

# Building Prolific Entrepreneurship Ecosystems: Shared Lessons from India and ASEAN

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## Episode 4

### Women Entrepreneurs: Focusing at the Grassroots

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# Acknowledgements

The authors wish to thank the speakers at the ERIA–CIIE.CO Roundtable Discussion Episode 4, ‘Women Entrepreneurs: Focusing on the Grassroots’, listed in alphabetical order: Ajaita Shah, Founder and CEO – Frontier Markets, India; Chetna Shah, Founder and Chairperson, Mann Deshi Bank and Mann Deshi Foundation, India; Denica Riadini-Flesch, Founder and CEO, SukkhaCitta, Indonesia; Lida Loem, Co-Founder and Technical Adviser, SHE Investments, Cambodia; Trisha Ghoshal, Specialist, CIIE.CO – Insights, India.

The authors wish to thank all their colleagues who contributed to the success of this event, in particular the ERIA Communications Team (Lydia Ruddy, Tyagita Silka Hapsari, Nadia Elsyafira, Isabella Italia Gentajaya, and Dega Putra Wardhana); the ERIA Publications Team (Stefan Wesiak, Fadriani Trianingsih, and Eunike Septiana); Jeremy Gross; Lina Maulidina Sabrina; Sheila Fathiya; Listi Irawati; Alay Phonvisay; Penghuy Ngoy; Minh Minh Tan; and the team at CIIE.CO – Supriya Sharma, Alisha Verghese, Trisha Ghoshal, Shailaja Shukla, Nandini Singh, Ayushi Mona, and Pinakeen Bhatt.

Giulia Ajmone Marsan, ERIA Director for Strategy and Partnership, and Supriya Sharma, Partner - Insights, CIIE.CO, supervised the preparation of this report.

The authors would also like to thank the Australian Government for funding the series of ERIA–CIIE.CO online dialogues.

## Disclaimer

The Australian Government funded this report and the ERIA–CIIE.CO Roundtable Discussions through the Department of Foreign Affairs and Trade. The views expressed in this publication are those of the authors alone and are not necessarily the views of ERIA or the Australian Government.

# Executive Summary

This report is part of a study that CIIE.CO, the Innovation Continuum, and the Economic Research Institute for ASEAN and East Asia (ERIA) are conducting to open collaboration and peer learning between India and the Association of Southeast Asian Nations (ASEAN) and share knowledge and tools relevant to entrepreneurship ecosystems in South and Southeast Asia. It dives into the evolution of the entrepreneurial ecosystem in India and ASEAN for rural women and presents a comparative description of some of the major policies. This report is based on the joint roundtable held by CIIE.CO and ERIA on ‘Women Entrepreneurs: Focusing on the Grassroots’, as well as previous research by both organisations on women entrepreneurs in their respective countries and/or regions.

## Key Messages

- Across India and ASEAN, rural women entrepreneurs are a segment that will benefit from deeper ecosystem engagement. When rural women engage in entrepreneurial pursuits to supplement family income, which they often do, they are burdened with the additional charge of overcoming various socio-economic constraints. Ecosystem stakeholders such as financial institutions, government offices, investors, and technology providers must work together to minimise socio-economic frictions in the entrepreneurial journeys of rural women. **With access to training, resources (including capital), and technology, businesses owned and led by women could grow – generating employment and inspiring more women towards financial independence.**
  - **A wide gap exists between urban and rural women in terms of access to internet/smartphones and use of technology.** A key aspect of aligning rural women entrepreneurs with the urban ecosystem is effectively training them on using smartphones and onboarding them on technology platforms that improve their access to market opportunities, financial services, and overall self-confidence.
  - In ASEAN, rural women entrepreneurs do not perceive their economic activities as a business; rather, as something they do in their free time. **They also do not view themselves as entrepreneurs, and therefore lack a growth mindset for their businesses.** As Lida Loem, Co-founder and Technical Adviser, SHE Investments, explains, asking women hard questions about their businesses pushes them to think about regularising operational functions like book-keeping, accounting, and customer service. Rural
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women entrepreneurs can also be similarly led to explore forward-looking executive functions like leadership, negotiation, and collaboration. Nudging women to think of and act on one small step towards growing their businesses can give them the confidence they need to grow their businesses.

