

14th Global Economic Forum on
“Empowerment of Women through Global Business Opportunities”
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Presented by:

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Honorable delegates, distinguished guests, and esteemed members of the Federation of Indian Women Entrepreneurs

I am deeply honored to address you today at the 14th Global Economic Forum, convened by the Federation of Indian Women Entrepreneurs (FIWE) in collaboration with the Ministry of MSME, Government of India, and the United Nations Industrial Development Organization (UNIDO-ITPO). I extend my heartfelt gratitude to FIWE for extending this invitation, as the issue of “Empowerment of Women” holds immense personal significance, having dedicated over three decades to this cause.

The theme of today's conference, "Empowerment of Women through Global Business Opportunities," resonates deeply with the ongoing efforts worldwide to harness the potential of women as key drivers of economic growth and societal progress. As a member of parliament and an advocate for women's rights, I am profoundly inspired by the incredible work being done by organizations like yours to champion women's entrepreneurship and pave the way for global opportunities.

Women's empowerment stands as a cornerstone for human development, given our equal share in the world's population. It is imperative to address women's empowerment to achieve human development targets; failure to do so renders such targets unattainable. True empowerment involves elevating

women's status, enhancing their self-worth, and ensuring their access to opportunities, resources, and the power to shape their own lives, thereby driving social change towards a fairer economic order.

In recent years, our journey towards gender equality has faced significant challenges. Factors such as slowing global growth, the escalating risks of climate change, conflicts worldwide, and the enduring impacts of the COVID-19 pandemic have impeded our progress, particularly affecting the lives and livelihoods of women disproportionately.

Consider the statistics: According to Global Gender Gap Report 2023, between 2019 and 2020, while the global women's labor-force participation rate experienced a decline of 3.4%, the decrease for men stood at 2.4%. However, amidst these challenges, there is a glimmer of hope. Since then, women have been re-entering the workforce at a slightly higher rate than men, leading to a modest recovery in gender parity. For instance, between 2022 and 2023, we witnessed an increase in labor-force participation rate parity from 63% to 64%.

Yet, historical trends persist. Women have consistently faced higher unemployment rates than men, exacerbating the gender gap in labor force participation. Despite a brief period of convergence during the peak of the pandemic in 2020, the likelihood of women experiencing unemployment remains higher than that of men. Furthermore, not only are fewer women participating in the labor market, but a relatively smaller proportion of them are employed. Recent data from the International Labour Organization underscores this point, indicating a global unemployment rate of approximately 4.5% for women compared to 4.3% for men.

Nevertheless, amidst these challenges lie opportunities. Globally, women's entrepreneurship is emerging as a powerful driver of economic growth. According to a 2018 report from the Asian Development Bank and The Asia Foundation, in regions like Asia and the Pacific, the elimination of gender disparities in employment, particularly in entrepreneurship, has the potential

to increase per capita income by an impressive 70% within approximately two generations.

Let's focus on South Asia, where progress has been made but challenges persist. While the region has achieved a 63.4% gender parity score, it remains the second-lowest among eight regions. According to the 2023 Women, Business and the Law Report by World Bank, Economic participation and opportunity in Southern Asia, in particular, lag behind, with only 37.2% of the gap closed.

The lack of women's economic empowerment remains a significant barrier to greater growth and development in South Asia. With a regional female labor force participation rate of just 22% compared to 77% for men, the region faces one of the lowest rates globally, trailing only behind the Middle East and North Africa. Even in countries with relatively high female labor force participation rates, vulnerability in employment among women persists, with over half of working women engaged in the informal sector, characterized by low wages, lack of social protection, and insufficient legal recognition. Gender Data Portal by World Bank shows that female ownership of firms stands at a mere 18% compared to the global average of 34%. Access to finance and digital resources remains a significant challenge, exemplified by the 11% gender gap in account ownership at formal financial institutions.

These difficulties are further compounded by gender-related factors such as women's lack of collateral, weak property rights, and discriminatory regulations. Shockingly, the International Finance Corporation estimates that up to 70% of women-owned SMEs in the formal sector in developing countries are underserved by financial institutions, leading to a financing gap of approximately \$285 billion.

As we delve deeper into the landscape of women's empowerment, let us now focus our attention on Nepal—a nation that has embarked on a journey of transformative change, leading to remarkable improvements in the socio-economic status of women. In recent years, Nepal has witnessed significant strides, evident in its remarkable ascent in the Women, Business, and Law score. From a modest 49.4 in 2015 to a commendable 80.6 in 2023, Nepal's positive trajectory underscores the impact of policy amendments aimed at

enhancing women's access across various domains, including mobility, workplace, pay, marriage, parenthood, entrepreneurship, assets, and pension. When compared with its South Asian counterparts, Nepal stands out with its impressive score of 80.6—the highest among the four. This achievement is a testament to Nepal's proactive approach in introducing reforms related to parenthood and pension in recent years.

According to the 2018 report of US Aid Country Profile, a strikingly low 19.7% of women hold land ownership, a mere fraction of the country's total land. But let me share some promising news. Recent legal amendments in Nepal have ushered in a wave of positive change. Today, there is a provision for a 25–50% reduction in registration fees for land registered under women's names. Daughters can also now rightfully inherit parental property post-marriage, ensuring a fair distribution of assets between sons and daughters.

