



International
Trade
Centre

TRADE IMPACT
FOR GOOD

Understanding Challenges for Ugandan Businesswomen

A survey of Women-led Enterprises

Key Survey Findings

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Outline

1. A survey of women-led businesses in Uganda
2. Mapping women's participation in business
3. Women's access to markets
 - Free Trade Agreements and participation in consultations
 - Challenges for women entrepreneurs in Uganda
4. Empowering women through public procurement

Promoting gender-sensitive trade policies in Uganda

Objective:

Make the case for gender-responsive trade policies in Uganda

Project:

Netherlands Trust Fund IV (NTF IV)

Contribution to
SDGs



Methodology of the Women in Trade Survey

- Based on ITC's NTM survey methodology, aiming at identifying the non-tariff barriers faced by SME exporters and importers www.ntmsurvey.org (33,000 interviews conducted up to now).
- A newly created framework that provides trade policy makers with a solid evidence base on women's participation in trade, and helps them improve gender mainstreaming in trade policy-making.
- A contribution to Sustainable Development Goal 5 on Gender Equality and the Buenos Aires Declaration on Trade and Women's Economic Empowerment.



Main objectives of the survey



The survey aims to:



- ✓ Collect firm level data on women-led businesses' participation in trade to support the Government of Uganda in building a solid evidence base to inform its policy-making process.
- ✓ The data will help formulating national AfCFTA strategy, and putting together gender-responsive public procurement measures.
- ✓ The data collected will also support the creation of a directory of women-led businesses.

Adapted methodology to address the following questions:



- What barriers do women-led businesses from Uganda face when engaging in trade?
- Are women-led businesses aware of national and international procurement opportunities and what can be done to improve their participation in tenders?
- To what extent do women-led businesses use existing trade agreements and what are their expectations for the AfCFTA?



Profile of companies interviewed

Target population

Ugandan women-led (managed and/or owned) companies, in the goods and services (ICT, tourism and business services) sectors.

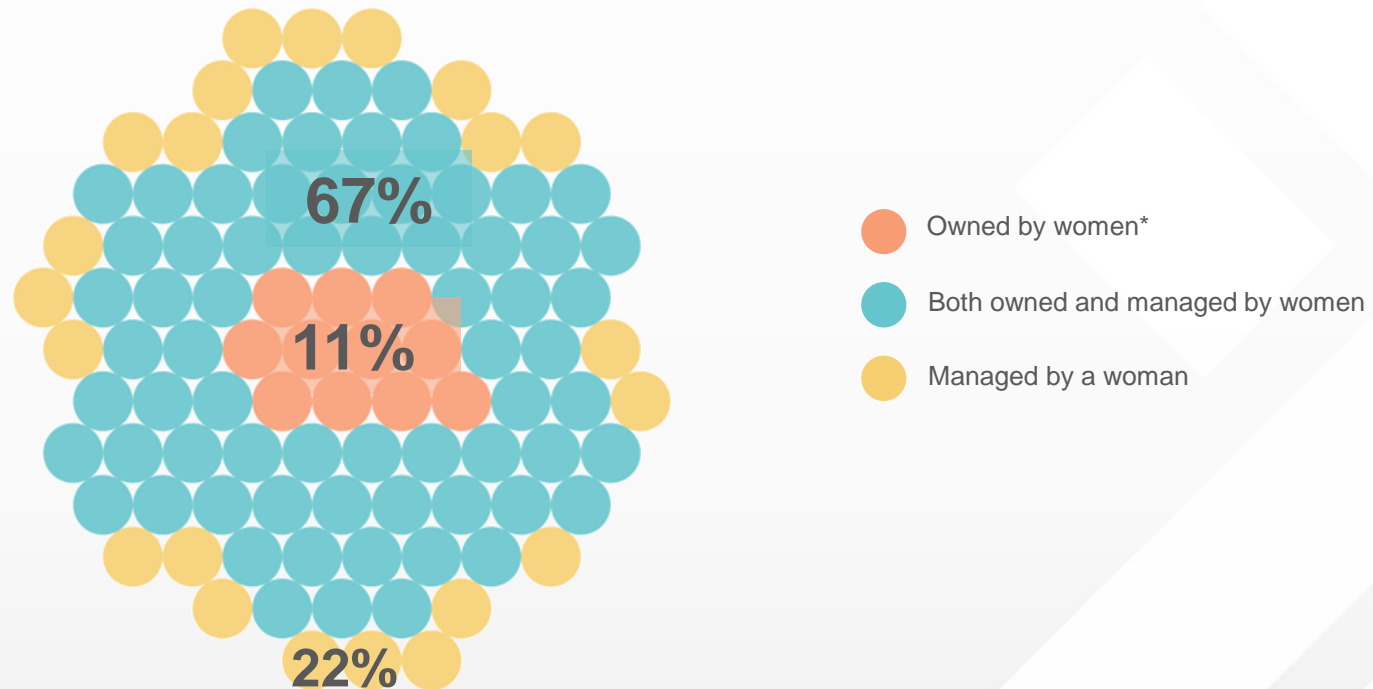
Sample size

185* women-led businesses trading goods and services (ICT, tourism and business services*) in Uganda



Women-led companies trading goods and services in Uganda

Most women-led companies in Uganda are both owned and managed by women

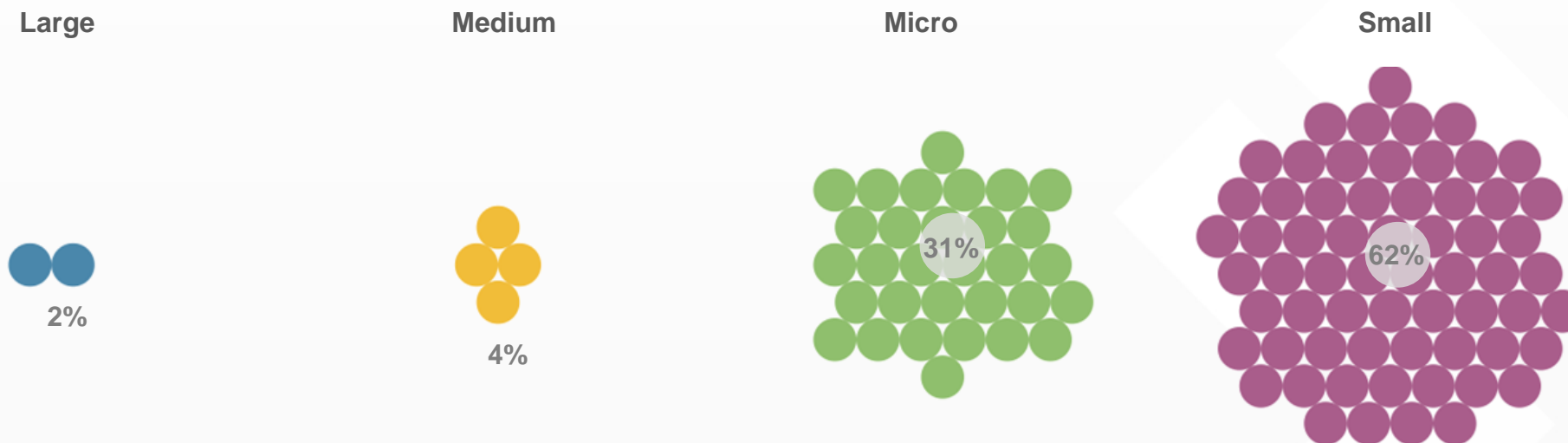


Each dot represents a percentage point

** Note: A company with more than 50% women ownership is classified as owned by women*

Most women-led companies are small

Most women-led businesses in Uganda are micro or small in size with less than 50 employees



