
SEED WORKING PAPER No. 18

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

**Jobs, gender and small enterprises in
Africa and Asia:**

**Lessons drawn from Bangladesh, the Philippines, Tunisia
and Zimbabwe**

Pamela Nichols Marcucci

InFocus Programme on Boosting Employment
through Small Enterprise Development
Job Creation and Enterprise Department



International Labour Office Geneva

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ISBN 92-2-112647-1

First published 2001

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Printed by the International Labour Office, Geneva, Switzerland

Preface

This SEED Working Paper, No. 18 in the series, is quite unique in so far as it is a synthesis of reports prepared for four separate countries, selected as being in some way representative of different socio-cultural, education, legal and political conditions where women are involved in micro-entrepreneurship in the developing world. In the African context, Tunisia is a country from the Maghreb region, while Zimbabwe is in sub-Saharan, southern Africa. In Asia, Bangladesh is within South Asia, and the Philippines in South-East Asia. However, the comparisons go much deeper than those between Africa and Asia, or indeed between respective sub-regions. While the main purpose of the report is to look at the situation of women entrepreneurs in those four countries, comparisons are also made between female and male entrepreneurs and this presents us with very interesting and informative findings – with samples made up of 70 per cent female and 30 per cent male entrepreneurs. Comparisons cover a range of characteristics, including age, civil status, level of education, and previous work experience.

It is not sufficient to say that women entrepreneurs are disadvantaged, if in fact all micro and small scale entrepreneurs face problems. However, it becomes much more significant if we can point to barriers, problems and disadvantages experienced by women, that men do not have to experience, or at least not to the same degree. We find that male entrepreneurs are four-times more likely to be members of employers' organizations, chambers of commerce and small enterprise associations. The ILO is concerned about the quality and quantity of jobs for women and men within small-scale enterprises. It is also concerned about the extent to which workers – including women entrepreneurs – are able to express their voice through associations and various decision-making fora. If women entrepreneurs are somehow “excluded” from representative associations of employers, then there is much that the ILO can and should do to rectify this situation.

We also find that male entrepreneurs have at least twice as much prior work experience than women entrepreneurs; businesses owned by men have a longer life than those owned by women; women are more likely to be engaged in very small-scale enterprises; men are more likely to operate machine driven equipment; women are more likely to work from home; and enterprises owned by men are more likely to be registered, as those operated by women tend to be smaller; all of which adds up to a situation in which women entrepreneurs are under-resourced, under-experienced, under-protected and under-productive. This in turn means that their enterprises tend to operate at the economic margins, and do not contribute as much as they ought to income creation and poverty reduction. The report also summarizes the types of assistance and support available to women entrepreneurs in each of the four countries during the period of this review (around 1994 to 1999).

This report was initially commissioned by Ms. Josiane Capt, now with the ILO's InFocus Programme on Skills, Knowledge and Employability (IFP/SKILLS). Ms. Pamela Nichols Marcucci, Coordinator of the Economic Empowerment Department of AIDOS (Italy), was responsible for writing the synthesis report based on four earlier country studies. Ms. Marcucci was ably assisted by Ms. Debora Hoehne, Italian Association for Women in Development, Rome, Italy. The report was edited and prepared for publication by Mr. Gerry Finnegan, Head of Women's Entrepreneurship Development and Gender in Enterprise (WEDGE) within the ILO's InFocus Programme on Boosting Employment

through Small Enterprise Development (IFP/SEED). Ms. Christine Vuilleumier provided secretarial assistance in finalizing the report and Ms. Soe Le Aung assisted in carrying out extensive web searches to update information on each of the four countries.

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

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Introduction

The ILO project INT/90/M10/ITA “Women’s Employment in Small and Micro Enterprises” funded by the Italian Government was initiated in order to acquire a more thorough understanding of the mode of operation of women owned micro-businesses, as well as of the environmental conditions that determine their success or failure. Four countries, the Philippines, Zimbabwe, Tunisia and Bangladesh, were selected as the loci of action-oriented research aimed at investigating women’s involvement in micro and small enterprises (MSEs), identifying innovative approaches to promote female entrepreneurship, and formulating sets of policy recommendations for enhancing women’s participation in national economic life as owners and managers of micro and small enterprises.

In preparation for the field research, the first project phase included a literature review on women and micro and small enterprise development in order to i) understand the specificity of women’s participation in the micro and small enterprise sector in developing countries; ii) acquire the elements necessary to construct an analytical framework for the country profiles that would give a picture of the micro-enterprise sector in an individual country from a gender perspective; and iii) identify those issues and topics that are worth being investigated at the country level, not only for the drafting of policy guidelines, but also for use in comparative studies to give general direction to the work of those agencies involved in micro-enterprise development.

Based on the findings of the literature review, a research design document was prepared to propose the analytical framework and formulate the research hypotheses on the problematic issues pertaining to women’s employment in micro and small enterprises. The document also defined the research methodology to guide the implementation of the country case studies, aiming to verify the various hypotheses formulated.

Two working hypotheses were outlined in the research design document:

- (i) Micro and small enterprises hold the best potential for contributing to the creation and strengthening of an indigenous, solid base of dynamic entrepreneurs, as well as for engendering significant multiplier effects in the process of economic growth of developing countries. This is of crucial importance, particularly in the context of severe restructuring and adjustment policies. In order for MSEs to fully develop their economic potential, the private initiative of the individual entrepreneur, whether female or male, has to be equally boosted and guaranteed.
- (ii) Although women-owned enterprises are found at the lower end of the spectrum of economic activities, they produce goods and services suited to the local market demand. Furthermore, the income derived from micro-businesses is crucial to the satisfaction of basic household needs.

The countries were selected to represent areas of the developing world with different socio-cultural, educational, legal and political conditions where women are involved in micro-entrepreneurship. Originally, it had been hoped that a country in each of the major regions of the developing world (Asia, Africa and Latin America) would be covered. Financial constraints, however, limited the project coverage to Asia and Africa (north and south of the Sahara). Subsequent interest on the part of Dutch development cooperation coupled with financial assistance allowed an additional country, Bangladesh, to be covered.

The project represented a pioneering exercise in using gender-focused, rather than women-specific, analyses of the functioning and dynamics of micro-businesses. The expected outcome of the exercise was to provide empirical evidence of (i) the difficulties women and men entrepreneurs share, while isolating the problems which are particular to women, and (ii) the different response strategies each group adopts to overcome or minimize these problems, and maximize its economic opportunities.

With the overall objective of improving the performance of women's MSEs, as well as that of improving assistance delivery systems for the provision of services to MSEs, a comparative assessment of female and male owned businesses in each country was conducted between January and December of 1993.

More specifically, the research's immediate objectives as specified in the research design were the following:

- (i) To determine the nature and extent of women's participation in the national economy as owners and operators of micro and small enterprises. This required examining: activity sectors, business size, ownership patterns, type and number of employees, profitability, failure rates, financing, assets, production levels and markets.
- (ii) To assess the nature and magnitude of problems and constraints faced by women entrepreneurs, as compared to their male counterparts (whether socio-cultural, technical or financial) and to identify positive factors or incentives, that, despite the constraints, may facilitate women's entry and continuity in business.
- (iii) To suggest interventions or changes in the policy and institutional environment that would alleviate, if not eliminate, the constraints faced by women entrepreneurs and increase their opportunities, particularly in non-traditional sectors.

In the four countries, the research included both quantitative and qualitative elements: a survey of micro and small female and male entrepreneurs, a country review on the situation of women micro-entrepreneurs, focus group discussions, surveys of support institutions and in-depth interviews with key informants. A final draft country report analyzing the research findings was prepared for each country.

The research was innovative from several points of view. First, as mentioned previously, its focus on gender, rather than women in isolation, was designed to allow the identification of the different gender needs of the entrepreneurs which grow out of their different roles, activities and access to resources and consequently, the development of interventions which would be the most effective in meeting those needs.

Second, its use of the entrepreneur rather than the enterprise as the primary unit of analysis allowed a complete picture of the gender differentiated roles and responsibilities held by the entrepreneurs to emerge, in addition to their role as the owner/manager of a specific enterprise and their respective survival strategies.

Third, a number of studies have tended to look at successful women entrepreneurs in larger size businesses where undoubtedly access to capital and business and management training was important. In fact, these findings imply "that success in entrepreneurship ... may often be predicated by at least a middle-income family background" (Hoffarth, 1989: 138). The study of smaller scale successful women entrepreneurs presented in the case studies allowed analysis of what factors, besides socio-economic background, predicate success.

The present synthesis of the four country reports aims to give a general overview of the situation of women micro and small entrepreneurs against a backdrop of the four

countries' economic conditions and the gender based socio-cultural, legal and political systems in place in these countries. Chapter 1 looks at the business environment in the four countries, including policies and the legal, regulatory and administrative contexts. It also examines the particular constraints (legal, socio-cultural etc.) that can prevent women entrepreneurs from starting their own business or managing their enterprises optimally, despite the existence of an enabling business environment.

Chapter 2 critically reviews the different measures that have been taken in the four countries to promote MSEs and provides information on the approaches, strategies and special programmes and projects adopted to promote female entrepreneurship. Chapter 3 aims at assessing women's participation in MSEs as compared to their male counterparts, looking at the characteristics of the entrepreneurs in the four countries and the economic characteristics of their micro-enterprises. It also analyses the respective operations, constraints and opportunities, and objectives and strategies of the women and men entrepreneurs. The last section looks at the entrepreneurs' links with support services.

Chapter 4 outlines the main conclusions which can be drawn from the research and formulates a number of recommendations targeted to government agencies as well as other actors involved with MSE promotion.

Given that several years have passed since the preparation of the country reports, secondary research was conducted to update the background information wherever possible. In addition, a literature review was conducted to get an overview of the more recent research conducted on gender and entrepreneurship. The information contained in the four country reports has, therefore, been filtered through recent findings on the MSE sector.

Definition of key concepts

In the literature on micro and small enterprises, a variety of criteria are used to delineate the differences between micro, cottage, small and medium enterprises including assets, number of employees, sales turnover, etc.¹ These definitions are not always consistent and therefore, can cause confusion about the scale of the enterprise being discussed. Ideally, a set list of criteria would be developed for each economic sector, as what is small by manufacturing firm standards would be considered large by retail firm standards.

The present research uses the number of employees in the enterprise (including the main entrepreneur) as the basis for defining the scale of economic activity, and included only micro and cottage entrepreneurs in the focus group discussions and quantitative surveys. At the same time, for the sake of simplicity, the more broadly recognized term "micro and small entrepreneurs/enterprises" will be used throughout the synthesis report.

It should be mentioned that homeworkers are not included among the micro-entrepreneurs covered in the present country review. While a minority of homeworkers can be considered micro-entrepreneurs, they are more generally in fixed arrangements with sub-contractors and face a range of problems that is in itself a worthy topic of study.

¹ The ILO Recommendation No. 189 (1998) on General Conditions to Stimulate Job Creation in Small and Medium-sized Enterprises leaves it up to the Member States to decide on their own classifications.

The research design and instruments

For the collection of relevant information in the four countries, qualitative enquiries were used in conjunction with quantitative surveys. In all four countries, research work included:

- (a) A country desk review on women's participation in MSEs and the environment in which they operated;
- (b) In-depth interviews with key informants in the government, NGO and private sectors;
- (c) A survey through the administration of a structured questionnaires to female and male micro and small entrepreneurs.

In addition, surveys of support institutions were conducted in the Philippines and Bangladesh, and two focus group discussions were held with micro and small entrepreneurs in the Philippines.

The following firms were selected to conduct the research and write the country reports:

Bangladesh: the consultancy firm, Data International, was selected to carry out the qualitative and quantitative research and prepare a draft of the country report.

The Philippines: AIDOS wrote the country desk review and the market research organization; PULSE Research Group, was selected to conduct the focus group discussions and the quantitative surveys. The depth interviews were conducted by an AIDOS/ILO team, and the data analysis was carried out by an Italian consulting firm, Gender. The country report was prepared by Gender and AIDOS.

Tunisia: the consultancy firm, Urbaconsult, was selected to prepare the country review, conduct the qualitative and quantitative research and prepare a draft of the country report.

Zimbabwe: AIDOS wrote the country desk review and the management consultancy firm, Symacon (Pvt) Ltd, was selected in Zimbabwe to conduct the surveys, carry out the case studies and write the draft country report. Further data analysis and country report writing was done by the ILO and AIDOS.

The sample frame parameters are given in Table 1 for each country.

Table 1. Sample frame parameters and identification of survey sector, sub-sectors and geographical region

	Bangladesh	Tunisia	Philippines	Zimbabwe
Sample size	500	501	519	500
Female:male ratio	74:26	70:30	70:30	70:30
Urban:rural ratio	72:28		50:50	20:80
Size ratio and/or parameters	10 workers and less	60% with 5 workers or less; 40% with 6-10 workers	60% with 5 workers or less; 40% with 6-10 workers	10 workers and less
Age parameters	One year minimum	One year minimum	One year minimum	One year minimum

	Bangladesh	Tunisia	Philippines	Zimbabwe
Regional coverage	Dhaka: 248 Chittagong: 62 Rajshahi: 74 Pabna: 26 Comilla: 46 Mymensingh:44	Tunis 40,6% Sfax 25% Sousse 24.4% Nabeul 10%	One urban area and one semi-rural area of Region VII (Cebu), an island province located in the Visayas island chain.	Urban: Bulawayo (80 per cent) and Harare (20 per cent). Rural (including growth points and dispersed households): North and South of Bulawayo in Matabeleland; Kadoma/Gokwe area in the Midlands and Chipinge area in Manicaland.
Sectoral coverage	Manufacturing: dyeing and printing, wooden products, food processing, printing and publishing, plastic and chemical products, mineral products, metal products, other manufacturing and handicrafts). Services:tailoring, beauty parlours and other services	Manufacturing: textiles – 69 % food-proc – 21% various – 10 %	Manufacturing: gifts, toys and housewares, food processing.	Manufacturing: garments and textiles – 33% food processing – 33% leather crafts – 33%
Percentage of sample having been reached by training or credit		20%		30%
Other		Business founders		Business founders

The sample parameters for the institutional and non-institutional survey in the Philippines included:

- (i) All government organizations in the sample area;
- (ii) Important NGOs working in the area of micro and small enterprise development, not including cooperatives which are generally included in the Philippines definition of NGOs;
- (iii) Private intermediaries including universities, other private NGOs and the privatized government sector;
- (iv) Professional associations.

Characteristics of countries under review

The four countries covered in the research are very different in terms of their population, economic structure, urban/rural composition and levels of poverty. Tables 2 and 3 provides some basic background information on each country and is followed by a brief economic overview. In addition, specific attention is given to:

- the status of women in the economy of each country as a background for assessing the differing participation of women and men in the MSE sector;
- the MSE sector in general in each country; and
- the informal sector ² and its relationship with the MSE sector in each country.

The four country reports were used for the preparation of this section and supplemented with more recent economic data gathered from a variety of sources, including UN reports, economic journals, and recent books. ³

Table 2. Economic structures of the countries under review

	Bangladesh	Philippines	Tunisia	Zimbabwe
Agriculture as % of GDP and as % of labour force	31% GDP 61% of labour force	22% of GDP 54% of labour force	12% of GDP	15% of GDP 67% of labour force
Industry as % of GDP	18%	32%	29%	36%
Services as % of GDP	52%	46%	59%	48%

Sources: Draft Country Reports; *UNDP Human Development Report 1998*; UNCTAD's *The Least Developed Countries 1998 Report*; UN's *The World's Women 1995: Trends and Statistics*.

Table 3. Characteristics of the countries under review

	Bangladesh	Tunisia	Philippines	Zimbabwe
Population	124 million	72.2 million	9.5 million	11.9 million
Percentage of population in rural areas	40%			75%
Selected social indicators:				
Adult illiteracy	62% (74% for women and 50% for men)	5% (6% for women and 5% for men)	33% (45% for women and 21% for men)	15% (20% for women and 10% for men)
No access to safe water	11% rural population (61% urban) ⁴	16%	2%	21%

² According to the definition agreed upon in 1993 by the International Conference of Labour Statisticians, 'informal sector enterprises' are defined as enterprises in the household sector owned and operated by own-account workers, which may employ contributing family workers and employees on an occasional basis but do not engage employees on a continuous basis. Instead, 'enterprises of informal employers' are those which have one or more employees on a continuous basis, but fulfil one or both of the following criteria: (i) the household enterprise employs a number of employees below a specified number; and/or (ii) the enterprise or its employees are not employed. The definition retained for the present research corresponds to the definition of 'enterprises of informal employers' and considers unregistered enterprises as in the informal sector.

³ Additional updates on each country, as prepared for the Beijing Plus 5 meeting (New York, June 2000) have been included as annexes.

⁴ Indicators on access to safe water in Bangladesh vary significantly between the different sources.

	Bangladesh	Tunisia	Philippines	Zimbabwe
No access to health services	55%	29%	10%	15%
No access to sanitation services	52%	25%	20%	48%
Percentage of population below poverty line	48%	41%	14%	26%
Real GDP per capita (in purchasing power parity dollars)	US\$1,382	US\$2,762	US\$5,261	US\$2,135
Unemployment rate	One in three adults unemployed or underemployed	10%		26-37%
Total external debt	US\$16.4 billion or 56 per cent of total GNP (1995)	US\$39.4 billion or 52 per cent GNP (1995)	US\$9.9 billion, or 57 per cent of GNP (1995)	US\$4.9 billion or 79 per cent of GNP (1995)

Sources: Draft Country Reports; *UNDP Human Development Report 1998*; UNCTAD's *The Least Developed Countries 1998 Report*; UN's *The World's Women 1995: Trends and Statistics*.

Bangladesh

Although the Bangladeshi export sector has shown an increase since 1992, the country has remained in a lengthy recession, due to the lack of foreign and domestic demand for Bangladeshi products. An already low savings rate has continued to fall, and “supply constraints such as poor law and order conditions, an often inefficient bureaucracy, a weak financial sector, poor infrastructure facilities, and low labour productivity” are root causes of the current economic difficulties (Data International, 1994). Bangladesh has also been dependent on foreign assistance, and has therefore been subject to donor conditions.

Although industrial reform began in the 1980s, its pace increased in the 1990s. The 1991 New Industrial Policy, focused on export-led industrial growth, aims to promote foreign and domestic investment, liberalize trade, reduce protections on import substitutes, and make laws and economic statutes transparent (Data International, 1994). Export-oriented industries, especially ready-made garments, are receiving incentives to become internationally competitive.

A World Bank report indicates that Bangladesh has made progress in fighting poverty during the 1990s. Even so, rising income inequality in Bangladesh has reduced overall poverty alleviation in Bangladesh: “20-30 per cent of the potential poverty reduction from growth may have been lost because of rising inequality,” with greater inequality in urban areas (World Bank, 1998).

Bangladesh's continued growth and poverty reduction are at risk because of the threat of an increase in world economic recession. In the even of worsening global economy, Bangladesh was not expected to meet growth forecasts for 1999-2000. Furthermore, the damage from the several severe monsoon floods presented an unexpected long-term risk to Bangladesh's growth forecasts.

Women's employment

Female economic participation is 73 per cent of the male participation rate, with 6 per cent of women employed as unpaid family workers, 35 per cent as professional and technical workers, and 5 per cent as administrators and managers (UNDP, 1998). The majority of women employed in the formal sector work in agriculture (72 per cent) or industry (22 per cent). Within the agriculture and industry sectors, tea plantations and garment exporters employ the most women (Data International, 1994).

There is a great disparity between the earned income of women and men – women's share of earned income in 1995 was 23.1 per cent while that of men was 76.9 per cent (UNDP, 1998). "Purdah", or female seclusion, limits women's mobility and productive economic participation, especially outside the home. Adherence to purdah is becoming less rigid due to the economic necessity of having women work alongside men. A 1995 study conducted by BRAC found out that "women bear the primary responsibility for coping with everyday household subsistence as well as with seasonal and other crises" (Speaking Out, 54). Young women begin to work early; girls assist mothers with domestic responsibilities and home-based production, gradually increasing the hours they work as they grow older. However, a lack of cash income means that women continue to attain increased status through marriage and childbirth (IPPF South Asia Region, 1997).

Globalization is of direct relevance to women workers in Bangladesh, as in many other countries, since it has led to greater employment opportunities for women, particularly in the export sector and it has also affected conditions of work. In the case of Bangladesh, the sustained growth of the export-oriented ready-made garments industry created employment opportunities for more than one million women, who are mostly young (less than 30 years of age) migrants from rural areas with some years of formal schooling. Employment of women is two and a half times that of men in the export processing zones, which is significant since it has for the first time marked women's entry into formal manufacturing employment.

The MSE Sector

The lack of information on micro-enterprises in Bangladesh precludes any attempt to examine the nature and magnitude of such industries in detail. Therefore, data relating to small-scale enterprises (which according to the definition used in Bangladesh are those enterprises with 10 to 49 workers and considerable assets) is generally used despite the fact that it, too, is suspected of grossly underestimating the relative contribution of such enterprises to GDP, employment and output. According to the Bangladesh country report, although detailed quantitative evidence is lacking, there are reasons to believe that micro and small enterprises occupy an important position in the economy of Bangladesh. In 1988-89, 32,000 small enterprises were in operation employing approximately 5 million people directly and indirectly.

Traditionally rural women have always been involved in different kinds of self-employment, both agricultural and non-agricultural within the homestead. These activities have tended to include: livestock and poultry rearing, tool making for farm work, sewing kantha and net making, food processing, tailoring, and rice processing, and have been regular, but generally invisible sources of family income. Self-employed women also sell or hawk clothes, ornaments and cosmetics used by women in the village market or in village areas.

The Philippines

The Philippines economic structure largely grew out of an unsuccessful industrial policy that encouraged the growth of protected, inefficient import substitution industries

coupled with unfulfilled land reform that has left the majority of the population without adequate farmland. Therefore, the macroeconomic picture of the Philippines is that of a fragmented economy in which a sheltered, capital-intensive manufacturing industry employs a small percentage of the population, while a large percentage of the population works in lower productivity agriculture and service sectors. Total external debt increased steadily over the last ten years.

In order to battle inflation and high debt, structural adjustment policies (SAPs) were adopted, beginning in the early 1990s. As a result of the SAPs, the Philippines experienced a recession and inflated exchange rate (Krugman, et al., 1992). The current administration has focused on trade liberalization and export-led growth strategies like those popularized by the Asian Newly Industrialized Countries (NICs).

The increase in poverty has affected the rural and agricultural areas the most because these sectors of the population have most strongly felt the effects of import substitution attempts and the inflated currency. In addition, less than 20 per cent of the population controls over half of the country's income (Krugman, et. al., 1992).

The recent Asian economic crisis has had an effect on the overall macroeconomic picture in the Philippines and import demand and the peso value weakened considerably. Growth forecasts are modest.

Women's employment

The total number of employed women increased from 4.8 million (or 35.9 per cent) in 1978 to 9.97 million in 1993, with nearly half of the working women married (Belandres, 1996). Women's economic activity rate in 1995 was 59 per cent of men's labour force participation (UNDP, 1995). Of the women employed, 36 per cent are in the formal sector (UNICEF, 1990). Women, who tend to have higher unemployment rates than men, also tend to have work cycles that are interrupted over the course of their life-cycles (Eviota, 1992). Filipino women aged 24-44 have the highest labour force participation rate, especially within the industrial export sector. Also, lack of employment alternatives lead to higher ratios of women who are unpaid family labour or self-employed rather than wage labour (NCRFW, Minifacts, 1992); in 1990, female unpaid family labour was 53 per cent (UNDP, 1998). The prevalence of unpaid family and self-employed women is also due to the double burden of domestic duties in addition to formal employment; self-employed labourers or informal workers may be able to combine domestic duties with market activity.

