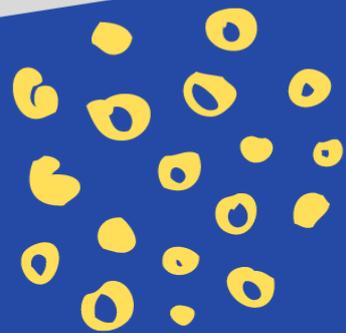


POLICY GUIDE

**ON YOUNG WOMEN
ENTREPRENEURSHIP SUPPORT**



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1 Preface

In 2018 the “WOMEN IN BUSINESS Fostering the Young Women Entrepreneurship in the Danube Region” project was initiated. A consortium consisting of 15 partners from 9 countries in the Danube region (Bulgaria, Austria, Germany, Croatia, Slovenia, Hungary, Romania, Bosnia and Herzegovina, Moldova) was established.

The consortium brings together national and regional, public and private organizations, and universities to develop and support YWE.

The cross-national project focuses on young women entrepreneurs, aged between 15 and 34 and is far from being holistic. Different policies, strategies, programmes are in place to enhance the women/youth entrepreneurship.

The intention of this policy guide is to highlight challenges which YWE are facing. It aims to support policy makers to design policies and programmes and to establish institutions that will promote YWE, providing the foundation for achieving job creation through the development, expansion and growth of female-led companies.

2 Executive Summary

The Policy Guide on Young Women Entrepreneurship Support is based on the conclusions of the Analysis of existing policies, recommendations provided in the Policy Agenda, results from pilot actions and results from survey of consequences of Covid-19 to female entrepreneurship from economic and social point of view and analysis of available policy measures to cope with them. **It will serve as a tool for policy makers, national public authorities, international organizations and interest groups which will help them to design policies and develop strategies for women entrepreneurship support, and to establish support infrastructure in the same field.**

It will outline the process for formulating an integrated national women entrepreneurship strategy. It will also give directions on how to transfer/ implement some GPs for policy support identified in the national strategies.

2.1 Summary of policy options and recommendations

Young women represent a large pool of entrepreneurial potential in the Danube Region (DR) as 52% of its population is female and 30% of them are self-employed. However, only 10% of young women in the DR are at an early stage of business development; only 2% have established business that lasted more than 42 months. Thus, the entrepreneurial potential of young women in the DR is underdeveloped.

This Policy Guide on Formulation of Young Women Entrepreneurship (YWE) was developed in response to the recommendations and actions suggested in the Policy Agenda for Young Women Entrepreneurship Support (March 2021).

The main groups are listed below.

- Governmental policies to promote female entrepreneurship and leadership
- Strategy to harmonise the business environment with the family environment
- Policies in support of financial instruments for young women entrepreneurs.
- Network of mentors and support organizations.

During the process of the Policy Agenda preparation, it became evident that the DR region was far from being holistic. Different policies, strategies, programmes are in place to enhance the women/youth entrepreneurship. Nevertheless, despite all these differences several similar problems/barriers on young female entrepreneurship were identified.

The most important problems/barriers were the lack of information about how to start a business, followed by a lack of entrepreneurial skills. The highest “soft” barrier was the uncertainty about the future in case of starting a business, followed by the risk of losing the balance between work and personal life.

The policy guide includes three main sections.

Section 1 focuses mainly on Policy Guide on Formulation of Young Women Entrepreneurship (YWE) within the Danube Region, including the key steps of developing a transnational YWE strategy.

Section 2 provides some recommended actions for policy change in the sphere of women entrepreneurship as well as some examples showing how these actions are applied in some countries. The recommendations are in the following directions:

- Measures to strengthen the work – life balance
- Boost financial support
- Increase public awareness and access to information

Section 3 focuses on measures which can be used to evaluate and reevaluate policies and measures put in place.

The overall goal of this guideline is to address the actions points highlighted and similarities found in order to standardize/ streamline the development of effective national and transnational policies.

While the guideline is primarily intended for policymakers, it is also useful for decision-makers in intergovernmental and international organizations, as well as NGOs and development organizations participating in YWE.

3 Policy Formulation YWE

This section explores the key elements in formulating a national strategy that targets women entrepreneurs, as well as the sequence of steps required to implement such a strategy from an institutional and operational perspective (Figure 1).

Figure 1. Sequence of Steps in the Implementation of a Women Entrepreneurship Strategy



3.1 Identify country-specific challenges

Conduct assessment on current status of YWE, find opportunities, challenges and needs

An assessment of the existing entrepreneurial ecosystem is required as the first step in the process of developing a WE strategy. An evaluation of the country-specific entrepreneurial ecosystem entails mapping and measuring its features in order to identify opportunities and challenges. The goal is to determine how these elements can be addressed by policy makers. A situation analysis of WE ecosystem will necessitate the collection of both qualitative and quantitative data. These baseline data will serve as the foundation for developing a WE strategy.

