Advancing Female Entrepreneurship in the Developing World: A Look at Africa

JICA's Support of Female Entrepreneurship in Africa

Washington DC, 14 December 2017 Aya YAMAGUCHI, JICA

Topics

- JICA's Support of Female Entrepreneurship in Africa
- II. Key Findings
- III. Way Forward

JICA's Overall Strategies and Actions towards Gender Equality and Women's Empowerment



3

I. JICA's Support of Female Entrepreneurship in Africa - *Support to Business Women* -<u>"Africa-Japan Business Women Exchange</u> <u>Seminar" (2013-2017)</u>



Participants of the the Japan-Africa Business Women Exchange Seminar 2014

Background

The Fifth Tokyo International Conference on African Development (TICAD V) in Yokohama City (June 2013)



Photo: Ministry of Foreign Affairs http://www.mofa.go.jp/mofaj/area/page2_000016.html

"Yokohama Action Plan 2013-2017"

 Reinforcement of African women's capacity in leadership, management and entrepreneurship



 Ms. Fumiko Hayashi, Mayor of Yokohama City, announced the start of the "African Women's Development Seminar" in collaboration with JICA, at a side event of TICAD V ("International Symposium on Women's Economic Empowerment and Challenges for the Future").

Purpose of the Seminar

- Further development of leadership and capacity of African businesswomen;
- Promotion of understanding of government's and private sector's efforts to support businesswomen in Japan and African countries;
- Networking among African and Japanese businesswomen.



Photo by JICA

Participants of the Seminar

- In total, 74 participants from 17 African countries in five years
- A pair of one female entrepreneur and one government official participate in the seminar from each country.

• What Did Participants Learn in Japan?



Outcomes of the Seminar



Female Entrepreneur from Ethiopia (Apparel)

- Review of her business purpose and strategy
- Development of products for export, recognizing the value of the culture and traditions of her country
- Improvement of quality and productivity of her products
- Business with ethical viewpoint (child labour issue)



Female Entrepreneur from South Africa (Agro-business)

- Establishment of a network with a Japanese seed company, which provides trainings on crop production and business management skills to smallscale farmers (including women)
- Involvement of more women in value chain of her own business
- Development of a social entrepreneurship mind

Outcomes of the Seminar

Government Officials from Nigeria

- Establishment of an incubation center for new female entrepreneurs
- Enhancement of networking among female entrepreneurs to facilitate the exchange of ideas
- Implementation of programmes to support female entrepreneurs including market assessment and financial support
- Provision of practical/vocational trainings to women on entrepreneurship, bookkeeping, finance, how to use smartphone

Government Official from Côte d'Ivoire

- Provision of trainings on agro-processing, which is a promising business in the country
- Development of a smartphone application for female entrepreneurs to improve their access to market





Smallholder Horticulture Empowerment Project (SHEP) in Kenya

Purpose of SHEP

Develop capacity of the smallholder horticulture farmer groups

- Target groups (smallholder horticulture farmer groups) gain bargaining power in marketing their produce.
- Target groups increase the production of better quality crops.
- Target groups develop capacity to improve rural infrastructure for production and transportation.
- Situations of Women in Rural Areas
 - Women have burden of both productive and reproductive activities, which causes low agricultural productivity, and has an adverse effect on the quality of life in a household.
 - Men control the incomes from the sales of the agricultural produce, while women do not receive any benefits in payment for their contribution to the farming activities.
 - Under the circumstances, women's motivation for farming tends to decline, which hinders effective farm management.

Implementation of measures to tackle the identified gender issues:

- Encouragement of women's participation in trainings on farm management and marketing;
- > Encouragement of family budgeting by husband and wife.
- Provision of assistance for sustainable gender-responsive activities:
 - Capacity development of extension officers and related staff on gender;
 - > Women's participation in farmer groups and cooperatives.

Gender-responsive and Business-oriented Activities of SHEP

Socio-gender survey/analysis to identify gender issues hindering effective farm management and marketing (roles and decision-making of the target farmers)



 Impacts of the Gender-responsive and Business-oriented Activities

Farmers

- Consciousness-raising of male and female farmers as co-managers of farming as a business
- Reduction of women's heavy workload through behavior changes
- Increased income as a result of effective farm management
- Enhancement of women's motivation for farming and marketing through reallocation of benefits

Community

- Improvement of living standards in a community
- Women's participation in decision-making in a community and economic empowerment



II. Key Findings

- Women tend to start their business to address common roadblocks which they face, rather than to make profits.
- Thus, businesswomen have the same nature of social entrepreneurs (problem-solving through business).
- Women can foster leadership mindset and dignity by having her own business, with which they can help other women who have similar problems (role model).
- Rural women tend to utilize their income for family wellbeing, such as education and nutrition for their children.
- Networking is a key for success/expansion of their business.

• There are some hindering factors for women to start up/develop/expand their own business. The degree of magnitude of the problems which women encounter may differ according to the stage and scale of their business, but they are common in general.

Development

- Limited access to finance
- Lack of support from family members
- Lack of mentoring services
- ·Limited knowledge on business plans
- •Limited knowledge on regulations

Start-up

- Heavy burden on unpaid household chores
- Low level of education
- · Limited access to and control over resources
- Lack of confidence
- Social norms

Expansion

- · Limited access to finance
- · Limited knowledge of business management
- Lack of mentoring services
- Lack of networking with other business owners (marketing)
- · Lack of courage from female entrepreneurs
- Barriers of regulations

Example of Countermeasures

Hindering Factor: Limited Access to Finance

 Women Entrepreneurship Development Project (Ethiopia)

- > Implementing Agency: Development Bank of Ethiopia
- > Development Partners: World Bank, Italy, Japan
- > Loan Agreement (JICA): February 2017
- <Background>
- Ethiopian women have limited access to finance due to no collateral.
- Demand for access to finance of female-owned micro and small enterprises has been increasing in Ethiopia.

<Purpose>

- Support female-owned micro and small enterprises financially and technically;
- Advance social status of Ethiopian women;
- Expand their business to increase the earnings and employment.

Example of Countermeasures

Hindering Factor: Lack of Mentoring Service/Networking

F-SUS (Female Start-up Support) Yokohama

 Managed by the Yokohama Industrial Development Corporation (a public interest incorporated foundation)



<Services>

- Offering shared office/meeting spaces on a membership basis
- Providing business advice/business diagnostics (for free)
- Facilitating networking through seminars/events
- Providing mentoring service











Photo by JICA

III. Way Forward

- Understand issues and needs of female entrepreneurs
- Take comprehensive approach to address various issues for female entrepreneurship development (access to/control over resources, education, health [including reproductive health/rights], GBV, etc.)
- Foster leadership mindset of women
- Promote gender awareness of men and change their attitudes
- Enhance capacity of government officials to develop policies/strategies/services for female entrepreneurs according to their needs (female-friendly loans, mentoring system, business development service, etc.) 18