The MSE sector

Accurate figures on participation in the MSE sector are difficult to obtain because non-registered MSEs in the informal sector remain outside of census calculations, and official definitions focus on MSEs that are outwardly visible or have a fixed location. Some estimates have been made, however, and as of 1989, it was estimated that 85 per cent of the self-employed population (8.3 million) is involved in micro-entrepreneurship and that the micro-enterprise sector accounts for approximately 85 per cent of Philippine business entities (Hoffarth, 1989). The 1988 Census of Manufacturing Establishments counted 69,446 cottage enterprises (1-9 employees) and 7,678 small enterprises (10-99 employees). While not capturing the non-registered firms, such numbers give an overall idea of the amplitude of micro and small enterprises.

While the changes in industrial production and export trade are unlikely to have a significant impact on the MSE sector due to the use of local materials and predominance of local clients, the increase in interest rates will have a negative impact on access to credit.

Combined with a decrease in consumer spending, micro and small enterprises may face more difficulty expanding production and seeking new markets.

Women largely dominate the MSE sector – 44 per cent of total in 1986, and over 80 per cent in rural areas (Asian Development Bank, 1991). In the Philippines, half of the “11 million households are engaged in at least one home-based enterprise, usually initiated by a woman” and “from May to October of 1988 alone, those household operated activities provided about 28.4 million job opportunities, generating production valued at ... approximately US\$6.8 billion” (Belandres, 1996: 13).

Tunisia

The main sources of income in Tunisia include the tourist industry, oil, mining of minerals (phosphate in particular), and remittances from emigrants, primarily working in Europe (Urbaconsult, 1994; UNFPA, 1998). Like the other countries in this study, Tunisia has adopted an export-led growth policy, and much of bank and government resources are focused on developing export industries.

The depletion of petroleum revenues and growing debt necessitated the adoption of structural adjustment policies to create macroeconomic stability. Fiscal measures required by SAPs have depreciated Tunisian salaries, reduced the currency value by 45 per cent, and given advantages in financing, taxes, and credit to export industries (Urbaconsult, 1994).

Women's employment

Employment growth has not been significant enough to absorb the current population growth rate of 1.8 per cent (UNFPA, 1998). Following the 1986 economic crisis, there was a decrease in the formal employment of women and the growth of home-based industries in the textile and food sectors. Women's economic activity is difficult to measure because of the combination of home-based production with housework. The profile of permanently or irregularly economically active Tunisian women is urban (two-thirds) and between the ages of 20-39 (63 per cent), probably reflecting the greater educational opportunities available to the younger generation of women. Men tend to prolong their economic participation until later in life because of better educational opportunities and an older marriage age. In Tunisia, the female economic activity rate in 1995 was 44 per cent of that of men, and of the women engaged in formal economic activity from 1992-96, 36 per cent were employed as professional and technical workers, 17 per cent as service workers, and 13 per cent as administrators and managers. A large percentage (49 per cent) of women are employed as unpaid family workers. In addition, women's share of earned income is less than that of men – 24.7 per cent as compared to 75.3 per cent (UNDP, 1998).

The MSE sector

According to data from the 1981 census, micro-enterprises (defined as those with less than 10 workers) represent 95 per cent of the total number of establishments and offer 35 per cent of total employment. The percentage of employment offered by micro-enterprises increases to 39 per cent of non-agricultural employment, according to the 1989 Population and Employment Survey.

In general, women have always played a relatively important role as entrepreneurs especially in traditionally female activities such as handicrafts and food processing. According to the Agence de Promotion de l'Industrie there are 1,000 female heads of enterprises in the organized sector in Tunisia, and it is assumed that the number is much higher in the informal sector, however, reliable data is not available. A growth in the number of women micro-entrepreneurs has been noted since the 1986 economic crisis.

Zimbabwe

After colonial independence in 1964, the all-white (UDI) government promoted a highly discriminatory mixed economy. Private enterprises, cooperatives, and state enterprises coexisted in a neo-colonial structure, where the government sought to control the labour force participation of the indigenous Africans so as to maintain an inexpensive male labour reserve. The growth of manufacturing monopolies became concentrated in urban areas, specifically Harare. As a legacy of the discriminatory economic system, 80 per cent of businesses and resources remain in the hands of whites and foreign interests.

An economic reform policy, known as the Economic Structural Adjustment Program (ESAP), was introduced in 1991 and includes deregulation, trade liberalization, fiscal and monetary policies aimed at deficit reduction, and a strategy for offsetting the harsh social impact of structural adjustment. Criticism of the government's economic reform policy focuses on the extent to which economic reform is being carried out, specifically with respect to deregulation. During the last two years, 1999-2001, economic conditions have continued to deteriorate, exacerbated by political upheaval and social unrest.

The economy is dominated by the manufacturing industry sector. Agriculture comprises 15 per cent of GDP, and is divided into a dual system of large-scale agribusiness and communal and state farming. The services sector also plays a key role in the economy, accounting for 48 per cent of GDP (UNDP, 1998).

According to 1991 World Bank figures, out of a total of 3.1 million employed Zimbabweans, 35.3 per cent are employed in the formal sector, 53.3 per cent are employed in communal and small-scale farming, and 7.4 per cent work in non-registered, informal establishments. However, it is estimated that these figures do not account for a large amount of the population employed within the informal sector. Some estimates of the informal sector as a percentage of the labour force go as high as 27 per cent (Brand et. al 1992, 8).

The growth of the informal sector in Zimbabwe, especially since independence, can in large part be attributed to the crowding out of smaller enterprises by larger firms and parastatals with better access to information and markets. Other socio-economic reasons for informal sector development include: lack of job security in the formal sector; low wages and poor conditions in the formal sector; education and training limitations; search for survival mechanisms, and increasing need for cash income to pay school fees. In addition, the cost of starting an enterprise in the formal sector is prohibitive due to the regulatory environment and is out of reach of most indigenous entrepreneurs.

Women's employment

While unemployment figures are similar for women and men, women comprise nearly two-thirds of the unemployed between the ages of 25-29 (GOZ, 1991). In 1995, female economic activity was 80 per cent of men's economic activity. The majority of women work in agriculture (two-thirds) and only a small percentage (17 per cent) are employed formally. Of the women formally employed, 40 per cent of women work as professional and technical workers, 30 per cent work in the service sector, and 15 per cent work as administrators and managers. Women's share of earned income is 37.6 per cent, while that of men is 62.4 per cent (UNDP, 1998).

The MSE sector

A 1991 GEMINI survey measured the number of active MSEs in Zimbabwe to be 845,000. The survey also indicated that these MSEs employ approximately 1.6 million people. A more in-depth GEMINI survey (1993) indicated that between 1991 and 1993

there was an 8.5 per cent growth in the number of Zimbabwean MSEs and a 14.4 per cent growth of MSE employees. The majority of enterprises are based in the home. The large majority of micro-enterprises are found in the informal sector (according to GEMINI data 93 per cent of micro and small enterprises are not registered) and fall within the manufacturing sector (70 per cent).

A 1992 study prepared by Zimconsult for UNIDO showed that when micro-enterprises were defined as having less than 5 employees, small-scale enterprises as having between 5 and 10 employees, and medium-scale as having 10 to 50 employees, the data collected by the GEMINI 1991 survey reveals that micro-enterprises account for 97 per cent of all enterprises in Zimbabwe.

The GEMINI studies also found that women run the majority of micro and small enterprises (67 per cent), while the enterprises run by men tend to provide proportionally more of the household income and have a larger average number of employees.

1. Enabling business environment

Two sets of factors can be identified in MSE development: internal factors, or factors specific to the enterprise, and external factors, also called the enabling environment (Mukheerjee and Singh, 1975). Internal factors are adaptable with time; external factors are beyond the direct control of the enterprise, resting instead with governments or private actors. Because of the often disappointing results of interventions aimed at influencing internal factors, and because of the scarcity of public-sector means imposed by structural adjustment programmes, increasing confidence is being placed on policies aimed at improving the economic and social environment in which firms operate. (Teszler in Baud and Bruijne, 1993:31). In addition, emphasis is being placed on promoting the role of private actors in delivering assistance to MSEs in developing countries (Levitsky in Helmsing and Kolstee, 1993: 310). This is not to say that governments have no role to play, but that governments need to focus more on putting a conducive policy environment in place and to give a greater role to private actors such as NGOs and business associations in providing direct assistance to entrepreneurs.

1.1. Elements of an enabling environment for MSEs

A 1994 ILO paper reviews the enabling policies that can be implemented by governments to promote small enterprises. These will be quickly reviewed below. Information on the government policies in each of the four countries will be included when available.

1.1.1. General macro-policies, agricultural and trade policies

General enabling policies include macro policies for the stabilization and growth of the general economy and for agricultural development to encourage effective demand for MSE products, as well as policies in respect to foreign exchange, foreign trade and inflation control (ENT/MAN, 1994:15). All four countries have undergone economic adjustment programmes which, while expected to impact positively on the MSE sector in the long-term, have often led to decreasing incomes and consequently demand constraints for MSE products.

1.1.2. Monetary and financial policies

A major goal of monetary policy is to reduce inflation which directly damages small enterprises and their access to credit. Bringing inflation down to low and predictable levels is, therefore, a high priority in creating an enabling environment for small enterprises. While financial liberalization can materially assist small enterprises and strengthen their links with banks, the benefits of financial liberalization are diminished if banking legislation and regulations discriminate in practice against small enterprises.

In Zimbabwe, financial liberalization resulted in higher interest rates which it was thought would make credit available for a wider range of firms. However, according to the country report, there has been no increase in credit as there are still few applicants.

1.1.3. Direct and indirect taxation policies

Many small enterprises bear heavy tax burdens through indirect taxes, flat-rate levies, and the fact that they do not qualify for the exemptions enjoyed by larger enterprises.

Efficiently administered and fair taxation is as important for small enterprises as for individuals and larger enterprises. Taxes have to be levied at reasonable levels, yet fairly and without undue disruption of their business. It may also be possible to promote small enterprises through the adoption of tax incentives for larger enterprises that do business with them, though this could also put smaller enterprises at a disadvantage vis-à-vis larger enterprises, especially if they are targeting the same markets.

In Zimbabwe, while taxes have been slightly reduced, this has not had much impact on MSEs as most of them never paid taxes anyway.

1.1.4. Land access and infrastructure policies

Improving physical (roads, transport, public utilities) and social infrastructure (education and health facilities) is important for encouraging MSEs. Women entrepreneurs, for example, would greatly benefit from public or community investments which brought water and fuel sources closer to home leaving them more time to work in their enterprises. Investments in rural infrastructure also benefit micro and small enterprises indirectly through increased demand for their products from the agricultural sector.

Given the problems faced by MSEs regarding their lack of secure access to premises, governments can help with public market facilities and industrial estates, although these have not tended to be successful. What may be more effective would be to promote piecemeal and gradual development by the enterprises themselves. Simplified land title procedures, coupled with zoning regulations permitting the mixed residential, formal sector and small enterprise development of well-located and serviced areas would facilitate such development. Land surveys could be used to identify dispersed small lots as sites for individual small enterprises or very small clusters of them. MSEs could also be officially permitted to observe building regulations in stages.

In Zimbabwe, local authorities have provided work shelters with electrical connections in small rural towns and larger urban areas for MSEs involved in manufacturing and trading.

1.1.5. Regulatory policies

There is a clear need for regulations to protect both small enterprises and the general public and the employees. Fortunately the tendency for over zealous regulation of enterprises and their income is diminishing as it has been found in several countries (including Tunisia) that when regulations are too elaborate, they tend neither to be followed nor enforced. Therefore, it may be better to reduce regulatory requirements to a minimum and then vigorously enforce them. Over-stringent regulations may also discourage entrepreneurs from growing (where they become more visible) or working outside of their homes. A preferable approach might be official recognition and acceptance of phased and gradual application of regulations as the enterprise expands.

In the Philippines, the Magna Carta for Small Enterprises of 1991 calls on all government agencies having to do with small enterprises to pursue the principles of minimum regulation and see to the simplification of procedures and requirements. The Act also calls for the creation of a Small and Medium Enterprise Development Council attached to the Department of Trade and Industry to serve as the main agency responsible for the promotion of small and medium enterprises and for the rationalization of programmes aimed at supporting them. In addition, Cabinet Resolution 29 of 1988 had also aimed at rationalizing the system of assistance to MSEs by designating eight agencies

to be responsible for the coordination of livelihood and entrepreneurship programmes and projects.

In Zimbabwe, the Government's paper introducing the economic policy reform programme in 1991, specifically mentioned the establishment of a commission to review local council by-laws and other regulations of economic activity recognizing that zoning regulations and licensing of small businesses, shops, hawkers and vendors which have been in force since pre-Independence inhibit growth. In addition, as part of the deregulation process, a Private Business Corporation Act was passed by Parliament which offers limited liability and simplifies the registration procedures somewhat. At the same time, the procedures remain fairly complex and require records that most MSEs do not keep. In addition, it is not clear if MSEs are even required to register.

1.1.6. The application of international labour standards

While the application of international labour standards to micro and small enterprises is clearly of critical importance, the means of applying such standards has to be worked out. The challenge lies in promoting the evolutionary integration of these enterprises into the economic mainstream by progressively upgrading their standards and practices to the levels prevailing in formal sector enterprises. A gradual approach consists of prioritizing the areas where the standards are most needed to promote the welfare of employees and then to formulate methods and sequences for the application of standards which are likely to be observed.

1.1.7. Enterprise culture

The existence of an "enterprise culture" in society also is part of an enabling environment. An enterprise culture, which can be inculcated through the educational system, would be one in which initiative and risk-taking are valued, where there is a history of entrepreneurship and where entrepreneurs are considered in a positive light. The enterprise culture may vary significantly for women and men.

When looking at the four countries covered by the research, the enterprise culture for women is strongest in Zimbabwe and especially, the Philippines, and weaker in Tunisia and Bangladesh, where traditionally women's movement and contact with the world beyond the family have been more circumscribed.

1.2. Enabling environment for women entrepreneurs

The vulnerability of women-run enterprises, often located in the informal sector, means that special attention must be given to a regulatory environment that encourages growth and links with markets and industries in the formal sector. In order to make recommendations on how to strengthen women's participation in the micro and small enterprise sector, an overview of the policy and socio-cultural environment in which women entrepreneurs operate is essential.

The purpose of this section is to assess what policies and socio-cultural conditions constrain or encourage women entrepreneurs' participation and expansion in the enterprise sector. For this section, enabling policies will be defined as "broad ... policies which profoundly affect the economic and regulatory conditions in which micro-enterprises, small modern enterprises, and larger enterprises must operate" (ILO Enterprise and Cooperative Development Department, 1994). The factors that are examined for each

country (when information is available) in this section are: legislation, property rights and access to land, access to education and training, access to information, access to other services, socio-cultural factors, and other factors that are relevant or unique to particular countries.

1.2.1. Legislation

Bangladesh

Over the past two decades, legislation has been passed that specifically addresses women's legal rights and social status in Bangladesh. In the preparations for the "Beijing +5" meeting, held in New York in June 2000, the Government of Bangladesh prepared a number of updates and reports (see bibliography for details). Up to the minute developments in Bangladesh can also be tracked from the various websites mentioned in the bibliography. These recent legislations include:

- the Oppression of Women and Children's Special Act of 1995 that has gone through a redrafting process;
- the Dowry Prohibition Act of 1980 that prohibits giving property or valuables directly or indirectly to another party before or after marriage, or the parents of another party before or after marriage;
- the Child Marriage Restraint Ordinance (1984) that raised the legal age of marriage to 18 for women and 21 for men, with punishment for either sex who marries someone not of legal age;
- the Cruelty to Women Ordinance (1983), which punishes the kidnapping of women, trafficking of women, and provides for the capital punishment for a husband or relatives who commit dowry murder;
- the Penal Code Ordinance of 1984 that further protects women from acts of violence using corrosive substances; and
- the Family Courts Ordinance (1985) that improves women's access to the legal system.

The most recent government plan for women's empowerment is the fifth five-year plan, 1997-2003, launched March 8, 1997 (WEDO, 1998). The five-year plan aims to better integrate a gender perspective into development. In addition, the Prime Minister drafted a national action plan for the Beijing Platform's implementation. The action plan covers priority areas for 14 ministries. However, it seems that there are no resources allocated for the plan's implementation, although the government plans on doing so in the future.

According to labour laws in Bangladesh, the government and employers with more than 50 employees are required to provide day care facilities; however, there are no community social welfare laws on day care that benefit micro-entrepreneurs (WEDO, 1998).

Despite these constitutional and legal provisions aimed at gender equality, a gap remains regarding the application of the law at the local level. National legislation is complicated by Hindu, Muslim, and Christian personal status laws, which cover marriage, divorce, dowry, maintenance, inheritance, and child custody. Thus, regardless of religious belief, each person is also governed by the personal laws of the community into which they are born (Data International, 1994).

The Philippines

The Philippine legal environment for women has been influenced by landmarks within the international women's movement. The Philippines ratified the UN Convention on the Elimination of All Forms of Discrimination Against Women, with progress reports submitted in 1982, 1987, and 1993. In addition, the "New Family Code of the Philippines" was adopted in 1988. It revised discriminatory Spanish colonial law so that: both spouses jointly administer communal property and manage the affairs of the household; parental authority is equal; and women are free to work or engage in economic activity without their husbands' consent (Semonte, 1989). However, discrimination remains – the husband is the legal head of household, and in cases of disagreement his decision prevails (Eviota, 1988).

Other legislation passed to address the various inequalities between women and men in society includes:

- the Republic Act 6725 of May 1989 that strengthens the prohibition of employment discrimination against women with respect to employment terms and conditions;
- Resolution 77 of September 1989 that requests cooperation between the National Commission on the Role of Filipino Women (NCRFW) and the Committee on Family Relations on researching the status of Filipino women and drafting legislation promoting gender equality (CEDAW, 1993);
- Republic Act 6972 (1990) that mandates establishing day-cares in every village (Belandres, 1996:7);
- Republic Act 6955 of June 1990 that declares the selling of women as mail-order brides, and similar practices, illegal.

Measures have also been taken to integrate the gender perspective into development planning. The Philippine Development Plan for Women 1989-1992 (PDPW), prepared by the NCRFW in 1988, included plans to upgrade the skills and management capability of women in the informal sector, and particularly women entrepreneurs, through increased credit, training, marketing assistance, and technological assistance. Additional assistance for women entrepreneurs has been provided in

- The Republic Act 7882 (1995) that provides assistance to women engaged in micro and cottage business enterprises, and
- the Women in Development and Nation-Building Act of February 1992 that provides that regardless of civil status, women are entitled to the same treatment as men when entering into contracts, requesting credit, accessing government or private programmes, and requesting membership in a club or admission to a military school.

Following the Beijing Conference (1995), the Philippine government adopted the Philippine Plan for Gender Responsive Development 1995-2025 (PPGD).⁵ The PPGD is the government's 30-year framework for pursuing the goals of development and equality. Much consultation went into the drafting of the PPGD. The plan was coordinated with the input of government agencies, such as the NCRFW and the National Economic and Development Authority (NEDA). Non-governmental organizations, gender and

⁵ See Annex for details.

development experts, and academics were also involved. One of the eight priority areas is labour and employment (WEDO, 1998).

The budget for women's programmes has increased over the past three years. Beginning with the 1995 General Appropriations Act (GAA), government agencies have been mandated to allocate part of their budgets for gender-based projects. The GAA for 1996 and 1997 fixed the amount that needs to be appropriated for gender-based projects at a minimum of 5 per cent, making gender in development a more concrete priority. The budget for gender and development programmes has risen from 990 million pesos in 1995, to 1.5 billion pesos in 1996, to 4.9 billion pesos in 1997 (WEDO, 1998).

The Government of the Philippines prepared extensive documentation as part of its participation in the UN "Beijing +5" meeting held in New York, June 2000 (see bibliography for references and details of websites). The current status of women in the Philippines can also be tracked from these various websites.

Tunisia

Following independence, in 1956, the Tunisian government adopted a Personal Status Code which promotes the rights of women and grants women full citizenship. The Code abolishes polygamy, replaces repudiation with civil divorce procedure, guarantees the right of inheritance for only daughters, promotes the rights of the female spouse as an equal marriage partner, establishes the legal age for women and men as 20, and sets a minimum age for marriage. The principle of legal equality between women and men, a part of the Code, was reiterated in 1993 with the passage of new legislation such as:

- the right to pass a mother's Tunisian citizenship to her child in the case of her marriage to a non-Tunisian (with father's consent);
- equal parental rights for both mothers and fathers;
- the rights of women guardians to administer the education and financial accounts of their children;
- the consent of mother and/or guardian; and,
- the creation of Special Funds to Guarantee Alimony Pension and Divorce (Annuity or Allowance) for women receiving alimony payments.⁶ Finally, the adoption of the Convention to Eliminate All Forms of Discrimination Against Women and the introduction of a new Article within the Work Code favour a juridical disposition to equality between women and men at the root of the evolution of women's education, health, and employment, and prohibition of discrimination against women (Urbaconsult, 1994).

The Tunisian government has formulated its ninth plan, the Post-Beijing National Plan of Action 1997-2001, to implement the goals of the Beijing Conference in cooperation with NGOs. The Ministry of Women and Family supervises the plan's implementation, and has set time frames for completing targeted objectives. In addition,

⁶ A 1995 study carried out by the National Union of Tunisian Women on the image of women in Tunisian society found that 57 per cent of the population surveyed was ignorant of the content of the Personal Status Laws, with higher percentages among the rural population. This is an interesting finding to consider when discussing legal encouragement of women's employment, especially since legal literacy is greater among men than women (37.4 per cent of women compared to 48.4 per cent of men aware of the provisions contained within the Personal Status Code).

the budget for gender-based programmes has increased 15 per cent since 1995; the government has now allocated 20 per cent of its budget for the Beijing Platform's implementation (WEDO, 1998).

The Tunisian Government also prepared documentation as part of its participation in "Beijing +5" (see bibliography for details). The current situation on the economic empowerment of women in Tunisia can also be obtained from these various websites.

Zimbabwe

A gender focus has been integrated into government agencies in Zimbabwe. Since the end of the civil war, the new government has been committed to establishing political machinery to improve women's status. Beginning in 1981, with the establishment of the Ministry of Community Development and Women's Affairs, the government attempted to identify and address women's needs. The Ministry conducted a national needs assessment survey and drafted a "Report on the Situation of Women in Zimbabwe," which indicated that women's education, health, legal rights, and economic productivity were priorities.

In 1989, the Women's Affairs Ministry was restructured as a department of the Ministry of Political Affairs and assumed the responsibility of acting as the Secretariat to the Women's League of the ZANU (PF) Party (Dikito, 1992). The Department of Women's Affairs was restructured further in July 1992 and placed within the Ministry of National Affairs, Cooperatives, and Employment. Their mandate is: to coordinate women's programmes and projects, support women in development, and monitor national equity programmes (Development Innovations and Networks, East and Southern Africa, 1992). However, the Department's low budget and marginization from policy-making have eroded its power.

The "Five Year Development Plan's" (1986-90) statement "Growth with Equity" calls for the elimination of discrimination against women's participation in development. In addition, an Ombudsman's Office (sic) has been established to channel public grievances, including those of women. While its potential has yet to be demonstrated, it has "become a useful channel through which aggrieved women in the government, municipal, and statutory bodies as well as other women seek redress" (Gaidwanwa and Marmba, 1993). Furthermore, the ministries' gender focal points promote gender-based plans and programmes.

The Ministry of National Affairs is the main government body in charge of the post-Beijing national action plan: its gender unit lobbies and initiates legislation benefiting women. Among the priority areas identified in the action plan are education and training, and women and poverty. Although the budget for women's programmes has increased since Beijing, the Ministry of National Affairs gender unit receives a scant 0.003 per cent of the total government budget (WEDO, 1998).

As for the other three countries, Zimbabwe also submitted considerable documentation as part of its preparations for "Beijing +5" (New York, June 2000). Details of these, as well as an up-to-date appraisal of women's economic empowerment in Zimbabwe, can also be obtained from these websites.

