

Newsletter

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Innovation for Women and Economic Development

**Facilitating Women's Livelihood
Development and Resilience
with ICTs**

**APEC Multi-Year Project
Project No. M SCE 03 2013A**

A Message from the Editor

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Dear readers,

This is the last newsletter for the "Innovation for Women and the Economic Development" multi-year project. In the past couple of issues, we briefly presented the research reports and outcomes of the multi-year project. We also introduced the game-based learning application "WE boss," which was developed as an interactive learning platform. Furthermore, a case study on crowdfunding was presented to reflect the four pillars of the APEC Policy Partnership on Women and the Economy (PPWE), as well as the main theme of the 2016 APEC Women and the Economy Forum (WEF). BY publishing these articles, we aim to raise awareness about the gender gap with regard to the industry revolution and official financial services.

Implemented from 2013 to 2016, our multi-year project's final newsletter will review the research achievements of the past three years, present final policy suggestions regarding *How have women in the APEC member economies responded to and been empowered by ICT-focused educational programs?*, and set forth the executive reference to promote "WE boss" in the future. Meanwhile, this issue will emphasize the problem of women being neglected by financial services once again with the hope of stimulating readers' attention toward gender issues in inclusive finance.

Finally, we would like to express our appreciation to the specially invited writers for their assistance and to all our readers for your support and encouragement over the past several years. We hope that you enjoy reading this issue and, as always, welcome any feedback that you may have.

PPWE Chinese Taipei



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Review of the Project

Innovation for Women and Economic Development

Women are key drivers of economic growth around the world. The number of women establishing their own businesses is increasing, which is changing and substantially contributing to the economic growth of many APEC economies. Chile had the highest female entrepreneurship rate of the APEC economic entities, and the Philippines had the largest number of APEC female entrepreneurs.¹

However, lack of relevant skills, limited access to training, and under-representation in business ownerships and managerial positions have all disadvantaged women and tend to hinder their economic participation globally. While building networks is likely to increase profit and business scopes, women are still more limited than men by time and location with regard to meeting other entrepreneurs and building networks. Therefore, female entrepreneurs face more challenges than males regarding entrepreneurship and enterprise operations. Fortunately, such problems can be solved by progressive development and infrastructure investment in Information and Communication Technology (ICT) technologies.

This “Innovation for Women and Economic Development” project is carried out by Chinese Taipei since 2013. The aim of the project is to promote awareness of women’s needs in the APEC region by embracing new devices and services for developing their livelihood, to identify and share pertinent experiences and know-how related to ICT innovations that can be replicated to broaden women’s ability to do business with the global value chain, and to help stakeholders formulate public-private partnerships (PPPs) that can both facilitate sustainable new business models and create an ideal policy environment for women.

¹ From *Gender-related Constraints Faced by Women-owned SMEs*, published by APEC Policy Support Unit, June 2016. The original data is from the IFC Enterprise Finance Gap Database and GEM Global Entrepreneurship Monitor 2014 Global Report.



To serve these goals, the following research activities have been performed over the last few years:

- a. Existing practices were inventoried to identify the demand for women's use of ICTs to gain access to capital, market, and business opportunities. Based on this inventory, eight case interviews were launched to investigate the benefits to women using ICTs. ² We found that ICT-related projects positive influenced female entrepreneurs in many respects, such as access to market, building networks. We also identified the difficulties women entrepreneurs faced when acquiring knowledge and access to capital were considered to be the root causes behind all difficulties. Regarding to the possibility of a sustainable project, it can be designed drawing upon the power of cooperation and partnerships among public and private stakeholders. The Phase 1 report "How ICT Economically Empowers Women Entrepreneurs: A Preliminary Case Study in Four APEC Economies" (APEC Policy Partnership on Women and the Economy, 2014) was published in 2014.
- b. Based on 1st year's recommendations, we collaborated with Australia, Chile, the Republic of Korea, and the Philippines to implement the "BPW Business Incubator Online Training and Mentoring Pilot Program". The pilot program enabled us to conduct a quasi-experiment, two surveys, and interviews to discover possibilities for e-learning and crowdfunding to empower women entrepreneurs. We provided several policy recommendations which include more affordable and adaptive learning environment, encouraging more person-to-person interaction, and greater involvement of women specializing in ICT in designing e-learning programs. ³ The Phase 2 report "Innovation for Women and Economic Development: Facilitating Women's Livelihood Development and Resilience with ICT" was published in 2015.

