



Entreprenariat  
Feminin

# **FEMALE ENTREPRENEURSHIP IN TUNISIA: WHAT ARE THE OBSTACLES AND CHALLENGES?**



**Mr. Mehdi HADDADA**

**University of Sousse**

The persistence of gender inequalities continues to hinder equal opportunities, both globally and in Tunisia.

The proportion of women in the labor force remains below that of men in most countries, and women are more likely than men to be unemployed and to experience discrimination in their personal and professional lives, and to be confronted with economic and social discrimination because of their gender and especially in terms of female entrepreneurship



Entrepreneurship which is identified as a function of a person who mobilizes and manages human and material resources to create, develop and implement companies and a dynamic of creation and exploitation of a business opportunity by one or more individuals through the creation of new organizations for value creation purposes.

Entrepreneurship is essentially linked to the concept of leadership, which is a term borrowed from English, and which defines the ability of an individual to lead or lead other individuals or organizations to achieve certain goals.

The term "the head" (Cheffe) has been used since the 20th century especially in France and Canada to describe the responsibilities and authority exercised by a woman.



Women's entrepreneurship responds to the demands of justice and equity by enabling women to enjoy the same opportunities as men to create and develop their businesses. Investing in women is one of the most effective ways to increase equality and promote inclusive and sustainable economic growth.



**Is there an environment that facilitates  
and encourages the creation,  
consolidation and development of  
women's formal enterprises in Tunisia?**



Although Tunisia has always been considered as one of the most advanced Arab countries in terms of women's rights thanks to a family code promulgated in 1956, followed by the amendment of the labor codes, the penal code, nationality, etc. who have strengthened the rights of women in Tunisia; and despite the legislative reforms that have brought about equality between women and men from a family, economic and political point of view; lack of support, sexism, the extent of skills to be mastered, family constraints and lack of legitimacy still dominate the world of female entrepreneurship in Tunisia.



There is also no systematic approach to integrating value chains, despite the fact that feminization brings distinctive competencies to the Board of Directors, and it contributes favorably to good governance, which offers competitive advantages. The entrepreneurial culture is not well anchored in Tunisian families, especially when it comes to women.



These family constraints according to which finding an adequate balance between work and family remains a real challenge for women today. The reality of pregnancy, childbirth and infant care affects women significantly, which is not the case for men. These constraints are also more pronounced if husbands are not supportive of their wives' work. "The Northeast region is the least affected by this phenomenon, this could be explained by cultural factors that change from one region to another," says the study.





**What are the real challenges faced by women entrepreneurs in Tunisia?**

**Women entrepreneurs or project leaders:  
What are the Obstacles faced by them and the Recommendations necessary to support and encourage them?**



## OBSTACLES :

Among the difficulties and obstacles of female entrepreneurship limited access to financing; and markets; lack of skills needed to manage and grow their businesses; and gaps in entrepreneurial culture.



Indeed, laws are not always enforced, and there is a culture and social norms binding for women. They suffer from de facto discrimination, which makes them structurally and sustainably disadvantaged compared to men entrepreneurs. The causes for which women can not start their businesses are essentially socio-cultural. These include family pressures, lack of coaching, lack of collateral and risk aversion. Access to finance is problematic for both men and women. Women are denied more loan applications than men. From there, accessing funding, or having equity, becomes more difficult for the woman.



In fact, according to a study by Nabes (**North Africa Bureau of Economic Studies**) , the refusal rate for loans is twice as high for women as for men.

The survey showed that SME credit institutions do not meet the needs of women entrepreneurs and only that 29% of BTS credits are awarded to women and 9% for BFPME credits. In Tunisia, it is SOTUGAR, whose capital is held by the State and banks, which offers loan guarantee mechanisms for SMEs.



**"I'm not being listened, just because I'm a  
woman" !!!**



Several women entrepreneurs were discriminated against during the assembly stages of their projects.

Several other women have difficulties in managing staff and product marketing and are sometimes mistrusted by their clients. Many women report that they lack the skills to run their businesses well, says the study. "I can not manage everything alone," says a company head in Tunis.