- According to Ajaita Shah, Founder and CEO, Frontier Markets, it is difficult for women entrepreneurs in rural India to independently scale their businesses. This is because of lack of access to capital, low confidence in their business skills, and limited social support. Organising women's businesses into collectives like Self-Help Groups<sup>1</sup> (SHGs) or co-ownership business models help women develop confidence, share and solve challenges, and learn from each other. Collectivist business models can be explored that (i) allow more private players such as start-ups to enter the rural market and (ii) ensure that profits are shared equitably. **Barriers to reaching rural women entrepreneurs should be tackled through intelligent design solutions for creating sustainable models, providing banking opportunities, streamlining market linkages and focusing on developing skills; especially in digital literacy.**
- In both India and ASEAN, there is gender disparity in sectoral distribution of women owned businesses. While there is a need to lower barriers of entry to encourage rural women to break into male dominated sectors, it is also extremely important to appropriately promote, and unlock market value and profitability for female dominated sectors. According to Denica Flesch, Founder and CEO, SukkhaCitta, **the strong presence of women in rural sectors is a big opportunity to drive sustainable and regenerative business models.** Such businesses could be better supported in the long term by customers who are more aware and informed of their purchase choices.
- According to Chetna Shah, Founder and Chairperson, Mann Deshi Bank and Mann Deshi Foundation, **rural women entrepreneurs must be brought into the formal banking system to help them effectively unlock opportunities for growth and scaling.** Microfinance institutions (MFIs) can be leveraged to this effect. MFIs have great last-mile presence, have less constraints than banks, and offer more flexible products. MFIs can be incentivised to act as a bridge between women entrepreneurs with no credit history and formal lending institutions, thus helping women build creditworthiness and over time assist them move to formal banking institutions, which in turn can give them access to a bigger range of specialised products.

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<sup>1</sup> Informal groups of people who come together to meet regularly to address common problems or support each other.

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- In India and ASEAN, rural women entrepreneurs are not on the radar of serious institutional investors, predominantly because they are considered as high-risk for a range of reasons. According to Chetna Shah, Founder and Chairperson, Mann Deshi Bank and Mann Deshi Foundation, **there is a need to build social impact funds for women-run enterprises**. MFIs can close this gap by building and managing collaborations and partnerships with rural banks.

# INTRODUCTION

The Indian growth story can benefit immensely from the participation of women in the economy. According to a 2015 McKinsey study, closing the gender gap could lead to an increase of 6.8% in India's gross domestic product (GDP) and could boost its GDP by US\$0.7 trillion by 2025, which is 16.0% of its business-as-usual (Korreck, 2019). Majority of India's female working-age population has no paid work (Taneja, Joshi and Prakash; 2022). Despite high internet penetration in rural areas, only 54% of women use the internet and 20% are less likely to own a smartphone than men, sharing a device with other family members (GSMA, 2020). With just 2% of women owning farmland in India, many turn towards entrepreneurship to support their families or supplement incomes (Google and Bain & Company, 2019).

In 2019, women owned about 20% of enterprises in India, employing 22–24 million people; 38% of which were rural non-farm businesses and 31% were concentrated in urban areas (Pandit, 2020). Despite the government's push to encourage women entrepreneurs, majority continue to face challenges in starting and funding their enterprises (Korreck, 2019).

In the 10 ASEAN Member States (AMS), an estimated 61.3 million women entrepreneurs own and operate businesses – accounting for 9.8% of the total ASEAN population (Hamid et al., 2020). Female ownership is relatively high across the region, where, in 2015 the proportion of firms with female participation in ownership was 69% in the Philippines, 59% in Viet Nam, and 43% in Indonesia (UNESCAP, 2017).