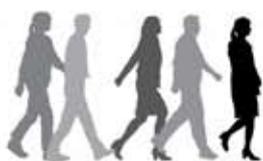
² Complete information of the inventory can be found here <http://www.globalgender.org/en-global/database/index>, and the Phase 1 report was published on the APEC website at http://publications.apec.org/publication-detail.php?pub_id=1627.

³ The Phase 2 report can be found at http://www.globalgender.org/upload/media/program/APEC_MYP/Phase%202%20report%20_%20Innovation%20for%20Women%20and%20Economic%20Development.pdf



- c. In response to the recommendations from the Phase 1 and Phase 2 studies, A final report, “Women Entrepreneurs and ICT-Learning: A Toolkit”(APEC Policy Partnership on Women and the Economy, 2016) was developed as a reference to guide female entrepreneurs to adopt new advances in ICTs for their business development. Meanwhile, a game-based mobile learning tool “WE BOSS” was launched in four languages and also available online, based on the idea of promoting a more accessible, affordable, flexible, and female-friendly digital learning platform.

Based on all of these research activities, a summary of project recommendations for using ICTs to assist women in establishing and expanding their livelihood and enterprises is presented in this issue at the Case Study session. For further information about the project, please visit our website: <http://www.globalgender.org/en-global/database/index>



Engaging Women in Financial Inclusion

Many studies have shown that financial inclusion is vital for reducing poverty and achieving overall economic growth¹. The ability to participate in financial services also has such advantages as being able to invest in children's education, develop a career development, and even start a business. Unfortunately, women in many economies are often financially excluded, while men with similar levels of income are not. According to the World Bank, from 2011 to 2014, the percentage of men with accounts in financial institutions has increased from 46% to 59%, and women from 37% to 50%. Although both genders have made progress, the gender gap has remained unchanged at 9%.²

Women's Financial Constraints

A UK Aid report divided the gender-related barriers to financial inclusion into the supply side and the demand side.³ Some financial barriers, such as accessing credit, affect both genders, and some barriers may have a disproportionately negative impact on women. For example, limited financial awareness of financial institutions and individuals is a key constraint. The following article explains how such barriers may particularly affect women.

1. Financial Literacy and Gender Awareness

According to a report from the Global Financial⁴ Literacy Excellence Center, the biggest cause for the wealth gap in the United States is financial literacy. In the United States, 29% of men have high financial literacy, compared to only 18% of women.⁵ This 11% difference shows

An Intern Program of Foundation for
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- 1 Sutton, C. N., & Jenkins, B. (2007). The role of the financial services sector in expanding economic opportunity. Harvard University.
 - 2 The World Bank. (2014). Infographic: Global Findex 2014 - Financial Inclusion.
 - 3 Department for International Development of United Kingdom (2013) Promoting women's financial inclusion: A toolkit.
 - 4 Lusardi, A., Michaud, P. C., & Mitchell, O. S. (2013). Optimal financial knowledge and wealth inequality (No. w18669). National Bureau of Economic Research.
 - 5 Mottola, G. R. (2014). The financial capability of young adults A generational view. Insights: Financial Capability March.



that women are facing bigger obstacles. A lack of gender awareness by banks and individuals may be another serious problem. Banks may provide limited physical outreach and often offer typical bank opening hours, both of which affect women more than men because they are less mobile. Another issue could be that women are traditionally more averse to risk compared to men, so high-risk and high-reward investment goods do not conform to the investment demands of women. Banks may neglect the potential of the female customer group due to a lack of gender consciousness.

2. Transportation and Infrastructure

Women are often limited by constraints on mobility and are frequently relegated to taking care of the unpaid work and care of the home. Physical infrastructures can also intimidate women as they are not suited to their needs (e.g., baby changing and nursing facilities), and these inconveniences lower their willingness to access financial services. In areas with poor public security or a lack of public transportation, women's personal safety may also be considered a limitation. Considering their time and safety, women may eventually choose to give up on their hopes of obtaining financial services, especially poor women and those who live in rural areas.

3. Culture, Social Recognition, and Regulations

Documentation and other requirements are significant constraints for women. For example, collateral requirements exclude women who lack land/ property rights, while ID certification excludes women who lack proof of identity.

According to the World Bank, certain countries require married women to provide additional documentation to obtain a national ID card – a requirement to which married men are not subject.⁶ As for regulations, 90% of countries have at least one gender-differentiated law, and 943 gender-differentiated laws have been found throughout 170 different countries.⁷ All of these regulations thus influence women, and the different genders do not have equal prerequisites. Therefore, equality in financial services can be difficult to achieve.

