

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

STRIVING FOR BUSINESS SUCCESS:

VOICES OF LIBERIAN WOMEN ENTREPRENEURS



**World Bank
Institute**



IFC

**International
Finance Corporation**
World Bank Group

**STRIVING FOR BUSINESS
SUCCESS:**

**VOICES OF LIBERIAN
WOMEN ENTREPRENEURS**

Table of Contents

Acronyms.....	IV
Foreword	V
Acknowledgements	VI
Executive Summary	VII
I. INTRODUCTION.....	1
II. VOICES OF LIBERIAN WOMEN ENTREPRENEURS	3
Who are Liberian Women Entrepreneurs?	3
A Better Investment Climate to Foster Women’s Entrepreneurship in Liberia.....	4
Common Obstacles Faced by Women Entrepreneurs	6
Girls and Young Women Entrepreneurs	14
Supportive Factors for Women’s Entrepreneurship.....	15
III. CONCLUSIONS: WHAT IS DIFFERENT ABOUT WOMEN DOING BUSINESS IN FRAGILE AND CONFLICT-AFFECTED SITUATIONS	17
IV. RECOMMENDATIONS FOR THE ECONOMIC EMPOWERMENT OF WOMEN ENTREPRENEURS IN LIBERIA.....	19
Business and Skills Programs	19
Access to Assets and Finance	19
Networking and Business Information Sharing: Women Business Entrepreneurs’ Associations and Networks.....	20
Institutional and Policy Reform for Women’s Economic Empowerment	21
Appendix I. Policy Recommendations to Support Women Entrepreneurs	23
Appendix II. Case Studies of Liberian Women Entrepreneurs	25
References.....	35

Acronyms

AFMLR	World Bank Office Monrovia
AFRSC	Africa Strategic Communications
AFTPM	Poverty Reduction and Economic Management Front Office
BNPP	Bank-Netherlands Partnership Program
CASA	Conflict Affected States in Africa
CEO	Chief Executive Officer
EPAG	Liberia Young Women and Adolescent Girls Economic Empowerment Project
FCS	Fragile and Conflict-Affected Situations
GBV	Gender-based violence
GDP	Gross domestic product
GoL	Government of Liberia
IFC	International Finance Corporation
IITA	International Institute of Tropical Agriculture
LBWA	Liberian Business Women Association
LIBA	Liberian Business Association
LISGIS	Liberia Institute of Statistics & Geo Information Services Statistics
LIWEN	Liberia Women Entrepreneurs Network
LWI	Liberian Women Initiative
MoA	Ministry of Agriculture
MoCI	Ministry of Commerce and Industry
MoF	Ministry of Finance
MLME	Ministry of Lands, Mines, and Energy
Mol	Ministry of Labor
MPEA	Planning and Economic Affairs
MPW	Ministry of Public Works
NIC	National Investment Commission
PRSP	Poverty Reduction Strategy Paper
SIDA	Swedish International Development Coordination Agency
SMEs	Small and Medium Enterprises
UN	United Nations
WB	World Bank
WBI	World Bank Institute

Foreword

Women are an important and powerful economic force. They make critical contributions as political leaders, entrepreneurs and employees. Their contributions are even more valuable in the case of countries emerging from conflict, where as a result of war, women make up the larger part of the population and where in order to earn a living and sustain and provide for their families and communities they build businesses. However, women in post-conflict economies face a number of challenges. Often their businesses stay at embryonic stages only, due to three key limitations relating to: knowledge of business vision and management; access to finance and markets; and access to role models and networks. Added to the complexity is the risk of having to start all over again due to their countries' political instability and the limited infrastructure to make their businesses prosper and become more efficient over time.

After several years of civil war, Liberia has made good progress in building an environment suitable for women entrepreneurs and political leaders. The election of H.E. Ellen Johnson Sirleaf as the first female president in Africa opened up economic opportunities for Liberian women. Additionally, a number of reforms have been initiated to enable women to further partake in Liberia's private sector development and economic growth.

The World Bank Group, including the World Bank Institute (WBI) and the International Finance Corporation (IFC) Conflict Affected States for Africa (CASA), supported by their donor partners, Sweden, Denmark, and the Bank-Netherlands Partnership Program (BNPP), has been working through different projects to further enhance economic opportunities for women. These include helping the Liberian government revise relevant policies, creating the Liberia Business Registry and working with the Ministry of Commerce and Industry, the Ministry of Gender and Development and Liberian women entrepreneurs to enhance women's voice and visibility and increase peer-to-peer learning.

The "Striving for Business Success: Voices of Liberian Women Entrepreneurs" report provides further insight on the opportunities for women entrepreneurs to fully participate in the economic growth of Liberia. The women interviewed for this report highlighted how obstacles, such as limited financial infrastructure, restricted access to markets, and most importantly, insufficient networks to support women entrepreneurs, stifle efforts to create sustainable solutions for women entrepreneurs. The report offers operational lessons and recommendations on how to address these challenges and support women's economic participation and empowerment.

We applaud the efforts of the Liberian women entrepreneurs featured in this report as well as the many others who, although not highlighted here, are bringing their fair share to the growth of the Liberian economy. We thank the Ministry of Commerce and Industry and the Ministry of Gender and Development for their continued focus on women's empowerment as a means for overall growth in Liberia. We hope that this report will provide opportunity for stronger initiatives from government, private sector and women-business owners to change the face of women entrepreneurship in Liberia.



Cheikh Oumar Seydi
Regional Director for Africa
International Finance Corporation



Robert L. Floyd
Director of Operations
World Bank Institute

Acknowledgements

This report was prepared under the World Bank project entitled “Lessons on Gender Inclusion in Fragile and Conflict-Affected States—Women’s Access to Rights, Resources and Voice.” It is the outcome of collaboration between the Government of Liberia (Ministry of Commerce and Industry—MoCI), the International Finance Corporation (IFC) and the World Bank Institute (WBI). It was prepared by Maria Elena Ruiz Aril (Consultant) under the supervision of A. Waafas Oforu-Amaah (Task Team Leader). The task team consisted of Marième Esther Dassanou (IFC), Lwanzo Amani, Sanam Naraghi Anderlini, Dexter Merchant, and Haddas Wolde Giorgis (Consultants).

The team conveys special thanks to the Minister of Commerce and his staff and the Ministry of Gender and Development, especially the Adolescent Girls’ Unit for their guidance, as well as to the UN Women Office in Liberia, especially Emily Stanger, who was instrumental in the identification of case study subjects. Most importantly, the team acknowledges the individual women entrepreneurs—especially the founding members of the Liberia Women Entrepreneurs Network (LIWEN)—for their willingness to share their stories.

The team also gratefully acknowledges the following World Bank Group staff for their technical guidance and collaboration: Coleen Littlejohn (AFMLR); Frank Ajibola Ajillore (CAFW7); Kobina Egyir Daniel (CAFCA); Michael Nyumah Sahr (AFRSC); Shubha Chakrabaty (AFTPM); and Evariste Nduwayo (IFC SME Ventures Program). We thank the staff of the World Bank and IFC Country Offices in Liberia who provided valuable administrative, logistical, and production support, and we especially acknowledge the assistance of Esther Bryant, Collista Jean Harris, Yayea Kheahley, and Felton Yeayen.

The report was made possible by the generous support of the Government of the Netherlands, under the World Bank–Netherlands Partnership Program (BNPP) Trust Fund, and of the Swedish International Development Coordination Agency (SIDA).

Executive Summary

This report presents findings on the situation of women entrepreneurs in Liberia. It discusses the challenges that female entrepreneurs face as well as enabling factors that they encounter when operating their businesses in Liberia's post-conflict environment. Through the voices and experiences of women—as in the IFC series *Voices of Women Entrepreneurs* that inspires it—this report sheds some light on the specificities of women doing business in fragile and conflict-affected situations (FCS), such as those in Liberia. It identifies operational lessons and proposes recommendations on how to support women entrepreneurs and contribute to their economic empowerment in the transition from post-conflict to reconstruction and development.

WHO ARE LIBERIAN WOMEN ENTREPRENEURS?

Liberian women are dynamic entrepreneurs. They predominate among informal businesses in small-scale retail and trade. Women in Liberia are much more likely than men to be self-employed (69 percent of women compared to 56 percent of men).¹ Almost a decade after the end of the conflict, 34 percent of Liberian women manage a fairly significant share of registered small and medium enterprises (SMEs).² However, the majority of female entrepreneurs in Liberia continue to work informally and in low-productivity sectors, mainly in small retail and trade (World Bank 2012a). Indeed, 75 percent of women, compared to 61 percent of men, worked informally in Liberia in 2010.³ Among entrepreneurs, women are more likely than men to own completely informal enterprises (60 percent of women, compared to 45 percent of men).⁴ Wholesale and retail trade, the second-most important sector for overall employment in Liberia after agriculture, employs as much as 35 percent of the female workforce (compared to just 15 percent of employed men).⁵ In 2006, the majority of women in greater Monrovia worked as vendors and in petty trade (68 percent of the urban female labor force).⁶ Seven years later, although more women have registered their businesses, a majority remains in the informal sector and in low-productivity sectors.

LIBERIAN WOMEN ENTREPRENEURS AND THE INVESTMENT CLIMATE

Despite substantial improvements in recent years, both men and women entrepreneurs encounter several obstacles to doing business in Liberia. The investment climate is gradually improving in Liberia, which is now ranked 149th (out of 185) by the *Doing Business Report*. This ranking is five positions higher than in the previous year. However, women-owned businesses continue to be particularly vulnerable to investment climate constraints, as they are overrepresented among small and informal businesses. Most of the women interviewed mentioned corruption, taxes, and limited access to credit and skills as major obstacles to developing their business activities. An example of how investment climate constraints hit women harder in Liberia is that of corruption, particularly in the form of gender-based violence. Sexual assault from government authorities in return for official permits/transactions is a pervasive problem in certain sectors, such as cross-border trade (in Liberia but also elsewhere in Africa). Gender-based violence imposes an additional tax on women-owned businesses, increasing the cost of doing business.

¹ Liberia Labor Force Survey 2010.

² Liberia Business Registry, March 2013.

³ Liberia Labor Force Survey 2010.

⁴ IFC 2007.

⁵ Liberia Labor Force Survey 2010.

⁶ Liberia Comprehensive Food Security and Nutrition Survey 2006.

COMMON OBSTACLES FACED BY WOMEN DOING BUSINESS

- **Education** — As a result of conflict, a high proportion of women lack the basic skills to conduct business successfully and often find themselves in low-productivity jobs. The prolonged years of conflict led to high rates of illiteracy, particularly among women. The current generation of women entrepreneurs lacks many of the basic skills needed to successfully operate a business. Also, lack of technical skills due to the breakdown of the education system during the conflict has constrained women's opportunities to develop their businesses in higher-productivity areas. Gender gaps in vocational and professional training are particularly wide, and gender segregation remains high, leading women into low-productivity jobs.
- **Access to credit** — Despite recent improvements, women continue to find it problematic to access credit in Liberia. Supply and demand factors compound women's difficulty in accessing credit in the post-conflict economic environment. Lack of a credit culture and overall repayment rates make it difficult for financial institutions to lend to SMEs, let alone to women, who they consider as higher risk. In addition, limited vision and skills among entrepreneurs and issues with inadequate (or sometimes non-existent) financial skills and lack of collateral (partly as a result of land disputes) are some of the factors limiting women's access to credit. The most recent data estimates that women entrepreneurs access 6 percent of commercial bank credit out of 18 percent for all SMEs in Liberia.⁷
- **Women's Networks** — Liberian business women have limited opportunities to share information, contacts, and knowledge because of their low participation in business organizations. While there are dynamic women's associations in Liberia, only a few focus specifically on entrepreneurship and business management. In addition, women business owners are not always well represented in general business networks, such as the local chambers

of commerce or other business associations such as the Liberian Business Association (LIBA). Created in October 2012, the Liberian Women Entrepreneurs Network (LIWEN) is the first forum devoted exclusively to women entrepreneurs in the country.

GIRLS AND YOUNG WOMEN ENTREPRENEURS

While many of the problems that women entrepreneurs face in doing business apply to young women and girls as well, some of these problems are more specific to young women. Liberia has a young population, 18 percent of which is between the ages of 15 and 24 (Liberia Population Census 2008). Like older women entrepreneurs, young women find that a lack of start-up capital and limited business and technical skills are important barriers to starting and developing a business (World Bank 2008). However, a 2008 World Bank study found that young women entrepreneurs also seem to attach higher importance to other factors, such as lack of contacts. The study also showed that young women found it difficult to access skill-enhancing opportunities. According to these young women, family responsibilities such as taking care of siblings and handling household chores were clear impediments to their ability to combine income earning with formal education, training, or even apprenticeships. This is because many girls became the sole providers for their extended families as a result of the conflict (World Bank 2008).

ENABLING FACTORS FOR WOMEN'S ENTREPRENEURSHIP

Factors identified by women themselves as supportive in their journey into entrepreneurship over the last 15 years include: **asset ownership for capital formation** (in the form of inherited land and property, or personal savings); support from **mentors**; **education** and training; women-to-women support through **associations**; and, last but not least, **women's strength, resilience**, and perseverance. The latter cannot be underestimated in light of the hurdles and setbacks that women generally experience when doing business in conflict-affected environments.

⁷ Enterprise Survey.

Voices of Liberian Women Entrepreneurs

"My father's determination to keep a Liberian-owned factory and to be competitive inspired me and I followed in his footsteps and took over the wood factory, a business seen as limited only to men."

Fatu Addy, Liberia Woodwork Construction Company

"I know that I got a head start in business because I not only got knowledge of business from my parents but inherited much of their property. One major challenge that many business people face is access to finance. Interest rates are too high and the time accorded for repayment is too short. This is preventing many Liberian businesses from growing."

