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**RECCA
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EMPOWERING WOMEN ENTREPRENEURS TOWARDS ACCESS TO MARKETS



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RECCA Regional Economic
Cooperation
Conference on Afghanistan

This brief policy paper, jointly developed by the RECCA Secretariat and the Afghanistan Women Chamber of Commerce & Industries (AWCCI), presents the outcomes of the Special Event on Empowering Women Entrepreneurs Towards Access to Markets held on 14 November 2017 in Ashgabat, Turkmenistan and does not necessarily reflect the official views of the Ministry of Foreign Affairs of the Islamic Republic of Afghanistan.

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+93 20-210-4350

secretariat@recca.af

www.recca.af



@RECCAafghanistan

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Introduction

There are around 850 women-owned businesses in Afghanistan, half of which are in handicraft and traditional businesses but less than ten are selling in the regional or global markets on regular basis. The handicrafts include carpet, embroidery, woodcarving, jewelry making, cotton and silk shawls and leather products.

In the past 15 years the focus has been on producing more of these products and making sales through exhibitions within and outside the country. Whereas additional analysis is required to be undertaken on the quality, design, and access to more permanent buyers, sufficient knowledge of the rationale behind such exhibitions is already clear.

As part of the efforts towards women's economic empowerment, the Afghan government formulated its National Priority Program (NPP) on Women's Economic Empowerment that includes the principal component of increasing access to markets for women-owned enterprises as well as several subcomponents related to work on the quality and branding of their products. This component is aimed at improving women's access to quality inputs, designs, and markets, and facilitating export and income generation for women and families undertaking creative activities.

In an effort to bring synergy and complementarity with national priorities, the Regional Economic Cooperation Conference on Afghanistan (RECCA), under its new approach included the women's economic empowerment component into its agenda, which is already contributing, inter alia, to the implementation of the Women's Economic Empowerment NPP.

RECCA recognizes that women across the wider region have much to contribute to the implementation of the platform's regional cooperation and investment projects, and they also stand to benefit from their success. It is, therefore, imperative that women across the entire region be engaged in the activities of RECCA including Investment Road Shows, Business Forums as well as the biennial Ministerial and Academic Forum meetings of the platform, and other more targeted support activities to improve economic conditions for women to both benefit from and actively contribute to regional economic cooperation.

There are a number of primary areas where regional cooperation will have direct impact on women economic empowerment, and those include: sharing the knowledge on best practices; fostering links and building networks among women entrepreneurs in the wider region; creating value chains at the regional level; utilizing regional chambers of commerce and industries and organizing joint-ventures, exhibitions and business forums, among others.

Special Event on Empowering Women Entrepreneurs Towards Access to Markets

To capitalize on this, the RECCA secretariat based at the Ministry of Foreign Affairs of Afghanistan (MoFA) has decided to hold a series of events and activities on “Empowering Women Entrepreneurs” with a special theme at every RECCA meeting from 2017 onward.

This series started with a “Special Event on Empowering Women Entrepreneurs towards Access to Regional and International Markets” organized jointly by the RECCA Secretariat, the First Lady’s Office, the Afghanistan Women Chamber of Commerce and Industries (AWCCI), and the Chamber of Commerce of Turkmenistan on November 14, 2017 on the sidelines of RECCA VII in Ashgabat, Turkmenistan. The Special Event aimed at assisting a select group of women-owned small and medium-sized enterprises (SMEs) in Afghanistan and the wider RECCA region with value chain development and access to regional and global markets through connecting them with each other as well as with a number of international enterprises, raising their international competitiveness. The event also provided an opportunity for women entrepreneurs to showcase their products.

The Special Event and the RECCA VII Business Forum was officially opened by the First Lady of I.R. Afghanistan, H.E. Rula Ghani, the Deputy Chairperson of the Cabinet of Ministers of Turkmenistan, H.E. Orazmyrat Gurbannazarov, Ministers of Commerce and Heads of the Chambers of Commerce and industries of Turkmenistan and Afghanistan. H.E. the First Lady in her opening remarks stressed the need for the inclusion of women in the economic activities and expressed that disregarding women’s empowerment and participation in a country will negatively impact the speed of development. She expressed optimism over gradual increase in women’s economic participation in Afghanistan, while highlighting the “need for institutional support to their sustainable and meaningful contribution”.