Box 1 Examples of initiatives to identify country-specific challenges:

- **National level:**

During the WOMEN IN BUSINESS project are conducted 9 National Studies of the Current State of Women Entrepreneurship (2018-2019) in the Danube region countries - Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Germany, Hungary, Moldova, Romania and Slovenia. A common methodology is applied for all studies:

- (1) Analysis of secondary data, available from different national and international institutions - data from national statistical offices, secondary data derived from the relevant international institutions such as the World Bank, EUROSTAT, OECD, GEM reports;
- (2) Quantitative research based on the survey with young women willing to start or already running own business, aged 15 to 34 in each involved country;
- (3) Qualitative research based on interviews with the key stakeholders from every country;
- (4) Interview-based case studies - successful women entrepreneurs from each country

- **Transnational level:**

Based on the results from 9 National studies of Current State is developed the Transnational Study of Current State on Young Women Entrepreneurship in the Danube Region, (2019). Research results were synthesized in a cross-country manner, in order to benchmark each country in the Danube region. The most common key findings identified in the Study are related with (1) lack of adequate data that would provide more insights into the current state of engagement of women entrepreneurs; (2) The national culture in transitional countries, including less developed EU member states, such as Bulgaria, Croatia and Romania, is still not supportive enough for women entrepreneurs, does not encourage women to engage in entrepreneurship and advance in their careers. However, for those who are successful, the biggest support is found in their families and inner circle of friends; (3) Access to finance, lack of savings, high corruption, red tape and weak economic environment are main obstacles for YWEs; (4) The highest competence barriers are related with lack of information about how to start business, lack of entrepreneurial skills; (5) The highest “soft” barrier for them is uncertainty about the future in case of starting own business, followed by the risk of losing the balance between work and personal life. This transnational study of the current state showed that although there are many differences in the countries across the Danube region when it comes to YWE, there are several similar issues that emerge as relevant, both from the positive aspects that improve the young women entrepreneurship and from the negative aspects that hamper it.

- **Transnational level:**

The Analysis of policies and legislative framework on young women entrepreneurship support in the Danube region (2019) followed by Transnational Report on available policy instruments to support for fighting the negative consequences for women entrepreneurs from Covid-19 (2021) summarize, and synthesize the state of the existing policies when it comes to young women entrepreneurship in nine countries of the Danube region: Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Germany, Hungary, Moldova, Romania and Slovenia.

For the analysis of existing policy on women entrepreneurship in the Danube region qualitative research methods were used. All the partner countries from the Danube region had to answer to a semi-structured interview regarding national policies and legal framework on women entrepreneurship. Collected information was used to conduct a comparative analysis in order to evaluate the level of development of the legal framework and to identify the best practices of the partner countries from the Danube region. Additionally, it is carried out targeted mapping, scanning and analysis of available EU, regional and national policies and legislative framework that have relevance for promotion and support of young women entrepreneurship, development of practical solutions for increasing the entrepreneurial culture, skills and competences of young women.

The Study describes the situation and derives policy implementations and conclusions by analysis of secondary data (Eurostat, European Centre of Disease Prevention and Control, etc) and quantitative research results based on the survey of young women willing to start or already running their own business. The results, both from an economic and social perspective, should facilitate policy makers to develop efficient future strategies to quickly address economic and social crises, especially for young women entrepreneurs.

The private sector plays an important role for the development of YWE. But, not only the private sector should be involved in the whole process, all institutions that provide entrepreneurship education like schools, colleges, and universities are required to participate in the process. YW development organizations and YW networks know the needs of YWE. These organizations must be involved to emphasize that YWE are partners and collaborators in the development of the strategy, rather than just beneficiaries.

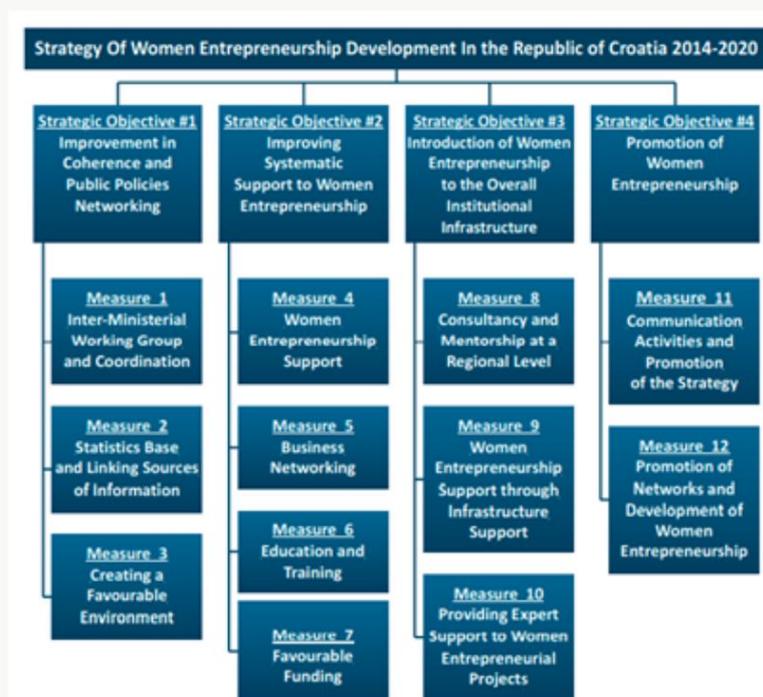
3.2. Specify goals, set priorities and define Young Women Entrepreneurship Strategy

Based on the results of the need assessment and situation analysis, a dialogue with all stakeholders should be initiated. The dialogue's goal is to determine how to set up the framework for the identification of the priorities that should be pursued. All objectives identified during the goal-setting and priority identification phase will determine all other aspects of the YWE strategy (YWES). This includes the institutional structure and specific policy measures to be used.

Box 2 Examples of policies and initiatives to specify goals and set priorities:

• **Croatia**

The Strategy of Women Entrepreneurship Development in the Republic of Croatia 2013-2020 has identified 4 specific objectives and 12 measures to achieve them.



• **Ireland**

The Enterprise Ireland 2020 Action Plan for Women in Business (2020) states that Ireland’s economic success will be driven by optimising all our skills and talent through increasing the participation of women in entrepreneurship and business leadership by focusing on 4 key objectives:

- (1) Increasing the number of women-led established companies growing internationally
- (2) Increasing the number of women in middle and senior management and leadership roles in Irish companies
- (3) Increasing the number of women becoming entrepreneurs
- (4) Increasing the number of women-led start ups with high growth potential, that could be achieved through 24 actions.

