**UNCSW- Empowering Women through Entrepreneurship**

**Background Guide**

**Introduction**

The empowerment and autonomy of women and the improvement of their political, social, economic and health status is a highly important end in itself. One of the primary responsibilities of the CSW is to review the implementation of documents that resulted from two major women’s rights conferences: the Beijing Declaration and Platform for Action of 1995, and the resolutions of the special session of the General Assembly held in 2000 called “Women 2000: gender equality, development and peace for the twenty-first century. In most regions of the world, women receive less formal education than men, and at the same time, women's own knowledge, abilities and coping mechanisms often go unrecognized. The power relations that impede women's attainment of healthy and fulfilling lives operate at many levels of society, from the most personal to the highly public. Achieving change requires policy and programme actions that will improve women's access to secure livelihoods and economic resources, alleviate their extreme responsibilities with regard to housework, remove legal impediments to their participation in public life, and raise social awareness through effective programmes of education and mass communication. In addition, improving the status of women also enhances their decision-making capacity at all levels in all spheres of life, especially in the area of sexuality and reproduction. This, in turn, is essential for the long- term success of population programmes. Experience shows that population and development programmes are most effective when steps have simultaneously been taken to improve the status of women.

The Commission on the Status of Women (CSW) is a functional commission of the Economic and Social Council (ECOSOC) and is the principal international body for discussion on gender equality and the empowerment of women. CSW and its secretariat, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), have increasingly become major entities in the international system, especially as there is widespread agreement on the need for the advancement of gender equality and the empowerment of women but slow progress. In 1946, the first efforts by the United Nations (UN) to address issues of gender equality were carried out in a sub-commission of the Commission on Human Rights. As a result of the debates in 1946, CSW was established as a fully functional commission under the auspices of ECOSOC through ECOSOC resolution 11(II). The CSW’s main priority is to mainstream gender equality within the UN system and link women’s empowerment to sustainable development; it reports to ECOSOC annually on its efforts. UN-Women provides support throughout all features of the work performed by CSW and, furthermore, serves to help facilitate civil society actors’ participation in the Commission

**History**

For the first 60 years of the existence of the UN, there were a plethora of entities with overlapping mandates addressing issues related to women’s rights and gender equality. The concept of one, coherent entity took shape as part of discussions held by -High-Level Panel convened by the UN Secretary-General, to discuss possible reforms of the UN system to achieve greater coherence and coordination in 2006.

To build momentum for practical reform of the UN system to foster gender equality and women empowerment, a range of civil society networks and organizations began to focus pressure and advocacy strategically. One notable group was formed out of the Women's Environment & Development Organization (WEDO) and the Center for Women’s Global Leadership (CWGL), which, together with several women’s rights activists launched the Gender Equality Architecture Reform (GEAR) Campaign in February 2008. The GEAR Campaign “sought to mobilize women’s groups and human rights and social justice allies to push for the adoption of a new UN entity for gender equality and women’s empowerment.”

Over two years, an international campaign was successful in gaining support at regional, national and local levels, for one UN entity focused on gender equality, in one of the largest and most organized grassroots advocacy campaigns the world had seen. In 2010 civil society organizations and activists finally celebrated the decision of the General Assembly to consolidate the resources and mandates of the four existing gender equality focuses UN programs into one entity.

From 2011 onwards, the Office of the Special Adviser on Gender Issues and Advancement of Women (OSAGI), the Division for the Advancement of Women of the Secretariat (DAW), the United Nations Development Fund for Women (UNIFEM), and the International Research and Training Institute for the Advancement of Women (INSTRAW) took up their work united as UN-Women.

**Challenges**

Female-run enterprises are steadily growing all over the world, contributing to household incomes and growth of national economies. However, women face time, human, physical, and social constraints that limit their ability to grow their businesses.

Female entrepreneurs make significant contributions to economic growth and to poverty reduction around the world. In the United States, for example, women-owned firms are growing at more than double the rate of all other firms, contribute nearly $3 trillion to the economy and are directly responsible for 23 million jobs. In developing countries, female entrepreneurship is also increasing—there are about 8 million to 10 million formal small and medium enterprises (SMEs) with at least one female owner.

