Trade promotion of female-owned and/or managed small and medium enterprises

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Question

What does the existing research say about the barriers to and better practice for female led/managed/owned small and medium enterprises accessing trade promotion institutions?

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1. Overview

Despite global progress being made in achieving gender equality, and more specifically greater women’s economic empowerment and women’s engagement in business and global trade, there is much more work to be done (ITC, 2015a). Multiple barriers exist that limit or prevent greater opportunities and competitiveness for women to successfully own and/or manage and expand small and medium enterprises targeted for export trade (ITC, 2015a; Simavi et al., 2010; Brenton et al., 2013). These barriers not only disadvantage women, but also reduce the growth potential, productivity, and performance of the economy as a whole. Gender-based inequalities impose significant development costs on societies (Simavi et al., 2010; Higgins, 2012; United Nations inter-agency network on women and gender equality – IANWGE, 2011).

Drawing on existing literature largely based on evidence-based research and analysis and assessments of good practices from national, regional and global experiences and lessons, evidence shows that despite barriers to women’s engagement in export trade, there are multiple approaches and entry points yielding
successful results and impacts in promoting female-owned and/or managed small and medium enterprise integration in export markets. The literature accessed in the course of this rapid review consists of a mixture of research, assessments, case studies and recommendations gathered from international development agency publications, journal articles, agency websites and blogs, and grey literature – the majority based on empirical evidence. As women-owned and/or managed small and medium enterprise engagement in export markets is a relatively emerging global priority, the body of literature (e.g. case studies, evaluations, impact assessments) is somewhat limited compared to other areas of research (such as concerning global trade or gender more broadly) (Gonzalez, 2015).

Key findings from the literature include:

- **Barriers for women**: there is significant consensus in the body of literature reviewed in the course of this study regarding key barriers that limit women-owned and/or managed businesses to enter, engage in and develop within global markets. These obstacles broadly revolve around issues concerning:
  - Women entrepreneurs’ **inadequate access** to: education; assets (e.g. land); sources of finance; information (e.g. trade regulations and procedures); skills and knowledge; market information; market linkages; market-based networks and associations; improved technologies to enter global markets; and participation in policy dialogue and legal decision-making fora.
  - Gender divisions of labour creating **time pressure on women**, which is a fundamental barrier to engagement in global trade activities (ITC, 2015a).

- **Strategies in support of trade and investment support institutions (TISI), civil society organisations and trade networks**: there is also broad consensus in the literature regarding effective approaches to strengthen TISIs and trade networks in order to enhance participation of women entrepreneurs’ businesses in global trade. These can be organised around thematic areas, including the provision of:
  - **Capacity development**: increasing access to finance; simplifying and mainstreaming trade regulations and procedures; promotion of alliances and networks (national and global levels); and advocacy and engagement in policy dialogue.
  - A **synergy of support measures** implemented through a multidimensional and coordinated approach to achieve greatest impact in addressing barriers facing women entrepreneurs to engage in export trade (ITC, 2015a).
  - Examples of strategic entry points and interventions for **TISIs’ promotion** of women-owned and/or managed small and medium scale business to enter the export trade sector, including: business training; tailored coaching support; support to ensure compliance with market procedures; and facilitation of trade partnerships (ITC, 2015a; ITC Forum Magazine, 2003; Jones et al., 2011).
  - Effective approaches to capacity development which could include both **direct capacity strengthening** through trainings and workshops, ongoing mentoring and coaching follow ups, and learning by exporting (Valdivia, 2011; Cherie Blaire Foundation for Women website – see below; Stevenson and St Onge, 2006; Atkin et al., 2015).
- Sharing guidance and key recommendations for enhancing access to finance, including developing **responsive and flexible measures** to access loans by women-owned enterprises, as well as facilitating their registration, and encouraging higher risk-taking ventures (IFC, 2014, 2013).

- Sharing information regarding the fact that women-owned and/or managed business’ entry into export trade requires specific knowledge and skills to comply with complex regulations and certifications. **TISIs have supported women’s businesses in completing these processes**, largely through training and information dissemination, and by fostering linkages and partnerships with international buyers (Brenton et al., 2013; Ityavyar, 2013; ITC 2015b; Gamberino and Reis, 2011).