However, women in the AMS tend to face pivotal barriers in the set-up, management, and expansion of their businesses, especially when it comes to equal access to resources and technology distribution between urban and rural areas. While urban small and medium-sized enterprises (SMEs) tend to be more connected and have more capable employees, enterprises in rural areas are more likely to have less capacity in business process management, human capital, technology, and digitalisation (ADB and The Asia Foundation, 2018). This means that women entrepreneurs across ASEAN have less exposure to becoming digital entrepreneurs and are less likely to be able to compete and thrive in the digital economy (Ajmone Marsan and Sey, 2021).

Technology access and digitalisation are key to business efficiency and scaling. Given the conventional barriers faced by women entrepreneurs, SMEs led by women struggle to access appropriate technology and tools for digitalisation. This gap is compounded because AMS are yet to achieve equitable distribution of internet and information and communication technology (ICT) resources. For instance, in 2019, Malaysia had

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a high level of internet and mobile phone access in households – 90.1% and 98.2%, respectively. (Department of Statistics Malaysia, 2019). However, internet access in Malaysia is not uniform, with rural areas and East Malaysia experiencing lower adoption rates and slower connectivity than urban Peninsular Malaysia. In Indonesia, while digital platforms are abundant, the rapid internet penetration of the last two decades has yet to benefit most of the population. Like Malaysia, inequitable access to information technology in the country's rural and remote areas is a prominent concern in Indonesia (Setiawan, Pepe, and Beschorner, 2022). Apart from constraints related to network quality and coverage, rural women entrepreneurs in ASEAN have lower rates of technical literacy and lack confidence in using technology (UNESCAP, 2017).

### ***Challenges faced by rural women entrepreneurs in India and ASEAN***

Indian and ASEAN women face several challenges in starting up and running their own ventures. These challenges are accentuated at the rural level, where resources are scarce and stereotypes are more pronounced. Some of the main challenges faced by rural women entrepreneurs are summarised below:

- (i) **Education.** In India, the states with higher literacy rates also have more women entrepreneurs (Korreck, 2019). Low levels of literacy, as well as lack of basic formal education in general and business training in particular, are barriers to rural women exercising entrepreneurial aspirations. In ASEAN, although available data shows that school attendance by girls in AMS has improved recently, literacy rates remain relatively low amongst rural women. An OECD study found that low literacy levels act as one of the main impediments to the uptake of entrepreneurship and business training by rural women in ASEAN (OECD, 2021).
- (ii) **Low confidence in business skills.** Women in general, and rural women in particular, have low confidence in their business skills. This may stem from stereotypes towards women entrepreneurs in society. Lack of confidence is particularly acute when women entrepreneurs need to adapt to new technology and go digital to expand their businesses.
- (iii) **Access to resources.** Women entrepreneurs have to contend with greater constraints to credit, markets, and technology compared to their male counterparts (Rajan, Anbajagane, and Ramachandran, 2020). They struggle with getting funds/loans due to cumbersome procedures and lack of collateral. The Government of India has launched initiatives like the Stand Up India scheme to facilitate bank loans to individuals belonging to Scheduled Castes or Scheduled Tribes and women. Even when credit is accessible (through self-help groups (SHGs) or banks), other challenges such as access to markets and marketing technologies make it difficult for women to grow their businesses (Sharma and Sharma,

2013). In ASEAN, access to credit and financial services is a long-standing challenge for rural women entrepreneurs. It is hard for rural women entrepreneurs to prove their creditworthiness and obtain equal opportunity to capital – especially in the absence of prior credit history and/or digital footprints. However, many emerging start-ups are beginning to solve for this with peer-to-peer (P2P) lending functionalities and introducing financial technology applications across villages.

