



**Gender, Small Enterprise and
Business Development Services:**
*Experience of Small Enterprise
Development in Upper Egypt Project*

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Small Enterprise Development in Upper Egypt: Project Rationale and Parameters

- **Selection of Governorates:** poverty indicators, economic development, infrastructure
- **Emphasis on Business Start-Ups:** many micro-enterprises but not small enterprises; need for job creation and labour intensive sectors
- **Comprehensive Approach Combining Credit and BDS:** credit channelled through a banking partner; BDS through regional enterprise development centres
- **Creating New Institutions:** lack of agencies that were providing advisory services for low-income new entrepreneurs at that time
- **Capacity Building:** of partner institutions to design and deliver professional BDS and to incorporate development goals in their mandates
- **Priority Target Groups:** unemployed women and youth
- **Integrating Cross Cutting Themes:** gender equality; workplace health and safety; child protection and the environment
- **Project Funding:** from CIDA and the Egyptian Social Fund for Development



Small Enterprise Development in Upper Egypt Approach to Gender Equality

- Gender Equality Component: To ensure that women are involved in all aspects of project management, monitoring, and outputs as both decision makers and clients.
- From the outset, the project attempted to integrate gender equality at all levels as a cross-cutting theme and not merely a stand-alone component:
 - » Project Level
 - » Institutional Level
 - » Women as Small Business Owners
 - » Women as Small Business Workers
 - » Working With External Stakeholders



Integrating GE at the Project Level

- Setting quantifiable measurable targets: **50 % of businesses** established to be women-owned and **40% of jobs created** to be held by women
- Sensitizing all staff of the importance of gender in **poverty alleviation**
- Integrating gender in **business development services**: at the client selection and motivation, business planning, business implementation and counselling stages
- Establishing a project-wide **gender working group** and **gender focal points** at each office: to share experiences, document case studies
- Appointing an internal **gender advocate** among local senior management staff and one Canadian management staff as a **gender advisor**



Integrating GE at the Institutional Level

- **Hiring and promotion policies:** women representation at all levels- business advisors and credit officers, middle management, administrative staff and senior staff
- **Administrative and financial policies:** needs of employees with regards to maternity leave, flex time
- **Board Training:** Selection and orientation of board members
- Importance of **indigenization** for sustained impact



Women as Small Business Owners

- Client **Motivation and Selection**
- Women as **Actual not Protocol Owners**: taking a Management Role in her business
- Encouraging support of **family members**
- Targeted training / skills transfer
- Women-owned **traditional businesses**: trade outlets, hairdressers, bakeries, food processing, textiles
- Promoting women-owned SMEs in **new sectors**: plastic production, cosmetics factory, pharmacy, optician, computer training center, business services, print shop.
- The **power of example**



Women as Small Business Workers

- Greatest number of women are employed in food-processing and textile industries but those are **low-paying jobs with limited growth potential**
- Obstacles to women holding high-income jobs:
 - **Skills Deficit:** *where is the mentor?*
 - **Lack of Experience:** *how can it be acquired*
 - **Work Conditions:** *evening shifts*
 - **Mobility:** *travel restrictions*
 - **Attitudinal and Perceptual barriers**
- **Gender Division of Labour** : case of sweet factory and ice cream production
- **Male-dominated industries:** metal workshops, carpentry and woodwork, tiles manufacturing



Influencing Policy Making

- Working with government agencies at **national** and **local** levels
- Working with local and national NGO networks
- Sensitizing **bank officials**
- Input to new policies / legislation
- Seeking donor support and guidance



Small Enterprise Development in Upper Egypt Achievements as of June 30, 2003

- **Direct Delivery:**

- The creation of 5300 new jobs through the establishment of over 1400 new businesses with 37 million LE in bank loans disbursed. Some of the businesses created that are new to their regions are internet service providers, computer training centers, computer maintenance centers, as well as larger scale cosmetics and plastic factories.
- 43% of all businesses established are owned by female entrepreneurs and more than a third of all jobs created are held by female workers.

- **Institutional Development:**

- The emergence of the three Regional Enterprise Development Centers as professional providers of business development services to small business start-ups and the establishment of El Mobadara as a national capacity building organization dedicated to small enterprise development throughout Egypt.
- A variety of new donor-funded programs in SME and SME-related areas, such as worker advocacy and insurance, women's empowerment, and child rights.



Transition to BDS Market Model: The Challenge

- History of free service provision
- Continuing public sector and donor supported subsidies
- Blurring of distinction in practice between facilitator and provider roles
- Lack of organization and standardization of BDS field
- High cost of reaching marginalized groups
- Labour intensive and costly to customize services for priority target groups
- Most entrepreneurs have yet to recognize value of BDS – how will they then pay for costs of broader development goals such as gender equality?



Transition to BDS Market Model: Progress To Date

- Moving from a comprehensive to **flexible package** of services:
restructuring of services and new marketing message
- Targeting start-ups as well as existing firms
- Conducting **market assessments** for needs of businesses
- **Charging fees** – *linked to tangible results such as increased sales or completed regulatory requirement*
- Linking staff pay to revenue generation incentives
- Linking with **smaller / informal providers**
- **Training and orientation** of boards and regulatory agencies
- Promoting **women-owned and managed** BDS providers



THANK YOU!

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