Despite the complaints about some aspects of business associations' services and the limited participation of the enterprises, managers and owners of Bulgarian SMEs are yet to be convinced of the usefulness and relevance of these services and encouraged to join them. These associations can provide many beneficial services to the business community. They encourage improvement in the professionalism and performance of their members; promote management and employee training; provide market and product information; supply legal and technical advice; organize product exhibitions; and work to develop a better legislative framework for their members and for business as a whole. Business organizations consider that their wider objective is to contribute to the improvement of the entire economy, as well as to serve the needs of their members and their specific business sectors. In addition, many organizations are established within particular business sectors and focus on advocacy and the representation of their member's interests. The lobbying of the government by business organizations involves mechanisms such as participation in working groups and committees; the organization and participation in press conferences; informal meetings with Members of Parliament and government executive bodies; and commenting on laws through the print or television media. The ILO promotes representative associations of employers and workers, and the IFP/SEED programme gives particular attention to small and medium-sized enterprises. Within that programme is a unit dedicated to Women's Entrepreneurship Development and Gender in Enterprises, known as WEDGE, which supports capacity building for associations of women entrepreneurs.⁶³

j) Information Needs

In general, the main information needs of Bulgarian businesswomen concern financial, marketing and legal issues. In 1998, the most requested information concerned Bulgarian markets (62 per cent); accounting procedures (60 per cent); legal issues (58 per cent); suppliers (58 per cent) and taxation (51 per cent). Also significant were women entrepreneurs' interest in the selection of personnel (29 per cent); quality improvement (29 per cent); new technologies (29 per cent), and information about sources of credit (28 per cent). Women entrepreneurs found that knowledge of international markets and international partners, and details of European legislation were least beneficial because their companies are mainly oriented towards local Bulgarian markets.

⁶³ See www.ilo/seed.

It seems that in general women use less information than the average SMEs. However, women entrepreneurs highly value and are ready to pay for information and advice on issues such as finance and accounting (55 per cent); marketing (41 per cent); improvement of technical skills (39 per cent); taxation and legal issues (34 per cent); the development of strategic plans, and foreign language training (37 per cent).

k) Training and Consultancy

Most women entrepreneurs do not consider that training in the fields of developing strategic business plans (60 per cent) and strategic management (65 per cent) are useful. Human resources training is even more underestimated, as 71 per cent of businesswomen state that they do not need it: however, staff motivation was mentioned elsewhere as a problem. Such attitudes point to the apparent survival philosophy of Bulgarian women entrepreneurs — they are not in a position to think about long-run strategies, but rather they are trying to ensure that their businesses survive. Therefore, women entrepreneurs are not inclined to pay for such “strategy level” training activities (over 70 per cent).

The women entrepreneurs in the survey thought that the most valuable consultancy services concerned finance (20 per cent), marketing (19 per cent), and preparation of a business plan (12 per cent). Training in the fields of marketing and financial and accounting issues is more highly valued, with 60 per cent of the respondents considering such training useful, and over 50 per cent confirmed that they are ready to pay for it. The need for training to improve technical skills is noted by 39 per cent of the respondents. However, women tend to attach less value to training and advice than the average Bulgarian SME. The interviewed businesswomen were asked to identify a regional training organization whose services they had used. Almost 10 per cent stated that they used educational institutions (e.g. vocational secondary schools, colleges and universities), and 7 per cent declared that they used the services of business organizations. However, when asked what type of training would be most beneficial, it was noted that short 1-2 day courses were preferred by 40 per cent of the respondents, followed by distance learning courses as the next most desirable option.

3.3 Summary and Conclusions

The survey highlighted a range of interesting findings. Above all, women are less likely than men to consider going into business for themselves, and those who do establish a company are more likely to fail than men (see Section 3.2). Currently, only 6 per cent of the overall population of Bulgarian women manage or own their own company. Women, even though they are more highly educated than men, believe that they do not possess the necessary skills to become an entrepreneur (70 per cent), compared with only 64 per cent of men who were interviewed.⁶⁴ Women also tend to view entrepreneurship as an inappropriate role for women (34 per cent), contrasting with only 17 per cent of men who felt this way (see Section 3.2). Approximately 30 per cent of women entrepreneurs under 40 years old consider that women’s main role should be looking after family and children, compared to only 19 per cent of women aged 41 years and above (see Section 3.3.2). Such a change in social expectations about the role of women may have a negative impact on the participation of women in business over the long term. These findings highlight the important need to raise awareness among younger women regarding the benefits, opportunities and challenges of the private sector and of entrepreneurship in particular.

⁶⁴ UNDP 1999: 60.

Table 8: A Comparison of Women-Owned Companies and Bulgarian SMEs
(all figures in percentages from the respective surveys)

Company Characteristics	Women-owned	Compared to Bulgarian SMEs
Sector		
Trade	48	48
Manufacturing	13	11
Size		
Share of micro-enterprises in SMEs	80.5	92
Share of small enterprises in SMEs	16.1	6.1
Average number of employees in micro enterprises	2.9	1.8
Average number of employees in small enterprises	20.3	20.5
Equipment		
Considered as "modern" (high productivity and quality of output)	19	14.4
Considered as "out of date" (low productivity and quality of output)	20	21
Start-up capital		
Savings	57	68
Bank credit	6	8
Profits		
Share of enterprises with profits	79 (1998)	79 (1997)
Share of enterprises breaking even	13 (1998)	11 (1997)
Main problems		
High taxes	42	36
Unstable legal framework	31	35
Excessive bureaucracy	27	22

The survey findings also show that there are some small differences in the profile and performance of women-owned companies in relation to Bulgarian SMEs in general. All entrepreneurs face barriers: socio-cultural, legal, economic, financial, regulatory and fiscal, and educational, although, these barriers are greater for Bulgarian women than for men. It is also possible that this survey presents skewed results because the researchers only interviewed successful and surviving women entrepreneurs. It is possible, given the various forms of gender discrimination in the formal sector that women face even greater limitations to becoming a successful entrepreneur than those barriers alluded to above.

The interviewers found that in general Bulgarian women entrepreneurs are young, well-educated and self-confident, and are trying to balance their various roles: businesswoman, mother and wife. The analysis showed that socio-cultural barriers to entering private business are higher for women than for men. As a result, there are only one-third as many women employers as men employers, and only half the number of women in self-employment.

It is worth emphasizing that the personal qualities needed in order to start a business: risk-taking, innovativeness, creativity, self-confidence, achievement orientation — are not directly determined by gender but are determined by socialization and education. More efforts should be made to educate society about the benefits of the private sector and the role women can and should play, in order to motivate younger women to consider starting up in business. Younger entrepreneurs placed economic independence as a primary motive

for establishing a business (Section 3.3.1), and this is very encouraging because it is one of the soundest reasons for becoming an entrepreneur.

Bulgarian women entrepreneurs are typically younger, married, have two children, possess a university degree, and decided to establish a business in order to gain financial independence, as well as to utilize their know-how. They most frequently are located in the largest cities of Bulgaria. Women are most often involved in trade (48 per cent), followed by manufacturing and business services.

Interestingly, well-educated, younger women in the larger towns were the most likely to be interested in expanding their business. Thirty-two per cent of businesswomen were growth-oriented, thus refuting the commonly held belief that women in business are subsistence oriented. Women felt that the positive aspects of owning one's own business outweighed the negatives. It was also found that these women did not measure the benefits of being in business purely in monetary terms, and they would choose to become entrepreneurs in their field again if they were given the opportunity.

Over half of the women-owned companies were at least 5 years old and most started out as "green field" investments. Microenterprises owned by women have 2.9 employees while in general Bulgarian microenterprises have only 1.8 employees. The average number of employees in large women-owned companies is 175, compared with 156 employees in the average Bulgarian SME. This seems to point to the fact that women employ more people (Section 3.3.3).

The respondents in the survey do not believe that there are significant differences in the performance of the enterprises based on the sex of the owner. They cited excessive bureaucracy, high taxes and the lack of start-up capital as primary business constraints, but felt that they had a solid grasp of the market and good awareness of their competitors.

On topics related to training and information needs, women entrepreneurs were not particularly interested in additional sources of information and assistance, but preferred to rely on their personal network for information and advice. This tends to reflect the survival mode of many women-owned micro and small enterprises. Also noted was that smaller companies tend to have less capacity to adapt to a stagnant market environment and to develop and implement efficient adjustment strategies. This is one area that needs further attention in order to ascertain whether the women entrepreneurs could prosper quicker if they had access to additional targeted assistance.