There is also the lack of support where the study shows that 75% of women have not had the opportunity or the opportunity to benefit from support in the creation of their business.



While these barriers are specific to women entrepreneurs, other common barriers are added to the list, namely lack of funding and bureaucratic administrative delays. According to the study, 68% of women entrepreneurs did not have the funds to start their businesses. A major problem that manifests itself as "women do not usually have properties in their name, they do not have any real guarantees to present to receive a loan," said the survey. According to the ILO report, women manage business resources better than men, yet "their participation rate in the workforce is only 26% compared to 70% for men ...".



Monitoring the number of approved projects refers to a large gap between women and men. The distribution of all the projects approved by the BFPME shows that 17% are projects initiated by women promoters and 83% were initiated by male promoters (see Figure 5). For approved projects, the average cost of an approved project for a woman is estimated at 568 thousand dinars while the average cost of an approved project for a man is estimated at 800 thousand dinars<sup>26</sup>; a difference of 40.8% for men. • Women make up 43% of the recipients of BTS credits, and only 29% of the amounts. • For the BEPME, the share of women in loans granted is 9% of beneficiaries for an average credit of 158,000 dinars against 232,000 dinars for men.





## **Distribution of all the projects granted by the BFPME,**

**by sex.**Source: BFPME, 2015.

The study of the number of gender-sensitive project dynamics shows that there are two trends in the gap between women's and men's projects. This gap reached its peak in 2011 with 37 projects for women and 200 projects for men. Then, starting in 2012, the number of projects granted for women and men has been on a downward trend until 2015.



## **Evolution of the number of projects approved for funding, according to the sex.**

Source: BFPME, 2015.

The industry breakdown shows that 65% of approved projects for women are concentrated in the textiles and clothing industries (24.8%), the services and miscellaneous sector (20.9%) and the agro-industries. food (19.3%). Men invest, for their part, in the first place, in the agri-food industries up to 21.6%, the service sector and miscellaneous to 18.4% and in 11.1% of cases in industries textiles and clothing.



## CHALLENGES :

In recent years, following the Tunisian revolution of 14 January 2011, there have been initiatives and a push towards legislative reforms that have made it possible to establish gender equality from a family, economic and political point of view. This can only be done with a new dynamic, also encouraging the achievement of all these challenges. Also despite the inequalities with women, it is clear that their motivations are not extinguished, quite the contrary, they actively participate in the economic development of the country and around the world.

But this participation is high especially in family companies and informal entrepreneurship:



## **\* Women's participation in the informal sector**

According to the International Labor Organization (ILO) and in the framework of the national assessment of the development of women's entrepreneurship in Tunisia, women are less present in micro-enterprises in the informal sector, which make up 22% of workers (INS, 2014a). Moreover, the proportion of women who work in self-employment (as self-employed, bosses or associates) in micro-enterprises in the informal sector is lower than the proportion of men: 50.3% of women workers compared with 69.3% of men workers (INS, 2014a, 13). The share of women among the self-employed in the informal microenterprise sector is 16.7%, compared with 22% of all workers.



These self-employed women operate in the services sector 41%, trade 51.4%, industry 6.1% and construction 0.4%, (INS, 2014a, 32).



## **Value chains that integrate women-owned businesses:**

There are some initiatives to integrate women-owned businesses into value chains, but women are generally uninformed and not targeted for capacity building. " There is no systematic approach to integrate value chains, despite some national initiatives, but also international organizations (such as the UN, the WB, the EU, the ILO ...); however, these initiatives remain isolated and not systematic. These women express a need to be supported more on certain axes.



## RECOMMENDATIONS:

A dialogue has been initiated between women entrepreneurs and national and international organizations in Tunisia to find a solution to the problems that inhibit female entrepreneurship. Among the proposed recommendations are the removal of barriers such as time constraints due to family responsibilities, discriminatory inheritance laws that result in lack of access to financial institutions, and greater opportunities for women to undertake Institutional capacity building to better understand the specific needs of women entrepreneurs and to improve the provision of support.