Each dot represents a percentage point

Note: Company size definition by Uganda Investment Authority (UIA): micro: < 5 employees; small: 5-49 employees; medium-sized: 50-100 employees; large: 101 employees or more. <http://www.unido.or.jp/files/Small-and-Medium-Enterprises-SME-Division.pdf>

Women open opportunities for women

Female employment rate is high in women-led businesses, particularly in those involved in trade and manufacturing of goods

Share of female employees in women-led businesses in Uganda

Companies in goods sector



68% Female employees

32% men

Companies in services sector



55% Female employees

45% men

The 2016 NTM Business Survey in Uganda showed similar results

Women employees as a share of total employees (average)

Women led trading companies



67% women employees

Men led trading companies



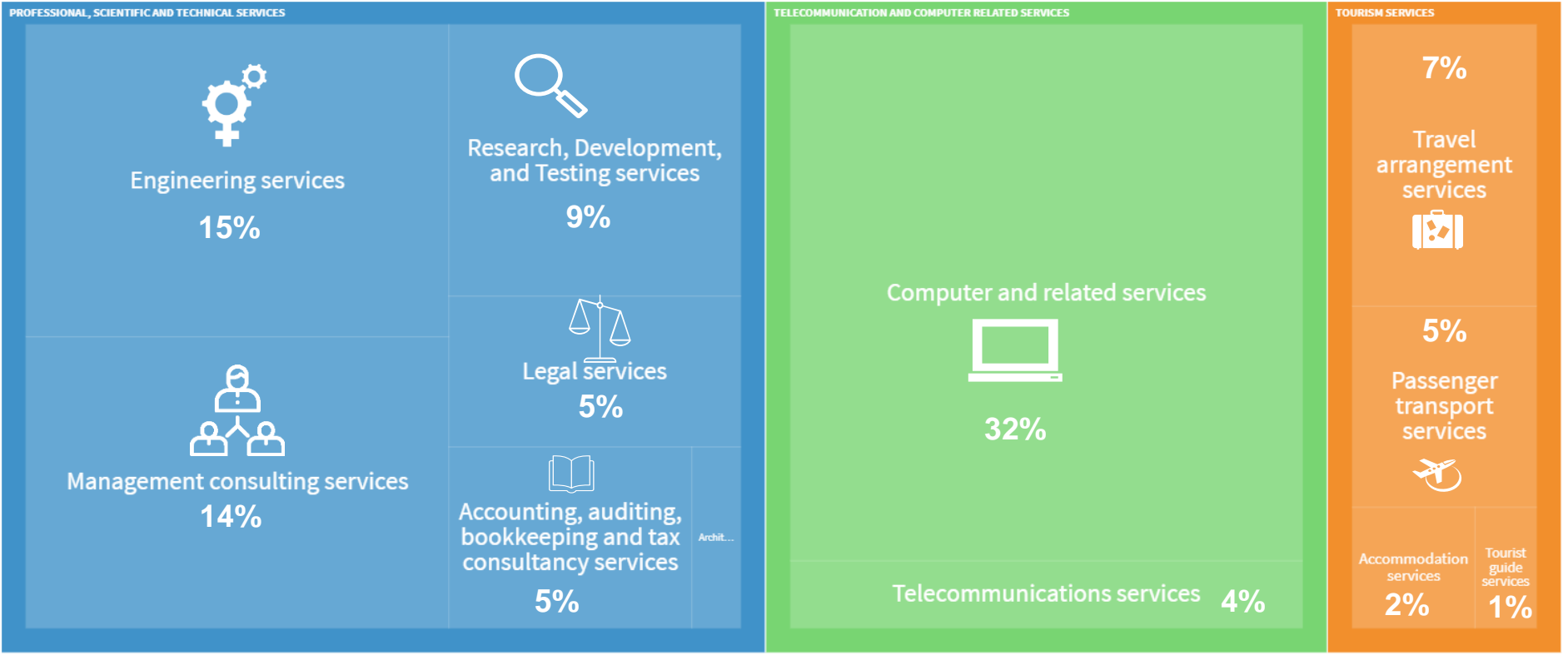
16% women employees

Source: ITC NTM Business Survey in Uganda, 2016

Women-led businesses in the services sector in Uganda

Ugandan women-led enterprises in the services sector are mostly involved in computer and related services, and engineering services

*Type of services sold by Ugandan women-led companies**



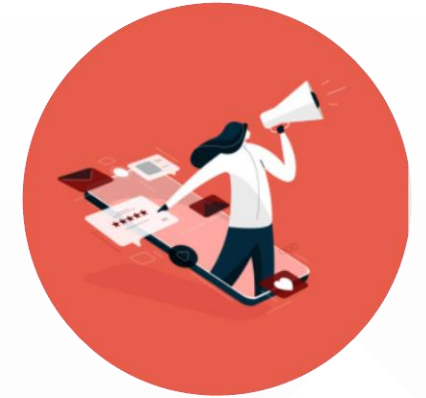
● Professional, scientific and technical services

