WOMEN-OWNED BUSINESSES IN THE UNITED ARAB EMIRATES: A GOLDEN OPPORTUNITY

UNITED ARAB EMIRATES,
AUGUST 2022

نماء للارتقاء بالمرأة
NAMA WOMEN ADVANCEMENT

UN WOMEN
United Nations Entity for Gender Equality and the Empowerment of Women

Produced by the UN Women Liaison Office for the GCC

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Authors: Dr. Maya Rmeity and Hiba El Jardali

Editor: Andy Quan

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Cover photo: A group of business owners gathering during a networking event in Dubai, September 2021. Photo: © UN Women/Ian Hardie

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ECONOMIC EMPOWERMENT SECTION
UN WOMEN
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We thank everyone involved for their contributions to this important research.

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ACRONYMS

ADGM	Abu Dhabi Global Market
ADBWC	Abu Dhabi Businesswomen Council
DBWC	Dubai Businesswomen Council
DIFC	Dubai International Financial Centre
DMCC	Dubai Multi Commodities Centre
GEM	Global Entrepreneurship Monitor
GCC	Gulf Cooperation Council
GPFI	Global Partnership for Financial Inclusion
IFC	International Finance Corporation
KYC	Know Your Customer
MENA	Middle East and North Africa
MSMEs	Micro, Small and Medium Enterprises
NAMA	NAMA Women Advancement
OECD	Organisation for Economic Co-operation and Development
PWC	PricewaterhouseCoopers
RAKEZ	Ras Al Khaimah Economic Freezone
SDGs	Sustainable Development Goals
SHAMS	Sharjah Media City
SHERAA	Sharjah Entrepreneurship Center
SMEs	Small and Medium Enterprises
SRTIP	Sharjah Research Technology and Innovation Park
UAE	United Arab Emirates
VC	Venture Capital
WAIN	Women Angel Investors Network
WEF	World Economic Forum
WEFI	Women Entrepreneurs Finance Initiative
WOB	Women-owned business or women-owned businesses

FOREWORD

STIMULATING EQUAL OPPORTUNITIES FOR WOMEN ENTREPRENEURS

UN Women, through the Flagship Programme Initiative (FPI) Stimulating Equal Opportunities for Women Entrepreneurs, seeks to achieve a transformative impact on gender equality and women's economic empowerment to contribute to the 2030 Agenda for Sustainable Development and the achievement of its Sustainable Development Goals (SDGs). UN Women has partnered with NAMA Women Advancement (hereafter NAMA) to implement this programme in the United Arab Emirates (UAE) and South Africa.

The programme delivers on different targets of the 17 SDGs, especially on SDG 5 on gender equality and SDG 8 on promoting full and productive employment and decent work for all.

Target 8.3

"Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services"

The FPI aims to be as inclusive as possible and create opportunities for women across the entire spectrum, from a young woman or a woman working in the informal economy with the ambition to gain the necessary skills to join the labour market to more established and certified women-owned businesses with the capacity to produce at scale and for international trade. It seeks to stimulate the demand for women entrepreneurs' products and services by promoting gender-responsive public and private procurement, and to promote women entrepreneurs' access to entrepreneurial skills and finance opportunities so that they can benefit from global value chains.

At the global level, this programme will bring together knowledge with policy advocacy and technical assistance, and by leveraging platforms such as the Women's Empowerment Principles.

A group of business owners gathering during a networking event in Dubai September 2021. Photo: © UN Women/Jun Hardie

EXECUTIVE SUMMARY

BACKGROUND

Women entrepreneurship in the Middle East and North Africa (MENA) region has been a rapidly growing phenomenon in the past few years (Zeidan and Bahrami, 2011). According to the emerging literature, women can make a significant contribution to entrepreneurial activity and economic development (Hechevarría et al., 2019) in terms of creating new jobs and increasing the gross domestic product (GDP) with positive impacts on reducing poverty and social exclusion (Rae, 2015). Nevertheless, the percentage of women who decide to pursue an entrepreneurial career is lower than that of their male counterparts (Elam et al., 2019) and this gap is mainly correlated with the level of cultural and financial barriers women face in the region (Cardella et al., 2020).

The issue is not only regional, since globally, although women-owned small and medium enterprises (SMEs) make significant contributions to more than 30 per cent of the world economies (World Bank, 2019), they still face a range of financial and non-financial challenges in realizing their growth potential. They are more likely than their male business owners to cite access to finance as a major drawback to their business operations.[1]

In recent years, policymakers, corporate executives and leaders of philanthropic organizations have explored ways to support women entrepreneurs. They all emphasized the importance of entrepreneurship capital and its positive impact on the nations' economic and social progress on one hand, and on the innovation level and the productivity output on the other hand. Many governments are therefore trying to actively promote entrepreneurship through various forms of governmental and non-governmental support. Yet, according to the 2019 Women Entrepreneurs Finance Initiative (We-Fi) report, women-owned businesses (WOBs) face particular challenges in obtaining finance, building networks and linking to high-value markets and investors. This issue is still prevalent even though studies around the world have shown that women are more likely to repay their loans than men (World Bank and IFC, 2019).

Locally, stimulating the emergence of a strong entrepreneurial culture through SMEs is at the heart of the United Arab Emirates National Strategy to become a competitive, knowledge-based economy. Over the past decade, the country has committed to promoting a conducive general framework for enterprise activities and has heavily invested in building a more diverse and sustainable economy which relies less on the oil sector and more on innovation and tech-led SMEs. The facilitation of doing business is specifically targeted under the 'Competitive Knowledge Economy' pillar of the UAE Vision 2021. As a result of this commitment, the UAE steadily improved its Doing Business (DB) score between 2010 (as reported by DB2011[2]) and 2019 (as reported by DB2020).

Within the framework of the UAE Vision 2021 and the related seven-year National Agenda (launched in 2014), and in particular the 'Cohesive Society and Preserved Identity' pillar,[3] the UAE Government has committed to the promotion of gender parity, aiming to become one of the world's top 25 countries for gender equality by 2021. In support of the gender-related objectives, the UAE has introduced a series of legal, policy and institutional measures over the past decade, including the simplification of access to finance.

1 See International Finance Corporation. "Entrepreneurship"

2 World Bank Doing Business Report.

3 The UAE Vision 2021 and National Agenda are structured around six pillars: (i) Sustainable Environment and Infrastructure; (ii) World-Class Healthcare; (iii) First-Rate Education System; (iv) Competitive Knowledge Economy; (v) Safe Public and Fair Judiciary; and (vi) Cohesive Society and Preserved Identity. See further www.vision2021.ae.

SYNOPSIS

In this report, UN Women has conducted a comprehensive investigation on the landscape of access to finance offered to SMEs and women-owned businesses, in particular in the United Arab Emirates, concluding with suggestions for tailored interventions that would improve their access to finance.

The 'diagnostic'[4] research design was used in two main reports. The first report entitled "Women-owned businesses in the UAE: ready to thrive, strong to resist", fully detailed the data collection methods adopted (e.g. a 43-question survey,[5] interviews and focus group discussions) as well as the findings of the insightful study on the main challenges facing WOBs and their underlying causes. A brief summary is given in Chapter 1 - the female entrepreneurship landscape in the UAE.

In this second report, the study was carried out by first a desk review of documentary official sources[6] (reviewing the various government and relevant stakeholder initiatives with regards to the improvement of female entrepreneurs' access to financial support), as well as consultations with relevant stakeholders for the generation of primary evidence: (i) 10 semi-structured interviews with women business owners, (ii) several meetings with financial institutions,[7] government agencies, and women business networks, (iii) and three focus group discussions to analyse women's lived experiences, challenges, aspirations and needs.

Meeting with other entrepreneurial ecosystem stakeholders such as financial institutions, commercial banks and government agencies allowed the researcher to triangulate the data sources and ensure the credibility and validity of the research findings.

Panel discussion, "The Power of Mentoring for Women repreneurs", at Expo 2020 Dubai, November 2021. Photo: © UN Women/Corne-Ann Lubbe.

4 The research followed a mixed methodology approach aiming at reporting on three main areas: (i) the female entrepreneurship context in the UAE (business size, capacities, challenges and barriers); (ii) the impact of the COVID-19 pandemic on their businesses; and (iii) the access to finance for women entrepreneurs.

5 The data collected from the survey covered the responses of 1,028 female entrepreneurs at different stages of their entrepreneurial journey from all over the seven emirates.

6 Including government's legislative frameworks and policy declarations, local banks' published reports, financial institutions' websites, press releases, incubators' publications and white papers.

7 Including informal phone calls and interviews with three international banks, five local banks, one fintech crowdfunding platform, one healthcare-focused private equity firm and one venture capitalist.

MAIN FINDINGS

The study points to the significant progress the United Arab Emirates has achieved in terms of fostering a gender-sensitive regulatory framework by endorsing a series of legal, policy and institutional measures, which prohibit any kind of discrimination based on gender in employment, economic participation and in access to credit or loans.

Indeed, the number of female entrepreneurs is rising significantly: 25,000 Emirati women entrepreneurs owning 50,000 trade licences valued at AED[8] 60 billion in 2021[9] as reported by H.E. Abdalla Sultan Mohammed Al Owais, Chairman of the Sharjah Chamber of Commerce and Industry (SCCI) compared to 11,000 Emirati businesswomen running businesses worth AED 12 billion in 2010[10] as reported by H.E. Rajaa Al Gurg, Chairman of Dubai Businesswomen Council and 23,000 Emirati women running businesses worth AED 50 billion in 2019.[11]

However, gender disparities in entrepreneurship continue to be seen across different sectors. Research shows that despite economic development and significant progress in female empowerment in the region, women have always disproportionally been affected by inequalities ranging from cultural norms and social stereotypes (Naguib and Jamali, 2015) to insufficient support offered to women-led ventures, lack of policy frameworks addressing the gender gap and the challenge of balancing family responsibilities with work responsibilities (Wamda, 2019).

To date, the UAE financial sector lacks a customized approach and specific lending policies targeting women. This would negatively influence women entrepreneurs' appetite to get loans or additional capital injection. Currently, commercial banks offer generic products and services, which are not suitable for the types of businesses women are typically running (micro and small enterprises, or start-ups).

Indeed, the lack of reliable gender-disaggregated data limits women's opportunities to present a business case for financial institutions and investors (IFC, 2019). Commercial banks and investors need to have a better understanding of the existing market potential as well as the constraints facing women-owned SMEs at a territorial and regional level to design strategies and service offerings to meet the financing needs of those women entrepreneurs.

To put forward solutions, a set of recommendations for this report was developed, inviting all stakeholders to take action: governments, lending and financial institutions and women business associations. It is hoped that policymakers and other stakeholders will find much value in this study in charting gender-sensitive strategies and practices that would potentially increase WOB's access to finance opportunities, thereby allowing them to drive economic growth in the UAE.

8 AED 1 was equivalent to US$0.27 as of 1 May 2022.

9 ZAYWA, " Pearl Quest by SBWC offers seven aspiring women entrepreneurs a chance to win funding for their start-ups", 6 February 2022.

10 Emirates 24/7, "UAE women show their professional prowess", 2 June 2010.

11 Embassy of the United Arab Emirates, Washington, DC, "Women in the UAE"; Emirates News Agency, "Strata sponsors 'Gender Hub' of joint UAE-UNIDO Exhibition", 1 November 2019.

1. THE CONTEXT FOR FEMALE ENTREPRENEURSHIP IN THE UAE

Numerous studies have shown that entrepreneurs are more likely to thrive in environments capable of nurturing innovation and opportunity, furnishing a healthy mix of institutions, regulatory regimes, infrastructure, venture capital and market opportunities (WEF, 2016). Truly, building a female entrepreneurial nation is not a quick process. An inclusive entrepreneurial culture needs to be conditioned, and an entrepreneurial ecosystem needs to be nurtured to influence the speed and ability of female entrepreneurs to create and scale new ventures in a sustainable way (Tlaiss, 2014; WEF, 2014).

A NURTURING ECOSYSTEM FOR ENTREPRENEURSHIP AND INNOVATION

The entrepreneurial ecosystem in the UAE is relatively strong compared to the region, as essential ingredients for building a thriving entrepreneurial ecosystem are already in place. The UAE was ranked top in the world in the 2021/2022 Global Entrepreneurship Mentorship (GEM) report in terms of countries that allow for better ease of doing business, ahead of both the Netherlands and Finland[12]. In the 2019 GEM report, the UAE strongly outperforms both the average GEM index of the Middle East and North Africa (MENA) region and is noted as an innovation-driven economy on most aspects of the indices, thanks to changes in cultural and social norms and incremental improvements in government policies and programmes. Yet, many other elements need further attention, such as financing for entrepreneurs, entrepreneurship education in and post-school, physical infrastructure, internal market dynamics, and commercial and legal infrastructure (GEM, 2019).

