

Expert Meeting on

**TRADE AS A TOOL FOR THE ECONOMIC EMPOWERMENT OF  
WOMEN**

23-24 May 2016

**Trade and Gender in the Services Sector of Ethiopia**

By

**Ms. Tesfayenesh Lema Aregaw**

Director, Women's Affairs Mainstreaming Directorate, Ministry of Women & Children Affairs,  
Federal Democratic Republic of Ethiopia

The views expressed are those of the author and do not necessarily reflect  
the views of UNCTAD



# **TRADE AND GENDER IN THE SERVICES SECTOR OF ETHIOPIA**

Presented on

**Expert Meeting on Trade as a Tool for  
the Economic Empowerment of Women**

by

**Ms. Tesfayenesh Lema Aregaw**

**Director, Women's Affairs**

**Mainstreaming Directorate**

**Ministry of Women & Children Affairs, Ethiopia**

**23 of May 2016**

**Geneva, Switzerland**



# MAIN POINTS

- Introduction
- Government interventions towards women economic empowerment
- Trade and Women economic empowerment
- Challenges & Recommendations





# LOCATION OF ETHIOPIA

## o National Flag



**Ethiopia**



## *1. INTRODUCTION*

- In the Post-2015 /**SDGs** as well as in the African 2063 Development agenda **women economic empowerment** is given due emphasis which is the **corner stone for social & political empowerment of women.**
- Since the **service sector is closely aligned to MSE** (micro & small scale enterprises),
- **Trade and gender in the services sector** could be visualized in the **development of MSE in Ethiopia,**





## ***2. GOVERNMENT INTERVENTIONS TOWARDS WOMEN ECONOMIC EMPOWERMENT***

The **country has a vision** to be middle income country by the year 2020

### **Frameworks:**

- The Ethiopian Constitution,
- the National Policy of Ethiopian Women & the Women Development and Change Package,
- The Growth and Transformational Plan (GTP) I and II (2010-2015) & (2016-2020),
- Micro and Small enterprises (MSE ) strategy **is one of the strategies which** address the **economic empowerment of women,**
- Responsible organ established – **MSE Development Agency** at Federal and Regional levels,
- **Ministry of Trade and Ministry of Culture & Tourism** have Gender Directorates and sectoral gender mainstreaming manual to promote women empowerment.





## *GOVERNMENT INTERVENTIONS CONT'D*

### **As a result:-**

- Ethiopia has registered a remarkable broad-based, people-centered and sustainable economic growth over the past years,
- Status of women has shown considerable progress with their improved access to opportunities and resources,





### *3. TRADE AND WOMEN ECONOMIC EMPOWERMENT*

- Women in Ethiopia are benefited from **MSE strategy** due to **favorable conditions created by the government**, (self-employment sector)
- Various types of **women traders associations are in existence** to create synergy:-
  - Ethiopian Women Entrepreneurs Association,
  - Ethiopian Women Exporters Association,
  - Alliance of Women Entrepreneurs Program,
  - Center for acceleration Women Economic Empowerment.







# *TRADE AND WOMEN CONT'D*

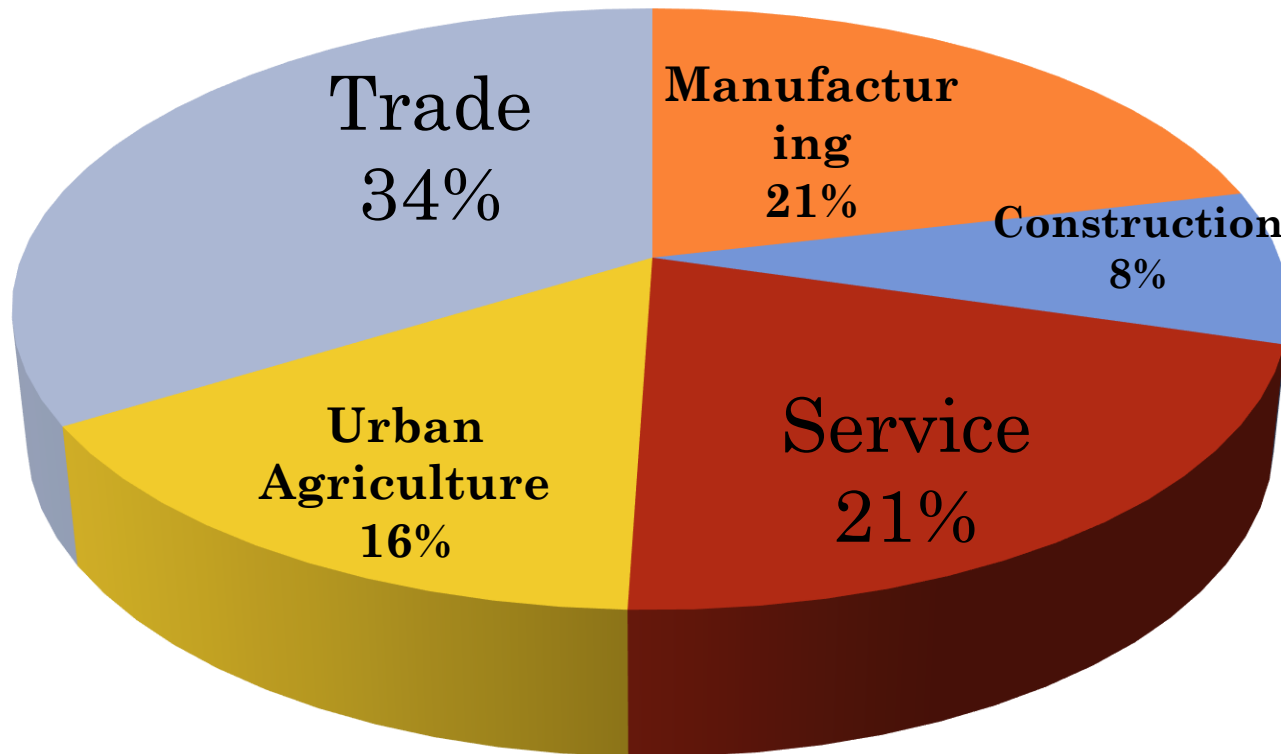
## DEFINITION OF SMALL AND MICRO ENTERPRISES (MSEs)