3.3. Ensure consistency of YWES with other country-specific policies

Align YWES strategies with other sectors (government, private), establish and manage interaction

All YWE strategies should not be treated as a “single division” isolated in a single ministry like Ministry of Women's Affairs. Other existing ministries dealing with young people, like Ministry of Youth and Sports Affairs, may play an important role in the development of an YWE strategy. Public and private sector entities in work, finance, education, science and industry, trade and agriculture, other regulatory bodies outside of the “official” jurisdiction and expertise should be involved in defining the objectives for the strategy's implementation and monitoring.

The effectiveness of YWE development strategies should be determined by:

- Alignment and integration with other regional competitiveness and private sector development policies
- Overall development strategies

The cooperation, harmonisation, of the different ministries and regional, national commissions is crucial for the exploitation of synergies.

Box 3 Examples of initiatives to ensure consistency of women entrepreneurship with other country-specific policies:

- **Croatia:**

The Strategy of Women Entrepreneurship Development in the Republic of Croatia 2013-2020 follows the “Strategy of Entrepreneurship Development in the Republic of Croatia 2013-2020”, the general aim of which is to increase competitiveness of SMEs. Concurrently, it is a fulfilment of an obligation from the “National Policy for Gender Equality for the period of 2011-2015”, in the part that concerns the strengthening of women entrepreneurship. It is also based on the “EU Strategic Framework, Small Business Act, and Women's Charter” and the “Europe 2020 Strategy”, the aims of which are to achieve smart, sustainable and inclusive growth, which implies wide and efficient acceleration of bolstering women's economic potential.

3.4 Set up a designated lead institution

Designate a lead institution, to set up coordination with all parties involved.

A milestone in developing YWE strategy for the DR region, is the establishment of a lead institution / lead center. The lead institution's duties are as follows:

- Coordination of activities for stakeholders involved

- Strategy's development support and simplification of by defining implementation objectives
- Mobilization of resources to ensure the strategy's effective development and implementation

Ideally, the lead institution should have a robust youth-led advisory board capable of articulating YWE issues and taking action.

An effective cross-departmental system needs to be established. The system's role is to identify mandates, competencies and responsibilities of all public and private sectors, as well as other relevant stakeholders. All relevant ministries, such as finance, economy, education, trade, labor, agriculture and other stakeholders, will need to be involved in the formulation of an effective YWE strategy.

Box4 Examples of policies and initiatives to strengthen the institutional framework:

- Ireland:

The Government of Ireland takes a whole-of-government approach to the development and oversight of policy initiatives in order to ensure coherence, coordination and streamlining of strategy implementation. This applies to SME and entrepreneurship policy as well as other policy areas. The Department of Business, Enterprise and Innovations (DBEI) has the key role for implementing enterprise policy and coordinating SME and entrepreneurship policies across government departments. In its coordination role, the DBEI consults broadly with other departments on policy directions and actions. For example, in formulating the Enterprise 2025 policy document, the DBEI collaborated with senior officials from other departments of government to achieve a cross-departmental perspective. This included the Department of Finance, the Department of Agriculture, Food and Marine, Department of Public Expenditure, etc. The DBEI also has the policy lever for many of the enterprise support agencies, such as Enterprise Ireland, the Local Enterprise Offices, the Science Foundation Ireland, InterTradeIreland, the National Standards Authority of Ireland (NSAI), the Industrial Development Authority (IDA), and the Irish Patents Office, all of which report through the DBEI. The DBEI also has responsibility for the policy levers of the Microenterprise Loan Fund, managed by Microfinance Ireland, as well as oversight of the Strategic Banking Corporation Ireland (SBCI). This enables a high degree of departmental policy coordination.

As a second example, the DBEI chairs an Implementation Group established to govern the implementation of Innovation 2020 policy. The governance structure includes the Chief Scientific Advisor to the Government and high level representation from research funding departments and agencies. The requirement for annual reporting on progress to the Cabinet Committee ensures accountability for effective and co-ordinated implementation.

3.5 Measure results and ensure policy learning

Define clear performance indicators, monitor and evaluate, adjust

Measuring outcomes is a critical component of the YWES. In order to be successful the YWES must be implemented effectively. At the very beginning, performance indicators must be identified and clarified. Comprehensive and ongoing monitoring of the impact YWE policies, programs, and other measures is imperative for the success of the strategy.

Furthermore, best practices/lessons learned from other YWE programs, initiatives, and other measures taken must be incorporated into the feedback mechanism and communicated to all stakeholders.

Further information and explanations on performance indicators can be found in section 4 - Assessing the effectiveness YWE policies.

Box 5 Examples of policies and initiatives to measure results and ensure policy learning:

- **Moldova:**

The programme “Women in Business” is a policy measure developed for integrated financial and non-financial support to women in business through grant support for investment, and associated business development services. The support should contribute towards sustainable maintenance of employment in women’s businesses, and creation of new jobs.

Programme participation eligibility for each stage of business support is planned as follows:

- Pre-Start-Up Support: Women planning to start and register a business within 12 months of application for support - Training and coaching to prepare women starting businesses for investment;
- Start-Up Support: Businesses registered for less than 2 years that are run or owned by women, or that employ a majority of women - Small-Scale Investments and Business Development Support to reduce risk of early-stage business failure, and prepare for business growth;
- Business Growth: Active companies registered for more than 2 years that are run and owned by women, or that employ a majority of women, and that expect to increase turnover and/or employment within the next 18 months, by expansion of the market, export and innovation
- Follow-on larger capital Investments for market growth and Export competitiveness, with targeted consultancy support to maximize impact of investment.