- Support to exchange and networks is crucial because women who own or manage export market businesses are **less likely to be members of business networks** or global marketing associations than men despite multiple benefits that networks provide, e.g. collective processes for production, commercialisation, market information/linkages with traders, a basis for engaging in advocacy and policy dialogue. Incorporation of alternative modern technologies are yielding positive results and should be considered (Jones, 2011; ITC, 2015a, IFC, 2011; Brenton et al., 2013; Hallward-Driemeier, 2013; World Bank,, FAO, IFAD, 2009; ITC, 2015a; Vossenberg, 2013; Cherie Balire Foundation for Women, 2015).

- Support to advocacy and policy dialogue – this is a critical aspect of promoting women’s engagement in global trade. Promising initiatives include supporting **advocacy platforms of women traders** to promote an enabling environment for business and access to better services; developing training programmes for women entrepreneurs to enhance their participation in world trade dialogue; supporting **women/women’s groups’ participation** in trade consultations/negotiations (IANGWE, 2011).

2. Barriers to women’s small and medium enterprise participation in international trade

Despite a rise in women’s entrepreneurship and participation in the labour force, significant gender disparities still exist for women to enter spheres of global trade and international markets particularly in the developing world, where women are more likely to work, and manage and own small business enterprises in the informal economy (Simavi et al., 2010; Brenton et al., 2013; Gonzalez, 2015, 2016; Dassanou et al., 2014; expert comments). **Fewer women’s businesses are involved in international trade than those owned by men**, as reported in the International Trade Centre’s (ITC) Non-Tariff Measures Surveys conducted across 20 countries (ITC, 2015a). ITC (2015a) found that fewer women both export and import, which is in line with the fact that women-owned businesses are smaller and tend to have fewer employees – although they hire more women than men do. ITC (2015a) found that small companies often lack resources sufficient to expand into international markets. Further, companies owned and managed by women and men were found to be in different sectors – female owners/managers tended to be in sectors traditionally associated with women’s activities including textiles and the clothing sectors.

There are multiple causes for why fewer women’s businesses are engaged in export trade. In many regions of the world, women are disadvantaged by gender-discriminating policies, institutions, prevailing laws, regulations and norms which prevent them, directly and/or indirectly, from engaging fully in
entrepreneurial activities, and more specifically, international export trade (World Bank, 2015). Data collected annually by the World Bank in their flagship publication, Women, Business and the Law (2015) show how government policies and legislation limit women’s economic participation through restrictive laws that limit women’s ability to engage in entrepreneurial and employment activities. For example, in many developing countries, biased land policy and legislation can limit women’s access to and ownership of property, which limits their accessing financial loans due to lack of collateral (World Bank, 2015; Gamberoni and Reis, 2011; International Trade Centre-ITC, 2015a; Randriamaro, 2006). Also, World Bank (2015) reports that legal differences between men and women are widespread globally and that this causes a range of impacts, notably including that fewer women are running their own businesses. In four countries, married women cannot register a business, although married men can (World Bank, 2015: 8).

Regulatory barriers alone do not explain the gender gap in global trade. Sociocultural barriers underpin gender bias in many contexts – notably in developing countries – and pervade the socioeconomic environment, curtailing women’s efforts to establish or expand their own enterprises and engage in export trade and international markets (ITC, 2015a). Gender discrimination in human capital, namely levels and quality of education and skills training for women and girls for example, has a particularly strong implication on women’s opportunities and performance in formal, larger-scale entrepreneurial activities. This was noted by Gamberoni and Reis (2011) in their expansive study of constraints and opportunities for women in enterprise activities, and data shown in World Bank (2015).

Based on an ITC (2015a) study covering 20 developing countries, carried out in five different regions, evidence indicates that in addition to education, gender divisions of labour create time pressure on women, which is a fundamental barrier to engagement in global trade activities. Time constraints due to bearing and caring for children and household members are higher for women than men, and in many countries women still shoulder most of the housekeeping work (ITC, 2015a). ITC (2015a) reports in all global regions, women spend at least twice the time as men on unpaid domestic work. When unpaid work is taken into account, women’s total work hours are longer than men’s.¹ Time poverty and unpaid workloads are significant causes for the lower integration of women-owned businesses in international markets (ITC, 2015a: xiii).