● Telecommunication and computer related sciences

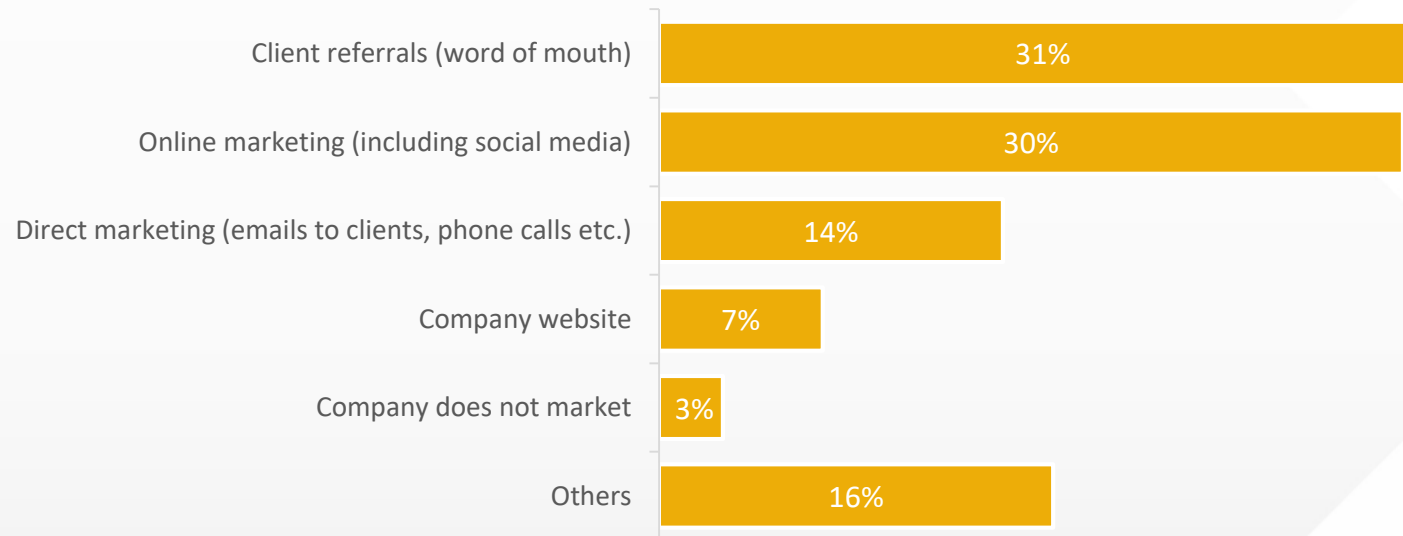
● Tourism services

* Based on interviews with 85 companies engaged in services operations

Client referrals and online marketing are the main marketing channels for women-led businesses



How women-led businesses in Uganda market their goods and services offerings

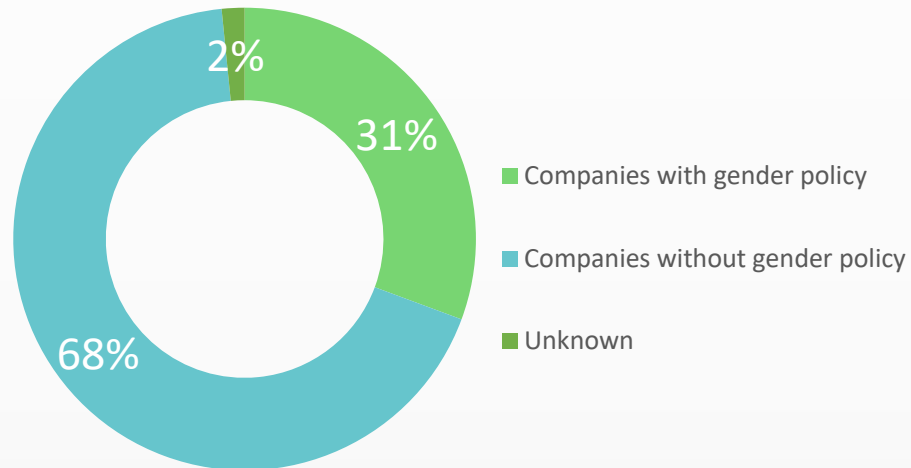


Note: Other marketing channels include selling points, marketing via local distributors or agents, tender and bidding processes.

Few companies have a gender equality policy

Measures reported as being part of a gender equality policy include:

Companies with a gender policy



Embedded in the company policy is the call to adhere to principles of non-discrimination based on gender.

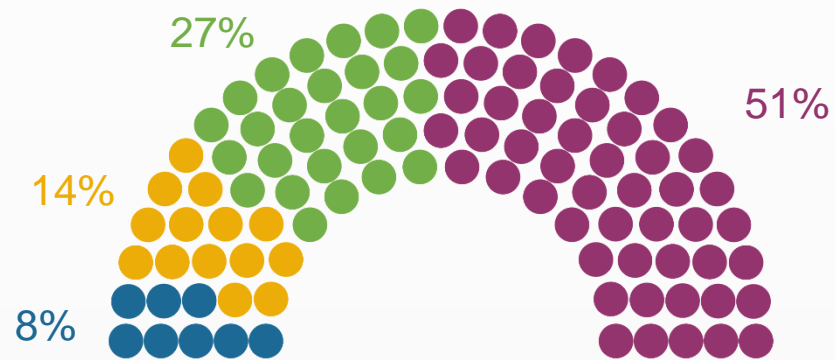
Women-led exporter of computer and related services

We give women more opportunities to manage key positions, minimize gender inequality and encourage training of women in various skills.

Women-led exporter of manufactured goods

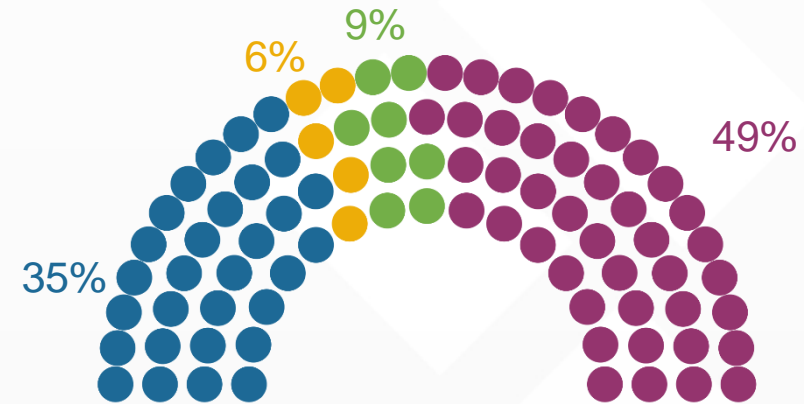
Around half of women-led companies are involved in international trade

Goods sector



- Exporter of goods
- Both exporter and importer of goods
- Importer of goods
- Neither exporter nor importer of goods

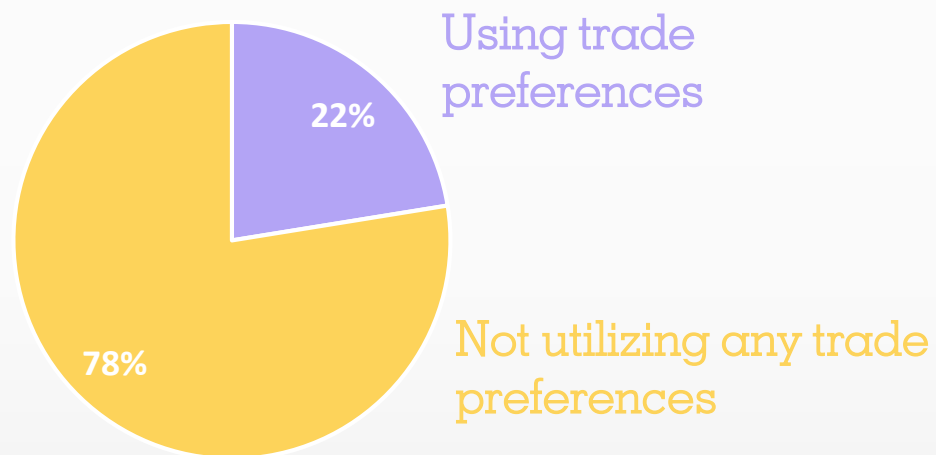
Services sector



- Exporter of services
- Both exporter and importer of services
- Importer of services
- Neither exporter nor importer of services