- (iv) **Culture and stereotypes.** Cultural norms and stereotypes make it difficult for women to break existing moulds. Women face high barriers to entry as men dominate business domains. For instance, manufacturing or import/export businesses are predominantly run by men. In some cultures, a woman working for money is a reflection of her spouse's inability to provide, so women are discouraged from taking up jobs unless it is viewed as a hobby or past-time. Unconscious biases in younger women often perpetuate expected behaviours and norms. Women who choose to work often bear an unequal burden of household work and child-rearing activities. Lack of reliable options for childcare or undependable family support prevent women from pursuing entrepreneurial activities.

### ***Gaps and challenges in the rural women entrepreneurship ecosystem***

This is an exciting time for the ASEAN and Indian start-up ecosystems with respective governments encouraging entrepreneurship to drive and shape innovation, and speeding up structural changes to boost entrepreneurship (Korreck, 2019; Ajmone Marsan, Jin, Maulidina Sabrina, 2021). With rapid digitalisation creating a positive outlook for innovation in the digital economy, countries are expected to expand their investments in skills development and entrepreneurship, especially for rural and peripheral areas where skills are most lacking (Ajmone Marsan, 2022).

Entrepreneurial intentions amongst women are already high, and women-led businesses are likely to do just as well as those of men. However, it is imperative to foster an ecosystem that facilitates women entrepreneurs. In India, the challenges of achieving higher participation of women in entrepreneurship, especially at the grassroots level, encompass a variety of intersectional issues. Thus, it is time to mobilise players at the macro level in the ecosystem – the government and local authorities, on-the-ground non-governmental organisations (NGOs), financial institutions, counsellors, gender experts, accredited social health activists (ASHAs),<sup>2</sup> self-help groups, media channels, policymakers, and legal experts – to boost India's rural entrepreneurship ecosystem.

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<sup>2</sup> ASHA workers are volunteers from within the community who are trained to provide information and help people access the benefits of various government healthcare schemes.

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## Women Entrepreneurs: Focusing at the Grassroots

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In the same light, the drive of ASEAN women to become entrepreneurs and their participation in the entrepreneurial sphere are on the rise – evidenced by the emerging women start-up founders and social enterprises that focus on tackling grassroots issues. For many women-led SMEs in ASEAN, especially in rural areas, lack of access to the same digital opportunities as men or the gender digital divide still hinder them from scaling up their businesses. While AMS have developed policies and initiatives to support women's economic empowerment over the last decade, addressing the challenges of the digital gender divide should take into consideration policy strategies for rural areas (Ajmone Marsan and Sey, 2021).

## Policy Overview

### The Case of India

Given that the vast majority of women entrepreneurs work in micro, small, and medium-sized enterprises (MSMEs),<sup>3</sup> the Ministry of Micro, Small and Medium Enterprises has a wide variety of schemes aimed at women entrepreneurs. For example, a recent ministerial policy mandates ministries, departments, and public sector undertakings to target 25% procurement from the MSME sector, of which 3% must be women-owned. The Government of India has also made provisions for providing **credit and financial assistance** to women entrepreneurs through public sector banks. Public sector banks provide financial assistance to women entrepreneurs on special interest rates for venture and working capital requirements. However, majority of women-owned establishments are concentrated in the informal sector and hence are unable to reap the benefits of government support as they lack documentation such as book-keeping records.

### Comparison of Policies in India

The Government of India has launched several schemes and policies to assist and support women entrepreneurs. These policies include training women for entrepreneurship development, earmarking and extending funding for women-led ventures, and providing for the support and nurturing of entrepreneurship amongst disadvantaged groups including women. Policies also promote the fostering of start-up ecosystems at the macro level. Notable initiatives are listed below:

- (i) **The Ministry of Women and Child Development** produced the draft National Policy for Women in 2016 following the National Policy for Empowerment of Women in 2001. The objective of the draft policy is 'to articulate the vision around the empowerment of women', with a focus on areas such as health, education, equal access to opportunities, and increasing and incentivising women to participate in the economy. The draft includes many micro-level policy statements to support women farmers, uplift women from vulnerable population groups, and provide skills and livelihood training for entrepreneurship development. While several government efforts are under way related to the draft policy, it is still a guideline and lacks directive action steps.