Evidence shows that women confront a myriad of challenges and gender-specific hurdles to operating in international trade and market-based activities. These include, notably (World Bank, 2015; ITC, 2015a; Hallward-Driemeier, 2013; ITC, 2015a; Vossenberg, 2013; Kaushal et al. 2014; Jones, 2011; Gonzalez, 2015, 2016):

- Accessing and controlling economic resources and assets (e.g. financial loans, property ownership);
- Existing legal barriers and obstacles in the investment climate (e.g. owning a business; owning assets);
- Obtaining sufficient information and guided support regarding trade standards, regulation and procedures concerning certifications;
- Attaining essential educational levels (e.g. literacy), vocational skills;
- Acquiring business and entrepreneurial management skills (e.g. planning, budgeting, organisational management, governance);

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- Accessing modern **communication technologies** (mobile phones, internet, and other information and communication technologies);
- Accessing **improved technologies** in production-business processes;
- Developing **networks**, trade and investment partners in national and international trade arenas;
- Lack of **mobility, transportation and infrastructural support**;
- Minimal **child care services**; and
- Limited agency and **voice in public dialogue** and debate regarding trade, business and economic development policy, legal, and institutional reforms.

These barriers not only disadvantage women, but also reduce the growth potential, productivity and performance of the economy as a whole. Gender-based inequalities impose significant development costs on societies (Simavi et al., 2010; Higgins, 2012; United Nations inter-agency network on women and gender equality – IANWGE, 2011). Evidence suggests when women earn an income, a higher proportion of it is spent on **children’s health, food and education compared to men’s earning.** Increasing women’s economic empowerment is a positive trend contributing to breaking intergenerational cycles of poverty (Jones, 2011; ITC, 2015a; Simavi et al., 2010). ITC (2015a) reports that countries providing more economic opportunities to women, including entrepreneurship, are more competitive in the global economy.

### 3. Strategies for promoting women-owned and/or managed small and medium enterprises in global markets

A range of interventions exist, many already showing promising results, that work toward overcoming the gender gap in global trade through greater integration of women-owned small and medium enterprises and businesses in international market activities. ITC (2015a) recommends adopting a **multidimensional and coordinated approach** to addressing barriers for women entrepreneurs by promoting several strategies and interventions simultaneously and coordinating activities among stakeholders. Examples in this report validate this premise – women-owned enterprises engaging in export trade typically have benefitted from a synergy of support measures, including:

- **Financial support**;
- Capacity strengthening in strategic areas of entrepreneurial growth and development as well as technologies (e.g. financial literacy, planning, management, ICTs);
- Support in accessing information and compliance with registration, certification and international administrative procedures;
- Creating and/or expanding networks and alliances (e.g. cooperatives), providing critical services to organisational members (e.g. production, information, market linkages and trade partnerships);
- And more indirectly, engagement in advocacy, policy dialogue and wider sensitisation campaigns concerning gender equality and women’s economic empowerment at national and global levels.

**Trade and investment support institutions (TISI)**

Governments and national TISI promoting global trade and export broadly have an important role in stimulating export trade. Research by Cadot et al. (2015) provides an insightful conclusion concerning the
potential role of TISIs, although not focussed on women specifically. In a long-term study on the
government-run national export promotion programme in Tunisia, FAMEX, the authors find that the
programme stimulated diversification of export products among beneficiary firms, and that information
was the main factor enabling this effect. FAMEX’s aim was to assist firms in overcoming export barriers
and enhance competitiveness. This was based on the rationale that firms were insufficiently informed
and unable to efficiently target international market outlets and sales channels. Using a menu of
estimation methods (i.e. propensity-square matching, difference in difference), the authors found
beneficiary firms of FAMEX successfully diversified more in terms of products and market destinations
than non-treated control firms. However, these differences in impacts were transient, decreasing over
time, which is likely due to lack of focus on enhanced quality of products, and targeting support to firms
starting up export (rather than those already engaged). The authors conclude that FAMEX showed
effective results in tackling information barriers and asymmetries, and that policymakers should focus on
promoting both entry into export markets and also **durable presence and competitiveness** over a long
term (Cadot et al., 2015).

Addressing gender more specifically, examples indicate that TISI promotion of the integration of women-
owned firms in global markets is emerging (ITC, 2015a; ITC Forum Magazine, 2003). The **Malaysia
External Trade Development Corporation (MATRADE)** started in 2005 to promote the emergence of
women exporters in non-traditional sectors. MATRADE adopted approaches including personalised
coaching, product and service marketing support, skills enhancement, and other export readiness
services. Programmes connect exporters with financial institutions and other support groups to stimulate
growth. Business coaching is complemented with trade finance, market and commercial information –
which leverages MATRADE’s network of 42 offices in 35 cities. In addition, MATRADE contributes to
tackling cultural barriers and gender bias, conducting gender sensitisation training for officials dealing
with women in trade for customs, licensing and inspection (ITC, 2015a). This case exemplifies a successful
multidimensional approach to promoting entry of women’s firms into export trade.