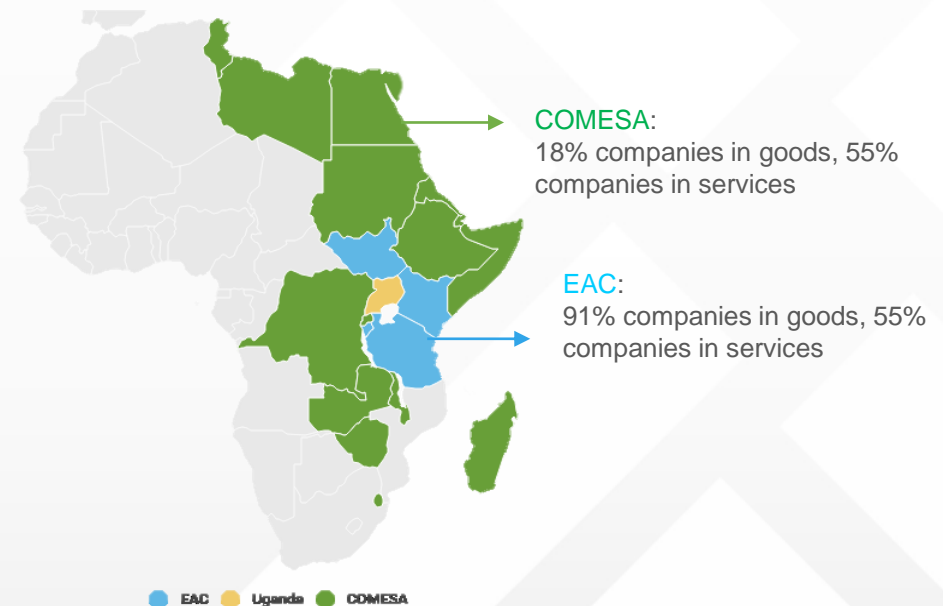
Few women-led exporters utilize trade preferences

Utilization of trade preferences among women-led trading companies*



*Based on response from 49 exporters and importers of goods, and 49 exporters and importers of services

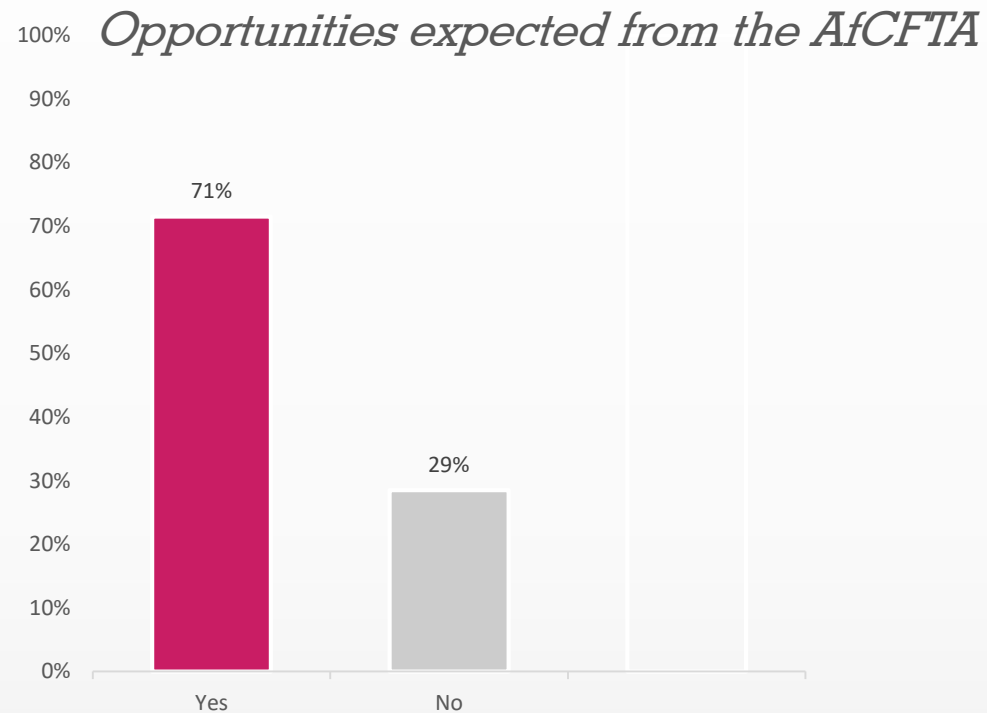
The East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA), are the most common agreements used by women traders



*Based on response from 11 exporters and importers of goods, and 11 exporters and importers of services

Note: Uganda, Kenya, Rwanda and Burundi are state members of both EAC and COMESA

Women led - companies are optimistic about the benefits of the AfCFTA



The AfCFTA provides possible economic empowerment of rural women.

Women-led provider of computer and related services

The AfCFTA will open up the African continent to Africans.

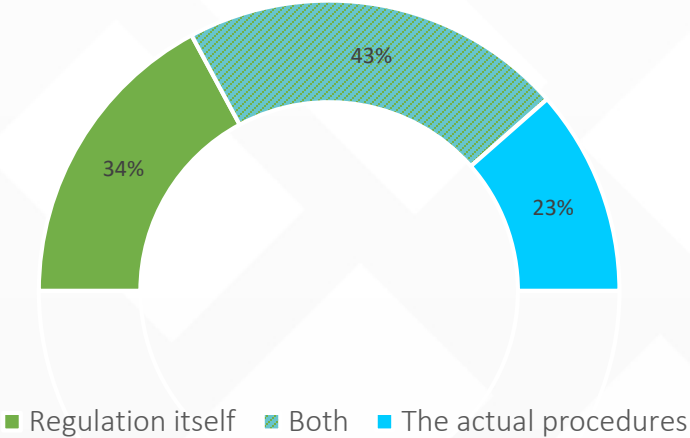
Women-led company selling agricultural goods

Half of the exporters of goods and services face obstacles complying with trade regulations and procedures

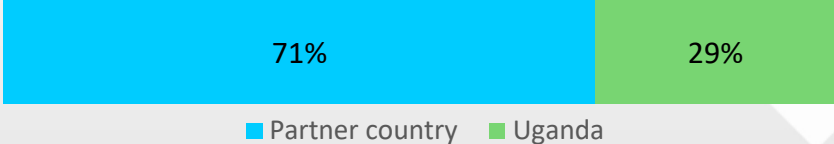
Companies facing obstacles with regulations when exporting goods or services