Josephine M. George-Francis, Liberia Resources Incorporated

"Customs and police officers at the border are out of control and there is no law to govern them. In the era of HIV/AIDS, raping innocent women who are trying to make ends meet is a death sentence."

Kuma Dolo, Liberian Entrepreneur

"My advice for women that want to go into business is that they should be resilient and never tell themselves that they cannot achieve something. It is also important not to seek short cuts but take the time to come up with a well thought-out business strategy that analyses your cost, your anticipated earnings, and competition. Lastly, I advise women to carefully read the terms of the loans before they sign on, because there is nothing worse than starting your business off with a huge amount of debt."

Ade Jones-Captan, Groovies Entertainment Center & Restaurant

"Women in business need to learn how to save when their business is successful to address future investment needs. Unfortunately, the few people who are able to take loans from banks use the money to buy fancy cars, gold, or other lavish goods, instead of using the money for their business, as was their initial intention."

Maureen Shaw, Liberian Entrepreneur & Co-founder of the Liberian Business Association

"Before, women were not respected. Now, since we are informed, we are having meetings with Immigration, Security Forces, Police, and Customs Officers. It makes us know our rights."

Rebecca Sumo, Liberian Entrepreneur

WHAT IS DIFFERENT FOR WOMEN DOING BUSINESS IN FRAGILE AND CONFLICT-AFFECTED SITUATIONS (FCS)?

Obstacles specific to women conducting business identified in the report—many of them enhanced by the post-conflict environment—include:

- **Widened gender gaps in education and skills** as a result of the breakdown of the education system during the conflict and the subsequent brain drain.
- **Weaker property rights** as a result of land titling complexities in the process of reclaiming land rights following displacement.
- **Larger domestic burdens** as a result of an increase in the number of female-headed households and the larger size of households.
- **Increased vulnerability to gender-based violence**, particularly in the form of sexual assault, a common feature of conflict. A weak rule of law and lack of services in the immediate post-conflict settings make violence against women still highly prevalent in FCS.

- **A less conducive investment climate**, characterized by uncertainty and risk, which makes financing unavailable and conditions more punitive, with serious infrastructure constraints limiting access to markets and weak regulatory frameworks that do not facilitate investment.
- **Less access to business information.** Disrupted social networks and depleted physical infrastructure make it harder for business men and women in FCS to access essential business information and intelligence.
- Beyond these obstacles, another striking feature of women doing business in FCS pertains to **their “business path” and the frequent need to start from scratch** after losses suffered in the conflict.

The report also shows that, despite all the hurdles, FCS can also be a source of new opportunities for women entrepreneurs. These include: (i) potential changes in gender roles as a result of women’s assuming new economic activities that, in the pre-conflict period, were reserved exclusively for men; and (ii) the reform drive of countries emerging from conflict or during the reconstruction phase. These situations create entry points for consolidating gender equality gains and women’s rights in specific laws and reforms and open up unique opportunities in favor of women in general and women entrepreneurs in particular.

RECOMMENDATIONS

The question therefore remains: what can policies and programs do to ensure that women’s economic roles in post-conflict economies translate into long-term gains and consolidate economic empowerment and entrepreneurship growth during the transition from reconstruction to development? The report’s recommendations target the five main sets of obstacles that women entrepreneurs often encounter.

1. **Comprehensive and conflict-sensitive skills enhancement programs for women entrepreneurs.** Programs to support women entrepreneurs should adopt an integrated approach in

order to address the complex and interlinked issues relating to business and technical skills:

- **Promote flexible business and skills training programs** tailored to the varied skill levels of women entrepreneurs.
- **Scale up successful models of market-oriented skills training for women** facilitating the transition from school to self-employment, such as the Liberia Young Women and Adolescent Girls Economic Empowerment (EPAG) Project.

2. **Access to Assets and Finance.** Implement measures to increase women’s access to finance and facilitate women entrepreneurs’ transition from informal sources of credit (e.g., credit clubs and *susus*) to the formal commercial credit. Specifically:

- Integrate **financial literacy components** in all training programs for women entrepreneurs in order to build the technical skills necessary for managing credit and, gradually, build a credit culture among female entrepreneurs.
- Promote **public sector initiatives and incentives** to encourage private sector lending to women entrepreneurs and equity funds in order to address the constraints women face when starting up new businesses.⁸
- Expand the financial infrastructure by establishing **credit bureaus and collateral registries** that can increase access and reduce the cost of borrowing. These instruments present better options for SMEs, but especially for women entrepreneurs in the absence of land and/or a mortgage as collateral options.⁹
- **Encourage financial institutions to target women** entrepreneurs as a viable market and enhance their financial products offering through hands-on financial literacy and business management training for women-owned SMEs.
- Promote within business networks **exchanges of experiences** showcasing **successful business women**, to encourage women to aim higher, take calculated business risks, and expand their businesses.

⁸ Recommendation by the SME Finance Task Group of the Global Partnership for Financial Inclusion emerged from the G20 Summit in Seoul (November 2010), as per the report *Strengthening Access to Finance for Women-owned SMEs in Developing Countries*, GPFII, October 2011.

⁹ Ibid.

¹⁰ Ibid.

- **Accelerate land reform** as a means of expanding women’s access to secure assets.¹⁰
3. **Business Networks and Associations.** Invest in building the institutional capacity of women’s business and entrepreneurs’ associations and networks by: (i) promoting and supporting women’s participation in existing business and professional associations and chambers of commerce (using, for example, leading female members as spokespersons to promote the importance and benefits of peer-to-peer networking among women business leaders and entrepreneurs); (ii) promoting and supporting the creation of women-specific business groups and associations based on trade, geographical area, etc., as mechanisms to pool resources and facilitate access to assets, finance, services, and information; (iii) and supporting business-women networks nationwide.
 - **Women’s business networks’ program of action.** Women’s business networks can play a crucial role in facilitating the growth of women entrepreneurs in Liberia in several areas. These include peer learning and knowledge sharing, partnership opportunities, mentoring and role modeling, as well as advocacy to support women entrepreneurs.
 4. **Institutional and policy reform for women’s entrepreneurial growth and economic empowerment.** Policy makers should seize the opportunity presented by the post-conflict period’s “reform drive” to address the obstacles that women face in the business arena through legislation and policy reform. This would entail:
 - Continue promoting **gender-aware investment climate reforms** in the areas of assets and access to credit and accelerate related reforms, such as property rights.
 - **Establish incentives and targets in a number of areas,** including: access to finance,
 - whereby commercial banks can design specific approaches and products to encourage the development and growth of women entrepreneurs in Liberia; and access to markets, whereby the Liberian government could encourage the sourcing of goods and services from women-owned enterprises. Efforts should also be made to ensure maximum exposure for women entrepreneurs either through business or trade missions.
 5. **Policy reform for women entrepreneurs’ interests would require work at different levels, including:** (i) *Data generation* — identifying key data gaps in Liberia to assess women entrepreneurs’ economic empowerment and integrate the corresponding data needs in sector and national data collection instruments; (ii) *Advocacy*—supporting the development and implementation of the women’s business network advocacy plan(s); and (iii) *Policy dialogue*—promoting the participation of business women (through networks and associations, where they exist) in government reforms processes and establishing *ad hoc* forums, such as a National Women’s Business Forum, for policy dialogue.
 - **Promote necessary reforms and ensure their implementation to continue strengthening governance and the rule of law** targeting the problem of gender-based violence.
 - Address women entrepreneurs’ skills deficit through **gender-informed education reforms**, particularly in the area of vocational and professional training targeting women’s needs.
 - Establishing institutional mechanisms to support women entrepreneurs, including a **National Program for Women Entrepreneurs and a National Leader/Champion for Women SMEs.**¹¹

¹¹ Ibid.

I. INTRODUCTION

This report combines quantitative and qualitative information to present the situation of women entrepreneurs in Liberia and to document the challenges and enabling factors that they face as women entrepreneurs.¹² The report strives to shed light on the specificities of women starting and operating a business in Liberia. An important part of the report is concerned with formulating operational lessons and recommendations on how the World Bank, IFC, and their partners and clients can support women entrepreneurs and contribute to their economic empowerment in countries such as Liberia that are emerging from conflict.

Why a focus on women entrepreneurs in conflict-affected situations? Women play a critical role in reconstruction efforts following the end of hostilities. Their economic activity is essential, as they are often the main sources of family support when male relatives are killed or injured in the war. Depending on the specific circumstances of each case, women are also frequently among the most trusted members of a community, given their lack of participation in violent wartime acts (Lemmon 2012). At such times, many women become self-employed entrepreneurs out of necessity. The post-conflict phase of the fragility-conflict-post-conflict reconstruction continuum presents an important opportunity to capitalize on that economic participation and to support women entrepreneurs. Such support can facilitate—and more importantly, accelerate—their contribution to economic recovery while transforming their activities into tangible economic empowerment outcomes for themselves, their families, and society.

Women doing business. Despite such a crucial role, it is only in the last few years that significant attention is being given to the specific needs of women entrepreneurs in fragile and conflict-affected situations (FCS) like that of Liberia by development researchers and practitioners. This report aims to contribute to the growing body of knowledge on this topic. An important goal of the report, as inspired by IFC's *Voices of Women Entrepreneurs* series, is to present the analysis and findings from women's own experiences and perspectives. To that end, the work involved a desk review of key policy documents, such as Liberia's Poverty Reduction Strategy Paper (PRSP), the most recent World Bank poverty and labor market studies, IFC's *Doing Business* survey, and the analysis of a survey conducted among 1,000 entrepreneurs.¹³ In addition, the report builds on seven in-depth case studies of Liberian women business leaders, complemented with the voices of other women entrepreneurs echoed in various studies about Liberia.¹⁴

This report is meant to serve as a learning and advocacy tool for those working in different capacities to promote and support women's entrepreneurship in FCS. These include *government partners*, such as the Ministry of Gender and Development, the Ministry of Commerce and Industry, or business associations operating in Liberia (the Liberia Business Association, the Chamber of Commerce, etc.). *Development partners* operating in Liberia or in other conflict countries that support the work of women as economic agents will also find this report useful for policy purposes. *World Bank group teams* working in Liberia and other FCS can also refer to this learning tool and the lessons presented

¹² This report is one of the outputs of the program "Fragility and Conflict, Lessons on Gender Inclusion: Improving Women's Access to Rights, Resources and Voice" implemented by the World Bank Institute (WBI) between 2011 and 2013, and financed by the Bank-Netherlands Partnership Program (BNPP). The objective of the program has been to improve understanding of the role of gender issues in the context of conflict and fragility in order to develop gender-sensitive policy and operational approaches to peace-building and post-conflict reconstruction through the development of targeted knowledge products and learning tools. The grant has supported work in Zimbabwe, Liberia, South Sudan, and Papua New Guinea.

¹³ Survey conducted by IFC in 2007 with 1,032 businesses to analyze barriers to enterprise formalization.

¹⁴ Primarily the World Bank Poverty Assessment (2012) and the World Bank Girls' Vulnerability Assessment (2008).

here to inform the design of future operations or the design of additional analytical work. Finally, *women entrepreneurs' groups, associations and networks* can use this report as an advocacy tool in different policy processes at national and regional levels to advocate for gender-aware policy reforms in support of women entrepreneurs in Liberia and beyond.

Report's Outline. Following this introduction, Section II presents a profile of women entrepreneurs

in Liberia, describes the challenges they face, and outlines the enabling factors they encounter when operating their businesses. It integrates women's voices and experiences into the analysis. Section III analyzes the specificities of women doing business in FCS. Section IV proposes policy recommendations, which are summarized in a matrix in Appendix I. Appendix II presents the complete set of seven case studies of women entrepreneurs operating in Liberia.

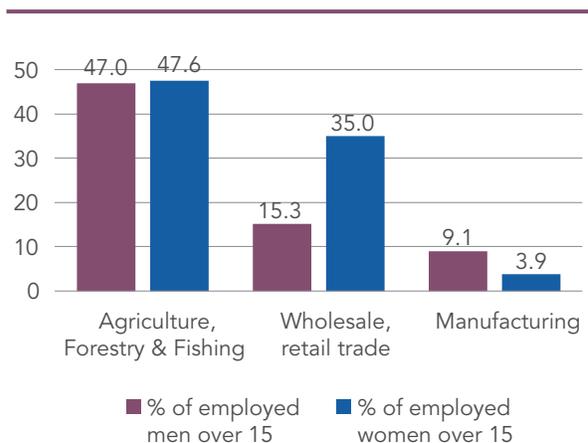
II. VOICES OF LIBERIAN WOMEN ENTREPRENEURS

Liberia is promoting a policy environment to encourage growth and poverty reduction. The country's post-conflict reconstruction kicked off with, and is taking place under, a policy environment with a strong commitment to long-term development focusing on economic management and building institutional capacity to enable sustainable change. Despite the international economic crisis, GDP growth rates have generated noticeable improvement in the country's general economic conditions (except in 2008) and have helped reduce poverty (GoL 2011). Liberia's first full Poverty Reduction Strategy (PRS) established government priorities for the period 2008–2011 in four main areas: peace and security; economic revitalization; basic services and infrastructure; and governance and the rule of law. Gender equality was defined as a cross-cutting theme under the PRS, and women's economic empowerment has featured prominently in the strategy, particularly in the Economic Recovery Pillar, setting the pace for the country's focus on gender issues that have continued in the current PRS.

WHO ARE LIBERIAN WOMEN ENTREPRENEURS?

