

Trade & Gender: Empowering Women Entrepreneurs

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I thank the organizers of this CSOs session of the 11th AGOA forum in giving me this opportunity to share some of the specific interventions to empower women entrepreneurs in Ethiopia.

- **Women Entrepreneurs in Africa in General and in Ethiopia in Particular are Mainly Involved in the Informal Sector, Mainly in Micro Enterprises:**

- In the case of Ethiopia - The Central Statistics Authority Cottage/Handicraft manufacturing industries survey (2003) indicates that the number of micro enterprises was nearly 1 million (974,676).
- **Women comprise 74% of those employed in the micro enterprises sector.** More than 65% of all females in cottage/handicraft manufacturing industries (micro enterprises) were engaged in processing food products and beverages. This substantiates the fact that women tend to pursue areas where they have traditionally been engaged in and where they have long standing/ prior experiences, skills and know-how.
- Women entrepreneurs face and deal with a range of challenges and problems on a day-to-day basis, and these have hampered their growth and their potential contribution towards creating meaningful and sustainable employment and vibrant small business base.

- **Why Women Entrepreneurs are more engaged in Micro Enterprise Activities?**

- It has an easy entry (in terms of skills, finance, premises, etc).
- Many women turn to micro-enterprise because they are essentially marginalized in the labor force and unable to find employment alternatives.
- Their lack of mobility (due to their families and household responsibilities – gender roles), coupled with their lack of ability to secure proper operating premises means they are often home-based and this prevents them from seeking out markets, information on better economic opportunities, and business assistance.

- These women tend to have meager financial and human capital at their disposal. Women are largely deprived of property ownership and consequently are not able to offer the collateral required to access bank loans.
 - Women who directly go into small enterprises appear to be those who had the opportunity to use their parents' houses as production premises or as collateral to borrow from banks (*Ethiopian Women Entrepreneurs: Going for Growth, ILO, May 2003*).
 - Lack of concerted efforts in facilitating the graduation of informal businesses to formal businesses;
 - The key to enhancing women entrepreneurs' access to economic opportunities and, hence, their position in business, is to provide them with access to know-how, technologies, credit, and training to upgrade their technical capabilities and their entrepreneurial and business skills in an organized manner that they can easily access.
 - Coupled with this targeted support to address gender based barriers to the success of women entrepreneurs is crucial.
- **What are the Major Interventions Done so far in Addressing the Issues and Concerns of Women in Business at Different Levels – Nationally, Regionally and Internationally (with a focus to women in export - I will speak more of Ethiopia's experience):**
 - **At National Level –**
 - . The establishment of the Center for African Women Economic Empowerment (CAWEE) and the provision of its services targeting women involved in growth oriented businesses (women exporting their products & services);
 - .The emergence of the Women Entrepreneurs Group (WEG) under very close support of the US Embassy in Ethiopia & USAID Country Office, in connecting those women to the US market & the provision of guarantee fund;
 - The establishment of the first women's commercial bank, (ENAT Bank) in Ethiopia, with a special focus targeting women
 - 15 commercial banks operational (3 public & 12 private),
 - Women groups working for women's issues & concerns, i.e. establishing women's commercial bank,
 - 64% of the share owned by women,
 - CEO – woman- the only woman CEO in the banks operating in country,

- The only bank with 6 women board members; other two private banks have 1 woman board member in each bank,
 - A special window which will work to empower women.
- Working on the value, in connecting artisans to the export market
- A project that our Center started recently with the support of COMPETE/USAID, where we are connecting 100 traditional weavers to the export market,
 - A unique and innovative project, where we work on providing technical skills to the traditional weavers on one hand and building export capacity to a pioneer woman in export on the other hand,
 - CAWEE is using a sustainable business model where through different modalities, the trained weavers are expected to supply their newly developed products to a company of a pioneer woman who is already in export,
 - As this is a pilot project, we are planning to replicate that in the different sub-sectors that mainly target export.
- **At Regional Level –**
- . ACCESS! for African Business Women in International Trade – a Regional program that started to be operational since 2005, this time in its II phase and operational in 19 African countries (CAWEE is the focal point for ACCESS! in Ethiopia), a program funded by CIDA and executed by the International Trade Center, providing 4 major services – trainings in international trade, business counseling services, provision of web-based trade information and connection to the export market (through product/service development & participation in international trade shows);
 - . The establishments of Sub-Regional umbrella associations of women entrepreneurs – COMESA – FEMCOM, ECOWAS, SADEC, IGAD (under establishment)
 - . The establishment of AWEP (African Women Entrepreneurship Program), where Ethiopia is in the process of establishing its AWEP Ethiopia Chapter, to be ready preparing parallel events for the AGOA 2013 which will take place in Addis Ababa, Ethiopia in 2013;
 - . African Business Women (ABW) Connected, an initiative which will take place in Addis Ababa, Ethiopia in September 2013, where CAWEE jointly works with CAABWA (Canadian and African Business Women Alliance), an event planned to connect African women with international and regional buyers;
- **At International Level –**

- . The establishment of different annual forums and trade exhibitions, like the African Women Entrepreneurs Annual Conference, that takes place every year in April in Cairo Egypt led by the Egyptian Business Women Association; the Annual Women's Forum, that takes place every year in October in Deauville, France;
- . The emergence of different award initiatives that encourages women in business in Africa – The Cartier Initiative Awards, The award of TIAW – The International Association of Women, and others;
- The establishment of the Global Platform for Women Vendors (joint initiative of the International Trade Center and WEConnect International).

I just wanted to conclude in underlining on three issue areas of concern:

1. Building national (in-house capacities) capacities in all concerned issue areas of concern, in promoting women in business -
 - In our Center, for the tasks of trainings in international trade, business counseling and product development services, we were using expatriates, which were very expensive, in most cases taking the major share of the funding that we received, but those days, thanks to our donors, we were able to get our trainers and business counselors trained and get accredited and certified so that we built our in-house capacity, which very much reduces our cost and again is contributing to sustainability;
2. The need to design strategies to facilitate the graduation process of women's businesses form informal/micro enterprises to formal businesses (Small and Medium Enterprises), so that we can have good number of women, including the youth, involved in small and medium enterprises, a category that can benefit from the provisions of AGOA and
3. Creating synergies between the different initiatives – National, Regional and International, initiatives that are already operational and new ones emerging, working through:
 - Strengthening African networks, umbrella associations of women entrepreneurs, etc.
 - Creating platforms to share best practices and experiences to learn form each other and also support each other.
 - Establishing African CSO umbrella association, so that Africa can be able to advocate in one voice, which the concern of this forum can be the issue of AGOA and ,other issue areas of concern where the African CSOs can jointly advocate to bring about changes in the lives of our African people.
 - I also suggest the African CSOs umbrella to secure an observatory seat at the AU Heads of States Summits.