Challenges with the regulations when exporting goods or services

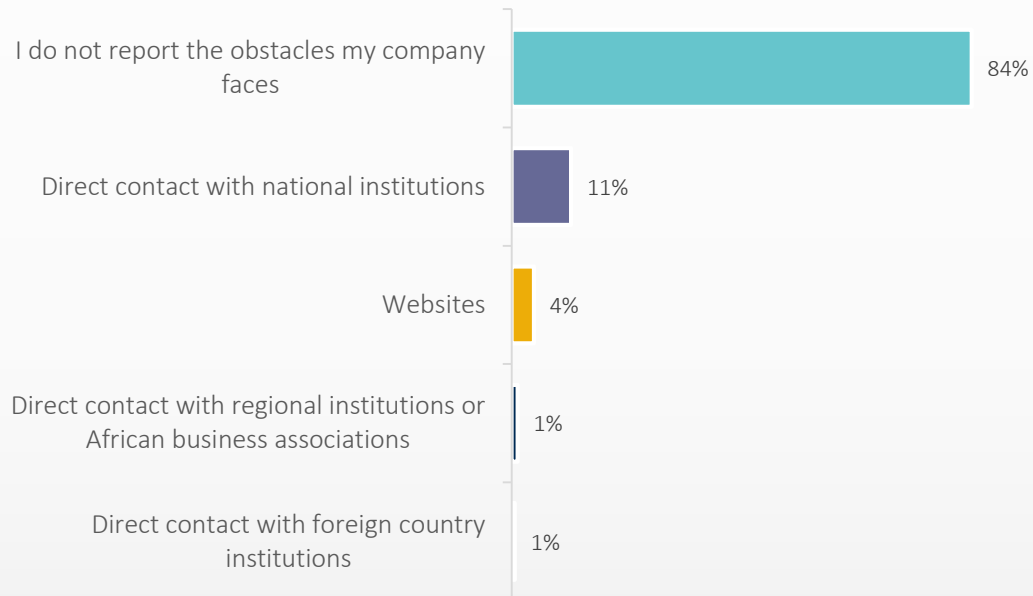


Origin of the regulations



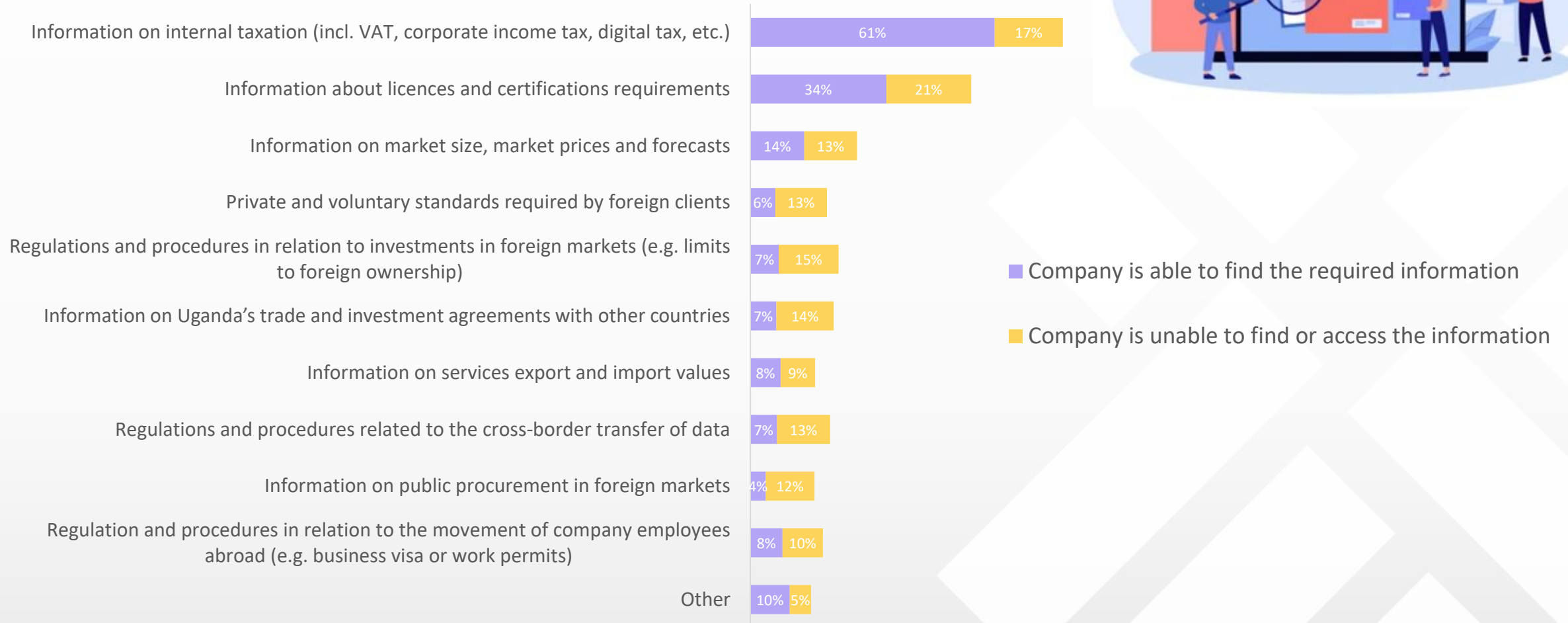
Most of the companies do not report the obstacles they face

Where do you usually report the obstacles related to your business activity?