Liberian women are dynamic entrepreneurs. Women in Liberia are much more likely than men to be self-employed (69 percent of women compared to 56 percent of men).¹⁵ They tend to operate mainly in the agriculture sector and predominate in the area of retail trade (Figure 1). Almost a decade after the end of the conflict, women manage a significant share of registered SMEs (34 percent).¹⁶ Compared to men, **female entrepreneurs tend to own informal businesses.** The majority of female entrepreneurs in Liberia continue to work informally, in

Figure 1. Labour force participation by sex in main sectors of activity



Source: Liberia Labor Force Survey 2010

low-productivity sectors (World Bank 2012a). Indeed, 75 percent of women, compared to 61 percent of men, worked informally in 2010 in Liberia.¹⁷ Among entrepreneurs, women are much more likely than men to own completely informal enterprises (60 percent of women compared to 45 percent of men).¹⁸

Women-owned businesses are smaller and less mature than male-owned ones. Business women are less educated and younger than their male counterparts. According to an IFC survey of over 1,000 businesses in Liberia conducted in 2007, business women in Liberia are younger than male

¹⁵ Liberia Labor Force Survey, 2010.

¹⁶ Liberia Business Registration Bureau, May 2013.

¹⁷ Liberia Labor Force Survey 2010.

¹⁸ IFC, 2007.

entrepreneurs (Figure 2a). They also have a lower education level (Figure 2b) and own smaller (Figure 2d) and less mature businesses (Figure 2c) than those owned by male entrepreneurs.

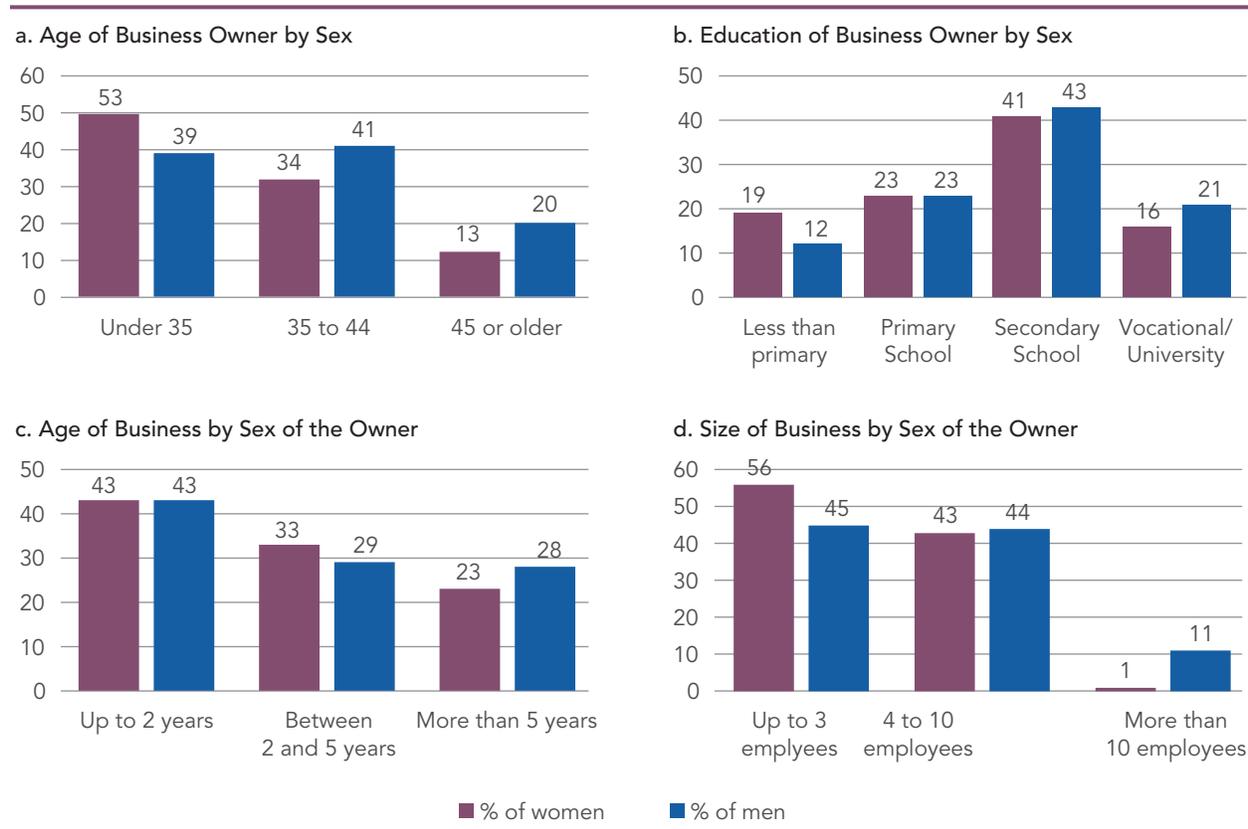
By sector, women predominate in services, mainly in small retail and trade. Wholesale and retail trade, the second-most important sector for employment in Liberia after agriculture, employs as much as 35 percent of the female workforce (compared to just 15 percent of employed men).¹⁹ In 2006, the vast majority of women in greater Monrovia worked as market vendors and in petty trade (68 percent of the urban female labor force).²⁰ The most recent data also confirm this trend. While women are involved in low profit income-generating activities in services (e.g., catering, handicrafts and retail, and general merchandise), given their low literacy levels few women venture

into more profitable areas of service. Focus groups conducted with 200 women entrepreneurs—including LIWEN members and graduates of the 10,000 women training program—also show that, in 2013, the sectors with the highest female participation are catering, general merchandise, and retail (mostly clothing) (Figure 3). Box 1 presents a sketch of the types of female entrepreneurs emerging in Liberia.

A BETTER INVESTMENT CLIMATE TO FOSTER WOMEN'S ENTREPRENEURSHIP IN LIBERIA

Despite recent improvements, both men and women entrepreneurs face genuine obstacles to engaging in business in Liberia. Liberia is currently ranked number 149 out of 185 countries in the 2013 IFC *Doing Business Report*, a five-position increase over last year. Government reforms have led to

Figure 2. Who are Liberian Women Entrepreneurs?

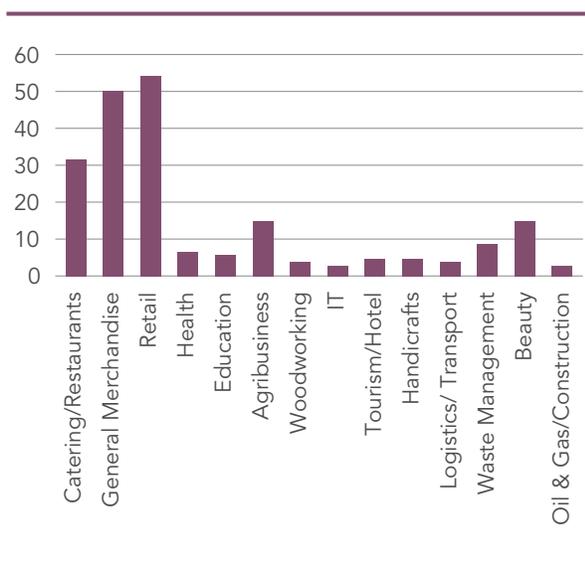


Source: Based on a survey of 1,032 businesses titled "Survey on Barriers to Enterprise Formalization in Liberia"; IFC, 2007.

¹⁹ Liberia Labor Force Survey 2010.

²⁰ Liberia Comprehensive Food Security and Nutrition Survey, 2006.

Figure 3. Liberian Women Entrepreneurs: Sectoral Representation



Source: IFC Women Entrepreneurs Survey 2012.

important improvements, particularly in reducing the length of procedures required to start a business or to access finance. Indeed, Liberia is currently ranked 35th for *starting and registering a business*, and reforms undertaken have reduced the number of days to register a business from 20 in 2011 to just two in 2013. In the area of access to finance, Liberia

currently ranks 98th out of 183, compared to 139th last year. However, despite such notable improvements, entrepreneurs continue to encounter important business challenges linked to poor infrastructure, the limited availability and inadequacy of financial products geared toward SMEs, and the short supply of skilled workers. Informality remains the principal challenge of the Liberian economy, with the majority of businesses being created within the informal economy and as much as 78 percent of the labor force working informally in 2010 (World Bank 2012a).

Women-owned businesses are more vulnerable to investment climate constraints in Liberia. While the challenging business environment of FCS affects both men and women entrepreneurs, investment constraints in Liberia affect women-owned businesses more. Women are overrepresented among small and informal businesses, and therefore are usually hit harder by investment climate constraints (Simavi et. al. 2010). Further, while most laws in Liberia are gender-neutral and do not discriminate against women, as reported in the Women Business and the Law report, 2010, there is a need to harmonize statutory and customary law in order to remove discriminatory practices under the latter, especially with regard to access to and control over land.²¹ These biased practices have a direct impact on women entrepreneurs and their ability to access finance to grow their businesses (Box 2).

Box 1. Portraits of Liberian Women Entrepreneurs

While the phrase “Liberian women entrepreneurs” might at first call to mind Monrovia “market women,” this stereotype is quickly becoming outdated as more and more women launch competitive businesses on par with those of their male counterparts. Most of these businesses started “small small,” as their founders like to say, during or after the war, and overcame many hurdles to grow into strong enterprises with many employees. Some of the women entrepreneurs featured in this report ventured into woodworking and large-area farming—sectors predominantly occupied by men. Others began trading “small small” during the war and are now traveling to China and importing containers packed with merchandise worth thousands of dollars several times a year. This is how they do it. Liberian women travel to China in groups of 10 or 12. Before embarking on the trip, they do a thorough market assessment of what customers in Liberia and the surrounding countries like. A typical itinerary might take them through Ghana, Nairobi or Ethiopia, and Bangkok; then it’s on to Guangzhou. To save on costs while abroad, they share accommodation. Once in China, they go to the market and present Chinese suppliers with their own designs, samples, and specimens, which will be used to produce the merchandise. For example, T-shirts with catchy phrases such as “chop my money,” “marry me,” or “my money is my money” are very popular back home. Usually, the merchandise is produced in a matter of days, and after that it is time to go back home, back to business.

Source: Author’s elaboration based on information in the case studies.

²¹ <http://wbl.worldbank.org/>.

"The infrastructure in Liberia has been devastated by the recurrent wars and conflicts. We have had to rely on generators since the wars but most of the equipment and machinery are heavy-duty and require a strong power source. Most of the money we make goes into paying for power and fuel."

Fatu Addy,
Liberia Woodwork & Construction Company

Furthermore, a number of structural constraints originating from long-standing gender inequalities were aggravated by the protracted conflict.

These constraints stem from women's disadvantage in accessing education, skills, information, contacts, or property, and they therefore lead to non-neutral gender outcomes in the investment climate. Recognizing these constraints, the government has initiated some gender-aware investment climate reforms, the main points of which are summarized in Box 3.

Corruption is an example of how investment climate constraints hit business women harder

in Liberia. Several women interviewed referred to "doing business the Liberian way" as a well-known term for various corrupt practices, ranging from bribes to clientelism. While some of these practices affect both men and women entrepreneurs, studies show that women are often hit harder by corruption when operating a business, as they are more often considered soft targets of corruption and are asked to provide "speed payments" (Simavi et. al. 2010). In a 2007 IFC survey of Liberia, more women than men (81 percent compared to 76 percent) reported corruption as a major barrier to formalization. Most important however, as discussed in Box 4, **gender-based violence** is probably **the worst form of corruption** to which female entrepreneurs in Liberia are subjected. It "taxes" women's ability to do business and significantly increases the cost of doing business.

COMMON OBSTACLES FACED BY WOMEN ENTREPRENEURS

Beyond investment climate constraints, a number of gender-specific factors make it more difficult for women to start and operate their businesses in Liberia than it is for their male counterparts.

Box 2. Josephine M. George-Francis
Owner, Liberia Resources Incorporated



"[I got into politics] because women's voices are not being heard and I figured with my experience abroad and as a farmer and businesswoman I can make a difference."

Hon. Francis is the owner and Chief Executive Officer (CEO) of Liberia Resources Incorporated, a conglomeration of Aquarius Beverages, a water-bottling company, Liberia Brick and Tile factory, and Arjay Farms, located in Montserrado County. She is also the Chairperson for the Women Legislative Caucus. Hon. Francis recognizes that Liberia is not an easy terrain for women to navigate on many levels, including in the realm of entrepreneurship, and for this reason she opted to get involved in politics, in addition to running her business.

According to Hon. Francis, Liberian women need a **stronger voice** in politics to be able to create a better enabling environment for themselves and have a greater influence on decisions that impact the private sector. *"Liberian women need to be proactive in their advocacy to ensure equal participation in government and in the private sector."* If there were more

female lawmakers, women would play a greater role in pushing for constitutional reforms, especially on issues related to land, labor/skills, access to finance, as well as increased opportunities for women entrepreneurs and their ability to access contracts. This is even more relevant for women farmers, who often work on the land but do not own it.

See Appendix II for more on Hon. Francis and other women entrepreneurs.

Box 3. Examples of Gender-Aware Investment Climate Reforms in Liberia

Making it easier for women to trade across the border. Women are prominent actors in informal cross-border trade across Africa. The case studies in this report trace the journey of two Liberian women who started out trading in neighboring countries but are today bringing over thousands of dollars worth of goods from China to Liberia. Over the past few years, the Liberian government has adopted a series of reforms to improve cross-border trade. In 2009, the government reduced the fees required for customs clearance and port and terminal handling of goods. In 2010, the government created a one-stop shop that brought together various ministries and agencies, thus streamlining export and import processes. In 2012, the government adopted an online submission system for customs forms and has enhanced risk-based inspections. Women interviewed acknowledge that “the time it takes to clear a shipment from customs has also improved ever since the government introduced a one-stop shop at the port.”

Promoting collateral flexibility for loans. In Liberia, as in many countries, women are less likely to own property or assets that could qualify for collateral. This automatically limits the ability of women-owned SMEs to access finance through commercial banks. In 2012, a new commercial code broadened the selection of assets that can be used for collateral. This is expected to have a positive impact on female borrowers.