4. Gender Pay Gap and Property Rights

Having less disposable income is another obstacle that women face. Female-dominated industries and jobs have traditionally offered lower wages than male-dominated industries

⁶ The World Bank. (2015). Women Business and the Law 2016: Getting to Equal.

⁷ UN Secretary-general's High-level Panel on Women's Economic Empowerment. (2016). Leave No One Behind: A Call to Action for Gender Equality and Women's Economic Empowerment.



and jobs in Australia.⁸ However, certain financial investment goods are quite expensive. In 2015, full-time female employees made only 80 cents for every dollar earned by men, a gender wage gap of 20%.⁹ The glass ceiling, which is one of the biggest problems for women in the workforce, may also have a negative effect.

Promising Approaches

All of these aforementioned constraints influence women's financial inclusion in different ways. However, various projects and programs have been developed, particularly for women, to help combat such barriers and improve their financial inclusion. The Promoting Women's Financial Inclusion report provides several specific and feasible regional inclusive finance training plans as a reference to present four potential methods for promoting women's accessibility to financial services, especially for poor women, women in the workforce, and women entrepreneurs.

- Since women in particular have to tackle gender-related barriers to financial inclusion, any solutions have to begin with improving gender awareness, both of men and women. That means that everyone should see the unpaid household work and family care usually done by women as important as paid work. Furthermore, we must break down the barriers of sexual discrimination in the workplace, the invisible glass ceiling, and unequal payment. Such negative and antiquated social norms should not exist anymore, nor there discriminatory laws or gaps in legal protection.

Lack of education also affects women's financial capability. Only when people completely understand the importance of gender equality and the education popularization rate has been significantly improved can we all begin to change and resolve the challenges that women have been facing. Therefore, the supply-side would benefit from fully understanding what women need and then designing service projects aimed at them.

- Women living in poverty face an even more difficult situation than other women. They have a lower chance of being well educated and lower incomes and may not even be capable of making minor loan repayments. Therefore, programs ought to be designed specifically for them, and BRAC, a development organization that operates across 11 countries, has already started creating such programs. They started by providing

8 Gender Pay Gap Statistic. (2016). Workplace Gender Equality Agency.

9 Pay Equity and Discrimination, Institute for Women's Policy Research. www.iwpr.org/initiatives/pay-equity-and-discrimination/#about



adolescent girls with the opportunity to develop reading and life skills and then helped them to build basic financial knowledge so that these girls could have the same ability to handle money as boys. Improving the construction of infrastructure and communications facilities and increasing the availability of public transportation can also help women in rural areas to get to the places where financial services are available.

- Women in the workforce with less financial services fall into two main categories: homeworkers and women working in agriculture. Many of them do not even have a bank account and are particularly excluded and disempowered from financial services. The Self-Employed Women's Association (SEWA) is an organization of poor, self-employed women workers from India that supports its members with regard to capacity-building and developing their own economic situations. SEWA aims to help workers achieve job security, financial security, health care, etc. by organizing them to achieve full employment and self-reliance. They have also made an effort to strengthen women's leadership, confidence, and bargaining abilities both in and outside of their homes. This has been an effective method for reaching a large number of very poor and excluded women throughout India and can serve as an example for organizations willing to help women with the same issues in other countries. Furthermore, for women who work in agriculture or live in rural areas, a program has been developed to support setting up such cooperatives as credit unions, which can promote thrift, provide credit at competitive rates, and provide other financial services. For instance, Kuana Kokoo Credit Union in Ghana is a successful case that provides savings facilities and loans for agriculture and household emergencies. Such credit unions can improve the livelihood of agricultural regions and provide the social, economic, and political empowerment of women in rural areas.
- Female entrepreneurs repeatedly run into difficulties when applying for loans. This may result from the gender gaps in access to digital, financial, and property assets, as well as that women are often less mobile and have lower incomes than men. Legislating specific protections against discrimination is necessary. Furthermore, since microfinance

10 Kim, J. C., Watts, C. H., Hargreaves, J. R., Ndhlovu, L. X., Phetla, G., Morison, L. A., ... & Pronyk, P. (2007). Understanding the impact of a microfinance-based intervention on women's empowerment and the reduction of intimate partner violence in South Africa. *American journal of public health*, 97(10), 1794-1802. ; Zinman, J., & Karlan, D. (2009). Expanding microenterprise credit access: Using randomized supply decisions to estimate the impacts in manila (No. 976).