Another example concerns TISI organisations who work with women entrepreneurs in Peru to improve
market access and connectivity. ITC supports a project “Empowering Peruvian Women Business
Enterprises” in alpaca garments, aiming to connect women-owned businesses to the USA market. A
number of TISIs are involved, including PromPeru (Peru’s export promotion authority), ISUR (Instituto del
Sur), Direcetur Puno (Dirección Regional de Comercio Exterior y Turismo Puno) and Amcham (American
Chamber of Commerce in Peru). Their main activity is supporting the training of women on market
requirements. PromPeru also organised an export promotion event for women-owned businesses to join
up with buyers. This has resulted in potentially productive trade relationships.

In Australia, women entrepreneurs are one of the fastest growing national business segments but are less
likely to become exporters. In response, the TISI **Australian Trade Commission (Austrade)** established the
**Women in Global Business Programme** to increase their participation in international trade and
investment. The programme focuses on capacity building, a mentoring programme, and improving
connectivity and also provides information, resources and advocacy support (on domestic and
international levels). Working with stakeholders including private sector partners, Austrade organises
workshops, events, and research concerning the barriers and opportunities for women engaging in
international markets. It employs a ‘one-stop shop’ model, and has already launched an internationalchapter in 2015 in Indonesia using a similar approach; other countries will follow (ITC, 2015a).

In a participatory research study that included 16 Fairtrade women’s collectives across seven countries
worldwide, a broad consensus was reached on defining policy recommendations for governments and
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TISIs to better promote women’s economic empowerment in global trade. This was based on the actual experiences, needs and challenges of the associations (Jones et al., 2011). **Recommendations included** tax breaks; creation of a low-interest fund to provide working capital to women’s enterprises; improvements in infrastructure (energy, roads, storage, dissemination of relevant policies and programmes; creating gender focal points in government departments of relevance; and concerning Fairtrade more specifically, supporting access to international markets and policy reform to promote public procurement of Fairtrade products produced by women’s organisations (Jones et al., 2011).

The above examples provide evidence of strategic entry points and interventions for TISI promotion of women-owned and/or managed small and medium scale business to enter the export trade sector. Below, specific areas of intervention are examined, complemented by examples where possible, which the literature indicates are priority issues in addressing underlying gender biases in women’s export trade participation. Most of the initiatives are either led by or implemented through TISIs, with support from national or international partners (e.g. World Bank, UN agencies, NGOs). The literature suggests that these areas of support are fundamental to progress and already showing promising results and/or catalytic impacts in overcoming gender-biased barriers and in promoting the participation of women-owned and/or managed businesses in global trade and markets.

**Access to finance**

Constraints to accessing finance pose fundamental barriers for women in the start-up and growth of small and medium size businesses (World Bank, 2015). This in large part is due to prevailing cultural and legal barriers, notably women’s limited ownership rights over land, housing and other forms of property and assets which can serve as collateral for accessing loans. Limitations are also due to weak business skills and networks and cultural perceptions about women running their own business (ITC, 2015a; Gonzalez, 2016; IFC, 2014, 2013).

Based on a worldwide baseline survey and assessment of client banks’ lending to women-owned small and medium enterprises (including those in their flagship programme ‘Banking on Women’ (IFC, 2013), IFC (2014) has identified critical financial and operational aspects of client financial institutions and governments that provide an environment conducive for finance to women-owned businesses. First among these recommendations includes a government-driven process to develop a comprehensive framework to assess national gaps in supporting gender quality and promotion of women’s entrepreneurship. This assessment and knowledge base should lead to better understanding of barriers and the creation of **responsive measures to enable the development of women-owned businesses**.

This knowledge base should be a starting point for ensuring greater access to finance by women’s small and medium enterprises – facilitating the engagement of financial institutions to support women’s businesses (IFC, 2014). In this regard, supportive interventions recommended include facilitating registration of women-owned enterprises; **maintaining flexibility in lending; encouraging women’s higher risk-taking ventures** through greater financial investments; and expanding women’s businesses operations and generating greater sales and profits. In addition to ensuring updated gender-disaggregated data on women’s small and medium enterprises, specific recommendations for government institutions include using this information to develop evidence-based policies and support programmes for women’s businesses, and encouraging financial institutions to increase women’s access to capital. In the Banking on Women programme, IFC has employed non-traditional methods to expand outreach to women entrepreneurs, including through cooperatives, chambers of commerce, and regulators (IFC, 2013).
In another example, reported by ITC (2015a), the commercial bank Development Finance Company of Uganda, with support from IFC and the Uganda Women Entrepreneur’s Association, launched the Women in Business Programme. This programme had a special focus on small and medium enterprises, lending to women entrepreneurs without requiring land as collateral, which was previously the norm.

