

The Women Owned business supporting programme (through a credit line to MSMEDA)



28/01/2019 - Project start date

FINANCIAL - Sector

EGYPT - Location

SOVEREIGN LOAN & GRANT - Financing tool

LOAN 50 M€ & GRANT 1 M€ - Amount of funding

A CREDIT LINE OF 50 M€ AND GRANT 1 M€ - Financing details

MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AGENCY - Client

IF-A - CES

BACKGROUND

The economic crisis that hit Egypt following the Revolution in 2011 has increased obstacles to business development and has led to a decline in employment opportunities in the private sector. The insufficiency of new formal jobs while 700,000 young people arrive on the labor market each year constitutes a major political and socio-economic challenge, to which the Egyptian Government

responds by certain measures which aim to promote entrepreneurship and support the micro, small and medium-sized enterprises (MSMEs). As a particularly vulnerable segment of the population in the Egyptian patriarchal socio-political paradigm, women are deeply affected by these challenges related to labor market integration. Representing a small part of the employed population, women experience a much higher unemployment rate than men, which discourage them from seeking work. The Egyptian Government is committed to strengthening women's empowerment, in particular through greater inclusion in the economic sphere. This commitment is accompanied by proactive initiatives aiming to promote women's entrepreneurship.

DESCRIPTION

A credit line is dedicated for MSMEDA aiming to support the reduction of gender inequalities through the promotion of women's entrepreneurship and the creation of employment opportunities for women by developing a suitable financial offer for MSMEs led or owned by women and a non-financial support package for women entrepreneurs. This innovative and highly transformational project is designed according to an integrated approach of financial intermediation with MSMEDA which is a public institution serving public policies and aiming to stimulate the sources of jobs for women in the private sector.

IMPACTS

The main expected impacts of this project are the following:

- Initiation of a transformational effect within the Egyptian financial sector, in favor of the financing of women entrepreneurship.
- Densification of the volume of investment generated by MSMEs managed by women.
- Job creation and emergence of new job opportunities for women (empowering women).