



KEY POLICY MARKERS

UNLEASHING WOMEN ENTREPRENEURS IN AFRICA

A powerful and yet untapped economic force in Africa

African women represent a huge untapped market as emerging business leaders, consumers and household decision makers. Women control, or strongly influence many household spending decisions, and their power as consumers drives demands for products and services and becomes even more magnified as Africa becomes more prosperous.

And yet, only about a third of women participate in economic activity, often in very limited ways.

Africa must harness the power of women to drive economic growth and social development.

To maximize the growth opportunities facing Africa today, both men and women in Africa need to be able to reach their full potential. We need to consider how we enable the growth story of Africa through its people. The role of women in developing the economies and societies of African countries cannot be overlooked if we want to take advantage of the prospects facing us today.

This is why it is important for the continent to leverage all possible human energy – maximizing the growth opportunities that are presented through people – particularly, its women.

About the Pan African Chamber of Commerce and Industry (PACCI)

The PACCI is a unique business support organization, with local representation in all the African countries. Its Mission is simple: to stimulate and support responsible trade and investment in Africa. PACCI provides a platform to: promote and support the economic well-being of African businesses, and in particular that of its members; improve and boost intra-African trade and investment; facilitate policy dialogue to the realization of a Continental Free Trade Area (C-FTA); support women owned businesses; drive innovative public policy impacting on business and communities; reinforce the protection of the environment and the creation of sustainable employment.



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Africa's Women in Business

Findings revealed a significant benefit for women's businesses that do interact with outside networks. Women owned firms that interact with business associations are on average 38% larger than those that do not. Interactions with informal networks such as peer groups are also correlated with business success.

Fashion, beauty and design came out first, technology second as the most popular sector, and service is the third sector for African women business start-ups.

Access to capital ranked highest on the list of challenges female entrepreneurs in Africa face — 84% responded in the affirmative to the presence of this challenge in their business endeavours.

A large majority of women businesses (74%) is bootstrapped with personal finances. 47% admit to receiving help from friends and family, which is encouraging. Only 4% were able to secure private investment or loans, respectively. The **"Women Doing Business in Africa"** Seminar and Trade Mission, organized by the Pan African Chamber of Commerce and Industry (PACCI), and the Leading Women of Africa (LWA), took place in Addis Ababa, Ethiopia from August 27th to 29th, 2014 at the Saro-Maria Hotel. This was the first business match up meeting of women-owned small and medium sized enterprises (SMEs) to be held in Ethiopia.

The opening remarks were given by Mr. Kebour Ghenna (Executive Director of PACCI); Mrs. Madelein Mkunu (President of LWA); Mrs. Likyelesh Abay (Deputy Director General of the Ethiopian Investment Agency); Mrs. Hadia M. Gondji (President of the Ethiopian Women Exporter's Association); Ms. Seble Hailu (President of the Association of Women in Business) and Mrs. Nigest Haile (Executive Director of the Center for Accelerated Women's Economic Empowerment (CAWEE)).

More than 90 participants from different business sectors in Africa attended the seminar. The programme mainly focused on: doing business in Ethiopia; the economic overview of Ethiopia; identifying collaborative partnerships and innovation opportunities; the possibilities of getting to know the Ethiopian culture and mainly its business habits.

Driven by Ethiopia's expanding economy, business women from Nigeria, South Africa and South Sudan met in small groups with their counterparts from Addis Ababa in a B2B session speed-dating style to find the right business match for their companies.

"It was a packed 3 days — in fact, we did not have any free time at all, it seemed like every hour was programmed. I think our interests were met... At least mine was."

Ms Lydia Alfred Dimo, Batheeng Printers Stationeries House Ltd, South Sudan.

"We came here to find the right business to partner with. We are proud of the quality of our products. I'm certain — we can make this work."

Ms Mudanalwo Marema, Director, Tshiala Construction, South Africa.

Key Findings and Priorities

Women-owned businesses in Africa play a key role raising living standards through increased job growth and sustainable economic growth. They can still do better if they are encouraged and supported to network and raise their voices in order to fully engage in the policymaking process that shapes business environments.

Women in Africa spend a far greater percentage of their wages on the next generation than men do. So there is almost always a multiplier effect when a woman moves into the workforce. Specifically, they use their income to provide: better food, housing, education for their children, raise their children's economic prospects. This multiplier effect can increase exponentially if the woman starts her own business and begins to create jobs.

No economy can afford to squander any resource, particularly a resource as valuable as the energy and talents of half its population. In Africa there are often substantial barriers that keep women



from earning a living, including gender disparity in primary and secondary education, economic participation and opportunity, lack of capital to start a business, laws that deny them the same rights as men... address these problems, and you'll see that women can transform a developing nation's economy.

Any failure to integrate women fully into the workforce is particularly costly in terms of GDP... How much GDP can be lost? Sometimes billions of US dollars. Estimates show that Africa is losing dozens of billions each year because of restricted job opportunities for women. African leaders should give priority to allow women-owned SMEs to expand their enterprises.

A regulatory climate that makes it easy for entrepreneurs of both genders to start or run a business encourages the participation of women in the workplace. In countries that rank high for their ease of doing business, women's unemployment is low and there are numerous women entrepreneurs. In countries that rank low, the opposite is true.