Constraints to access to financial services are often tackled through collective enterprise. Reported by Jones et al. (2011), one Fairtrade research participant organisation in Nepal, Women’s Skills Development Organisation (WSDO), grew to 400 weavers who are marketing internationally and has established its own savings and credit programme providing loans at nominal interest. In India, the SABALA export Fairtrade cooperative of 1000 women set up a “women to women” cooperative bank, now comprising 25,000 clients. In Nicaragua, PRODECOOP, a certified Fairtrade agricultural cooperative union with 2,400 members, set up a rotating credit fund where members can access loans and pay back when delivering their coffee to the cooperative at the end of the coffee growing season (Jones et al., 2011).

**Capacity building – knowledge and skills development**

The literature suggests that there are several different forms of capacity development which evidence effective approaches for promoting women entrepreneurs to access global markets. One main approach includes **direct capacity** strengthening through trainings and workshops, and a second, suggested as likely more instrumental, is through **ongoing mentoring and coaching follow ups** (Cherie Blair Foundation for Women, 2016; ITC, 2015a; Valdivia, 2011; Stevenson and St-Onge, 2005; ACCESS! ITC website).2

**Mentoring in business development**

Training accompanied by follow up mentoring is evidencing positive impacts (Valdivia, 2011). Based on a two-phased randomised control trial evaluation of impacts of a business training programme serving female entrepreneurs in Lima, Peru who recently benefited from the titling of their urban parcels, Valdivia’s (2011) findings are insightful. The training focused on personal development, business management and productive skills – aiming to empower women, facilitate access to credit and improve business practices to increase incomes and welfare. The design covers 3,500 women entrepreneurs, with one sample being offered business training only and another group offered training with individualised support in the form of technical assistance through coaching. Findings show that women assigned to training only made some adjustments in business practices, but were more prone to close businesses. Those that received training and follow up support were more prone to plan and execute innovations, increased their networks with business peers, made use of informal credit sources and increased their sales by 18 per cent. Lessons and policy implications from this study include that good business practices through training may be cheaper and more scalable, but additional advice and follow up to help female entrepreneurs grow is more effective (Valdivia, 2011).

The Cherie Blair Foundation for Women’s Mentoring Women in Business Programme supports 1-to-1 mentoring partnerships between women entrepreneurs across the globe. This is generating collaborative strategies and joint projects among women, sharing challenges and successes, and problem-solving. As one output, the partners develop concrete mentee business action plans for implementation. The programme also provides resources, webinars, and community forums (Cherie Blair Foundation for Women, 2016).

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In addition to approaches, target clients for capacity development may differ. There are programmes dedicated to supporting women entrepreneurs directly, and capacity development programmes supporting institutions such as TISIs, relevant ministries, and business associations (national or regional), who in turn support women exporters’ capacity strengthening.

An innovative strategy for capacity development is “learning by exporting” (Atkin et al., 2015). Although not focussed specifically on women entrepreneurs, through a three-phase randomised control trial of Egyptian small-scale rug manufacturers, Atkin et al. (2015) find that productivity, quality and profits increase through actual engagement in export trading in comparison to domestic trading. The authors attribute this finding largely to informational and knowledge flow factors. This finding gives further evidence to the business value and importance of export trade in comparison to domestic trade, and that capacity can be strengthened through the actual process of engagement. The findings suggest that barriers to access export markets can thus limit business development and growth.