Creating and promoting the use of a credit bureau. Research has shown that women are better payers and depositors than men. By developing a credit bureau and encouraging institutions to use it, not only will it positively impact the credit culture but it can also benefit women as their higher repayment behavior will favorably add to the bankers’ decisions on approving their requests for loans.

Women’s Desk at the Registration Bureau. The Liberia Business Registration Bureau opened a Women’s Desk in 2013. Staffed by one female official, the desk provides information and assistance to women entrepreneurs in the process of formalizing their businesses.

Among them are lower literacy and skills levels, greater difficulty accessing finance as a result of lack of collateral (originating in weak property rights), or limited participation in business associations and networks.

Education and skills

The prolonged years of conflict have led to high rates of illiteracy, particularly among women. Liberia’s successive conflicts regularly interrupted the normal course of education; those who could, fled the country to study abroad, resulting in a serious brain-drain. These disruptions additionally left 52 percent of adult women (15 years and older) and 28 percent of men unable to read and write by 2010.²² The situation is improving, however, data show that younger men and women are spending more time in school, and the literacy rate for the 15-to-24 age group has reached almost 80 percent (73 percent of literate females, compared to 86 for males in this age group).²³

“The other major thing about securing a catering contract—or any tenders, for that matter—is that, when negotiating with the people responsible for awarding the contract, many expect a kickback. If you are ready to do things the ‘Liberian way,’ they expect you to pay them upfront, in addition to pre-financing the order. Also, many officials prefer to award contracts to family members or friends that have no qualification or experience executing such contracts.”

Maureen Shaw,
Textile trader and catering manager

The current generation of women is therefore lacking many basic skills that will enable them to operate businesses successfully. Illiteracy affects the ability of business women to structure their businesses properly, bid for contracts, deal with banks, effectively access the legal and justice system, and understand laws and regulations that impact their

²² Liberia Labor Force Survey, 2010.

²³ Ibid.

Box 4. Gender-based violence (GBV), an extra tax for women-owned businesses in Liberia

GBV imposes a high toll on Liberian women entrepreneurs, directly impacting their ability to do business. The use of sexual violence from government authorities in return for official permits/transactions is a serious form of corruption and abuse reported by women. This is a pervasive problem in certain sectors, such as cross-border trade in Liberia, but also in other places in Africa, as reported by UN agencies (UN Women 2011).

In Liberia, as in many other FCS, impunity for gender-based violence offenses as a result of a weakened rule of law has a clear impact on women's business in the form of an extra tax—and an expensive one for that matter, as the testimonies below show:

"Crossing the borders, we always look at the small money we get, but it is at the cost of our self-esteem and life. Sometimes they detain you at the border, saying the border is closed, you have to stay overnight so they force themselves on you."

—Rebecca Sumo, cross-border trader

"Customs and police officers at the border are out of control and there is no law to govern them. In the era of HIV/AIDS, raping innocent women who are trying to make ends meet is a death sentence."

—Kuma Dolo, cross-border trader

Source: Author's elaboration based on information in the case studies.

businesses. In addition, lack of business skills or weak record-keeping practices are some of the problems found by institutions working with female entrepreneurs in Liberia. Up to 90 percent of financial applications to the Liberia Enterprise Development Finance Corporation—a lending institution in Liberia with a significant female portfolio—were incomplete, officials said. A study of Liberian entrepreneurs found that "due to a general lack of formal business skills among Liberian entrepreneurs, most applicants are unable to create sufficiently strong business plans for banks to lend on" (Lemmon 2012).

Although Rebecca Sumo, an import trader with three shops in Liberia, was not able to continue her education beyond the 10th grade, she can read and write. However, the type of business she runs requires a lot of paperwork. "Fortunately I am married to a supportive husband who went to Cuttington University and works in the rubber trade. He helps me with e-mails, written correspondence for the business, as well as with financial record keeping."

Rebecca Sumo,
Import-export trader

Also, the lack of technical skills constrains women's opportunities to develop their businesses in higher-productivity areas. Gender gaps in vocational and professional training are particularly wide in Liberia, and gender segregation remains high. The 2010 Labor Force Survey shows that men are twice more likely than women to have attended vocational training; 20 percent of men compared to just 10 percent of women had attended such training in 2010. While noticeable counter examples exist (see Box 5), most programs in Liberia continue to promote women's skills in traditional areas, the majority of which are not necessarily responsive to labor market demands. Data on the type of training undertaken by men and women show that men will be more likely than women to profit from opportunities arising from reconstruction efforts. The majority of men have built their skills in construction-related trades, such as plumbing, masonry, carpentry, and electricity (40 percent), followed by computing (14 percent), auto-mechanics (12 percent), and teaching (8 percent). As early as 2007, the World Bank Gender Needs Assessment indicated women's absence from the sectors that would be the drivers of growth, such as construction and rehabilitation, commercial agriculture, or mining (World Bank 2007). Almost six years later, half of all women (46 percent) continue to take courses and focus their activities in low-productivity sectors such as tailoring,

Box 5. Eyvonne Bright-Harding, Sharks Inc.

“Knowledge and skills are major roadblocks for Liberian women entrepreneurs. Their lack of business and financial management knowledge hampers their ability to run strong and profitable companies and compete with male-owned enterprises.”

Eyvonne Bright-Harding, owner and CEO of Sharks Entertainment Inc., started her business during the heat of the Liberian civil unrest selling bags of water and food. “I had to find a clever way to survive, and food was the solution. Every part of the city was overtaken by the rebels and I knew they needed to eat, so if I could get them food and something to drink, I would be ok,” she says, remembering the very trying times Liberia has seen.

Eyvonne’s real dream was to open an ice cream manufacturing plant. In 2000, with a small loan from LBDI, she had the opportunity to go to the US, where she purchased two homemade ice cream machines from Walmart, each costing \$19.99 and taking her 45 minutes to make half a gallon of ice cream. Today, with a total of 25 employees, Sharks has three commercial machines that enable Eyvonne to make two and a half gallons in 30 minutes per machine. Also, as access to electricity is difficult in Liberia, Eyvonne saw an opportunity to offer an additional service to her clientele by selling prepaid electricity. As of June 2013, Sharks had over 13,000 clients from the prepaid electricity alone.

“Knowledge has been the greatest asset for me,” says Eyvonne. “I went to school to become an accountant, but I will say this is not enough to claim to be an entrepreneur. As an ice cream manufacturer, I had to learn about everything, the different ingredients, flavors, etc. But I also had to learn about branding and marketing and how to position myself in the Liberian market, which is filled with imported ice cream brands. Of course, this is in addition to learning how to write my business plan and keep my finances in order.” Knowledge and skills are a major road block for Liberian women entrepreneurs. Their lack of business and financial management knowledge hampers their ability to run strong and profitable companies and compete with male-owned enterprises. When business training is made available, very few women attend, as they fear being absent from their activities for too long with no one to manage operations for them. It is therefore important to structure the training sessions around the women’s busy schedules, and make learning practical so that they can apply it right away in their businesses.

See Appendix II for more on Eyvonne and other women entrepreneurs.

pastry making, and tie and dye, with less than 7 percent enrolled in construction-related courses and just over 10 percent following computing courses.²⁴

Access to credit

Despite recent improvements, women continue to experience difficulty in accessing credit in Liberia.

Lack of credit is a serious problem for Liberian entrepreneurs, despite improvements in recent years (Liberia ranked 98th out of 183 in the *Doing Business* getting credit category in 2012, up from 139th in 2011). The World Bank Inclusive Growth Diagnostic refers to “an almost complete lack of credit for SMEs and individual entrepreneurs, which severely limits the possibility of many low-income Liberians undertaking potentially profitable economic activities” (World Bank 2012b). Overall, and while women hold a significant share of

the microcredit portfolio (56 percent of the portfolio of the two biggest microcredit institutions in 2013);²⁵ they only represent 6 percent of commercial credit in 2013, and are virtually absent from formal financing channels.²⁶ The IFC Survey found that, among Liberian business owners, more women than men resort to savings clubs and *susus* (IFC 2007). “Women, especially the owners of completely informal firms, are highly likely to rely on savings clubs or *susus* for financing rather than on institutional sources of financing,” the report concluded.

- **Lack of credit culture and “banking” literacy.** The Central Bank of Liberia reports over 23 percent of non-performing loans in Liberia in 2012. This figure without a doubt explains the low-risk appetite from financial institutions to venture into the SME market, and even less into the

²⁴ Ibid.

²⁵ IFC client diagnostic data (Internal Report).

²⁶ Ibid.

Box 6. Fatu Jalloh Addy, Liberia Woodwork Construction & Trading Corp.



"My Father's determination to keep a Liberian-owned factory and to be competitive inspired me and I followed in his footsteps and took over the wood factory, a business seen as limited only to men."

Fatu Jalloh Addy, Owner and Manager of Liberia Woodwork Construction & Trading Corporation, one of the few Liberian women in this male-dominated sector, learned the carpentry business from her father, who founded the company in 1988. Since she took over at the age of 22, Fatu has been able to turn the company—now with 15 employees—into a fully functioning carpentry factory, despite the successive wars and the number of times her facilities were looted and ransacked. The Liberia Woodwork Construction & Trading Corporation specializes in the manufacturing of customized home, office, and school furniture, wooden doors, plywood doors, door frames, and wooden strips, as well as aluminum windows, doors, and partitions. The corporation

also provides processing services to secondary carpenters and builders. Fatu's opportunity to study abroad, during which she obtained a degree in Business Management, as well as her work experience in Ethiopia, Burundi, and Guinea, have influenced her vision for the company, her sense of ethics, and the way she runs her business. In November 2010, she received a regional young African entrepreneurs' award from *The Network Journal USA*.

"Among the many challenges we face as entrepreneurs, one of the major ones is **access to finance**. In an unstable environment, nobody wants to invest, let alone invest in the long term. Ours is a long-term business. Financing is critical to rebuilding the Liberian economy and developing the local private sector." It is even more critical for Liberian women entrepreneurs who, although courageous and bold, may not have the knowledge or the collateral to approach banks to ask for a loan. And when they do, the requirements imposed by financial institutions—which have been burnt by a large number of people who have not repaid their loans—are so demanding and the interest rates are so high that it does not make sense to take the loan.

See Appendix II for more on Fatu and other women entrepreneurs.

women's market, which is considered "smaller" and perceived as riskier by banks. Furthermore, the women interviewed in this report as well as those participating in focus groups conducted among young women entrepreneurs in Liberia in 2008 specifically referred to women's limited understanding of banks and how to manage credit; some admitted to using the borrowed

capital for household consumption, rather than business investment (World Bank 2008). Research on post-conflict investment climate points to the importance of financial education and building a strong credit culture for SMEs, and in this case women-owned SMEs, to facilitate the transition from informal (credit clubs or *sususu*) to formal commercial credit (Lemmon 2012).

"Women in business need to learn how to save when their business is successful in order to invest in its growth. Unfortunately, some of the few people who are able to take loans from a bank use the money to buy fancy cars, gold or other lavish goods, instead of using the money for their business, as was their intention."

Maureen Shaw,
Textile trader and catering manager

- **Collateral** is also difficult to mobilize. This is partly the result of gender gaps in land ownership. For example, only 16 percent of women own land, compared to 33 percent of men.²⁷ It is also due to entangled land disputes, which can make it difficult for women entrepreneurs if the preferred type of collateral for commercial banks is land or property. Introducing the use of moveable assets (e.g., vehicles, gold jewelry, furniture, inventory, etc.) would have a positive impact on women's ability to access funding.

²⁷ www.afdb.org

Box 7. Secured Transactions and Collateral Registries: A Solution to Access to Finance for Women Entrepreneurs*

Lack of access to finance is consistently cited by business owners as one of their most limiting constraints, and it disproportionately affects women. Most studies find that women are not more likely than men to be rejected for loans or be subject to higher interest rates. But women are less likely to apply for loans than men.

Microfinance has made a major contribution to enhancing women's access to credit. It is estimated that eight out of every 10 microfinance clients are women. But the rigidities of microfinance can be limiting for women. By definition, amounts lent are small, interest rates tend to be higher than commercial bank rates, and lending periods are short. Lack of access to land title can be a major impediment for both men and women seeking finance in formal systems that are frequently highly collateralized. But the problem is likely to be significantly worse for women. Reforms to a country's secured lending system to enhance the use of movable securities can have a significant impact on access to credit across the board.

For example, in 1999, Romania undertook a package of measures, including legal reform, to make it easier for a wider range of movable assets to be used as collateral. Since then, more than 200,000 notices of security interests have been registered, the number of borrowers has increased threefold, and the volume of credit has grown by 50 percent. Following similar reform in the Slovak Republic in 2002, more than 70 percent of new loans to businesses are now backed by movable assets. Additionally, in Sri Lanka women commonly hold wealth by way of gold jewelry. This is accepted by formal banks as security for loans. Finally, in Tanzania, Sero Lease and Finance, a woman's leasing and finance company, provides loans to women to purchase equipment for their businesses, using the equipment as security through leasing agreements.

Women's problems in accessing finance are compounded by a number of factors, including lack of a credit culture, lack of confidence, and lack of valid collateral.

Source: Secured Transaction Systems and Collateral Registries, IFC, World Bank, MIGA 2010.

- **Lack of confidence in their abilities as entrepreneurs.** Women are more likely to resort to informal channels to finance their businesses (*susu* clubs) than men. The nature of their businesses (informal and small) makes them less attractive to commercial banks but also shapes women's limited ability to "think big, long term, and take risks," leading them towards sources of finance they perceive to be easier and safer. A higher percentage of women than men answered "because I knew I couldn't get a loan" as the main reason for not applying for loans in the 2007 and 2012 surveys. Lack of confidence in their abilities as entrepreneurs is a common problem among small-scale female entrepreneurs around the world, and a prevalent feature in other post-conflict economies as well. The *Voices of Women Entrepreneurs Report in Bosnia and Herzegovina* (IFC 2008) found that as many as 34 percent of women already in business were unsure as to whether they had the right skills and knowledge to start a business.