1.2.2. Property rights, access to land and other assets

Access to land is an important factor to consider in terms of its use as collateral for loans, and as a push factor into the informal sector (Greve, 1996). However, in the context of Bangladesh and the Philippines, it is also important to consider living space: precarious

living conditions impact home-based enterprises, placing women's micro and small enterprises in an even more vulnerable position.

Bangladesh

Muslim personal law, according to the Shari'a, permits property inheritance for daughters, wives, and mothers; however, women inherit less than men. For example, a wife (or wives) can inherit one-eighth of her husband's property after his death, or one-fourth if there are no children. Yet a man receives one-fourth of his wife's property after death, or one-half if there are no children. In addition, Muslim women often do not make use of their right to inherit land and property, but hand it over to their brothers or sons as a kind of guarantee that they will be cared for in the event of divorce or widowhood. To justify the proportions of inheritance between women and men, Muslim jurists in Bangladesh argue that women inherit from both their husbands and father, receive dowry from their husbands (an agreed sum of money paid upon marriage or divorce), and have no maintenance responsibility. In addition, jurists cite that widows can remarry and thus increase their economic welfare with the inheritance from their deceased husband.

Under Hindu inheritance law, the "order of priority ... of inheritance is as follows: son, grandson, great-grandson, widow, daughter, daughter's son, father, mother, and so on" (Data International, 1994). Widows, daughters, mothers, and paternal aunts and grandmothers are the only women eligible to inherit. Daughters who are widows, "unchaste", or who have no children cannot inherit. A widow loses her right to inheritance if she remarries.

Christian personal law, which is predominantly Roman Catholic, follows the Succession Act of 1925, which leaves Christian women free to dispose of property. Daughters and sons receive equal shares, and women receive half of their husband's estate. However, if there are children, widows receive only one-third of the inheritance (Data International, 1994).

The Philippines

Sixty per cent of Filipino women live in rural areas. Economic liberalization, which has increased the amount of cheap imported agricultural products, has also reduced rural women's profits from small-scale farming, particularly grain production. Land reform has also failed to increase women's access to land. In addition, "continuing conversion of agricultural lands and speculative land pricing, especially in the regional growth centres, have greatly reduced access to land among poor women and aggravated landlessness" (WEDO, 1998). The conversion of farmland into luxury housing, golf courses, and industrial and commercial centres has rendered the environment unhealthy and uprooted rural women. In 1988, the government attempted to guarantee women equal rights in land ownership, equal division of agricultural produce, and representation in advisory or decision-making bodies under Republic Act 6657 (Comprehensive Agrarian Reform Law) (CEDAW, 1993).

Within the urban centres, such as Metro Manila, shanties are demolished to make way for infrastructural change and industry. Poor women are particularly vulnerable, and the destruction of their home results in economic loss or complete loss of livelihood. Over 432,000 families have been relocated to distant sites in Metro Manila thus far (WEDO, 1998).

Provisions in the Family Code also enable women to accumulate needed collateral in their name because the Code provides for equal rights in property inheritance between spouses; women retain their property brought into the marriage or acquired during the marriage, and if a husband abandons his family the wife may petition the courts for

division of property or to become the sole administrator of community property (Belandres, 1996:6).

Zimbabwe

The 1997 Inheritance Act has been amended so that it is gender-neutral; the amendment states that neither sons nor daughters can be given preference in inheritance. However, patriarchal tradition has made this amendment difficult to put into practice. With respect to land reform, women are under-represented on the government's inquiry commissions (WEDO, 1998). Therefore, women do not have a strong voice in advising the government on land reform, an important concern for the large numbers of women who work in agriculture.

1.2.3. Access to education and training

According to RoseMarie Greve, "basic education is a fundamental prerequisite for women to have access to the higher order skills and know-how associated with more productive and efficient enterprises" (Greve, 1996). At the root of this condition for economic success are basic literacy and numeracy. However, improving women's economic position depends increasingly on the type of education they receive, rather than their general access to education. Socialization within the education process promotes certain attitudes and values regarding women that can pose a constraint to their economic pursuits (Greve, 1996).

Bangladesh

Despite intensive national educational government programmes to promote female literacy, men are twice as likely to be literate as women in Bangladesh, and 78 per cent of rural women are illiterate. Seventy-one per cent of females in Bangladesh have primary level education, compared to 83 per cent of men. The dropout rate is 60 per cent for young women, and is much higher than for young men (IPPF South Asia Region, 1997). There are 188 tertiary level female students per 100,000 women in Bangladesh (UNDP, 1998). At the higher education level, women are excluded from: the Islamic University, the Islamic Center for Vocational Training, nine out of ten cadet colleges, and 17 out of 18 polytechnic schools. Although universities do not discriminate against women's enrolment, early marriage and negative attitudes about female education drastically limit the numbers of women who enrol in higher education.

The explanation for such low educational participation of women lies in the higher expectations accorded to male children, and the greater amount of money invested in male children's education, especially among poor families. The discrimination against women in education continues as they mature, and women are socialized to feel less valued in society; consequently, this reduces their productive potential. Another factor negatively impacting on girls' educational opportunities is the growth of child labour.

The consequences of educational constraints for women in Bangladesh are that many young women become vulnerable to traffickers. Overall, women's socio-economic prospects are limited by their low educational level, with garment factory and domestic service employment being the only concrete formal sector opportunities (IPPF South Asia Region, 1997).

The Philippines

In the Philippines, women's education is on a par with men's with respect to literacy. For 1995, women's literacy rate was 94.3 per cent, and that of men was 95 per cent (UNDP, 1998). However, sex-stereotyping and the tracking of women into certain

professions promotes gender bias within society and socializes women's intellectual and professional development. Teachers, curricula, and school textbooks are gender-biased, and women are tracked towards teaching and nursing professions. The result is that women's choices are limited to "few low-paying and less challenging jobs" (Nichols Marcucci, 1994).

Women's vocational training is based upon household activities, while men benefit from more technical training. As a result, female participation is highest in service, sales, clerical work, and cottage industries, while men are most active in agricultural and production activities (Eviota, 1988). The media, an informal educational tool, reinforce gender-stereotyping of women as sex objects or housewives (Eviota, 1992), and it remains a challenge to improve the quality of women's education. On a positive note, women are gradually entering non-traditional fields such as agriculture, engineering, and forestry (UNICEF, 1990), and the gender bias in school curricula has been addressed with the requirement that textbook visuals represent gender balance, and practical arts subjects be taught for both boys and girls (Semonte, 1989). Also, women beneficiaries of the National Manpower (sic) and Youth Council programmes increased during the latter part of the 1980s, rising from 45 per cent in 1985 to 56 per cent in 1987 (Belandres, 1996:25).

In tertiary education and graduate studies in general, women slightly outnumber men (NCRFW Minifacts, 1991; UNICEF, 1990). At the tertiary level, there are 3,233 females enrolled per 100,000 women in the Philippines, with 27 per cent enrolled in natural or applied sciences (UNDP, 1998). Women's studies has expanded in Philippine universities, and six Manila universities have set up a Women's Studies Consortium.

However, the conclusion that women have fully enjoyed the opportunities that higher education is expected to provide should not be automatic; class differences affect who can and cannot continue on into higher education. Materials and uniform costs of schools at the more basic levels of education prohibit some women, particularly rural women, from finishing elementary school (Belandres, 1996: 24). In addition, women's educational credentials must be higher than men's when considered for the same job (Eviota, 1988; Semonte, 1989).

Tunisia

In Tunisia, the apprenticeship system is an important stepping-stone to future employment. Apprenticeship is available for youth aged 14-18 who have left school with a minimum of five years of primary education. Contracts can be verbal for artisan workshops with less than ten workers. Enterprises which employ apprentices are given a number of advantages, such as: not paying taxes or social security contributions on salaries of apprentices; partial or total deduction of expenses associated with employing an apprentice in the form of tax refunds; state assumption of accident and sickness insurance for apprentices within artisan workshops and enterprises with less than ten workers; one state subsidy, granted during the internship period, judged necessary for professional formation. The Employment Bureau plays an intermediary role in recruiting apprentices and guaranteeing a fixed salary; however, the legal conditions governing apprenticeship are rarely respected. The apprentices are often recruited directly without previous training, and without respect for conditions of employment or remuneration. In terms of professional training, despite the multitude of training centres and programmes offered, most female and male-headed Tunisian enterprises were trained on the job (63 per cent of women and 82 per cent of men).

In addition, professional certification is mandatory for obtaining an artisan's permit. Proof of professional qualification can be a diploma attesting artisanal aptitude conferred by a training institution, and exercising the artisan activity for three years after completing training, or five years in the past. In certain cases, a professional certification is necessary

to benefit from l'Office National de l'Artisanat (ONA) credits for artisans. However, this professional regulation does not apply to the informal sector. Three-fourths of micro-entrepreneurs, both female and male, who have a diploma present themselves for inclusion in the listings of small artisan enterprises (Urbaconsult, 1994).

Extension services target stereotypical female and domestic functions, which further reduces women's socio-economic opportunities (Urbaconsult, 1994).

In Tunisia, 95 per cent of women have primary school level education (UNDP, 1998)⁷ To increase girls' regular school enrolment, the eighth national plan (1991-1996) provided single-session school days and created school canteens. According to government estimates, the "rate of school failure and repetition has been lowered to under 4 per cent" (Tunisian Government Report to the UN Division for the Advancement of Women, 1997). Girls' secondary school enrolment has risen from 44 per cent in 1988-1989 to 49.7 per cent in 1995-1996.

In addition, the government's eighth plan mandated the promotion of an improved image of women within school curricula and textbooks, in order to raise awareness of the importance of women's role within society. The post-Beijing National Plan of Action also mandates that training modules on women's rights be developed and incorporated into school curricula (Tunisian Government Report to the UN Division for the Advancement of Women, 1997).

At the tertiary level, there are 1,110 women enrolled per 100,000 Tunisian women, with 28 per cent enrolled in natural and applied sciences (UNDP, 1998).⁸ Increasing the preparation of girls and young women for technical and scientific courses is a current government priority. The National Plan of Action 1997-2001 also incorporates gender analysis into research, documentation on women, data banks, project planning, census-taking, and impact evaluation of economic projects.

To combat the higher illiteracy rates among women, the Tunisian government has also targeted young women aged 15-29 for enrolment within literacy centres. In addition the post-Beijing National Plan of Action has expanded its illiteracy programme to also favour the enrolment of women aged from 15-29 in vocational training (Tunisian government report to the Division for the Advancement of Women, 1997). In support of plans to improve access to training, teaching materials, and enrolment in higher education, the World Bank provided Tunisia with a US\$80 million loan on March 17, 1998 (World Bank News 17:6, March 19, 1998).

Zimbabwe

During the 1980s, following cessation of the civil war, the government restructured the welfare system. The educational system became state-funded, and between 1979-1989 primary schools increased 88 per cent. Girls benefited greatly from educational reform: female attendance in primary schools increased nearly 200 per cent during the 1980s. However, structural adjustment and the backlash against welfare in the 1990s has resulted in drastic state-spending cuts. As a result, school fees were reintroduced in 1991, reducing school enrolment, especially among young women. Safety nets that assist low-income families with health care and school fees are not very accessible; therefore, 46 per cent of

⁷ Tunisian Government estimates for 1995-96 are lower (89.4 per cent).

⁸ Tunisian Government estimates are lower, citing 17 per cent of women as enrolled in technical/scientific courses for 1995-96.

women aged 15-24 cannot afford to attend school (WEDO, 1998). Young women also drop out of school more than young men, particularly in higher education, with men three times more likely to be formally educated. For every 100,000 women, there are 369 enrolled in higher education, with only 14 per cent studying natural or applied sciences (UNDP, 1998). Teenage pregnancy and informal sector work also disrupt women's schooling.

Although difficult to implement due to limited availability of funds, the government has proposed a series of seminars to "educate women and implement affirmative action for the employment and promotion of women" (WEDO, 1998).

1.2.4. Access to information

Information is an important element of market expansion. Women entrepreneurs, and especially home-based entrepreneurs, face a particular challenge in accessing information regarding the market and prices. Women who are not in direct contact with the market must rely on middlemen for information, leaving them open to exploitation (Greve, 1996).

Bangladesh

Due to lack of education and exposure to the markets, women are often not in a position to carry out proper market surveys (demand and supply analysis) before creating their enterprises, which makes them vulnerable to failure and exploitation. Socio-cultural conditions also makes it difficult for women to interact openly with other men and to sell their products at the market.

Tunisia

Although one of the current priorities of the government's implementation of the Beijing Platform is information programmes to combat discrimination of women in society, no specific plans have as of yet been made (Tunisian Government Report to the Division for the Advancement of Women, 1997).

Zimbabwe

Women lack information that can increase their competitiveness for credit, land, equipment, and time. Therefore, despite affinity for business activity, women's participation in micro-economic activities is not on a par with men's (WEDO, 1998).

1.2.5. Access to other services

Tunisia

The government has launched a micro-credit plan for women that allocates credit for women's enterprises and promotes equality in employment (WEDO, 1998). However, banks continue to discriminate against women, preferring to provide credit to husbands or requiring the guarantee of fathers or sons on loans given to women (Urbaconsult, 1994).

1.2.6. Socio-cultural factors

Among the socio-cultural factors which limit women's participation in entrepreneurial activities, the division between the model of women's entrepreneurial activities, centred around the home, and the model of men's entrepreneurial activities, centred around production, limits the potential earnings and skill level of women's enterprise. The different attitudes about what type of work are "suitable" for women also

accords women the false position of “secondary earners,” in turn affecting the type and quality of training and services women receive. Finally, women’s life cycle and reproductive function should also be considered when assessing the particular socio-cultural factors. Women’s multiple roles impact on their mobility and the choice of activities that they engage in (Greve, 1996). Therefore, the concept of creating an enabling environment must also include outreach specific to harmonizing women’s work and family responsibilities in a gender-balanced manner (including men’s contribution to the solution).

Bangladesh

In Bangladesh, village proverbs, superstitions, and cultural myths place a social stigma on women, scape-goating women for bad luck, natural phenomena, and community discord in general. There is a strong preference for sons in Bangladesh, with studies as recent as 1988 and 1992 finding that most parents wish for two or three sons but only one daughter (Mannan, 1988; Islam and Ahmed, 1992). Furthermore, women themselves are so strongly socialized to feel a liability on their families that they too often inherit the anti-female bias and preference for sons. Male children are thought to bring good luck, and “enhance their security and respect in their in-law’s household” (Data International, 1994). Sons are indulged, while daughters are disciplined and worked many hours within the house, because sons are valued as the future caretakers of their parents.

The Philippines

Although economic necessity has brought more women into the workforce, the gap between women and men’s employment remains. Aside from domestic responsibilities, greater preference for employing men restricts women’s wage employment (WEDO, 1998).

In addition, Filipino society is largely traditional, and despite the economic need for women to work, the ideal is for wives not to work (Belandres, 1996).

Tunisia

In Tunisian society, the individual is not an autonomous entity: rather, the individual exists in a network of social relations, primarily the family, followed by the state and collective institutions. Therefore, there are multiple socio-cultural and political factors which can affect a woman’s decision to create a micro-enterprise.

In terms of status, women’s role as housekeeper places the majority of domestic responsibility on her shoulders, thus inextricably linking women’s enterprise activities with household responsibilities. The primary responsibility for housekeeping and child care can amount to 10-14 hours a day, making it difficult to locate enterprise activity outside the home. In addition, women who operate out of their home, and whose clientele is primarily female, encounter fewer socio-cultural constraints (Urbaconsult, 1994).

A 1995 survey of the National Union of Tunisian Women on the image of women within Tunisian society found that the responsibilities of the household and perceptions of who is responsible for providing the primary income for the family differ according to level of education and location. Higher percentages of illiterate women and rural women cited household income as the primary responsibility of men (64.7 per cent of rural women and 67.8 per cent of illiterate women). More traditional attitudes also manifest themselves among women over the age of 60: only 49.5 per cent of women under 30, as opposed to 68 per cent of women above the age of 60, accord men the primary role of breadwinner. A great majority of women cited economic necessity (72.5 per cent), rather than equality, as

the overwhelming reason for women entering the workforce – something that was found in the survey done of women MSEs in Tunisia for this report (UNFT, 1995).

1.2.7. Other factors

In the Philippines, the government lacks an effective economic empowerment plan to support women “during times of increasing globalization and currency speculation in Asia-Pacific, which have dwindled the purchasing power of the peso and considerably lessened women’s economic opportunities” (WEDO, 1998). This is exacerbated by the cultural predisposition for employing men.

Women have been most negatively impacted by unemployment in Zimbabwe, as they are the first to be fired. Sexual harassment is a particular concern for women, especially those working in export-processing zones that are exempt from national labour laws. However, there is no specific law that addresses sexual harassment in the workplace (WEDO, 1998).

2. Support services for MSE promotion

Over the past ten years there has been greater interest in micro-enterprise development for women, and a rapid increase in the amounts of funding allocated to the sector. The types of support services created for micro-enterprises, in general, and women's micro-enterprises, in particular, have varied with the roles that micro-enterprise development have been perceived to fulfil. Therefore, before reviewing the institutional and non-institutional support services for MSEs available in the four countries, it is useful to identify these typologies and describe the debates surrounding them so that they can be used as analytical tools to evaluate the various services.

The OECD, in the paper prepared for the conference on "Women Entrepreneurs in SMEs, A Major Force in Innovation and Job Creation" held in Paris in April 1997, identified three reasons commonly accepted for supporting women's micro-enterprises:

- (i) economic reasons: women's micro-enterprises are sources of employment for the women themselves and for others;
- (ii) social reasons: enterprise creation offers women the flexibility to balance work and family responsibilities, since they manage their own time; helps women support their families or supplement income (poverty alleviation), and contributes to families who are economically better-off. In developing countries, the development of MSEs is seen as a means of alleviating the negative effects of structural adjustment policies;
- (iii) political reasons: encouraging women-owned micro-enterprises will contribute to reducing the disparities between women and men; MSEs increase women's autonomy and help them have a more active and representative role in the economic and political life of countries.

Different development agencies have tended to focus on one or two of the above roles which has implications for the types of interventions undertaken. Linda Mayoux identifies in her paper "From Vicious to Virtuous Circles? Gender and Micro-Enterprise Development" two main approaches to enterprise development: "market" which focuses on the economic role of MSEs, and "empowerment" which focuses on the political role of MSEs. Both approaches were created in response to the weaknesses inherent in the "income-generating" approach, characteristic of attempts to increase women's access to income in the 1970s and early 1980s and still widely in use.

Income generation interventions generally combined both economic and social objectives, and usually involved the formation of separate women's groups. Sometimes income from production was used for community or welfare activities. The interventions aimed at increasing household income mainly through providing women with supplementary, part-time work that could be combined with their domestic work. The income-generation approach tended to build on women's traditional skills or what were perceived as feminine skills in handicrafts and food processing (Mayoux, 1995). It often consists of little more than providing poor women with precarious jobs in poorly managed businesses without giving them the opportunity to be in charge, despite their being provided with some elements of management training.

In addition, many of these interventions included "mobilization" components that train women "in group organization and management, self-awareness and empowerment to assist them to take charge of their own lives and take a larger role in their economic activities and in their larger communities" (Creevey, 1996: 4).

By the mid-1980s, a consensus emerged that income generating projects with their combination of economic and social objectives, often failed to challenge existing unequal gender relations and generate economic returns (Mayoux, 1995; Carr, Bhen and Jhabvala, 1996; Buvinic in Helmsing and Kolstee, 1993). Various attempts to modify the income generating approach were made in light of these criticisms. By the early 1990s, many actors across the political spectrum had adopted the “micro-enterprise approach” which included recognition of several critical elements:

- the need for a more commercial approach to micro-enterprise development, and particularly an emphasis on market feasibility studies and entrepreneurship training;
- the importance of small-scale credit;
- higher levels of client participation;
- macro-level and sectoral programmes as well as micro-level projects (Mayoux, 1995).

While there was consensus on these elements, two very distinct approaches to micro-enterprise development for both women and men emerged:

- a market approach, which aims to assist individual entrepreneurs in increasing their incomes; and
- an empowerment approach, which aims not only to increase the incomes, but also the bargaining power of poor producers through group activities (Mayoux, 1995).

Table 4. Market and empowerment approaches ⁹

	Market approach	Empowerment approach
Underlying assumptions	Emphasis on economic individualism and trickle-down; implication that increasing women's income at the micro-level will also have a positive effect on poverty and other aspects of gender inequality.	Emphasis on grassroots, community and solidarity and trickle-up and trickle-out.
Basic aims	To stimulate individual female entrepreneurship as a means for achieving economic growth. Seen in terms of moving poor small-scale women entrepreneurs and/or would-be entrepreneurs from low-growth enterprises to high-growth enterprises.	To encourage group formation of poor women as a means of empowering them to pressure for change in wider inequalities and the wider development agenda.
Target group	Those women most likely to be successful entrepreneurs, particularly in the high-growth sectors of the economy.	Poor women, ideally also the very poor.

⁹ Adapted from Mayoux, 1995. See also Mayoux, 2001.

	Market approach	Empowerment approach
Programme and project characteristics	<p>Use of primarily economic and technical devices: <i>Entrepreneurship training and credit</i>: separately or combined, these are seen as minimalist strategies aimed at individual women with entrepreneurship potential.</p> <p><i>Client participation</i>: seen primarily in terms of programme efficiency and cost-effectiveness.</p> <p><i>Sectoral and macro-level strategies</i>: aim to remove legal and institutional barriers to women's entrepreneurship and create an enabling environment for individual female entrepreneurs.</p>	<p>Economic interventions as only part of a wider process of support and empowerment:</p> <p><i>Entrepreneurship training and credit</i>: separately or combined these are seen as entry points to prepare the ground for more integrated and holistic support leading to wider processes of change.</p> <p><i>Beneficiary participation</i>: seen as an essential part of the development process leading to empowerment. <i>Sectoral and macro-level strategies</i>: aim to challenge wider systems of inequality and the wider development agenda.</p>
Evaluation criteria	Numbers of women reached, and increases in income and/or enterprise efficiency; cost-effectiveness for projects.	Impact on poverty and qualitative change in women's position; ultimately concerned with evaluation of clients themselves.

Recently, there appears to be a convergence of the two approaches towards a middle ground in terms of their attention to macro-level strategies, and the empowerment approach's increased emphasis on the need for commercial and managerial efficiency and accountability. Some agencies have even attempted "a dual formulation distinguishing between 'micro-enterprise development' largely following the market approach, and 'income generation' which is explicitly aimed at poverty alleviation. These would be quite different in their 'promotional package', target group and criteria of evaluation, the former following a market approach and the latter the empowerment framework" (Mayoux, 1995).

The dangers which have been identified in this convergence as well as recommendations for circumventing these dangers will be looked at in the last chapter of this present synthesis report.

Finally, concern has been voiced about the dangers in seeing enterprise development as a cure-all, and isolating it from other measures to improve the situation of labourers. MSE programmes for women risk becoming substitutes for welfare provision and poverty alleviation measures (Mayoux, 1995). This point of view also fails to recognize women as being overworked rather than underemployed (Carr in Dignard and Havet, 1995). Therefore, these concerns have implications for the types of programmes developed.

2.1. A review of existing institutional and non-institutional support services for MSE development

These debates referred to above add conceptual tools with which to characterize and evaluate the support services for MSE promotion in the four project countries. Information on the approach of each institution (enterprise promotion, be it market or empowerment versus income generating), and on its inclusion of a mobilization component will be included in the review. Other conceptual tools, such as the identification of the interventions' target groups (women-specific versus gender neutral) and their use of single services versus packages of support will also be included. Finally, the impact and sustainability of the individual programmes will also be assessed when the information is available.

Given the varying levels of detail on the support services outlined in the four Country Reports and in the supplemental literature reviewed, there are particular information gaps for each country. In the light of these gaps, the time that has elapsed since the research was

carried out, as well as the plethora of MSE support institutions operating in each country, the following review in no way purports to be comprehensive.