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<sup>3</sup> Enterprises in India are classified by the government into micro, small, and medium-sized based on the amount of investments and turnover.

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- (ii) **The National Institution for Transforming India**, also known as NITI Aayog, has developed the Women Entrepreneurship Platform to promote and support aspiring as well as established women entrepreneurs in their activities – from starting up to scaling up and expanding their ventures. The platform offers incubation and acceleration, entrepreneur skills training and mentorship, marketing, compliance and tax assistance, funding and financial assistance, community building, and networking support. Launched in 2017, about 26,000 women have registered on the platform and more than 150 entrepreneurs have benefited from its schemes.
- (iii) **The Ministry of Micro, Small and Medium Enterprises** offers several schemes and initiatives to encourage and support women entrepreneurs:
- **Udhyam Sakhi:** Launched in 2018, Udhyam Sakhi is a “network for nurturing entrepreneurship and creating business models for low cost products and services in order to empower women and make them self-reliant and self-sufficient” It offers entrepreneurship learning tools, trainings and workshops, marketing information and assistance for Intellectual Property Rights (IPR) in addition to other initiatives. So far, it has assisted over 8 million women.
  - **Prime Minister’s Employment Generation Programme (PMEGP):** Under PMEGP, women entrepreneurs are covered under ‘special category’ and are entitled to 25% and 35% subsidies for their project set-up in urban and rural areas, respectively. Women beneficiaries under the scheme contribute to only 5% of the project cost, as against the 10% baseline for general applicants. The maximum project cost under the PMEGP is ₹2.5 million for the manufacturing sector and ₹1 million for businesses in the services sector. Since its inception in 2008 and until 2019, about 0.13 million projects had been set up by women entrepreneurs under the PMEGP – 30% of which by women entrepreneurs (Press Information Bureau, India, 2019) (women not direct beneficiaries).
  - **Micro and Small Enterprises – Cluster Development Programme:** The objective of the programme is to support the sustainability and growth of micro and small enterprises by addressing common issues such as improvement of technology and market access; capacity building through the formation of self-help groups and consortia; and setting-up of common facility centres for testing, training, raw material depots, effluent treatment, and complementing production processes. Women-owned enterprises are given special consideration in all its initiatives. Setting up common facility centres with a maximum eligible project cost of ₹150 million, with

the government contributing up to 90% for special category states and for livelihood clusters with more than 50% women/microenterprises/village/scheduled Castes/scheduled Tribes. Women who are part of such projects are not co-owners of the business, and their contribution is limited to creating a product.