The UAE Vision and Innovation Strategy of 2021 aims at positioning the UAE among the most innovative nations and one of the most attractive global start-up hubs, by providing extensive government support to micro, small and medium enterprises (MSMEs), a safe living environment, a dynamic business culture, a strong start-up community and relatively low taxes (Entrepreneur ME, 2018).

The three emirates—Abu Dhabi, Dubai and Sharjah—aspire to build a sustainable economy by fostering youth entrepreneurship and emerging tech-led industries, enhancing competitiveness and improving business opportunities to MSMEs (National Economic Register, 2020). Hence, a steady increase in new registered businesses in the three emirates is shown between 2018 to 2020. To assist SMEs, UAE policymakers have primarily focused on cultivating a healthy risk-taking culture, improving access to finance, designing supporting initiatives and implementing better regulations enabling SMEs to scale up and access market opportunities.

12 Dunya Hassanein. 2022. “UAE ranked world’s most supportive entrepreneurship environment: GEM Report.” Wamda. 11 February.

The UAE has also taken various practical and legal steps to simplify the process and requirements of obtaining a licence to conduct business in and from the UAE by allowing a free zones licence (where co-spaces are allowed). Virtual commercial licences, offered by Dubai Virtual Commercial City, for instance, were launched to conduct business in limited sectors such as computer programming, consultancy, design activities, printing and advertising. Remarkably, the SME sector has risen from 200,000 registered enterprises in 2013 to an estimated number of 350,000,[13] representing 95 per cent of the total number of registered businesses in the UAE (Ministry of Economy, 2013–2019). Enhancement of the legal and regulatory framework as well as favourable government policies and initiatives have no doubt been the main drivers for the booming SME sector. However, WOBs account for only 6.57 per cent of SME sector activity[14] (UAE Government portal, 2019). The low representation suggests that female entrepreneurs are always driven by opportunity more than the need for rewarding employment. Critically, the majority of women's entrepreneurial activity was found in social impact or micro and informal activity:

> "Emirati women's intentions for launching and managing new businesses may differ from those of men. Instead of women perceiving business as an economic entity designed to achieve profit through economic advantage, women may perceive their businesses as cooperative networks of relationships in which business relationships are integrated rather than separated from family, societal, and personal factors. This leads to different approaches to venture creation and business growth expectancies. Initiatives aimed at increasing female participation in entrepreneurship are thus an important strategy for economic development in the UAE."
>
> – El Sokari et al. (2013)

13 Arabian Business. 2020. "UAE banks gave 4.3% more loans to SMEs in Q1 2020." 19 May.

14 In the UAE, SME enterprises account for 92 per cent of all firms. UAE SME firms account for 86 per cent of the workforce and contribute around 60 per cent to the GDP generated in the UAE economy, according to the UAE Ministry of Finance (ENBD 2014 Report – Dubai SMEs Overview).

Government initiatives for increasing access to knowledge and finance

The UAE government is playing a significant role in setting policies, regulating social and economic mechanisms, and driving both academia and industry through entrepreneurial support mechanisms (Rangaa and Etzkowitz, 2013).

As part of the UAE's efforts to grow the SME sector, the UAE government has supported numerous SMEs and start-ups through initiatives including the establishment of some institutions (government-led incubators and accelerators), such as the Khalifa Fund for Enterprise Development (KFED), the Sharjah Entrepreneurship Center (SHERAA), the Sharjah SME (RUWAD), the Sheikh Mohamad Bin Rashid Establishment (SME Dubai), Start AD, Ma'an and Saud Bin Saqr Establishment for Youth Enterprise Development (Ras Al Khaimah), offering business incubators programmes, business workspaces and suggestions for funding.

In academia, the UAE witnessed a growing number of initiatives to foster entrepreneurial mindsets, attitudes and skills across all levels of education. Several universities (Masdar Innovation Center, Abu Dhabi School of Management, UAE University Science and Innovation Park, American University of Sharjah, Dubai Future Academy, Zayed University, New York University Abu Dhabi, Higher College of Technology, and Sharjah Research Technology and Innovation Park – SRTIP) have established economic and creative "free zones", building innovation ecosystems for students on campus and beyond.[15] Nevertheless, entrepreneurship education is still at a relatively early stage in the UAE education system. In a 2019 survey, university students showed significant interest in pursuing entrepreneurship. However, they acknowledged that the university environment does not fully equip them with the necessary skills and capabilities to start the entrepreneurial journey right after graduation (Basco and Hamdan, 2019).

Women-focused entrepreneurship initiatives

Women in the UAE have long been recognized as equal partners in national development and many efforts have been taken to pursue women's empowerment in cultural, social and economic fields (Al Khayal et al., 2020). In 2002, the National Strategy for the Empowerment of Emirati Women (NSEEW) advocated for women's positive participation in eight major and significant fields[16]. Women in the UAE have been encouraged and empowered since the foundation of the state. This policy is spearheaded by the country's leadership and backed by the UAE Constitution, which guarantees equal rights for men and women. Women enjoy the same legal status, access to education, the right to practise professions and the right to inherit property as men.

A further important achievement of the NSEEW was to attach a businesswomen's council to each Chamber of Commerce and Industry in order to support women in business. Although this decision aimed at providing advocacy and policy support to public policymakers, the work of the businesswomen councils is still evolving, providing occasional educational assistance for women involved in traditional activities with little market linkage opportunities or access to financial support, two key challenges for SMEs and WOBs (OECD, 2016). It is worth mentioning that the businesswomen councils were the main driver for national business legislation encouraging women's greater participation in entrepreneurship through micro businesses. Emirati and young women were encouraged to thrive and to start their entrepreneurial journey with minimal set-up requirements. Significant women-focused initiatives for SMEs and home-based activities gave access to thousands of women entrepreneurs to set up their businesses: "Intilaq" launched by the Dubai Chamber of Commerce, "Badiri" and "Irthi" by NAMA in Sharjah, and "Sougha" and "Mubdi'ah" by the Abu Dhabi Businesswomen Council.

15 See Appendix 2: List of UAE University-led Entrepreneurship Incubators.

16 Including education, economy, information, social work, health, legislature and the environment, in addition to political and executive fields (United Arab Emirates Yearbook, 2004).

Starting in 2020, and with the COVID-19 pandemic drastically impacting WOBs, government-led initiatives recognized the need to implement female-focused initiatives: She Means Business (a joint initiative between the Khalifa Fund for Enterprises Development (KFED)[17] and Facebook; the SBWC[18]- Pearl Quest Initiative[19] in partnership with the PwC Academy providing female entrepreneurs with training, mentoring and funding as well as a platform to pitch for external investment; She Trades MENA (a joint initiative between DBWC, Dubai SME and Dubai Department of Economic Development aimed at supporting the local female entrepreneurs' community through specialized training, advisory and funding for idea incubation and start-up growth; Al Bait Al Mitawahid (United House) Association – KFED – Social Care & Minors Affairs Foundation[20]: supporting and empowering female entrepreneurs to kick off their businesses ideas; and Stimulating equal opportunities for women entrepreneurs (UN Women NAMA Flagship Programme Initiative), a holistic capacity-building programme providing female entrepreneurs with knowledge-based and interactive workshops and trainings, as well as mentoring and accelerator programmes.

Towards business-friendly legislative regulatory frameworks

The Government's vision to nurture and encourage entrepreneurship and foreign investment is forward-thinking. Many specific regulations and law amendments have been announced and actively implemented in the UAE over the past years. This report outlines the major relevant changes on the federal level that have positively impacted doing business and/or getting access to financial support (credit or investment).

In 2014, the UAE enacted the 2014 SME Federal Law (see Appendix 1) to support SMEs with a facilitating framework. The law exempts SMEs from customs tax for equipment, raw materials and goods for production purposes, and also excludes SMEs from the obligation to pay bank guarantees for each new worker. The law also ensures that SMEs get a market share; it mandates that federal authorities and ministries contract at least 10 per cent of their procurement budgets for purchasing, servicing and consulting to SMEs (UAE Ministry of Economy, 2018). It also obligates firms in which the government holds more than 25 per cent of the stakes to give at least 5 per cent of their contracts to SMEs. Another governmental support example is the Dubai Expo 2020 where Dubai announced that 20 per cent of its total direct and indirect spending, representing more than AED 5 billion (US$1.36 billion) in contracts, would be allocated to local and international SMEs.

The introduction of Federal Law No. 9, known as the "bankruptcy law", promotes a debtor-friendly rescue culture, encouraging entrepreneurs to be proactive, and to ease their concerns if bankruptcy occurs. Other recent SME-oriented laws have improved the entrepreneurial ecosystem.

17 The Khalifa Fund, established in 2007, is an independent agency of the Government of Abu Dhabi. It has launched a number of initiatives supporting female and male Emirati entrepreneurs including pre-funding and post-funding technical support and micro-financing programmes: the Intilaqa (beginning) programme for start-ups with Shell, the Khutwa (first step) programme for female-oriented businesses in cottage industries, handicrafts and garments industries, the Zeyada (growth) programme for existing businesses, and the Tasnee (manufacturing) programme.

18 See Box 1.

19 Gulf Today. 2022. "SBWC offers women entrepreneurs funding, training for their startups." 6 February.

20 See www.albaytmitwahid.ae.

The 100 per cent ownership of UAE-based businesses by foreign investors in selected sectors, as well as golden residency visas of 10 years to investors, entrepreneurs and specialists in scientific, technical, medical and research fields are a great advancement in the entrepreneurship ecosystem.

The New Secured Transactions Law No. 4, enacted in May 2020, creates a unified and integrated legal framework for secured transactions, thereby decreasing the risk of undisclosed interests in movable assets. It expanded the scope of all types of rights in movables and broadened the description of debts and obligations and the scope of assets that are usable as collateral and can be registered in the Emirates Movable Collateral Registry (EMCR). Thus, it creates a single, unified registry platform for the entire country that is notice-based and conforms to international standards of best practice.

The law would potentially encourage women business owners to request credits, as it allows any business to grant a non-possessory security right in substantially all its movable assets, without requiring a specific description of the collateral. The law also strengthens the priority position of secured creditors in case of debtors' default. Hence, secured creditors rights rank ahead of other creditors' rights such as, for instance, government rights. This is also in line with the recent amendments to the Insolvency Law in 2019, which similarly, granted the same priority to secured creditors in case of bankruptcy and liquidation.

The UAE government has also updated various financial regulations. Crowdfunding regulations implemented by the Abu Dhabi Global Market (ADGM) and Dubai International Financial Centre (DIFC) since 2017 provide companies with new forms of operating licences, increasing investors' confidence, and ensuring more access to financial capital for SMEs. In October 2020, the Central Bank issued a circular regulating loan-based crowdfunding activities (LCAs) in the UAE. With access to traditional modes of finance reaching a bottleneck, crowdfunding is globally emerging as a leading option for financing for start-ups, innovative companies and SMEs. The circular establishes a framework to govern the crowdfunding market, consequently fuelling its growth. In support of the UAE government's gender equality objectives, the UAE Central Bank notified, on of September 2019, all banking and financial institutions to provide equal treatment to both genders regarding financial transactions including loans. The notice is a significant step towards increasing women's economic opportunities in accessing financial support and thriving in business.

Private initiatives to promote entrepreneurship

Growing awareness of the importance of start-ups to the economy has been accompanied by a shift in attitudes within the private sector. This has led some corporate entities to take an active role in the development of small businesses during the incubation stage.

The initiatives are gender-neutral, aiming at providing equal opportunities to all entrepreneurs, and include the Krypto Labs, launched by the Abu Dhabi Financial Group (ADFG), a start-up incubator that supports and invests in start-ups in the UAE; the e25 initiative, launched by Emaar, which encourages its teams to come up with technological ideas and venture out as independent start-ups; Sandooq Alwatan, a fund supported by high-net-worth donors, which funds the Khalifa Innovation Center (KIC) where they incubate start-ups; and the Air Arabia initiative providing funding to start-ups and SMEs in aviation or tourism.

Many other non-governmental initiatives encourage women entrepreneurs to step into the business ecosystem and unleash their potential through new ideas and products in the markets, including: US Embassy (USAID) Partnering with StartAD[21] on the US Entrepreneurship Academy of Women entrepreneurs (AWE); the Cherie Blair Foundation for Women programme funded by UAE's Crescent Enterprises to support and empower female entrepreneurs across the Middle East since 2014; and the recent initiative by IFC with Abu Dhabi Global Market (ADGM) to boost opportunities for women-led start-ups and businesses across MENA (December 2021).