The ITC-supported ACCESS! Export Training Programme for women entrepreneurs in Africa evidences positive results in support of business management and development skills for women entrepreneurs. Since 2007, the programme has supported over 2,600 women entrepreneurs across 19 sub-Saharan countries, enabling them to expand their export businesses, diversify into new sectors, and develop trade networks, building their overall competitiveness. Through training of trainers, over 70 expert trainers are now able to provide advisory services and mentoring to women entrepreneurs in export trade. ACCESS! has also provided capacity development to 20 national trade institutions in Africa through training, mentoring and counselling follow up. In complement, a regional programme, Programme for Building African Capacity for Trade (PACT), targets regional economic communities (RECs) as well as other TISIs in Africa, enhancing their capacity to support small and medium enterprises – focussing on women-owned enterprises – in building export competitiveness and market linkages. Areas of focus include advocacy and development services for women entrepreneurs (through the ACCESS! network), promoting public private dialogue, and strengthening regional trade support networks – linking with national trade support institutions including the public sector, TISIs and including businesswomen’s networks (PACT II website).3

Skills training and improved technology

Identifying niche markets and efficient and appropriate modes of production and ensuring product quality readiness for export markets are vital technical dimensions of owning and managing a successful business (World Bank/FAO/IFAD, 2009). An innovative initiative in coconut oil export promoted by the NGO Women in Business Development Incorporated (WIBDI) (established by a group of women in Samoa) is reported by Cretney and Tafunai’i (2004). They describe a successful case of how export trade promotion based on dormant traditional production practices can lead to wide economic benefits for women and their families. The study showcases strategies linking women producers successfully to global export markets. Through a series of market research and feasibility studies, WIBIDI launched an organically certified coconut production enterprise comprised of village-based extended families (i.e. 13 cooperatives), using an innovative, improved appropriate technology. WIBIDI supported this enterprise by providing start-up equipment, training in production, organic certification and small business management skills including micro-finance, and support to networks (i.e. Samoan Organic Farmers Association).

Considerable ongoing support is provided to training, production processes and certification requirements, with assistance from government and development partners. A company was formed as the primary vehicle for export marketing, which comprise about 70 per cent of sales. Although entire families work and benefit from new skills development and financial profits, the authors report that many of the enterprise ventures are managed by women, including the majority of production sites. Findings from their assessment include that decision-making in the households had become more equitable. Further, alternative income-generating avenues have been created for women and their families in the involved villages. Importantly, women on the project are economically empowered with the opportunity to access loans from the micro-finance scheme – this is actually a mandatory membership for all project participants. Some women have subsequently opened their own individual savings accounts. Loans are typically used for school fees, energy costs and developing cottage industries – sources of further income.

In Malawi, the Mzuzu Coffee Planters Co-operative Union (MZCPU) started up in 2006 and now has a membership comprising of 24 per cent women. The Union members are all smallholder farmers, living below the poverty line with low literacy levels, and living in remote rural areas throughout the country (Rodriguez, 2013). The Union has a management team which oversees capacity development – technical support and coaching to members in production, financial management and marketing; access to loans and credit; and facilitates partnerships and market linkages with international buyers (including Fairtrade).

A core aspect of MZCPU is promoting women’s inclusion as members. Rodriguez (2013) reports in his case study that women, in specific, have found to be early adopters of new technologies (sustainable farming techniques) and specialise more in the coffee crop than men. In consequence, coffee bean quality has achieved a high standard, improving overall quality and quantity of bean production. This is largely due to women’s high commitment to production. Throughout this venture, the Government has been a particularly engaged partner in support of MZCPU. Specifically, the Ministry of Industry and Trade assisted MZCPU with expert advice, and a ministry representative sits on MZCPCU’s board along with a representative of the Registrar of Co-operatives, both providing expert advice on behalf of the government. The Ministry of Agriculture has also supported project proposals for external funding (Rodriguez, 2013).

Access to information: registration, certification, and trading partners

Women-owned enterprises face regulatory barriers to engaging in export trade due to insufficient awareness and understanding of trade-related procedures (e.g. registration procedures, export permits, certification requirements, regulations on commercialisation – production, processing, storage and transport) and also due to weaknesses in complying with these regulations (Brenton, 2013; Gamberoni and Reis, 2011; Jones, 2011; expert comment).

Initiatives and lessons learned regarding enhancing women’s knowledge and skills in addressing and complying with trade regulations and procedures are emerging (Gamberoni and Reis, 2011; Brenton et al., 2013; ITC, 2015b; Stevenson and St Onge, 2005). In addition to accessing information, barriers are frequently confronted which arise from rules and regulations that are not always implemented appropriately (e.g. corrupt practices, abuse, sexual violence). Many development partners are addressing these constraints to build export trade competitiveness for female entrepreneurs.