For larger size, women-owned businesses, one of the problems often referred to is the lack of

long-term financing or inappropriate financial products to meet their business needs, essential for investments to scale up and expand businesses. All the women interviewed for this report claimed "absence of long-term finance" as the single-most important obstacle to growing their businesses. Kuma Dolo and Fatu Addy, two of the business women interviewed for the case studies, are clear examples of how lack of finance is a limiting factor for

"Banks only give very short-term loans and when you cannot repay them on time they quickly repossess your collateral. Banks need to come up with good packages that can help invigorate our businesses. We also need to feel that they are part of our growth, not just as bankers but as partners as well. For example, if a person has a good repayment history and strong collateral, the bank should take this into account and provide loan extensions, if needed, or work with the client to come up with appropriate payment options that fit their type of business."

Ade Jones-Captan,
Show business entrepreneur

Box 8. Maureen Shaw

Restaurant, catering service, textile shop owner



Maureen is a dressmaker by profession and has a degree in French dressmaking and designer fashion. Today, she operates a guesthouse and restaurant, providing catering services to conferences and employs 20 people. She also has a registered tailoring business through which, in partnership with another female entrepreneur, she bid successfully on a US\$125,000 contract to produce curtains for four government buildings. Maureen's next business venture is to open a Convention Center on 23 acres of land in Marghibi County.

For Maureen, business associations are critical to advocating for business interests. She is a founding member of the *Liberia Business Association (LIBA)* meeting for the past eight years, held every last Thursday of the month at 5 pm with fellow business men and women. LIBA has been instrumental in voicing the interests of businesses as part of the ongoing reform process in Liberia. The association has also been very active in providing input about the investment code to the National Investment Commission, as well as working with entrepreneurs to enhance their ability to get financing. In the past, LIBA has acted as collateral for their members to access loans. "Business Plans were a new concept then," says Maureen. Therefore, they established a loan committee that reviewed business plans and ensured the

funding received was used for its intended purposes. The loans were repaid at 100 percent and the association was able to double the amount to be on-lent to SMEs. An association such as LIBA but devoted specifically to women would help in advancing the growth of women's businesses in Liberia. "We are stronger together, and the LIBA model offers an example of how business associations can potentially help entrepreneurs in accessing key services, such as finance."

See Appendix II for more on Maureen and other women entrepreneurs.

business growth and point to their inability to absorb the cost of pre-financing bids as the main reason for losing out on opportunities for larger government contracts.

Women Entrepreneurs' Networks

Women business owners in Liberia are less likely to belong to business associations than men.

Business networks and associations are important instruments for business development as mechanisms to access capital, contacts, mentoring, advice, or market information, and the women interviewed for this report acknowledge this benefit (see Box 8). Around the world, for many businesses, it is through these networks that business information is shared and contracts are secured. They also serve as important advocacy mechanisms to lobby for the interests of entrepreneurs as part of government reforms, as recognized by Rebecca Sumo, who recounts the benefits of membership in the National Cross-Border Traders Association (Box 9). This dimension is

particularly important in FCS as the "reform mood" of the country offers plenty of opportunities to voice entrepreneurs' concerns and address them as new policies and legislation are being drafted. Liberia boasts both a Chamber of Commerce and a Business Association (Liberian Business Association — LIBA). However, the IFC survey in 2012 found that very few women entrepreneurs belonged to either the Chamber of Commerce or LIBA, and those who were members seldom attended meetings.²⁸

Liberian women value the opportunity to have a women's-only forum for entrepreneurs.

Attempts to create a businesswomen's association in Liberia in 2005 failed. While women managed to register the group as the Liberian Business Women Association (LBWA), the group is not operational. "There is no formal setting designed specifically for women in business to meet, so women meet informally to discuss problems and share experiences and advice. Sometimes we do it in groups. It is helpful and a chance to let off steam on issues like how difficult it is to compete in a

²⁸ IFC focus group discussion with Liberian women entrepreneurs.

Box 9. Rebecca Sumo

Cross-border Trader



“Before, women were not respected. Now, since we are informed, we are having meetings with Immigration, Security Forces, Police, and Customs Officers. It makes us know our rights.”

Rebecca was raised by an aunt who was a successful business woman. From her, Rebecca learned her first business skills. At the age of 16 and in 10th grade, she quit school and began selling goods in the market full time. By 2000, she had saved enough to open her first small shop. By 2006, her business was steadily growing. But in 2006, her shop was completely destroyed in a fire. She was able to restart. Rebecca concentrated on saving so that she could trade in China, where she now travels with other women several times a year to buy merchandise. Today she operates three shops, two in Bong County, and one in Monrovia, trading goods imported from neighboring countries (Guinea and Côte d'Ivoire) or as far as China.

“The information and protection against gender-based violence through the National Cross-Border Traders Association has improved and increased access for women traders.” The Association originally started as a group of rural women, and with support from the Ministry of Gender and UN Women was formalized as a nationwide association that operates in all counties. One of the benefits of the association for their members is that women have learned about their rights. They know how to report violations and make complaints when custom officers misbehave. They have also learned that crossing the borders in a group and sometimes with men also provides protection. They work closely with and can report to the Ministry of Gender. But as one member says, there is still a lot of work to be done: “I know the laws in Liberia, but not the laws in Guinea. We need more information on the laws on the other side of the border.”

See Appendix II for more on Rebecca and other women entrepreneurs.

man’s world, access to finance, foreign competition, balancing the multiple roles that a woman has to play, etc.” (Fatu Addy) A recent initiative to support the establishment of the Liberia Women Entrepreneurs Network LIWEN, facilitated by IFC and the World

Bank Institute, is one step aimed at addressing this gap (Box 10). All the women interviewed perceive as crucial the existence of such a forum, where women can motivate and support each other in doing business more effectively. “Together we look to change

Box 10. Liberia Women Entrepreneurs Network (LIWEN)



LIWEN was created in October 2012 by a group of 25 Liberian business women who felt there was a need for a better environment for women entrepreneurs to maximize their potential and achieve profitable and sustainable growth.

LIWEN’s mission is to develop a platform to empower women entrepreneurs to undertake business initiatives, create a conducive environment in which they can be active and productive participants of the Liberian private sector while giving them access to equal opportunities. The network provides leadership and mentorship among its members and encourages non-members to follow suit. LIWEN also provides training, networking, and exposure to local, regional, and international opportunities.

“Since we’ve launched LIWEN our members have learned tremendously from one another and partnered on projects. Together they have prepared for national events, which have given them great visibility and won contracts based on information shared within the group. We are starting small but our hope is to count all the serious women entrepreneurs of Liberia as members one day.” Adelaine Lavala – President, LIWEN.

Source: Adapted from LIWEN brochure.

Box 11. “Making It” from the Perspective of a Young Matadi Market-Woman

“I was a senior high (10th grade) student when I dropped out of school in 2001 because of pregnancy. My parents were in Ghana at that time and I had to take care of myself and my daughter. I explained my problem to a friend who gave me US\$100 with which I started a charcoal business. I used to go out of town and buy the coal. I would sell during the day and go to school at night. After high school I didn’t go to university because of money business. I then swapped from the coal market to selling of finger foods (fried plantain, *acheke* [ground cassava couscous], etc.).

As my business was good, I took a loan from a community yearly savings club through a recommendation by a friend. The club gave me L\$3000 or US\$40, which I added to my business money. I was not keeping any money. I used it to add the profit to the market to make it big. And my market money was used to buy food in our house, too. This made it impossible for me to save. In 2008, when I was 23, I took the University of Liberia entrance exam and was successful. A friend gave me US\$170, which I used to continue my business. I started selling farina (*gari*). I used to go out of town and bring the *gari* and sell by the bucket. I also used to bring other goods too. I wish to be prosperous in my small business and progress in school so that people can see me and say “this girl came from scratch and here is she today.”

Source: Adapted from Liberia Poverty Note, World Bank 2012.

the face of women’s entrepreneurship in Liberia by enhancing our knowledge of running a business and looking for investment opportunities in non-traditional sectors. It is time for Liberian women entrepreneurs to take the stage nationally, regionally, and globally. We can only achieve this if we come together,” says Eyvonne Bright Harding, Owner and CEO of Sharks (an ice cream company) and Chair of LIWEN.

GIRLS AND YOUNG WOMEN ENTREPRENEURS

While many of the problems that women entrepreneurs face apply to young women and girls as well, some of them are specific to their age. Liberia has a young population, with 18 percent of Liberians being 15 to 24 years old (Liberia Population Census 2008). Many Liberian women entrepreneurs belong to this age group, and many of them had to start fending for themselves through micro and very small business activities at very early ages (Box 11). A World Bank study about barriers to entrepreneurship among young women conducted in Monrovia in 2008 found that, like older female entrepreneurs, young women’s main impediments to starting and remaining in business were lack of capital and lack of business skills. However, unlike older women, the younger women attached a high importance to factors such as mentorship and confidence, and these factors have been integrated into the Liberia Young Women and Adolescent Girls Economic Empowerment Project (EPAG) (Box 12).

Box 12. Good Practices in Skills Training for Women: The Liberia Young Women and Adolescent Girls Economic Empowerment Project

The Liberia Young Women and Adolescent Girls Economic Empowerment Project (EPAG) was launched in 2009 to provide 2,500 young Liberian women with livelihood and life skills training and facilitate their transition to productive work. Implemented by the Government of Liberia with financial support from the Nike Foundation and the Government of Denmark, and administered by the World Bank, the program consists of a six-month phase of classroom-based training, followed by a six-month mentoring and support phase in which the trainees are supported in their transition to self or wage employment. A mid-term impact evaluation of the project shows strong positive impacts on employment (which was boosted by 52 percent) and earnings (an increase of 115 percent for program participants) as well as various measures of self-confidence.

Felemah, one of the program graduates, is now a security guard, after completing the EPAG security guard training. Her plan is to finance her way through university by working as a security guard, study criminal justice, and become the Chief of Police.

Luisa, another EPAG graduate, has completed the painting course and is now a professional painter and small business woman with 14 other classmates. Her teams of painters use their mobile phones to organize business and go around to the many construction sites in Monrovia, marketing their services.

Source: World Bank Group.

Box 13. From Women to Women: Business Women Supporting Young Women Entrepreneurs

Internships for girls and the trade-off between education and earning. Fatu Addy's furniture company has tried to bring in young women as apprentices. However, according to her, it has been tough for both the company and the interns. From the interns' side, the pressure from male co-workers on the factory floor and the perception by both men and women that carpentry is a male domain has discouraged some young women from applying for the job or staying the course. However, the owner explains that the main issue has been money. When the interns have families to support, they need higher-paying jobs. While the company provides a stipend, it does not commensurate to a full-time employment salary. These young girls have too many responsibilities at their age and are looking for quicker ways of making ends meet rather than going through an apprenticeship.

Passing the baton from woman to woman through mentoring. Older women entrepreneurs are passing the baton and investing their time in providing advice and support by mentoring younger women entrepreneurs. In her spare time, Maureen Shaw, one of the business women interviewed, calls the girls that work for her in her various businesses so that they can come to her place and share a meal or watch a movie. *"I try to encourage and advise these young girls because I want them to have a good future."* Equally, LIWEN members mentor young women looking to venture into business. The network provides tips on properly starting a business, as well as internships for the young girls willing to learn.

Source: Authors' elaboration based on information in case studies.

The study also concluded that young women found it difficult to access skill-enhancing opportunities due to family responsibilities, because many of them had become the sole provider of extended families as a result of the conflict. This made it impossible for them to combine income earning with formal education, training, or even apprenticeships (World Bank 2008).

SUPPORTIVE FACTORS FOR WOMEN'S ENTREPRENEURSHIP

Among the factors that women themselves have identified as supportive in their efforts to become successful entrepreneurs and leaders are:

1. **Asset ownership for capital formation.** Land and property have been important points for the majority of the business ventures the women interviewed engaged in. *"I know that I got a head start in business because I not only got knowledge of business from my parents, but inherited much of their property."* —Maureen Shaw
2. **Mentoring.** Learning the trade and the ins and outs of business management through mentors (either parents or senior colleagues), has been women's way of acquiring basic business skills. The majority of women learned their business skills from close relatives. Others mentioned senior colleagues as essential support, for example, in explaining how the export business

worked, or serving as a companion in the first trips to China, or as a source of moral support during hard times. *"I did not get any training. It's only through my aunt that I know when to buy."* (Young Matadi Market woman). Mentoring and mutual support was a recurrent theme for many of the case study interviewees (Box 13).

3. **Education.** Several women interviewed for the case studies were able to receive an education abroad during the conflict. For those who benefited in this way, education in general, and business management training in particular, were essential tools that allowed them to respond to the hurdles ahead and successfully navigate the business world. Those who did not have the education see it as an important handicap at one point or another in their business path. *"I regret that I stopped my education at grade 12 as much as I plan to continue for higher learning."* —Kuma Dolo

"During my first trip to China I was robbed of my savings (US\$ 15,000) by my own friend... The ordeal made me more determined and helped me find my strength. The challenges helped me to be a winner and aim higher."