Finally, there has been general concern over the lack of coordination between the actors in the MSE sector and the accompanying risks of overlapping programmes and duplication. The example of the Small Scale Advisory Group in Zimbabwe illustrates the type of coordination body which can be set up to avoid such duplication. Such networks also allow each actor to concentrate on more specialized programmes.

2.1.1. Government agency and development bank programmes

As mentioned in the previous chapter on environment, there has been recent discussion on the extent to which governments can and should be involved in directly providing services to MSEs. For example, should governments concentrate on improving the macroeconomic situation and let the private sector provide services? The strategy adopted differs greatly in the four countries reviewed; in Bangladesh, the government has permitted action (in the informal sector) to go principally through private operations rather than concentrating efforts through a Ministry of its own, while in Zimbabwe and the Philippines, the governments promote various support programmes through multiple ministries.

Table 5. Government agency programmes/services/banks ¹⁰ targeted at micro and small enterprises (the Philippines) ¹¹

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Bureau of Small and Medium Business Development, DTI	Entrepreneurship promotion (market)	<i>Tulong sa Tao (Self-Loan Assistance Programme and Sub-Contracting Programme)</i> – provides loans using NGOs as conduits and provides NGOs with training in the identification & evaluation of projects. <i>Tulong sa Kababaihan</i> component channels lending and technical assistance to women through women's organizations. <i>Entrepreneur Support Project (ESP)</i> – strengthens the delivery capacity of public and private institutions supporting enterprise development. Conducts seminars on gender issues.	Micro, cottage, small and medium-scale entrepreneurs; NGOs	It is believed that using NGOs as funding conduits is more effective because they are closer to programme participants. It has been noted that projects like this one which include an institutional strengthening component for NGOs tend to be more successful.	

¹⁰ While information on all of the individual credit programmes was not given in the country report, it has been estimated by the Bureau for Small and Medium Business Development (BSMBD) in the Department of Trade and Industry, that there are at least 27 lending and 5 credit guarantee programmes for cottage, small and medium enterprises by government financial institutions, government owned and controlled corporations, and other line agencies (Pedro-Elevado, 1993:2)

¹¹ Based on information contained in Country Report, updated with data from recent publications.

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Bureau of Women & Young Workers (BWYD), Dept. of Labor and Employment (DOLE)	Entrepreneurship promotion (empowerment) mobilization component	<i>Women Workers' Employment and Entrepreneurship Program (WEED)</i> – provides training to encourage women to undertake different economic activities and assists them to become entrepreneurs; works on a group basis and has a revolving fund component.	Women seasonal and rural workers	BWYD reports that women beneficiaries have become self-employed and productive and have gained self-reliance.	
Cottage Industry Technology Center, Department of Trade and Industry (DTI)	Income generating	Carries out skills training.	Housewives, mothers, female employees, and members of women's organizations		
Department of Agriculture and Department of Agrarian Reform	Entrepreneurship promotion (market)	<i>Livelihood Enhancement for Agricultural Development</i> – aimed at assisting farmers set up site-specific agro-based projects.	Farmers		
Department of Science and Technology	Entrepreneurship promotion (market)	Has established training/demonstration and technology utilization centres in different regions to provide training, laboratory testing, technology and technical assistance.	Local entrepreneurs		
Department of Social Welfare and Development	Income generating	<i>Self-Employment Assistance for Women Programme</i> – provides skills capacity building to enable women to engage in livelihood activities. Operates forty productivity centres with 19 expansion centres nation-wide. Provides interest free credit.	Disadvantaged women		
Institute of Small Scale Industries, University of the Philippines (created through a bilateral agreement between the Philippines and the Netherlands).	Entrepreneurship promotion (market)	Entrepreneurship training; management training; and a programme on designing and implementing entrepreneurship programmes for women.	Entrepreneurs and trainers		

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
National Commission on the Role of Filipino Women	Income generation (empowerment) with mobilization component	<i>Balikatan sa Kaunlaran</i> – organizes women into provincial councils, municipal chapters or barangay units to identify and implement projects on skills training and income generation education and values orientation, personal development, nutrition and health in cooperation with government agencies and NGOs.	Women		
National Manpower and Youth Council	Entrepreneurship promotion (market)	<i>Women's Enterprise Management Training Outreach</i> – with the EDI of the World Bank to develop training materials to be used in training informal sector women in entrepreneurship. <i>Entrepreneurship Development Programme</i> – provides training and post-training assistance in management, financing, marketing and technology.	Women in the informal sector potential entrepreneurs		
Technology Livelihood Resource Center, Office of the President	Entrepreneurship promotion (market)	<i>Livelihood Training and Information Program</i> – provides training.	Potential entrepreneurs		
	(Empowerment)	<i>Kababaihang Barangay (KBB) Projects</i> – works to create self-help community enterprise programmes.	Women		
	(Market)	<i>Technology Utilization Financing Program (TUFPP)</i> – works to fill the technology delivery gap between research and development and technology utilization in the business and industrial sector.			
Work Improvement in Small Enterprise (WISE) funded by UNDP with technical support of ILO		Provides training for improving productivity of and working conditions for labourers.	Owners and managers of small enterprises		

Table 6. Government agency programmes/services/banks targeted at micro and small enterprises (Tunisia) ¹²

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Centres de formation de la jeune fille rurale	Income generating	Provide training in sewing, embroidery, weaving, knitting, etc.	Young girls between the ages of 12 and 18	Only rarely did the training lead to employment or self-employment.	Reasons included: The training was undertaken with little knowledge of the economic potential in rural areas and of the needs of the target population; No management training accompanied the professional training; Trained girls had no access to capital with which to start up independent businesses.
Centres de formation professionnelle agricole	Income generating	The <i>Centre de perfectionnement et de recyclage agricole de Bousalem</i> provides training at the place of residence on themes selected by the women themselves, usually it deals with animal raising.	Women working on family farms	The results have been limited as the Centre does not link up sufficiently with other development projects in region. Rarely are enterprises created.	
		The <i>Project intégré d'élevage Tuniso-Autrichien</i> which trains girls in cheese making with an extension component on raising milk cows.	Girls		
Le Fonds de Développement Rural Intégré (FODERI)		Created to fund the components of the PDRI, provides credit without collateral requirement.			
Le Fonds National de Promotion de l'Artisanat et des Petits Métiers (FONAPRA)	Entrepreneurship promotion (market)	Provides credit with various terms depending upon amount and time period.		Information disaggregated by gender not available. Has tended to favour certain geographical areas and certain sectors.	

¹² Based on information contained in Tunisia Country Report.

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Ministère de la Famille et de la Promotion de la Femme	Income generating	Provided inputs, food aid and technical support and training to assist women create vegetable gardens and grow fruit trees for family consumption and sale. The project later introduced income generating activities such as livestock raising and food processing.	Poor rural women	Problems with marketing products and with use of financial subvention for consumption rather than enterprise start-up.	
Le programme de création de pépinières d'entreprises – Ministère de la Formation Professionnelle et de l'Emploi	Entrepreneurship promotion (market)	To create enterprise incubators and a bank.			
Programme de développement rural intégré (PDRI)	Income generating with welfare component	Provides professional training, creation and consolidation of employment and activities aimed at improving living standards.	Rural population		
Programme de Développement Urbain Intégré (PDUI)	Entrepreneurship promotion (market) with welfare component	Creating basic social and economic infrastructure and promotion of productive activities and development of micro-enterprises. Includes training and technical assistance.	Women are one of the target groups		
Projet de développement de la région du Nord-Ouest Mogods-Kroumirie	Income generating	Includes a group of agricultural and non-agricultural activities: domestic activities, family gardens, livestock development, handicraft activities.		Women's integration in project was insufficient	
Projet intégré d'élevage de Sejname – implemented by OFPE	Income generating	Provided training for creation of gardens and development of animal raising.	Women		
Programme Régional de Développement (PRD)	Income generating with a welfare component	Provided professional training and credit.	Young, rural unemployed		

Table 7. Government services and development banks targeted at micro and small enterprises (Zimbabwe) ¹³

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Agriculture Finance Corporation	Entrepreneurship promotion (market)	Provides financing for processing of fruits and vegetables and for meat processing.	Agro-industrial businesses	Given that it prefers to work with large scale operators and insists on collateral, its impact on women entrepreneurs has probably been minimal.	
National Handicraft Development and Marketing Center	Entrepreneurship promotion (market)	Provides training, quality control and markets. Has a shop, design studio and marketing service.			
Rehabilitation and Development Section, Ministry of Industry and Technology	Entrepreneurship promotion (market)	Visits small-scale enterprises to identify programmes and constraints faced by entrepreneurs. Has set up a Distressed Companies Committee aimed at assisting companies who have been negatively affected by ESAP.	Entrepreneurs in general and special focus on women		
Small Business Unit, African Development Bank	Entrepreneurship promotion (market)	Provides loans, management consultancy services and marketing assistance.	Small businesses in the formal sector.		
Small Enterprise Development Corporation (SEDCO)	Entrepreneurship promotion (market)	Provides packages of loans, entrepreneurial and management training and management counselling. <i>Entrepreneurship Development Programme</i> – its most important programme for management and business training for the MSE sector.	Formal and informal sector entrepreneurs; special effort to reach women entrepreneurs	Found that it has not reached women-operated enterprises in the informal sector, possibly due to cumbersome application procedures and predominantly male staff.	
Venture Capital Corporation of Zimbabwe (VCCZ)	Entrepreneurship promotion (market)	Provides equity and other forms of finance.	New and expanding small and medium business ventures.		The VCCZ makes its profits from capital gains when successful companies sell their shares.

¹³ Based on information contained in the *Zimbabwe Country Report*.

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Zimbabwe Development Bank (ZDB)	Entrepreneurship promotion (market)	Provides soft loans and has commissioned a study on growth points and small towns to determine their potential for small-scale enterprises.			
Zimbabwe Development Fund (ZDF)	Entrepreneurship promotion (market)	Provides financial assistance to high risk projects in fields of manufacturing or engineering. Provides concessional loans, venture capital and technical assistance.	High risk enterprises in the fields of manufacturing or engineering.		

2.1.2. Private assistance targeted at micro and small enterprises

As mentioned previously, the private sector is increasingly being seen as an effective and efficient provider of support services to MSEs capable of providing innovative and economically sustainable approaches. Even in countries such as the Philippines where government support institutions are extensive, programmes channelling funds through the private sector are being tested.

It is interesting to note that the programmes in Bangladesh tend to follow an empowerment approach and often include social welfare components. Those in Zimbabwe instead tend to follow the market approach.

Table 8. Private assistance targeted at micro and small enterprises (Bangladesh) ¹⁴

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Bangladesh Rural Advancement Committee (BRAC)	Initially income generating enterprise promotion (empowerment), with mobilization component and welfare component	Has organized over one million women into over 30,000 village organizations which in turn help design and deliver credit, enterprise, health, education, legal literacy and other services. Works with village women and government to build necessary infrastructure and provide necessary services to promote large-scale employment opportunities in key sub-sectors of the economy. Carries out credit and savings operations through small groups which function as peer lending groups.	Rural poor	BRAC's research suggests that there have been positive changes in household assets, including increases in fixed and working capital, along with investments in housing structures among those individuals with longer membership. Many women report that they enjoy greater personal and productive assets and that their opinions in economic decisions and other household matters are now solicited and valued by their husbands and other male relatives.	Group must save on its own at least 10 % of the loan requested before being eligible for individual or group loan.

¹⁴ Based on secondary research using recent publications (Gul Rukh Selim in Speaking Out and Rashid and Shahabudin in Speaking Out).

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Grameen Bank (It is currently owned in majority by Member Borrowers – 93.82% as of December 2003).	Initially income generating	Grants very small loans using solidarity and affinity groups.	Very poor	Has been international example of success of solidarity and affinity group credit model.	
Proshika	Enterprise promotion (empowerment) with mobilization component	Provides primary groups (organizations of the poor) with human development and practical skills development training. Has an employment and income generation programme which provides credit and technical assistance. Has created an Institute for Development Policy Analysis and Advocacy through which it works on the policy level.	Women and men in rural areas	Women have gained new opportunities for earning income by participating in the groups and accessing credit. Savings and income has been increased.	Strategy to create sustainable organizations by delegating management responsibilities federations are formed at local levels and have taken on functions previously performed by Proshika staff.

Table 9. Private assistance targeted at micro and small enterprises (the Philippines) ¹⁵

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Alternative Economic Enterprises, Inc.	Enterprise promotion (empowerment)	Consortium of 22 NGOs, people's organizations and cooperatives. Engaged in several alternative enterprise projects of its members.			
Civic Assembly of Women in the Philippines	Enterprise promotion (market)	Enters into joint projects with government agencies and NGOs which extend financial and other assistance for the development of small-scale and micro-enterprises.	Women		
Employers' Confederation of the Philippines (ECOP)	Enterprise promotion (market)	<i>ILO's Improve Your Business Programme</i> – provides one-day seminars in different parts of the country to train owner-managers on how to strengthen their business performance. Their main feature is the introduction and use of the Improve Your Business (IYB) handbook and workbook developed by the ILO which contains practical business guidelines.			

¹⁵ Based on the Philippines Country Report supplemented with information from recent publications and papers.

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Harnessing Self-Reliant Initiatives and Knowledge, Inc.	Enterprise promotion (empowerment)	Administers a <i>Livelihood Revolving Fund for Poor Women</i> , a consortium project between three Philippine NGO networks. The Fund provides loans to individual women micro-entrepreneurs and groups of women micro-entrepreneurs through local NGOs for livelihood activities. The programme differs from other lending programmes in that it includes gender training component which is also aimed at men so that they can become sensitized to assist with household activities so that women have time for their enterprise.			
Philippine Agency for Community and Family, Inc.	Enterprise promotion (market)	<i>Livelihood Program</i> – provides skills training and livelihood assistance to develop small-scale, self-reliant businesses.			
Philippine Business for Social Progress	Income generating and entrepreneurship promotion (empowerment)	Has several livelihood and micro-enterprise development programmes as well as programmes to strengthen NGOs and community based organizations. Plays a role as a broker between micro-entrepreneurs in poverty and those domestic and foreign agencies in the formal modern economy that have resources currently denied the poor.	Various		Is working to create a community-based credit extension structure which will provide training, expert consulting services and administrative supports and which can continue after the PBSP is no longer involved.
Philippine Commercial and Industrial Bank (PCIB) ¹		Has established a “bridge building” mechanism through PCIB money shops which occupy stalls in public markets that offer working capital to market vendors. Provides easy access and convenient opening hours for merchants. Also provides daily collection services.	Market vendors		Interest rate above usual bank lending rate, but below moneylenders’ rate.
Self-Employment Assistance Foundation, Inc.	Enterprise promotion (market)	<i>Self-Employment Program</i> – provides capital seed loans and technical assistance to member organizations in programme/project development, including the formulation of loss recovery schemes, business management seminars, etc. Provides staff training in programme/project management. Markets products of loan recipients.			
Small Economic Enterprises Development	Enterprise promotion (empowerment)	Provides management consultancy and loans to enterprises in the cooperative and associative sectors. Operates in partnership with regional federations of cooperatives.			
Tulay Sa Pag-Unlad, Inc.	Enterprise promotion	Operates through provincial partners which increases its reach to entrepreneurs. Conducts training seminars on basic management, marketing, accounting and other topics related to entrepreneurship and enterprise development.			
Women Development and Technology Institute (WDTI)		Operates programme on appropriate technologies for women; sees need to recognize socio-economic projects as being vital to empowerment of women.			

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Women in Finance and Entrepreneurship, Inc. (WIFE)		The Filipino Chapter of Women's World Banking, whose largest programme is its Social Credit Program for micro-entrepreneurs. WIFE is also an implementer of the Trickle-Up Program.			

¹ As the *Country Report* did not outline the individual credit programmes of the commercial banks, only the PCIB's programme is mentioned as an example of what some of the banks are doing. It should be noted that as of September 1992, a total of 917 banks were operating in the Philippines (three of which were specialized government banks). All of these are obliged by law to make a set percentage of their portfolio available to small enterprises.

Table 10. Private assistance targeted at micro and small enterprises (Tunisia) ¹⁶

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Centre de soutien a la création d'entreprises, Agence de promotion de l'industrie	Enterprise promotion (market)	Provides training on enterprise creation	Diploma holders, managers, technicians		
Chambre Nationale des Femmes Chefs d'Entreprises, Union Tunisienne de l'Industrie du Commerce et de l'Artisanat	Enterprise promotion (market)	Provides management training and holds seminars and meetings encouraging women to start businesses.	Women		
Union National de la Femme Tunisienne (UNFT)	Income generating	Provides professional training in variety of subjects including sewing and embroidery; weaving, knitting and crochet, livestock breeding, pedigree cultivation and mechanics.	Girls and women		

Table 11. Private assistance targeted at micro and small enterprises (Zimbabwe) ¹⁷

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Credit Guarantee Company-owned by commercial banks and Reserve Bank of Zimbabwe	Entrepreneurship promotion (market)	Guarantees 50 per cent of value of approved loans made by commercial banks to small-scale entrepreneurs and provides a 65 per cent guarantee for loans to women's small-scale businesses. Has also begun conducting training workshops for women aimed at correcting the gender imbalances in the provision of credit by commercial banks.	Small-scale entrepreneurs; women small-scale entrepreneurs		
Small Business Loan Scheme and Small Business Unit, Standard Finance	Entrepreneurship promotion (market)	Provides a mixture of financial support, advisory services and training; assets in preparing projects and assembling loan requirements.	Small-scale enterprises		

¹⁶ Based on resources (pamphlets, government documents, etc.) collected during AIDOS mission to Tunisia (1995).

¹⁷ Based on *Zimbabwe Country Report*.

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Small Business Unit, Barclays Bank	Entrepreneurship promotion (market)	Provides financial assistance, monitoring and counselling, holds training seminars and provides marketing assistance.	Small businesses		
Small-scale Enterprise Unit, Zimbank	Entrepreneurship promotion (market)	Provides loans to borrowers who must put up 30 per cent of the assets themselves. When fixed assets are not available, the integrity of the borrower is usually accepted as collateral.	Entrepreneurs		Scheme suspended due to high interest rates on local market which makes the loans unaffordable.
	(empowerment)	Has set up a savings and credit project for income-earning projects run by women dominated groups.	Groups of women		
The Association of Women's Clubs (AWC)	Entrepreneurship promotion (empowerment)	Has a revolving loan fund and an extension staff and offers training to groups.	Women		
Dondolo Mudozvo Credit Scheme	Entrepreneurship promotion (market)	Assists with marketing and exhibition of women's handicrafts and assists women in business, project planning and management, leadership and technical skills.	Women		
EMPRETECH (UN affiliated organization funded by UNDP and private sector)	Entrepreneurship promotion (market)	Provides entrepreneurial training programme especially focused on the manufacturing sector, conducts field visits to enterprises and Secretariat is considered a business support centre.	Entrepreneurs, with special attention to women entrepreneurs		
Organization of Rural Associations for Progress (ORAP)	Entrepreneurship promotion (market)	Provides technical assistance, administration, coordination and funding to small-scale enterprises.	Small-scale enterprises in Southern province of Zimbabwe.		
Self-help Development Foundation (SDF)	Entrepreneurship promotion (empowerment)	Concentrates on savings clubs and development activities; acts as a marketing channel for women's craft works.			
Women in Business (WIB) Zimbabwe (NGO membership organization)	Entrepreneurship promotion (market)	Serves as a forum and a voice on local and national affairs for women entrepreneurs; offers business advice, training in business management skills and support services.	Potential and existing women entrepreneurs		
Zambuko Trust	Entrepreneurship promotion (empowerment)	Provides loans for working or fixed capital to individuals or groups who have not been able to borrow from other sources.			
Zimbabwe Women Finance Trust (ZWFT) (an associate affiliate of Women's World Banking)	Entrepreneurship promotion (market)	Provides credit and technical assistance to women entrepreneurs.	Women entrepreneurs		
Zimbabwe Women's Bureau	Entrepreneurship promotion (market)	Provides basic training in business management and has a revolving fund to support women's small-scale enterprises.	Women entrepreneurs		

Name	Approach(es)	Programmes	Target groups	Impact	Sustainability
Ranche House College		Provides women's leadership development. Also organizes professional training programmes for women entrepreneurs and women in business courses.	Depends on the course		
Glen Forest Training Center		Provides training in productive skills and in basic management.	Depends on the course		
Silveira House		Provides training in a variety of areas including business management and provides credit to women's groups working on small-scale enterprises.	Depends on the course		
Confederation of Zimbabwe Industry	Entrepreneurship promotion (market)	Is creating a data base for small-scale enterprises and is working on a business linkage programme.	Business owners		
Indigenous Business Development Center (IBDC)	Entrepreneurship promotion (market)	Provides advocacy and capacity building. The Business Extension and Advisory Group of the IBDC provides advisory and extension services and organizes workshops and training programmes.	Small and medium-scale enterprises, some of which in informal sector		
Indigenous Business Women's Organization (IBWO)	Entrepreneurship promotion (market)	Has launched trust fund which will form the progressive commercial bank from which the 25,000 members may borrow money for capital projects at concessionary rates.	Women		
Small Scale Enterprise Advisory Group	Entrepreneurship promotion (market)	To coordinate the activities of institutions working with small-scale enterprises, support Zimbabwean organizations in the MSE sector, support services of training, information and finance to small-scale enterprises and support policy change. Planning to set up a one window referral centre for entrepreneurs interested in setting up their business.	Members from the government, financial, private, international donor and local NGO sectors.		
Zimbabwe National Chamber of Commerce	Entrepreneurship promotion (market)	Provides training and extension activities for small businesses and has set up small business support units in Harare and Bulawayo to offer advisory and extension services and to arrange training workshops.	Small businesses		

3. The entrepreneurs

3.1. Characteristics of the entrepreneurs

The literature on MSEs written in the past ten years has identified certain gender specific traits characteristic of female and male entrepreneurs. It has been theorized that women entrepreneurs tend to be younger and better educated than their male counterparts, and have less previous work experience. The latter trait is particularly important when looked at in light of recent research, which found that previous experience in the industry area is one of the primary determinants of success for women entrepreneurs (OECD, 1998).

The research conducted in the four countries found that while gender-specific characteristics of female and male entrepreneurs exist, their relevance tends to vary from country to country. Even so, some gender-specific commonalties can be found among the women and men entrepreneurs from vastly different geographic locations.

The 70:30 female/male ratio was set as a sample parameter in all countries except Bangladesh where the chosen ratio was 74:26. The distribution of surveyed respondents by sex, age and civil status in the four countries is shown in Tables 12 and 13.

In terms of ages, Tables 12a to 12d show that in Bangladesh, Tunisia and particularly in Zimbabwe, a significantly larger proportion of women than men entrepreneurs are under 30 years of age. Similar proportions are between the ages of 31 and 41, although in Tunisia and Zimbabwe there is a slight domination of women in this category as well. Men dominate in the older age groups. In these three countries, the findings probably reflect the fact that it is more difficult for women to find formal sector employment and, therefore, they are more likely to go into business by themselves at a younger age than men. It is also probable that the improvement in women's education experienced in all three countries within the past 20 years has better prepared the new generation of women for entry into the business world.

It is interesting that women entrepreneurs dominate in the younger age groups despite the fact that these represent their child-bearing years. This finding may indicate the acute need for the additional income women earn in enterprises. Another possible explanation is the fact that during child-bearing and rearing years, women are less able to work outside of the home in the formal sector. The findings are very different in the Philippines where practically no gender difference is found in terms of the entrepreneurs' age.