Overall, the survey shows Bulgarian women entrepreneurs as a dynamic group of women who can and are willing to compete in the marketplace. In comparison with women entrepreneurs from other countries — such as Poland, Russia or Albania — it appears that Bulgarian women are not significantly worse off than their male counterparts. Many women entrepreneurs in transition countries face similar issues associated with the social, political and economic uncertainties and difficulties, resulting from the transition. The fact that there was an exceptional number of Bulgarian women in paid employment under the previous system, and who therefore possess much work experience and training, may suggest why Bulgarian women are more open to the idea of becoming entrepreneurs than women in the other transition countries.

In view of the fact that the women interviewed in this survey carried out for the ILO by FED indicated that they face socio-cultural, legal, economic, financial, regulatory, fiscal, and educational barriers to becoming successful entrepreneurs, an evaluation of national policies towards women and entrepreneurship would be valuable to help understand how the current legal and political climate affects women. This could also suggest ways in which national and regional governments and NGOs can improve policies concerning women and SMEs. This would amount to a significant support for women

entrepreneurs and contribute to the advancement of women in Bulgaria. With this in mind, the following chapter reviews Bulgarian policy and the legal framework regarding women and men in business.

4. Review of Policy and Legislation Related to Women in Business

Since the end of the Communist era, Bulgaria has undergone significant transformations in several aspects of daily and political life, particularly in the revisions to national legislation. In 1991 Bulgaria ratified its new constitution, which had important social, economic and political effects. Although the new constitution formally extends various social, economic and political rights, as well as equal rights of all citizens, it does not establish institutional mechanisms to provide for the advancement of women. In Bulgaria, there is no legislation on discrimination or gender equality to provide for equal pay for equal work or equal opportunities for both women and men. In addition, there is no specific employment protection for women except in connection with maternity.

4.1 Constitutional Guarantees

As in many European constitutions, the Bulgarian Constitution of 1991 introduces the fundamental principle of equality. Article 6 proclaims that:

- 1) All persons are born free and equal in dignity and rights.
- 2) All citizens shall be equal before the law. There shall be no privileges or restriction of rights on the grounds of race, nationality, ethnic identity, sex, origin, religion, opinion, political affiliation and personal, property or social status.

The fundamental social and economic rights of Bulgarian citizens are also enshrined in the Constitution. These include the right to work, to social security and welfare aid, and other labour and social security benefits. In addition, Article 19 extends basic economic rights and principles, such as the right to freedom in economic initiative; to equal legal conditions for economic activity; and the legal protection of all Bulgarian and foreign-owned investments and economic activity.

However, unlike many other European constitutions, prior to 1991 the Bulgarian Constitution did not contain provisions ensuring sexual equality and does not contain a special law or charter on human rights.⁶⁵ A definition of discrimination on the grounds of sex, as well as specific protection for women, is also not provided — except for pregnant women and mothers. Although the new 1991 Constitution declares the equality of rights, including gender equality, it does not guarantee equal opportunities for both sexes. The Committee on the Elimination of Discrimination Against Women noted that the Government of Bulgaria has not taken any steps to translate the provisions of CEDAW into national legislation.⁶⁶

⁶⁵ UN 1998.

⁶⁶ UN 1998.

4.2 International Instruments and Standards

a) International Legally Binding Instruments

Also influential are the various international treaties and declarations, which in relation to Article 5 of the Constitution provides that once ratified, entered into force, and published in the State Gazette, they supersede domestic law. Bulgaria is a party to most international instruments on human rights, as well as to the international conventions on the rights of women, such as the *United Nations Convention on the Elimination of All Forms of Discrimination Against Women* (CEDAW); the *Convention on the Political Rights of Women*; the *Convention on the Nationality of Married Women*; the *Convention for the Suppression of the Traffic in Persons and of the Exploitation of the Prostitution of Others*; a number of International Labour Organization (ILO) Conventions; *United Nations Declaration on the Elimination of Violence Against Women*; *European Regional Platform for Action*; and the *Beijing Declaration and Platform for Action*. However, not all terms of these conventions can be applied as they have not been published in the State Gazette. In ratifying any of these standards, Bulgaria recognizes the importance of social and economic rights; indivisibility and interconnection of civil, political, economic, social and cultural rights of citizens; as well as the importance of women's rights as a component of overall human rights.

The international instrument that guarantees the specific rights of women is the *United Nations Convention on the Elimination of All Forms of Discrimination Against Women* (CEDAW), was ratified in 1982. Its significant provisions include: a clear definition of discrimination against women; the obligation of the state to take measures to combat the discrimination of women by any person, organization or enterprise; and the agreement to undertake all necessary measures for the elimination of discrimination against women in the field of employment by applying equal criteria for hiring, and ensuring equal opportunities for women and men in the choice of profession, at the workplace, for promotion, pay, vocational training and retraining.

Some of the ratified ILO Conventions pertaining to women in the labour force include: Convention 100 Equal Remuneration Convention (1955); Convention 3 Maternity Protection Convention (1922); Convention 45 Underground Work (Women) Convention (1949); Convention 81 Labour Inspection Convention (1950); Convention 111 Discrimination (Employment and Occupation) Convention (1961) (not promulgated). Together these provide protection for women's rights in the work force.

Whereas Bulgarian legislation does not provide a legal definition of discrimination or a working definition established through case law, these are provided by CEDAW and ILO Convention 111. In ILO's Convention 111, Article 1 defines *discrimination* as:

“...any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation...”

As the Committee on the Elimination of Discrimination Against Women notes, the Bulgarian Constitution contains no definition that accords with such definitions of discrimination.⁶⁷ One NGO report finds that Bulgarian lawyers and judges have no experience in handling cases of discrimination, and are uncertain how to apply international statutes on this topic and doubt that Bulgarian law includes effective

⁶⁷ UN 1998: 7.

measures to protect women's rights.⁶⁸ This highlights several deficiencies of Bulgarian legislation regarding women: Bulgarian law often does not reflect international legislation, and there is a lack of mechanisms to implement laws.

CEDAW is also significant as it introduces the concept of *affirmative action*, which it defines as

“... temporary special measures aimed at accelerating *de facto* equality between men and women...”

However, as with the legal definition of discrimination, the Bulgarian government lacks any policies that would serve to reduce *de facto* discrimination against women.

Adopting various United Nations declarations such as the 1993 *UN Declaration on the Elimination of Violence Against Women* and the 1995 *Beijing Declaration and Platform for Action* also has a morally and politically binding effect for Bulgaria. The *Declaration on the Elimination of Violence Against Women* establishes a number of international standards concerning the violence against women, and formulates universal measures necessary to combat such violence. Among these measures, the declaration defines sexual harassment at the workplace as one of the forms of violence against women. However, neither violence against women nor the trafficking of women receives adequate attention in Bulgaria.

Of greatest significance, the *Beijing Declaration and the Platform for Action* was adopted at the 4th *UN World Conference of Women* in 1995. These documents were signed by Bulgaria, thereby undertaking to adopt special measures and policies concerning women in Bulgaria. The major outcome of this meeting was the formulation of a *National Action Plan* and the creation of an intergovernmental council to monitor its application. One of the strategic fields for action is to combat the feminization of poverty and the promotion of women's labour and social rights. The promotion of women's entrepreneurship is considered a special strategy that will lead to these goals.

In February 2000, the Government of Bulgaria presented its statement in response to the questions asked on implementation of the Beijing Platform of Action. These information inputs were used as part of the preparations for the Beijing +5 Conference, held in New York in June 2000.⁶⁹

b) European Union Legislation

Bulgaria has signed several European Union agreements that are not binding, but they signal Bulgaria's intention to join the European Union and to eventually harmonize all their legislation with EU standards. Bulgaria has been an EU applicant country since 1995 and negotiations for eventual membership were officially opened in 1999. Of particular reference to this report, Bulgaria is working towards conforming to EU standards related to the social and economic rights of women and to entrepreneurship. In June 2000, Bulgaria ratified selected Articles of Part II of the *Social Charter of the Council of Europe*, which included provisions for gender equality and some special protections for women, such as the right of women and men workers to equal pay for work of equal value, the right to maternity leave and the payment of adequate benefits.

⁶⁸ International Helsinki Federation for Human Rights 2000: 103.