Kuma Dolo,
Trader

4. **Association membership.** Women getting together to form informal networks by joining others in the same trade has been essential for women as a way of pooling resources and knowledge, from sharing hotel rooms and contacts in China to buying seeds, or protecting each other from sexual assault when crossing the border. Formal participation in associations has also translated for some women in concrete opportunities for accessing finance (see example in Box 10).
5. **Women's strength, resilience, and perseverance.** The role of women's resilience and perseverance cannot be underestimated in light of all the hurdles and setbacks that they

often experience. The majority of women have invested in their business and lost everything several times over. The women have had to start from scratch on several occasions. All the women interviewed have seen their businesses looted or burnt at least once, and some of them have started over as many as four times. This would have been impossible without a large dose of motivation and a strong will. Similarly, going back and crossing the border to do business after having been sexually assaulted can only be possible with strong determination and persistence. As one of them puts it *"many women in Liberia share the same hardships and dreams but it is our common determination that keeps us going."*

III. CONCLUSIONS: WHAT IS DIFFERENT ABOUT WOMEN DOING BUSINESS IN FRAGILE AND CONFLICT-AFFECTED SITUATIONS

Policies aimed at supporting women entrepreneurs in conflict and post- conflict settings should focus on eliminating obstacles specific to women.

Some of the key gender-specific obstacles that are aggravated by the conflict and post-conflict situation include:

1. **Widened gender gaps in education and skills** due to the breakdown of the education system during the conflict and the subsequent brain drain. This leads to a situation of high illiteracy rates, particularly for adult women, limiting women’s potential to successfully operate businesses and to do so in high-productivity sectors.
2. **Weaker property rights** because of complexities in the process of reclaiming land rights after the conflict. These diminished rights undermine women’s already insecure property rights, with the subsequent detriment to female entrepreneurs’ starting capital and access to finance.
3. **Larger domestic burdens** due to an increase in the number of female-headed households and the larger size of households comprising war orphans or disabled family members. This, aggravated by depleted infrastructure, increases women’s time poverty, making it even more difficult to balance domestic and productive responsibilities.
4. **Increased vulnerability to gender-based violence**, particularly in the form of sexual assaults, is a common feature of conflict. A weak rule of law and lack of services immediately after the conflict makes violence against women still highly prevalent in the post-conflict setting.

“Because of the instability and repeated wars, nobody wants to invest in the long term. Ours is a long-term business. So we have not been able to expand.”

Fatu Addy,
Owner of a Furniture Factory

Sexual assault in return for business transactions by government officials is a painful example of this phenomenon.

5. **A less favorable investment climate**, beset by uncertainty and risk, makes finance unavailable and conditions more punitive. Serious infrastructure flaws limit access to markets, and a weak rule of law does not facilitate investment. While this state of affairs affects men and women alike, the larger number of female entrepreneurs and their predominance in informal and small businesses leaves them more exposed.
6. **Less access to business information**. Disrupted social networks and depleted physical infrastructure make it harder for business men and women in post-conflict settings to access essential business information and intelligence. Lack of networks and eroded social capital, but also lack of access to technology in the immediate aftermath of the conflict, make it even more difficult to access essential information to manage businesses and innovate.

Beyond specific obstacles, another striking feature of women doing business in FCS relates to their “business path” and the need to repeatedly

start all over again as businesses are destroyed in the conflict. All this calls for flexible policies and instruments that are able to adapt and provide just-in-time bridging support. In the medium term, and given the protective and supportive role of women's characters, investing in building young women entrepreneurs' social and life skills would also pay off. These are indeed some of the measures implemented by successful programs working with women entrepreneurs in post-conflict zones.

The report has also shown that, despite the above-mentioned hurdles, conflict and post-conflict periods might also be a source of new opportunities for women entrepreneurs. Despite the difficulties experienced, the conflict exposed many Liberian women to other realities. Some of those who went

abroad to get an education and work returned to Liberia with new ideas and enriched experience and "saw what other women were doing on the African continent" and elsewhere. Liberia's post-conflict reconstruction activities have opened up opportunities for women's increased participation in business and the labor force in general. Other opportunities include:

1. potential changes in gender roles as a result of women's taking up economic activities that were reserved exclusively for men prior to the disruption of war; and
2. the country's reform drive during reconstruction, which has opened up many entrepreneurship opportunities and possible investment climate reforms.

IV. RECOMMENDATIONS FOR THE ECONOMIC EMPOWERMENT OF WOMEN ENTREPRENEURS IN LIBERIA

The question therefore remains: what can policies and programs do to ensure that women's enhanced economic roles in post-conflict economies translate into long-term gains? Policy makers should be concerned with identifying the types of facilitating measures, mechanisms, and policies that need to be formulated and implemented. These policies are necessary in order to consolidate the economic empowerment gains from women's increased economic activity and sustained contribution to social and economic development in FCS.

COMPREHENSIVE AND CONFLICT-SENSITIVE PROGRAMS FOR WOMEN ENTREPRENEURS

Programs to support women entrepreneurs should adopt an integrated approach in order to address the complex and interlinked set of obstacles to Liberian women's entrepreneurship outlined in this report. This would entail, at the outset, implementing comprehensive programs to address women's critical business and technical skills, giving them a business orientation, and boosting their confidence as entrepreneurs. In the short to medium term, continuous support to entrepreneurs through investments in mentorship and network building will be essential to enhancing entrepreneurs' individual and institutional capacities. Such support is also necessary to help establish self-sustained mechanisms to provide technical services, such as business advice and assistance or access to finance and markets through peer learning and partnerships. Overall, a comprehensive, multidimensional, and women-led model is essential to ensuring that different initiatives reinforce each other, synergies are realized, and the overall result has a transformational effect in contributing to women's economic empowerment. The main elements of such a comprehensive approach are presented below.

BUSINESS AND SKILLS PROGRAMS

- **Promote flexible business and skills training programs** tailored to the varied skill levels of women entrepreneurs. For **new women entrepreneurs**, the curriculum should include banking literacy, business plan development, smart growth strategies, financial recordkeeping, and identification of market opportunities, as well as continuous coaching and business exposure. For more **established women-owned SMEs**, training should focus on how to handle investment capital and prudent paths to expansion and growth, as identified by studies in Liberia (Lemmon 2012).
- **Scale up successful models of market-oriented skills training for women** aimed at facilitating the transition from school to self-employment. An example is the Liberia Young Women and Adolescent Girls Economic Empowerment (EPAG) Project. Furthermore, encouraging public TVET institutions to use innovative means to encourage women to enroll in training for non-traditional trades and/or develop a national
- **Integrate a gender and conflict approach to the design of programs** by taking into consideration the conflict-specific problems that women experience and that act either as barriers to entry or obstacles for participation. Issues such as violence and ensuring women's safety, but also, women's large number of dependents and their needs should be carefully analyzed and features designed to address them must be incorporated into these programs.

ACCESS TO ASSETS AND FINANCE

Implement measures to promote women's transition from informal (credit clubs or *sususu*) to formal commercial credit markets. For example:

- Integrate **financial literacy components** into all training programs for women entrepreneurs in order to build technical skills to manage credit and, more importantly, gradually build a credit culture among female entrepreneurs.
- Promote **public sector initiatives and incentives** to encourage private sector lending to women entrepreneurs and equity funds, to address the constraints that women face when starting new businesses.²⁹
- **Provide business training combined with expanded access to finance.** For example, IFIs can expand targeted credit lines for banks that are combined with training for women entrepreneurs and the management and staff of financial institutions.³⁰
- **Expand and promote the use of financial infrastructure,** such as **credit bureaus and collateral registries,** that can increase access and reduce the cost of borrowing.³¹
- **Motivate financial institutions to target women** entrepreneurs through training and awareness-raising campaigns to demonstrate the rationale for tapping into the female business owners' market.
- **Promote, as part of business networks, exchanges of experiences** showcasing successful business women, to encourage women to aim higher, take calculated business risks, and expand their businesses.
- **Accelerate land reform** as a means of expanding women's access to secure assets and enable them to use their land as collateral for loans.³²

NETWORKING AND BUSINESS INFORMATION SHARING: WOMEN BUSINESS ENTREPRENEURS' ASSOCIATIONS AND NETWORKS

Invest in building the institutional capacity of women entrepreneurs and women's business

associations and networks. Beyond their role as mechanisms through which to access services and defend common interests, business associations in general, and women's businesses associations and networks in particular, are in themselves important sources of women's collective empowerment and mutual support. Their role in ensuring the transition from economic participation to economic empowerment cannot be sufficiently emphasized.

Some measures to strengthen women's participation in networks and associations include: (i) promoting and supporting **women's participation in already existing business and professional associations** and Chambers of Commerce (using, for example, leading female members as spokespersons to promote the importance and benefits of peer-to-peer exchanges among women business leaders and entrepreneurs); (ii) promoting and supporting the creation of **women-specific business groups and associations** based on geographical area, etc., as a means to pool resources and facilitate access to assets, finance, services, and information; and, (iii) supporting **business-women networks** nationwide.

Women's business networks program of action. Women's business networks can play a crucial role in facilitating the empowerment of women entrepreneurs in Liberia in several areas, for example:

- **Partnerships, knowledge sharing and dissemination.** Women's networks can help in establishing links and partnerships with other business networks in the region. Through networks, they can leverage and facilitate peer learning and experience exchanges.
- **Mentoring and role modeling.** Women's networks and associations can contribute to building women's confidence as entrepreneurs, because they can showcase and disseminate examples of successful business women and offer mentorship opportunities to rising entrepreneurs. Mentoring programs are essential for

²⁹ Recommendation by the SME Finance Task Group of the Global Partnership for Financial Inclusion having emerged from the G20 Summit in Seoul (November 2010), as per the report *Strengthening Access to Finance for Women-owned SMEs in Developing Countries*, GPF, October 2011.

³⁰ Ibid.

³¹ Ibid.

³² Ibid.

young entrepreneurs in particular, for advice on technical issues, but also as a source of peer support on other issues, such as how to deal with sexual harassment and GBV in business.

- **Advocacy.** Advocate for women’s business needs and interests in general, and in particular in the following areas: (i) lobbying the Government of Liberia for a gender-aware investment climate assessment; (ii) conducting, with the support of development partners and IFIs, groundbreaking research on the impact of gender-based violence on the cost of doing business in Liberia; and (iii) lobbying the government for the establishment of a National Program for Women SMEs and the appointment of a National Leader/Champion for women SMEs.³³

INSTITUTIONAL AND POLICY REFORM FOR WOMEN’S ECONOMIC EMPOWERMENT

Policy makers should seize the opportunity offered by the post-conflict “reform drive” to address obstacles through legislation and policy reform, especially to:

- **Continue to promote gender-aware investment climate reforms** in access to credit and accelerate other related reforms, such as property rights.
- **Establish incentives and targets in a number of areas** to address women’s obstacles to operating their businesses. For example, incentives and specific goals for *increased procurement by government of goods and services from women-owned enterprises* (specifically women-owned SMEs);³⁴ or incentives for financial institutions interested in working with women-owned SMEs, either through a specific approach or by creating products and services geared toward increasing the financial literacy of women entrepreneurs.
- **Promote necessary reforms to continue strengthening governance and the rule of law** as part of a conflict, gender, and entrepreneurs approach, targeting the problems of gender-based violence.

- **Address women entrepreneurs’ skills deficit, particularly** when the conflict has been protracted, through **gender-informed education reforms**, particularly in the area of vocational and professional training. This activity will ensure that the current and next generations of girls and women will be able to take advantage of economic opportunities. Lessons from successful models, such as the one piloted by the Liberia Young Women and Adolescent Girls Economic Empowerment (EPAG) Project, should be carefully examined with a view to scaling up and replication.
- Also, establish institutional mechanisms to support women entrepreneurs. An example is the **National Program for Women as part of the overall national SME strategy**. Preferably, a program such as this would be led by the Ministry of Commerce, in partnership with relevant agencies. Such a champion could coordinate with different stakeholders and ensure that the agenda remains a priority. It could also chair the gender review and recommendations of SME programs to ensure commitment and accountability to the agenda.³⁵

Policy reform for women entrepreneurs’ interests would require work at different levels, including:

- **Data generation.** Identifying key data gaps in Liberia to assess women entrepreneurs’ economic empowerment and integrate the corresponding data needs in sector and national data collection instruments;
- **Advocacy.** Creating policies to reduce the harassment of women entrepreneurs, especially in cross-border areas, supporting the development and implementation of women’s business network advocacy plan(s);
- **Policy dialogue.** Promoting the participation of business women’s (networks and associations, where they exist) in government reforms processes and establishing *ad hoc* forums for policy dialogue, such as a National Women Business Forum.

³³ Ibid.

³⁴ bid.

³⁵ Ibid.

Appendix I. Policy Recommendations to Support Women Entrepreneurs

Area and Goal	Action	Institution Responsible
Skills Address women entrepreneurs' business and technical skills and confidence deficit	<ul style="list-style-type: none"> • Design and implement integrated and conflict-sensitive programs in support of women entrepreneurs. • Scale up successful models for skills building for women (e.g., EPAG). • Establish incentives and public-private partnerships to provide training and apprenticeship opportunities in emerging sectors (e.g., mining, carpentry, construction-related professions, etc.). 	<ul style="list-style-type: none"> • Women's business networks, Liberia Business Association. • Government of Liberia. • Private companies
Assets and credit Increase women's access to finance and facilitate women-owned enterprises' transition from informal to formal credit	<ul style="list-style-type: none"> • Provide comprehensive programs that include training combined with expanded access to finance and financial literacy for women entrepreneurs. • Establish incentives to encourage private sector lending to women entrepreneurs and equity funds. • Establish credit bureaus and collateral registries. • Encourage financial institutions to target women entrepreneurs through training and awareness-raising campaigns. • Promote exchanges of experiences to build women's confidence as entrepreneurs. • Accelerate implementation of reforms on land and assets for collateral. 	<ul style="list-style-type: none"> • Women's business networks, LIBA, other training services providers. • GoL and financial institutions. • GoL and financial institutions. • GoL, financial institutions, LIBA, and women's networks. • Business-women networks. • Women's business networks.
Networks Promote women's participation in business networks, both mixed (men and women) and women-focused networks and associations	<ul style="list-style-type: none"> • <i>Advocacy</i> – promote research in the areas of gender-aware investment climate reform; impact of GBV in the investment climate; promote creation of National Women SME Champion. • <i>Mentorship</i> and role modeling for young women. • <i>Partnerships</i> – promote alliances and exchanges of experiences with other business women networks. • <i>Knowledge management</i> – support peer learning and document and disseminate information on lessons learned by women entrepreneurs. 	<ul style="list-style-type: none"> • Business-women's networks in collaboration with MoGD, MoCI, supported by IFIs and development partners.
Young women entrepreneurs Address the specific needs of young women entrepreneurs	<ul style="list-style-type: none"> • Role modeling, mentoring programs, and business networks for young women entrepreneurs. • Skills training programs/apprenticeships adapted to young women's needs, including government incentives to complement apprenticeships. • Mainstream life skills training into business skills training programs for young women entrepreneurs. 	<ul style="list-style-type: none"> • Business-women's networks and associations. • Private companies in partnership with GoL. • Training providers, including business women associations and networks and LIBA.