Type of Enterprise	Sector	Human Power	Capital*
Micro Enterprise	Industry	$\leq 5$	$\leq$ Birr 100000 (\$ 6,000)
	Service	$\leq 5$	$\leq$ Birr 50000 (\$ 3,000)
Small Enterprise	Industry	6-30	$\leq$ Birr 1,500,000 (\$ 85,000)
	Service	6-30	$\leq$ Birr 500,000 (\$ 30,000)



# *TRADE AND WOMEN CONT'D*

## **MSEs BY SECTOR**





## *TRADE AND WOMEN CONT'D*

### ○ In the trade sector:

- women are concentrated in informal/petty trade and micro enterprises, - mostly livelihood oriented
- women traders are engaged in domestic product in small-scale & retail trade mostly limited to consumer goods like agricultural products, textiles, clothing, shoes, etc....

### ○ In the service sector:

- women are participated in Hotel, Tourism, solid waste collection and management, etc..., and benefit from low skill employment opportunities.



## *TRADE AND WOMEN CONT'D*

**The MSE strategy ensure economic empowerment of women by facilitating:-**

- access **to finance** through saving and credits, as well as technologies,
- provision of capacity building and **skills training in business and entrepreneurship**,
- creation and strengthening of **market access** for women entrepreneurs,
- awarding prizes for best performers;



## *Trade and Women cont'd*

women that benefited from MSEs reached **48.4%**

**women** provided with relevant skills development training reached **39.7%**

**54% of MFIs clients in Ethiopia are women with 45% loan share**



## *TRADE AND WOMEN CONT'D*

The composition of  
**women in  
micro-  
enterprise is  
65%**

**Women  
constitute  
26 % in  
small-scale  
enterprises**

**10 %  
medium  
enterprise  
represent  
women**



## *Trade and Women cont'd*

**Tourism** - a major service sector where women's participation is significant

**Tourism is one of the largest urban employment generators** compared to other labor-intensive and export-oriented sub-sectors

**Women constitute 74% of employment in the tourism sector**



## *TRADE AND WOMEN CONT'D*

- The Ethiopian **National Tourism Development Policy** underlines employment generation focusing on women and youth,
- The Ethiopian **Hotel and Tourism Training Center** provides skill development diploma (such as hotel management, catering, tour guide etc) where women are encouraged to take part,
- **Culture & tradition related tourism** is paving livelihood opportunities for local communities including women,







# *TRADE AND WOMEN CONT'D*

## TOURISM VALUE CHAIN



### **Accommodati on**

Hotels/Lodges/ca  
mps/etc.



### **Food & Beverages**

Restaurants,

Markets,  
Wholesalers,  
retailers

Producers,  
farmers



### **Souvenir s**

Souvenir  
shops, markets,  
sellers

handcraft  
persons, local  
producers



### **Transportati on**

Country & Local

Bus, taxi, car  
rental, etc.



**Guides, tour  
operators,  
travel  
agencies, etc.**





# *TRADE AND WOMEN CONT'D*

## **CROSS BORDER TRADE**

The informal cross border trade is both a source of employment and livelihood particularly for people living in border areas of the country

The role of women in cross border trade is mainly linked to **small trades of different goods/products**

Because of the informal nature of the trade activities, limited data on cross border trade in general and women's involvement in particular - **COMESA**



## *CHALLENGES*

- ❖ **Inadequate provision of:**
  - ❖ relevant training and skills development,
  - ❖ finance and market,
  - ❖ women friendly technologies,
  - ❖ effective business networks and information,
  - ❖ Formalization & support services.
- ❖ Domestic responsibilities – **care economy**
- ❖ **limited data on informal trade and** cross-border traders,
- ❖ Cross border trade and business is also hindered by the existing **poor infrastructure** in terms of accessible roads and communication technology,





## *RECOMMENDATIONS*

- ✓ **Ensure the equitable provision of:**
  - ✓ finance, market, information, training and skills development for women and men;
- ✓ Support development of **gender responsive economic empowerment programs** that empower women especially in service trade to harness in a sustainable manner;
- ✓ **Diversify the service trade** by linking to the traditional handcrafts, manufacturing, etc... as per the existing comparative advantages of women,





## *RECOMMENDATIONS CONT'D*

- ✓ Enhance the development of **tourism sector in a strategic manner**, leveraging its comparative advantages of value chain;
- ✓ Improve **women friendly environment for small-scale traders**, while also encouraging gradual formalization of trade activities;
- ✓ Ensure the availability of **sex disaggregated & gender analytical data** in informal service and cross-border trade;





## *RECOMMENDATIONS CONT'D*

- ✓ Promote **male engagement** to share the domestic responsibilities;
- ✓ Reducing women's **domestic workload through sharing and technologies**;
- ✓ Documenting and disseminating **good practices of women benefit** from MSE, tourism as well cross-border trade.





*Thank you for your  
attention*

