



## Ninth Commonwealth Women's Affairs Ministers Meeting

*"Gender Issues in Economic Crisis, Recovery and Beyond: Women as Agents  
of Transformation"*

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Session IV: Roundtable 1

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### **ENHANCING WOMEN'S ENTREPRENEURSHIP – A COMMONWEALTH VISION**

*(Paper by Mrs Artemis Toumazi, President, Cyprus Women's Cooperative Bank)*

#### **EXECUTIVE SUMMARY**

There is no question about the gap in the financial strength that exists between women and men in the entire world. Despite legislative efforts, women still possess and earn less than men. They are more frequently threatened with unemployment and form the majority of atypical employees. The globalization of the economy has made the problem even more acute as international players are mostly men, who are usually more exposed to and therefore more comfortable with technology. It is obvious that additional action is required in order for women to claim equality in the business setting in the framework of a model of full democracy. One such example derives from a private initiative: the Cyprus Women's Cooperative Bank 'Initiative' Ltd.

This was proven to be a necessity as Cyprus was excluded from almost all of the EU support towards the countries in accession due to its high living standards. What should have been taken into consideration here, however, is the low representation of women in almost all walks of life when compared to their EU counterparts.

In the sector of economic activity, for instance, the numbers of economically active women have remained somewhat stagnant, around 39%, whereas in some EU countries, as in Sweden for example, the numbers of gainfully employed women exceed 50%. Moreover, the remuneration rates in Cyprus have clearly been in favor of men with the difference reaching 24%.

Although women today constitute some 40% of the labor force, their presence is not evenly distributed in all levels and sectors of activity. First, there is job segmentation. Women tend, for example, to do more clerical work (three out of four clerks are women). Second, they are underrepresented in decision-making positions (29% of Senior Officials/Legislators in 2008 were women). Consequently, women are more frequently found in low-salaried jobs. There is only one woman among the cabinet ministers today and women representation in the House of the Representatives is about 13%. Most astonishing a research of the Ministry of Labour shows that 55000 women age 18-55 are not actively involved in the economy.

A small-scaled research on Women Entrepreneurs in Cyprus indicates that it is basically the privileged women who manage to launch a venture in Cyprus . The question here is 'how many more less fortunate women are not in the position to invest in their entrepreneurial ideas because they don't have adequate bank guarantees and therefore don't have access to capital?'

All above-mentioned statistics were considered as a huge deficit by a dynamic group of women under the guidance of Artemis Toumazi, President of the Cyprus Federation of Business and Professional Women - BPW Cyprus who decided to act by taking drastic and practical measures to empower women in the economy believing that female entrepreneurship could prove the emerging dynamic in the

county's economy and at the same time prove the determining factor of the development of the whole society.

Developing women's entrepreneurship means creating employment, which results in reduced unemployment and welfare benefits. The ramifications further include a rise in the taxes and social insurance contributions collected by the state not only from women business owners themselves but also from their employees. In addition, it contributes to the increase of products, services, profits, and exports. On the whole, it results in economic growth and Sustainable Development.

Strengthening women economically is interrelated with enhancing their position in society in general and their representation in politics and in decision making positions thus creating the framework of the model of a full democracy.

The Cyprus Federation of Business and Professional Women since the year 2000 started working towards a specific goal and the action plan had four main objectives, in order to boost entrepreneurial activity in Cyprus and help the shaping of a new European policy on Entrepreneurship.

- a) The creation of a Co-operative Bank, which would, specialize on supporting and enhancing women entrepreneurial activities, as access to capital was recognized as the major impediment to women low entrepreneurial activity (only 12% in contrast to the EU average of 25%).
- b) Research on female entrepreneurial activity in Cyprus. The Board of the Coop bank realizing the gravity caused by the lack of data on female entrepreneurship on the island, instrumented the first large-scaled research on entrepreneurial activities undertaken by women in Cyprus, the results of which shed some light on the proportion of women-owned businesses to those created by men, the demographic and socioeconomic features of women entrepreneurs, their areas of activity, life cycle, and life expectancy, as well as women entrepreneurs' problems and needs. The ultimate purpose was to use the findings of the research in order to have a spherical understanding of women-owned companies and to use this information to attract and distribute capital - in coordination with the government and other institutions - according to the recorded needs.
- c) Forming new partnerships especially with the Cyprus Chambers of Commerce, Lobbying the Government to take positive measures and change National Policy on women's issues. After 2 years of efforts the Ministry of Commerce Industry and Tourism in collaboration with BPW Cyprus and the Women's Co-op Bank created a Program for the support of Women's Entrepreneurship. The Scheme for the Encouragement, Strengthening and Reinforcement of Women's

Entrepreneurship offers 50% of the startup Capital as Grant by the Government up to € 70.000,00.

- d) Participation in EU Programs - In collaboration with the European Chambers Women's Network and Cyprus Chambers and Commerce we have participated in the program "Women in Business and in Decision-Making". In collaboration with the Cyprus Machinery for Women's Rights coordinated the Programme "Women the Business World Enhancement of Female Entrepreneurship".

Today the world is facing a Global economic crises and older methods and policies have proved insufficient so far. Unless drastic measures are taken like the Inclusion of Women in these new processes by exploiting their talents and taking into account their productive role, growth will remain stagnant and nations will lose 50 % of their chance to a better and more prosperous future.

Equal opportunities in all sectors of life and the economic empowerment of women should become the common vision of all Decision Makers that want to ensure growth sustainable Development, social cohesion and Democracy in the real sense of the world for their countries.