Main information needs of companies and their ability to access it

Main information needs of companies and their ability to access it

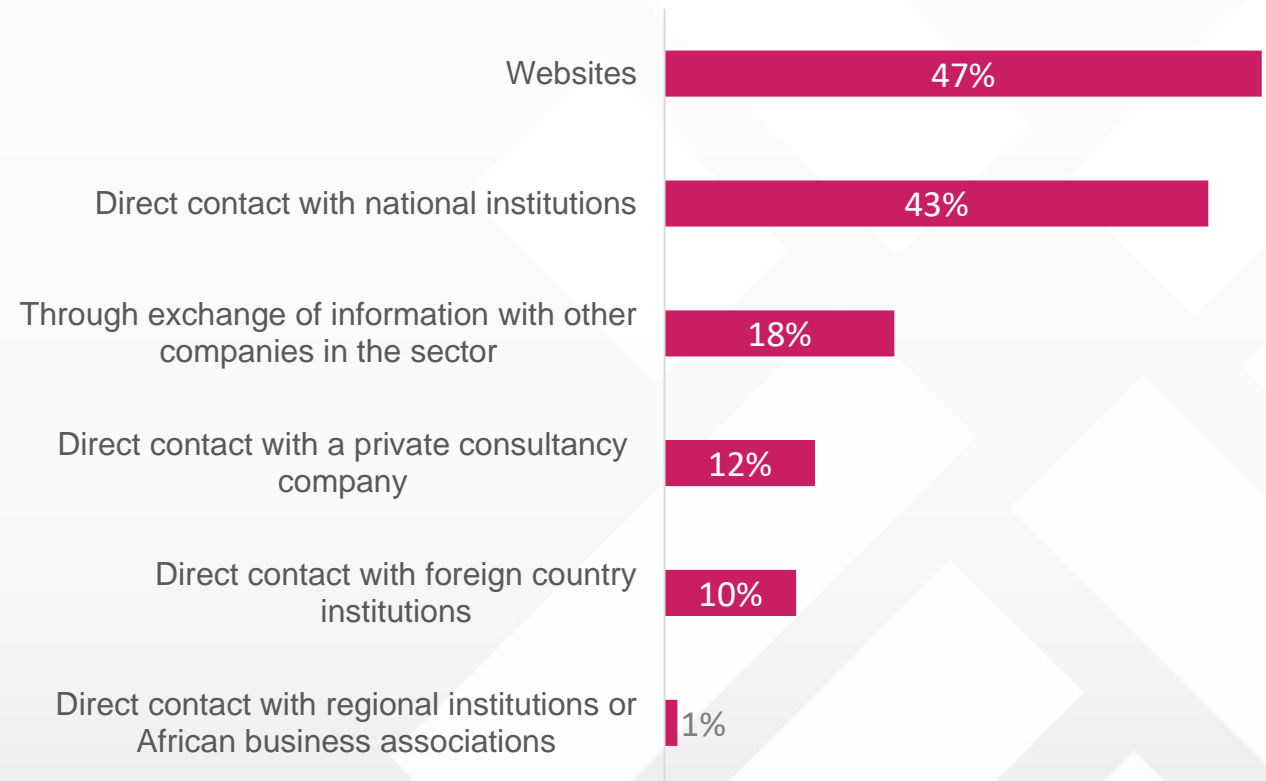


Women-led companies principally turn to national institutions and search for relevant information online

Websites of national institutions dominate as consulted source. Exchange with other companies in the sector is a further common way for women-led firms to obtain information about business operations



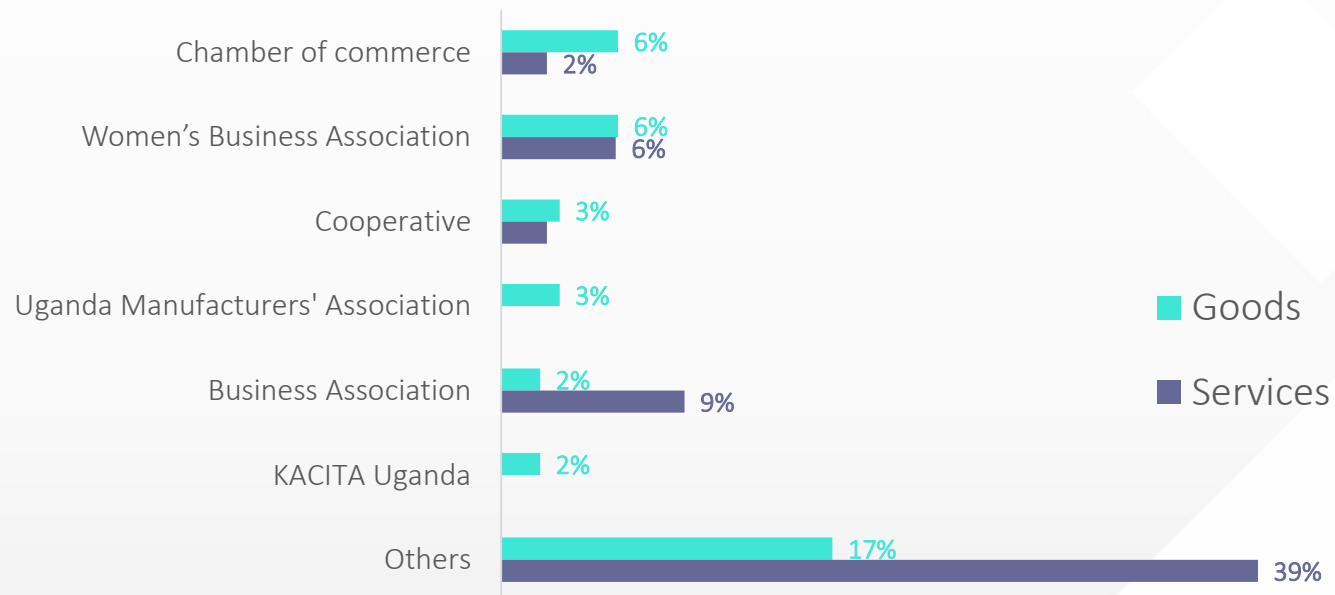
Sources of information consulted



Women entrepreneurs are members of national and sector trade networks

Women tend to be members of national and sector specific associations and business-related networks. Women's Business Associations are certainly relevant