11 Banerjee, A., Duceo, E., Glennerster, R., & Kinnan, C. (2015). The miracle of microfinance? Evidence from a randomized evaluation. *American Economic Journal: Applied Economics*, 7(1), 22-53.



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schemes can affect not only women's economic situations but also indicators of broader empowerment ^{10 11} , this could be an effective solution for promoting such information to women and help them obtain them without significant obstacles. Some financial schemes are already targeted at female entrepreneurs, but we still have to improve these schemes' shortcomings, such as short loan repayment terms that do not allow for long-term wealth-creating investment or exorbitant interest rates. Furthermore, financing for women-owned businesses that can be used to grow from micro to medium-size is particularly scarce, and related projects should be increased.

The emerging world has recognized financial inclusion as one of the most important tools for promoting economic growth. Increasing females' opportunities to participate in and stimulate economic growth is essential. We can do more than just what is mentioned in this article, but most of them require the cooperation of governments, businesses, civil society, and other stakeholders. We must always remember that women continue to face more drastic challenges than men, and even if we remove the gender discrimination obstacles of financial services, with such issues as inconvenient traffic and remote geographic position. Therefore, thinking about the financial inclusion measures from a female perspective will benefit not only women but also the entire general public.¹²

¹² Unlocking the Potential: Women and Mobile Financial Services in Emerging Markets, 2013, GSMA Women Global Development Alliance.



Final Recommendations from the Multi-Year Project

Using ICT to support women's entrepreneurship in Asia Pacific region had been well recognized by APEC leaders. As stated in the 2014 APEC Leaders' Declaration, *"We recognize the pivotal role of women in the development and prosperity of the Asia-Pacific, and are committed to taking concrete policies and innovative measures to further enhance women's economic empowerment and their access to markets and ICT technology, eliminate all barriers that hinder women's economic participation, and ensure women's equal opportunities, participation and benefit in innovative development, economic reform and growth."*

To put things in perspective, our project examined the question: *How have women in the APEC member economies responded to and have been empowered by ICT-focused educational programs?* Following the four pillars of San Francisco Declarations, our two-phase study results suggest that women in Asia-Pacific region are highly enthusiastic in embracing ICT as a practical channel for entering into the business world.¹

Consequently, creating an enabling environment where women can effectively use ICTs to explore and eventually to benefit from business opportunities is the main purpose for the sustainability of the project. In response, government support is needed to bring more stakeholders that can offer different resources to make the project stronger, better, and more sustainable.

As we stated in last issue, the project developed a women-friendly and public-accessible e-learning platform, 《WE boss》, with an aim to support more educational programs to adopt innovative technologies for women's participation in business development along with a consideration to mitigate gender inequality in the global digital society. As difficult as it may seem, further cooperation among Member Economies and across different APEC Working Groups or Fora will increase the possibility of the making of a

¹ The four pillars are Access to Capital, Access to Market, Skills and Capacity Building and Women's Leadership.



sustainable model for current ICT-enabled educational programs to maintain or for more participants to join in the future.

Recommendations on the Four Pillars of APEC Policy Partnership on Women and the Economy

Following the key pillars, our recommendations for using innovative technologies and/or services to assist women in establishing and expanding their livelihood and enterprises are shown below:

1. Access to Capital

Some of the initiatives provide financial loans to support women start-ups as seed funding in their early stage. However, lack of financial literacy, and dependency on family consent over credit decision have limited their ability to gain access to capital. Most women still rely on their own savings or informal mechanisms for financial supports in their businesses. The absence of direct utilization of ICT-enabled tools to gain access to capital also signals the fact that innovative ICT solutions to facilitate access to capital have not been introduced to women entrepreneurs in APEC economies.

- Encouraged innovative ICT solutions e.g. crowdfunding to ensure that women entrepreneurs have, both formal and informal, access to finance.
- Ensure privacy, ownership, and cyber security when preparing ICT-enabled solutions for women's access to capital.
- Secure women's access to finance and capital by pursuing partnerships among relevant stakeholders, e.g. academics of digital learning, NGOs, private sectors including financial and ICT service providers and distributors.

2. Access to Market

E-commerce is one of the key enablers for entrepreneurs' market expansion. Entrepreneurs can reach potential customers in the global marketplace by utilizing e-commerce or other ICT-enabled tools to break geographic boundary. However, there are significant barriers that make it difficult for women entrepreneurs to take full advantages of deploying e-commerce platform: (i) product type (ii) expensive transaction cost. In our research, most of women engaging in e-commerce are owners of micro or small businesses, selling perishable food products. Their target market is normally restricted to domestic or even regional level as



the expensive shipping cost is not acceptable or unaffordable for either customers or the business owners.