While the number of women operating their own business is increasing globally, women continue to face huge obstacles that stunt the growth of their businesses, such as lack of capital, strict social constraints, and limited time and skill. The World Bank has created a clearinghouse of programs and research to support female entrepreneurship, and gathered the following observations on the state of women in small business:

**Female entrepreneurs are more likely to operate in the informal sector or in traditional female sectors**.

Worldwide, at least 30 percent of women in the non-agricultural labor force are self-employed in the informal sector; in Africa, this figure is 63 percent. Women-owned businesses tend to be informal, home-based and concentrated in the areas of small-scale entrepreneurship and traditional sectors, which primarily includes retail and service. Operating from the home allows women to satisfy competing demands for their time as they balance a disproportionate share of housework and childcare responsibilities. But social norms are at play as well. In societies where women are expected to stay in the home, or where traveling outside the home can be dangerous, women have no choice but to operate these types of businesses.

**Gender gaps are still present in the critical skills needed to run a successful enterprise.**

While women are making major strides in educational attainment at primary and secondary levels, they often lack the combination of education, vocational and technical skills, and work experience needed to support the development of highly productive businesses. Male entrepreneurs, for example, are more likely than female entrepreneurs to have been employed in the wage sector prior to starting a business.

Women are also less likely to afford or have access to information and communications technology (ICT) — television, computers, mobile devices and the like. ICTs are needed to function in a world where digital is becoming the norm and an important element of growing a business. Illiteracy is another barrier to ICT use among low-income women. Furthermore, public Internet points, provided through business centers, libraries and Internet cafes are not always women-friendly with inconvenient hours of operation or unsafe, socially inappropriate facilities.

**Lack of finance is a major constraint to the growth of female-owned enterprises.**

Access to finance is often cited as a main constraint to the growth of female-owned enterprises. The Gallup World Poll shows significant differences in access to financial services for women- and men-owned businesses in developing countries. On average, women have less access to basic banking services such as checking and saving accounts. As a result, many female entrepreneurs rely on their own savings, loans from family and friends, or micro-loans to finance their business needs. However, the small size and short-term nature of micro-loans do not allow women borrowers to make long-term investments in their businesses.

Disproportionately high legal and regulatory barriers can also have a profound effect on women’s ability to run stronger, more viable businesses. Only 38 out of 141 economies covered in the [Women, Business and the Law](https://wbl.worldbank.org/) database set out equal legal rights for women and men in key areas such as opening a bank account, getting a job without permission from their spouse, and owning and managing property.

**Legal constraints in family law and inheritance can determine a woman's ability to own property and access collateral for financing.**

The institutional and legal environment is critical to the growth of female-owned enterprises. Laws regulating the private sphere specifically those regarding marriage, inheritance and land can hinder women's access to assets that can be used as collateral when securing a loan. According to the [Women's Legal Economic Empowerment Database – Africa](https://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTGENDER/0,,contentMDK:23389392~pagePK:210058~piPK:210062~theSitePK:336868,00.html) (Women LEED Africa), only eight countries include provisions to give women the right to own property. While gender gaps in education tend to close with development, the same is not true of gender gaps in legal rights—middle-income countries are as likely as low-income countries to define men as the head of the household, to give the husband the right to choose the matrimonial home or to deny women the ability to own assets in their own name.

**Implications**

The emerging evidence from psychology and experimental economics on agency, mindset, and leadership show that for successful interventions to be transformative, they need to move beyond basic access to financial and human capital and also tackle central psychological, social, and skills constraints on women entrepreneurs. Emerging evidence from recent studies on different capital-based, training-based, and gender-based interventions, using randomized control trials, present promising interventions to support women entrepreneurs.

An experimental study in Uganda found that providing financial capital (i.e., subsidized microcredit coupled with Start and Improve Your Business training module), while effective for men, does not have any impact on female-owned enterprise profits. Similarly, a randomized control trial on Tanzania’s Business Women Connect program found that while the mobile savings program substantially increased savings, it did not have an effect on female-owned enterprise profits or sales even when combined with hard business skills, such as business management, basic profitability concepts, and record-keeping. Both studies, however, show that loans paired with business trainings as well as improved access to mobile savings accounts paired with business trainings had a positive impact on male-owned microenterprise profits or sales. Thus, a successful women’s economic empowerment intervention needs more than only access to financial capital and hard business skills.