Evidence for success:

- Direct support provided to: 400 pre-start-ups; 200 start-ups granted;
- Stage One Support: Pre-Start-Up: 408 women assisted in the process of starting a business; 179 women registering a new business; 443 jobs created
- Stage Two: Start-Up: Calls for Proposals for small-scale investment grants; 100 women owned/managed businesses supported; 337 jobs created or maintained.

3.6 Checklist of Key questions

- What resources / facilities are available to identify country-specific challenges for YWE?
- Is there a process in place to promote the dialogue about YWE?
- Is there a national policy framework that promotes YWE? If yes, is the framework coordinated with other national policies?
- Are there policies in place to encourage young women to become entrepreneurs?
- Are there specific measurable objectives/goals/priorities set to encourage YWE?
- Is there a lead entity (ministry or other institution) responsible for coordinating the development of the YWE strategy?
- Is there an advisory body that addresses and supports the needs of YWE?
- Does the government support independent committees which address women needs?
- Is there a periodic public report on the status of YWE?
- Are there programs to promote cross- country collaborations on YWE?
- Are there processes in place to monitor and evaluate progress in YWE?
- Are there one-stop shops that bundle procedures?
- Is entrepreneurial education taken into account in the national curriculum from early stages of education?

4 Recommended actions for policy change

4.1 Work – Life Balance of YWE

EU “Work-Life-Balance Directive” (2019) introduces minimum standards for family leave and flexible working arrangements for both female and male workers and promotes equal sharing of caring responsibilities between parents.

“Transnational Study of the Current State on Young Women Entrepreneurship Support in the Danube Region”, conducted in 2019, analysed and summarised the findings of local research teams on YWE in nine countries in the Danube Region. One of the main 'soft' barriers in starting their own business was their fear of losing their work-life balance. Based on the findings of the “Study on consequences of Covid-19 to female entrepreneurship” (September 2021) the unemployed rate for women and men from EU member states is almost the same. At the same time the unemployed rate for women in Bosnia and Herzegovina is extremely high - 13.8%. The percentage of women involved in household and caring activities for family members and children is extremely high, especially in Bulgaria, Romania Hungary and Croatia. The level of self-employed women in all countries is still very low compared to men.

The sector distribution of women-led enterprises can be based on the LFS statistics. Among women entrepreneurs, the most common sectors are economic and professional services, trade, health and social services, personal services, agriculture and tourism.

Integrating gender equality in all EU activities is a necessary condition for achieving the Europe 2020 Strategy main goals for high employment rates and smart, sustainable and inclusive growth.

4.1.1 Increase YWE labour force by paid care service, revised tax system, gender pay gaps

The majority of potential female workers are not in the labour force or work only part-time because they are caring for children or the elderly.

Paid care services are important instruments to facilitate both women's re-entry into the labour market, whether as employees or self-employed. Especially for children up to 3 years of age,

there is a deficit in the provision of paid childcare services. In addition to the lack of available places, access difficulties (distance, opening hours, and strict eligibility criteria), high cost and poor quality have also proven to be barriers.

It will be difficult for them to realise their full potential in paid work, if

- high childcare costs mean that it is not economically viable for them to work full-time
- women are penalised for interrupting their careers to have children
- women continue to bear the burden of unpaid household work, childcare and looking after ageing parents

Ageing is leading to an increase in demand for long-term care services. These services are underdeveloped in many regions. The lack of suitable long-term care options often prevents women from re-entering the workforce or starting a business.

A key feature of the tax and benefit system that affects both employed and self-employed is the degree of linkage between taxation and entitlement to social benefits, transferable tax credits and allowances for dependent spouses. In some countries, the unit of taxation is the individual. In other countries, couples are taxed jointly. Switching from systems of joint taxation to systems of individual taxation can help reduce disincentives.

In general, part-time work and career breaks due to care responsibilities have a negative impact on women's hourly wages and career prospects and lead to pension gaps.

Women are still less likely to choose scientific and technological fields of study. To reap the highest economic and social return on education investment, therefore, it is important to minimise this gender differences gap.

More women have entered the workforce in recent years, but often experience more difficulty than men in finding a first job, earn less than men, and are more likely to work part-time.

Families with young children need affordable childcare if parents are to work. If childcare eats up one wage so that there is little or no financial gain in going out to work, parents (most often mothers) are less likely to seek a job.

Policy makers are challenged to address the gender imbalance in education, training and the labour market, not only to facilitate women's access to better-paid professions and industries, but also to pave the way for self-employment.

Policy makers play an important role in promoting gender equality, not just by monitoring the gender dimension when crafting and evaluating policies.

Box 6 Example for revised tax system for support innovative start-ups:

- **France:**

France boasts competitive taxation of research and temporary exemption arrangements for innovative start-ups and new businesses. The French corporation tax (IS) system contains assessment measures that are comparable with those of our main partners: right to deduct most provisions and depreciation, carrying over losses without a time limit, a wide exemption on allocations of dividends and capital gains on equity shares, favorable tax consolidation regime, etc. The one-off enhanced depreciation and amortization measure (dispositif exceptionnel de suramortissement) also provides support for SMEs which invest in the digital transformation and robotics in 2019 and 2020. If they meet certain conditions, businesses can depreciate 140% of the value of investments that are eligible under the measure.

Businesses that spend money on research may be granted a tax credit, which can be offset against the corporation tax they owe. New businesses, created until 31 December 2022, that invest in R&D and that have innovative start-up (JEI) or university start-up (JEU) status are eligible for exemptions from taxes and social security contributions.