- **Trade Related Entrepreneurship Assistance and Development** This scheme envisages the economic empowerment of women by providing credit (through NGOs), training, development, and counselling extension activities related to trade, products, services, etc. The assistance is in the form of a government grant of up to 30% of the total project cost. Selected training institutions and NGOs conducting training programmes for the empowerment of women beneficiaries identified under this scheme can also avail of a grant of up to ₹0.1 million per programme for providing training to the women entrepreneurs.
  - **Credit Guarantee Fund Trust for Micro and Small Enterprises:** Launched by the Ministry of Micro, Small and Medium Enterprises and the Small Industries Development Bank of India (SIDBI), the scheme extends collateral-free credit to the micro and small enterprise sector. For women entrepreneurs, the scheme provides a guarantee of up to 80% of the amount in default to a maximum of ₹4 million.
- (iv) **Stand Up India** was launched by SIDBI. The scheme facilitates bank loans to women and members of Scheduled Caste (SC) or Scheduled Tribe (ST) borrowers to set up a greenfield enterprise. Banks enlisted under this scheme are required to enlist at least one woman or SC/ST borrower according to mandate. The loan is repayable in 7 years with a maximum moratorium period of 18 months. Dutta (2018) found the scheme lacking in implementation and practicality.
- (v) **Start Up India** was launched by the Department for Promotion of Industry and Internal Trade in 2016. The scheme provides hand-holding, funding support, incentives, and industry–academic partnerships to provide a conducive environment for start-ups. A corpus fund of ₹100 billion has been earmarked for the programme to build a strong ecosystem by nurturing innovation and start-ups, of which 10% is reserved for women-led start-ups.
- (vi) **Mudra Yojana for Women** was launched by the government of India for individual women wanting to start small new enterprises and businesses such as beauty parlours/salons, tailoring units, and tuition centres. The scheme extends loans in the range of ₹50,000–₹1 million and does not require any collateral security.
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Despite government efforts, there is evidence to suggest that policy benefits have failed to reach the last mile. For instance, a recent study (EdelGive Foundation, 2020) of 1,235 women entrepreneurs in India from 13 states and union territories found that, when the women entrepreneurs were asked about their awareness of government schemes, only 11% responded on a positive note, i.e. they were aware of some schemes (. Of those who were aware, 21% applied for the schemes and of those who applied, less than a third (29%) availed of the benefits. So, the women entrepreneurs who availed of the benefits of the government schemes accounted for 0.6% of the total women entrepreneurs included in the study. The study concluded that lack of awareness, burden of documentation, procedural complexity, fear of penalties and lack of effective access to financial services deter women entrepreneurs from government benefits/ schemes extended to them. While there is a push towards initiatives that support women entrepreneurs, many of these policies (e.g. the Udyam Sakhi policy) are hosted on websites in the English language, which make it harder for grassroots women entrepreneurs to access and therefore benefit from them. This is because of low levels of literacy amongst rural women. Other micro-enterprises in handicrafts sectors are supported by the government as livelihood initiatives, but women have little or no control over managing all aspects of the business; for instance, they may be involved in producing an item but may have no inputs for deciding on its price. Many policies support women-led enterprises by granting them access to funding and subsidised loans, but these are for enterprises that are formally documented and do not benefit small and micro enterprises.

### The Case of ASEAN

Various ASEAN strategic action and work plans set out specific points for implementation by ASEAN governments to enhance the position of women entrepreneurs, including in areas such as access to ICT, finance and improving business skills. Some of the key regional initiatives that support domestic efforts to enhance women entrepreneurs are:

- (i) **ASEAN Strategic Action Plan for SME Development 2016–2025:** In 2015, ASEAN published this document, which aimed for 'Globally Competitive and Innovative SMEs'. The plan has several objectives: to promote productivity, technology, and innovation; increase access to finance; enhance market access and internationalisation; enhance the policy and regulatory environment, and promote entrepreneurship and human capital development. This plan includes specific support for women, to improve their management and technical skills, and provides a platform for their participation. These commitments are reinforced to various degrees by SMEs policy frameworks and institutional arrangements at national levels in AMS.
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- (ii) **ASEAN Plan of Action on Science, Technology and Innovation (APASTI) 2016–2025:** This plan includes support for strengthening the engagement of women and youth in science, technology, and innovation, as well as entrepreneurship.
- (iii) **ASEAN Committee on Women (ACW) Work Plan 2016-2020:** The work plan reaffirms the importance of women and their participation in development, including women entrepreneurs.
- (iv) **Vientiane Declaration on Transition from Informal Employment to Formal Employment towards Decent Work Promotion in ASEAN (2016).** The declaration suggested that AMS should facilitate the transition from informal employment to formal employment in all economic sectors, especially in rural areas, and integrate labour matters into national policies and programmes that promote SMEs.

Further, national efforts to strengthen the collective voice of women entrepreneurs have been mirrored at the regional level by the creation of the ASEAN Women Entrepreneurs Network (AWEN). This provides a platform for promoting, developing, and empowering women entrepreneurs. A further networking node is the Women Entrepreneurs Working Group of the ASEAN Business Advisory Council, which has conducted outreach activities with women's businesses and other associations, including with members of AWEN.