(continued on next page)

Policy Recommendations to Support Women Entrepreneurs (continued)

Area and Goal	Action	Institution Responsible
<p>Institutional and Policy Reform Ensure that women’s economic participation in post-conflict reconstruction leads to women’s economic empowerment outcomes</p>	<p>Policy</p> <ul style="list-style-type: none"> • Continue gender-aware investment climate reforms. • Accelerate implementation of land reform. • Accelerate Vocational Training reform modeled on successful initiatives (e.g., EPAG project). • Conduct research on the economic impact of GBV on Liberian business, and undertake reforms to address GBV’s impact on women entrepreneurs in all sectors. • Establish targeted incentives to address women’s obstacles to operating their business in the areas of skills and finance. <p>Institutional</p> <ul style="list-style-type: none"> • Integrate key data needs on women entrepreneurs in national data collection instruments. • Establish National Program for Women in SMEs. • Establish National Leader for Women SME. • Support women’s business networks in the design and implementation of advocacy program for women entrepreneurs. • Promote the participation of business women’s (networks and associations when existing) in government reforms processes and establish a Women Business Forum for policy dialogue with government. 	<ul style="list-style-type: none"> • National Investment Commission (NIC). • Ministry of Finance. • Ministry of Commerce. • Ministry of Agriculture. • LISGIS and line ministries. • GoL. • GoL in partnership with Business-women’s Networks, LIBA, etc.

Appendix II. Case Studies of Liberian Women Entrepreneurs

FATU JALLOH ADDY: DOING BUSINESS IN A MALE-DOMINATED INDUSTRY



Fatu Jalloh Addy

Current business: Liberia Woodwork Construction & Trading Corporation

Education: University graduate

Origin of starting capital: Inherited family business

No. of employees: 15

Experience abroad: Studied in Europe and worked in several countries in Africa during Liberia's conflict

Other relevant facts: Received the regional young African entrepreneurs' award from *The Network Journal USA* in 2010

"My Father's determination to keep a Liberian-owned factory and to be competitive inspired me and I followed in his footsteps and took over the wood factory, a business seen as limited only to men."

Fatu, Owner and Manager of Liberia Woodwork Construction & Trading Corporation, one of the few Liberian women in this male-dominated sector, learned the carpentry business from her father, who founded the company in 1988. Since she took over the company at the age of 22, Fatu has been able to turn the company—now with 15 employees—into a fully functioning carpentry factory despite the wars and the number of times her facilities were looted and ransacked. The Liberia Woodwork Construction & Trading Corporation specializes in the manufacturing of customized home, office, and school furniture, wooden doors, plywood doors, door frames, and wooden strips, as well as aluminum windows, doors, and partitions. The corporation also provides processing services to secondary carpenters and builders. Fatu's opportunity to study in France and Switzerland, where she obtained a degree in Business Management, as well as her work experience in Ethiopia, Burundi, and Guinea have influenced her vision for the company, her ethics, and the way she runs her business. In November 2010 she received a regional young African entrepreneurs' award in Ghana from *The Network Journal USA*. Even with these degrees and a good deal of hands-on experience, running a business in Liberia comes with its own set of challenges.

Challenges of Women Doing Business in Liberia

Doing business in a war-torn country: During the four successive wars in 1990, 1996, 1997, and 2003, Fatu's factory was repeatedly looted and destroyed, forcing her and her father to rebuild everything from scratch after each incident. This meant using all her savings to kick start the business, making it more difficult to expand and tackle bigger orders. *"It's like never moving above the start-up phase. Today, we could have increased our supply to the local market, and catered to regional and perhaps global clients, but starting from the beginning four times over has seriously hampered our ability to compete."*

Access to finance: *"In an unstable environment, nobody wants to invest, let alone invest in the long term. Ours is a long-term business."* Financing is critical to rebuilding the Liberian Economy and developing the local private sector. It is even more critical for Liberian women entrepreneurs who, though courageous and bold, may not have the knowledge or the collateral to approach banks for a loan. When they do, the requirements imposed by financial institutions—which have been burnt by a high rate of failure to repay loans—are so onerous and the interest rates so high that it does not make sense to take the loan.

Attitude and Skilled labor: Some customers and potential employees are shocked and uncomfortable when they find out for the first time that the manager is a woman, Fatu says. The attitude is that woodwork and carpentry are not women's work. *"They think I do not know what I am doing, number one because I am not a carpenter and number two because I am a female."* She tries to win people over by telling them, *"give me the opportunity to prove you wrong."* The knowledge that she has acquired from her father and her attention to detail—a critical trait in the carpentry sector—has won her employees over. However, finding qualified labor is a serious problem that has a heavy impact on the factory's ability to compete and deliver. *"During the wars, most of the vocational training centers were destroyed and the people who have the required vocational skills are too old today and phasing out. In addition, the younger generation wants to make money right away, as the responsibilities bestowed upon them are too great; they are not patient enough to learn."*

Infrastructure: The infrastructure in Liberia has been devastated by the recurrent wars and conflicts.

Today, businesses rely on generators to run their equipment. This is highly inefficient and costly for the carpentry business, which operates heavy-duty machinery and requires strong power sources. As Fatu puts it, *"most of the money we make goes into paying for power and fuel."*

Women's business networks: While she and other women friends are all members of the Liberia Chamber of Commerce and the Liberia Business Association (LIBA), she points out that there is no formal setting designed specifically for women in business where they can meet to discuss problems, share experiences, and advise each other. *"It is helpful to have a chance to let off steam on issues like how difficult it is to compete in a man's world, access to finance, foreign competition, balancing the multiple roles that a woman has to play, etc."* Fatu is LIWEN's Vice President. In this role, she has had the opportunity to connect with other women in business. She looks forward to using this platform to expose Liberian women entrepreneurs to women business owners in other countries, as she believes women the world over share similar problems.

JOSEPHINE M. GEORGE-FRANCIS: FARMER, BUSINESS WOMAN AND PARLIAMENTARIAN



Josephine M. George-Francis

Current business: Liberia Resources Incorporated

Education: University Degree in Business Administration

Origin of starting capital: Personal savings and 400 acres of inherited land

No of employees: 160

Experience abroad: Studied and worked in the United States

Other relevant facts: She combines her activity as a business woman with her position as elected representative in Parliament

"(I got into politics) because women's voices are not being heard and I figured with my experience abroad and as a farmer and businesswoman I can make a difference."

Hon. Francis, an entrepreneur, is the owner and Chief Executive Officer (CEO) of Liberia Resources Incorporated, a conglomeration of Aquarius Beverages (a water bottling company), Liberia Brick and Tile factory, and Arjay Farms, located in Kingsville Township, Montserrado County. She is also the Chairperson for the Women Legislative Caucus of Liberia and has encouraged Liberian Women to be proactive in their advocacy to ensure equal participation in government. Hon. Francis started her business in 1999 when she returned to Liberia

after having fled the country when the war broke out in 1982. With 400 acres of land inherited from her family, she decided to venture into farming. Since then, she has grown her company to employ over 160 workers and provides training to her team, from management to operational workers. Hon. Francis recognizes that Liberia is not an easy terrain for women to navigate on many levels, including entrepreneurship, and because of this she opted to get involved in politics, in addition to running her business.

Challenges of Women Doing Business in Liberia

Women's voice in business and in politics: *"I got into politics because women's voices are not being heard and I figured with my experience abroad and as a farmer and businesswoman I can make a difference. Liberian Women need to be proactive in their advocacy to ensure equal participation in government and in the private sector."* If there were more female lawmakers, women would have a greater role in improving constitutional reforms, especially on issues of land, labor/skills, access to finance, as well as increased opportunities for women entrepreneurs and their ability to access contracts. This is even more relevant for women farmers who often work on the land but do not own it.

Land: Josephine admits that she got a head start in her business because she had land. But she acknowledges that Liberia has many problems with land tenure, which create greater difficulty for women who will probably not have the necessary documents to prove ownership and are most likely to face bribes. It is also a great impediment to accessing finance. However, things are slowly changing and local women are starting to own land. *"I encourage women in buying land. I tell them that they don't need 25 acres—all you need is a small piece of land. I also encourage them to go into farming, as they will always reap from the soil."*

Access to finance: Financing remains one of the major barriers for women when starting and operating a business. *"The majority of women are in the informal sector; they do not have enough collateral, and usually have not kept books that banks can look at to determine the strength of their business."* The few women who are in the formal sector and can access loans complain about the high interest rates and, most importantly, the very short repayment period. Furthermore, *"banks will normally not give loans for agriculture, and definitely not for the long term."*

Education, skills training, and labor costs: The education system in Liberia needs to be improved and training opportunities expanded. *"Women entrepreneurs are not very savvy when it comes to properly structuring a business, marketing it, and providing the appropriate customer service to their clients. They also don't always understand the need to invest in training to enhance their knowledge and further grow their company. Despite the high cost, I have invested in training for me and my staff. To further our competitive advantage, we have followed training on rice farming at Songhai in Benin, training in agriculture at the International Institute of Tropical Agriculture (IITA) in Nigeria, or on rice cultivation in Egypt. We are implementing everything that we've acquired in the company today, which makes us leaders in our industries."* Having said that, it is difficult to find good labor and the cost is very high, says Josephine. *"Young people do not want to do farming, so labor is very hard to come by; mining is the main attraction for young people, not working on farms. And even if you find them, they want \$10 per day."*

Infrastructure, communications and technology: The poor state of infrastructure hampers business development, she claims. *"No roads, no market,"* she says. She also points to power cuts and shortages, limited water supply, and poor roads. She recognizes that cell phones are easing the problems of communication, but Internet connectivity is not ideal and only available in strategic areas, not everywhere.

Women's business networks: In 2005, attempts to form a businesswomen's association in Liberia failed. Women managed to register the group as the Liberian Business Women Association (LBWA), but the group is inactive. *"A strong and broad coalition of Liberian businesswomen is needed,"* she says.

KUMA DOLO: FROM LIBERIA TO CHINA AND BACK



Kuma Dolo

Current business: Import goods from China, real state

Education: Primary school (12th grade)

Origin of starting capital: Personal (through *susu* club) and family savings

Experience abroad: As a trader and cross-border trader in Guinea, Ghana, Côte d'Ivoire and Benin during the wars, and in China recently

"The ordeal in China made me more determined and pushed me to find my strength. The challenges helped me to be a winner and aim higher."

Kuma learned her business from her mother, who was a border trader herself. Since she re-established her business in 2004 after fleeing several times to bordering countries because of the war, she has travelled to China twice a year to import containers of clothing worth US\$20,000 to US\$30,000 per consignment. Kuma and her husband also own property and have a few buildings in Monrovia. The Dolos are planning to take a US\$50,000 loan from Ecobank to construct an apartment with a petrol station in a prime area of Monrovia. Looking back, Kuma reflects on the ups and downs of her long journey. *"I have money and property and I am happy. My success is God's blessing as I always help others. I regret that I stopped my education at grade 12 but I plan to continue for higher learning."* Kuma is now a business woman with secured investments and property; but there are many challenges for women in the cross-border trading business. In the future, she would like to pursue her education and get some training in business management, bookkeeping, how to expand her import business, and how to use a computer.

Challenges that Kuma has encountered as a businesswoman

Finding the right business partner: In 2008 after re-starting her business, which was destroyed by the war in 2003, Kuma used US\$6,000 in savings to open a new shop. That was when a friend suggested trading in China. She travelled to China with US\$20,000 that had been borrowed from her family to import goods. There, she was cheated and robbed of US\$15,000 by her friend. While the initial China trips are bad memories that Kuma does not want to remember, she also says that *"The ordeal in*

China made me more determined and pushed me to find my strength. The challenges helped me to be a winner and aim higher."

Discrimination against women: She feels that business women are usually discriminated against and undervalued even by institutions. Kuma complained of the treatment received by airlines while traveling with her consignment from China. She also mentioned customs officers' attitude towards women when they clear their consignments. According to her, the banks also treat women differently than men, not paying equal attention to the services they provide them or giving them the appropriate attention when it comes to loan processing.