In a study commissioned by the International Labour Organisation (ILO) and African Development Bank (AfDB), Stevenson and St Onge (2005) find that business development services (BDS) established for
women entrepreneurs to address complex registration and export regulation processes, pose several constraints. These include, for example, that women have low awareness of their existence, they require user fees, and they are difficult to reach. Based on a three-country (Kenya, Tanzania, and Ethiopia) analysis of BDS enabling conditions for the development of women’s enterprises and of existing good practices, the authors suggest not only the need for BDS greater outreach, but also government-supported women entrepreneur resource centres (such as those operating in Canada and USA), as well as the placement of specific officers in relevant ministries (e.g. trade, agriculture) and agencies to directly support women entrepreneurs. They also propose increased support and promotion of women entrepreneur associations (WEA), underdeveloped in most cases, through financial and technical assistance from government and partners.

Based on a range of studies and evaluations largely from case examples in West Africa, Brenton et al. (2013) provide a proposed priority set of objectives and suggestions for interventions in developing countries specifically targeted towards regional and national trade promotion agencies. These include: simplifying, streamlining and decentralising trade related procedures (measured by time required to satisfy trade requirements; launching gender-sensitive versions of trade portals; combining traditional portal information (e.g. registration procedures, export certification requirements) with more specific information for female entrepreneurs (e.g. micro-finance options, precautions when trading across borders, contacts of women export entrepreneurs’ associations); and establishing a traders’ charter to be posted at borders covering rights and obligations of all actors (Brenton et al., 20913; expert comment).

The Common Market for Eastern and Southern Africa (COMESA), a regional economic community hub in sub-Saharan Africa has initiated interventions with support from ITC to improve cross-border trade services and procedures, with focus on women. COMESA has established information desks to assist illiterate traders in complying with trade forms and regulations. These centres can also serve as mediation and judiciary centres to improve enforcement of rules and laws. COMESA is also supporting formalisation of trader groups into registered associations. They have worked to mobilise cross-border traders in all its member states to form associations recognised by governments so that small traders (including informal) can participate in policy dialogue. COMESA encourages governments to reform/promote policies allowing traders to form associations, while also helping private sector groups to mobilise themselves (Ityavyar, 2013; Brenton et al., 2013).

In another example, the Southern Sudan Women’s Association is a member of a World Bank-supported project that aimed to help the competitiveness of female-led firms in the region to have tools to exploit opportunities as markets expand. The World Bank provided technical support in the registration process for the association. This has been a success and the association later joined forces with the East African Women’s Entrepreneurs Exchange Network, which helped its members to expand their sales beyond domestic markets (Gamberino and Reis, 2011). As another approach, programmes such as ACCESS!, the Cherie Blaire Foundation for Women, and ITC, offer training courses on managing international export transactions (e.g. trade documentation, custom clearance), and these have evidenced wide success (see below websites).

In their efforts to promote national and global WEAs, ITC has supported a female-owned specialty coffee business in Papua New Guinea (PNG). ITC supported the female company founder’s access to training, attainment of certification and an export license, and making contacts with international buyers. This is the first women in PNG to attain an export license for coffee. This assistance was facilitated in large part due to the owner’s interactions with the International Women Coffee Alliance (IWCA) during an annual
specialty coffee conference which ITC and IWCA organises annually and to which ITC enabled her to attend. Direct exports will give her increased control over markets and more income for rural producers – she plans to expand operations supporting more female growers. **IWCA and ITC work in several countries supporting female-owned coffee firms**, female coffee growers, processors, exporters and associations who are aiming for expanded commercialisation and export (ITC, 201b).

**Networking and building social capital**

Women who own or manage businesses integrated in global markets are less likely to be members of business networks or global marketing associations than men (ITC, 2015a; Vossenberg, 2013; Gonzalez, 2015). For example, ITC (2015a) reports that balancing work-life responsibilities was viewed as a barrier to women owning businesses in a study in Argentina and in Nigeria. Fewer women reported difficulty in Argentina – perhaps because a majority reported no children at home, which was less in the case of Nigeria. Household responsibilities were also found to limit networking and social interaction in markets in Brenton et al. (2013), who claim this constrains women’s ‘business culture’. This is a disadvantage for women, as networks provide multiple advantages for export-oriented entrepreneurs and could provide particular benefits for women, who are not traditionally members of trade associations at international levels due to their limited presence in the export market sphere and as a result of social norms (Brenton et al., 2013; ITC, 2015a).