Additional efforts are needed to encourage women on entrepreneurship:

- Entrepreneurship and financial inclusion;
- Decision-making;
- Women's leadership and participation in public life;
- Social norms and the legal framework.





**« Two-thirds of tertiary graduates in 2013 are women. Their participation rate in the workforce is only 26% compared to 70% for men »**



As part of the activities of the National Plan for Female Entrepreneurship conducted by the Ministry of Women, Family and Children (MFFE), as well as for capacity building at the regional level, training on women's entrepreneurship was organized with “UN” (United Nation) Women support for executives and project managers.

- ✓ Strengthen the knowledge of the process of women's entrepreneurship and women's economic empowerment;
- ✓ Strengthen the knowledge of support structures, support corporate finance procedures and useful information on entrepreneurship;
- ✓ Definition of missions, skills requirements and constraints related to positions held by women in relation to female entrepreneurship;
- ✓ Presentation of recommendations and proposals for the design of a Regional Skills Management Model for Women's Entrepreneurship.



## A- HORIZON RECOMMENDATIONS

- ❖ Provide for simplified and standard procedures (registration, taxation, CNSS ...) allowing women in the informal economy to move more easily into the formal economy, with a minimum of costs and deadlines, and a tax scale.
- ❖ Make women in the informal economy aware of the benefits of moving to the formal economy Medium term.
- ❖ Make women aware of their economic rights and the remedies available to them.
- ❖ Awareness of equality issues in inheritance.
- ❖ Ensure the proper enforcement of property rights for women (including by encouraging registration on behalf of both spouses of property owned jointly by the couple)



## B- NATIONAL ACTION PLAN RELATED TO WOMEN'S ENTREPRENEURIAL CULTURE DEVELOPMENT

- ❖ Organize regional forums for women's entrepreneurship:
  - Focus the event on meetings between CFE and local and regional structures;
  - Make information more accessible in these forums and facilitate contact with all organizations.
- ❖ Promote CFE success stories:
  - Share CFE success stories via media, social networks and mentorship programs to allow women to have referrals
  - Create a television show, radio show, website and use social media to promote women's entrepreneurship.



- ❖ Facilitate access for women entrepreneurs (and women in employment) to spaces dedicated to childcare and adapted transport solutions for mothers and children to improve their participation of women in the labor force .
- ❖ Promote entrepreneurial education:
  - organize open days where high school students are in contact with CFEs;
  - Include in the secondary and university courses on entrepreneurship, examples / success stories of Tunisian women entrepreneurs as well as discussions on the barriers that women may encounter in entrepreneurship.



Such action plan will:

- reduce the unemployment rate of women graduates of higher education, through self-employment;
- create jobs in women-owned businesses;
- contribute to reducing regional disparities, through the development of projects carried by women in the regions;
- help reduce poverty and exclusion through the promotion of income-generating activities and the inclusion of women from poor communities in the economy;
- Reduce the burden of the informal economy by training and sensitizing newly launched women entrepreneurs.



## C- STRATEGIC AND LEGAL CONDITIONS FOR FEMALE ENTREPRENEURSHIP DEVELOPMENT (FED):

1. Legal and regulatory system sensitive to the gender dimension.
2. Political leadership and coordination for the promotion of FED.
3. Access to gender-sensitive financial services.
4. Access to gender-sensitive business development support services (BDS).
5. Access to markets and technology.
6. Representation and participation of women entrepreneurs in political dialogue.





**Gender Equality = Social and Economic  
Development**





# BIBLIOGRAPHY:

- ILO (International Labor Organization): National assessment of Women's entrepreneurship Development Framework Conditions 2016.
- UN (United Nation) Report: TUNISIA NATIONAL GENDER REPORT 2015
- Results of the National evaluation of women's entrepreneurship development (2012-2016) ILO and National Chamber of Women Entrepreneurs (CNFCE)
- North Africa Bureau of Economic Studies (NABES) Survey. Source : [leconomistemaghreb.com](http://leconomistemaghreb.com)
- Training of Managers and Project Managers of the Ministry of Women, Family and Childhood :Training Report on Female Entrepreneurship 2016