As the coronavirus (COVID-19) pandemic has become a catalyst for countries to take full advantage of digital economy opportunities, the ASEAN Comprehensive Recovery Framework has suggested how gender mainstreaming and gender responses must also be considered across ASEAN's body of work towards recovery. Thus, integrating rural women entrepreneurship in the digital economy would be a critical issue that determines ASEAN resilience and inclusive post-pandemic recovery.

## Comparison of Policies in ASEAN

In principle, governments in all AMS are committed to gender equality and women's empowerment. This is evident in national development plans and other strategic documents. In some AMS, the national development plan makes explicit reference to supporting women entrepreneurs. However, in several AMS, national development plans are less explicit about the importance of women's enterprises to the country's economic development:

- (i) **Brunei Darussalam.** The national development plans commit to 'inclusive' development for all citizens but are not explicit on the role of women as economic generators (entrepreneurs or SME owners), except for references to encouraging equal opportunities for women in the workforce.
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- (ii) **Cambodia.** One of the strategic objectives of Cambodia's 'Rectangular Strategy' for Growth, Employment, Equity and Efficiency Phase IV (2018–2023) is to enhance gender equality and improve the status of women, calling for easier access to SME credit for women entrepreneurs and expanded opportunities for women to develop their professional and knowledge capacity – including strengthening their entrepreneurial skills as part of improved vocational education and training. In addition, the National Strategic Development Plan 2019–2023 places high priority on gender equality in all aspects of Cambodian life, including the economic empowerment of women and their role in enterprise development, setting out specific actions to train women in entrepreneurial skills and provide better access to business development services. The government is also implementing the Neary Rattanak Strategic Plan, which promotes gender mainstreaming in development policies and plans in all sectors and at all levels, further promoting women's entrepreneurship through expanded education, and technical and vocational training for women.
  - (iii) **Indonesia.** Indonesia's National Medium-Term Development Plan 2020–2024 states the government's commitment to the promotion of gender equality and women's economic empowerment, highlighting the improvement in women's contribution to the economy and women's rising participation in entrepreneurship. It emphasizes strategies for creating business opportunities and start-ups, including entrepreneurship training for youth and women.
  - (iv) **Lao PDR.** The government's commitment to promoting gender equality and the advancement of women is reinforced in its 5-year national socio-economic plans, with specific references to empowering women through equality rights in the labour market and upgrading of their technical knowledge and training in agricultural production, handicrafts, and services, but without mention of women's entrepreneurship per se. Although the 'share of women among owners of businesses/ enterprises' is stated as one of the performance indicators in the 8th National Socio-Economic Plan 2016–2020 of the Lao PDR, the sections on SMEs and entrepreneur development do not explicitly reference the role of women and how the performance indicator would be realised.
  - (v) **Malaysia.** The Ministry for Women, Family and Community Development, especially the Department of Women's Development, is one of the significant players in establishing women entrepreneurs in Malaysia. The ministry assisted 25,000 women nationwide through the Wanita Bangkit programme in 2020. Through the programme, participants received financial support to start a small businesses and are constantly monitored by the ministry to ensure they remain focused on improving the socio-economic status of their families. Working with Amanah Ikhtiar Malaysia (AIM), one of the most
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prominent NGOs that provide financing support for business activities, the ministry aims to accelerate women entrepreneurs' participation in commerce and explore online marketplaces to market their products and services, as these have greater potential than conventional businesses.