**Networks are cross-cutting**, providing the basis for a range of activities and benefits to women-owned enterprises, including: skills development and information (e.g. technical training and business development); collective processes for production and commercialisation (e.g. inputs, collection, storage); access to finance and market information; linkages to markets and trade partners; a platform of political capital for engaging in advocacy and policy dialogue; and sharing of experiences and building confidence (Jones, 2011; ITC, 2015a, IFC, 2011; Brenton et al., 2013; Hallward-Driemeier, 2013; World Bank/FAO/IFAD, 2009).

Brenton et al. (2013) recommend to governments and partners that interventions aiming to integrate women in export trade must avoid using male-dominated trader networks, or women traders and entrepreneurs will miss information and benefits of support. Experts also recommend, importantly, using alternative communication channels, such as internet and cell phones to exchange information, allowing women-owned small and medium enterprises to break into new international markets, develop new client bases, and build skills, circumventing traditional male-dominated networks (Brenton et al., 2013; ITCa, 2013; Cherie Blaire Foundation for Women, 2016).

**Policy engagement**

There is need for women involved in women-owned export trade businesses to engage in policy and legal dialogues and decision-making to improve the investment environment for female export traders and increase numbers (ITC, 2015a; Gonzalez, 2016; Jones, 2011; IANGWE, 2011). Supporting policy dialogue, ITC (2015a) developed a Call to Action 2015 roadmapping priority areas of focus, including: addressing trade policies that enhance women’s participation in trade (e.g. road improvement, water and energy access); diversifying corporate procurement programmes; ensuring trade-related legal and administrative reforms incorporate women’s rights, ownership and control over resources etc. (ITC, 2015a).

Thanks to the International Finance Corporation business plan competition in Sierra Leone, one winning female entrepreneur trading in onions managed to successfully eventually assume leadership in the
Market Women’s Association (IFC, 2011). She now also participates in the umbrella Sierra Leone Business Forum (IFC supported), and has registered as an official business, growing and diversifying her business. Through advocacy and public-private dialogue through the forum, she is participating in improving the rights of female street vendors and improving the investment climate for women entrepreneurs in Africa and globally (IFC, 2011).

Multi-stakeholder mechanisms can be effective in promoting women’s integration into global trade. Randriamaro (2006) reports that the Inter-Institutional Committee (IITC) in Uganda promoted participation of civil society in national trade policymaking, including in the elaboration of governments’ positions in WTO negotiations. The IITC, set up with support from UNCTAD, WTO and ITC, provided institutional support on the multilateral trading system (MTS) to national policymakers. In 2003, through IITC, gender issues and demands were successfully integrated into the Government’s position at the WTO Ministerial Conference (Cancún), and some of these advocates participated as part of the Ugandan delegation. Randriamaro (2006) notes large efforts were made to foster trust and collaboration between trade ministry bureaucrats and civil society. IITC also has links with transnational civil society networks, which coupled with their involvement in domestic politics, has been noted as key to their success.

The United Nation’s (UN) resource website, Women Watch (2011), provides a range of recommendations to enhance the inclusion of gender perspectives in trade policy and dialogue to improve gender equality policies and women’s empowerment. Recommendations are based on success cases of active engagement of women entrepreneur networks and associations, many promoted by UN agencies in support of dialogue among governments and civil society organisations, including women’s networks. Proposals include: supporting advocacy platforms of women informal traders to promote an enabling environment for business and access to better services; developing specific training programmes for women entrepreneurs to enhance their participation in world trade dialogue; supporting broad-based participation of women and women’s groups in trade consultations and negotiations (e.g. trade policymaking and implementation); facilitating exchange among women engaged in trade negotiations, policy formulation and implementation; and facilitating coaching and sharing of experiences among women entrepreneurs (IANGWE, 2011).

4. References


Trade promotion of female-owned and/or managed small and medium enterprises

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http://www.bridge.ids.ac.uk/sites/bridge.ids.ac.uk/files/reports/CEP-Trade-OR.pdf


https://openknowledge.worldbank.org/bitstream/handle/10986/2408/528610PUB0gend101Official0Use0Only1.pdf?sequence=1


Key websites

- International Trade Corporation (ITC):


- International Financing Corporation (IFC) - Gender at IFC: http://www.ifc.org/wps/wcm/connect/Topics_EXT_Content/IFC_External_Corporate_Site/Gender+Secretariat/Entrepreneurship/Investment+Climate/


- Cherie Blaire Foundation for Women: http://www.cherieblairfoundation.org/

- Women in informal employment: globalizing and organizing (WIEGO): http://wiego.org/

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**About this report**

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