⁶⁹ For more details, consult www.un.org/womenwatch/daw

4.3 Review of Bulgarian Laws and Regulations Regarding Women

As noted above, despite the influence of European and international treaties and declarations which provide for equality between women and men, the Bulgarian constitution does not stipulate any anti-discrimination legislation or provide for the equal treatment or equal opportunities of both sexes. Such protection should serve as the legal basis for the protection against discrimination on the basis of sex. However, the *Equal Opportunities Act*, which should be drafted in the near future, is intended to harmonize Bulgarian law with European standards. Below is a review of other legislation related to women in the labour force, and their respective advantages and shortcomings.

Ratified treaties and declarations also have an influence on the Labour Code, which provides another important set of provisions regarding women in the work force. The current Labour Code (LC) was adopted in 1986 before the beginning of democratic reforms and has been amended several times since (last amended 10, December 1999). It provides the basic structure of labour and social legislation. The Code and its amendments (the most important of which were made in 1992) reflect the shift to more liberal labour legislation.

There are many positive aspects to this Labour Code, for example it achieves the difficult balance between the necessary protection of workers' and employees' rights on the one hand, and the rights and incentives of the employers to develop new economic initiatives on the other. The Labour Code covers both the public and private sectors. The Labour Code extends various special protections to women as mothers — for example providing child allowance, paid maternity leaves, and on the whole complies with the standards established by the ILO Conventions and other relevant international Human Right instruments.

However, Bulgarian legislation is also lacking in several areas. Most important to the question of women in the labour force is that it does not comply with ratified ILO conventions, namely Convention 100, establishing the right to equal remuneration of women and men for work of equal value. This provision of the Labour Code was abolished in 1992 as it was considered a remnant of Communist era policy. Such a provision should be introduced to protect Bulgarian women's rights and to bring Bulgaria in line with other European and international standards.

In some cases, legislation that is designed to protect women is used to discriminate against them. Forms of protection, such as long maternity leave; the inability to send a pregnant woman or one with children under the age of 3 on a business trip; women's prohibition from strenuous work, night work or overtime — in some cases these provisions disadvantage women by depriving them of opportunities for professional development. Such extensive protection for women employees sometimes makes employers less inclined to hire women, or to employ them without legal contracts and therefore having no access to social security benefits. In the trade, textile and food sectors, 46 per cent of employees are without a labour contract — therefore in these sectors in which women workers are predominant, only 54 per cent of women are able to take advantage of their rights relating to reproduction. In addition to unfavourable working conditions for women and the dominant view of women as mothers, there is a lack of opportunity to combine professional and family responsibilities. There is also a shortage of part-time jobs with flexible working hours and there are few re-training schemes.

Another serious omission from Bulgarian labour legislation is the lack of provisions concerning sexual violence in the work place. Sexual violence and harassment in the workplace affects mostly women and creates unfavourable working conditions and, therefore, should be defined as a form of discrimination. It also infringes on women's

rights, their human dignity, and equality at work. While the Labour Code does not specifically address sexual harassment, Article 127 stipulates the employer's obligation to provide employees with standard working conditions, which are detailed in the employment contract. The freedom from violence in the workplace should be explicitly introduced and regulated in Bulgarian legislation.

Influenced by the *Beijing Platform*, the *National Action Plan* was adopted in 1996. Though not perfect, it is an expression of the Government's goodwill and addresses the main areas of concern. However, the plan was completely abandoned when the new government came to power in 1997, and no special policy or programme on women has been issued since. Having said this, the Ministry of Labour and Social Policy, in cooperation with various NGOs, has begun drafting the Law on Equal Opportunities.

As suggested so far, despite the various laws and treaties, Bulgaria has been unable to implement any policies or projects concerning women's issues. There are several reasons for this. First, there are no national mechanisms for the advancement of women in Bulgaria. Second, it is unclear who should take responsibility for the implementation of the National Action Plan and other policies supportive of women. There is no government ministry or agency authorized to coordinate practical measures. Several Ministries (Justice, Labour and Social Policy, Foreign Affairs) have been involved in gender sensitization training under various programmes offered by the European Union, Organization for Security and Cooperation in Europe, and the Council of Europe, but so far there is no sign of accomplishing gender mainstreaming. Finally, the Government of Bulgaria has yet to appoint an ombudsperson, who would monitor women's rights and equality issues.

4.4 Bulgarian Legislation Regarding Entrepreneurship

Linked to the concern over women's rights and equality, NGOs and the CEDAW have expressed concern over the high level of women's unemployment despite their high level of education. Many of the treaties and declarations mentioned above indicate that entrepreneurship is an important way of empowering women and reducing unemployment. For instance, the Regional Platform recommends the formulation of economic policies that have a favourable impact on the hiring of women; improve opportunities for women's employment, including supporting entrepreneurial activities and non-traditional forms of employment; eliminate labour force segregation by increasing women's access to highly qualified and managerial positions; encourage men to take leave for the care of their children; and ensure women's reintegration after maternity leave.

Similarly, European Union documents allocate an important place to the regulation and development of entrepreneurship. The EU Bologna Charter on SME Policies (2000) recognizes the

“...increasing importance of small and medium-sized enterprises (SMEs) in economic growth, job creation, regional and local development, and social cohesion, also through the role played by women and young entrepreneurs; recognising that entrepreneurship and a dynamic SME sector are important for restructuring economies and combating poverty.”

Accession to the European Union, therefore, will hopefully both serve to standardize women's rights and provide an environment more conducive to entrepreneurship for both women and men.

Similarly, Bulgarian laws also encourage entrepreneurship as a way to stimulate the economy and to reduce unemployment. The 1997 *Protection in Unemployment and Employment Promotion Act*, for example, provides opportunities and incentives for self-

employment and participation in activities that are beneficial to society. According to Article 54 of this Act, those who are unemployed may receive unemployment compensation, totalling 1 million leva (about US\$ 500). In addition, it stipulates that the National Employment Agency (NEA), the municipalities, private enterprises and non-profit organizations shall implement employment programmes, involving activities that improve society. However, in order to enact these programmes, specific mechanisms should be developed to make them effective. Combined with relevant training on entrepreneurial projects, as well as with the development of schemes to provide credit facilities, these programmes could offer alternative career options, namely self-employment to unemployed women.

Additional opportunities are also planned for people made redundant as a result of the structural reform. According to a Governmental decree, workers laid off as a result of structural reform will be paid two million leva (about US\$ 1,000) if they declare their intention to establish an enterprise producing goods and/or services; become partners or shareholders in a company; or offer a legal employment contract to another employee for a term not less than 24 months. All these programmes to encourage the growth of private business are positive and ambitious. However, the success of these schemes is hampered by the adverse financial and taxation environment, as well as by the low level of knowledge and skills that unemployed people have about creating and developing their own businesses. In addition, the cost of starting a business is much higher than the incentives provided by the Bulgarian Government. At the time of writing, the establishment and registration of a limited liability company requires a capital base of 5 million leva (about US\$ 2,500), not including legal fees. This represents a serious obstacle for many entrepreneurs. Unemployed women are especially disadvantaged because of their limited access to capital and savings.

The *Commercial Act* (1991) and other commercial legal regulations are gender neutral. The Commercial Act defines the legal and organizational forms of economic activities, the rules for exercising such activities, and the distribution of profits.

The *SMEs Act* was adopted September 1999, and it is still too early to assess its effectiveness. The overall aim of the Act is to create a favourable institutional, legislative and financial environment for SMEs. The Act defines 3 types of enterprises: micro (up to 10 employees); small (11 to 50 employees and an annual turnover of up to 1,000 million leva or long-term assets amounting to 800 million leva); and medium-sized (51-100 employees and an annual turnover amounting to 3,000 million leva or long-term assets amounting to 2,400 million leva). In 1987, an intermediary institution between Government and NGOs, called the Agency for Small and Medium Sized Enterprises (ASME)⁷⁰ was established in order to implement state policy and administrative measures regarding the encouragement of SME development. This agency, which is a member of the Bulgarian Association of Regional Development Agencies (BARDA), also provides information and consultancy services; registers new SMEs; and maintains a database on Bulgarian SMEs. The President of this Agency, Irena Petrounova, is responsible for the state policy for SMEs under the Council of Ministers.

This Agency will give priority to the development of SMEs that are: (a) involved in production and high technology; (b) export-oriented; (c) create new job opportunities in areas of high unemployment; (d) environmentally friendly; and (e) research and development oriented. In addition, the Act created a special bank, called the SME Promotion Bank, whose aim is to support entrepreneurship.