Table 12a. Age by sex (Bangladesh)

	Women (%)	Men (%)
<30	48	32
31-40	36	40
41-50	11	21
>50	5	7
Total	100	100
	(374)	(126)

Table 12b. Age by sex (the Philippines)

	Women (%)	Men (%)
<30	14.4	18.4
30-39	36.4	36
40-49	26.7	22.2
>50	22.5	23.4
Total	100	100
	(360)	(159)

Table 12c. Age by sex (Tunisia)

	Women (%)	Men (%)
<30	29	16
30-39	37.8	30.4
40-49	19.2	28.8
50 and above	13.8	24.8
No resp.	0.2	-
Total	100	100
	(276)	(125)

Table 12d. Age by sex (Zimbabwe)

	Women (%)	Men (%)
<30	28.2	8.7
30-39	32.3	26.1
40-49	25.9	22.8
50 and above	13.6	42.4
Total	100	100
	(347)	(92)

In terms of marital status, there is a small gender difference in Bangladesh, Tunisia and Zimbabwe, where a greater proportion of women than men are separated/divorced or widowed. This finding is important given that it may indicate that at least 8 per cent of the women entrepreneurs in Bangladesh, 3 per cent in the Philippines, 8 per cent in Tunisia and 14 per cent in Zimbabwe are household heads with the attendant income earning responsibilities.

Table 13a. Civil status by sex (Bangladesh)

	Women (%)	Men (%)
Single	12.3	19.8
Married	79.4	80.2
Separated/widowed	8.3	-
Total	100	100
	(374)	(126)

Table 13b. Civil status by sex (the Philippines)

	Women (%)	Men (%)
Single	6.9	7.6
Married	90.0	91.1
Separated/widowed	3.1	1.3
Total	100.0	100.0
	(360)	(158)

Table 13c. Civil status by sex (Tunisia)

	Women (%)	Men (%)
Single	21.7	16
Married	69.9	83.2
Separated/widowed	8.4	0.8
Total	100	100
	(276)	(125)

Table 13d. Civil status by sex (Zimbabwe)

	Women (%)	Men (%)
Single	7,2	6.6
Married	78,8	90,1
Separated/widowed	14	3,3
Total	100	100
	(321)	(91)

In terms of education, the data from Tunisia and Zimbabwe shows that women entrepreneurs have a slightly higher level of education than men entrepreneurs and that the MSE sector is increasingly attracting educated women. Even in Bangladesh where a greater proportion of women than men have no formal education, it is interesting that similar proportions have had some secondary education and a slightly higher proportion of women have had some higher education. The predominance of younger women who have presumably benefited from recent educational gains may explain the relatively high educational level of the women entrepreneurs compared to the more discouraging national statistics.

Table 14a. Educational level of the entrepreneurs by sex (Bangladesh)

	Women (%)	Men (%)
No education/illiterate	15.2	6.4
Elementary	42	56
Secondary	20.9	21
Higher education	21.7	15
Other	0.3	1.6
Total		
	(374)	(126)

Table 14b. Educational level of the entrepreneurs by sex (the Philippines)

	Women (%)	Men (%)
No education/illiterate	19.6	19.6
Elementary	24.6	27.2
Secondary	36.6	30.4
Higher education	19.3	22.8
Other	–	–
Total	100	100
	(358)	(158)

Table 14c. Educational level of the entrepreneurs by sex (Tunisia)

	Women (%)	Men (%)
No education/illiterate	13.4	11.2
Elementary	32.2	48.8
Secondary	47.5	37.6
Higher education	6.5	2.4
Other	0.4	–
Total	100	100

Table 14d. Educational level of the entrepreneurs by sex (Zimbabwe)

	Women (%)	Men (%)
No education/illiterate	8.1	10.9
Elementary	22.3	30.4
Secondary	54.9	40.2
Higher education	14.7	18.5
Other	–	–
Total	100	100
	(346)	(92)

In Bangladesh, the Philippines and Tunisia, a greater proportion of women than men had no previous work experience, ranging from a low of 28 per cent of the women entrepreneurs in the Philippines to a high of 53 per cent of the women entrepreneurs in Bangladesh. The relatively high proportion of women entrepreneurs with no previous work experience is probably explained by the fact that social barriers continue to limit women's work outside of the home. In Zimbabwe, the research did not capture the respective proportions of women and men entrepreneurs with no previous work experience.

Table 15. Previous work experience by sex

	Percentage of women with no previous work experience	Percentage of men with no previous work experience
Bangladesh	53.78	24.6
Philippines	27.8	8
Tunisia	45	18
Zimbabwe	N/A	N/A

In Bangladesh, the Philippines and Zimbabwe, male entrepreneurs had significantly more previous work experience in a similar business than women, reflecting the greater opportunities for men to find employment. In Bangladesh, men had worked in a similar business for an average of 4.94 years, while the average for women was only 0.85 years. In the Philippines, almost one-third (30.4 per cent) of the men entrepreneurs had work experience in the same or similar sector, as compared to 18 per cent of the women. In Zimbabwe, a greater proportion of men than women (50 per cent compared to 26 per cent) had previously worked under an experienced person in the work that they presently do.

In looking at the size of the entrepreneurs' households, different measures were used in the four countries (Bangladesh and the Philippines – number of children; Tunisia – number of persons in their household; Zimbabwe – number of dependants living in the household). All of the indicators, however, give an idea of the size of the entrepreneurs' households. In Bangladesh and the Philippines, 55 per cent and 82 per cent of the entrepreneurs respectively had at least one child. In the Philippines, more than half had at least three children, regardless of the sex of the entrepreneur. In Bangladesh, one quarter of the entrepreneurs had four or more children. In Tunisia, forty per cent of the entrepreneurs had one to four people in their households, and almost fifty per cent had five to seven persons. Table 5 gives an indication of the average number of dependants living in the entrepreneurs' households in Zimbabwe.

Table 16. Average number of dependants ¹⁸ living in the household

	<13 years-old	13-19 years-old	20-25 years-old	>25 years-old
Women	2.3	1.4	0.6	1.0
Men	2.6	1.7	1.0	1.2

3.2. Economic characteristics of the micro-enterprises

3.2.1. Profile

The research carried out in the past ten years has identified particular features generally displayed by women's enterprises which distinguish them from those enterprises operated by men. It has been found that women's enterprises tend to be younger and smaller in terms of workers employed and in terms of the presence and value of fixed assets. Women tend to rely more on unpaid family workers and to use less modern technology. Women's enterprises tend to be concentrated in low investment, less remuneratively satisfying sub-sectors which build on their traditional skills; conversely,

¹⁸ Including both family and other dependants.

men tend to be concentrated in more economically dynamic sub sectors. Finally, women register their enterprises less frequently than men and often operate within the home. All of these characteristics add up to less dynamic businesses which are often not clearly differentiated from the household.

In looking at these features in the enterprises covered in the four countries, some interesting findings can be noted. Most importantly, the findings point to the extremely marginal nature of all of the businesses covered by the present research, regardless of the sex of the owner. However, within this marginalization, women are found to be in a particularly disadvantaged position vis-à-vis men. This is especially true for the women entrepreneurs in Bangladesh, Tunisia and Zimbabwe, where the features of their enterprises tend to correspond to those mentioned above. In the Philippines, however, several characteristics showed no gender asymmetries. Rather than indicating a more equal position on the part of women, these characteristics appear to indicate the extremely marginal nature of enterprises across genders.

(a) Age of enterprises

In all four countries, it is not possible to say that the enterprises examined were improvised, as substantial proportions of both the female and male-operated enterprises had been in operation for several years at the time of the survey.¹⁹ In Bangladesh, Tunisia and Zimbabwe, however, the women's enterprises appeared to be slightly younger than the men's.

Table 17. Percentage of entrepreneurs in business for more than three years

	Women (%)	Men (%)
Bangladesh	40	60
Tunisia	60	80
Zimbabwe	83	89

The findings are encouraging when looked at in light of the UNIDO report (UNIDO, Industrial Development: Global Report, Oxford University Press: New York, 1997) which asserts that the death or closure rates of micro-enterprises is greatest in the first three years of operation. After three years, the chances of survival increase significantly.

(b) Employment size and composition

In the Philippines and Tunisia, the survey parameter for employment size mandated that 60 per cent of the enterprises included have 5 or less workers and 40 per cent have 6 to ten workers. Instead, in Bangladesh and Zimbabwe, the parameter was left at enterprises having ten or less workers. In Bangladesh, Tunisia and Zimbabwe the male-owned enterprises tend to be slightly larger than the women's enterprises, while in the Philippines, the data does not reveal significant gender differences in terms of size. In Tunisia, Zimbabwe and, presumably, Bangladesh (although the breakdown between the self-employed and those with 3 or less workers is not given), slightly greater proportions of women than men entrepreneurs are self-employed, probably reflecting the slightly more marginal nature of many women's enterprises compared to those owned and managed by men.

¹⁹ One of the sample parameters in all countries was that the enterprises had to have been in operation for at least one year.

Table 18. Some indications on the size of enterprises by gender

	Women (%)	Men (%)
<i>Bangladesh</i>		
Self-employed to less than or equal to 3 employees	61	44
4-9 employees	39	56
<i>Tunisia</i>		
Self-employed ²⁰	34	24
<i>Zimbabwe</i>		
Self-employed	69	57

(c) Assets and technology

In the three countries for which data on the composition of business assets was available, it appears from Table 19 that within a context of modest fixed assets for both women and men, the women-operated enterprises tended to have a less advanced technical content. A greater proportion of men use machines and equipment in the Philippines and Zimbabwe, and a greater proportion of men have vehicles in Tunisia. In Bangladesh, a larger proportion of the women entrepreneurs (37 per cent) used purely manual production methods compared to 22 per cent of the men, and a greater proportion of men (17 per cent) than women (9 per cent) reported using modern technology. In addition, a smaller proportion of women-operated enterprises have cash and savings in the Philippines and Zimbabwe, which may reflect their weaker profitability and/or the fact that women have not had the same opportunity as men for work in the formal sector prior to starting their business.

Table 19. Business assets by sex

	Women (%)	Men (%)
<i>Philippines</i>		
Inventory/stocks	71.7	66
Power driven machines/equip.	31.7	48.4
Machines/equipment	91.1	90.6
Furniture	4.7	5.7
Real estate/land	–	–
Vehicles	11.1	12.6
Cash or savings	58.3	67.9
<i>Tunisia</i>		
Inventory/stocks	38.8	51.2
Machines/equipment (both manual and electric)	92.4	91.2
Furniture	37.3	42.2
Real estate/land	17.8	15.2
Vehicles	10.1	20.8

²⁰ Self-employed at the start-up stage.

	Women (%)	Men (%)
Cash or savings	–	–
<i>Zimbabwe</i>		
Inventory/stocks	59.4	67.4
Machines/equipment (both manual and electric)	17	55.4
Furniture	15.9	35.9
Real estate/land	9.8	8.7
Vehicles	0.6	5.4
Cash or savings	22.8	37

(d) Sectors and sub-sectors

The sub-sectoral breakdown of the respondents in the four countries is given in Table 1 on page 6 of the introduction and does not display significant gender asymmetries. The exception is Bangladesh where eleven sub-sectors were covered in the survey, including those which are traditionally dominated by men.

In the Philippines, Tunisia and Zimbabwe, the enterprises covered in the survey belong to sub-sectors within the manufacturing sector. In the Philippines, 60 per cent of the enterprises are in the gift, toys and housewares (GTH) sub-sector and 40 per cent are involved in food processing. In Tunisia, 70 per cent of the enterprises are involved in the textile sub-sector, 10 per cent in the food-processing sub-sector and 20 per cent in what is called “various manufacturing” which includes leather and wood crafts, metal work, sculpture, engraving and various unidentified activities. In Zimbabwe, 47 per cent of the enterprises are in the food processing sub-sector, while 53 per cent are in the textile sub-sector. In Bangladesh, enterprises belonging to eleven sub-sectors within the manufacturing and services sectors were covered in the survey.

There is a difference in the sex distribution of the entrepreneurs by sub-sector in Bangladesh. The largest proportions of women are in sub-sectors which build on their traditional skills: tailoring (25 per cent) and dyeing and printing (21 per cent), both of which have less than 10 per cent representation by the men. The largest proportions of men are in sub-sectors which are traditionally male-dominated and which require the use of more modern technology: wooden products (29 per cent) and metal products (26 per cent). In comparison, only ten per cent of the women manufacture wooden products and 3 per cent manufacture metal products.

In the cases of the Philippines and Zimbabwe, what appears more relevant than sub-sector of operation in terms of gender differences is the gender distribution among the specific activities/products within the sub-sectors. It was found that men are more present in the traditionally male and generally more dynamic activities, and women are more present in the traditionally female and less dynamic activities. For example, in the Philippines, while GTH production is undertaken without any significant sex differentiation for most of its products, the production of textile articles and toys are both carried out almost exclusively by women, and the men entrepreneurs are more highly represented in jewellery making. Again in the food processing sub-sector, men entrepreneurs are more involved with the processing of frozen products. In both sub-sectors, women predominate in the activities with a lower technical content (textiles, toy making, food processing in general), compared to men who dominate in the more dynamic and technologically advanced activities (jewellery making and frozen products). In Zimbabwe too, the men entrepreneurs tend to be concentrated in more dynamic activities including clothing and honey/baking activities. Women are divided between clothing,

crochet activities, cooking/drying and stone grinding – activities which are among the least dynamic with the exception of clothing activities.

In Tunisia, instead, only slight differences between women and men are revealed in terms of the activities undertaken. None of the women are involved in the traditionally male wood trades, compared to 10 per cent of the men. There is a larger proportion of women involved in the production of clothing and embroidery, both of which build on women's traditional skills.

(e) Location

From Table 20, it can be seen that in Tunisia and Zimbabwe, a considerably greater proportion of women than men locate their enterprises within their homes, reflecting their need to juggle their productive and reproductive roles. At the same time, significant proportions of women entrepreneurs (47 per cent in Tunisia and 23 per cent in Zimbabwe) locate their enterprises outside their homes. In the Tunisia country report, it was hypothesized that, excluding those that work on the street, once the enterprise reaches a certain size and a certain sales volume, the entrepreneurs look for outside quarters. It cannot be assumed, however, that entrepreneurs operating outside of the home are necessarily more secure or formal than those operating in the home, as many occupy land to which they have no legal right or rent premises. In the Philippines, there are only slight gender differences in enterprise location, with both women and men entrepreneurs most often operating out of their homes. This may indicate that there is little identification of the enterprise as an entity external to the family for both women and men.

Table 20. Location of enterprise

	Women (%)	Men (%)
<i>Philippines</i>		
Home	82.3	78.8
Elsewhere	17.7	21.2
	100	100
<i>Tunisia</i>		
Home	52.7	14.7
Elsewhere	47.3	85.3
	100	100
<i>Zimbabwe</i>		
Home	77.5	37
Elsewhere	22.5	63
	100	100

(f) Registration

In all of the countries for which data was available, a gender difference is seen in terms of registration and there is a greater proportion of men entrepreneurs who register. The difference is most striking in Tunisia and Zimbabwe, where 90 per cent and 22 per cent respectively of the male-owned enterprises are registered, compared to only 48 per cent and 2 per cent respectively of the female-owned enterprises. In the Philippines, only a slight gender difference in registering can be noted, with 37 per cent of the men registered compared to 31 per cent of the women. The difference is more clear, however, within the self-employed category in the Philippines, where only 12 per cent of the women's enterprises are registered compared to 22 per cent of the men's. These findings again

indicate the less formal nature of women's enterprises and their relative isolation, compared to those owned and operated by men.

Table 21. Registration of businesses

	Women (%)	Men (%)
<i>Tunisia</i>		
Registered	48	90
Non-registered	52	10
	100	100
<i>Zimbabwe</i>		
Registered	2	22
Non-registered	98	78
	100	100
<i>Philippines</i>		
Registered	31	37
Non-registered	69	63
	100	100

3.2.2. Operations

Just as the literature on the MSE sector has identified different features displayed by the enterprises according to the sex of the owner/operator, differences have also been found in the way women and men operate their businesses. Many of these operational tendencies seem to be characteristic of businesses in the informal sector in general, such as the absence of task diversification, the entrepreneur's tendency to perform most tasks, and the reliance on the local market for both inputs and customers. However, it has been hypothesized that women entrepreneurs tend to be more household centred as opposed to enterprise centred than men. This means that "the material and psychological needs of their families assume greater importance than their personal and businesses needs" which affects their business operations (Belandres, 1995:12)

In the four countries covered by the research, many of the characteristics mentioned above were demonstrated by both the women and men entrepreneurs with few significant gender asymmetries. The areas in which gender differences did emerge, though in different degrees in the different countries, included the activities carried out directly by the entrepreneur, product sales and marketing. These findings again underscored the weaker economic position of the women entrepreneurs within a more general context of fairly weak enterprises.

(a) Types of ownership

The majority of entrepreneurs in all four countries are sole proprietors ranging from 86 per cent in Tunisia to 97 per cent of the entrepreneurs in the Philippines. There is no significant difference between women and men.

(b) Entrepreneurial activities

In terms of the activities carried out by the entrepreneurs themselves, some gender differences did emerge in Bangladesh, the Philippines and Zimbabwe. In Bangladesh, larger proportions of the women handle production (84 per cent of the women compared to 63 per cent of the men) and financial accounts (22 per cent of the women compared to

10 per cent of the men), which may be due to the fact that given their larger size, men more often have workers handling the production and accounting for them. It was also found that a greater proportion of men (61 per cent) than women (42 per cent) handle marketing, selling and distribution. This may reflect social restrictions on women's mobility and contact with males outside of the family, as well as the tendency in many families to have male family members sell the goods produced in the home.

In the Philippines, for 12 of the 21 activities included in the questionnaire, the proportion of men performing the activities was 10 percentage points higher than the proportion of women. The activities included maintenance, training, product design, purchasing equipment, renting of site locations and hiring – all factors which relate, in part, to the greater qualifications necessary for the activities of the enterprises managed by men and, in part, to their greater organization and differentiation from the family.

In Zimbabwe, when looking at the number of areas handled by the men entrepreneurs, a slightly greater proportion of male entrepreneurs handle more than one business area (72 per cent compared to 62 per cent of the women). This probably does not indicate greater specialization on the part of the women entrepreneurs, but rather the absence of that particular activity in the women's businesses.

(c) Organization of production

In Tunisia and Zimbabwe, slightly larger proportions of men (51.2 per cent and 67 per cent respectively) than women (38.8 per cent and 59 per cent respectively) have built up stocks, which may indicate greater confidence among men in their ability to sell their goods.

(d) Raw materials and other inputs purchasing

Differences in the purchasing of raw materials and inputs in the four countries generally reflect the type of product being produced rather than the sex of the producers. Nevertheless, small gender differences can be found in the type, size and location of the suppliers used. In Bangladesh, a greater proportion of men (99 per cent) than women (82 per cent) gather their materials by themselves. In the Philippines, women tend to acquire materials from individual suppliers more than men do (53 per cent compared to 44 per cent). In Tunisia, clients supply raw materials far more women than men (35 per cent compared to 22 per cent), because the activities undertaken by women (baking, weaving and embroidery) lend themselves more easily to this formula.

In Zimbabwe, a larger proportion of women (59 per cent) than men (44 per cent) purchase their raw materials, while more men (30 per cent) than women (21 per cent) gather or collect their raw materials, which may be explained by the large number of men involved in honey processing. In terms of location of suppliers, more women than men go to a supplier within the neighborhood (60 per cent compared to 48 per cent), while more men go to a supplier in the main town (43 per cent compared to 26 per cent), indicating greater mobility among men. Practically none of the entrepreneurs import their raw materials from outside of Zimbabwe.

(e) Credit and finance

In the four countries, notwithstanding the local dimensions of the market which could indicate informal and fiduciary commercial relations, it can be noted that in monetary transactions, little recourse is made to credit and deferred payments by either women or men. In terms of the purchase of raw materials, significant proportions of both women and men entrepreneurs in all four countries pay cash on delivery with no significant gender

differences. The products produced by the entrepreneurs are also most frequently paid for by the clients upon delivery regardless with no significant gender differences.

What is very interesting in all countries is that despite the fact that the entrepreneurs consistently pointed to the chronic lack of money for both fixed assets and working capital as their most urgent problem, in the Philippines, Tunisia and Zimbabwe, they make little recourse to loans, especially through institutional channels. This probably reflects the fact that in the precarious context in which the entrepreneurs find themselves, the flow of income is so uncertain that an exposure to debt could easily be compromising. Instead of availing of formal credit, entrepreneurs tend to slow down their business activity (the Philippines and Zimbabwe) or request a loan from informal sources (the Philippines).

In the Philippines, the major use of credit by women involves recourse to informal sources (41 per cent of the women and 30 per cent of the men). Formal sources are used very little and show no significant gender asymmetries.

In Tunisia, the vast majority of women and men entrepreneurs have not requested credit in the last 12 months. The majority of these who did, requested it from a bank. Of the entrepreneurs who did not request credit the largest proportions of both women and men (44 per cent of the women and 31 per cent of the men) did so to avoid risks.

In Zimbabwe, when those whose business income did not meet their operating expenditures were asked how they keep their business operating, the majority of both women and men slow down their business to make up the difference. Only 1 per cent of the women and 4 per cent of the men have requested a loan in the last 12 months from formal lending sources, and 15 per cent of the women and 9 per cent of the men have requested a loan from informal lending sources.

In Bangladesh, the picture is quite different with 68 per cent of the women and 84 per cent of the men having received loans in the consolidation phase. The time period, however, is not clear from the report nor is the source of the loans.

It is interesting that the recourse to credit is significantly higher for both women and men in Bangladesh and the Philippines compared to Zimbabwe. This phenomenon may reflect that the informal financial sector is particularly dynamic in Asia as compared to Africa, and is a very important source of capital for micro-enterprises (UNIDO, 1997:90). In Africa, research by UNIDO revealed MSEs make little use of informal finance due to high interest rates, short repayment periods and the limited size of loans available (UNIDO, 1997:90).

(f) **Book-keeping**

In Bangladesh, Tunisia and Zimbabwe, it was found that the majority of both female and male entrepreneurs do not keep formal accounting records, indicating a lack of differentiation between household and enterprise accounts. In Zimbabwe and Tunisia, a gender difference can be noted, with a larger proportion of men (33 per cent and 50 per cent respectively) keeping records than women (22 and 35 per cent).

(g) **Bank account**

In the two countries for which the data was available, men more frequently had a deposit or savings account. In Tunisia, 60 per cent of the men and 41 per cent of the women have a bank account and, interestingly enough, a greater proportion of women (51 per cent) than men (40 per cent) are saving regularly to reinvest in their principal businesses.

In Zimbabwe, the proportion of men with an account (52 per cent) is greater than that of women (38 per cent). Both women and men responded that the main purpose of their savings was for their principal business.

(h) **Product sales and marketing**

Gender differences were found in three of the four countries in terms of the clients for the entrepreneurs' products, with women more frequently selling to final consumers close to home compared to men who appear to have more linkages with other firms. In Bangladesh, women tend to limit their sales to a more circumscribed geographical area than men, which is not surprising given women's constrained mobility. Women tend to be less involved than men in business arrangements with other firms (exporters and private firms) in the Philippines where 33 per cent of the men produce for export compared to 21 per cent of the women, and in Zimbabwe where 43 per cent of the men food-processing entrepreneurs sell their output to private firms compared to 13 per cent of the women.

(i) **Advertising and networking**

The promotion methods used by the entrepreneurs in the four countries are largely those which take advantage of their informal networks of acquaintances. These methods are facilitated by the fact that the market of the interviewed entrepreneurs is largely a local market with suppliers and clients located close by. Significant gender differences in advertising and networking were not found.

3.3. Constraints and opportunities

While insufficient infrastructure and limited access to credit, training, markets, improved technology and information are constraints for all micro and small entrepreneurs, recent research has found that such constraints have a particularly strong impact on women. This is because of negative environmental conditions or barriers, including legal norms and biases that perpetuate the low status of women.

These barriers take the form of socio-cultural values which define women's traditional roles as mothers, housewives and general family caretakers. Difficulties arising from women's traditional roles include: difficulties in managing time to cope with the demands of the business and family; restrictions on travelling to meet suppliers or to visit potential clients; and problems with clients who prefer to transact business with men (Hoffarth, 1989:137). In addition, because women are relegated to the domestic domain, they have more limited participation than men in organized networks and less access to training opportunities, to markets, and to various support services provided by the government agencies and NGOs.

