

# Fostering Women's Entrepreneurship in South Asia

## Relevance, challenges and possible drivers



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### Outline

- Introduction: ESCAP and the United Nations system
- The mandate of ESCAP
- ESCAP SSWA Office: Policy priorities for achieving the SDGs in South Asia
- Fostering women's entrepreneurship in South Asia: Criticality, challenges and possible drivers
- Concluding remarks

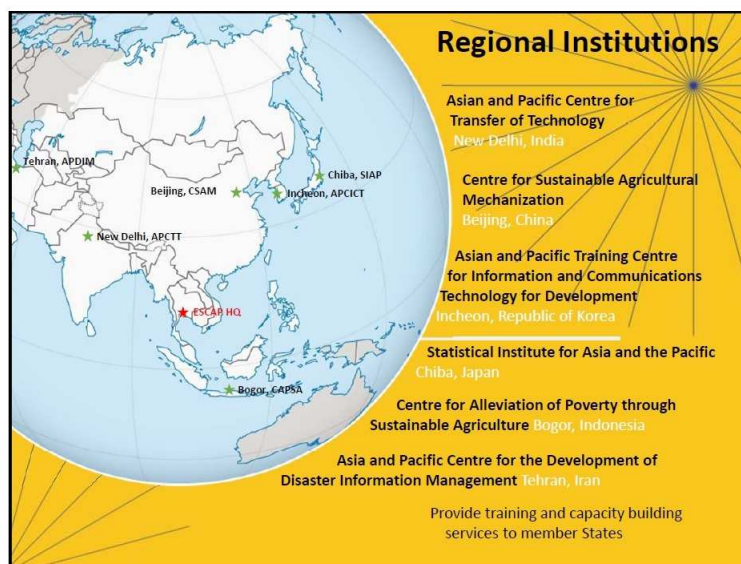


- Regional arm of the United Nations
- Established in 1947
- Intergovernmental forum
- Largest of five United Nations regional commissions
- Vision
  - ‘A prosperous Asia and the Pacific, based on inclusive and sustainable development’
- Mission
  - ‘To facilitate concerted action for balanced integration of the economic, social and environmental dimension of sustainable development’

## ESCAP and the UN system (Cont'd)

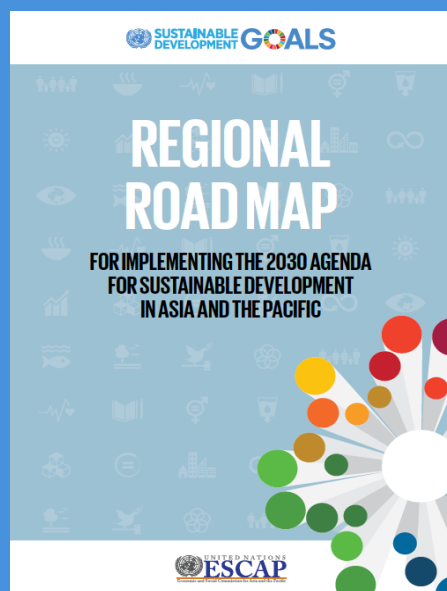
- Undertakes research, study and analysis on critical and emerging issues
- Uses its convening power to provide a unique forum for member States to discuss and adopt policies, particularly common approach to regional challenges
- Provides technical assistance to member States, particularly through knowledge platforms





## Our mandate: The Regional Road Map for Asia-Pacific

- Based on extensive dialogue between member states and inputs from civil society organizations and the broader UN community
- The road map was adopted in March 2017 - in the Fourth session of the Asia-Pacific Forum on Sustainable Development
- It is the only inter-governmentally agreed, member-state driven, regional roadmap for implementing the 2030 Agenda in Asia-Pacific



## Our mandate: The Regional Road Map (Cont'd)

### OBJECTIVE

In line with the 2030 Agenda, the road map objective is to **promote the balanced integration of the three dimensions of sustainable development** through regional cooperation.