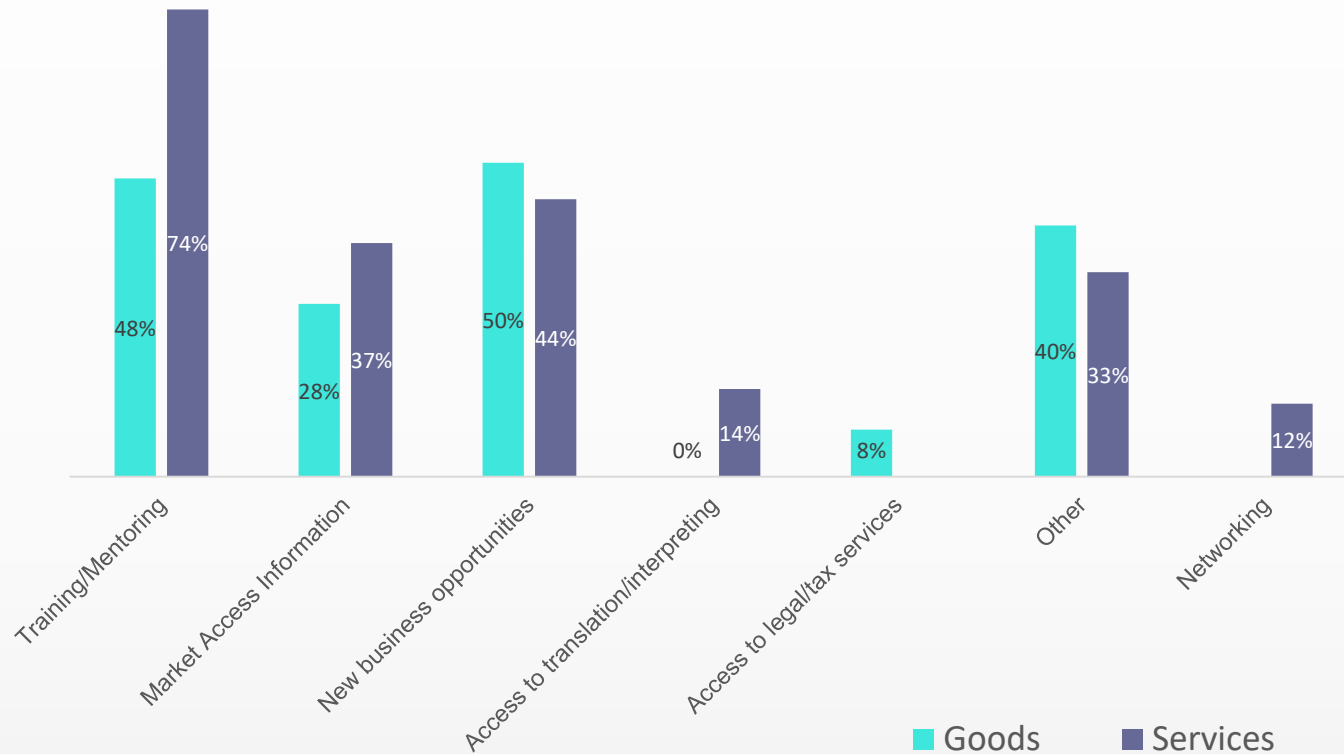
Membership in business-related networks



Benefits from the membership of trade networks and associations



Benefits received from membership in trade networks



Other types of benefits reported:

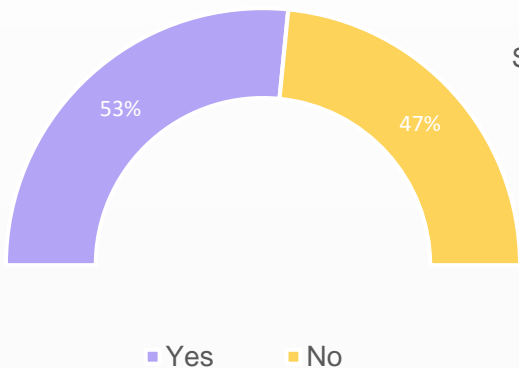
Review and input into new laws, policies or regulations that affect the sector

Mainly a platform to lobby for policy change against high taxation

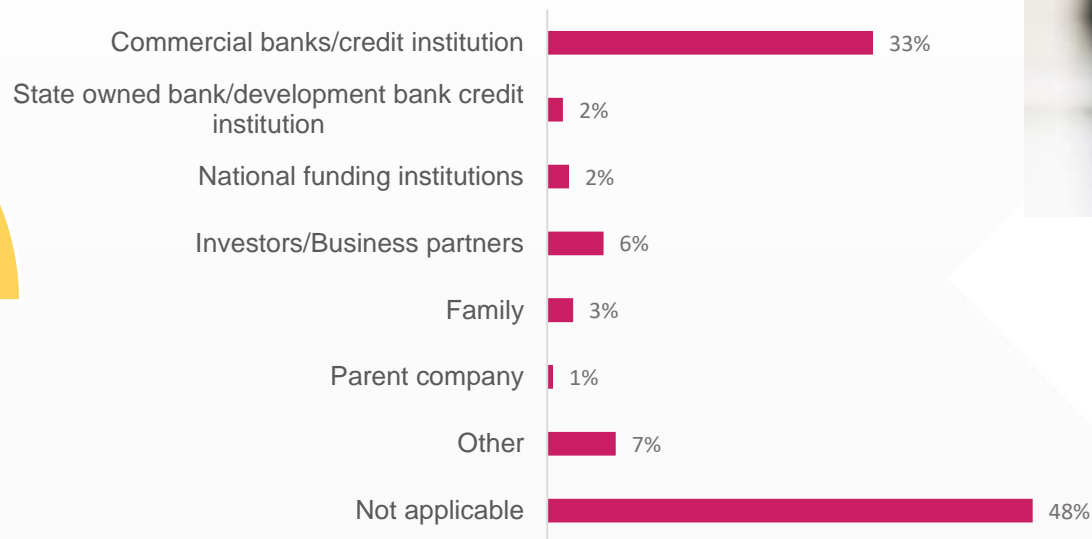
The membership gives the company an image as a reputable company

Over half of women entrepreneurs face difficulties in applying for funding

Share of businesses that have faced difficulties applying for funds



Most important source of funding for women-led businesses



One of the biggest challenges was to meet the Uganda Development Bank requirements. We have adopted audited books of accounts and other processes in order to qualify. Commercial banks have high interest rates, it's really expensive and we need alternatives for it to make sense.

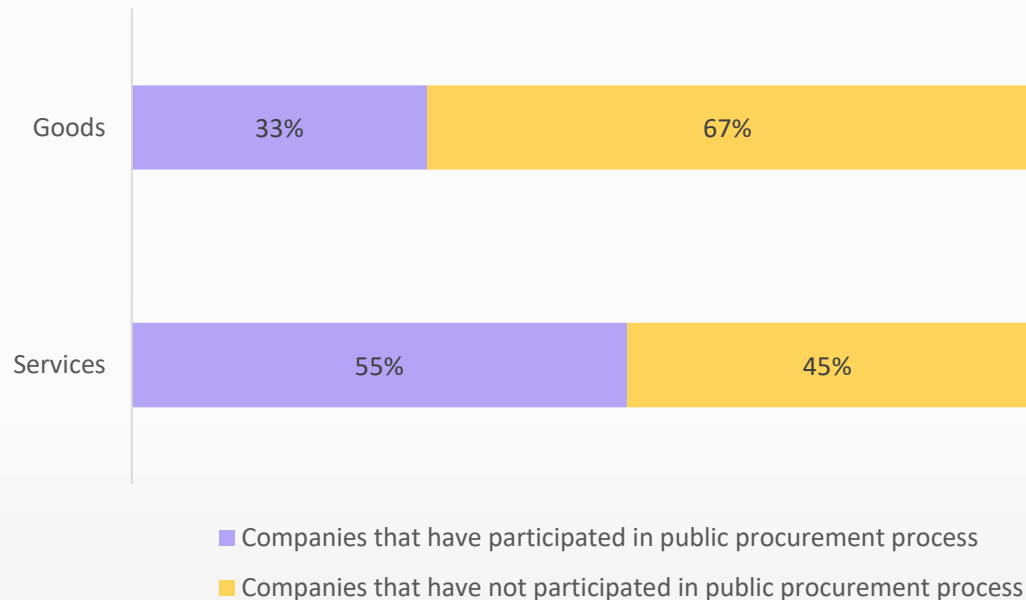
Women-led provider of telecommunication services

Commercial banks rarely want to lend to start-ups, thus imposing many requirements for example depositing bid security (from company's own money) with the bank, which means locking these resources up with the bank for at least 6 months.