⁷⁰ For more information, visit www.asme.bg

Real benefits could also come from the support of agencies that promote and facilitate women's entrepreneurship as they could play an important role in developing programmes targeting women entrepreneurs; ensuring information and financial support for women; and promoting networking and training opportunities for women. Several lawyers and judges dealing with commercial cases appear to be increasingly concerned about the use of women as “figureheads” in the management of private companies. Sometimes such women do not possess decision-making powers, but serve to shield their husband, relative or friend in the event of bankruptcy. These women are held solely responsible for the activities for the commercial companies before the court and creditors. The Bulgarian Gender Research Foundation (BGRF) and Women, Law and Development International have noted that women in Bulgaria are not generally aware of their social and labour rights, and are even less aware of various commercial provisions. The example given above, as well as NGOs’ findings, suggest that more needs to be done to educate women about the legal environment and opportunities for business.

4.5 Existing Policies and Programmes on Women and Entrepreneurship

In addition to the drafting of appropriate legislation, the formulation and implementation of policies and special programmes for women are also important. However, it seems that at present there are no specific policies for women entrepreneurs. The only programmes are those run by the Ministry of Labour and Social Policy, which address vocational training and retraining of people who are vulnerable to the detrimental effects of the restructuring processes and target specific segments of the population — such as ethnic minorities, people with disability, youth, and long-term unemployed. Such projects do not target women. However, in 1998, the Government approved the *Rules for Development and Implementation of Employment Programmes*, proposed by the Ministry of Labour and Social Policy (MLSP), which require Government programmes to include women in the category of vulnerable groups and thereby make them eligible for special programmes.

In addition, a *National Plan for Regional Development* for 2000-2006 (NPRD) was adopted by the Council of Ministers in 1999 and intends to focus on “promoting private business and mitigation of the social problems” created as a result of the restructuring processes. In particular, the plan will work to reduce the regional disparities in economic development, employment and income opportunities. It is hoped that the programmes and policies of the Council of Ministers for the implementation of the NPRD, the policies of the Ministry of the Economy as well as the concrete programmes of the Agency for SMEs, will include separate and specific policies and programmes concerning the female work force and the promotion of women’s entrepreneurship.

As well as national programmes, a number of international agencies are also providing important support to local initiatives focusing on Bulgarian women in the work force. A good example of a women-targeted programme aimed at job creation is the UNDP/ILO supported Business Centre in Devin.⁷¹ The Centre is serving to create jobs and empower women in the Devin region in southern Bulgaria — an area which has limited economic resources, underdeveloped infrastructure and high unemployment rates (see box for further details).

⁷¹ For more information, visit www.undp.bg/business/success/devin.htm

Business Centre, Devin

The Business Centre Devin was established under the UNDP Project BUL/97/013. The Centre started its activities in March 1998 and its main objective is the promotion of economic empowerment of and job creation for women in the Devin region. This objective is being achieved through supporting the creation of new enterprises and the expansion of existing companies owned by women. The project has two immediate objectives:

To develop a local capacity to assist unemployed women in the region through provision of specialized professional support and financial guarantees for small business start-ups and development.

To promote gender-sensitive economic policies and measures to empower women as equal partners with men in technical, managerial and entrepreneurial areas.

The Business Centre Devin provides services for the business community and establishes links between local administration and the private sector, laying the foundation for the comprehensive and sustainable economic development of the project area. The Centre also established a Loan Guarantee Scheme in order to facilitate women or family-owned businesses in accessing commercial credits from banks.

The United Nations Population Fund (UNFPA) is also carrying out an important project to collect and disseminate statistics on women and women entrepreneurs in Bulgaria. This information will be useful in gender research, as well as in developing proper gender policies.

In early 1999, the Karat Coalition for Regional Action, a regional network of women's NGOs in Central and Eastern Europe that aims to promote gender equality, prepared a survey on the organizational structure and efficiency of institutional mechanisms in the ten CEE countries. This was presented and distributed at the 43rd Session of the UN Commission on the Status of Women. This report highlighted that Bulgaria and Poland are the only countries in the region without national mechanisms to support and improve the status of women.

4.6 Conclusions

In conclusion, the Bulgarian legislation creates the legal framework that should provide women with equal access to the labour market and entrepreneurship. It guarantees the principle of formal equality, but it does not provide effective mechanisms for the implementation of these laws, or for the achievement of equality of the sexes.

In terms of policies encouraging women's entrepreneurship, the benefits of such policies have only recently been recognized and, therefore, their effectiveness is limited. No real incentives or positive actions were identified that specifically address or facilitate women entrepreneurs in terms of training, loans or taxation concessions. The Protection in Unemployment and Employment Promotion Act and the SMEs Act are relatively new but necessary pieces of legislation. However, these are but a few of the changes required to the business environment in Bulgaria.

It seems that in terms of both legislation and the practical programmes to improve women's participation and rights, the Bulgarian Government needs to do more to make their policy statements a reality. Legislation must be in accordance with signed international treaties and declarations, and projects and national mechanisms need to be established to improve the lives of Bulgarian women.

Whereas the Bulgarian Government could do more to promote equality between the sexes, the next chapter will address the actions that women's support organizations are undertaking in order to promote the *de jure* and *de facto* equality between the sexes, and to ensure the advancement of women, particularly through success in business.

5. Women's Support Organizations in Bulgaria

5.1 The Status of Bulgarian Women's NGOs

Since the Beijing Conference, women's NGOs in Bulgaria have been growing in number and now operate at both national and regional levels. They target the protection of a range of different social, business and professional rights of women and act as intermediaries between specific women groups, state authorities and society. They are voluntary in membership and function on a non-profit basis. Most NGOs focus on advocacy and lobbying, only a few of them are service oriented. The International Helsinki Foundation for Human Rights in their report on women's rights in Central and Eastern Europe and the newly Independent States found that Bulgarian women's organizations have played a key role in introducing good practices, campaigning for the provision of women's rights, and providing support for victims of violence and poverty alleviation.⁷² Some of the notable Bulgarian women's NGOs include: Nadia Centre; Animus Foundation; Women's Alliance for Development; Bulgarian Gender Research Foundation; Gender Project for Bulgaria Foundation; Demetra Association; SOS-Families in Disgrace; International Women's Club; and the Maria Centre.

Although NGO leaders and board members are highly qualified and enthusiastic, many of these NGOs also face several barriers to success. While national NGOs represent their members' interests relatively well on a national level, their regional (sub-national) structure and representation lags behind. This is in part due to the fact that many of the women's NGOs were founded only recently, after the changes in 1989, and therefore have limited public exposure, membership and financial support. NGOs are also constrained by having a limited number of permanent staff (most rely on volunteers and part-time staff); by lack of experience in designing programmes that would attract new members; and by their lack of familiarity with the world of work in services and trade. Also limiting is the restrictive context for NGOs' access to the various legislative processes.

5.2 Support Institutions for Business Women in Bulgaria

The present survey has focused exclusively on those women's NGOs whose objectives are to encourage and support women's participation in economic life and raise public awareness regarding women's issues. Although there are growing numbers of advocacy NGOs, there are few women's NGOs focused on assisting women entrepreneurs. The objectives and activities of these organizations are presented below, together with their recommendations on priority areas for the support of women in business and economic life.

5.2.1 Business Opportunities for Women (BOW)

Business Opportunities for Women is a newly formed international association of businesswomen from South-eastern Europe, established in May 1999. The founding members of BOW are twenty-one women business leaders from six countries in the region: Albania, Bosnia, Bulgaria, Croatia, Hungary, and Romania.

⁷² International Helsinki Federation for Human Rights 2000: 114.

The aims of this women's organization are as follows:

1. To create a climate of positive public support that encourages economic development and entrepreneurship for women;
2. To increase the participation of women in leadership roles in all aspects of society;
3. To develop public policies that support economic development and entrepreneurship for women;
4. To empower women through training, counselling and support;
5. To improve access to markets through networking and information sharing; and
6. To increase access to capital and credit.

5.2.2 Union of Women Entrepreneurs (UWE)

The Union of Women Entrepreneurs is an NGO founded in 1997. Its members are women who are entrepreneurs, managers of companies, or professionals involved in the promotion of women's entrepreneurship. The objectives of UWE are to establish a network of women to strengthen their economic status; to promote the economic activity of socially disadvantaged women in order to achieve social and economic independence; and to protect and support the participation of women in the private sector.