The special event continued with two panel discussions. The first panel focused on Market Access; Success Stories and the second panel was dedicated to the Requirements and Challenges in Market Access. Both panels were attended by H.E. the First Lady of Afghanistan, Deputy Chief of Cabinet of Turkmenistan, the Ministers of Women Affairs and Counter-Narcotics of Afghanistan, Deputy Foreign Minister for Economic Cooperation, the Afghan Ambassador to Turkmenistan and over 150 participants including the Diplomatic Representative of Agha Khan Development Network to Afghanistan, and the German Special Representative for Afghanistan, the business community, researchers and other participants from Turkmenistan, Afghanistan and other RECCA countries.

The event was concluded by H.E. Delbar Nazari, Minister of Women’s Affairs of Afghanistan. In her remarks, she emphasized the importance of holding such experience sharing events with regional countries and stakeholders for gaining awareness and resolutely implement the Women’s Economic Empowerment NPP in Afghanistan. She highlighted several factors such as insecurity, illiteracy, lack of expertise and skills, lack of access to financial resources and technology as some of the challenges facing Afghan women entrepreneurs while stressing the importance of market access as a vital factor for the growth of women-owned businesses. She further suggested that special regional markets should be established for women along with regional exhibitions in different countries for showcasing their products.

Best Practices, Challenges and Discussions

The two panels under the special event provided the opportunity for the participants to have focused discussions on some key aspects of market access for women entrepreneurs. Panelists included a number of prominent women entrepreneurs from across the region who shared their experiences and perspectives on both challenges and opportunities associated with women’s entrepreneurship development and market access.

The first panel mainly discussed a number of success stories in accessing markets. Panelists explained some of their work towards increasing women entrepreneurs’ access to markets. The following major points were made by the panelists in this first panel:

- The Turkmenistan Union of Industrialists and Entrepreneurs’ success with their Coding Department was represented in their effective efforts in obtaining internationally accepted codes for nearly all their products, an essential institutional capacity for export within and outside the country.
- Government policies designed to create an enabling environment for investment are necessary, as well as for women’s entrepreneurship such as providing accessible loans with low interest rates.
- In order to access markets one needs to produce consistent and high-quality commodities, which is also very important in maintaining markets.
- A venture can become successful and can compete in both local and international markets if the commodities produced make use of the raw material and expertise locally available.
- For a woman to gain access to markets, well-planned exhibitions and trade shows are important.
- Women are trustworthy in offering genuine products; thus, they should use their credibility in order to access buyers.
- The commercial potential for Afghanistan’s precious stones and jewelry is considerable, so long as access to finance is enhanced and improved infrastructure such as improved mining and laboratories for precious and gemstones are put in place in the Afghanistan.

The speakers on the first panel were:

- **Chayaa Nanjappa Agrawal**, Managing Director of Nectar Fresh, India.
- **Shaikha Noora Al-Khalifa**, President of Medpoint, Bahrain.
- **Aybolek Pollyyeva** and **Ayakamar Malikgulyyera**, Board members of the Turkmenistan Union of Industrialists and Entrepreneurs.
- **Nahid Hamidi**, President of Shagirf Precious Stones, Afghanistan.
- **Manizha Wafeq**, President of AWCCI, Afghanistan (Moderator)

The second panel discussed the challenges that women-owned businesses face in accessing markets. The following key points were made by the speakers in this panel:

- Illiteracy and socio-cultural issues in the region are challenges to women-owned businesses; illiteracy among women is a barrier for finding good quality workers.
- There are gender equality issues and gender mainstreaming issues in the countries of the region. Some governments have implemented specific policies that encouraged women to invest and play enterprising roles in society to improve the economy.
- Challenges for joint ventures/investments in the countries of the region can be turned to opportunities.
- In the South Asian region another challenge is the lack of sufficient men's support for women; thus, men need to be educated in particular about women empowerment.
- Taxation challenges and other legal issues exist in the countries of the region. The Kyrgyz Women's Agribusiness Association has made some measurable progress through lobbying, such as eliminating the Value Added Tax (VAT) for agriculture products.
- Obtaining visa for citizens of other countries in the region is an issue that has implications for business owners as well, as they cannot access countries in the region easily.
- In some countries being a woman is a challenge but women can turn that into opportunity by learning how to work independently; with the right skills they can gain capabilities and create opportunities.
- Another major challenge to women-owned businesses is the quality of their products and lack of awareness among women business owners about quality and standards.
- The challenge for rural women was discussed and it was emphasized that rural women need to be connected to urban areas.