Nevertheless, in increasingly severe economic contexts, entrepreneurship is accepted and growing among women and in many countries, significant social and cultural changes have been occurring to accommodate women's need to work. However, the transformation of a micro-enterprise into a profitable business, and from a housewife and mother ensuring family survival to a business manager, is a difficult step for many. This transformation is made difficult for women for a variety of reasons. Women's self-perception developed in the course of their socialization gives many women a negative image about their capabilities. Women associate themselves almost entirely with household responsibilities, thus limiting their aspirations (Dikito, 1992:33; Mayoux, 1995:3).

Traditional attitudes regarding the capacity of women to handle their own business are reinforced by educational systems and the media, which often feed gender stereotypes. These reinforced attitudes serve to exacerbate the problem of women's access to credit and

other needed inputs, as women are not perceived as good credit risks. Women also face constraints in accessing formal credit, as they do not have collateral and may have insufficient knowledge of credit sources and opportunities. These attitudinal barriers mean that while there has been increasing recognition of women's productive roles, in many areas they continue to receive piecemeal treatment by the government, NGOs and international donors alike.

Training opportunities continue to be limited for women in terms of technical skills, business management, and record keeping. In addition, because women tend to dominate in areas that are considered traditionally feminine, the training that is offered to them is frequently limited to these areas. Women continue to miss out on new technology and "when investments are made to increase profitability and decrease the labour intensity of women's income generating activities, the activities are frequently taken over by men" (Downing and Daniels, 1992:2). Little dissemination of new technologies is made to women entrepreneurs, and technological developments aimed at reducing the time women spend on domestic chores are limited.

Because the majority of women entrepreneurs are in the informal sector, information on them is scarce, as are modes of channelling information to them. Women's domestic duties keep them close to home, where they do not have access to information about services that are available.

The economic and political environment may also serve to exacerbate the constraints felt by women entrepreneurs. The effects of economic adjustment, while expected to positively impact on the micro and small enterprise sector, may increase the burden on women. This is because increases in prices lead to longer work hours in order to purchase needed food for the family. Women are involved in smaller, more traditional types of micro-enterprises that tend to be located in the informal sector and have limited forward and backward linkages. Thus women entrepreneurs are unlikely to feel the positive effects of economic reform such as trade liberalization.

The double burden shouldered by women in the performance of their domestic and productive tasks especially in the rural areas limits the time they can spend on business activities. Also, because they tend to spend their income on their family's daily financial needs and to combine their business and household accounts, they are unable to accumulate the capital necessary for enterprise growth.

Finally, research has increasingly questioned the ability of supply-side weaknesses (such as low skill and management levels, low quality products, and lack of economic resources) to explain the diffusion and relevance of the difficulties faced by micro-entrepreneurs, in entering and staying in the market. Constraints on the demand side of the equation have been identified as being particularly relevant for micro-entrepreneurs, and especially for women entrepreneurs (Steel in Helmsing and Kolstee, 1993:3 and Teszler in Baud and de Bruigne; 1993). Given that women entrepreneurs are often limited to the feminine sectors which build on their traditional skills, demand is frequently limited and discontinuous, and competition is frequently fierce. Many of the barriers and constraints identified in the literature were echoed in the findings of the research in the four countries.

(a) *Time and energy constraints*

One of the most critical constraints identified as being particularly salient for women entrepreneurs throughout the enterprise cycle is the lack of time for business due to women's responsibilities for carrying out reproductive, productive and, often, community management activities. The findings from the four countries confirm that women entrepreneurs also tend to be responsible for the home and children, that a much larger proportion of women than men carry out household tasks and child care on a regular basis,

and that the women entrepreneurs tend to work longer hours than the men on tasks related to the domestic sphere.

As seen in Table 22, in all four countries larger proportions of women than men carry out housework. This presumably has an effect on the amount of time and energy that women are able to invest in their enterprises.

Table 22. Percentage of women and men carrying out housework

	Women (%)	Men (%)
Bangladesh	74	7.5
The Philippines	79	45
Tunisia	83	5
Zimbabwe	89	33

(b) Resistance

In the three countries for which data is available, the majority of both women and men entrepreneurs did not face any resistance in starting their businesses.

(c) Self-perception

The research found little awareness on the part of women and men of women's double role in the three countries for which data was available. In Tunisia when asked if they think that women and men entrepreneurs face the same problems, 76 per cent of the women and 72 per cent of the men responded that the problems discussed are global and concern both women and men. Twenty-eight per cent of the male entrepreneurs felt that the women did not encounter these types of problems.

In Zimbabwe, when asked if entrepreneurs of the other sex were facing similar problems, 90 per cent of both the female and male entrepreneurs interviewed responded positively. This reflects a lack of acknowledgement on the part of both women and men of the particular constraints faced by women in terms of their double responsibilities for the household and their enterprises.

Interestingly in the Philippines, when asked to agree or disagree with the statement "in general, women encounter more barriers in business operation", a slightly greater proportion of women (58 per cent) than men (49 per cent) disagreed.

(d) Problems during enterprise start-up

In the three countries for which data is available, the start-up phase was characterized by lack of working capital and problems building a client base, with a gender difference emerging only in Zimbabwe. In the Philippines and Tunisia, lack of working capital was cited as the main problem faced during enterprise start-up by the largest proportions of women and men entrepreneurs. Other important obstacles cited related to building a client base in Tunisia, and problems accessing raw materials and building a client base in the Philippines, with no significant gender differences.

If the obstacles tied to the scarcity of capital (working capital, capital for raw materials and capital for fixed assets) are present among the entrepreneurs in a large, but not dramatic amount, presumably, the phenomenon can be attributed in part to the particular economic and social reality in which the activities are based. It is probable that

for the entrepreneurs who do not identify the lack of capital as a problem, money does not constitute a problem. Yet this is not because they have money, but rather because they find ways of limiting their need for funds, typically through setting up an activity with low capital intensity and through the fairly widespread practice of not paying part of their workers.

In Zimbabwe, some gender differences were noted which are in line with other research on the subject. Problems related to building a client base were cited by greater proportions of women than men (26 per cent compared to 9 per cent) and those related to working capital were cited by a slightly greater proportion of men than women (24 per cent compared to 15 per cent). The greatest proportion of men reported a problem which was not included on the list (34 per cent). This finding is particularly interesting in light of the GEMINI survey's (1991) findings that for women entrepreneurs in Zimbabwe, inadequate market demand is more important than access to credit, which has been cited in a wide variety of literature as one of women's principal constraints. A larger proportion of women (16 per cent) reported problems collecting debts owed to them, compared to only 3 per cent of the men.

It is interesting to note that in both Zimbabwe and Tunisia, relatively small proportions of both women and men mentioned bureaucratic procedures or the policy and regulatory environment as a problem. This may be explained by the fact that the majority of the enterprises operate in the informal sector where they are less affected by government regulations.

Table 23. Main problems faced during enterprises start-up by sex

	Women (%)	Men (%)
<i>Tunisia</i>		
Capital related problems:		
Lack of working capital	36	37
Lack of fixed capital		
Lack of capital for raw materials		
Problems related to building client base	34	31
Access to raw materials		
Regulatory environment/bureaucratic policies	4.8	9.5
<i>Zimbabwe</i>		
Capital related problems:		
Lack of working capital	15	24
Lack of fixed capital	1	9
Lack of capital for raw materials	18	9
Problems related to building client base	26	9
Access to raw materials		
Regulatory environment/bureaucratic policies	0.4	0
Problem not on list	13	34
Problems collecting debts	16	3

(e) **Current problems**

In terms of the problems facing the entrepreneurs at the time of the survey, capital problems and problems related to building a client base dominate in Bangladesh and

continue to dominate in Tunisia and Zimbabwe. Slight gender differences can be noted in Tunisia and Zimbabwe.

In Tunisia, 76 per cent of the men and 55 per cent of the women responded that they are currently facing problems, with market problems being cited by the 32 per cent of the women and 44 per cent of the men, followed by problems getting working capital (21 per cent of the women and 16 per cent of the men).

In Zimbabwe, a slightly lower proportion of women (83 per cent) than men (92 per cent) responded that they are currently facing problems. When disaggregated by sex and omitting the "other" category, the data for Zimbabwe suggests that women's three main problems are i) acquiring capital for raw materials (26 per cent), ii) building a client base (17 per cent) and iii) finding working capital (14 per cent). The three main problems for men include i) finding working capital (26 per cent), ii) acquiring capital for raw materials (13 per cent) and iii) getting capital for fixed assets (9 per cent). Again the problem of building a client base remains greater for women than for men (7 per cent), and that of access to working capital reported more frequently by men.

It was noted in a UNIDO study (UNIDO, 1988, p. 39) that since women in Zimbabwe are generally concentrated in producing goods which are considered a women's speciality, the large number of producers creates a problem of excess supply in the market. Given that in the present survey, the women entrepreneurs are more concentrated than the men in the less dynamic sub-sectors (crocheting, cooking/drying and stone grinding), demand constraints would appear particularly problematic for them. In addition, women are constrained from going out and finding new markets by their household and child care tasks.

Table 24. Main problems facing entrepreneurs at the time of the survey

	Women (%)	Men (%)
<i>Bangladesh</i>		
Capital related problems:		
Lack of working capital	75	71
Lack of fixed capital		
Lack of capital for raw materials		
Inadequate financing	33	34
Problems related to building client base	30	29
<i>Tunisia</i>		
Capital related problems:		
Lack of working capital	21	16
Lack of fixed capital		
Lack of capital for raw materials		
Problems related to building client base	32	44
<i>Zimbabwe</i>		
Capital related problems:		
Lack of working capital	14	26
Lack of fixed capital	1	9
Lack of capital for raw materials	26	13
Problems related to building client base	17	7

(f) Selling problems

The literature on enterprise development has identified two types of marketing constraints. The first is related to lack of demand because the market is flooded with a particular type of product. The second problem is related to women not being able to sell products for which there is demand because they do not know where markets are or they have no access to the market (Speaking Out, p. 198). In Zimbabwe, both women and men clearly perceive of their marketing problem as the second type, while in Tunisia those who had problems selling what they produced (a quarter of the women entrepreneurs and 41 per cent of the men) perceive of it as due to the first type.

In Tunisia, a quarter of the women (25 per cent) and 41 per cent of the men have experienced problems selling what they produce. The narrowness of the market was given as the principle reason by the largest proportion of entrepreneurs (33 per cent of the men and 29 per cent of the women). Men also cited “unidentified reasons” (28 per cent) and lively competition (20 per cent), and women cited lively competition (26 per cent) and “other” (16 per cent).

(g) Advantages of female micro-entrepreneurs

According to some studies, women entrepreneurs in the Philippines and Zimbabwe have inherent advantages over their male counterparts. In the Philippines, these include the fact that women appear to be more patient, more tactful, and tend to handle finances more wisely (Hoffarth, 1989:139). Other qualities include the excellent persuasion and networking skills of Filipino women. The survey did not indicate any positive advantages held by women, aside from the general perception that women have better selling and negotiating skills.

While women appear to grow into larger operations more slowly than men, studies in the Philippines have shown that with entrepreneurship training they may be more successful than men. A survey of training graduates in 1989 showed that putting up an enterprise was more pronounced among females than males, and that after the entrepreneurship training there was a greater increase in the number of female-run enterprises compared to male-run enterprises. Women also displayed a higher maintenance rate of 56 per cent, compared to the slightly lower rate for men of 48 per cent (ILO, 1990a:17).

The survey indicated that Filipino women’s enterprises are maintained for comparable periods of time with men’s; there is a slightly higher number of women whose start-up was in the last two years. However, this is balanced by the slightly higher proportion of women whose enterprises have been in operation for more than 20 years.

The World Bank/ENDA study points out several sub-sector activities dominated by women in Zimbabwe which have been shown to be profitable, such as food processing, bakeries, tuck shops and food catering. It also points out that tailoring and knitting/crocheting can be successful when higher quality products are produced for export. While traditional women’s sub-sectors may be too crowded, the choice has to be context specific. The study notes the favourable prospects offered by subcontracting and other possible partnerships between MSEs and larger firms, supermarkets and other retail outlets, restaurants, hotels etc. for other activities in addition to those related to food.

The case studies supply some indications of advantages held by women entrepreneurs relative to men entrepreneurs. Several of the entrepreneurs (both women and men) mention that women tend to be more kind and patient than men, which makes them attractive to the public. One of the women textile entrepreneurs mentioned that women have an advantage in dress-making, as women customers prefer to have their dresses made by women.

The in-depth interviews also revealed some advantages held by women entrepreneurs in Zimbabwe. Bank managers and other financial institutions have found that women tend to be better, more stable managers and more dependable in carrying out planned activities at the enterprise level. Many of the women have also exhibited a steadfastness in the face of obstacles that would have defeated many men, including inadequate support for business start-up and family opposition.

(h) Needs to increase production

In the three countries for which the data is available, the entrepreneurs indicated capital (working capital and capital for fixed assets) as their primary need in order to increase production. Gender differences emerged in the Philippines, Tanzania and Zimbabwe, though in different ways in the different countries.

Both the women and men entrepreneurs in the Philippines who wanted to produce more indicated that credit was their primary need. Continuing to exclude those who do not intend to expand their production, there emerges instead – for the second necessity – needs tied to the organization dimension: need for more workers (31.0 per cent), more qualified personnel (19.2 per cent), and more equipment (14.8 per cent). While the needs for qualified personnel or space are cited in similar measure by women and men entrepreneurs, that of needing a larger number of workers is more felt by the women entrepreneurs (35.2 per cent) and that of further equipment by the men entrepreneurs (21.4 per cent).

In Tunisia, equipment/fixed capital and working capital clearly emerged as the primary needs when the entrepreneurs were asked what they would need in order to produce more. The gender difference emerges in the priority women and men place on each need. For example, the largest proportions of women indicated their need for equipment and fixed capital (42 per cent) and working capital (33,5 per cent), while the largest proportion of men indicated working capital (49 per cent) followed by equipment and fixed capital (21 per cent).

In Zimbabwe, a greater proportion of men (41 per cent) stated the need for working capital than women (27 per cent), while a greater proportion of women stated the need for raw material/stock (32.2 per cent compared to 19.6 per cent of the men) and markets (15.7 per cent compared to 5.4 per cent of the men). Again this would indicate the greater need on the part of women for markets, and on the part of men for working capital. Continuing to exclude those who do not intend to expand their production, there emerges – for the second need to expand expansion – needs tied to inputs, including the need for raw materials and stock, and the need for more equipment with little gender difference.

3.4. Entrepreneurs' objectives and related strategies

Recent research has shown that while women entrepreneurs face constraints that may well be shared with men, the intensity and impact of the constraints is often different. It has been hypothesized that women and men have different objectives in starting up a business, and different strategies for meeting these objectives and for overcoming the constraints that they face. Understanding these differences is critical for designing appropriate entrepreneurship policies and programmes.

(a) Objectives, expectation, motivations

The literature on MSEs has identified gender-specific distinctions in the motivations behind women and men's decisions to launch enterprises. It has been hypothesized that women are more often pushed by severe economic contexts to look for ways to supplement family income. Given the barriers to women's entrance in the formal sector and the time constraints stemming from their domestic responsibilities, many women start a business that they can run from the home using their traditional skills. Therefore, their venturing into the MSE sector may be less a conscious choice, but rather a "desperate attempt by women with few alternatives" (Mayoux, 1995:4). Men, on the other hand, are seen as responding to the attractive characteristics of self-employment such as increased earnings, independence and the opportunity to directly benefit from one's own work.

The findings from the research in the four countries reflect these gender-specific motivations, although they also lend support to recent publications which identify the informal sector in general as a repository for people who would rather have secure employment. While the men in the present research may cite motivations for starting up an entrepreneurial activity that would indicate a higher degree of entrepreneurial behaviour (building on the capacity acquired through training and previous work experience; taking the advice of professionals, banks and organizations and others with experience in the field; the hope for high profits; the opportunity to create employment for others; and the possibility of experimenting in something new), and the women motivations that reflect their socially ascribed roles (to take care of the family, to provide for family extras, etc.), the gender differences are not very large and women and men alike often appear to be "pushed" into self-employment or micro-enterprise creation.

In Bangladesh, when asked why they selected the enterprise idea,²¹ the majority of women and men entrepreneurs responded that it was due to a natural inclination. Another main reason cited was the urging of their parents or spouse (20 per cent of the women and 28 per cent of the men). Men also declared potential profit (18 per cent compared to 11 per cent of the women) as motivations, while women also cited market potential (14 per cent of the women) and that it allows more time for family (13 per cent) for women.

Interesting gender differences emerge in Bangladesh. First, a slightly larger proportion of men than women went into business in response to family pressure. The lower proportion of women in this category probably does not indicate their greater independence from the family, but rather the fact that women are not viewed as potential entrepreneurs. Similar proportions of women and men cite the economic potential of the enterprise (potential profit plus good market potential) as the reason for selecting the enterprise idea (25 per cent of the women and men). Finally, significantly more women than men, however, selected the enterprise idea because it allows more time to be spent with the family.

²¹ While the questionnaire had questions about both reasons for selecting the enterprise idea and reasons for starting the enterprise, the report only documented the former in the text and in the tables in the annex.

Table 25. Reasons for selection of enterprise idea (Bangladesh)

	Women (%)	Men (%)
Natural inclination	74	71.4
Urging of family	19.8	27.8
Influence by bankers	0.8	0
Influence by government	0.5	0.8
Potential profit	11.2	18.3
Liked by children	3.2	0
Big market potential	13.9	6.3
Allows more time for family	13.1	0.8
Other	12.3	4.8

In the Philippines, the only relevant gender difference that emerged is found in the desire for autonomy. This is probably tied to the fact that the men have had more opportunities to wage labour than women.

Table 26. Principle reasons for enterprise start up by sex (the Philippines)

	Women (%)	Men (%)
To have a regular income	26.1	24.8
It is a family activity	19.3	16.6
It is the only business I felt confident about doing	17.3	14.6
Desire for autonomy	11.9	21.7
To contribute to family income	10.5	7.0
Other, relative to the family	4.5	5.1
Other	10.4	10.2
Total	100.0	100.0
	(360)	(159)

In Tunisia, the largest proportions of both men (34 per cent) and women (39 per cent) cited the potential for independence as the main reason for starting their enterprises. This finding would be puzzling were it not for the clarification during the qualitative interviews that the concept of “independence” has a different meaning for women and men. For women, “independence” means the absence of constraints, permitting women to take care of their children and household. Yet for men, it both means not being exploited by an employer and the opportunity to benefit directly from one’s own work. Relating to that finding is the 18 per cent of men who mention the opportunity for better income as the main reason for starting the enterprise, compared to 10 per cent of the women.

A larger proportion of women cited reasons having to do with the family (31.2 per cent combining “it allows me to carry out my family duties” with “women must satisfy family needs”) compared to 15 per cent of the men. Male entrepreneurs appear slightly more disposed to go into the enterprise because it is a family business (12 per cent of the men compared to 3 per cent of the women).

Table 27. Principle reasons for enterprise start up by sex (Tunisia)

	First reason		Second reason	
	Women (%)	Men (%)	Women (%)	Men (%)
To be independent	39.4	34.1	19.4	17.5
Better gains	10	17.9	26.6	38.6
It allows me to carry out my family duties	16.7	14.6	14.9	26.3
I lost my job	1.1	0.8	1.6	0.9
Family enterprise	3.3	12.2	4	3.5
To make money upon my return from abroad	0.5	4.1	–	3.5
Women must satisfy family needs	14.5	–	19	–
Other	14.5	16.3	14.5	9.7
Total	100	100	100	100

In Zimbabwe, a larger proportion of the male entrepreneurs (41 per cent compared to 21 per cent of the women) responded that they had started their business to be independent. The largest proportion of the women entrepreneurs (31 per cent) instead responded that they started their enterprise because women have a cultural obligation to provide family extras. Overall, the findings indicate that the women are more motivated by financial concerns and the need to supplement family income, while the men are more concerned with working independently, as many of the men are older and have had previous formal work experience.

Table 28. Main motives for getting into present business (Zimbabwe)

	First reason		Second reason	
	Women (%)	Men (%)	Women (%)	Men (%)
Independence	20.8	41.1	7.5	17.7
Offers good earnings/opportunities	4.2	5.5	19.5	24.2
Can be combined with family duties	19.5	26	12.9	11.3
Could not obtain other work	4.9	8.2	27.8	11.3
Returned from outside	0.6			1.6
I/spouse lost previous job			5	9.7
Women provide family extras	30.5		14.5	
Other	19.5	19.2	12.9	24.2
	(308)	(73)	(241)	(62)

Of the 303 entrepreneurs who provided a second motive, a larger proportion of women (28 per cent) than men (11 per cent) reported starting their business because they could not obtain other work, perhaps because it is more difficult for women to get a job in the formal sector. This would indicate that for more than one quarter of the women, it was the lack of opportunities elsewhere rather than the attractive qualities of the MSE sector which led to their choice. At the same time, approximately one-fifth of the women entrepreneurs (19.5 per cent) got into their business because of its good earnings/opportunities. The in-depth interviews with key informants confirmed that few entrepreneurs would create an enterprise if they could have found another job. They start their enterprises because they have no alternative means of survival.

Table 29. Reasons for producing product/s (Zimbabwe)

	First reason		Second reason	
	Women (%)	Men (%)	Women (%)	Men (%)
Sells well	13.8	16.3	40.4	35
Can get raw materials	7.8	7.6	19.1	30
Little capital investment	6.1	8.7	16.9	22.5
What I know best	32.6	40.2	22.1	7.5
Can make it at home	29.7	16.3	1.5	5
Other	10.1	10.9		
Total	100	100	100	100

When asked why they produce their particular product/s, not surprisingly, the data reveals that a larger proportion of women choose to manufacture their product because they can make it at home (30 per cent), compared to men (16 per cent).

Of the 176 who gave a second reason, a gender difference emerges in the proportion of entrepreneurs who report that they make their product because “this is what I know best”: 23 per cent of the women and 8 per cent of the men reported so. This perhaps indicates women’s concentration in sub-sectors which build on their home-making skills.

(b) Time spent on business operations

The majority of all of both the women and men entrepreneurs in the three countries for which data was available operate their businesses year-round (73 per cent in Zimbabwe; 100 per cent in the Philippines, as this was a sample parameter; 77 per cent in Tunisia). A slightly greater proportion of the women work on a seasonal basis in Tunisia (27 per cent compared to 15 per cent for the men), while a slightly greater proportion of men work on a seasonal basis in Zimbabwe (37 per cent compared to 24 per cent for the women).

Overall, the majority of both female and male entrepreneurs work in their enterprises the entire day (see Table 30). Yet in Tunisia and Zimbabwe (Table 31), greater proportions of women entrepreneurs responded that they work at time intervals throughout the day or that they work only mornings, afternoons or evenings, thereby reflecting their need to juggle their productive work with their household chores. In Zimbabwe, a greater proportion of men work mainly in the evenings, which may indicate that men work elsewhere during the day.

Table 30. Time spent on business

	Women (%)	Men (%)
<i>Philippines</i>		
10 hours or more per day	23.3	32.9
6 to 9 hours per day	58.9	56.3
Less than 6 hours per day	17.9	10.8
<i>Tunisia – non seasonal workers</i>		
Work all day long	50	69
Work at time intervals throughout the day	31	22
Work only mornings, afternoons or evenings	19	9

	Women (%)	Men (%)
Other	–	–
<i>Zimbabwe</i>		
Work all day long	71.5	64.1
Work at time intervals throughout the day	24.8	12
Work only mornings, afternoons or evenings	3.8	23.9
Other	–	–

Table 31. Working hours in Tunisia and Zimbabwe by sex

	Women	Men
<i>Tunisia</i>		
Work irregularly during the day	31	19
Work mornings, afternoons, or evenings	19	9
<i>Zimbabwe</i>		
Work at time intervals throughout day	25	12
Work mainly in evenings	9	19

Women in Tunisia and the Philippines tend to work fewer hours in their enterprises than men. In Tunisia, women work an average of 7 hours per day, while men average 10 hours per day. In addition, more than half of the men (56 per cent) work in their enterprises for more than 8 hours per day, compared to 33 per cent of the women, which is not surprising given that most of the women (66 per cent) spend 4 hours or more per day on household tasks. In the Philippines, the men entrepreneurs tend to work longer hours than the women. However, almost a quarter of the women work more than nine hours a day and almost 60 per cent work full-time, in addition to being more involved than men in household tasks (see previous section).