It will support LDCs, LLDCs, SIDS, countries in conflict situations and post-conflict countries and other countries with special needs



It aims to place gender equality and women's empowerment as a central issue of the regional policy agenda.



It recognizes that sustainable development is underpinned by peaceful and inclusive societies, addressing inequality, and by good governance.



## Our mandate: The Regional Road Map (Cont'd)

### EXPECTATION

- Strengthen regional cooperation in priority areas
- Enable continued, efficient and coordinated support
- Facilitate more effective knowledge sharing

#### PRIORITY AREAS

- Data and statistics
- Technology
- Finance
- Policy Coherence

#### PRACTICAL MEANS OF IMPLEMENTATION

- North-South, South-South, international and regional partnerships

#### THEMATIC AREAS OF COOPERATION

- **Leave no one behind**
- DRR and resilience
- Climate change

#### MULTISECTORAL IMPACTS

- Natural resource management
- Connectivity
- Energy



## Thematic areas of cooperation

### LEAVE NO ONE BEHIND

- Promotes advocacy to address inequalities, reduce poverty and enhance social protection;
- **Advances gender equality and women's empowerment;**
- Addresses unemployment and underemployment among youth;
- Facilitates regional and subregional dialogue on policies to address population ageing;
- Strengthens linkages between international migration and development



### Achieving the Sustainable Development Goals in South Asia

Key Policy Priorities and Implementation Challenges

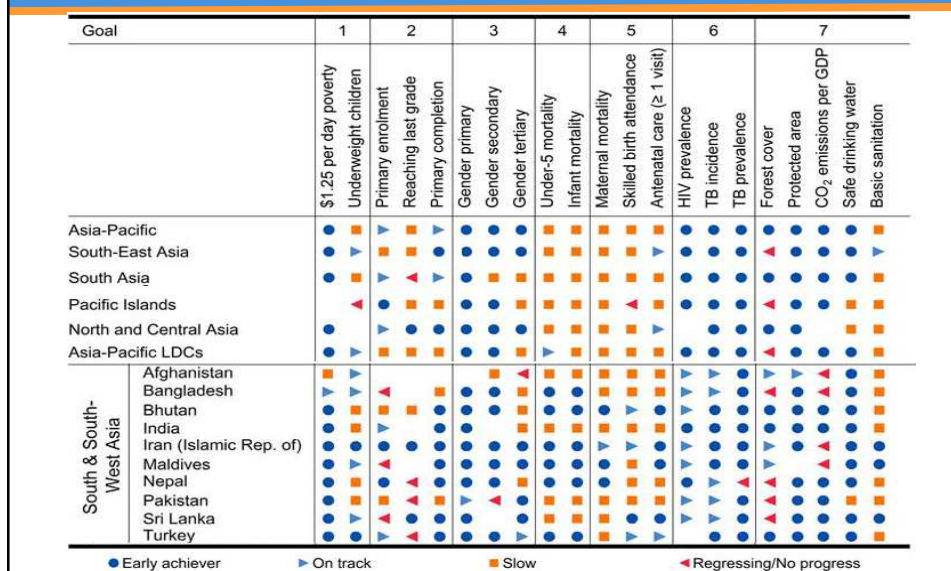


### Policy priorities for achieving the SDGs in South Asia

- Interrelationships between many goals and targets
- Positive spillovers of integrating economic, social and environmental pillars
- Identify key policy priorities for South Asia that will help maximize those interrelationships and spillovers



## MDGs remain an unfinished agenda in South Asia



## Seven key policy priorities for achieving the SDGs in South Asia

1. Create jobs through balanced economic transformation and sustainable industrialization
2. Close gaps in infrastructure by providing essential basic services to all
3. Harness the demographic dividend through universal access to education and health
4. Provide universal social protection and financial inclusion to reduce inequalities and dire deprivations
5. Address food security and hunger with sustainable agricultural productivity improvements
6. Promote gender equality and women's empowerment through entrepreneurship
7. Enhance environmental sustainability through low-carbon climate-resilient pathways