Women-led producer of manufactured goods

Participation in public procurement is higher for companies trading services, but limited among companies trading goods

Women-led businesses that have participated in public procurement processes



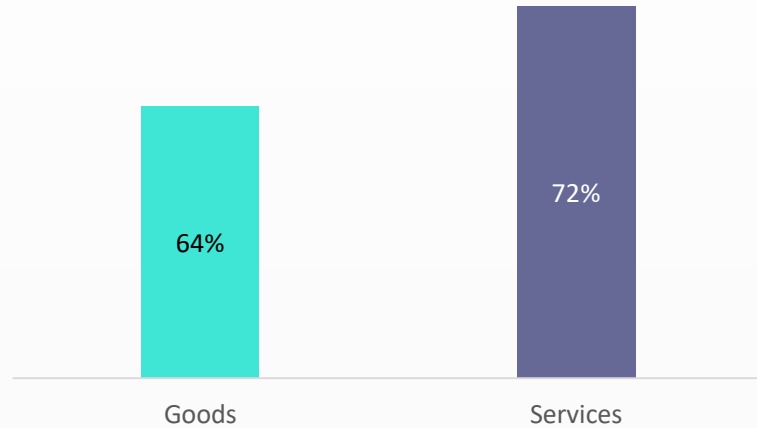
Only one third of companies involved in trade and manufacturing of goods participated in a public procurement process

....while more than a half of companies involved in trade in services participated in public procurement processes



Challenges remain for women in public procurement

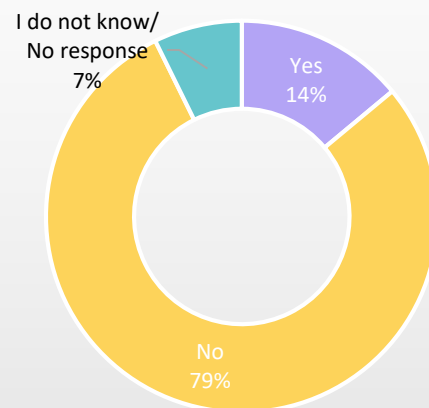
Share of women-led companies facing difficulties with public procurement processes



We always just prequalify and never win tenders because we are not informed of the opportunities, and upon request they are not consistent to answer questions when we follow up.

Women-led provider of telecommunication services

Businesses find gender-specific provisions lacking in public procurement

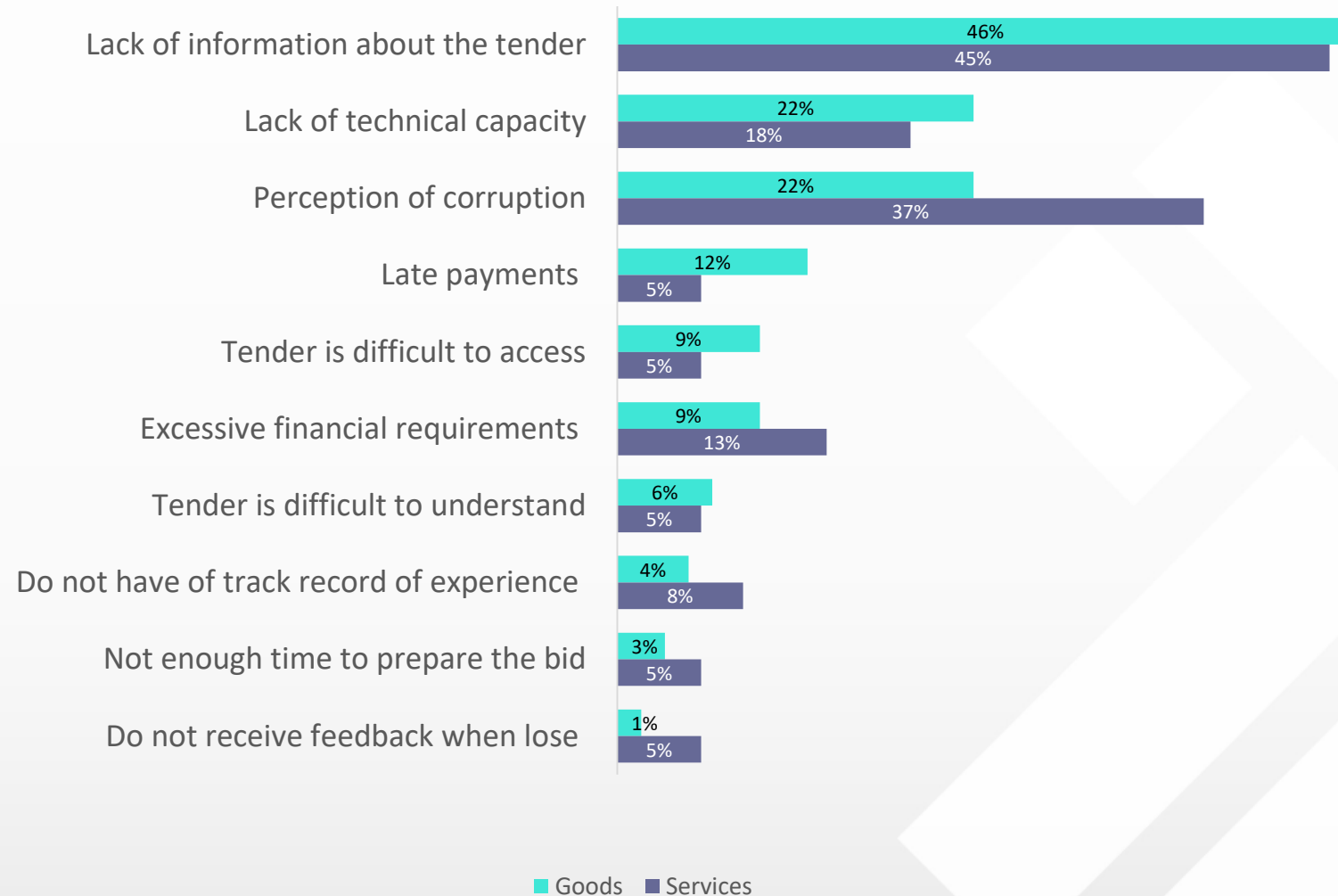


There is high bid security required by the procuring entity. The criteria for selection are not clearly defined.

Women-led seller of manufactured goods

Lack of information and technical capacity are the main barriers

Existing barriers for women in public procurement participation



Enabling women's procurement participation

Ensure **fair and equal competition** in as far as product quality is concerned. Procuring entities have in some instances taken lower priced bids, even when there is evidence of poor quality of the company's product

Women-led supplier of manufactured goods

Processes are too long and the decision making takes long and it frustrates the they prefer international companies and ask for bid security and **performance bond, which we cannot afford** - all these must change for us to get more involved

Women-led supplier of manufactured goods

An **online procurement process** would be more efficient, more transparent and would save time and stationery

Women-led provider of research, development, and testing services

Improve transparency, and allow for online submission of tenders

Women-led provider of advertising services