Since its establishment, UWE has cooperated with the German Technical Co-operation Agency (GTZ) to provide social and legal support to disadvantaged women. The project is oriented towards improving the legal framework and ensuring the application of laws to women from all levels of society and enterprise activity, i.e. women in micro, small, medium and large enterprises.

An important part of this activity is the promotion of women specific initiatives. A variety of services are offered including legal consultancy on issues of family, inheritance and commercial law; psychological counselling; the dissemination of information about social issues; as well as a special programme for the promotion of the entrepreneurial activity for women with disability. Members of the group meet twice a month to discuss the problems facing long-term unemployed women, single mothers and other members of economically and socially disadvantaged groups. The project operates in Sofia, Razlog and Rousse.

5.2.3 Gender Project for Bulgaria Foundation (GPF)

The Gender Project for Bulgaria Foundation is a non-profit, non-governmental organization, started in 1994 by four women activist-professionals. The organization's main goals include: raising gender awareness; combating women's human rights violations, including domestic violence; highlighting women's rights as human rights; and promoting women's participation in business and politics in order to encourage their economic independence. In order to achieve these goals, GPF's three main fields of activity are in women's economic discrimination; women's rights and violence against women; and gender education in schools.

The Foundation has organized a national network of women who liaise with other women's groups and individuals all over the country. Target beneficiaries of the projects implemented by GPF are unemployed and socially disadvantaged women, and those facing obstacles in the political arena, as well as female youth.

Specific outputs of the Foundation include:

- Developing a manual called *Gender Mainstreaming in Economics, the Social Sphere and Politics*;
- Organizing a UNDP-funded Gender Mainstreaming Workshop for national decision-makers;
- Training informal local level groups on developing projects and managing an NGO. In the second stage of the project, they developed concrete proposals for solving problems of the local community;
- With support of the Global Fund for Women, GPF published two guides on business: *How to Start Small Business* and *How to Export*, in order to support self-employment by Bulgarian women.
- Organizing and carrying out 18 training seminars for women on *How to Start Small Business*.

5.2.4 Bulgarian Association of Business and Professional Women Clubs

The Bulgarian Association of Business and Professional Women Clubs was established in 1991 using the model of the International Federation of Business and Professional Women (IFBPW) and has been a member of IFBPW since. The Association is a non-governmental women's organization whose objectives are:

1. To involve the interest of business and professional women and to assure their cooperation;
2. To support the improvement in the standards of business services;
3. To encourage and support women in fulfilling their goals and responsibilities at the local, national and international levels;
4. To assist women in: acquiring current knowledge, skills and a professional education; making use of their skills; and networking with other business and professional women all over the world.

Some of the many accomplishments of this association include: establishing a Club for Young Career Women, and establishing links with other women's associations in Germany, Finland, The Netherlands, Latvia, Lithuania and Estonia.

5.3 Participation of NGOs in the Legislative Processes

The main law addressing the creation and development of NGOs is the *Law on Persons and Family* (1949), which regulates the establishment and operation of non-governmental, non-political and non-profit organizations. NGOs are not able to propose legislation, although several rules recognize the right of NGOs to express opinions on existing or proposed regulations — for example, Article 45 of the Constitution stipulates that citizens have the right to lodge complaints or petition state authorities, and Article 18 of the Law on Normative Acts (1973) entitles citizens and public organizations to propose amendments to legislative acts. Such proposals may be delivered to the political body, but

as there is no corresponding obligation for Government bodies to consider such proposals in these laws.

According to the legal processes, women's NGOs have several ways in which to participate in the legislative and policy-making procedures:

- To develop drafts of legislation and regulations and suggest these proposals to the respective central or local authorities (Council of Ministers, Members of Parliament, municipalities) for their adoption
- Once invited by the responsible government or state authority, they may provide opinions on drafts of laws and regulations
- To act as experts to assist MPs and the parliamentary commissions in drafting of legislation

These options for NGO participation are at the discretion of the political body, and therefore depend on the goodwill of government institutions and the presence and reputation of the NGOs themselves. The new *Regulations on the Structure and Work of the Council of Ministers* adopted in November 1999, further limits NGOs' access to political institutions. Now participation of NGOs is possible only in cases when there are officially established consultative commissions with state and civil society representatives. The right to participate does not come from the Regulations of the Council of Ministers as a normal procedure but from special decrees.

5.3.1 Gender Task Force of the Stability Pact

At the regional level, NGOs are also being incorporated into political discussion. At Working Table I on Democratization and Human Rights of the 1999 Stability Pact Conference, a Gender Task Force was established. The members include all European Union countries, those with treaties with the EU (Bulgaria, Hungary, Romania, Slovenia, and Turkey), as well as the five south-eastern European countries yet to have a contractual relationship with the EU, (i.e. Albania, Bosnia-Herzegovina, Croatia, the Federal Republic of Yugoslavia and Former Yugoslav Republic of Macedonia). Representatives of governments, women's NGOs and international donors participated. The main goals of the Gender Task Force are to promote greater women's participation in political life by setting up national and regional plans to encourage women's capacity building; advocating amendments to national electoral legislation; **increasing women entrepreneurs' opportunities**; and strengthening the region's national gender mechanisms. An important aspect of the Gender Task Force's strategy is their cooperation with both the bodies of government administrations and with women's NGOs.

Another important result of the Stability Pact meeting for women's NGOs was the Bulgarian Gender Task Force National Plan for Action (2000). This plan is based on three project proposals submitted for funding to the Stability Pact Working Table on Democratization and Human Rights. These are:

- Bulgarian Electoral Legislation — Analysis from Gender Perspective

The project aims to prepare a pro-active research document on the existing laws, mechanisms and practices for political participation of women in Bulgaria in the context of international and European standards.

- Leadership Training Project "Women Can Do It"

The objectives of the project are to encourage the political empowerment of Bulgarian women and the promotion of their increased participation in political life through capacity building.

- Creation of a national gender mechanism for the promotion and protection of women's rights

This project involves the introduction of gender mainstreaming into all Government policies and strategies through the creation of national mechanisms with clear structures, mandates and strategic plans.

5.4 Other Women's NGOs Active in Promoting Women's Rights

As already mentioned above, due to the lack of a national framework for the advancement of women and the general lack of public attention to women's issues, women's NGOs are playing an important role in providing necessary services, as well as in raising public and government awareness. Some of the most active women's NGOs in the field of advocacy are described below.

5.4.1 Bulgarian Gender Research Foundation (BGRF)

Bulgarian Gender Research Foundation was founded in Sofia in 1998. The BGRF is an independent non-governmental organization that promotes social equality and women's human rights in Bulgaria through research, education and advocacy programmes. BGRF attempts to create a gender-friendly environment for women entrepreneurs. The foundation was established by women lawyers, university professors and women's rights activists, who have had experience in advocacy; education; monitoring human rights violations; lobbying for legislative changes; and preparing publications.

One of BGRF many contributions was the implementation of a joint research project entitled, *Strengthening Citizen Participation in the Privatization Process: Women's Rights during the Economic Transition* with the American NGO, Women, Law and Development International. The programme's outputs included:

- An official final report on the impact of the restructuring process on women's social-economic rights in Bulgaria;
- A campaign to promote women's participation as voters and as candidates in the local elections in October 1999. A leaflet with comparative data and reasons for active participation in the elections was published and disseminated widely;
- An advocacy campaign to encourage women's access to free legal protection in cases of domestic violence.
- The creation of a database for gender-oriented organizations in Bulgaria in order to facilitate the gathering and dissemination of detailed information on organizations and agencies that provide gender training and education and consultancy services for women.

5.4.2 Women's Alliance for Development (WAD)

Women's Alliance for Development promotes the idea that gender mainstreaming at different levels of decision-making should be a strategy for development, based on legal and institutional guarantees for women's human rights and *de facto* gender equality, and public participation and cooperation between the various sectors in society. Thus, WAD is interested in practical solutions that improve women's lives and combat poverty of women and children. The Alliance therefore supports two processes: mobilizing local and individual potential through grassroots or self-help organizations, and changing the existing patterns of decision-making through gender mainstreaming and greater public participation.