## Fostering women's entrepreneurship in South Asia: Relevance/criticality

- Although MDG goal on gender equality in primary and secondary education achieved, subregion lags behind in economic and political empowerment of women
- South Asia also has highest level of female child mortality and violence against women and girls remains prevalent
- Low female workforce participation rate
- Opportunity cost gender inequality very high ranging between \$800 billion to \$3.3 trillion additional GDP by 2025 in South Asia
- Promoting women's entrepreneurship through gender-friendly ecosystem and credit facilities for women entrepreneurs as potent catalyst for achieving inclusive and sustainable development.
- Only about 8-9% of formal SMEs owned by women in the subregion



## Fostering women's entrepreneurship in South Asia: Criticality

South Asia	Global Gender Gap (2017) <sup>i</sup> (on 144 countries)		Gender Development Index (GDI) (2015) <sup>ii</sup> (on 188 countries)		Gender Inequality Index (GII) (2015) <sup>iii</sup> (on 188 countries)	
	Rank	Score	Group	Score	Rank	Score
Afghanistan	n.a.	n.a.	5	0.609	154	0.667
Bangladesh	47	0.719	3	0.927	119	0.520
Bhutan	124	0.638	5	0.900	110	0.477
India	108	0.669	5	0.819	125	0.530
Maldives	106	0.669	3	0.937	64	0.312
Nepal	111	0.664	4	0.925	115	0.497
Pakistan	143	0.546	5	0.742	130	0.546
Sri Lanka	109	0.669	3	0.934	87	0.386

Sources: i. World Economic Forum (2017). *The Global Gender Gap Report*. Geneva; ii. United Nations Development Programme (2014). *Human Development Report 2014*. Table 4. Gender Development Index; iii. United Nations Development Programme (2014). *Human Development Report 2014*. Table 5. Gender Inequality Index.

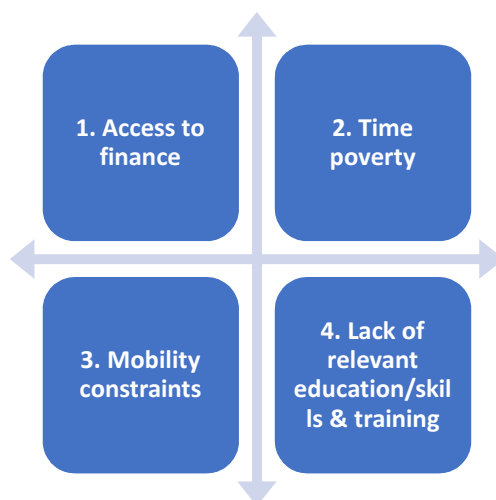


## Fostering women's entrepreneurship in South Asia: Criticality (Cont'd)

- Entrepreneurship and the 2030 Agenda:
  - The Agenda recognizes the important contribution of entrepreneurship to sustainable development by creating jobs and driving economic growth and innovation, improving social conditions and addressing environmental challenges
    - GA Resolution 69/210 on Entrepreneurship for Development
  - SDGs 4 (Quality education) and 8 (Decent work and economic growth) explicitly address entrepreneurship, as well as targets 9.3 (Increase access of small-scale industrial and other enterprises to financial services)
  - Entrepreneurship as an important strategy to achieve several other goals and targets (ex. Goals 2, 5, 10, even 12, 17)