In terms of other economic activities, significant differences between the countries can be noted. In Zimbabwe and the Philippines, significant proportions of the entrepreneurs have other economic activities in addition to their primary businesses. In the Philippines, approximately one-quarter of the women and men entrepreneurs are involved in other income generating activities. Women who have additional income generating activities are especially involved in selling similar products to those produced in the enterprise or sari sari stores (small retail shops selling a variety of goods) and are involved in service activities such as laundry or tailoring. In some cases, women were also involved in agriculture. The men who are involved in other income generating activities tend to work as labourers or in agriculture, and in some cases as consultants or in services (tricycle riders and guards). In Zimbabwe, almost half of the entrepreneurs of both genders have other economic activities in addition to their primary business. Of those that have other economic activities, almost half of both genders are self-employed in agriculture. A greater proportion of women (48 per cent) than men (30 per cent) are self-employed in another economic sector and a slightly greater proportion of men than women are employed in the private or public sectors.

In Bangladesh and Tunisia, few entrepreneurs are involved in other activities. In Bangladesh, only one enterprise out of the 500 was engaged in other income generating activities. In Tunisia, only 7 per cent of the men and 15 per cent of the women entrepreneurs declare having other income generating activities. For the women, 67 per cent work as unpaid family workers, 10 per cent as workers in the private sector (compared to 33 per cent of the men), and 10 per cent in public administration. These supplementary activities are quite secondary for the women; in 88 per cent of the cases they contributed

less than half of the total family income. For the men, the situation is quite different as their “secondary” activities appeared economically more important than the enterprises covered in the survey contributing 66 per cent of the total family income.

The entrepreneurs were asked if, in the event that improved business brought increased earnings, they would then increase or reduce the time spent in the business. The vast majority of the entrepreneurs in the three countries for which data was available responded that they would increase the time with no significant gender difference. Small gender differences emerged in Tanzania and Zimbabwe.

In Tunisia, when asked if improved business and increased earnings would motivate them to increase or reduce the time spent in the enterprise, a slightly greater proportion of men (95 per cent) than women (82 per cent) said that they would want to earn more. There is a small gender difference in the proportion of women who would work less: 18 per cent compared to only 5 per cent of the men.

Interestingly, in Zimbabwe, a larger proportion of women (26 per cent compared to 12 per cent of the men) responded that they did not know what they would do, while greater proportion of men (13 per cent) than women (4 per cent) said that they would reduce their time.

(c) *Investment patterns*

An important indicator of the economic “strength” of an enterprise is constituted by the percentage of income which is reinvested in the economic activity. In the three countries for which data is available, a proportion of the enterprises reinvest in the business with no significant gender differences.

(d) *Employment size and type of employees (by sex, skills)*

As has been indicated, the enterprise activities in the four countries are supported largely by the availability of low cost manpower. The involvement of unpaid family workers in the enterprise activities is not surprising considering the small size of the businesses. However, some interesting gender differences can be noted:

- in Bangladesh, the Philippines and Zimbabwe, women entrepreneurs tend to rely on unpaid family labour more than men;
- in the Philippines, Tunisia and Bangladesh, women entrepreneurs tend to prefer women workers, while men tend to prefer men;
- in the Philippines and Bangladesh, a greater proportion of male family members are paid.

All of these findings indicate the less formal nature of women’s enterprises and the fact that young men more easily find paid work in the formal sector and when they work in family enterprises, they are more frequently paid than women.

In Bangladesh, in terms of unpaid family labour, unpaid female and male family workers make up 30 per cent of the workers in women’s enterprises compared to only 13 per cent in men’s. Of the 634 family workers employed in the enterprises covered by the survey, 60 per cent are female and 40 per cent are male. Of the 80 per cent of family workers not compensated for their work, 64 per cent are female workers and 36 per cent male.

Differences in the sex of the employees clearly indicate that women prefer to hire women and men prefer to hire men, though women were more likely than men to hire workers of the opposite sex. In women's enterprises, female workers make up 67 per cent of total workers, while male workers make up 33 per cent. In men's enterprises, male workers comprise 86 per cent of total workers and female workers only 14 per cent.

In the Philippines, family members collaborate in a slightly larger measure in the enterprises managed by women (50 per cent) than in those managed by men (43 per cent). The men entrepreneurs remunerate 70 per cent of the workers in their enterprises, while the women entrepreneurs pay 59 per cent of their workers. The number of remunerated family members is much lower, with males being paid slightly more frequently (27 per cent) than females (17 per cent). The propensity of women and men entrepreneurs to work with family members of the same sex appears substantially analogous: the men entrepreneurs operate their enterprises with an average of 1.55 male family workers and 0.55 female family workers. The female entrepreneurs, instead, average of 1.35 female workers and 0.56 male family workers.

In Tunisia, during the start-up stage, a greater proportion of women (37 per cent) than men (23 per cent) entrepreneurs are the sole person working in their enterprises. The owner/managers make up 34 per cent of the workforce in women's enterprises, compared to 24 per cent of the workforce in men's enterprises, and with hired workers making up 49 per cent of the workers in men's enterprises and only 37 per cent in women's. Family workers comprise similar proportions of both women's and men's workers (13 per cent and 16 per cent respectively).

The gender differences all but disappeared when the composition of workers was examined at the time of the survey. In the Tunisian male-operated enterprises, hired workers make up 44 per cent of the employees and family workers 12 per cent, while in the Tunisian female-operated enterprises hired workers make up 45 per cent and family workers 11 per cent. The enterprises appear to have an important training role as apprentices represent 18 per cent of the workers in women's enterprises and 14 per cent in men's.

Furthermore, women represent 88 per cent of the total workers in women's enterprises and 21 per cent in men's. Eighty-five per cent of the total family workers and 60 per cent of the hired workers are women.

In Zimbabwe, the women entrepreneurs tend to rely to a greater extent than the men on unpaid family members, with 38 per cent having more than half of their workforce composed of unpaid family workers compared to 10 per cent of the male entrepreneurs.

Table 32. Unpaid family members as a percentage of total workers in Zimbabwe (excluding the entrepreneur)

	Women		Men	
		%		%
<25 per cent	33	30.6	16	40
25-49 per cent	34	31.5	20	50
50-74 per cent	25	23.1	2	5
75 per cent and above	16	14.8	2	5
Total	108	100	40	100

(e) Use and control of income

The assumption that increases in women's income will automatically translate into economic and political empowerment has become increasingly questioned in recent literature on women and the MSE sector (Speaking Out, p. 7 and Mayoux, 1995). It has been hypothesized that "women's own cash earnings are often incorporated in existing patterns of resource allocation, rather than radically reforming them. Although women may control some of this earned income, this is widely variable between cultures, within cultures between different social groups, and even between households within the same family" (Mayoux, 1995:3). In the four countries covered in the research, there are important differences regarding decisions tied to use and control of income.

In Bangladesh, Tunisia and Zimbabwe, the majority of both the female and male entrepreneurs make decisions regarding the use of their income by themselves. Some gender asymmetries can be found in all three countries to varying degrees, with the women entrepreneurs more often consulting their spouses. In Bangladesh, of the entrepreneurs who responded to the question, 82 per cent of the women and 92 per cent of the men decide on use of income by themselves. A higher proportion of women (16 per cent) than men (5 per cent) make the decision with their spouse. In Tunisia, 90 per cent of the men and 69 per cent of the women make the decision by themselves. Twenty-eight per cent of the women decide on income use together with their spouse, compared to only 2 per cent of the men. In Zimbabwe, while there is practically no gender difference in the proportions of entrepreneurs who responded that it was primarily themselves who decide how to allocate income, a slightly greater proportion of the women entrepreneurs responded that they decide on the use of income with their spouse (14 per cent compared to 9 per cent of the men).

In the Philippines, the majority of both women and men make decisions about the use of income jointly with their spouse. A larger proportion of men entrepreneurs (almost three quarters) than women entrepreneurs (55 per cent) consult with their spouse on the use of income, because the family purse is the responsibility of women's in the Filipino culture.

Table 33. Persons with whom the entrepreneurs share their decision-making regarding income by sex (the Philippines)

	Women (%)	Men (%)
<i>Use of Income</i>		
No one	40	23.4
Spouse	55	73.4
Others	5	3.2
	100	100
	(360)	(158)

(f) Decision-making in business operation

The type of decision-making prevalent among the enterprises in the three countries for which data is available varies considerably: the majority of both female and male Zimbabwean entrepreneurs make their business decisions by themselves; the Filipino entrepreneurs of both sexes consult their spouses in similar proportions; and a greater proportion of women than men consult their spouses about their enterprises in Tunisia.

In the Philippines, three entrepreneurs in ten make the most important business decisions by themselves, particularly the men (36.5 per cent). Almost six in ten share the decision-making power with their spouse, without relevant gender differences, while one

in ten delegate the choice to someone else. This is more true for women (11.5 per cent compared to 6.9 per cent of the men). Yet even in the small number of cases surveyed, the tendency to share the choice with people of the same sex (Table 34) emerges. Decision-making regarding future projects for the enterprise is in the hands of the self-employed to a greater degree than for other important decisions. Recourse to the spouse remains prevalent.

Table 34. Persons with whom the entrepreneurs share their decision-making by type of choice and sex (the Philippines)

	Women (%)	Men (%)
<i>Main Decisions</i>		
No one	29.6	36.5
Spouse	58.9	56.6
Others/women	8.4	1.3
Others/men	3.1	5.7
	100	100
	(358)	(159)
<i>Projects to Expand or Transform Business</i>		
No one	36.2	40.9
Spouse	57.9	54.7
Others	5.8	4.4
	100	100
	(359)	(159)

In Tunisia, 90 per cent of the men and 69 per cent of the women responded that they alone make the important decisions concerning their enterprises. A quarter of the women decided after consultation with their spouse or parents, while this was the case for only 2 per cent of the men. The situations where the spouse alone makes the important decisions were relatively important for the women entrepreneurs (5 per cent) compared to the men (0.8 per cent).

In Zimbabwe, when asked who makes the main business decisions, over 90 per cent of the women and men entrepreneurs responded that it was primarily themselves.

(g) Attitude towards work outside the household versus home-based production

In the two countries (the Philippines and Zimbabwe) for which the data is available no gender differences were noted.

(h) Growth versus diversification

In her 1991 article, Downing hypothesized that business strategies and orientations differ according to the sex of the entrepreneur and these differences lead to particular gender-specific behaviours. She notes that women's enterprises tend to expand by increasing in number and diversity (lateral growth), while men's enterprises tend to grow in size. She explains that while diversification can be a strategy for capital accumulation so that the enterprise can move into expansion and specialization at a later time, women more often get stuck with diversified portfolios of low-return, low-potential enterprises. Other scholars (Liedholm and Haan) identify the diversification strategy as being characteristic

not just of women entrepreneurs, but of the informal sector in general. They assert that this sector tends to grow not because of growth within businesses, but due to an increase in the number of micro businesses.

Finally, another school of research has criticized the dichotomy set up between so-called low growth and high growth enterprise models. They assert that it tends to reflect a Western prejudice that economic rationality and profit orientation are the objectives to which all enterprises should lean. Given that successful enterprises create more work for women who are already busy balancing their productive and reproductive roles, once their major consumption needs have been met, “poor women prefer to expand only to the limits of their own labour and management capabilities” (Financing Women’s Enterprises). While this may not be economically rational, it makes a lot of sense in the context of the women entrepreneurs themselves.

Overall, the data in Zimbabwe and Bangladesh follows the Downing model, while there is little gender difference in terms of the entrepreneurs’ future plans in Tunisia and the Philippines. In Bangladesh, 66 per cent of the men plan to expand production, compared to 53 per cent of the women. A greater proportion of women (39 per cent) plan to expand for diversification compared to 13 per cent of the men.

Table 35. Prospects for the development of the activity by sex (Bangladesh)

	Women (%)	Men (%)
Continue business as is	6.68	19
Expand to produce more	53.47	65.87
Expand for diversification	39.30	12.69
Abandon and start new one	0.53	2.38

In the Philippines, the difficulty of introducing new and more profitable elements into the activity carried out is confirmed by the data presented in Table 36. Eight per cent of the women and 9 per cent of the men plan to diversify production or start up new activities in the future. Nine per cent of the women and 13 per cent of the men plan to both expand and diversify production, totalling 17.9 per cent of the women entrepreneurs and 24.5 per cent of the men entrepreneurs.

Table 36. Prospects for the development of the activity by sex of the entrepreneur (the Philippines)

	Women (%)	Men (%)
Continue business as it is	45.1	36.5
Expand to produce more of the same products	37	39.0
Diversify production	8.4	9.4
Expand and diversify	9.2	13.2
Start up a new activity	0.3	1.9
Total	100	100
	(359)	(159)

More women than men plan to maintain their present activity, but the relative incidence of different project types in the cases in which a transformation is foreseen is substantially the same for both women and men, with men planning to make innovations in slightly higher numbers.

In Tunisia, when asked about their future plans, 93 per cent of the women and 96 per cent of the men collectively intend to continue or expand their enterprise. The second category (expansion) is proportionately more important as it represents more than half of the entrepreneurs (55 per cent of the women and 58 per cent of the men). Among women entrepreneurs, 2 per cent plan to abandon their enterprises and work for someone else or create a new one. For the men entrepreneurs, this increases slightly to 4 per cent, with 2.4 per cent intending to start another enterprise.

In Zimbabwe, when asked about the future plans for their enterprises, a greater proportion of the women entrepreneurs (50 per cent) compared to the men (39 per cent) plan to continue their businesses as they are, while a larger proportion of the men (58.7 per cent) compared to the women (44 per cent) plan to expand production. None of the men plans to diversify production or to abandon their enterprises, while a small proportion of the women have such plans (5 per cent). Only an insignificant proportion of both women and men plan to expand to diversify production, but it should be remembered that a greater proportion of women (48 per cent) than men (30 per cent) are already self-employed in another sector.

Table 37. Prospects for the development of the activity by sex of the entrepreneurs (Zimbabwe)

Future plans	Women (%)	Men (%)
Continue business as it is	49.6	39.1
Expand to produce more	44.1	58.7
Expand to produce different product	0.9	–
Abandon and work for someone	3.5	–
Abandon and start a new business	0.9	–
Other	1.2	2.2
Total	100	100

3.5. The entrepreneurs' links with support services

3.5.1. Financial services

In three of the four countries covered in the research extremely low proportions of entrepreneurs had requested credit from formal sources in the last twelve months, ranging from 0.9 per cent of the women and 4.3 per cent of the men in Zimbabwe, to 10.1 per cent of the women entrepreneurs and 9.6 per cent of the men entrepreneurs in Tunisia. Credit was requested from informal sources to a higher degree with significant differences across countries. In Tunisia, only 8 per cent of the women and 4 per cent of the men had turned to informal sources, while in Zimbabwe, 15 per cent of the women and 9 per cent of the men, and in the Philippines, 41 per cent of the women and 30 per cent of the men had requested a loan from informal sources. In Bangladesh instead, the majority of both women and men entrepreneurs had requested credit at some point with a greater proportion of men (84 per cent) compared to women (68 per cent), thus reflecting the greater dynamism of the informal credit sector in Asia already discussed in section 3.2.2.

Table 38. Percentage of entrepreneurs requested loans from formal and informal sources in last 12 months

	Percentage of requests to formal credit sources	Percentage of requests to informal credit sources
<i>Bangladesh</i> ²²		
Women	68	N/A
Men	84	N/A
<i>The Philippines</i>		
Women	4.2	41
Men	2.5	30
<i>Tunisia</i>		
Women	10	8
Men	10	3.6
<i>Zimbabwe</i>		
women	0.9	15
men	4.3	9

When those who had not requested loans²³ were asked to give their reasons for this, the largest proportion of both women and men entrepreneurs in Bangladesh, the Philippines and Tunisia responded that they wanted to avoid risks (53 per cent of the women and 48 per cent of the men in Bangladesh; 57 per cent of the women and 50 per cent of the men in the Philippines; and 44 per cent of the women and 31 per cent of the men in Tunisia). In Zimbabwe, large proportions of entrepreneurs (29 per cent of the women and 25 per cent of the men) also cited risk as the reason for avoiding loans.

Table 39. Reasons for not requesting a loan

	Women (%)	Men (%)
<i>Bangladesh</i>		
To avoid risk	53	48
Did not need loan	–	–
Lack of collateral	20	17
Lack of knowledge about procedures or about sources	9	2
<i>The Philippines</i>		
To avoid risk	57	50
Did not need loan	–	–
Lack of collateral	–	–
Lack of knowledge about procedures or about sources	12	11
<i>Tunisia</i>		

²² The type of credit source (formal vs. informal) and information on when the credit was requested and received is not available in the *Bangladesh Country Report*.

²³ In Bangladesh, all of the entrepreneurs were asked this question regardless of whether they had requested credit or not.

	Women (%)	Men (%)
To avoid risk	44	31
Did not need loan	25	31
Lack of collateral	11	21
Lack of knowledge about procedures or about sources	–	–
<i>Zimbabwe</i>		
To avoid risk	29	25
Did not need loan	36	16
Lack of collateral	6	13
Lack of knowledge about procedures or about sources	28	17

It is interesting that in Tunisia and Zimbabwe, significant proportions of both women and men entrepreneurs said that they did not request a loan because they did not need it (25 per cent of the women and 31 per cent of the men in Tunisia, and 36 per cent of the women and 16 per cent of the men in Zimbabwe) probably reflecting their use of other methods in the face of cash shortfalls and the riskiness of credit, given the precarious nature of their businesses previously mentioned in section 3.2.2.

3.5.2. Demand for and supply of training and technical assistance

In the Philippines and Zimbabwe, low proportions of both women and men had received training or technical assistance regarding their entrepreneurial activity. In the Philippines, only 6.4 per cent of the entrepreneurs in the sample had received training or technical assistance with regard to their entrepreneurial activity.

Despite the variety of governmental, non-governmental and private support institutions and programmes in Zimbabwe, few of the entrepreneurs interviewed had ever received training or technical assistance or had ever participated in MSE programmes. A larger proportion of men (21 per cent) than women (9 per cent) had received training or technical assistance related to their business since they started. Ninety-six per cent of those who have received assistance have received production training or assistance with no significant gender difference.

In Zimbabwe, when asked if they had ever participated or benefited from a programme in support of small-scale entrepreneurs (or women in business) run by banks, NGOs, donor agencies or the government only one entrepreneur (a woman) responded that she had participated in a programme run by a bank.

In Bangladesh and Tunisia, however, large proportions of both the female and male entrepreneurs had received some type of assistance. In Bangladesh, when asked if they received support to start up their enterprises, 90 per cent of the women and 60 per cent of the men replied that they had received some type of financial, technical, managerial, moral and other support. These extremely high numbers can in part be explained by the fact that 45 per cent of the women and 34 per cent of the men who had received support are referring to “financial support”, which as previously mentioned, was probably in the form of informal credit. Only 15 per cent of the women who had received some type of assistance and 12 per cent of the men had received technical assistance in starting up their businesses.

In Tunisia, 55 per cent of the women and 45 per cent of the men say that they received professional training tied to their activity. In the majority of cases, this was

production training (with no apparent gender differences). For only 3.3 per cent was the training in management (financial or selling). Eighty-three per cent of the men and 63 per cent of the women declare to have received their training outside professional training centres. They were generally trained on-the-job at private production establishments. Few entrepreneurs (no gender difference) received training in centres run by NGOs or associations.

(a) Training needs

Few gender differences emerged in the four countries in terms of the types of assistance identified as being important by the entrepreneurs. In Bangladesh, the greatest proportion of both women and men (59 per cent of the women and 69 per cent of the men) are willing to pay for credit and financial assistance. However, a significantly greater proportion of women entrepreneurs (37 per cent) than men (15 per cent) are willing to pay for some sort of training. A gender difference is also apparent in the 27 per cent of the women who are willing to pay for extension assistance, compared to 13 per cent of the men. Similarly, low proportions of both women and men are willing to pay for marketing and technological assistance (14 per cent and 13 per cent of the women, and 10 per cent and 14 per cent of the men respectively).

In the Philippines, approximately 60 per cent of the entrepreneurs interviewed declared that they would be disposed to participate in a business or technical training initiative aimed at supporting their entrepreneurial activity. Practically all of the topics proposed to the Filipino entrepreneurs as possible training topics earned a good degree of interest, but it can be noted that the demand for training on the part of small entrepreneurs is concentrated especially on the themes more directly related to the operation of the enterprise. Training aimed at increasing the capacity to conquer new markets, training aimed at fostering selling capacity, including training centred on updated and new trends in their area of activity, and training aimed at increasing production interested approximately half of the women and men entrepreneurs. The more theoretical areas are looked upon by the majority of the entrepreneurs with less favour. Significant differences with respect to the themes selected by women and men entrepreneurs were not found. The demand for training appears to be diffused independently of gender, with only two exceptions: the demand for training in respect to time management and that relative to training on fiscal regulations is of greater interest to the men entrepreneurs.

The high demand for training is explainable by referring back to the conditions in which the surveyed enterprises operate – conditions in which it seems that many of the enterprise activities are improvised, with few material and technical resources.

In Tunisia, the largest proportion of both women and men (59 per cent of the women and 69 per cent of the men) said they would be willing to pay for credit and financial assistance. Greater proportions of women than men would be willing to pay for “extension and consultation” and “training” (26 per cent and 37 per cent of the women, versus 13 per cent and 16 per cent of the men respectively).

In Tunisia, 55 per cent of the women and 46 per cent of the men would accept a training programme today. The main training need which emerged was training or technical assistance in production, and 29 per cent of the women and 31 per cent of the men need training in management, especially in selling and marketing techniques.

When all of the Zimbabwean entrepreneurs were asked in which areas do they feel the need for training or assistance, the largest proportions of both women and men responded that they need training in the technical area, followed by training in the financial area, and training in the business area, with no significant gender differences shown.

(b) Why training is not needed and/or what restricts them from training

It is the lack of time that many entrepreneurs in Tunisia and Zimbabwe – and especially women entrepreneurs – indicate as the principal impediment to being involved in a training activity. This is significant of a still embryonic and little specialized enterprise activity in which all of the responsibility falls on the shoulders of the entrepreneur. In Tunisia, of those who would refuse training, 75 per cent of the women and 81 per cent of the men would do so because of the lack of time to dedicate to training (main reason); 13 per cent of the women and 9 per cent of the men would refuse because they are not sure of the opportunity offered by the training and its content.

In Zimbabwe, when those not in need of training or assistance were asked what might restrict them, 40 per cent of the men and 25 per cent of the women responded to the “other” category, and 25 per cent of the women and 22 per cent of the men indicated that they had no time available. Women (15 per cent) more than men (5 per cent) felt restricted by their fear of lack of education.

In the Philippines, the caution with which in some of the entrepreneurs view a possible involvement in training activities may be attributed to the poor diffusion of information regarding this type of support to small enterprises: only 19 per cent of the sample knew of micro-enterprise support programmes and only 6 per cent have been actively involved.

The second response given by the entrepreneurs to explain their disinterest in training (the course is not useful) confirms that for the entrepreneurs surveyed their primary needs (security, income, specialization of tasks) are not being satisfied, and that a resource like training is not perceived as being beneficial.

The major requirements that the entrepreneurs must cope with are primary survival requirements, expressed in terms of demand for adequate financing and the possibility of expanding the capacity for commercial penetration.