21 The Abu Dhabi-based global accelerator anchored at New York University Abu Dhabi (NYUAD).

BOX 1:

Sharjah Business Women Council

Since 2002, the Sharjah Business Women Council (SBWC),[22] a NAMA Women Advancement affiliate, has been supporting businesswomen at different stages of their careers. Through a holistic, sustainable approach, SBWC offers expertise and guidance covering all aspects of a business venture: from technical assistance to set up businesses to training and mentorship, exposure to opportunities and helping forge partnerships with private organizations within the UAE and beyond.

The main SBWC initiatives are: (i) the Badiri Initiative, launched in 2016, under the directives of H.H. Shaikha Jawaher bint Mohammed Al Qasimi, is a free programme for aspiring and existing women entrepreneurs in Sharjah and the UAE, providing resources, training and support to enable women to launch their own businesses through the Enterprise Development Virtual Academy electronic learning and implementation platform; (ii) the Souq Anwan initiative in Dibba Al Hisn, aimed at supporting young entrepreneurs who run small and middle-sized enterprises in the UAE, by providing them with office space and relevant training; and (iii) the Jeel initiative, launched by SBWC in December 2015 in collaboration with Education for Employment (EFE), seeks to support and develop entrepreneurial ideas and projects among Emirati girls and women in Sharjah to kickstart their businesses.

In 2017, SBWC set up an exclusive one-stop-shop service to streamline applications by female entrepreneurs and to fast-track permits, visas and licences from the Sharjah Economic Development Department. In the same year, it also launched the SBWC Mobile App. Several partnerships were signed with a host of government entities in 2018 while 2019 marked the launch of SBWC Talk Series, SBWC Tours and Outreach University. SBWC has joined forces with various corporations and stakeholders through strong partnerships and MOUs to boost young female Emiratis' entrepreneurship skills and develop their leadership competencies, such as with the UAE-based Al Ahli Holding Group, Crescent Enterprises, 33 Voices, Mashreq Bank, Mastercard and the University of Sharjah. Continuing their development and to support their members after the outbreak of the COVID-19 pandemic, SBWC launched five new initiatives to help its members continue expanding their business knowledge and to stay connected with businesswomen across Sharjah and beyond. Accordingly, harnessing the power of technology, SBWC's new initiatives were launched on a virtual platform: #SBWCTours, #SBWCEntrepreneursTips, #SBWCReads, #SBWCDictionary and 'SBWC Mentors'.

SBWC took the lead in conducting workshops, exhibitions, conferences, trade missions and business trips, in addition to active participation in several economic activities at the local, regional and international levels. SBWC has doubled its membership to 2,246, of which 60 per cent are UAE nationals, 46 per cent are businesswomen, 49 per cent are professionals, and 5 per cent are students. In 2016, the total membership was 1,248; the membership number doubled in a span of five years.

Source: Gulf Today. 2020. "SBWC doubles membership rates, promotes new ventures". 29 May.

22 See the Sharjah Business Women Council at www.sbwc.ae.

WOMEN-OWNED BUSINESSES IN THE UAE: OPPORTUNITIES, CHALLENGES AND NEEDS

Research showed that the MENA region still lacks reliable data on women-owned businesses: their profile, activities, challenges and needs. The lack of solid and reliable data on women entrepreneurs is one of the challenges when considering the development of evidence-based policies and programmes to boost female entrepreneurship (OECD, 2012).

Little information is available from the current literature on female entrepreneurship in UAE: WOB's motivations, development and contributions to the economy (Tahir and Al Baradie, 2019). Previously, researchers classified the UAE as a patriarchal society where the traditional expectations of family roles and responsibilities, deeply rooted in Arab societies, are one of the real challenges women experience (Pallavi, 2013). Some others highlighted the progress that Emirati women have made in the political and economic sphere in the last two decades (Rmeity, 2020). Even though the UAE society has acquired a modern outlook in the past decades, with the UAE having the highest number of women on Forbes' 100 Most Powerful Arab Businesswomen in 2020 with 23 Emirati women on the list, women entrepreneurial activities still encounter some challenges. As in many countries around the world, women in the UAE often face financial and non-financial barriers preventing them from embarking on and scaling up their entrepreneurial ventures. Those challenges include various factors, fear of failure, ingrained gender bias, relative absence of social support, lack of start-up and growth funding capital, restricted mobility, lack of adequate qualifications and education, and lack of linkage to market opportunities (Naguib and Jamali, 2015).

Women entrepreneurs in the UAE are mostly involved in the services sector, as it requires less start-up capital, less technical knowledge and is considered easy and efficient to manage (GEM, 2016).

The UN Women–NAMA research conducted in the last quarter of 2020 confirmed that female business leaders in the UAE are, today, more invested in the success of their companies and take stakeholders' concerns and expectations seriously. They are more involved in making a broad societal impact (KPMG, 2019). They have quickly modernized their businesses and showed resilience in the COVID-19 pandemic, shifting their businesses to digital and supporting their workforces to overcome this crisis (Buller, 2020).

Yet, many challenges and needs are still hindering their growth from micro enterprises to become SMEs.

A group of business owners at a networking event in Dubai, November 2021.
Photo: © UN Women/Corne-Ann Lubbe.

A business owner asking a question to the panelists at a mentoring event in Dubai, November 2021.
Photo: © UN Women/Corne-Ann Lubbe

KEY SURVEY FINDINGS

In summary, the survey revealed that WOBs were generally young: 77.6 per cent of women business owners are under age 40. They are in control of their businesses: 61.4 per cent are sole proprietors and 13 per cent are co-owners with more than 51 per cent of shares, and 25 per cent are business leaders with less than 51 per cent of shares. They are mainly micro enterprises (72 per cent), 24 per cent are small and only 3 per cent are medium enterprises. 70.4 per cent are found in the service sectors operating mainly in the three emirates: Abu Dhabi, Dubai and Sharjah. Being services-oriented, 7.87 per cent of WOBs primarily provide their products and services to individuals, 59.7 per cent to businesses and 32.5 per cent to governmental institutions.

Of the total, 35 per cent of WOBs are looking to scale up their business. Yet, 41.2 per cent of respondents stated that the main challenge they are facing in the UAE is the lack of access to markets, 38.8 per cent find the lack of access to finance, capital and bank loans particularly challenging, followed by 33.5 per cent who stated high market competition as their main challenge.

Women also expressed a need for training and capacity-building in business skills (e.g. e-commerce and digital marketing skills), financial accounting and management tools, as well as acquiring knowledge on making proposals in response to bids and tenders.

Other insightful findings

Other insights were gained from interviews and focus group discussions. Interviewed businesswomen clarified that they are able to develop the necessary technical business skills, however expressed major concerns over the lack of access to finance to an extent that in some cases they are deprived of basic services that could facilitate their work, such as acquiring a credit card. As one interviewee said:

> "Having an investor visa deprives me from getting a credit card, which is totally hindering. I am the business owner, and I can't get a credit card."

The majority expressed the need for networking and getting access to bigger contracts to manage the losses incurred in 2020. Almost half of interviewed women expressed their desire to expand their online activities through a website, but they lack the digital skills in, for example, website development. Few women expressed a need for process optimization and cash flow management.

During the focus group discussions, women shared the same concerns and needs with a little more focus on access to markets in terms of market linkages and participation in tenders. Some were discouraged to apply for tenders as their proposals had been rejected several times. They emphasized their need to network with peers and have an online platform connecting them with potential buyers.

This platform could also provide them with clear guidance, information on various business topics, available start-up and business services in the UAE, and counselling services on legal issues (laws and legislation).

All participants showed confidence in their business growth plans but required access to finance to increase their opportunities, for example, to buy additional equipment, manage cash flow discrepancies, improve production and expand to other emirates.

Women who are in the process of starting their business added the importance of connecting with mentors, incubation services, partners and seed capital investors to further develop their entrepreneurial ideas.

All women completely agreed on the added value of joining a women's association or network that would provide comprehensive entrepreneurship support, ranging from networking and training to mentoring, advisory services and institutional guarantors for credit schemes.

Undeniably, WOBs have witnessed additional challenges over the last year due to the COVID-19 pandemic. This is largely attributable to lockdowns, office closures, the adaptation of employees to remote working arrangements, and the low appetite of customers to buy. Overall, 63 per cent of surveyed WOBs have experienced a drop in sales, a decrease in revenues by an average of 58 per cent, and struggles in cash flow, while 27 per cent had cut off their employees' salaries, and 4 per cent had to exit the market. To date, women businessowners are still not able to anticipate an increase of production and sales, but they showed resilience in keeping their employees safe and with minimum impact. Of the total, 48 per cent of the surveyed WOBS moved to online businesses and 18 per cent saw in this pandemic new opportunities and secured some increase in sales.

Definitely, women businessowners still find some challenges that hinder business growth despite increased government support and recent improvements in policies. Government initiatives, including business training and financial grants, have certainly addressed some of these barriers. Nevertheless, 75 per cent of surveyed WOBs claimed not to have received any stimulus packages that could support them during the pandemic.

The following sections provide a review of the issue of access to finance for SMEs in general and WOBs specifically, and the different lending and equity options available in the UAE. Financial and non-financial barriers for WOBs in the UAE are described. Global benchmarks of successful women-targeted financing initiatives are discussed. Finally, recommendations are proposed for actions that government, financial institutions and other stakeholders can potentially take to improve WOB's access to finance.

Entrepreneurs participating in the "Meet the Buyer" event at Expo 2020 Dubai, March 2022.
Photo: © UN Women/Marion Battaglia

KEY SURVEY FINDINGS

A representative smple of 541 women-owned businesses in UAE

- **>50%** WOBs are more opportunity-driven than necessity-driven
- **68%** look to make a social impact
- **73%** of WOBs look for generating income and profit

- **7.9%** registered in free zones
- **14%** registered in Sharjah
- **17%** registered in Abu Dhabi
- **37%** registered in Dubai

- **39%** of WOBs started lack of access to finance as main challenge
- **41.2%** of WOBs stated lack of access to markets as main challenge
- **70.4%** operate in the services sector
- **82%** use digitalized services

- **77%** are below age 40
- **61.4%** are sole proprietors
- **19%** are co-owners with less than 51% shares
- **48.8%** are CEOs
- **4%** are self-employed and freelancers

- **72%** are micro with fewer than 5 employees
- **24%** are small with fewer than 50 employees
- **3%** are medium with fewer than 250 employees
- **50%** responded to a public or private proposal

- **42%** are members of Dubai women's networks
- **20%** are members of Sharjah women's networks
- **15%** did not join any network
- **10%** are members of Abu Dhabi women's networks

1,028 survey respondents of which 541 were women business owners and 488 were women in the process of starting their business.

2. WOB'S ACCESS TO FINANCE

Before analysing the challenge of access to finance for WOBs, it is imperative to consider the context of the regional financial sector. Undeniably, in many countries in the MENA region, the financial sector still suffers from regulatory shortcomings, such as poor credit monitoring systems, weak contract enforcement mechanisms and high collateral requirements (IFC, 2018). As a result, micro, small and medium enterprises, which account for 80 to 90 per cent of total businesses in most countries in the region, face a challenging environment for gaining access to credit. They only account for 2 per cent of bank loans in the Gulf Cooperation Council (GCC) and 13 per cent of total banks' loans in the rest of the region (World Bank data, 2011).

REGIONAL LANDSCAPE

Access to finance is critical throughout the whole business life cycle, from the start-up phase to business expansion (OECD, 2016).

As of 2018, in a study covering 139 banks in 16 countries in the MENA region, SMEs accounted for 90 per cent of enterprises (WOBs represented 23 to 30 per cent of total enterprises in the MENA region) and contributed approximately US$1 trillion to the region's economy per year.[23] Yet, SMEs only get access to between 2 and 14 percent of commercial banks' finance (IFC, 2018).

There are many reasons for this low share of lending funds to SMEs, even though commercial banks agree on the need to raise this ratio of lending to SMEs in order to revitalize the regional economy and to meet the urgent task of creating jobs for the 20 million young people expected to join the workforce by 2025. Small and medium enterprises could play an instrumental role in tackling this challenge, given their potential to create jobs and foster innovation. Unfortunately, SMEs in the region continue to face significant obstacles, not least of which is limited access to finance.

SMEs' access to finance in the MENA region mostly consists of general banking credit facilities secured by a mortgage on residential/commercial real estate, "external collateral", typically with very high ratios of collateral to loan value: 127 per cent in Jordan, 167 per cent in Morocco and 251 per cent in Tunisia. This is particularly challenging for women entrepreneurs, in view of their relatively weaker ownership of real estate assets that banks require as collateral.