### Major gender specific barrier in women entrepreneurship (UNCTAD, 2011) :



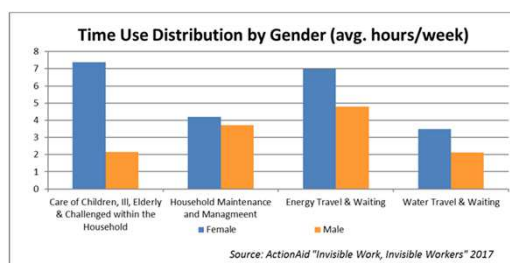
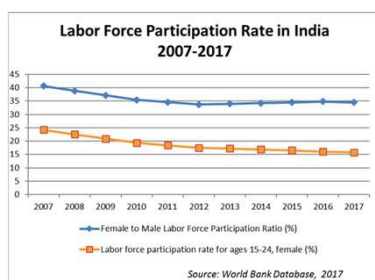
## Fostering women's entrepreneurship in South Asia: Challenges

### Key issues and barriers:

- Capacity-related throughout the entrepreneurial journey
  - Sociocultural norms, mobility constraints
  - Gender gaps in labour force participation, unpaid work; time poverty
  - Unequal access to opportunities, networking, skills development training, business knowledge and information, scarcity of role models
- Access to finance and credit
  - Lack of financial independence/financial literacy
  - Unequal access to banking and gender-insensitive *banking sector*
  - Unequal inheritance rights



## Fostering women's entrepreneurship in South Asia: Challenges (Cont'd)



## Fostering women's entrepreneurship in South Asia: Possible drivers/recommendations

- Towards a gender-sensitive entrepreneurial ecosystem:
  - Comprehensive approach to promote women's entrepreneurship and address related challenges, encouraging subsector clusters for infrastructure facilities and services
  - Build opportunities for engagement between women entrepreneurs and policy officials
  - Balance policy focus to ensure small and informal enterprises are provided equal opportunity for establishment and growth, relative to larger enterprises
  - Promote broad-based gender equality and women's empowerment
  - Strengthen social protection schemes, including health-care and retirement benefits for independent business owners



## Fostering women's entrepreneurship in South Asia: Possible drivers (Cont'd)

- Focus on capacity and skills enhancement for entrepreneurship among women
  - 'Enhance recognition and understanding of multiplicity simultaneity of women's work' (3 Rs)
  - Support multiple mechanisms for domestic support and childcare
  - Enhance awareness, exchange of information and good practices on women's entrepreneurship, with appropriate tools and channels
  - Promote entrepreneurship in educational institutions (from Grade 8) and as part of management courses. Also promote and replicate successful training courses, with post-training follow-up, support, mentoring; emphasis on marketing, product development, finance and cost management, ICT
  - Streamline process for business registration and licensing (one-stop shop) and reduce the cost of doing business.



## Fostering women's entrepreneurship in South Asia: Possible drivers (Cont'd)

- Enhance equitable access to finance and credit
  - Promote financial inclusion and formal banking
  - Promote affordable and stable access to credit for MSMEs, prioritizing their development
  - Engage with financial institutions to develop standards for fair and equal treatment of women credit applicants and promote gender-sensitization training of bank branch managers and establishment of women cells
  - Incentivize risk-taking behaviours among bankers (so they may be more inclined to share the risk burden)
  - Promote and facilitate easy delivery mechanism for credit, aiming for single windows (for integrated information and access support for all loans and schemes)



## Conclusion

- Women entrepreneurs, ICT-empowered can be a massive force for change and potent catalyst for accelerating inclusive and sustainable development
- Decision- and policy-makers who are championing the entrepreneurial cause are key to the transformation and to accelerate the pace of change.
- ESCAP stands ready to assist further, to help shift this women entrepreneurs' movement from the margins to the mainstream and 'to advance women's empowerment as an integral part of inclusive and sustainable development'



## Conclusion

“ For supportive [entrepreneurial] ecosystems, multi-sectoral collaboration is essential with concerted efforts needed by policymakers, financial institutions, the private sector and the women entrepreneurs’ networks”.

*Dr. Shamshad Akhtar, United Nations Under Secretary-General and Executive Secretary of ESCAP*

December 2017



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# Thank you