WAD has offered gender expertise to NGOs, political parties and political candidates from around the country and various political affiliations. The specific training services that were developed responded to the increasing number of local requests and WAD's services were well received by the NGOs and political parties

Since 1997, WAD has been one of the active members of Karat Coalition for Regional Action, an organization that voiced women's concerns at the United Nations level since March 1999. The Alliance is also a member of Network of East-West Women (NEWW) and has nominated two women for the 1999 NEWW Board elections. WAD also co-operates with other Bulgarian woman's organizations such as, Social Watch Coalition, Mother's Centres Germany, Huairou Commission, and SHINE (Self Help Initiatives Network in Europe).

5.5 Conclusions and Recommendations for Women's NGOs in Promoting Women's Entrepreneurship

As this working paper has shown, women entrepreneurs are an emerging force in Bulgarian social and economic life. However, women are not often found in key political decision-making positions. Most women-oriented NGOs generally focus on advocacy and lobbying, and only scattered and small-scale interventions have been made in the fields of support for women's entrepreneurship (e.g. networking, legal advice, and business strategy advice); education and training; and the provision of advisory services and research on women's issues. A great deal remains to be done in all of these areas in order to improve the situation of Bulgarian women in general, and women entrepreneurs in particular.

In general, Bulgarian women's support institutions — like other Bulgarian NGOs — face difficulties in improving their institutional capacity and ensuring their financial sustainability. Common features include the limited availability of highly professional and motivated members and staff, as well as their dependence on international programmes (often donor-assisted) for funding. Bulgarian businesswomen's organizations are not integrated in the national decision-making processes as there is little emphasis on gender mainstreaming in the policies of Government.

Therefore, any strategies and programmes aimed at the economic and political empowerment of Bulgarian women need to take into account the need for capacity building and institutional strengthening of women's support institutions. In particular, women's NGOs need support in the following areas:

- Ensuring that the support services offered by women's NGOs are linked to and based upon the demands of potential clients, including women entrepreneurs, thereby helping them to expand their services and attract new members;

-
- Developing networks of women, women entrepreneurs and women's support organizations, as well as viable regional structures;
 - Providing training and advice on effective advocacy methods on issues such as economic empowerment of women.

Stimulating and promoting women's entrepreneurship is a step towards *de facto* gender equality. The findings of the present ILO/FED survey and the opinions expressed by women NGO leaders and experts led to the following specific recommendations related to women in business:

- Address and reduce the various social-cultural barriers facing women starting their own business;
- Improve awareness of practical forms of discrimination against women through training and by disseminating best practices of women in business;
- Increase public and government awareness of the problems facing women entrepreneurs in order to place gender issues on the political agenda;
- Promote the active involvement of women's NGOs in the processes of policy formulation and decision making in the field of women's entrepreneurship and the economic empowerment of women;
- Promote greater access to economic opportunities and integration of socially disadvantaged women including single mothers, women with disability and women heads of households;
- Establish business incubators for women that can provide technical and business support services, as well as capital at preferential market rates, in order to assist first-time women entrepreneurs in the start-up period of business development.

6. Conclusions

The main part of the ILO/FED survey and research as reported in this working paper has focused on the attitudes, characteristics and barriers currently facing women entrepreneurs in Bulgaria. In order to place the findings of the survey in context, the paper has also addressed the role of women in Bulgarian society, as well as the effects of the post-socialist transition and the current economic and political climate affecting women. The research has produced several interesting observations about the important contribution of women entrepreneurs in Bulgaria. It reaffirms the importance of women's entrepreneurship as a way of empowering women and stimulating economic and social development, as well as promoting gender equality.

This working paper has noted that many national and international NGOs, as well as the UN Committee on the Elimination of all forms of Discrimination Against Women (CEDAW), have drawn attention to the *de jure* and *de facto* gender inequalities that exist in post-socialist Bulgaria. Much of the inequality between the sexes is a result of the lingering ascribed gender roles and policies of the Communist regime, which attempted to instil a specific view of gender equality for the purpose of rapid economic development. Although Communist era policies enforced the participation of women on a par with men in the work force and encouraged equal access to education and services, the regime also entrenched their roles as mothers and political participants.

Despite the many benefits to women, these policies resulted in the feminization of certain employment sectors, a gender wage gap and certain inhibiting legal protections, which served to limit women's equal participation in the labour force. Perhaps most significant to women's participation in the post-socialist formal labour market was women's perception of the right to work as an obligation and a duty in addition to their family responsibilities, rather than a right they could enjoy. Once the regime collapsed, women were often eager, where financially possible, to dispense with such "obligations" and withdraw from or reduce their participation in the labour market.

During the past decade of post-socialist transformations, it seems that official labour statistics have indicated that women and men have fared equally, although many suggest that such data hides the practical manifestations of discrimination in the work force. One reason for similarities in the data — such as the male and female unemployment rates — could be that there are now fewer women active and registered in the labour force. Often, as state services were cut, women left the active labour force in order to remain at home with children. Similarly, women who start small businesses from their homes to augment levels of income are also not considered as part of the active labour force. As discussed, women in formal employment are also subject to discrimination in the work place and this may involve being the first to be made redundant; earning lower wages than men; the use of restrictive legal protection for women as "mothers" which serve to limit women's opportunities for career advancement; and high levels of sexual harassment and violence against women.

The Labour Code's various protective measures for mothers, as well as the disregard in Bulgarian legislation for gender discrimination or gender equality, and the fact that the Government has not yet promulgated ratified international standards, creates serious limitations for the advancement and *de facto* equality of women in Bulgaria.

In the context of these social, political and economic inequalities, the ILO/FED survey sought to examine the role and success of women entrepreneurs in the Bulgarian post-socialist transformation. Both the earlier FED and UNDP surveys indicate that overall, women entrepreneurs in Bulgaria are less confident of their abilities and less successful than men, as fewer of their businesses succeed. However, those successful

women entrepreneurs interviewed by FED do not indicate that they are discriminated against, nor that being a woman hinders their success. Having said this, it is important to note that the findings of this survey are skewed as the survey only incorporates the opinions, needs and characteristics of successful women entrepreneurs and does not reflect the views of those women whose businesses have failed or those who have tried to get into business and experience barriers. Consequently, the reasons for failure and problems of women who have not succeeded in business are not examined. Thus, this survey does not present a completely balanced synopsis of the full range of problems facing women entrepreneurs in Bulgaria.

The ILO/FED survey results show that most difficulties that women encountered while establishing a company are common to both sexes in Bulgaria. However, women ranked their most serious problems in a different order than men: excessive bureaucracy, followed by, high taxes, lack of start-up capital, locating suitable premises, an unreliable legal framework and a lack of working capital. The indication of similar business problems for both women and men may suggest a poor overall business environment in Bulgaria, plagued by the detrimental effects of the economic and legal reforms. These similar worries and concerns can also be attributed to the fact that the typical woman in the FED survey established her business at an average age of 37 years, after having had several years of experience in that sector and after having built up an indispensable personal network. One could assume that such previous experience in the small business sector mitigates discrimination and facilitates entrepreneurial success. However, it is also important to note that there are considerable discrepancies between how male and female entrepreneurs ranked other barriers to success. Significantly more women than men found more of a problem with the issues relating to access to working capital; demand for products; level of competition; access to premises; excessive bureaucracy; and taxes. This may in part be due to the predominance of businesswomen in certain sectors, such as trade and services, where these issues are more significant.

Also significant is that Bulgarian women entrepreneurs do not seem to be disadvantaged as a result of gender in accessing sources of capital. Most enterprises are green field investments, where start-up capital comes from personal savings, loans from friends and family, and to a lesser extent from financial institutions. Both women and men have problems finding enough start-up and working capital. However, it seems that women begin with less capital than men, possibly because less initial investment is needed in the trade and services sector in which women are more likely to establish a business, and because women seem to be more averse to risk. The fact that women entrepreneurs generally seek advice regarding managing human resources, rather than strategic and management planning, in addition to the minimal initial investment and limited staff, seems to suggest that women's businesses are quite small and survivalist. Women entrepreneurs therefore do not express great interest in business strategies, nor do they require large outlays of capital.

The survey also provided some interesting insights into the personal profiles of women entrepreneurs in Bulgaria. First, successful women entrepreneurs in Bulgaria, like other transition countries, seem to be older than their counterparts in the West. This is because for many women in transition countries there are few employment opportunities in well-remunerated, skilled work positions. Entrepreneurship affords such women access to an additional source of income, and allows for greater economic independence. Because women are older, they are likely to have acquired more education and work experience, which they use as a base to establish their businesses. This is supported by the survey data, which shows that older women find less difficulty running their businesses. It should be noted that although the FED survey found that women entrepreneurs were better educated

than the most Bulgarian entrepreneurs, the earlier UNDP survey⁷³ indicated that Bulgarian women entrepreneurs have lower levels of education than the average Bulgarian entrepreneur.