23 Arabian Business. 2017. "SMEs in Gulf forecast to see 156% growth over next 5 years". 22 November; Jihad Azour. 2019. "Poor access to finance is holding back businesses in MENA. This is how we can help them". World Economic Forum, 27 March.

In addition to general banking facilities, entrepreneurs need access to more specialized types of finance to operate, trade and compete successfully, especially trade finance instruments, ranging from letters of credit to bid and performance bonds, receivable discounting, inventory financing and bank guarantees. In the MENA region, SMEs have very limited access to trade finance instruments and export financing. Regional banks' ability and willingness to serve SMEs is further constrained by Anti-Money Laundering (AML) and Know-Your-Customer (KYC) requirements.

Several studies have examined the gender gap in access to finance, providing evidence that women face "higher hurdles" in financing their businesses (Brush et al., 2014). WOBs are more likely to cite access to finance as a major constraint (KPMG-IFC, 2011). This is largely due to a number of factors, including lower levels of entrepreneurial experience, the higher participation of women in more marginal female-dominated sectors, some gender-based credit scoring and gender stereotyping in the lending process (Alesina et al., 2013). Consequently, women entrepreneurs are often considered discouraged borrowers and do not apply for loans (IFC, 2018).

WOBs in the MENA region are more likely to self-finance, to rely on government grants or to meet their capital needs through private sources, such as personal savings, family and friends, rather than relying on financial institutions or investors for business needs (IFC, 2018). Although women have access to financial institutions and banking services using personal and business checking accounts, they face many difficulties while seeking finance for their businesses because of the high interest rate, high collateral requirements, their lack of business records, complex processes and a gender bias against being a female entrepreneur (IFC/ Mckinsey, 2011). Struggling with these obstacles, many WOBs in the MENA region are small, slow-growth firms that financial institutions see as having a high-risk profile.

Access to finance for women-owned SMEs is also heavily linked to other non-financial barriers. These barriers include: (i) the socio-cultural environment, which can highly impede women from starting an entrepreneurial activity; (ii) the investment climate conditions that may affect women differently than men; (iii) the size of women's enterprises and the industry in which they operate in; (iv) women entrepreneurs' risk averseness; (v) women's relatively low access to education and information, and limited networks; and (vi) lack of access to market opportunities.

While non-financial barriers play a tremendous role in early stages, financial barriers hinder WOBs in their growth and maturity phases (IFC/Ernst, 2011). In this regard, it is important to consider the following financial barriers: (i) women's lack of collateral, (ii) inadequate financial infrastructure, where no tailored financial services are offered (women are not considered as a specific market segment with different characteristics to consider), (iii) the inadequate perception and evaluation of risk where financial institutions perceive women to be riskier, higher cost and/or lower return due to the size of their business, and (iv) the high cost of funding and loan repayment periods.

CONTEXT OF THE UAE

Among 190 surveyed economies, in the World Bank Doing Business report, the UAE ranked 16th in ease of doing business in 2019, but 48th for credit sourcing, which implies that it is relatively not easy to secure a business loan or to source from non-banking financial institutions.[24] Indeed, as the World Bank points out:

> "Small and medium enterprises (SMEs) in Middle East and North Africa (MENA), especially female entrepreneurs, face steep challenges in accessing finance and credit. This situation is now even more dire with the COVID-19 crisis."

Micro and small businesses, in particular, face a funding gap, as they generally have a harder time obtaining credit from formal financial institutions. This is largely due to information asymmetry, lack of a previous credit history and lack of formal documentation, leading to unwillingness of lenders to provide financing[25]. Even if they get financing, it typically involves lengthy approval processes, requiring high collateral and heavy documentation[26].

Review of main challenges for MSMEs and WOBs in accessing capital and funding in the UAE banking market

Access to funds (capital and bank loans) is a common challenge for both male and female-owned MSMEs in the UAE. Difficult credit market conditions are partly related to some gaps in federal and local legislation as well as some shortcomings in the financial sector including the low lending sums allocated to MSMEs[27], the high cost of processing credit requests and applications, the lack of a comprehensive asset registry which impedes a high risk of default, and a lack of credible credit history for small and nascent companies[28].

The UAE MSMES Business Survey Report 2020 conducted by the Central Bank of the UAE (CBUAE) confirmed some of the conventional challenges faced by MSMEs everywhere: (i) almost three quarters of MSMEs considered themselves financially constrained; (ii) 19 per cent of the SMEs cited not seeking bank financing because they are debt-averse; (iii) the rejection of credit applications was mainly due to weak business performance and short credit histories; (iv) interest rates charged to SMEs remain high—often in double digits (18 to 25 per cent); and (v) three quarters of respondents confirmed that they borrowed against high cash collateral[29].

While the majority of challenges are common to all MSMEs, they are more accentuated for WOBs. Based on the research study and focus group discussions, each challenge seems to be even more "cumbersome" for a WOB than a male-owned one.

24 Ease of Doing Business Index (vision2021.ae)

25 Commercial banks are usually reluctant to support the financial requirements of entrepreneurs and SMEs, even though the Ministry of Economy and the UAE Central Bank have endorsed a credit and finance scheme for entrepreneurs to help them overcome some of these difficulties.

26 In the focus group discussions, only a few women had been granted some form of financing from a bank.

27 There are a significant number of banks active in SME lending in the UAE. However, the total volume of loans allocated to SMEs is not systematically collected and published by the Central Bank.

28 Newly established businesses in the UAE may face obstacles such as lacking a credit score from the Al Etihad Credit Bureau, and not having audited financial statements, which makes it more difficult for these companies to be bankable.

29 High collateral assets of at least AED 500,000 to be maintained.

Opening a business bank account was a major challenge highlighted in focus group discussions.

The WOB respondents underlined two key problems in opening a start-up bank account:

The process is long

"It can take up to three months to open a bank account."

"It took me about three months, and I had to really raise invoices into different accounts ... I had to stop invoices for my clients until the business account is ready," stated one of the participants.

"I do understand the Know Your Customer requirement but I don't understand why the bank has to do due diligence to open for me business account if the government and licensing authority has already approved my business and given me a trade licence. Why do banks have to do another long due diligence investigation just to allow you to open a bank account?! I had suffered for months in submitting documents, proofs and waiting for their inspection."

Another women business owner affirmed,"I have had some governmental grants ... But even that did not really help. I had to wait for the long banking process to get a business account."

The process is complicated and unclear

"Lack of transparency/consistency around the documents required and insufficient guidance by bankers throughout the account opening process,
lack of a simple step-by-step guide,
lack of clarity showed by repeated requests for additional documents or physical verifications of business workplace,
limited empathy and competence among bank employees,"
complained one of the focus group participants.

The reason for the current flaws is likely because banks feel under pressure to comply with increasingly strict regulatory standards from the Central Bank (KYC requirement) and Basel III requirements.[30] Research participants predicted that UAE banks estimate that WOBs and SMEs in general (start-ups, new established businesses and even established ones) are not as commercially attractive as they are highly risky.

WOBs emphasized the issue of always being rejected by banks while applying for business loans, due to the business activity conducted, lack of audited financial statements or even the lack of funds to be allocated for SMEs. This issue was highlighted in discussions with financial institution representatives who admitted that the regulatory pressure on banks is very high. Added to that, women-owned businesses are not necessarily the most attractive client segment, given the initial low business volume and the fact that only a few WOBs are actually able to survive and scale up.

30 Basel III is an internationally agreed set of measures developed by the Basel Committee on Banking Supervision in response to the financial crisis of 2007–09. The measures aim to strengthen the regulation, supervision and risk management of banks.

A procurement practitioner and a business owner in discussion at the "Meet the Buyer" event at Expo 2020 Dubai, March 2022. Photo: © UN Women/Marion Battaglia

A group of business owners gathering during a networking event in Dubai, November 2021. Photo: © UN Women/ Corne-Ann Lubbe

AUDITED FINANCIAL STATEMENTS REMAIN A CHALLENGE

While in the Central Bank UAE Survey, 65 per cent of medium companies and 50 per cent of small companies reported the positive impact of audited financial statements on access to credit, which sends a clear signal that financial transparency and the use of external audit increases MSME "bankability", WOBs, being mostly in micro enterprises and in services or trade, found audited financial statements a hindrance. They need support at the early stages of their businesses. Providing financial support only to well-established businesses is stopping many potential business projects and plans from flourishing and thriving in the local economy.

Many participants in discussions and interviews cited this challenge, as they need microfinancing at the very early stage of their business which is, however, provided only by some mechanisms:

"Consulting requires a lot of faith in the individual, regardless of the thoroughness of the business plan. Bank financing is out of the question, as they generally require three years of audited accounts to even consider you."

"I have done it many times since about 2009, and they are, I believe so, waiting for companies that have strong bank and financial statements. Why does a woman need to go for finance for her business if she has all the funds with proper cash flows? We seek loans in order to better manage our cash flow and scale our business."[31]

31 These quotes reflect women's challenges in experiencing access to financial banking loans.

The challenges of collateral, high borrowing costs and credit rejection by banks

All the women interviewees indicated that the loan request process is not easy. Some common responses from businesswomen were: "there are too many formalities", "there's a lot of paperwork", and "not all banks are open to giving loans". Some others found it "insane" to offer a cash guarantee (collateral) and block assets to borrow a small amount of money, especially for WOBs suffering from collecting receivables on monthly basis.

The fact that women entrepreneurs opt for self-financing is not surprising. It upholds the previous study conducted on the UAE SME market in 2014, where the research revealed that 42 per cent of SMEs stated they self-finance their business as they believe that the toughest challenge is to secure a bank loan (4SiGHT Research & Analytics, 2014).

Other challenges

Other challenges revealed during focus group discussions were:

1. Culturally related challenges where stereotypes and prejudice are encountered when requesting credit loans about the capacity of women to run a business and their capability to pay back loans.
2. Limited financial awareness among women entrepreneurs and understanding of financial products and services. Women lack knowledge about available finance options, advantages and disadvantages, and costs of various options, benefits of borrowing, etc. This lack of knowledge generates reluctance to access finance from banks and investors.
3. Lack of confidence to approach financial institutions: WOBs tend to have less experience with banking institutions and could feel intimidated to approach a bank.
4. Limited involvement in formal networks. WOBs, especially Emirati ones, tend to rely on informal networks. However, more formal women networks and business associations can provide them with better market access opportunities which, in turn, can improve their access to finance.

From the perspective of financial services providers, the financial services sector in the UAE is underdeveloped compared to Western countries. The sector is dominated by commercial banks, which do not finance start-up enterprises[32] and typically requires a payment of high interest rates and more than 100 per cent cashable security for loans, restricting the overall scope for MSMEs to grow and expand. The commercial banking sector, dominated by overseas banks, regards MSMEs as high risk.

In discussion with international banks' representatives, it was found they do not have proper SMEs programmes; they only provide commercial and business financing for medium to large enterprises. The SME sector is still considered a high-risk profile segment. Banks tend to reject 50 to 70 pe cent of credit requests from SMEs, as disclosed in some interviews, because of informality, lack of credit histories and collateral, not fitting the bank's client profile, lack of formal work experience, and lack of access to business networks.

Some local banks allocate some of their loan budgets to SMEs that match their preferred sectors' lists, such as transportation, education and health. In December of each year, the banks decide on the preferred list for the upcoming year, and it seems SMEs from other sectors are not given loans. A local bank representative explained,

> "In late December, our management decided that construction will not be in the preferred list; we cannot provide [a loan to] any SME operating in the construction sector as it is considered highly risky."

32 A start-up is considered a nascent enterprise that is in operation for up to three years.

Moreover, it was observed that most commercial banks in the UAE do not compile the gender-disaggregated data of their beneficiaries, and thus do not assess the share of women in their SME or other portfolios. Discussions revealed a lack of awareness among bankers on the potential business opportunity of funding SMEs. Some even declared that WOBs are not represented in their loan portfolios although they allocate around 10 per cent of their total credit to SMEs. This may be partially attributed to loan rejections at the early stage of businesses and WOB's reliance on government-funded programmes.

Only a few banks showed interest and distinct efforts to reach out to women. The Emirates NBD and the National Bank of Fujairah have already implemented strategic initiatives. Since 2016, the ENBD's "Women of Tomorrow" (#Nisaa Al Ghad) initiative has invited women entrepreneurs to submit innovative and feasible business proposals via the bank's social media platform. The bank funds the winner by offering her product development experience and free marketing support. The second initiative, "NBF Elham", is a specialized business segment that is dedicated exclusively to supporting the unique banking requirements of Emirati women entrepreneurs. An initial branch staffed by female Emirati corporate bankers was established in Dubai to allow women entrepreneurs easy access to the bank's extensive knowledge through training and mentoring opportunities.