4.1.2 Close gap in social protection

Women's and family policies still focus on women as employees and expect them to have enough time to care for children and dependents. Women are disadvantaged in social protection systems because they have lower wages, lower coverage rates and much lower benefit levels. However, gender gaps in access to social protection vary from country to country, as they depend to a large extent on labour market characteristics and the structure of the social security system. This is particularly true for old-age pensions, unemployment benefits and maternity protection.

In order to promote female entrepreneurship, policy-makers must first ensure that their family and fiscal policies support women's overall participation in the labour market. This includes removing disincentives to work in the tax and benefit systems and creating a supportive infrastructure for women entrepreneurs with care responsibilities.

4.1.3 Rethink traditional gender roles

Paternity leave, non-transferable parental leave,

It is evident that the current legal framework in the Danube Region provides limited incentives for men to take on an equal share of care responsibilities. Often families suffer a loss of overall income when they take paternity leave. As a result, it is common practice for them to transfer a large part of their entitlement to mothers and leave the unpaid care work to women.

To counteract this, policy makers are challenged to change the conditions:

- Parental leave must not be transferred from one parent to the other.
- No financial disadvantages when fathers, but also mothers, take parental leave.
- The right to parental leave should be granted regardless of marital or family status.
- Protection against dismissal for men and women who make use of their right to parental leave.

Conditions for exercising the right to parental leave should be formulated in such a way that they can be adapted at any time to the special needs of single parents, adoptive parents, parents with a disability, parents of children with a disability or a long-term illness or parents in special circumstances, e.g. in connection with multiple births, premature births and stillbirths.

4.1.4 Listen to the voice of YWE

For young women, the most significant competency barriers to become entrepreneurs are the lack of information how to start a business, followed by a lack of entrepreneurial skills.

YWE success is linked to their access to education and business training which allows them to gain the basics of management and entrepreneurial skills.

In order to succeed YW require various types of training, coaching and mentoring. Although business subjects like marketing, finance and accounting predominate, additional training for personal growth, storytelling, rhetoric, writing, coping with stress and negotiations is essential.

To increase the availability and quality of business development support for YWE, one essential method is to give tailored business advice through so called Women Entrepreneurship Centres (EWCs). These centers can better fulfil women's specialized needs and assist them in overcoming the hurdles of beginning a business as well as the impediments to sustainability and growth. These centers offer women-friendly support and access to services tailored exclusively to YWE.

Box 7 Examples of centres to support women entrepreneurship by providing them information:

• **International level**

Enterprise Europe Network - Sector Group “Women Entrepreneurship” - is one of the oldest SGs in the system (since 2013) and it has same goals and objectives as EEN in general – to help businesses innovate and grow on an international scale. However, this SG is focused on developing and improving the support network for female small and medium-sized enterprises (SMEs) and entrepreneurs with international ambitions. The main aim of the SG is to help women entrepreneurs to:

- find clients and cooperation partners for their products and processes,
- access innovation services,
- join existing woman entrepreneurship networks
- learn about EU programs and apply for grants.

• **Transnational level**

The **Women Entrepreneurship Centres** (EWCs) established in Bulgaria, Hungary, Romania and Bosnia and Herzegovina, clearly demonstrated how these centers contributed to a more effective exchange of knowledge and information within the existing information, training and entrepreneurship centres.

Critical for the success of the EWCs is to have an active and personal exchange with the coaches and mentors. Personal interaction has become even more crucial due to the Covid-19 restrictions. As a result, not only the need of fostering online interaction has increased, there is also the need to establish a EWCs communication management system led by EWC Community Managers. These Centres are both online and physically available. The overall goal is the EWCs become multifunctional centers that offer economic opportunities for women through entrepreneurial education and training, mentoring, and networking. Their role is to act as the point of contact between young women, experts, universities, research institutes and SMEs.

Based on the four centers and digitalization that emerged as a must-have during the global pandemic crisis in 2020, the construction of additional YWE centers is envisaged among the project's participating partners as well as beyond the current collaboration. It is critical that information exchange occurs across YWE centers, but it is even more necessary to establish a structure in which YWE from throughout the Danube area may meet and collaborate to identify business ideas, partners, and needed support.

• **National level**

The **Women Entrepreneurship Knowledge Hub** (WEKH) (Canada) is a one-stop source of knowledge, data and best practices for women entrepreneurs. In 2018, through a competitive process, the Government of Canada awarded Ryerson University, located in Toronto, Ontario, over three years to establish the Hub. National in scope, WEKH is made up of 10 regional hubs that work together to coordinate activities in different regions. Each of the regional hubs brings its unique area of expertise and specialization to WEKH. The Hub's activities include:

- collecting, analyzing and disseminating information, and/or advancing research on women's entrepreneurship;
- supporting and sharing best practices and knowledge among women business support organizations;
- reporting on the progress of women entrepreneurs in Canada, including a review of the Canadian entrepreneurship ecosystem's support for women.

In all countries it has been considered important that "networking" or the active exchange of knowledge, experience and skills leads to a significant improvement of YWE.

Business networks help YWE to get started by providing them with information and resources to help them manage and grow their businesses. Established entrepreneurs mentor and advise young entrepreneurs on how to manage and grow their businesses.

Youth-led networks are crucial in connecting young male and female entrepreneurs with established business people. Young entrepreneurs visit large businesses in diverse sectors.

Furthermore, cross-border business exchange programs like Erasmus, are invaluable for both aspiring and established entrepreneurs who have the opportunity to learn about different ways of doing business or identify new business opportunities or business partners.

Online business networks and virtual meetings can also be used to facilitate information exchange between new and established entrepreneurs. Online initiative, teaches the value and importance of international trade by giving young people running small businesses the opportunity to form cross-border international partnerships.