On the other hand, a randomized field experiment on Nicaragua’s Small Business of the Family Economy program found that business trainings significantly increased self-employed men and women’s real income—with a higher impact for women. This impact could be due to the nature of the training’s program itself; the program not only provided production techniques, business organization, and administrative skills but also had talks about creation of business plans, networking, establishment of virtual stores, and access to new markets components.

More importantly, men and women entrepreneurs face inherently different constraints including psychological and cultural factors. Female entrepreneurs are often lacking in access to financial and human capital, which impedes business growth; have different mindset constraints, such as risk-aversion; and have not caught up in soft skills, such as leadership. In addition, women have culturally-imposed constraints that psychologically and physically impede their independence, aspiration, and priorities. Thus, the success of female entrepreneurs depends on their personal traits and entrepreneurial skills, and how supportive institutions and stakeholders address or work around these major constraints.

Goals & Priorities of UN

Many international commitments support women’s economic empowerment, including the Beijing Platform for Action, the Convention on the Elimination of All Forms of Discrimination against Women and a series of International Labour Organization (ILO) conventions on gender equality. UN Women supports women’s economic empowerment in line with these, and with the growing body of evidence that shows that gender equality significantly contributes to advancing economies and sustainable development.

The organisation seeks to promote equality of women through five priority areas which include: » Increasing leadership and participation of women.

» Ending violence against women.

» Involving women in all aspects of peace and security processes.

» Strengthening the economic empowerment of women.

» Making gender equality a priority in the planning and budgeting of the development.

**Morocco:** In the oases of the south-eastern province of Errachidia UN Women helps women adapt to the changing climate. UN supports associations of women farmers, many of whom grow medicinal and aromatic plants that require little water and yield higher profits than traditional crops.

**Kenya:** Since 2013, as a result of the UN Women supported review of Kenyan public procurement, a minimum 30% of annual government spending is reserved for women, youth and people with disabilities. UN assists women entrepreneurs and women’s associations in Kenya to take advantage of the opportunities unleashed by this regulation and increase women’s participation in the supply chain. In collaboration with partners, we supported training of 1,500 women entrepreneurs and we are now taking the training to the county level.

**Nepal:** UN Women’s long-standing work with migrant women workers in Nepal has yielded concrete results, such as the creation of a network of returning migrant women workers, legislation that has cemented rights, and regulations that provide protection for the country’s 2.7 million migrant workers. We supported preparation of the Foreign Employment Policy, which includes a separate section focusing on the rights of women domestic workers.

**Globally:** Over 1,000 CEOs from around the world have signed the Women’s Empowerment Principles on corporate social responsibility for gender equality, developed by UN Women and the UN Global Compact.

**Conclusion**

Women Empowerment is a process that creates and brings power amongst women over their own lives, society, and in their communities. This includes the access to all their fundamental rights, which were ever denied. The conclusion of women empowerment can’t be seen in a day or two. It is a process where these small differences bring a bigger change in society. Unless an equality is brought among women and men, there will be an instability and conflict within the society.

To truly empower women, policymakers needs to address these constraints. Andrea Cornwall—a leading anthropologist from the University of Sussex—proposes two elements of change: First, consciousness needs to be shifted—overturning internalized constraints and aspirational barriers that keep women in situations of subordination—and second, cultural beliefs about gender and power must be challenged.

**Additional Research Links**

<https://www.forbes.com/sites/shamahyder/2020/03/10/state-of-women-and-entrepreneurship-2020-heres-what-you-need-to-know/#740bb01869fa>

<https://www.forbes.com/sites/forbesbusinesscouncil/2020/05/18/why-women-entrepreneurs-are-critical-to-economic-growth/#62dccd274523>

<https://blogs.worldbank.org/opendata/women-entrepreneurs-needed-stat>