



Economic Empowerment of Women: Entrepreneurship, Arbitration Boards and Investment Agreements

Prof. dr Tatjana Jevremović Petrović, University of Belgrade

Assoc. Prof. dr Jelena Lepetić, University of Belgrade

Ass. Iur. Mareike Fröhlich, LL.M., Europa-Institut, Saarland University



LAWGEM

- Gender equality in Business law
- Erasmus Plus Project – Strategic Partnership in Higher Education, KA203: *New Quality in Education for Equality: Strategic Partnership for the Development of Master`s Study Program LAW AND GENDER* from 2019.



Economic Empowerment of Women

- Economic empowerment of women – female entrepreneurship (T. Jevremović Petrović)
- Composition of dispute resolution bodies (J. Lepetić)
- Gender equality in trade and investment law (M. Fröhlich)



EU Gender Equality Strategy

- The Gender Equality Strategy 2020-2025 in Europe
 - a progress in gender equality in Europe
- Equal position in society and economy improved by:
 - gender equal business environment,
 - encouragement of gender-smart funding and financing,
 - improvement of balanced business decision-making...



World Economic Forum Report of 2020

- Economic participation and opportunities of women is regressing.
- 257 years would be needed to achieve gender parity in the field of economic participation due to the fact that women are:
 - underrepresented in the labour market,
 - face inequality in financial terms in regard to wage and income,
 - lower level of access to financial investments, like credits, land or other financial products.



Women's Entrepreneurship

- Great economic potential and great social significance.
- Encouraging entrepreneurship in general
 - at the national and
 - at the supranational level (EU)
 - *Small Business Act for Europe*
 - *Entrepreneurship 2020 Action Plan.*
- *Entrepreneurship – single or joint active involvement in a business venture.*
 - single ownership or
 - (large) participation in companies' capital or
 - position of managing director.



Statistical data

- Women constitute 52% of the total population (official EU statistical data)
- Women accounted for only 29% of the total number of entrepreneurs in Europe (in 37 European countries, in 2012)
- 5–15% of high-tech business ventures in the EU were owned by women
 - (while level of education of women in many European countries is usually higher than men)
- *The Republic of Serbia (2020): 33% of women out of all entrepreneurs and 16.3% of all single-owned companies*



Identifying the specific problems of women's entrepreneurship

- Lower intensity of entrepreneurial activity
- Lower earnings
- Underdevelopment of business venture – remains on small or medium level – more exposed to insolvency or liquidation and market fluctuation risks.
- Restricted areas of business ventures: usually include provision of services, in particular in the medical or educational sector.
- Psychological and economic research with a goal to further promote entrepreneurship.



Start-up decisions

- *For „survival“ purposes – lack of choice*
- *Life style choice – based on individual needs, hobbies, working hours etc.*
- Development entrepreneurship – competition, development etc.
- Revolutionary entrepreneurship – revolutionary ideas, usually with high stakes.



Obstacles in women's entrepreneurship

- Typical barriers to (all forms of) entrepreneurship;
 - (Adequate) funding
 - regulatory and administrative constraints (Think Small First, One-stop shop, e-government),
 - low education levels, sparse trainings,
 - lack of information (particularly important for women's entrepreneurship according to European Commission research)
 - social acceptance.



Obstacles in women's entrepreneurship

- Specific barriers:
 - social reasons,
 - problems in combining women's business ventures with their role in the family
 - typical in certain areas: avoiding „male“ professions
 - and (adequate) funding!



Financing

- Specific problems:
 - lack of financial independence, often dependence on the family,
 - rarely exclusive ownership of real estate.
- Result:
 - female entrepreneurship typical in those areas that do not require significant, institutional, and external financing, but are based on their own savings and funds.



Sources of funding

- Bank loans - do not show evidence of gender-based discrimination
 - EU Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services (including financial: banking and insurance services)
 - Prevents difference in treatment based on the person's sex while selecting contractual partner.
- other decisive criteria (experience, business size, capital, character and scope of a business venture)



Sources of funding

- Problem solving:
- Affirmative action (special funding, private funding, business angels)
- European Commission “An SME Strategy for a sustainable and digital Europe”
 - InvestEU – EU future investment funding
 - Gender-smart financing initiative
 - Direct (State) or private funding



Other incentives to women's entrepreneurship: education

- Entrepreneurship 2020 Action Plan
- First pillar of action: *entrepreneurial education and training*
 - Removal of stereotypes in educational choices
 - Male (politics, economics, finance, developed technologies, innovations, research)
 - Female (health care, education, administrative affairs and public relations)
 - Changes are necessary in attitude, goals, and skills
 - Women entrepreneurs as role models.



Other incentives to women's entrepreneurship: networking

- European on-line platform for women entrepreneurs WEgate (<https://wegade.eu/>)
 - immediate practical assistance
 - support starting, financing and managing of business.
- WA4E - Women Business Angels for Europe's Entrepreneurs (<https://www.businessangelseurope.com/wa4e>)
 - creating a connected system for angel investing across Europe.



Other incentives to women's entrepreneurship: networking

- European Network of Female Entrepreneurship Ambassadors (<https://epws.org/european-network-of-female-entrepreneurship-ambassadors/>)
- The European Network of Mentors for Women Entrepreneurs