Apart from the two above initiatives, the majority of the banks interviewed acknowledged the need to target SMEs in general and to provide support for easier access to finance.

Business owners exchanging contacts during a networking event in Dubai, November 2021.
Photo: © UN Women/Corne-Ann Lubbe

Overview of financial support channels in the UAE

While bank credit remains the most prevalent source of SME finance, other financing channels can also help serve the needs of SMEs. These include capital markets, such as SME-specific equity market segments and fintech. The latter could be a potential game changer, both by reducing some of the above constraints on bank lending and by opening new financing sources for SMEs, such as through crowdfunding, seed capital and peer-to-peer electronic platforms.

Local market lending and financing options were considered as well as the recent UAE legal and regulatory updates that could potentially establish a more inclusive and supportive framework for SME financing.

Various finance models for SMEs exist in the UAE from which women-owned businesses can benefit. The UAE has three main types of lenders to SMEs: institutional lenders, commercial lenders and micro financing suppliers (OECD, 2016).

Institutional lenders

Funds granted by government entities are generally in the form of grants, interest-free or low-interest loans, and seed capital provided by some incubators. The main institutional lenders in UAE for micro, small and medium enterprises are the Khalifa Fund for Enterprise Development (KFED) and the "Ghadan 21 Ventures Funds – Hub71" initiative in Abu Dhabi, the "Mohammad Bin Rashid Establishment for SMEs (Dubai SMEs)" and "Dubai Future Council on Entrepreneurship and Innovation Ecosystem" in Dubai, and SHERAA and Sharjah SME (Ruwad) which focus on stimulating the local entrepreneurial ecosystem by providing access to government-backed loans (see Table 1 in Appendix 3).

Commercial lenders

Commercial banks are consistently criticized for their apparent lack of engagement with the SME sector and their poor support for start-ups, which includes low funding with excessive conditions and repayment terms. While SMEs represent almost 94 per cent of registered companies in the UAE, they only account for 5 per cent of total loans from the banks (UAE Ministry of Economy 2020). The lack of affordable credit from the formal financial sector is a particular hindrance for women entrepreneurs.

The following local banks in the UAE were contacted: Emirates Development Bank (EDB), First Abu Dhabi Bank (FAB), Abu Dhabi Commercial Bank (ADCB), Citi Bank, Ras Al Khaimah Bank (RAK), HSBC, Sharjah Islamic Bank (SIB), HSBC, Standard Chartered Bank and Emirates National Bank (ENBD). A few initiatives have been launched especially relating to the COVID-19 pandemic to alleviate some of SMEs' financial burden caused by the disruptions. Other initiatives include:

1. In 2020, EDB announced an AED 30 billion financing plan to support start-ups and SMEs in the country as well as various initiatives[33] aimed at accelerating industrial development and the adoption of advanced technology, as well as supporting entrepreneurship and innovation in the country as part of UAE's "Projects of the 50" campaign framework to prepare the UAE for the next 50 years.
2. Mashreq Bank has partnered with various incubators (Start AD, Hub71, Shams, Sheraa, Dubai SME and SRTIP), and freezone licensing authorities (RAKEZ, ADGM and DMCC) to address one of the significant challenges for new entrepreneurs, opening business accounts, via the NeoBiz digital bank account.
3. Standard Chartered Bank joined local efforts and launched in November 2021 the "Entrepreneurs Demo Day" allowing seven women entrepreneurs in the tech industry to compete for a total of US$100,000 in funding along with training and mentoring programmes.

33 One of the initiatives is to support businesses, which are 51 per cent owned and actively managed by UAE nationals, and operate in key priority industrial sectors. These entities will be eligible for funding as part of its AED 5 billion financing initiative. Another AED 5 billion initiative aims to facilitate the faster adoption of advanced technology, where Emirati and expat entrepreneurs in priority sectors will be eligible for funding. EDB will support greenfield projects within the technology, healthcare, food security, manufacturing and infrastructure sectors or fund the expansion of existing operational projects.

Other financing options

In the UAE market, several finance options exist including micro financing suppliers, private funding, loans, equities, bonds, seed funding, venture capital and crowdfunding. However, few WOBs and SME owners understand the distinctions between them.

The difficulty of obtaining bank loans and the need to access working capital has led some entrepreneurs to investigate non-bank lenders. Various types of lenders can provide WOBs with various funding options at different stages of their business. They also provide an alternative for start-up firms that are unable to meet the bank's demand for assets as security for loans. With digital transformation and globalization, women are considering other financing options, whether private funding, crowdfunding or angel investment funds. Yet to date, it is challenging to find evidence about WOB's share of these funding schemes.

Incubators as micro financing suppliers

A high share of the financial support given to SMEs in the UAE is from business incubators (See Table 3, Appendix 3). However, each incubator defines the beneficiary criteria: small takes of shares, or equity funding with an exit strategy.

Venture capital

The MENA region's venture capital (VC) industry is still in its early stages. In the UAE, national efforts are ongoing to maximize foreign investments by allowing the injection of foreign investments into local SMEs.

Unlike traditional lending, VC is a type of equity investment that promotes the competitiveness of start-up businesses, especially in innovative and technology-based areas. Some new industries, such as health and food tech, are considering VC as a main source of funds, especially post-COVID-19.

For foreign venture capitalists looking to fund companies operating inside the UAE, transitions do not require prior approval, as long as the investment is outside a regulated sector, such as banking or telecommunications. Moreover, the UAE recently amended its Federal Companies Law, allowing foreign direct ownership of some limited liability companies by removing the requirement of 51 percent local sponsorship.

The UAE continues to facilitate the formation of VC funds, whether onshore or offshore.[34] The Dubai International Finance Centre (DIFC)[35] and the Abu Dhabi Global Market (ADGM) have gained international recognition for efficient, proactive approaches and innovative techniques for investors. They provide funding, training and strategic advice for entrepreneurs. Moreover, the formation of VC funds through the DIFC and the ADGM offer tax incentive schemes, including a tax-free VC fund.

Having UAE freezones regulating those investments would give some feeling of security to the local entrepreneurs who are open to potential investors. Global Ventures, Wamda, Dtec Ventures, Digital Spring ventures, Al Dhaheri Capital and Invest Group are some examples of leading VCs in the UAE.

34 Onshore VC funds can be established after gaining the appropriate licence and by complying with Securities and Commodities Authority (SCA) regulations. For offshore VC funds, through a rapid process underpinned by regulations, several UAE free zones provide a range of choices for fund structures.

35 The DIFC offers various licences that facilitate the management of different types of funds (such as public funds, exempt funds and qualified investor funds.) Public funds are open to retail investors, while exempt funds are available to professional investors that commit to a minimum of US$50,000, while qualified investor funds are available for those committing at least US$500,000.

In an interview with the CEO of a venture capital management company, she stated that only a small proportion of venture capital funds are invested in women-owned businesses. Globally, PitchBook reported that the average size of a VC deal for all-female teams was US$6.8 million in 2020, compared to US$18.7 million for all-male teams (Global Pitchbook, 2019). Yet there were more deals going to female founders in February 2021 than in February 2020.

In the UAE, some have begun to specifically target women as fund providers for investments in high-growth women-focused businesses. FORSA, the UAE-based investment company founded in 2007, places women at the centre of its business model. Claiming an overall mandate to empower female entrepreneurs by providing them with start-up capital, the group is run by an all-female management team as part of the Dubai World conglomerate. It claims to cater exclusively to high-end female investors and supports female-led and female-oriented start-ups through its venture capital investments arm.

Crowdfunding and peer-to-peer lending

Another increasingly popular way to overcome financing constraints is crowdfunding. Crowdfunding generated financing for female entrepreneurs of US$3.25 million in the Arab world in 2015 and 2016. About US$527,000, or 16 per cent, of these funds went to female-led fundraising campaigns (IFC and WEF, 2018). The UAE and Bahrain are the only two countries in the GCC that allow and regulate crowdfunding. Since 2017, the UAE has updated the regulatory framework for investment-based crowdfunding platforms.

Current examples of these financial platforms targeting SMEs include Eureeca and Zoomaal (see Box 2). Using crowdfunding could help support entrepreneurship and ease their financial burden and stress. However, an incredible effort is needed by business owners to generate investors' interest. Women interviewees still found this model of finance risky, as they were afraid of ending up with many investors with equity on their financial books. Subsequently, male entrepreneurs are more active and involved in crowdfunding.

While crowdfunding is an equity-based investment — giving investors an equity stake in the project—peer-to-peer lending is more a debt-investment platform where investors invest in a pool of capital loans provided to multiple borrowers. The borrowers will pay back the money plus the fixed rate of return with no shares involved in the deal. Beehive.ae is a peer-to-peer lending network. It is an online marketplace which offers flexible funding for established businesses that seek funds of approximately US$30,000 to US$150,000. It also facilitates loan agreements between businesses and investors in exchange for a small percentage fee of the loan amount.

Amsay's the Pastry Bar is a female-owned business and success story that raised AED 300,000 through the local crowdfunding platform Dubai Next (see Box 3).

Angel or seed investors

Angel investors participate in businesses that are in their early stage. They may be pre-revenue with few to no customers at all. Women angel investors in the UAE are considered a good financing option since women can support each other by financing other's projects with small amounts. From women entrepreneurs' perspectives, female entrepreneurs tend to not engage with angel investors as they do not have time for competition pitching meetings, due diligence and lengthy meetings about term sheets. Some women, identifying the need to have more women involved in angel investment, founded networks in the UAE to support women entrepreneurs such as Women Angel Investors Network (WAIN). Such networks provide not only financial assistance but play a key role in mentoring and raising awareness on financial investment.

In 2020, the UAE launched the Emirates Angels Investors Association, which was to take the lead in promoting the culture of angel investing in the UAE as well as promoting the concepts of entrepreneurship and freelance work. It aimed to initiate several awareness programmes that will encourage start-ups to present their projects and attract the interest of capital investors coming from a network of business leaders and stakeholders. A start-up specializing in artificial intelligence picked up the first angel investment in 2021, advertised through an initiative from Sharjah Research, Technology, and Innovation Park (SRTI Park).[36]

36 Source : Emirates Angels Investors Association website (2021).

BOX 2:

The regulatory framework for loan-based crowdfunding

Crowdfunding is an alternative form of financing which pools funds from individuals to finance specific projects or businesses. Crowdfunding is a practice of raising funds from a large number of people by way of an electronic platform for a business venture, project or social cause. Typically, crowdfunding consists of interaction of three parties: (i) the person raising funds, (ii) the intermediary providing the crowdsourcing platform, and (iii) the public providing funding through the platform. There are, in broad terms, four models of crowdfunding:

- **Donations model:** Funders donate a sum for a cause and do not expect any returns. Examples include Socioladder.ae (UAE's premier blockchain-powered crowdfunding platform), facilitating donations to Dubai Cares, al JALILAH Foundation and others.
- **Rewards model:** Funds are solicited in exchange for a future tangible reward such as the final product or a unique reward. Most donation crowdfunding platforms also support reward crowdfunding. UAE-based Buckscapital is an example of this type of crowdfunding.
- **Equity model/crowd-sourced equity funding (CSEF):** The investors receive shares in a company in exchange for the capital provided. Some of the popular crowdfunding platforms include Seedr and Eureeca focused on the MENA region. DubaiNEXT is a digital crowdfunding platform from the Dubai Government. It was launched to facilitate Dubai-based individuals and companies who have creative projects to start a campaign through the platform and ask the UAE's communities to fund their business idea and turn it into a venture. The financial activities falling under this model are regulated either by the Central Bank or the Securities and Commodities Authority (SCA) depending on the nature of the activity. In respect to financial free zones in the UAE, such activities are regulated by the Dubai Financial Services Authority (DFSA) in the Dubai International Financial Centre (DIFC), and the Financial Services Regulatory Authority (FSRA) in the Abu Dhabi Global Market (ADGM).
- **Debt/peer-to-peer lending model:** The lenders provide unsecured loans to borrowers and expect it paid back with interest at a later date, at a mutually agreed rate or a rate fixed by the crowdsourcing platform. Funding Circle, Upstart and Dubai-based Beehive are examples of this type of crowdfunding model. In the UAE, the UAE Central Bank regulates financial activities surrounding the granting of loans: financial institutions and intermediaries require an approval from the UAE Central Bank to operate. Also, under the UAE Penal Code, private individuals are prohibited from providing loans with interest based on Sharia laws which may pose a hurdle to a standard debt-based crowdfunding platform. That said, the presence of financial free zones in the UAE such as the DIFC and the ADGM may provide the flexibility for creative structures. For instance, Beehive, a DMCC company, is a peer-to-peer lending platform in the UAE where investors can contribute funds to businesses and earn interest. The funds raised by the platform are managed by a third-party fund administrator based in the DIFC and are therefore DFSA regulated. Beehive is also certified by the Shariyah Review Bureau (SRB) to be Sharia compliant.