The most important personal characteristics that contribute to business success and improving their confidence in their own abilities seem to be related to the level of family support, in terms of contribution to household chores and moral support, as well as significant educational and work experience in their particular business sector. The FED survey found that women with family support were happier and more successful than those without.

In order for women to continue to contribute to their own empowerment and well being, as well as to the economic and overall development of Bulgaria, attitudes regarding women need to change. There needs to be both *de facto* and *de jure* equality of women in order for women to have access to all the opportunities they are entitled to under Bulgarian and international law.

Recommendations

As mentioned earlier, the results of this survey are slightly skewed as they only take into account women currently owning or managing businesses. Following up on the reasons why some women have failed in business may be a useful avenue for further research. However, this working paper echoes the findings of other NGO and UN reports in Bulgaria, that women face entrenched gender inequalities and discrimination and therefore often become business owners in order to earn greater income and apply their underused skills. The following recommendations suggest ways in which the equality of women can be improved so that as women entrepreneurs they can contribute more to Bulgarian society. Such contributions can be facilitated through the provision of appropriate, effective and timely support and encouragement for women entrepreneurs.

- The Bulgarian economic and legal structure should continue to be reformed to make Bulgaria more conducive to business development in general, and in the process ensuring equal access to economic opportunities by women.
- In particular, the improvement in the number of institutional sources of working and start-up capital may, especially, assist women to develop and expand their businesses to serve larger markets and to increase their profits.
- As suggested in chapter 5, business incubators should be established that would provide services and capital, in order to assist women in the start-up period.
- Greater information, awareness, promotion, outreach and targeting of business support organizations, and the improvement in the quality of their services would be beneficial to women entrepreneurs.
- As key developmental partners in civil society, more should be done to develop the capacities and institutionally strengthen various women's NGOs. NGOs should do more work towards improving the status and role of women entrepreneurs in Bulgaria, and to thereby minimize the socio-cultural barriers to women's entrepreneurship in Bulgaria.

⁷³ UNDP 1999.

-
- The Government of Bulgaria should take further steps to ensure the advancement of women by promulgating and initiating national and international laws and standards. In particular, the Government should establish a machinery, including an ombudsperson to oversee the implementation of the National Plan of Action.
 - The Government and civil society should support and raise the image of women's entrepreneurship as a viable and lucrative employment option, particularly for female youth and unemployed women.

References and Related Bibliography

- Bulgarian Gender Research Foundation. 1999. *The Impact of Privatisation on Women During The Economic Transition in Bulgaria*. Final Report of the International Project, "Strengthening Citizens Participation in the Privitisation Process: Women's Rights in the Economic Transition" Sofia.
- Bihr, A. and R. Pfefferkorn. 1996. *Hommes/femmes l'introuvable egalite: ecole, travail, couple, espace public*. Paris : Les Editions De L'Atelier/Les Editions Ouvrieres.
- European Network for SME Research. 1996. *Fourth Annual Report*. The European Observatory for SMEs, Brussels.
- _____. 1997. *Fifth Annual Report*. The European Observatory for SMEs, Brussels.
- Foundation for Entrepreneurship Development. 1997a *The State of Small Business in Bulgaria*, FED, Sofia.
- _____. 1997b *Small to Medium Enterprises Policy in Bulgaria*, FED, Sofia.
- _____. 1997c *Small to Medium Enterprises Financing in Bulgaria*, FED, Sofia.
- _____. 1998a *The State of Small Business in Bulgaria*, FED, Sofia.
- _____. 1998b *Training and Information Needs of Bulgarian SMEs*, FED, Sofia.
- _____. 1998c *Bulgarian Exporting Small and Medium-Sized Enterprises*, FED, Sofia.
- Frey, Maria et al. 1997. "The Status of Women in the Labour Market in Hungary — Entrepreneurship as an Alternative", SEED, Second revised edition, July 1997.
- Foundation for Small Enterprise Economic Development. 1997. *The Status of Women in the Labour Market in Hungary: Entrepreneurship and Alternatives*, Budapest.
- Government of Bulgaria. 1995. *National Action Plan*, Sofia.
- _____. 2000. *Answers to The Questionnaire on the Implementation of the Beijing Platform for Action*. www.un.org/womenwatch/daw/followup/countrylist.htm
- Harvard University (HIID), Agency for Economic Analysis and Forecasting, and Institute for Market Economics. April 2001. *The Shadow Economy in Bulgaria*.
- Heinen, J. 1995. "Introduction" *Transitions en Europe de l'Est: Main d'oeuvre et citoyennes de seconde zone?*. Cahiers du GEDISST, No 12, IRESKO-CNRS.
- Hirata, H. and D. Kergoat. 1998. La division sexuelle du travail revisitee, In *Les nouvelles frontieres de l'inegalite. Hommes et femmes sur le marche du travail*, M. Maruani, ed. La Decouverte, Paris.
- Hisrich, R.D. and M.P. Peters. 1994/95. "The Role of Women Entrepreneurs in Hungary's Transition Economy, *International Studies of Management & Organization*, Winter 1994/95.
- ILO. 1995. *Gender Issues in Micro-Enterprise Development*, ILO, Geneva.
- _____. 2001. *Local Response to Globalisation: MESTA Region, Bulgaria*. SEED Working Paper No. 12, Series on Globalisation, Area-Based Enterprise Development and Employment, ILO, Geneva.

-
- ILO/UNDP. 1998a. *Women in Poverty: An Assessment of the Bulgarian Anti-Poverty Policies and Strategies*, ILO, Geneva.
- _____. 1998b. *Poverty in Transition: Bulgaria*, ILO, Geneva.
- International Helsinki Federation for Human Rights. 2000. *Women 2000: An Investigation into the Status of Women's Rights in Central and South-Eastern Europe and the Newly Independent States*. Vienna: International Helsinki Federation for Human Rights.
- Kantor, Paula. 2000. *Promoting Women's Entrepreneurship Development based on Good Practice Programmes: Some Experiences from the North to the South*", ILO, SEED/WEDGE Working Paper No. 9.
- Karim, Nilufer Ahmed. 2001. *Jobs, Gender and Small Enterprises in Bangladesh: Factors Affecting Women Entrepreneurs in Small and Cottage Industries in Bangladesh*, ILO, SEED/WEDGE Working paper No. 14.
- Knothe, M.A. and E. Lisowska. 1999. *Women on the Labour Market: Negative Changes and Entrepreneurship Opportunities as the Consequences of Transition*, Center of the Advancement of Women, Warsaw.
- Laczko, Z. and A. Soltesz (eds.). 1997. "The Status of Women in the Labour Market in Hungary — Entrepreneurship as an Alternative", Foundation of Small Enterprise Economic Development (SEED), Budapest, July.
- Lisowska, E. 2000. "What is it Like to be a Woman-entrepreneur in Poland", *Fair Play* (Gender and Development Magazine of KARAT Coalition), No. 2 (published in Bulgaria).
- Lisowska, E. 1999. "Women Entrepreneurs in Poland" [In:] *Women's Entrepreneurship. East-West Co-operation*, Proceedings of the Conference held in Brijuni, Croatia, October 21-22, 1999, Institute for the International Relations and Center for Small and Medium Enterprises, Zagreb, Croatia, May 2000.
- Lisowska, E. 1998/1999. Report from the Research Conducted Among Polish Business Women.
- Lisowska, E. 1998. "Entrepreneurship as a Response to Female Unemployment and Discrimination against Women in the Workplace", *Women & Business*, No. 3-4.
- Lisowska, E. 1997. "Women Entrepreneurs in Poland, Lithuania and Ukraine — A Comparative Analysis", *Women & Business*, No. 1-2.
- Lisowska, E. 1996. "Barriers to a Wider Participation by Women in Private Sector Growth in Poland", *Women & Business*, No. 2-3.
- Lisowska, E. 1995. "Women Business Proprietors in Poland", *Women & Business*, No. 2-3.
- Maslyk-Musial and E. Lisowska (eds.). 1997. *Polish Women in the Business World*, Marie Curie-Sklodowska University Press, Lublin.
- Mayoux, Linda. 2001. *Jobs, Gender and Small Enterprises: Getting the Policy Environment Right*, ILO, SEED/WEDGE Working Paper No. 15.
- Mouriaux, M-F. 1998. La pluriactivite entre l'utopie et la contrainte, *La Lettre CEE*, 51.
- Nagy, B. 1998. "The Secret of Success: Hungarian Female Managers and Entrepreneurs", *Women & Business*, No. 3-4.
- National Foundation of Women Business Owners (NFWBO). 1996. *Survey of Women Business Owners in Russia*, Summary of Results, Silver Spring, MD, December 1996.
- _____. 1996. *Survey of Women Business Owners in Russia: Summary of Results*, Silver Spring, MD.

