

Access to Capital and Business Skills Key to Developing the Vast Potential of Women Entrepreneurs in the Middle East

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Amman, Jordan, June 5, 2007 – Limited access to finance and a lack of business skills emerge as key findings in a report on women-owned businesses in five Middle Eastern countries that is being issued jointly by IFC, the private sector arm of the World Bank Group, and the Center of Arab Women for Training and Research (CAWTAR), a women's research center based in Tunis. IFC and the center are launching the report today under the patronage of Her Royal Majesty Queen Rania Al Abdullah of Jordan.

Through surveys of 1,228 women in Bahrain, Jordan, Lebanon, Tunisia, and the United Arab Emirates, the report identifies the key contributions women-owned businesses make to economic growth and job creation in the region, as well as the challenges that they face. It is the culmination of a larger capacity-building project to help businesswomen's associations better understand their members' needs and work with local research centers.

"The female entrepreneurs profiled in this report are the face of the Arab world's future – with high rates of education, widespread use of information and communication technology, international openness, and an optimistic outlook," says Queen Rania in the report's foreword. "They remind our region, and the world, of the productive value yearning to be tapped in our increasingly educated female population."

"This report shows that women-owned businesses in the Middle East and North Africa can be strong vehicles for job creation and growth, important in a region with high female unemployment," said Edward Nassim, IFC Vice President for Europe, Africa, and the Middle East.

According to the report, a smaller proportion of women in the five countries surveyed use formal sources of credit for their business than in other regions of the world. Women are financing their businesses mostly through personal sources such as savings, friends, and family, and by reinvesting business earnings. Other critical barriers include the lack of financial management training opportunities for women, rigidity in employment laws and regulations, and the cost and time required to register a business.

IFC and CAWTAR decided to work jointly on this report because there is currently very little data on the status of women's entrepreneurship in the region. "The goal is to provide policy markets with the necessary information to help support women's entrepreneurship," explained Dr. Soukeina Bouraoui, Executive Director of the Center of Arab Women for Training and Research. "This project marks a strong first effort that we hope will serve as a catalyst for further research."

About IFC

IFC, the private sector arm of the World Bank Group, promotes open and competitive markets in developing countries. IFC supports sustainable private sector companies and other partners in generating productive jobs and delivering basic services, so that people have opportunities to escape poverty and improve their lives. Through FY06, IFC Financial Products has committed more than \$56 billion in funding for private sector investments and mobilized an additional \$25 billion in syndications for 3,531 companies in 140 developing countries. IFC Advisory Services and donor partners have provided more than \$1 billion in program support to build small enterprises, to accelerate private participation in infrastructure, to improve the business enabling environment, to increase access to finance, and to strengthen environmental and social sustainability. For more information, please visit www.ifc.org.

About the Center of Arab Women for Training and Research

The Center of Arab Women for Training and Research (CAWTAR) was established in 1993 in response to requests from Arab governments, civil society, and regional and international organizations. It conducts research and field studies on gender issues and collects, analyzes, and publishes data on women's economic, social, legal, and political conditions. These efforts help promote and implement gender-sensitive development policies and laws, which allow Arab women to enjoy their rights fully as citizens. Since its establishment, the Center has accumulated considerable knowledge and a substantial record of publications, including the Arab Women Development Reports. The Center also established the Arab Network for Gender and Development with the support of the World Bank, gathering some 200 experts and institutions across 19 countries in the region to establish a platform for research, training, sharing of experiences, and policy dialogue with decision makers on gender and development issues in the region. To support its strategic policy analysis and advocacy activities, the Center has forged partnerships with national and regional Arab institutions, as well as international organizations. For more information, please visit: www.cawtar.org