From a regulatory perspective, a peer-to-peer platform would have to maintain appropriate checks and procedures to vet borrowers and thwart money laundering. The risk for small lenders is high as the platform will act as a mere facilitator and may not conduct the full length of due diligence typically followed by experienced lenders.

Note that the DFSA on 31 January 2017 issued a consultation paper, "Crowdfunding: SME Financing through Lending", proposing a regulatory framework to operate loan-based crowdfunding platforms in the DIFC and inviting relevant stakeholders to provide their comments on the issues outlined in the paper. In brief, the DFSA proposes the following regulatory regime for loan-based crowdfunding platforms: (a) establishing a specific financial activity and licence for operating such platforms, (b) appropriate prudential and conduct of business requirements for such platforms, (c) ensuring the platform disseminates appropriate risk warnings and disclosures to lenders and borrowers, (d) suitable due diligence on the borrowers as well as checks on lenders, (e) development of a business cessation plan for platforms in the event that it ceases operations, and (f) rules in relation to transfer of rights and obligations between lenders.

The CBUAE introduced a loan-based crowdfunding regulation to provide additional financing opportunities for SMEs at the end of 2020, part of the Central Bank's wider strategy to support the UAE economy. The regulation introduced a regulatory framework for crowdfunding activities, which requires licensing of loan-based crowdfunding activities in the UAE and sets standards to safeguard the financial system and consumers' interests. There are two categories of licences, according to lending volume; a Category One license covers cumulative loans of AED 5 million or above in a calendar year, while a Category Two licence covers cumulative loans below AED 5 million annually. The regulation also sets out governance, risk management and internal control requirements for the company carrying out the loan-based crowd-funding activities. The aim of CBUAE's loan-based crowdfunding regulation is to provide additional financing opportunities for SMEs in the UAE, without compromising adequate regulatory protections for participants.

Sources: Crowdfunding | CB UAE (centralbank.ae); UAE Portal (Crowdfunding - The Official Portal of the UAE Government).

BOX 3:

How three young women are raising money through crowdfunding to start a pastry bar

Since childhood, Ameena Farhah, Aysha Reshma and Sadaf Abdul Jabbar, three young women now in their early twenties have had a dream to open a restaurant run only by women in Dubai. "The sweet-tooth in us lead us to go with a pastry bar," Abdul Jabbar commented.

While the DubaiNext platform makes it easy for entrepreneurs to set up their campaign, the true challenge is effective salesmanship – how do you convince the public to contribute to your business idea? For the three childhood friends, the target they set was Dh 300,000 to cover the cost of operations for the first few months: rent, employees' salary, set up, interior decoration and kitchen appliances.

"What's funny is that some of our family friends still consider us as children or very young people. They have a hard time believing that we can run something on our own, so we are still trying to convince them that we can do this, but we made it in July 2021," Farhah said.

Source: Huda Tabrez (2021). "UAE: How three friends are trying to raise Dh300,000 for their dream of starting a pastry bar". Gulf News. 30 September.

GLOBAL BEST PRACTICES FOR FINANCING WOBS

Several banks in developed and emerging economies have successfully designed and implemented programmes for WOBs to access finance. A few examples representing both developed and emerging countries are presented in Appendix 4.

These examples showcase the importance of women-targeted financial service offerings by tailoring different mechanisms to meet the specific needs of the female MSME segment.

Besides extending credit outreach to women, these programmes have successfully demonstrated that women are a profitable and reliable market segment. Some of the programmes are directly aimed at addressing the supply side constraints, for example, through credit lines specifically designed to increase access to finance for female entrepreneurs and provide training for bank staff and women business owners.

In some countries, banks have approached the women-owned business segment in a unique manner, recognizing that women entrepreneurs face barriers in accessing finance and information, training, networking opportunities and advisory services. In other countries, banks usually operate within a set of regulatory guidelines and have limited flexibility. Banks such as DFCU Bank in Uganda, Garanti Bank in Turkey and BLC Bank in Lebanon have all created offerings for women entrepreneurs tailored to the societal and cultural context.

Increasing access to finance for WOBs is a sound strategy and a good business case for financial institutions. The Global Banking Alliance (GBA) for women[37] shows how extending banking services to women is profitable and sustainable: offering targeted financial services would increase the number of women both as corporate clients (for their SMEs) and as retail customers (personal). In their 2018 report, the Indian bank, AU Small Finance Bank, indicated that women usually extend their demand from business to personal products (e.g. credit and debit cards, deposits and saving accounts, maternity loans, children tuition fees, insurance, POS (point of sale) devices and furniture expenses).

Banks in the UAE tend to miss out on these opportunities by rejecting WOBs' loan requests. Banks should conduct specific market research to better understand the women-owned businesses segment and be able to cater for their needs, through targeted products and services, such as working capital finance, trade finance and credit for capital expenditures.

Other measures to improve women's financial inclusion include supporting WOBs and SMEs in public procurement and value chains, creating movable collateral registries, and building and sharing data on WOBs to allow the development of new credit scoring methods that could benefit women.

37 A consortium of financial institutions committed to enhance WOB's access to finance.

3. RECOMMENDATIONS

UN Women proposes the following recommendations as practical interventions to be adapted to the UAE's particular entrepreneurship ecosystem and unique economic, political and social environment. Building on the findings from the survey responses, interviews and focus group discussions, and based on international best practices, these recommendations aim to contribute to a more gender-inclusive business environment in the UAE. They target all the ecosystem's stakeholders, including governments, women's business associations, financial and lending institutions, and other ecosystem partners including donor agencies, angel investors, NGOs, corporations and educational institutions.

From the desk review, interviews and discussions, significant gaps were identified between the needs for women-owned businesse to be supported and included in the national financial system[38] and what is available to support them[39]. Several constraints exist: some are based on perceptions about the banks' attitudes; other are intrinsic to WOB particularities (refer to Appendix 5 – Table 1), which prevent WOBs from benefiting from access to financial capital, banks and alternative financial investors.

Increasing women's financial inclusion enhances not only the contribution of women-led business to growth, but also contributes to women's autonomy, allows for better use of their personal and family resources, and reduces the vulnerability of their businesses and households (CIPPEC, 2018).

Yet, women's financial inclusion requires a more gender-sensitive financial system that addresses the challenges that women face. An inclusive regulatory environment is also relevant. It is also important to acknowledge the broader social constraints related to household and caring responsibilities and the non-financial barriers (e.g. training, education and access to markets). It is crucial to recognize the importance of improving the representation of women in leadership positions within regulators, financial institutions and financial investment committees: more women CEOs, more women board members and more women in decision-making positions is a required change to close the gender gap in entrepreneurship.

Another enabler would be the to design of women-targeted financial services or products. In spite of national laws in the UAE that make discrimination against women illegal, gender gaps and biases are found across different sectors in the economy.

To enhance WOB's access to finance, recommendations fall under three main categories: policy development (strengthening policies and procedures), advisory (designing innovative financial solutions) and capacity-building (providing practical training, technical assistance, knowledge and awareness).

Each stakeholder brings different solutions and has much to benefit from improving and expanding access to finance for women. The more supportive the national business environment is of WOBs, the faster and more sustainable the nation's economic growth.

38 Referred to hereafter as the demand side.

39 Referred to hereafter as the supply side.

Policy development

The most effective government policies for enhancing entrepreneurial ecosystems employ a holistic approach. Government policies need to change their focus from supporting broad-based entrepreneurship to specifically targeting support to women-owned businesses.

Moreover, policies need to consider the distinction between transformational (innovation and tech-led businesses) and subsistence entrepreneurship (meeting basic needs in the society) and target their approaches accordingly.

The following recommendations are provided under the headings of the stakeholders to which they apply:

Government

1. Foster a public–private dialogue between the government agencies represented by the Chambers of Commerce and the National SME Program, and diverse businesswomen's organizations, associations and financial institutions to consult on inclusive and gender-sensitive regulatory and funding policies.
2. Increase WOB's access to all relevant information about funding laws, policies and government-endorsed finance opportunities.
3. Encourage the establishment and the regulation of crowdfunding and new smart financial investments that would positively impact all potential entrepreneurs.
4. Support the development of angel investments to include private investments, bridge equity gaps and improve the status of start-ups and their readiness for venture capital and private equity firms.
5. Place specific attention on women-owned SMEs in national development strategies and SME laws and policies. For instance, integrating a gender perspective into the Federal SME Law (specifically in Articles 10 and 17) can ensure better access for WOBs to financial support and market opportunities.
6. Lead efforts to gather gender-disaggregated data on government public spending and on SME finance.
7. Partner with agencies to guarantee low-interest loans to WOBs with no collateral in selected sectors.

Financial and lending institutions

1. Develop gender-sensitive internal policies and regulations.
2. Offer women-only sections or appoint dedicated banking professionals to extend special services to WOBs.
3. Implement more efficient decision-making procedures to improve the long process in opening bank accounts and in credit approval.
4. Draft a baseline of WOBs in the SME Segment and track the yearly targets and numbers through performance management systems.
5. Appoint champions (male or female) within the bank for women-owned SMEs.
6. Motivate loan officers (and make them accountable) who meet WOB SMEs lending targets with new and existing clients.
7. Strengthen awareness of WOBs through financial literacy workshops and financial products presentations.

Women's business networks

1. Advocate for changes in laws and policies which impose barriers to the growth of WOBs (access to market opportunities).
2. Advocate for the inclusion of WOBs as active participants in private–public dialogues and in decision-making discussions.
3. Establish partnerships with specific banks to increase women's access to finance.

UN Women and other ecosystem partners

1. Expand research on WOB's access to finance and market opportunities and track yearly updates and WOB's progress.
2. Take the lead in organizing roundtable discussions and open private–public dialogue with WOBs by empowering women's networks and associations to actively participate in the policy and advocacy dialogue.
3. Help banks and financial institutions to develop profitable and sustainable solutions (financial services or products that match WOB's needs and challenges).

Capacity-building

Globally, best practice shows that financial literacy and capacity-building are commonly adopted interventions for the financial inclusion of specific populations. Regulators, for example in Australia and the United States, are increasingly employing smart financial education techniques to reach out to a wider audience. However, to date there are no financial literacy programmes that have women at the core of their design. In this section, all stakeholders are invited to make action towards increasing women's access to finance through financial literacy and staff awareness.

Government

1. Build awareness of women-owned SMEs' contribution to national economic growth.
2. Support a cultural transformation process to encourage more WOBs by eliminating gender-based legal and regulatory barriers.
3. Build awareness on the importance of finance for the different stages of WOBs.

Financial and lending institutions

1. Provide training to staff in credit departments on customized business loans and meeting the needs of women entrepreneurs.
2. Offer financial literacy courses, training and other capacity-building activities to enhance women's understanding of financial products and investment options.

Women's business networks

1. Collaborate with UN Women and other ecosystem partners, and the banks to increase women's financial knowledge and skills.
2. Establish structured mentoring relationships to provide access to information on existing resources and guidance on navigating the loan application process.
3. Facilitate networking opportunities by organizing events to exchange experiences and lessons learned.
4. Encourage business-to-business connections among WOBs and SMEs within the network and with other women's business associations to offer new market opportunities.

UN Women and other ecosystem partners

1. Provide WOBs with a comprehensive capacity-building programme including training, coaching, mentoring, pitching for investors, networking, business planning and financial management to support them in scaling up their businesses.
2. Partner with business associations to host regular meetings with women business owners and financial institutions to better understand their needs and build relationships with potential and profitable clients.
3. Support businesswomen's associations to meet the needs of women-owned SMEs through continuous dialogue and joint trainings.
4. Highlight the success of women entrepreneurs and the best inclusive practices in the banking sector and non-bank financial institutions.

Advocacy

Mobilizing a community of diverse global, regional and country entities to jointly advocate for policy and practice change that has a positive impact on women's lives is needed: raising women's voices and increasing women's economic empowerment and thus accelerating progress towards women's financial inclusion.

Government

1. Motivate banks to lend to women through programmes such as credit subsidies or partial credit guarantee programmes.
2. Strengthen the financial infrastructure with credit bureaus and collateral registries to support women in building credit histories in their own names and reduce the cost of borrowing.