The speakers on the second panel were:

• **Anuja Narain Agarwal**, Co-founder of Rupalee, India.

• **Aziza Yuldasheva**, President of the Agribusinesses Association, Kyrgyzstan.

• **Guljema Kurbanova and Oguljeren Kozakora**, Members of Parliament, Turkmenistan

• **Zubia Zubair**, President Z clothing, Pakistan.

• **Afsana Rahimi**, Executive Director of the Shayar Media and Advertising Co., Afghanistan.

• **Parwarish Oryakhail**, Board member of AWCCI, Afghanistan (Moderator).

Policy Options and Recommendations

1. Build, in order to improve access of women to markets within and outside Afghanistan, export infrastructure and institutional capacity. The export infrastructure and institutional capacity should include quality and standardization guidelines and support, internationally accepted commodities coding, transportation projects, e-payment platforms, and improved post offices.
2. Implement women friendly policies such as the Women Economic Empowerment National Priority Program.
3. Improve access of women-owned businesses to finance by laws and policies that lay out special consideration, e.g. in terms of loan packages with lower collateral, repayment, and interest terms.
4. Enhance regional networking opportunities for women and mainstream women's economic empowerment into all other platforms. Governments and international organizations can help women's chambers and business associations to plan output oriented networking events.
5. Promote regional and cross-border cooperation between women including through the establishment of regional chambers of commerce. Furthermore, creating linkages to the opportunities provided by the existing regional and international organizations and platforms is important to raise awareness, improve accessibility, share opportunities and establish regional clusters.
6. Increase men's support to women entrepreneurs by involving them as business partners and buyers or suppliers to women-owned businesses.
7. Create long-term mentorship and coaching opportunities for women entrepreneurs in Afghanistan and the region.
8. Build women capacity, through targeted training programs. These programs can focus, among others, on highly needed areas of expertise such as, digital marketing and selling, designing skills, matching with product standards and business ethics.
9. Create women to women business opportunities and connect rural women with provincial women-owned businesses (AWCCI has begun this process but the initiative needs to be enhanced and supported by both the Afghan government and others in the private sector).
10. Simplify visa processes for business owners in the region through bilateral and multilateral arrangements among neighboring countries.

Conclusion & Next Steps

In the absence of political will, a well-suited legal environment, comprehensive infrastructure, and appropriate policies for women’s empowerment—moreover, without methodical implementation of all relevant laws/policies/rules—effective women’s participation and legitimate women’s economic empowerment will not be achievable. Enhancing coordinated interactions among women-owned businesses in the region can be effective for women including in learning from other’s hands-on experiences. Efforts are necessary to pair up women business owners with one another so as to enhance the experience of hands on learning and the exchange of concepts and expertise. Cross-border exchange between women-owned enterprises can be an additional force multiplier.

The Afghan government and its regional partners should share best policy practices and business models with one another, such as providing women-owned businesses with lower interest rates and easier ways to obtain collateral loans. Above all, lowering market barriers to entry across the board and maximizing export promotion for women-owned businesses will serve as the *raison d’être* of the RECCA Women’s Economic Empowerment initiative.

The RECCA Women’s Economic Empowerment Initiative seeks to build, in collaboration with the Afghan and regional partners including the AWCCI, on this successful project and scale it in regional terms for Afghanistan’s regional partners.



The Special Event on Empowering Women Entrepreneurs towards Access to Regional and International Markets was organized jointly by the RECCA Secretariat, the First Lady's Office, the Afghanistan Women Chamber of Commerce and Industries (AWCCI), and the Chamber of Commerce of Turkmenistan on November 14, 2017 on the sidelines of RECCA VII in Ashgabat, Turkmenistan.

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