4.1.5 Checklist of key questions

- Is there sufficient social care available to women, so they can continue to work even after they start a family?**
- Is starting a new business considered socially acceptable career for women?**
- Are women encouraged to self-employment or starting new businesses?**
- Regarding starting an enterprise, are women exposed to an equal number of opportunities as men?**
- Do men and women have equal possibilities for starting a business?**
- Are there tools, one stop shops or programmes YWE can use in order to start or develop their business?**
- Are business networking events promoted by relevant agencies at a international/ national/ regional/ local level?**

4.2 Boost financial support for YWE

Access to finance is a key constraint for YW interested in starting a business. Financial institutes often view YW as risky investments because they typically have no credit history or work history, and generally have insufficient collateral or guarantees to secure loans or lines of credit. Providing relevant financial products tailored to the business needs of young people is essential. For example, young women running small businesses need access to low-interest loans, grants and subsidies, while those running high-growth businesses need innovation grants, research and development loans and angel finance.

4.2.1 Enhance YWE access to finance

Young women, typically rely on personal savings and assets or their salaries and receive funds from friends and family (either as loans or donations) to start their business.

Traditional sources of funding such as loans are only granted if the young women entrepreneurs have the necessary funds to start and run their business.

Financial institutions are required to offer new loan products for young people, with priority to women. Loans without collateral are ideal for young people who often cannot meet the collateral requirements of financial institutions.

Microfinance loans are another option for young people seeking financing for their business. Many microfinance institutions now provide funding to young entrepreneurs.

Cooperatives are a viable option for young people seeking financing for their enterprises. Generally, young people who join a cooperative can borrow up to a certain amount of their savings. Often the young people are the borrowers, but in some cases their parents act as guarantors for their loans. Cooperative models offer a wide range of financial products to young entrepreneurs, including a mix of formal and informal guarantees.

An alternative to traditional financing, crowdfunding allows individuals to raise money from other individuals or groups via the internet, mobile technologies and social media. Crowdfunding platforms are a viable option for young women entrepreneurs seeking funding for their start-ups. Its potential has yet to be realised because the acceptance within the population and the infrastructure to support is underdeveloped.

Box 8 Examples for financial instruments for supporting women entrepreneurs:

- **Bulgaria**

The **Municipal Guarantee Fund for SMEs** is a financial instrument launched and developed by Sofia Municipality in support of entrepreneurship and innovation ecosystem in one of the fastest growing capitals in Europe. It aims at raising the competitiveness and success rate of SMEs in Sofia and applying the "Think Small First" principle at the heart of the municipal economic policy. It provides an opportunity to YWE to start and develop their own business through guaranteeing their bank loans up to 50% of the amount of the loan principal or up to 50 000€ or maximum of 300 000 €. It is open to all SMEs but it gives a priority in supporting projects of start-ups of women entrepreneurs with a Bachelor's degree in the field of the project up to 35 years-old.

- **Canada**

The Government of Canada continues to be committed to advancing gender equality and women's economic empowerment and to supporting women entrepreneurs through the Women Entrepreneurship Strategy (WES). The **Women Entrepreneurship Loan Fund** helps to ensure that more women entrepreneurs have the tools and financing they need to succeed. To help address this barrier, the Government of Canada allocated \$55 million in Budget 2021 for the creation of a new national microloans fund. This new program seeks to provide smaller amounts of affordable financing to women entrepreneurs, particularly for start-ups, underrepresented groups or sole proprietorships which may experience more difficulty in accessing financing.

In Budget 2018, the Government of Canada allocated \$20 million to the Women Entrepreneurship Fund to fund over 200 projects. Due to the strong demand for Women Entrepreneurship Fund support, an additional \$10-million investment was made to fund approximately 100 more applicants, \$2.5 million of which was for Indigenous women entrepreneurs. With this additional investment, the Government provided a total of \$30 million to women-owned and led businesses across Canada to grow and reach new markets.

- **Croatia**

COVID-19 working capital loan is part of the measures to support entrepreneurs in activities affected by coronavirus. The Croatian Agency for Small Business, Innovation and Investment provided the so-called COVID-19 loans for micro, small and medium enterprises, with an interest rate of 0.25% and a grace period of up to 12 months.

- **Germany**

"**Start-up BW Pro-Tect**" is an extension of the nationwide (Baden-Württemberg) unique early-stage funding "**Start-up BW Pre-Seed**" to crisis-ridden start-ups that have already successfully completed the first round of financing. It is granted like a convertible loan and can cover an initial capital requirement of up to 200,000 euros, 80% of which is financed by the state and 20% of which must come from private co-investors. In justified exceptional cases, the grant can also be up to 400,000 euros. The money is only repayable in case of success of the company.

4.2.2 Fund and support innovations

Innovation is widely seen as an engine of economic growth, as it promotes competitiveness and job creation. Innovation is associated with the growth of start-ups and high-growth companies and attracts significant investment from the public and private sectors. Non-traditional sources of funding for innovation include angel funding and venture capital. Angel investors have played an important role in fostering business development by raising capital to support promising start-ups, with much of this funding going to start-up technology companies.

Policy makers are encouraged to evaluate the following funding supports:

- Start-up funds provide funding for promising start-up companies.
- Venture capital used to support technological innovation.
- Research programs that encourage small businesses to explore their technological potential.
- Innovation programs to promote innovation among high-growth sectors

Policy makers must be aware that inclusive innovation becomes increasingly important in addressing inequality and social exclusion; funds are needed to support and encourage the development of innovations that benefit YWE.

Box 9 Examples for funding and supporting innovations:

- **International Level:**

The **Female Founders Accelerator - Grow F**, combines mentoring, co-working with experts, corporate collaboration and personal development with individual support and a strong network in Austria and beyond. The Accelerator is specifically designed for startups – fast growing, scalable and innovative companies with rather risky business models. Most of the selected founders are first-time founders and most of them are younger than 34.