Financial and lending institutions

1. Develop targeted SME loan services for the WOB sector.
2. Partner with institutions that provide loan guarantees or risk-sharing facilities to provide long-term financing.
3. Offer lower interest rates for WOB members of formal networks and better payment conditions.
4. Evaluate loan applications based on a variety of factors including business potential, deposit history and social return on investment rather than past track record and profitability alone.

Women's business networks

1. Create partnerships with financial institutions and other partners to design SME loans addressing WOB's needs.
2. Support the formation of funds and guarantee associations among women businessowners.
3. Facilitate more angel investments and crowdfunding within women's business networks by encouraging successful women business owners to become angel investors.

UN Women and other ecosystem partners

1. Expand research on WOBs and disseminate research reports that provide evidence of the benefits of developing financial services for women.
2. Encourage banks to target women business clients by showcasing best practices and economic potential.
3. Follow up with government and financial lending institutions to act on gender data collection and reporting.
4. Co-host business growth competitions targeting women-owned SMEs and cooperating with financial institutions to offer loans or grants to selected winners.

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APPENDICES

APPENDIX 1

U.A.E. FEDERAL SME LAW NO. 2 OF 2014

"Article (1) of Law (25) defines some of the terms and terminology prescribed by the law as follows: – 'Enterprises and Establishments' refers to any company or individual enterprise engaged in small economic activity (including micro and medium) – 'The Council' refers to the Small and Medium Enterprises Council – 'The Program' refers to the National Program for Small and Medium Enterprises Article (2) explains the objectives of the law that seeks to achieve the following: – Nurturing of SMEs as a major contributor to the economic development of the country – Dissemination of information about the law and encouragement of research – Innovation, creativity, and fostering a culture that stimulates entrepreneurship – Coordinating the efforts of various entities involved in the development of SMEs – Boosting the competitiveness of SMEs to provide employment opportunities – Creating programs and initiatives aimed at the development of SMEs – Stimulating and supporting citizens to enter the SME's labor market to contribute to the country's GDP – Strengthening the country's position as an entrepreneurial hub Articles (3 and 4) classify and define micro, small and medium enterprises. Article (3) stipulates that the Council will classify SMEs based on two or more of the following criteria: – Employment size – Size of annual returns – Capital investment Based on the recommendations of the SME Council, the U.A.E. Cabinet may add any other criterion to those listed in item (1) of this article, given the nature and type of the economic activities of the enterprise.

Titled 'Unified definition of SMEs', Article (4) indicates that the U.A.E. Cabinet must issue a decree on the unified definition of SMEs, based on the recommendations of the SME Council, in consultation with competent local authorities.

Titled 'SME Council', Article (5) states that the U.A.E. Cabinet must issue a decree to establish the governing body of the SME Council under the Ministry of Economy, chaired by the U.A.E. Minister of Economy and with the membership of representatives from relevant public and private sector authorities, which will determine the Council's work regulations and decision-making mechanisms.

Titled 'Competences of the Council', Article (6) stipulates the creation of policies and strategic plans towards the development of SMEs based on the following: – Developing the rules and regulations to coordinate between the National Program for SMEs and other stakeholders – Monitoring the performance indicators of the program and approving its annual report on SMEs – Periodic review of the effectiveness of the SMEs, classifying criteria to propose the appropriate amendments and submitting them to the U.A.E. Cabinet – Setting conditions and criteria for the program's membership – Any other relevant tasks assigned by the U.A.E. Cabinet Titled 'The National Program for SMEs', Article (7) states that the U.A.E. Cabinet must issue a decree to establish the National Program for SMEs within the Ministry of Economy

Article (8) covers the program's responsibilities, stating that the National Program for SMEs is responsible for coordinating with concerned authorities in drawing up the general guidelines related to the provision of expertise, technical, administrative, and training assistance in various fields to support and develop SMEs, including: – Preparing a periodic evaluation report and submitting it to the Council highlighting the challenges faced and suggesting the appropriate solutions – Coordinating with federal and local government entities and the private sector to market SME products inside and outside the country

- Coordinating with the concerned authorities to provide benefits and incentives for SMEs – Coordinating with the relevant regional and international organizations to support the development of SMEs – The development of awareness programs to encourage the creation of SMEs and promoting the investment opportunities available – Explaining the risks involved and supporting the participation of SMEs in local and international exhibitions – Creating and categorizing a database of registered SMEs – Encouraging self-employment, joint cooperation and integration between SMEs – Approving requests for granting concessions to members of the program through funds, institutions, projects and local entities – Any other related tasks determined by the SME Council Under the title, 'SME Program Registration', Article (9) provides that the National Program for SMEs, in cooperation with the concerned authorities, is responsible for registering SMEs wishing to join the program after fulfilling the conditions and criteria determined by the SME Council, and to update the Council with the registration data periodically.

Article (10) of the new law focuses on the private and public sector facilities and the incentives offered to owners of enterprises that are members of the National Program for Small and Medium Enterprises, including: – Finance, marketing and promotion from the private sector, provided associating with these facilities does not conflict with any financial or legal obligations – Commitment of Federal Government entities to contract with local small and medium enterprises by not less than 10 percent of the total contracts of these entities towards meeting their purchasing, servicing and consulting needs.

- Commitment of companies in which the Federal Government owns more than 25 percent of the total capital, to contract with local small and medium enterprises by at least 5 percent of the total contracts of these companies.
- Simplify the procedures related to these facilities, in addition to reducing licensing costs, and enabling them to benefit from land granted to them for industrial or agricultural purposes, in accordance with relevant legislations and in coordination with the concerned authorities.
- The allocation of adequate space in the exhibitions that the U.A.E. participates in abroad, to showcase products made by national small and medium enterprises and providing necessary information to them about international markets in accordance with the regulations prescribed by this law.
- Organizing local, specialized exhibitions for small and medium enterprises or facilitating their participation in domestic exhibitions to promote and market their products.
- Permissibility of exempting small and medium enterprises, for production purposes, from customs tax for equipment, raw materials and intermediate goods, through a Cabinet resolution issued by relevant U.A.E. authorities and Union members, each in his/her own capacity, based on the recommendations of the Minister of the Economy.
- Exempting small and medium enterprises from bank guarantees that companies must pay per new worker. The Small and Medium Enterprises Council will coordinate with the Ministry of Labor to implement the regulations and conditions required in this regard.

Article (11) tackles implementing the strictures (4, 7 and 8) of the preceding article, over three years of getting the membership of the National Program for Small and Medium Enterprises, and the extension of the benefit period over one year, renewable for additional term/s.

Article (12) of the law specifies additional facilities provided, which include: Taking into account copyright regulation laws, executive regulations of the law identify the additional facilities granted to small and medium enterprises that have special departments for R&D and innovations, and have achieved economic success, as well as to inventors and patent owners in the country.

With regards to combining facilities and incentives, Article (13) states: small and medium enterprises owned by U.A.E. Nationals may combine facilities and incentives provided by both federal and local entities and the private sector.

Article (14) deals with the conditions related to facilities and incentives, and states: In order to benefit from facilities and incentives, small and medium enterprises and establishments should be fully and privately owned by U.A.E. nationals and be participating members of the program.

According to Article (15), small and medium enterprises and establishments are committed to the following: Using facilities and incentives solely for their specified purpose, without changing the enterprise or establishment or transferring its ownership to other parties without the approval of the concerned entity, in addition to being transparent and disclosing all information to the concerned parties.

According to article (16) titled 'Insuring Establishments', owners of small and medium enterprises and establishments who wish to receive facilities and incentives need to ensure their establishments at a licensed and registered insurance company within the U.A.E. , depending on the type of insurance specified by the executive regulations of this law.

Article (17) addresses the methods of facilitating credit and funding services for activities undertaken by small and medium enterprises and establishments and states the following: The Emirates Development Bank cooperates with the Small and Medium Enterprises Council in setting procedures for credit and funding facilitation for enterprises and establishments that have joined the program. The Bank is obligated to contribute no less than 10% of its total annual financing facilities to small and medium enterprises that are part of the program.

With regard to the procedural and technical criteria for receiving loans, Article (18) of the law stipulates that the U.A.E. Central Bank is to establish procedural and technical standards for providing commercial loans to owners of small and medium enterprises.

Furthermore, Article (19), titled 'Annual Evaluation of the small and medium enterprises sector' states that concerned parties are required to carry out an annual evaluation that seeks to ensure a supportive and enabling environment for small and medium enterprises and establishments, through developing fast and effective services and facilitating procedures that enhance the U.A.E. 's competitiveness on a global scale. A report of evaluation results is to be submitted to the Council.

Article (20) of the law clarifies that the Ministry of Economy, in cooperation with concerned parties, is the lead representative of enterprises and establishments in other countries and global and regional organizations.

Article (21) on fee exemption states that the Cabinet will be responsible for exemptions of federal fees for small and medium enterprises, in addition to stipulating the duration of these exemptions

Article (22) titled 'Penalties' states the following: Without prejudice to any other penalty stated by other laws, any owner of a small and medium enterprise who breaches any ruling of Article (15) is to be fined no less than five thousand dirhams (AED5,000), and no more than five-hundred thousand dirhams (AED500,000).

According to Article (23), the Cabinet issues the executive regulations of this law for three months of its operation, and in accordance to Article (24), all rulings that contradict this law will be annulled

Article (25) states all SME regulations are to be published in the official gazette and will be effective after three months from the date of publication."

Source: WAM, Emirates News Agency (2014). "U.A.E. President issues federal Law No. 2 of 2014 on Small and Medium Enterprises - 1st add". 14 April.

APPENDIX 2

UAE-BASED ENTREPRENEURSHIP AND INNOVATION CENTRES

Institute name	Short description	Emirate	Association
Masdar Institute Center for Innovation and Entrepreneurship	Entrepreneurship and Innovation Centre	Abu Dhabi	
New York University – Abu Dhabi Idea Lab	Entrepreneurship and Innovation Centre	Abu Dhabi	New York University – Abu Dhabi
Sharjah Entrepreneurship Center (SHERAA)	Entrepreneurship and Innovation Centre	Sharjah	
Sharjah Business Women Council	Entrepreneurship and Training	Sharjah	NAMA Women Advancement
Sharjah Research, Technologies, and Innovation Park (SRTIP)	Innovation Centre	Sharjah	
Tamakkan	Entrepreneurship and Training Centre	UAE	
The Crib Academy	Entrepreneurship Academy	UAE	
Dubai Entrepreneurship Academy		Dubai	Dubai SME
Google Innovation Lab	Innovation Lab	Ras Al Khaimah	Al Bayt Mitwahid/Edutec
SEED Entrepreneurship and Innovation Center (SEIC)	Entrepreneurship and Innovation Centre	Dubai	Seed group; Sheikh Saeed Bin Ahmed Al Maktoum
Intel IoT Lab UAE	Innovation Lab	Dubai Silicon Oasis – Dubai	Dubai Silicon Oasis Authority
UAE University			
Science and Innovation Park	Science and Innovation Park	UAE – Al Ain	UAE University
UAE Academy Entrepreneurship and Innovation Center	Entrepreneurship and Innovation Centre	Abu Dhabi	UAE Academy; Abu Dhabi Chamber and Commerce
Higher College of Technologies	Entrepreneurship and Innovation Centre	UAE	Higher College of Technologies

APPENDIX 3

SME FUNDING INITIATIVES

TABLE 1
Government SMEs and start-up funds

Name	Description	Emirate	Beneficiaries
Khalifa Fund	• Established in 2007 (Law 14 of 2005) • Started with a total capital of AED 300 million, which was gradually increased to AED 2 billion, covering all of the UAE • Not for Profit SMEs Socio Economic Development Agency of the Government of Abu Dhabi. • Helping develop local SMEs by enriching the culture of investment amongst UAE nationals, as well as supporting and developing SMEs in the Emirate.	All UAE	UAE National
Hub71	• Abu Dhabi's global tech ecosystem Hub71, one of Ghadan 21's key initiatives. • Ghadan 21, Abu Dhabi's three-year government accelerator programme launched in 2019 to drive the Emirate's development through investing in business, innovation and people. • The new cohort also includes 30 per cent of businesses founded by women, marking a growing number of female founders choosing to immerse themselves in Hub71's diverse and vibrant community.	Abu Dhabi	Awarded start-ups will be receiving subsidized housing, office space and health insurance as follows: **100% subsidy for Seed Stage Start-ups:** 2–5 people $100,000–$500,000 of capital raised – Incentive for 2 years **50% subsidy for Emergent Stage Start-ups:** Up to 25 people $500,000 or more capital raised Incentive for 3 years **Companies that will be considered for the incentive programme should meet the following criteria:** Be high-growth tech companies. Target a large user base or potential pool revenue. Provide transformative technologies or business models. Secured VC funding in the last three years
Mohammed Bin Rashid Fund for SMEs	• Supporting and funding Emirati young citizen projects. • Providing loans and financial guarantees or even contribution to the projects. • Reviewing and giving advice on the feasibility studies and action plans prepared by applicants.	Dubai	UAE National