-
- National Public Opinion Centre. 2000. *Bulgarian Women: Social Status and Political Participation*, Sofia.
- National Statistical Institute. 2000. *Labour Force Survey: Bulgaria*, Sofia.
- OECD. 1996. *Small Business in Transition Economies*. OECD, Paris.
- _____. 1998. *Proceedings of the Conference on Women Entrepreneurs in Small and Medium Enterprises: A Major Force in Innovation and Job Creation*, Paris April 16-18, 1997.
- Qirjaku, Sonila (ed.). 1998. "Business Women in Albania: Survey Conducted among Business Women", Women's Center, SNV/Netherlands Development Organization, Tirana, April.
- Social Watch. 1999. *Transition: Gains and Losses*. www.socialwatch.org.uy
- Soltesz, Aniko. 2000. Women in Labour Market — Entrepreneurship as an Alternative in Hungary, OECD Conference on Women Entrepreneurs, Paris, November 2000.
- United Nations. 1994. *Consideration of Reports Submitted By States Parties Under Article 18 of the Convention on the Elimination of All Forms of Discrimination Against Women: Republic of Bulgaria*. Second and Third Periodic Reports of the States Parties. CEDAW/C/BGR/2-3.
- _____. 1998. *Adoption of the Report of the Committee on the Elimination of Discrimination Against Women on its Eighteenth Session: Draft Report*. Rapporteur: Ms. Aurora Javate de Dios. CEDAW/C/1998/I/L.1/ADD.6
- _____. 2000. *The World's Women: Trends and Statistics 2000*. New York: United Nations.
- United Nations Commission on the Status of Women. 1995. *Regional Platform for Action, Women in a Changing World: Call For Action From an ECE Perspective*, E/CN.6/1995/5/Add.4.
- UNDP. 1998. *National Human Development Report: Bulgaria The State of Transition and Transition of the State*. Sofia: GED Ltd.
- _____. 1996. *National Human Development Report: Bulgaria*, Sofia: UNDP.
- _____. 1998. *Development Cooperation Report: Bulgaria 1996-7*, Sofia: UNDP. www.undp.bg
- UNICEF. 1999. *Women in Transition. The MONEE Project, Regional Monitoring Report Summary*, Florence.
- _____. 1999. *After the Fall: The Human Impact of Ten Years of Transition*. The MONEE Project, Florence
- UNIDO. 1998. *A Global Analysis of the Role of Women in Manufacturing*, UNIDO, Geneva.
- Vladimirova, K. 1996. "Les femmes en Bulgarie dans la nouvelle situation socio-economique", *Colloque: Restructurations économiques et mutations sociales: Vers quelles Europe de l'Est?*, Paris: Montreuil.
- _____. 1997. "Le marche du travail: emploi, chômage et politique," *Bilan des Sept Annees de Transition en Bulgarie a l'economie de marche*, Colloque Franco-Bulgare: Sofia.
- Women's Alliance for Development. 1997. *Humanitarian Aid and Self-Help Project*, Sofia.
- World Bank. 1999. *World Development Report: Knowledge for Development*, New York: Oxford University Press.
- Zapalska, A. 1997. "A Profile of Women Entrepreneurs and Enterprises in Poland", *Journal of Small Business Management*, October.

Statistics:

National Statistical Institute, Statistical Yearbook, 1998-1999.

_____. 1999. Employment and Unemployment, 1994-1999.

_____. 1999. Living Standards: Economic and Social Indicators (Sociological Survey), 1999.

International Labour Organization. 1999. *Key Indicators of the Labour Market*. ILO, Geneva.

Websites:

ASME www.asme.bg

BARDA www.barda.bg

CEDAW www.un.org/womenwatch/daw/country/index.html

EC <http://europa.eu.int/comm/enterprise/entrepreneurship/craft/craft-studies/documents/completereport.pdf>

ILO/SEED www.ilo.org/seed

OECD www.oecd.org/dsti/sti/industry/indcomp

UNDP www.undp.bg

UNECE www.unece.org/oes/gender/Welcome.html

UNIFEM www.unifem.undp.org/beijing+5/index.html

Devin Project www.undp.bg/business/success/devin.htm

Seed Working Papers

1. “Home Work in Selected Latin American Countries: A Comparative Overview” (*Series on Homeworkers in the Global Economy*), Manuela Tomei, 2000
2. “Homeworkers in Paraguay” (*Series on Homeworkers in the Global Economy*), María Victoria Heikel, 2000
3. “Homeworkers in Peru” (*Series on Homeworkers in the Global Economy*), Francisco Verdera, 2000
4. “Job Quality and Small Enterprise Development” (*Series on Job Quality in Micro and Small Enterprise Development*), 1999
5. “The Hidden MSE Service Sector: Research into Commercial BDS Provision to Micro and Small Enterprises in Viet Nam and Thailand”, Gavin Anderson, 2000
6. “Home Work in Argentina” (*Series on Homeworkers in the Global Economy*), Elizabeth Jelin, Matilde Mercado, Gabriela Wyczykier, 2000
7. “Home Work in Brazil: New Contractual Arrangements” (*Series on Homeworkers in the Global Economy*), Lena Lavinás, Bila Sorj, Leila Linhares, Angela Jorge, 2000
8. “Home Work in Chile: Past and Present Results of a National Survey” (*Series on Homeworkers in the Global Economy*), Helia Henríquez, Verónica Riquelme, Thelma Gálvez, Teresita Selamé, 2000
9. **“Promoting Women’s Entrepreneurship Development based on Good Practice Programmes: Some Experiences from the North to the South”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Paula Kantor, 2000
10. “Case Study of Area Responses to Globalization: Foreign Direct Investment, Local Suppliers and Employment in Győr, Hungary” (*Series on Globalization, Area-based Enterprise Development and Employment*), Maarten Keune, András Toth, 2001
11. “Local Adjustment to Globalization: A Comparative Study of Foreign Investment in Two Regions of Brazil, Greater ABC and Greater Porto Alegre” (*Series on Globalization, Area-based Enterprise Development and Employment*), Glauco Arbix, Mauro Zilbovicius, 2001
12. “Local Response to Globalization: MESTA Region, Bulgaria” (*Series on Globalization, Area-based Enterprise Development and Employment*), Hanna Ruszczyk, Ingrid Schubert, Antonina Stoyanovska, 2001
13. “Ethnic Minorities – Emerging Entrepreneurs in Rural Viet Nam: A Study on the Impact of Business Training on Ethnic Minorities”, Jens Dyring Christensen, David Lamotte, 2001
14. **“Jobs, Gender and Small Enterprises in Bangladesh: Factors Affecting Women Entrepreneurs in Small and Cottage Industries in Bangladesh”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Nilufer Ahmed Karim, 2001
15. **“Jobs, Gender and Small Enterprises: Getting the Policy Environment Right”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Linda Mayoux, 2001
16. “Regions, Regional Institutions and Regional Development” (*Series on Globalization, Area-based Enterprise Development and Employment*), Maarten Keune, 2001
17. “ICTs and Enterprises in Developing Countries: Hype or Opportunity?”, Jim Tanburn and Alwyn Didar Singh, 2001

-
18. **“Jobs, Gender and Small Enterprises in Africa and Asia: Lessons drawn from Bangladesh, the Philippines, Tunisia and Zimbabwe”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Pamela Nichols Marcucci, 2001
 19. **“Jobs, Gender and Small Enterprises in the Caribbean: Lessons from Barbados, Suriname and Trinidad and Tobago”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Carol Ferdinand (ed.), 2001
 20. **“Jobs, Gender and Small Enterprises in Bulgaria”** (*Series on Women’s Entrepreneurship Development and Gender in Enterprises — WEDGE*), Antonina Stoyanovska, 2001

Note: Working Papers in the WEDGE Series are in bold.