The practice supports the selected startups in terms of personal development, startup-corporate-collaboration and above all: market and investment readiness. Through different formats (ranging from 1:1 workshops to group pitching sessions), the program is highly individualized and aims to fit the needs of the specific companies. On top each startup is being matched with a mentor from either an investment or corporate background that supports the accelerated companies along the whole program.

- **National level:**

To support the financing needs of tech companies the French government has created a so-called Plan de Soutien aux Entreprises Technologiques (**Support Plan for Tech Companies**). This fund of up to almost €1.2 billion is primarily targeted at start-up companies developing future technologies and aims to ensure their sovereignty. The fund is available for start-ups in France that develop new technologies and for whom the investment risk is high. Examples of these technologies mentioned are artificial intelligence, cybersecurity and medical technologies. This support fund is a follow-up plan from the €4 billion emergency plan rolled out in April 2020 aimed at start-ups impacted by the crisis. The new fund has five areas of support. Each area has specific measures, including investments and loans.

4.2.3 Provide financial education YWE

Worldwide, financial illiteracy is a barrier to financial inclusion. Limited financial knowledge prevents YW from obtaining and properly using official financial services. It also hinders their ability to take advantage of financial opportunities and to make educated financial decisions. The promotion of financial literacy can increase financial inclusion and enable YW to access and use financial services appropriately. Efforts should be made in all countries and regions to promote financial literacy among YW.

4.2.4 Checklist of key questions

- Are there financial institutions that offer special services/products for YWE? Do these products/ services meet the needs of YWE?**
- Are there measures to encourage established, commercially viable, sustainable and high-performing institutions to support YWE?**
- Are there public-private funds for YWE?**
- Are there incentives for venture capital, impact investing and the development of networks of business mentors or supporters including business angel networks to serve youth?**
- Are there free of charge/ easy accessible courses on financial literacy for YWE?**
- Is financial literacy included in the national educational system curriculum from an early stage?**

4.3 Networking and Support of YWE Increase public awareness and access to information of YWE

4.3.1 Address the value of YWE to the society, eliminate cultural prejudices, encourage YWE to start their business

Entrepreneurship as a female career choice is perceived negatively in less developed EU member states such as Bulgaria, Croatia and Romania. In order to change societal perceptions of YWE and eliminate cultural prejudices, it is crucial to highlight the value of YWE and their contribution to promoting socio-economic development (job creation, alleviating poverty in old age, etc.).

Intergovernmental meetings are crucial in driving the development of YWE. These meetings can serve as an important forum to discuss the role of youth entrepreneurship in addressing youth unemployment, youth education and training.

International conferences (youth, women, and business), annual speaker summits and other physical events bring together established entrepreneurs and successful speakers from all countries in the DR region allowing young female entrepreneurs to learn from them.

It is important to promote dialogue among different networks which are active and supportive in youth entrepreneurship, such as youth entrepreneurship organisations, youth employment organisations, business associations, youth-led organisations and stakeholders from the education and business sectors.

Different awards also increase the visibility and attractiveness of entrepreneurship. Recognition awards not only inspire young people to pursue it, but also encourage investors and policy makers to recognise and support young entrepreneurs. Start-Up Awards reward young people who are successful in their business. These awards raise the profile of the winning young people, while also raising awareness of entrepreneurship as a possible career option for young people.

TV shows in which young, prospective entrepreneurs present their ideas to successful entrepreneurs/investors play an important role in validating the role of entrepreneurs and their contribution to society. These shows encourage young people to experiment with their ideas and develop entrepreneurial projects.

Live streams and other (social media) communication platforms are extremely popular among young people and cannot be ignored. These new technologies can be very effective in highlighting the importance of YW, eliminating cultural prejudices and encouraging YW to become self-employed.

- Positive media coverage of YW can help to change attitudes and perceptions of female entrepreneurship by highlighting positive role models.
- Addressing economic, social and psychological obstacles and offering solutions removes the fear of failure for many YWE and encourage them to start their own business.

Box 10 Examples of instruments for changing the societal perception of YWEs:

“**Women with no excuses**” is a conference held in **Croatia** for encouraging networking of women entrepreneurs and positive changes. Conference combines a keynote speaker, a panel discussion, one to one interview and award ceremony for Woman of the year, which is called PARDonna. In 2018 it was awarded to Iva Olivari, team manager of Croatian national football team. The scholarship award is provided for a 3 year study program Business Management at PAR University College.

The **National Award for Business Women (Romania)** highlights the ability of business women to reach high performance levels of business management.

4.3.2 Access to information and knowledge/awareness of opportunities for YWE

Access to information/awareness about business opportunities is essential for young women to become entrepreneur. The provision of tools/resources/opportunities to young women to advance their professional careers and aspirations is essential not only to presume a career in traditionally female professions but also encourages them to pursue careers in non-traditional fields, thereby changing perceptions of gender involvement in the technology field.

TV and the press are still important resources for reaching out to young people and disseminating information about entrepreneurship, such as educational opportunities, financial resources, and market information.

International networks, like Junior Chambers of Commerce, Youth Business International, Youth Entrepreneurship Associations and Clubs, and other youth-oriented business associations are vital in linking young entrepreneurs with other both national and international businesses.

Young people are using social media to spread the word about entrepreneurship. Life streams are widely cover real time online events on various social media channels, allowing young people from around the world to attend and thus to raise their knowledge/awareness on business opportunities.