Name	Description	Emirate	Beneficiaries
Dubai Future Council on Entrepre-neurship and Innovation Ecosystem	• Providing a platform to design supportive mechanisms for innovators and entrepreneurs. • Supporting and financing innovative ideas and projects. • Highlighting success stories. • Promoting awareness of the importance of innovation and entrepreneurship. • Collaborating with government and private sector entities, investment programmes and international funds. • Partnering with academic institutions to leverage the creative ideas of students and fresh graduates.	UAE	UAE National
Ruwad Establishment	• A "division of Sharjah Chamber of Commerce and Industry that backs small- and medium-sized enterprises (SMEs) run by nationals." • Providing financial and technical support and paving the way for a suitable environment for the establishment and development of small projects.	Sharjah	UAE National

TABLE 2

Business loans for SMEs

Bank/Lender	Min. Length of Business*	Max. Loan (converted from AED to US$)	Max. Tenor	Interest/ Profit Rates	Processing fee	Credit Shield Insurance
FAB	2 years	US$350,000	48 months	18% to 23%	2%	Yes
RAK Bank	1 year	US$800,000	72 months	16% to 26%	2.50%	Yes
Mashreq Bank	2 years	US$270,000	48 months	18% to 26 %	1.35%	Yes
Emirates NBD	1 year	US$250,000	48 months	15% to 21%	2%	Yes [0.5% ins. per year]
ADCB	2 years	US$400,000	48 months	15% to 20%	2%	Yes
Standard Chartered Bank	3 years	US$250,000	36 months	19% to 22%	2%	No
NBQ	3 years	US$270,000	60 months	13% to 16% flat	2.50%	No
Arab Bank	2 years	US$680,000	48 months	15% to 22%	1%	No
Union National Bank	1 year	US$400,000	60 months	17%	3%	Yes [0.35% per year]
Emirates Development Bank	2 years	US$400,000	48 months	17%	N/A	No

APPENDIX 4

Global best practices for WOB financing

Country	Service offered	Results
Bank: **Wells Fargo**		
USA	• Offering tailor-made and customized products, unsecured credit lines for WOBs. • Providing outreach and educational trainings through women business service programmes to help WOBs increase access to capital and other financial services. • Training and networking opportunities (collaborates with women's associations to reach WOBs and provide them with research, financial solutions and business advice resources). • Recognizing WOBs achievements: Building partnerships with national and regional organizations and organizing an annual "trailblazer" award to recognize their business achievements.	• Since its launch in 1995, Wells Fargo has extended credit of more than US$38 billion to over 750,000 women entrepreneurs. • The bank serves WOBs with financial services, loans and lines of credit including unsecured credit lines of up to $100,000.
Bank: **Westpac Banking Corporation**		
Australia	• Focuses on women in all existing segments, delivery models, products and organizational structure. • Providing internal training across the bank employees aiming at lifting the standards of service to women. • Providing non-financial services through educational seminars, cash flow workshops, retirement information sessions, capacity-building, outreach and advocacy through its "Women Investment Advisory Service Unit" specialized in investment planning, education, risk management and business services. • Developing platforms such as the Ruby Connection and "Learn, Lead and Succeed" events providing business management training and an opportunity to network among themselves to potentially partner and grow their businesses. • Westpac is a founding member of the Global Banking Alliance for Women.	• Westpac conducted research that enabled it to create a strong value proposition for Australian WOBs. • Westpac's Women in Business programme contributed over AUD 2.5 billion to Westpac's bottom line in 2009. • The bank received national and global sustainability awards. • It is the only Australian bank listed on the 2011 list of Global 100 Most Sustainable Companies.
Bank: **American Express**		
USA	• Designed the "OPEN Program" which enables WOBs to access a variety of cards specifically designed to help them manage their day-to-day business activities (business charge and credit cards that deliver purchasing power, flexibility, rewards, and savings on business services from an expanded line-up of partners, online tools and services designed to improve profitability). • Actively promoting WOB's access to government contracts, which is traditionally a male-dominated area. Lobbied for the passing of the WOBs USA Federal Contract programme, which dedicates a percentage of government contracts in 83 different industries to women. • Providing non-financial services (information, advice and guidance from other WOBs through the OPEN forum). • Partnering with "Count Me In, Make Mine a Million" programme to work with women clients and help them achieve the million-sales threshold. • Collaborating with Women Impacting Public Policy (WIPP), to create the "Give Me 5 Program" advocating for more federal contracting opportunities for WOBs (educate women business owners on how to apply for and secure federal procurement tenders).	

Country	Service offered	Results
Bank: **DFCU Bank**		
Uganda	Under the Women in Business (WIB) programme, established in 2007, DFCU Bank is: • Designing customized financial products such as loans and savings for women entrepreneurs. Since collateral requirements are a major obstacle for Ugandan women as they have difficulty accessing property, DFCU created a “land loan” specifically for women. Consequently, women can obtain a loan to purchase property that they can later use as collateral for business loans. • Promoting partnerships among clients: the bank created an investment club, a savings scheme where WOBs raise funds together to make future business investments. • Providing non-financial services (business management and financial awareness training to WOBs in addition to traditional credit product offerings).	• The programme has financed women entrepreneurs in Uganda with over US$20 million.
Bank: **The SME Bank**		
Malaysia	• Providing financial products adapted to match the needs of women entrepreneurs (heavily concentrated in manufacturing and tourism). • Providing non-financial services (incubation system through which the bank provides financing, entrepreneurial guidance and training).	
Bank: **WRawbank**		
Democratic Republic of the Congo	• Partnering with IFC to design and launch its “Women in Business” programme. The programme, “Ladies First” aimed at capturing dynamic and growing women-owned SMEs. • Lending strategy that eases collateral requirements for women entrepreneurs. • Providing non-financial services (training and regular SME banking products for women entrepreneurs). • Establishing RawConseil, a legal advice desk that provides assistance to women entrepreneurs to register their businesses and help them navigate through difficult business processes such as getting spousal permission to register a business or open a bank account.	By 2011: • Rawbank’s active women borrowers grew from 3 to over 110 and their loan portfolio expanded from US$200,000 to about US$8 million. • The bank has over 950 deposit accounts worth over US$15 million. • Over 500 women-owned SMEs received training and legal advice.
Bank: **Garanti Bank**		
Turkey	• Providing special loans for women-owned SMEs. • Providing non-financial services (access to business and financial management training through the bank’s partnerships with local universities). • Sponsoring the “Woman Entrepreneur of the Year” award in collaboration with Kagider (Turkey Women Business Association).	• Since 2007, Garanti Bank has lent US$250 million to 12,000 women entrepreneurs, trained approximately 1,600 participants, and received over 3,000 applications for the Woman Entrepreneur of the Year award.

<table>
<tr><th>Country</th><th>Service offered</th><th>Results</th></tr>
<tr><td colspan="3">Bank: BLC Bank</td></tr>
<tr><td>Lebanon</td><td>BLC has developed international and external programmes, aiming to be the “bank of choice” and “employer of choice” for Lebanese women, through:
• Providing banking services to women-led SMEs, through the “We Initiative”, established in 2012, that has three pillars:
1. Internal focus on women’s empowerment and equal opportunities for employees
2. Financial services designed with women in mind
3. Non-financial services (networking, mentoring and training).
• In developing its “We Initiative”, BLC drew on lessons from other Global Business Alliance members and is the first bank in the MENA region committed to the UN Women’s Empowerment Principles.
• Designing two financial products specifically for women:
1. Children’s savings account: allows women to begin saving for their children’s future without the need of the father’s consent (the legal guardian of a minor child in Lebanon is the father).
2. Collateral-free loan: BLC has designed a loan product which is collateral free up to a limit of US$20,000. The product also covers start-ups that have not had prior business experience.
• Providing non-financial services: networking and advice within the “We Initiative”, a platform including marketing for banking products and special offers, access to banking branches and experts, and access to specialist experts (who respond within 48 hours at no charge) and mentors (free up to four sessions) who are successful businesswomen and men.
• Organizing monthly “Business Power Sessions” for a fee, with discounts available for “We” clients.
• Organizing two annual awards honouring the “Business of the Year” and the “Women Entrepreneur of the Year”, each offering a cash prize of US$30,000 for the winner.</td><td>• On the savings account for mothers, the bank is meeting its targets and looking to expand the programme.
• Women have lower non-performing loans across the SME portfolio.
• The cross-sell ratio is higher for women compared to men.
• The “We Initiative” broke even in two years.</td></tr>
<tr><td colspan="3">Bank: Trapezia Fund</td></tr>
<tr><td>UK</td><td>• The first equity fund dedicated to venture capital requirements of women-centred businesses in the United Kingdom and Europe.
• Investing in women-focused businesses for three to five years.</td><td>The fund, which uses tax rebates to incentivize investors, started with US$7 million in November 2006. It has invested US$400,000 to US$880,000 in a diversified portfolio of 10 companies led by women.</td></tr>
</table>

APPENDIX 5

Summary of WOB's main challenges in accessing bank loans in the UAE

WOB's perceptions about banks and financial institutions	WOB's intrinsic challenges
• Collateral requirements: Perception of high-risk profile in the absence of collateral security and guarantee/support by male family members. • Banks generally consider WOBs as high-risk as these enterprises are mostly micro in scale and women entrepreneurs are not considered primary breadwinners. • Some bankers believe lending to an expat married woman could be risky as she might leave the country with her husband without honouring her commitments. Introducing new types of collateral or replacing them by a network guarantor would enhance the loans risk evaluation. • No real attempt to tailor products/services to suit the needs of WOBs (financial product features do not meet their needs): banks often rely on personal profiles and track records while reviewing loan applications. In the case of women, these are often not strong enough or relevant for banking needs as women entrepreneurs often lack proper records and documents. • Perception that bank staff are unwelcoming to women customers: one common criticism expressed by interviewed WOBs is that bank branches are not warm in welcoming them due to a disproportionately low number of female employees and women in senior management positions. Few efforts are made to attract walk-ins by women customers and/or to provide advisory services in addition to financial services. • Perception that men can build faster and quicker relationships with their banks (networking events, regular communication) which influence the decision-making with regards to loan requests. • Marketing messages not targeted to women. • Lack of inclusive policies encouraging investors to invest in WOBs.	• Lack of adequate collateral: access to collateral remains a key issue. Being micro to small businesses, and in the services sector, some WOBs lack good collateral. • Women tend to have lower income than men because they often care more about the social impact they make than the profit, which makes their profile less appealing for loan admittance. • Limited financial awareness and understanding of financial products/services: women lack knowledge about available finance options, advantages and disadvantages, and costs of various options, benefits of borrowing, etc. This lack of knowledge generates reluctance to access finance from banks and investors. • Lack of confidence to approach financial institutions: WOBs tend to have less experience with banking institutions and could feel intimidated to approach a bank. • Poor financial literacy: some WOBs do not have automated payment record systems. The lack of financial documents (business plans, audited financial statements, Profit & Loss sheets) decreases their chances of getting any type of finance and makes WOBs less attractive to banks. • Limited involvement in formal networks. WOBs, especially Emirati WOBs, tend to rely on informal networks. However, women networks and business associations can provide them with better market access opportunities which, in turn, can influence their access to finance. • 70% of WOBs SMEs in the UAE are in the services sector, where banks have difficulty quantifying output, since there are no physical assets, such as machinery, to serve as a basis for loan assessment. • High transaction costs in relation to the small size of WOBs (this is a challenge for all SMEs, given that the cost of administering and servicing small loans is relatively high due to standard processing and documentation requirements for enterprises, regardless of size).

UN WOMEN IS THE UNITED NATIONS ENTITY DEDICATED TO GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN. A GLOBAL CHAMPION FOR WOMEN AND GIRLS, UN WOMEN WAS ESTABLISHED TO ACCELERATE PROGRESS ON MEETING THEIR NEEDS WORLDWIDE.

UN Women supports UN Member States as they set global standards for achieving gender equality, and works with governments and civil society to design laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities: Women lead, participate in and benefit equally from governance systems; Women have income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; Women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women also coordinates and promotes the UN system's work in advancing gender equality.

UN WOMEN

220 East 42nd Street
New York, New York 10017, USA

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