- (vi) **Philippines.** The 'good practice' example in policy support for women entrepreneurship comes from the Philippines, which has the most gender-inclusive development plan for women's MSMEs. The policy foundation for women entrepreneurs is stronger in the Philippines than in the other AMS because of the early law (Republic Act 7882, year 1994) on providing assistance to women in micro and cottage businesses, which mandates financial and training support. The Philippines' Women's Empowerment, Development and Gender Equality (WEDGE) Plan 2013–2016 dedicates an entire section to the gender strengthening of MSMEs. This includes a presentation of the status of women in the MSME sector and the challenges faced by women entrepreneurs in starting and growing a business; a list of policy and programme actions to address those challenges based on the existing context; and an action plan matrix with indicators, delivery targets over 3 years, and accountable entities for implementation of each action.
- (vii) **Singapore.** The Office for Women's Development in the Ministry of Social and Family Development is the lead agency on gender policy initiatives and the national focal point on women. The Office for Women's Development provides an online list of schemes, assistance, and resources for women, including on starting businesses, seeking business or corporate mentors, and expanding professional networks. There is not yet a national policy, strategy, or action plan on women entrepreneurs, although many initiatives to foster women entrepreneurship have been pushed by both private and public sector. For instance, the Singapore Business Federation launched the Singapore Women Entrepreneurs Network in September 2021 to nurture and support women's talent and business growth. The network aims to bring together women entrepreneurs in Singapore and connect them with other women entrepreneurs, business leaders, and trade associations in the Asia-Pacific region, in particular the AMS.
- (viii) **Thailand.** The government established the first National Women's Development Fund in 2012, aiming to support and promote the role of women in the country's development. In addition, more than 1,880 ICT community learning centres have been established nationwide, with the condition that a gender perspective must be incorporated in a community's proposal by focusing on the participation of women in the operation and utilisation of the centre. Thailand also plays a key role in the implementation



of the ‘Empowering Home Workers in AMS through the Usage of ICT’ project, which aims to empower both urban and rural women home workers through the use of ICT.

- (ix) **Viet Nam.** The government adopted the National Strategy on Gender Equality for the 2021–2030 period, one of whose aims was to foster Viet Nam’s gender equality and women entrepreneurship. Since the plan’s approval in March 2021, the government has been executing new policies and initiatives to foster its implementation, including flexible online training programmes on digital technology for women-owned SMEs and financial and non-financial support to vulnerable women. Previously, the government issued the law on support to SMEs in 2017, which outlined preferential measures for women-owned SMEs – specifically priority should be given to women-owned SMEs or SMEs employing more women. In September 2019, the government also issued Circular 5 on training incentives for women-owned SMEs.

## POLICY RECOMMENDATIONS

- **Policies that support rural women entrepreneurs should focus on financial and digital inclusion.** Governments and microfinance institutions should encourage and enable women to document their economic activities and help them graduate to formal lending institutions.
- **Entrepreneurship in different sectors needs a different kind of push.** Policies must cover a wide range of issues and challenges faced by women in different sectors of entrepreneurship. Some sectors might need governments to push aggressively for women's participation or representation; others might need more access to support in the form of credit, market linkages, or social support initiatives such as reliable childcare.
- **Policy support should push for capacity building and training of rural women entrepreneurs.** When designing policies for rural women entrepreneurs their social, economic, and mobility constraints need to be considered. Pulling rural women into the mainstream entrepreneurial ecosystem also means helping them harness the power of the internet by becoming digitally adept.
- **Policies that support rural women entrepreneurs should focus on and nurture cross-sectoral partnerships.** Private players, start-ups, government entities, not-for-profit organizations, and other agencies of change should all work in tandem – building long-term collaborations and partnerships that explore different models of entrepreneurship.
- **Policies that support rural women entrepreneurs should safeguard their interests.** For instance, legal documents for raising credit should be balanced with protecting women's rights as entrepreneurs by acknowledging some degree of risk. Traditional partnership agreements may not work for grassroots entrepreneurs and in such cases, partners must be willing to redesign agreements suitably.
- **Translating education into decent and productive employment and entrepreneurship is a major roadblock in the school-to-work transition.** Technical and vocational education and training and integrating entrepreneurship into school curricula are increasingly being recognised as key strategies amongst governments.

- **Policies should address the gender gap and help women entrepreneurs move up the value chain and be integrated in the digital economy.** As a significant proportion of post-pandemic opportunities go digital, it will be imperative to support and invest in women-led businesses in the digital economy. To allow more women entrepreneurs to take advantage of such opportunities, governments should support those at the micro and small enterprise level who wish to grow, and encourage those already in a position to scale up their business on the global level.

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