(c) Membership of associations and programmes

The majority of both female and male entrepreneurs in Tunisia and Zimbabwe are not members of associations, although small gender differences to emerge in both countries. In Tunisia, 89 per cent of the men and 97 per cent of the women do not belong to a professional or other group, demonstrating that almost four times as many men as women are members of associations. Of those who belong, 33.3 per cent of the women and 27 per cent of the men do so to protect their interests, and 22 per cent of the women and 18 per cent of the men think that such membership will allow them to access credit.

In Zimbabwe, 15 per cent of the men and 4 per cent of the women are members of an industrial/professional association or other self-support group/organizations. This ratio (almost 4:1) is similar to Tunisia.

4. Conclusions

As mentioned in chapter 2, three reasons are commonly given for promoting women's entrepreneurship. These include:

1. MSEs are a source of employment for the women themselves, as well as for others;
2. they offer women flexibility in balancing work and family responsibilities and help women support their families or supplement household income;
3. MSEs increase women's autonomy and help them have a more active and representative role in the economic and political lives of their countries.

It has been asserted that women's economic empowerment offers the best entry point for women's overall empowerment, and that by helping them to increase their income, they increase their status within the family and society (Carr, Chen and Jhabvala, 1996:188). It has also been assumed that promoting women's entrepreneurship will help alleviate poverty and the negative effects of structural adjustment programmes, and will contribute to national economic growth.

Experience, however, has revealed the limitations of these assumptions in the absence of any complementary interventions. It is "very clear (for example) that in the South Asian context, women's economic empowerment and overall empowerment cannot come about without organizing" (Carr, Chen and Jhabvala, 1996:193). It is equally clear that programmes supporting micro and small enterprise development cannot replace social and welfare policies, and that the large majority of women entrepreneurs in the countries covered by the research are in low-investment, low-profit activities for the local market, with limited growth potential and limited impact on the national economy – particularly given their almost complete isolation from MSE programmes. Given these economic limitations, however, the enterprises offer critical sources of revenue for the entrepreneurs and their families and some may demonstrate growth potential if offered appropriate assistance.

4.1. Women's business needs

4.1.1. *General concerns shared by all women and men entrepreneurs*

The surveys confirmed that many of the problems facing women micro and small entrepreneurs are related to their small size, isolation from market mechanisms, and the unfavourable economic context in which they operate, rather than to gender differences. The majority of the micro and small enterprises owned and operated by both women and men are marginal from an economic point of view. They have low capital intensity and demonstrate little specialization. They are grouped in sub-sectors which are relatively easy to enter but are not always profitable. Neither the women nor the men appear open to risk taking.

Both women and men entrepreneurs face a series of constraints in the different stages of the enterprise cycle. Both had a relatively easy time starting up their enterprises due to their low capital and technical intensity, and the majority faced no resistance or hostility. In the four countries, significant proportions of both women and men cited capital access and market problems in both the start-up and present phases as their primary problems. The only gender differences which emerged were in Zimbabwe and Tunisia. In the former,

a larger proportion of women compared to men cited market related problems, while a greater proportion of men cited capital problems. In the latter, the reverse was true, with a greater proportion of men compared to women citing market problems and a similar proportion citing capital problems.

Neither women nor men viewed the policy and regulatory environment as a constraint to enterprise start-up and operation, which presumably indicates their relatively isolated position and concentration in the informal sector.

In terms of selling problems, data is available only for Tunisia and Zimbabwe. In Tunisia, both women and men attributed their selling problems to the narrowness of the market, while in Zimbabwe the entrepreneurs attributed them to their insufficient outreach to larger markets.

When those entrepreneurs who wanted to produce more were asked what inputs they most required, the largest proportion of entrepreneurs in all four countries indicated capital. Gender differences only emerged in Tunisia in terms of the types of capital needed, and in Zimbabwe where a greater proportion of women than men cited the need for raw materials and markets.

4.1.2. Women's specific concerns

The profile of the micro and small enterprise sector which emerges is one in which both women and men entrepreneurs are affected by the conditions of fragility that mark this particular typology of activities. Within this environment, however, the data highlights how the additional gender-related constraints faced by women make their enterprises even more precarious and removed from the market system:

- Women's enterprises tend to be smaller than men's in Bangladesh, Tunisia and Zimbabwe, and in the latter two countries the women-operated enterprises show a greater tendency than the men-operated ones to be one-person enterprises.
- In the three countries for which data is available (the Philippines, Tunisia and Zimbabwe), the women-operated enterprises tend to have less fixed assets of an advanced technical nature (power driven machines) compared to men. In Bangladesh, women tend to use less advanced technology than men.
- In all four countries, a lower proportion of women compared to men have registered their enterprises.
- In Bangladesh, the Philippines and Zimbabwe, the women entrepreneurs tend to rely on unpaid family labour more than men.

In all four countries, women appear to face more severe obstacles than men in juggling their productive and reproductive roles.²⁴ They balance their traditional responsibilities for taking care of the family, providing food and managing collective resources with their productive role of supplementing or even providing family income. At the same time, in Tunisia and Zimbabwe neither the women nor the men entrepreneurs recognize that female and male entrepreneurs may face different problems. In the

²⁴ To which can also be added their community managing role, defined by C. Moser as activities undertaken primarily by women at the community level, an extension of their reproductive role, to ensure the provision and maintenance of scarce resources of collective consumption such as water, health care and education. This is voluntary unpaid work, undertaken in so-called "free time".

Philippines, less than half of the women and men entrepreneurs recognize that women encounter more barriers in business operations, and more men than women (92 per cent compared to 68 per cent) agree with the statement that “men usually have more time to handle their businesses”.

The literature on women micro-entrepreneurs has defined time constraints as a particularly critical obstacle for women. The findings from the four countries confirm that:

- women entrepreneurs also tend to be responsible for the home and children;
- a much larger proportion of women than men carry out household tasks and child-care on a regular basis, and
- women entrepreneurs tend to work longer hours than men on tasks related to the domestic sphere.

4.1.3. Points of strength or weakness of women-headed enterprises

In the four countries covered by the research, the triple role of women coupled with environmental factors such as socio-cultural norms and attitudes, impact on the type of enterprises started by them, the physical location of their enterprise, the way in which they organize their working day, the financial investment that they make in their enterprises, their propensity for risk-taking, their linkages with other firms, and the information that reaches them regarding available services.

In the Philippines, Tunisia and Zimbabwe, women tend to be concentrated in less dynamic activities within sub-sectors, and in Bangladesh in the less dynamic sub-sectors which build on their traditional domestic skills and which they can perform at home while carrying out their other responsibilities. Women tend to be involved in less remunerative activities which require a lower skill and technical content and a lower time and financial investment. In Tunisia, Zimbabwe and presumably Bangladesh (although information on the location of the enterprises was not included in the report), significantly greater proportions of women than men locate their enterprises within their home, which decreases their market outreach and their access to information.

Several indications of the less formal nature of the activities run by women emerged. In Tunisia and Zimbabwe, greater proportions of women than men entrepreneurs responded that they work at time intervals throughout the day or that they work only mornings, afternoons or evenings. This phenomenon reflects the women’s need to juggle their productive work with household chores. In the same countries, a smaller proportion of women than men maintain business records. In all four countries, the women-operated enterprises have less technologically advanced equipment and production techniques than the men, and in the Philippines and Zimbabwe a smaller proportion of women entrepreneurs have cash or savings.

Women entrepreneurs in the Philippines and Zimbabwe appear to have fewer forward linkages with other firms (exporters and private firms) than men, and in Bangladesh they tend to limit their sales to a more circumscribed geographical area than men.

4.2. Promoting women entrepreneurs

The first step in evaluating approaches and strategies to promote female entrepreneurship and in identifying best practices and their implications for future action

planning is to recognize that even within each country there are several factors to be considered.

- Women entrepreneurs are extremely heterogeneous in terms of their economic and social status, their ethnic/religious group, their freedom of movement, their community responsibilities and their time management, as well as in terms of their individual levels of “entrepreneurship”;
- Women’s enterprises are also extremely different. They range from purely survival activities to those businesses with greater growth potential;
- Women’s objectives and, consequently, their needs are different and sometimes contradictory; and
- The economic and infrastructural environment within which women entrepreneurs operate differs greatly from that for men.

Given these vast differences, it is unlikely that an easy blueprint for successful women’s micro-enterprise development can be found (Ghai in Mayoux, 1995).

The second step in this process is recognizing that the micro and small enterprise sector is increasingly being viewed as a cure-all to address poverty, unemployment and unequal gender relations, as well as being able to generate economic growth. The relative validity of these views will not be addressed here, however. What must be stressed is that the roles (economic, social or political) that micro-enterprise development is perceived to fulfil and the priorities placed on these respective roles have implications for the development of interventions, as well as for their goals and their success (or lack thereof) in meeting these goals.

It has been persuasively argued that enterprise development “cannot be seen as a substitute for welfare programmes or direct efforts to support labour and address gender inequality” (Dharam Ghai in Mayoux, 1995). First, without adequate child-care and basic domestic infrastructure, women have limited time to spend on their enterprises and limited time to participate in support activities. Second, “without measures to address gender inequality, micro-enterprise programmes may merely increase women’s workload and responsibilities without increasing their control over income” (Mayoux, 1995).

Mayra Buvinic has argued extensively that projects with multiple objectives of integrating women into market production, reducing gender inequalities and/or providing welfare assistance to them have often failed in achieving their economic goals. The failures, she contends, are due to the difficulties involved in implementing projects with multiple objectives, the participatory management style which is not conducive to economic success, and the fact that the skills imparted to the participants are often inappropriate. These projects, which tend to rely on group organization and group production, have often been continued in spite of their economic failure – given their contribution to the achievement of their social aims.

Others contend that it is possible to combine social and political goals with economic ones, especially given evidence that pursuing economic goals alone for women does not necessarily improve their status or contribute to their economic empowerment. What has been increasingly recognized is:

- (i) All MSE interventions need to be built upon effective economic underpinnings: “inputs must be available, the technology cost-effective, the skills level appropriate, the organization intelligent and efficient, the market demand high” (Creevey, 1996:209).

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- (ii) A prerequisite for all interventions is women's basic literacy and numeracy. "Unless women have this basic education, they will tend to be confined to the unskilled, easy-to-enter, low margin businesses ... Nor will they be able to acquire the higher-order skills and know-how which are associated with businesses offering growth potential" (ILO, 1996:126).
 - (iii) If empowerment goals are to be met, interventions have to include an awareness, value-oriented empowerment component so that women "become aware of the way decision-making at broader levels affects their businesses ... (and) ... become motivated to acquire ability to monitor and influence the larger economic and political contexts" (Aworu in Dignard and Havet, 1995:231).
 - (iv) Projects that have multiple objectives (social, political and economic) require separate approaches to evaluation for each objective that is built into the design of the project.
 - (v) "Projects which successfully generate incomes for women usually do not lighten their workload", and have implications in terms of the amount of time the women have available for their children and their households (Creevey, 1996:212). There is "growing evidence that failure to recognize women as being overworked rather than underemployed can result in the collapse of projects aimed at increasing the productivity of their work" (Carr in Dignard and Havet, 1995:218). Given a choice, women may be satisfied with a less profitable activity, since it allows them more time with their children and time for their household tasks. It was found in the three of the four countries covered in the research, for example, that the largest proportion of women plan to continue the business as it is in the future. The potential impact of technology interventions to lighten women's domestic tasks on women's MSEs is an area that deserves further exploration. Most importantly, women themselves should be given the opportunity to indicate their own priorities and strategies, and projects and programmes should be adapted accordingly.
 - (vi) There are "serious limitations on the extent to which women's micro-enterprises and/or women's micro-enterprise programmes alone can be expected to bear the costs of welfare provision and poverty alleviation" (Mayoux, 1995).
 - (vii) Recent research has found that only a limited number of firms graduate from the "micro-enterprise seed-bed to become more complex, modern, small or medium-sized enterprises", and that graduation rates differ across regions – and presumably between women and men (UNIDO, 1997:84). Country and area specific research is needed to ensure that the economic objectives of interventions are realistic. It is also critical to evaluate the appropriateness of the "enterprise expansion model" in each context, and the degree to which the micro-entrepreneurs may already be operating in an economically optimal manner given the constraints that they face.

4.2.1. Integrating the gender variable in projects and programmes

In all four countries, a low proportion of all the micro and small entrepreneurs (although a larger proportion of men) have been reached by financial or technical assistance programmes (Table 40), because the majority (with the exception of the male entrepreneurs in Tunisia) are located in the informal sector which is seldom covered by MSE assistance programmes (Table 41). If the majority of MSEs (and especially women-owned and operated MSEs) are in the informal sector, in order to reach them the government and other institutional actors must explicitly target the informal sector both at the policy level and in their assistance programmes. If greater regulation is deemed important, simultaneously it must be made more attractive for enterprises to register. The

Small Enterprise Development Corporation (SEDCO), a government institution in Zimbabwe, aims its programmes at both formal and informal sector entrepreneurs.

Table 40. Percentage of entrepreneurs reached by financial or technical assistance programmes

	Women (%)	Men (%)
Bangladesh	N/A	N/A
The Philippines	N/A	N/A
Tunisia ²⁵	55	45
Zimbabwe	9	21

Table 41. Percentage of entrepreneurs in the informal sector

	Women (%)	Men (%)
Bangladesh	N/A	N/A
The Philippines	69	63
Tunisia	52	10
Zimbabwe	98	78

In addition, substantial research in the MSE sector world-wide has shown that policies, programmes and projects which do not recognize the differences in the constraints faced by women and men entrepreneurs, and in the typologies of enterprises run by them, are often inappropriate and, therefore, less effective and may even have a negative impact on women. Few institutions integrate a gender perspective into their general programmes in terms of target groups and structure. Two positive examples in Zimbabwe include the Small Enterprise Development Corporation (SEDCO), a government institution offering training and credit, which has worked to make its application procedures less cumbersome for women in the informal sector, and Empretech, a UN affiliated private organization which has been paying particular attention to attracting women entrepreneurs, including waiving some of the participation requirements.

Internationally, programmes and projects that have been planned with a gender perspective and that include consideration of changes in gender inequalities have been found to be more effective. A gender perspective in micro-enterprise development looks at the social relationships between women and men and its effects, and seeks to base interventions on an analysis of men's and women's roles and needs. The objective is not merely economic growth, but also women's empowerment to achieve equality and equity with men in society.

Such attention would specifically include:

- discussion of gender in all training courses with both women and men;
- participatory appraisal of women's own priorities and strategies, as mentioned previously; and

²⁵ However, only 3.3 per cent of the training was in management. Instead 85 per cent was production training carried out outside professional training centres. Only 5 per cent received training in centres run by NGOs or other private actors.

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- the integration of gender concerns in all sector strategies (Mayoux, 1995).

The success of gender aware projects is not surprising considering that in the MSE literature it has been hypothesized that one predictor of good performance programmes is the availability of adequate information about the target group (including their feedback on constraints and needs) prior to the design of the intervention. The gender composition of the target group and its implications in terms of roles and needs are among the most critical parameters for information collection.

In order to ensure that women entrepreneurs are reached in all programmes and projects, it is imperative that the gender division of labour be identified and the triple role of women and the consequent additional burdens that women face in running their enterprises be recognized at the policy level. Recognition of the large number of women running MSEs and their consequent importance for national development is equally important. Such recognition can be engendered through sensitivity training and gender training.

Awareness and policy pronouncements are not sufficient, however, and additional training would teach the government departments, NGOs and private institutions involved in MSE development to disaggregate their target group not only using socio-economic and perhaps ethnic and religious criteria, but also by sex, and provide them with analytical tools to take into consideration the different roles, responsibilities, constraints, needs²⁶ and access to and control over resources by women and men in the design of programmes and projects. A variety of tools including checklists, analytical frameworks, planning mechanisms and appraisal tools have been developed by different actors (most bilateral donors, international NGOs, and international organizations) to be used in project analysis, design, monitoring and evaluation to eliminate features in programmes and projects that may restrict women's participation and benefits. Their number and breadth precludes individual mention here, however, many are based on the Harvard Analytical Framework which looks at women and men's relative access to and control over resources, and Caroline Moser's gender planning methodology which looks at women's and men's relative roles and needs and the approaches which have been adopted to integrate women into development.

In the Philippines, for example, the National Commission on the Role of Filipino Women (NCRFW) is working to mainstream women's concerns into the policy-making, planning and programming of all government agencies. Eleven of the 19 line agencies in the government have appointed WID focal points, and the NCRFW is conducting gender sensitivity training for the focal points and government staff.

4.2.2. Key issues

There is considerable debate around the most appropriate approaches to assisting micro-entrepreneurs, and particularly women micro-entrepreneurs, centred around several key questions including the identification of clients, the promotion of specific sub-sectors, comprehensive versus specialized assistance, sustainability, and once-off versus ongoing assistance.

²⁶ Two categories of needs have been identified in the literature on gender and development: *strategic gender needs* – needs women identify because of their subordinate position to men in their society; *practical gender needs* – needs women identify in their socially accepted roles in society (Moser, 1989).

(i) Targets of enterprise assistance

There has been debate about who should be targeted in enterprise assistance. This revolves around issues such as subsistence-level entrepreneurs versus entrepreneurs with growth potential, and existing entrepreneurs versus potential entrepreneurs, as well as the objectives of such assistance – survival versus growth versus women’s empowerment. In all four countries, it would be counter-productive to approach these debates as a zero sum game in which one approach is better than another. To date, mainly the larger formal sector enterprises have been targeted by support institutions and there is clearly a need to target those in the informal sector where the majority of women-operated MSEs are located. Given the varying objectives and needs of women and men entrepreneurs, the countries’ different positions in the development process, and the relatively greater number of micro-enterprises in operation compared to small and medium enterprises in three of the countries for which data is available (the Philippines, Tunisia and Zimbabwe), interventions should be aimed at both those entrepreneurs with survival and growth orientations and adapted to the respective needs of each.

Such an approach is not without risks, given the competing tensions between accountability, participation and wider impact (Mayoux, 1995), on the one hand and efficiency, effectiveness and sustainability on the other. Mayoux notes that there are “serious dangers in the ‘dual formation’ which some have proposed. Particularly in the context of overall pressures towards cost-effectiveness and efficiency imposed by donors, and the increasing emphasis on ‘growth’, there are dangers that the programmes for the better-off would receive the bulk of the attention and funding”, and that the multiple aims (reduction of work time, improvement in their control over income, integration with non-market survival activities) of women may be ignored (Mayoux, 1995). There is also danger that the need for consideration of changes in power relations in analysis and policy would be overlooked. Policy measures tend to provide micro-level services for women to ensure and facilitate their dual role, rather than looking at ways of changing macro-level welfare policy or inequalities of responsibility between women and men (Mayoux, 1995). Other tensions include finding ways of evaluating interventions and ensuring accountability, particularly if factors other than purely economic definitions and criteria are considered.

(ii) Sub-sectors

In terms of promoting specific sub-sectors, research has suggested building on the dynamic sub-sectors in which women are already involved, while training those engaged in less dynamic activities to become involved in growing, and perhaps non-traditional areas. Training interventions in non-traditional areas would not only meet women’s practical gender needs for skills to earn an income, but also their strategic gender needs to break down the gender-based division of labour (Moser, 1993: 50). At the same time, it has to be recognized that non-traditional activities may demand improved skills and increased amounts of capital, and their promotion is not always appropriate (Dignard and Havet, 1995:7-8). Also “anecdotal and unpublished evidence from such programmes indicates that women often learn the new skills successfully, but still often continue to have problems entering (employment or setting up enterprises in) ‘male preserves’” (Mayoux, 1995). This is what happened in the Philippines with the National Manpower and Youth Council programme, Training of Women in Non-Traditional Areas, conducted with the ILO and Government of the Netherlands in the early 1990s. While the women had no problem learning the basic industrial skills, they were generally not able to find employers willing to hire them, nor did they have the expertise required to open a business using these skills.

(iii) Comprehensive versus specialized services

Another debate involves the provision of comprehensive versus specialized services, and once-off versus ongoing assistance. The selection of the most appropriate approach

depends upon the context. It has been hypothesized that “in a successful project, the impacts will be broader the more comprehensive the package of interventions (as) single-factor interventions are less likely to impact on the lives of women outside their work and less likely to have an effect on their status in the family, level of independence or overall outlook on themselves”. On the other hand, in contexts where women are “already active in the marketplace, relatively independent and assured in their status, merely strengthening their business may be enough” (Creevey, 1996:5).

Other research has found that credit programmes with strong training components have a higher probability of success, particularly when dealing with women micro-entrepreneurs. However, women have limited time to devote to training programmes, and adding training and technical assistance to credit projects significantly increases the costs (Berger in Dignard and Havet, 1995, 202). What appears interesting are specific programmes to provide complementary services such as those that introduce the client to the financial system and/or provide banks with guarantees on behalf of entrepreneurs and provide follow-up training. An example of the former is the Philippine Business for Social Progress, an NGO which functions as a broker between MSEs and actors in the formal modern economy. An example of the latter is the Credit Guarantee Company in Zimbabwe which guarantees fifty per cent of the value of approved loans made by commercial banks to small-scale entrepreneurs and 65 per cent of the value of loans made to women’s small-scale businesses.

Other options include encouraging greater collaboration between institutions with each institution providing services in areas in which it has the comparative advantage. Steps in this direction include the one window referral centre for entrepreneurs set up by the Small-Scale Advisory Group in Zimbabwe. The Group also meets periodically and publishes a newsletter with information on the various interventions being undertaken by its members. Unfortunately, recent reports on the Advisory Group indicate that it is not as active as it was previously.

Additional collaboration would also address the fact that the technical support institutions tend not to be gender sensitive, while the gender sensitive and/or women specific NGOs, associations and government focal points are young and financially limited and may not have the economic orientation and tools necessary to assist women micro-entrepreneurs. In addition to collaboration, increasing the technical competence of personnel in those support institutions which target women in particular, and the gender sensitivity of personnel in the more technical institutions, is important.

4.2.3. Positive actions to promote female entrepreneurship (at the levels of policies and programmes)

While the long-term objective is for women to be mainstreamed in all MSE policies and projects (i.e. for all MSE policies and projects to be gender aware), women – because of the particular constraints they face and the discrimination that they have faced in the past – may also require specific “catch-up” interventions. This could include interventions dealing with gender-specific constraints (lack of education and training or access to resources, for example) that limit their participation in mainstream projects. In addition, in some societies where there are highly segregated labour markets and norms of exclusion based on cultural or religious traditions, mainstream programmes may have little relevance (Lim, Lin Lean, ILO, 1996). Women-specific interventions need to be carefully handled so that it is not assumed that since women have their own programmes they do not need to be mainstreamed into other programmes.

Mayoux (1995) notes that in the last 15 years, several different types of business training programmes for women have been carried out to address their previous neglect and that these have had mixed results. The literature indicates that their success is largely predicated on the skills of the trainers and their ability to communicate with the trainees and adapt their materials to them. At the same time, as previously mentioned, it is important to recognize that many women entrepreneurs are already operating optimally given the constraints that they face, and that what they require more is changes in external constraints.

There is a need for support programmes targeted at women MSEs to create an institutional infrastructure to facilitate women's access to formal channels of financing, information and training, and increase their trust in the usefulness of such assistance. Such activities also imply the creation of networks of exchange to increase the women entrepreneurs' trust in transactions, leading to an infrastructure supporting economic activities and an institutional environment on which more complex activities can be established. It would only be after the establishment of such prerequisites for economic activity that more sophisticated training interventions would be appropriate.

Examples of such programmes include the Tulong sa Kababaihan component of the Self-Loan Assistance and Subcontracting Program in the Philippines, and the Bangladesh Rural Advancement Committee's (BRAC) programmes with village women.

It has been increasingly recognized that in addition to project level interventions, advocacy is needed at the policy level to encourage the government to focus on policies aimed at improving the economic and social environment in which MSEs operate, and removing those policies which impact negatively on them. Proshika, an NGO in Bangladesh, in addition to working directly with women and men in rural areas, has set up an Institute for Development Policy Analysis and Advocacy for working at the policy level.

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