

AZERBAIJAN

WOMEN ENTREPRENEURS

April 2021

Overview of Women Entrepreneurs and Entrepreneurship

The Small and Medium Enterprises Development Agency of the Ministry of Economy in the Republic of Azerbaijan provides services and ensures the coordination and regulation of government support to micro, small and medium-sized enterprises (MSMEs). The 2020-2024 National Action Plan on Gender Equality highlights extensive areas for improvement, including: legislation on women's rights; countering gender-based violence; promoting women's entrepreneurship; enhancing women's competitiveness in the labour market; preventing and eliminating gender stereotypes; and eliminating school dropouts and cases of early marriages.

The draft Action Plan to Increase Women's Employment in the Republic of Azerbaijan aims to enhance women's access to the labour market, identify and eliminate gender-based factors that prevent their careers in the private sector, and provide opportunities for women to pursue decent jobs. The Action Plan was developed by the State Committee for Family, Women and Children's Affairs in collaboration with NGOs. It was circulated for review by the Ministry of Labour and Social Protection of the Population, and relevant UN agencies in Azerbaijan.

Following the approval of the National Employment Strategy (2019-2030), the Ministry of Labour prepared its 2020-2025 workplan that gives priority to five areas of action: legal and institutional frameworks regulating the labour market; skills development and occupational standards; active labour market measures, with women as one of the target groups; social dialogue and informal employment; and labour market monitoring and forecasting.

The Azerbaijan Investment Company was created to promote investment in non-oil sectors in the economy by updating technology and operations of existing enterprises. Some of the industries that the company has helped to boost, include cement production, shipbuilding, food processing, and logistics.

In addition, the Government has a large-scale Self-employment Programme that targets groups with special vulnerabilities, including women, to help them set up businesses.

Access to finance was cited as one of the major problems in entrepreneurship, especially for women looking to expand their businesses. Since the earning potential of women is lower than that of men, women have lower probability of accumulating savings for start-up or expansion of their businesses.

Getting their products to markets is one of the greatest problems for women and especially for new entrants. Women are often not able to find clients independently and no support is provided to them in this area.

Many women in rural areas face mobility restrictions, and unlike men, they usually have no venue for sharing information. They are not aware of legislative changes, taxation regulations, and their rights and responsibilities, which make them vulnerable to harassment and abuse.

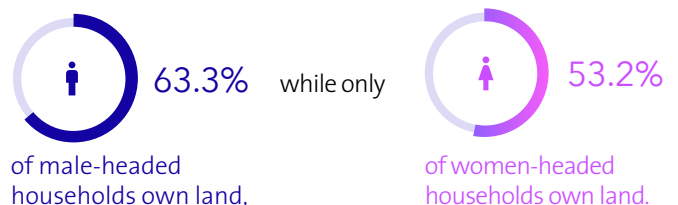
Lack of adequate infrastructure or its constant failures are among the key factors that impede development of women entrepreneurs, especially in rural areas. The stakeholders involved in international development projects cited access to utilities, irrigation, good roads, and agricultural equipment as the main challenges for development of agricultural businesses.

Women entrepreneurs in Azerbaijan: What the data shows

Women comprise 21 percent of individual entrepreneurs in Azerbaijan. <https://banker.az/az%C9%99rbaycanda-qadin-sahibkarlarin-sayi-200-min%C9%99-yaxindir/>

Barriers persist, despite improvements in women's participation in the labour market and in decision-making bodies, as well as a Labour Code that makes it illegal to discriminate in employment based on gender. The results of a nation-wide survey indicate that patriarchal attitudes about women's responsibilities in the family, and stereotypes that question women's ability to shoulder leadership responsibilities, are among the key challenges to the role of women in public spheres.

While many rural women generate income from their farms and are engaged in agricultural activities, fewer women than men own land. According to the official household survey statistics,



Women who are unemployed or are not regularly employed are not entitled to maternity benefits. Women registered as individual entrepreneurs are entitled to maternity benefits, but only if they have made social security payments for at least six months prior to the maternity leave.

The main sectors in which women are most prominent are catering, manual labour, factory work, and tourism.

Internet access in Azerbaijan rose from 8 percent in 2005 to 79 percent in 2017, with 76.8 of women having access to the internet and 81.2 percent for men. However, data collected by the United Nations Economic Commission for Europe show that nearly 75 percent of women ages of 25–54 use the internet once a week compared to 83.5 percent of men. Women represent only 31 percent of those working in ICT.

Women represent 44 percent of those studying ICT at vocational schools, which indicates that more women are preparing to enter the field.

“BACAR” is a virtual platform developed with technical support from UNDP and the Ministry of Labour and Social Protection of the Population. It offers distance vocational training on modern technical innovation and solutions, using international experience and standards. The main target groups of the project are the unemployed and jobseekers, as well as students and their parents <https://www.dma.gov.az/layiheler/reqem-sal-layiheler/bacar>

In addition, the Women’s Resource Centers, established with support from UNDP and the State Committee for Family, Women and Children Affairs, are providing online business development training for rural women.

Impact of COVID-19 on women entrepreneurs

Women entrepreneurs and owners of micro-businesses have been hardest hit by the loss of income under lockdown in the pandemic. The Azerbaijan draft Socio-Economic Impact Assessment noted that women led 22.5 percent of the micro, small and medium-sized enterprises in Azerbaijan. Their businesses were 20 percent more affected by COVID-19 than those led by men. Most women led MSMEs did not have the means to operate their businesses remotely. The assessment, from April 1 to June 15, 2020, indicated that all the women entrepreneurs in the survey had closed their business, either temporarily or permanently.

As women work predominantly in catering, manual labour, factory work, and tourism, they are highly dependent on

social interaction and were therefore hit hard by the COVID-19 social distancing restrictions. Women in MSMEs lost access to essential services and income opportunities, while also bearing additional unpaid care responsibilities. Many suffered greater exposure to gender-based violence.

Digital and technological disruptions, accelerated by COVID-19, is changing the business landscape for MSMEs. Resilient businesses will require significant investment in digital skills and technological infrastructure. Agile adaptation to online and innovative forms of commerce will be needed. Without necessary technical skills and digital access, women entrepreneurs will continue to be more disadvantaged than men.

Promoting women’s entrepreneurship and access to decent jobs in the private sector will require:

- The government, civil society, and the UN to build the capacities of regional educational institutions, and organize IT, internet literacy and STEM (Science, Technology, Engineering and Math) classes. This will require awareness-raising among parents, teachers, and students about the importance of STEM for the future of girls and boys.
- The government to expand existing training in comprehensive and up-to-date professional skills for women with secondary, technical, and higher education.
- The government to join forces with the private sector and international development organizations to carry out awareness campaigns to combat stereotypes about women’s and men’s work. These campaigns should also address educational choices and promote women in science, technology, and business as role models.

Networks, associations, and resources available for women entrepreneurs in Azerbaijan

AWEDA – Association of Women Entrepreneurship Development in Azerbaijan (<https://www.facebook.com/aqsia.awedaiB>)
 Azərbaycan Qadınları Assosiasiyası – (Azerbaijan Rural Women Association) ARWA (<https://www.facebook.com/akqaarwa/>)
 Sahibkar Qadınlar (Women Entrepreneurs) – Zenfira Ağayeva (<https://www.facebook.com/profile.php?id=100009230245484>)
 WOWoman project (<https://wowoman.org/wowomanis>)