Moreover, in a significant stride towards equality, women are entitled to their husband's share of property in case of divorce, offering them a newfound sense of empowerment. As we know, access to land is not merely about ownership; it's about security, independence, and confidence. It's a catalyst for women's active participation in social and political arenas, reshaping societal norms and perceptions.

Despite these advancements, challenges exist. While women comprise 50.4% of Nepal's population, their representation in the business sector remains disproportionately low. Only one-third of businesses in Nepal are owned by women, accounting for a mere 29.8% of the 923,353 registered MSMEs—a stark reality highlighted in the Central Bureau of Statistics' first National Economic Census report.

An analytical report on 'Women in Business' by the Central Bureau of Statistics in 2021 shed light on the disparity in managerial positions, with female managers comprising only 29.6% compared to their male counterparts at 70.3%. This imbalance can be attributed to various factors, including differences in educational attainment and the challenges women face in balancing professional and personal responsibilities, intensified by unequal distribution of household labor and societal expectations.

Moreover, disparities in earnings persist, with women earning significantly less than men. For instance, in the 'professional' category, while women earn around USD 90 per month, men earn nearly double that amount at USD 180. Compounding this issue is the reluctance among women to negotiate for higher salaries, driven by societal perceptions and the fear of facing greater social challenges compared to men.

In Nepal, women entrepreneurs face a myriad of challenges and barriers that hinder their ability to thrive and grow their businesses. Traditional gender roles, stereotypes, and cultural norms not only limit women's access to opportunities, financing, and support but also impose immense pressure on them to prioritize family and household responsibilities over their entrepreneurial pursuits. This dual burden restricts their capacity to dedicate sufficient time and energy to their businesses, hindering their potential for success.

Furthermore, women entrepreneurs in Nepal often operate in low productivity sectors with limited access to business education and opportunities for growth. The transition from the informal sector to the formal sector poses additional challenges, requiring women to navigate complex regulatory frameworks and bureaucratic processes.

Despite Nepal's reputation for high rates of female labor force participation, particularly in the agricultural sector, women-owned SMEs still face significant barriers to scaling up. Legislative frameworks may discriminate against women or fail to address their specific needs, while limited access to finance, markets, information and communication technologies (ICTs), and opportunities for innovation further impede their growth prospects. Additionally, challenges such as limited access to information and training for skilled workers exacerbate the difficulties faced by women entrepreneurs.

Recognizing the importance of addressing these challenges, governments across South Asia and the ASEAN region have implemented various initiatives to support and strengthen women's entrepreneurship. These initiatives often involve partnerships between government agencies and the private sector, leveraging resources and expertise to create more supportive environments for women entrepreneurs.

For instance, in Vietnam, the Vietnamese Women Entrepreneur Ecosystem (VNWEE) provides comprehensive support for women entrepreneurs, offering resources on SME policies, regulations, and mental health care. Similarly, Malaysia's My Assist MSME initiative and the Philippines' Negosyo Center Program offer a wide range of services, including advisory support, financial assistance, and mentoring opportunities. These initiatives have been instrumental in enhancing capacity development and have wielded a profound influence on a global scale.

As we reflect on the strides made in fostering women's entrepreneurship, it is imperative to acknowledge the complementary efforts of the Government of Nepal in shaping a conducive environment for economic empowerment. The formulation of the Micro, Cottage, and Small-Scale Industries Promotion Policy 2023 stands as a testament to Nepal's solid commitment to accelerating industrialization while prioritizing the growth of micro, cottage, and small-scale industries.

Embedded within this policy is a recognition of the pivotal role these sectors play in creating employment and self-employment opportunities, thereby reflecting a historical commitment to native investment, labor, and resources. Moreover, by acknowledging the existing challenges faced by women entrepreneurs, the policy underscores the continued need for their protection and promotion. It prioritizes gender-lens assessments to cultivate a gender-responsive entrepreneurial ecosystem, fostering an inclusive and resilient economy where women entrepreneurs thrive.

To address the challenges hindering women's entrepreneurship, the South Asian Women Development Forum (SAWDF) has emerged as a beacon of expertise and advocacy. At the forefront of SAWDF's endeavors stands the Women Entrepreneurs Green Industrial Park (WEGrip), a pioneering initiative redefining opportunity for women-led industrial ventures in Nepal through a groundbreaking Public Private Partnership (PPP) model.

Partnering with the Ministry of Industry, Commerce and Supplies and Panchkhal Municipality, SAWDF has spearheaded the establishment of WEGrip. This innovative industrial park transcends traditional notions, embodying a holistic approach to economic growth that prioritizes

environmental sustainability, gender equality, and community prosperity. The park will also have a virtual marketplace facilitating direct transactions between local producers, farmers, and women entrepreneurs, promoting inclusive growth and economic empowerment with opportunities for low-cost business.

As we navigate the path towards inclusive economic growth and prosperity, let us come together to reframe gender issues and increase women's participation across all sectors. By embracing the economic prowess of women and fostering an enabling environment for entrepreneurship, we can unlock the full potential of our societies and build a brighter future for generations to come.

As we move forward, let us heed the words of the late Kofi Annan, Former UN Secretary-General and Nobel Peace Prize winner, who famously said, "There is no tool for development more effective than the empowerment of women." It is time for all sectors—public, private, and social—to join forces in closing the gender gaps and embracing the economic prowess of women.

Thank you for your dedication, commitment, and continuous support in championing the cause of women's economic empowerment. Together, let us continue to strive towards a more equitable, sustainable, and prosperous world for all.

Thank you !