- Design and provide training programs emphasizing on cost-effective packaging, branding, and food processing hygiene practices for women owners of micro and small enterprises to meet customers' demand and governmental regulations in a self-sustaining manner.
- Establish the investment rules and public-private-partnership environment so that private capital can be attracted to invest in rural infrastructure to lower the transportation and marketing costs.
- Encourage women entrepreneurs to use e-commerce platform by promoting partnership between project sponsors/organizers and ICT service providers/distributors to design sustainable plans with affordable rates for women entrepreneurs.

3. Skills and Capacity Building

Participating in training courses on ICT-enabled tools or business related skills is beneficial for women participants because: 1). Confidence built up and self-esteem improved; 2). Knowledge on e-business-related skills increased; 3). Social circles enlarged; and 4). Businesses digitized. However, inflexible or non-customisable course modules and curriculum reflect the lack of gender-sensitive perspective.

- Promote a women-centric learning environment by offering time-flexible curriculum or customizable course modules.
- Mainstream gender perspectives in the learning projects by providing gender-sensitive trainings to the trainers.
- Encourage women entrepreneurs to utilize e-learning services e.g. online learning or mobile learning platforms, which are convenient, flexible, and can break the geographical boundary.
- Encourage the involvement of women specialized in ICT or women in ICT-related businesses to design/plan ICT applications/programs tailored for women entrepreneurs' needs.

4. Women's Leadership and Agency

Participating in ICT-training projects brings opportunities for participants to network with people outside of their original social circles. Some of these people serve as the participants'



role models e.g. government officers or successful women entrepreneurs. Such social and business circle expansion serves not only women's professional advancement, but also as emotional comforts. The networking activities for women business owners at start-up stage tend to focus on emotional comforts, whereas women owners of mature businesses tend to focus more on entrepreneurial activities, such as partnership opportunity seeking, knowledge and best practices sharing, leadership and communication skills building.

- Increase the visibility of successful women entrepreneur role models.
- Enhance effective networking between the role models and the project participants via social media operated on mobile-based applications.
- Encourage the involvement of successful women entrepreneurs in open and inclusive dialogue on development of mainstreaming ICT-related policies and strategies that improve the environment that foster business growth.

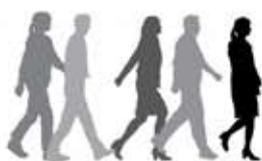
Recommendations on Implementation of «WE boss»

The «WE boss» was designed as both a learning and networking platform for women during the early preparation and start-up stage of running a business. Some related initiatives and activities are welcome to echo «WE boss» as a support for women's empowerment in the APEC region, such as:

- Integrate «WE boss» with e-learning programs and ICT-enabled tools through organizations or communities within each economy already supporting women entrepreneurs. E-learning programs will be most adapted when there is guidance from organizations that engage women entrepreneurs. These could be government business development organizations, cooperatives and NGOs or private groups. These groups could then incorporate other interventions such as coaching and mentoring to make the learning more effective.
- An e-learning programs and/or ICT-enabled tools can be advanced by implemented a platform that integrates various components of the learning process. These components could cover: assessment, e-learning tools, e-learning content, links to relevant resources, coaching and mentorship, communities, feedback system and an analytics for community managers, economies and APEC. The platform will also serve as an organized repository of resources, guiding users through the process and making it easy to find relevant and accurate information at various stages of their business development journey.



- Provide as many components of the platform as possible through mobile. By making tools and content easily and cheaply accessible on mobile, users can use the resources at anytime, anywhere (for example, while waiting in line or watching the children outside of the home). This accessibility increases the chances of continued use of the tools and resources and sustainability of learning.
- Incorporate analytics and feedback into the platforms. Develop tools that include features to acquire feedback from users as well as support the build-up of data about the use of the tools and the outcomes. This will create "intelligence" that users, community managers and organizations and policy makers can use in enhancing existing platforms and creating new ones.
- Allow for decentralized implementation with the capability for information sharing across stakeholder groups (organizations or economies). Due to the various needs of each economy, the supports for women's empowerment within each economy are different. The platforms should be flexible enough that content can be open and shared across different groups. Content creation can also be integrated and modularized such that each group can create new content for their own interests or modify content created by others.





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