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Box 11 Examples for awareness opportunities for YWEs:

Elite Business Women started as an on-line community and developed into the largest company for women entrepreneurs in **Romania** present at international level. There are over 8 Elite Business Clubs - 6 in Romania, 1 in London, 1 in Lisbon. Within these clubs entrepreneurs have built business relationships, partnerships, new businesses, as well as receiving know-how and business expertise at each event.

The **National Platform of Women** from **Moldova** is actively involved in encouraging the spirit of women by facilitating communication and creating partnerships between women who are planning to start a business and those running a successful one.

4.3.3 Establish additional communication centers beside EWC's

Both international and national business networks help YWE by providing information and resources.

- Youth-led networks are crucial in connecting young male and female entrepreneurs with experienced business people.
- Cross-border business exchange programs like Erasmus, are invaluable for both aspiring and established entrepreneurs who have the opportunity to learn about different ways of doing business or identify new business opportunities or business partners.

4.3.4 Checklist of key questions

- Does the government actively promote activities/ campaigns to encourage YWE?
- Does the government, private sector or regional/ global intergovernmental organizations actively support networks of YWE?
- Are there other measures taken within the public sector to raise awareness of issues related to YWE by public officials?
- Are YWE provided with platforms to engage with policymakers and business leaders?
- Is the value of YWE to social and economic development communicated publicly, in particular by public officials?
- Is YWE a policy priority and a key part of female employment strategies?
- Does the government actively participate / support public- private partnerships in order to increase awareness of YWE events?
- Are there any special competitions, awards ceremonies and other events to promote and recognize YWE?
- Are there cross-border networks and activities that promote YWE?
- Is there a national centralized platform where YWE can gain access to all relevant information regarding to programmes, measures and policies that apply to them, guides on how to apply and use them as well as a place where they can put their questions in this regard?

5 Assessing the Effectiveness of YWE Policies

The main goal of this policy guide is to assist policy makers in the project region to create effective policies not only to encourage young women to become entrepreneurs/ leaders, but also to provide additional guidance on how to harmonise work-life balance to join/rejoin the labour market, facilitate access to finance and to raise the value of female entrepreneurship and workforce.

This section focuses on measures which can be used to evaluate and reevaluate policies and measures put in place.

Key Indicators

- **Measures need to be relevant and specific.**
- **Indicators should be comparable across DR countries to allow benchmarking**
- **Data should be collected periodically to monitor the situation of YWE, e.g. the collection of annual data is an indication of policy- makers' commitment to YWE policy formulation, implementation and measurement.**

The following tables provide a set of possible indicators that comply with the characteristics of relevance, availability, timeliness and comparability across this Policy guide on YWE

5.1 Development of a transnational YWE strategy to encourage and stimulate female entrepreneurship and leadership

Policy Indicator	Relevance, availability, timeliness and comparability
Number of YWE start-ups/business and survival rate	YWE success in starting and sustaining businesses
Number of jobs created by YWE and taxes collected from YWE business	Economic impact and employment rate/number
Number of procedures to open a Business	Ease of starting a business and effectiveness of the system
Number of days to register and costs. Start-up incentives for YWE	

5.2 Measures to strengthen the work – life balance of YWE

Policy Indicator	Relevance, availability, timeliness and comparability
Number of paid care service, revised tax system, gender pay gaps	Increase YWE labour force by paid care service, revised tax system, gender pay gaps Close gap in social protection Rethink traditional gender roles Listen to the voice of YWE

5.3 Boost financial support for YWE

Policy Indicator	Relevance, availability, timeliness and comparability
Number of loans to YWE Number of other forms of financing Number of angel networks and VC to YWE Number of YWE development funds or trusts Number of institutions with YWE friendly financial products Number of formal or informal financial literacy trainings for youth and their respective occupation rates	Support of financial sector in facilitating loans and other financial products to YWE Support by private sector for YWE Suitability of financial infrastructure for lending and meeting the different business needs of YWE.

5.4 Increase public awareness and access to information of YWE

Policy Indicator	Relevance, availability, timeliness and comparability
Number of business events targeting YWE Number of YWE networks national and regional/ international Number of competitions /awards for young entrepreneurs	Monitoring mindset change and increase the positive perception of entrepreneurship as a career choice. Opportunities for networking for YWE. Recognition and incentives YWE

6 Conclusions

There is a great need for policies to support WE and YWE in the Danube Region. On the one hand to take into account their specific needs, on the other hand to inspire their great entrepreneurial potential. Governments and policymakers across all Danube region countries should be concerned with the development or improvement of policies to stimulate female entrepreneurship and leadership in business.

The intention of this policy guide is to highlight challenges which YWE are facing. It aims to support policy makers to design policies and programmes and to establish institutions that will promote YWE, providing the foundation for achieving job creation through the development, expansion and growth of female-led companies.

By having a clear process by formulating an integrated national women entrepreneurship strategy, an appropriate support infrastructure can be established. An assessment of the existing entrepreneurial ecosystem is required as the first step in the process of developing a WE strategy to identify opportunities and challenges. Based on the results of the need assessment and situation analysis, a dialogue with all stakeholders should be initiated to specify goals, set priorities and to define a strategy. Ensuring that JWE strategies are consistent with other country-specific policies is equally essential. The coordination with other sectors (government, private sector) is required, as is building and managing interactions.

Furthermore, a lead institution must be designated to coordinate with all parties involved, to support strategy's development and to mobilize resources to ensure the strategy's effective development and implementation. In order to be successful the YWE strategy must be implemented effectively. At the very beginning, performance indicators must be identified and clarified. Comprehensive and ongoing monitoring of the impact YWE policies, programs, and other measures is imperative for the success of the strategy.

We expect that all policy maker will benefit from the policy guide and that following the key steps that emerged from this project, the number and skill of YWE will be vastly improved and necessary framework conditions can be created.

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