Gender-based violence: However, her worst complaint focuses on the violence and harassment that women undergo while trying to cross the border to trade. *"Most cross-border traders are women and it is a curse,"* Kuma said. According to her, governments are aware of the harassments and abuse, but little is being done. *"Customs and police officers at the border are out of control and there is no law to govern them. In the era of HIV/AIDS, raping innocent women who are trying to make ends meet is a death sentence." The abuse, violence, and rape faced at the borders are depressing,"* she said. William, her husband agreed with her. According to him, *"The sexual harassment at the borders faced by women in Africa is just intolerable and unacceptable by any means. It has to be stopped and governments have a responsibility to ensure the dignity and wellbeing of their citizens. Women deserve respect as mothers and productive citizens."*

MAUREEN SHAW: DOING BUSINESS IN TIMES OF CONFLICT



Maureen Shaw

Current business: Restaurant, catering service, textile shop

Learned her business: From her mother

Origin of starting capital: Inherited property

Experience abroad: US and Ghana during the war and China three times on business trips

Other relevant facts: Founder of the Liberian Women Peace Movement (Liberian Women Initiative — LWI)

"I know that I got a head start in business because I not only got knowledge of business from my parents, but inherited much of their property. One major challenge that many business people face is access to finance. Interest rates are too high and the time accorded for repayment is too short. This is preventing many Liberian businesses from growing."

Maureen is a dressmaker by profession and has a degree in French dressmaking and designer fashion. She received all her training in business from her mother and father, both of whom were successfully in business. When she finished school, Maureen opened a small shop in her parents' street-front property that exclusively sold her designs, mostly for weddings. Maureen recalls, *"I had lots of contracts! I would do entire wedding parties. When I became a refugee it was hard to get a job, but I was able to continue to support my daughter and myself through my trade, but on a much smaller scale."* Today, she operates a guesthouse and restaurant, providing catering services to conferences, and employs 20 people. She also has a registered tailoring business, through which, in partnership with another female entrepreneur, she bid successfully on a \$125,000 contract to produce curtains for four government buildings. Maureen's next business venture is to open a Convention Centre on 23 acres of land in Marghibi County. But it was not always easy.

The challenges of doing business in Liberia

Peace is critical to business growth: Maureen and her daughter fled to the United States during the war; when she returned to Liberia in 1992, she realized that people could no longer afford to buy wedding dresses. Maureen decided to reopen her shop but instead of selling dresses she would rent them out. *"I went to the waterfront where they sell second-hand fabrics and bought an entire bale of lace and white linens, which I sorted and scrubbed. I then selected the pieces that could be used for*

making wedding dresses and wedding veils. I made five different sizes of wedding dresses, which I put in huge plastic bags that I made myself."

Her business became profitable again, enabling her to support herself until 1997 when the war escalated and her shop was completely looted and destroyed again. Maureen decided to stay in business but switched to food services. She put out a few tables and chairs at her home and started cooking for people. In 2003, the war escalated again and this time she fled to Ghana. She returned and started renting apartments that she had inherited from her mother to the peacekeepers. She used all of her savings to furnish and fully equip one of the apartments. She used the money she made off the first apartment rental to fund the furnishing of a second apartment, and repeated this system until all the apartments were fully equipped. *"Just like other businesses, it feels like we are always at a start-up level. Peace is critical for businesses to grow and compete. Now that Liberia is getting back on track, we must think outside of the box to increase our chances as women business owners. The market has become much more competitive and we have lost so much time. The challenge for Liberian women entrepreneurs is to increase their business knowledge and skills to become more competitive; learn from other women in the region and elsewhere in order to develop ourselves."*

Access to finance and starting capital: *"I know that I got a head start in business because I not only got knowledge of business from my parents, but inherited much of their property. This has allowed me to approach banks for loans."* Unfortunately most

women businesses do not have the same privilege and struggle to get the necessary funding to scale their businesses.

Lack of business skills: *“Women in business need to learn how to save when they are successful in order to reinvest in their businesses. Unfortunately, some of the few people who are able to take loans from a Bank use the money to buy fancy cars, gold, or other lavish goods, instead of using the money for their business, as was their intention.”*

Corruption: *“Many people are not patient and want to be successful overnight, making them resort to bribes and short cuts; these methods often bite them in the end.”* She also mentions the absence of a **women’s business association** as another handicap. *“I am personally committed to the establishment of a women’s business association, which could be established within LIBA or run independently.”*

ADE JONES: RESILIENCE AND PERSEVERANCE, THE KEYS TO SUCCESS



Ade Jones-Captan

Current business: Owner of Groovies Entertainment Center and Farmer

Learned her business: From her mother

Education: University degree

Origin of starting capital: Personal and family savings

Experience abroad: Studied and worked in the US

Other relevant features: She combines her activity as businesswoman with singing jazz professionally

“My advice for women that want to go into business is that they should be resilient and never tell themselves that they cannot achieve something. It is also important not to seek short cuts but take the time to come up with a well thought-out business strategy that analyses your cost, your anticipated earnings, and competition. Lastly, I advise women to carefully read the terms of the loans before they sign, because there is nothing worse than starting your business off with a huge amount of debt.”

Ade is a jazz singer and owner of the Monrovia-based *Groovies Entertainment Center*. She learned to do business from her mother. Ade’s mother had always been a business woman. She owned and ran the *Black Bird*, an eating and drinking establishment located in Monrovia. *“People could come to the Black Bird to sit down for a meal or drinks. I learned the basics of operating my business from watching her interact with her employees and customers.”* Ade completed her primary and secondary education in Liberia.

In the 1980s, she moved to the United States, where she graduated from the Minneapolis Technical Institute and later trained as a legal assistant. She secured a full-time job as a legal assistant in Washington, DC and in her spare time she performed at a Liberian restaurant in the Washington area. When she was 28 she quit her job and started her own business in catering services and trade, traveling to Africa to contract tailors to sew her designs and sell them

back in the United States. Today, with 26 employees, Ade owns *Groovies Entertainment Center*. The center, with its restaurant, is one of the most popular places in Monrovia. Ade is also currently investing in growing rubber on a 167-acre farm, which she runs with her husband. They expect the rubber to mature and be ready for export in two years.

The challenges of doing business in Liberia

Access to finance: *“Banks only give very short-term loans and when you cannot repay them on time they quickly repossess your collateral. Banks need to come up with good packages that can help invigorate our businesses and we need to be able to partner with the banks. For example, if a person has a good repayment history and strong collateral, the bank should take this into account and provide loan extensions, if needed, or work with the client to come up with appropriate payment options that fit their type of business.”* Because of lack of proper

finance, access to large contracts is a problem. "Big government contracts are expected to be pre-financed; a problem because small businesses like mine cannot afford putting out large sums of money up front."

Corruption: "The other major thing about securing a catering contract or any tenders for that matter is that, when negotiating with the people responsible for awarding the contract, many expect a kickback. If you are ready to do things the 'Liberian way,' they expect you to pay them upfront, in addition to pre-financing the order. Many officials also prefer to award contracts to family members or friends that have no qualifications or experience executing such contracts."

Tax Burden: "The tax system in Liberia makes things very hard for businesses. One of my friends owns a chain of restaurants in Monrovia; she had to close down one of her restaurants because of taxes."

High cost of Internet: The business used to be called Groovies Restaurant and Cyber Café, but she could no longer afford the costs of providing wireless Internet.

Business Associations: Ade used to be a member of the Liberia Business Association (LIBA) but she felt that the organization was not making much progress in achieving its objectives. She would like to have a functional women's business association in Liberia where women can share experiences and contacts.

REBECCA SUMO: WOMEN CROSSING THE BORDER TO DO BUSINESS



Rebecca Sumo

Current business: Import goods from China (owns three shops)

Learned her business: From her aunt and fellow women border traders

Education: 10th grade

Origin of starting capital: Personal (through susu club) and family savings

Experience abroad: In West Africa as a cross-border trader and in China as an importer

"Before, women were not respected. Now, since we are informed, we are having meetings with Immigration, Security Forces, Police, and Customs Officers. It makes us know our rights."

Rebecca was raised by an aunt who was a successful business woman. From this aunt, Rebecca learned her first business skills. At the age of 16 and in 10th grade, she quit school and began selling goods in the market full time. By 2000, she had saved enough to open her first small shop. By 2006, Rebecca's business was steadily growing. But in 2006, her shop was completely destroyed in a fire. She was able to restart. Rebecca concentrated on saving so that she could trade in China, where she travels with other women several times a year to buy merchandise. Nowadays, she operates three shops, two in Bong County and one in Monrovia, where she trades goods imported from neighboring countries (Guinea and Côte d'Ivoire) or as far as China. Initially, the business took her to Guinea, Côte d'Ivoire, Ghana, and Nigeria, where she and other traders would import and export goods that sell well on either side of the borders. She observed other women who participated in this trade. She is

now the president of the National Women Cross-Border Traders of Liberia.

Challenges for women in cross-border trade

Investment climate constraints: High taxes and customs fees, a volatile exchange rate, or corruption seriously hamper the ability of cross-border women traders to bring in more goods. Rebecca acknowledges however that some things are changing. "The one-stop shop has helped us to some extent with clearing our goods from customs. It used to take more than five days and even up to ten days or more, and now takes two to three days." She still uses a broker, usually a man, to perform the customs clearance for her goods. She says this is because men are seen as capable by the customs officers.

Gender-based violence: Women traders are sometimes subjected to intimidation and harassment

she said. "Crossing the borders, we always look at the small money we get, but it is at the cost of our self-esteem and life. Sometimes they detain you at the border, saying the border is closed, you have to stay overnight so they force themselves on you." With support from the Ministry of Gender and UN Women, a nationwide association that operates in all counties was formed to help women deal with these issues. In Bong County, 300 women registered. Rebecca says that one of the benefits of membership in this association is that women have been educated about their rights. They know how to report violations and make complaints when custom officers misbehave. They have also learned that crossing the borders in a group and sometimes with men also provides protection. They work closely with, and can report to, the Ministry of Gender. Rebecca says, "Before, women were not respected. So now, since we are informed, we are having meetings with Immigration, Security Forces, Police, and Customs Officers. It makes us know our

rights." But she adds, "I know the laws in Liberia, but not the laws in Guinea. We need more information about the laws on the other side of the border and more collaboration between Liberia and the other countries."

Instability and lack of security in the region: The women traders travel together in groups for safety and security. Most of the trading in neighboring countries happens by land. When traveling to Guinea, they take the precaution of transporting all their goods in a single truck. Sometimes they make their way to Togo via Burkina Faso. But instability in the region is making land travel across different borders difficult.

She acknowledged the **difficulties of balancing work and family**, particularly when one has small kids. Her sisters help with the children and household duties while she is away on the long purchasing trips to China, which can last up to four weeks.

EYVONNE BRIGHT-HARDING: KNOWLEDGE IS OUR GREATEST ASSET



Eyvonne Bright-Harding

Current business: Sharks Inc.

Education: University Degree in Accounting

Origin of starting capital: Savings and small loan from local bank

No. of employees: 25

Experience abroad: Studied and worked in the United States

Other relevant facts: She combines her ice cream manufacturing business with selling electricity

"Knowledge and skills are a major roadblock for Liberian women entrepreneurs. Their lack of business and financial management knowledge hampers their ability to run strong and profitable companies and compete with male-owned enterprises."

"As a 100 percent female Liberian-owned enterprise, we are proud of our contribution to the growth and development of our economy, our families, our community, and above all, our country. Today, we boast of an ice cream parlor, an air lounge/sports bar, a second sports bar with a mini casino, and a mini playground as part of our facilities... but it was not always like this."

Eyvonne, owner and CEO of Sharks Entertainment Inc., started her business in the heat of Liberia's civil unrest selling plastic bags of water and food in the

rebel camps. *"I had to find a clever way to survive, and food was the solution. The rebels needed to eat so if I could get them food and something to drink, I knew I would be protected,"* she says, remembering the very trying times Liberia has seen.

Slowly, with what she was able to save from her sales, she opened a small provision shop with one employee selling ice, cold water, drinks, barbecue, beer, and crabs. Eyvonne also sold clothes, church hats, cosmetics, and household goods. *"Everything was needed, and if I could sell it, I did."*

Business Innovation is critical to our survival:

Eyvonne's real dream was to open an ice cream manufacturing plant. In 2000, with a small loan from LBDI, she had the opportunity to go to the US, where she purchased two homemade ice cream machines from Walmart each costing \$19.99 and taking her 45 minutes to make half a gallon of ice cream. Today, with a total of 25 employees, Sharks has three commercial machines that enable Eyvonne to make two and a half gallons in 30 minutes per machine. Also, as access to electricity is difficult in Liberia, Eyvonne saw an opportunity to offer an additional service to her clientele by selling prepaid electricity. As of June 2013, Sharks had over 13,000 clients from prepaid electricity sales alone.

Knowledge and training are the key to success:

"Knowledge has been the greatest asset for me", says Eyvonne. "I went to school to become an accountant, but I will say this is not enough to claim to be an entrepreneur. As an ice cream manufacturer, I had to learn about everything—the different ingredients, flavors, etc. But I also had to learn about branding and marketing and how to position myself in the Liberian market, which is filled with imported ice cream brands. Of course, this is in addition to learning how to write my business plan and keep my finances in order. Knowledge and skills are major roadblocks for Liberian women entrepreneurs. Their lack of business and financial management knowledge hampers

their ability to run strong and profitable companies and compete with male-owned enterprises. When business training is made available, very few women attend, as they fear being absent from their activities for too long with no one to manage operations for them. It is therefore important to structure the training sessions around the women's busy schedules, and make learning practical so that they can apply it right away in their businesses.

Liberian women entrepreneurs also need exposure and mentorship. I was blessed to have been able to travel abroad and see how other entrepreneurs run their businesses and innovate on their activities. Although there is only so much I can implement due to the limited access to training and technology we have in Liberia, I am still able to apply some of the ideas to remain competitive. I was also able to learn a lot from visiting other ice cream manufacturers in Italy and the US. They gave me tips that I use in making my ice cream and in running my business on a day-to-day basis."

The Importance of Networks: *"Networks are important for our growth as entrepreneurs. Liberian women are strong and history has shown us that when we come together we can be powerful. Having said that, we also need to get past our differences and see the great need for women entrepreneurship to thrive in our country. "*

REFERENCES

- Government of Liberia. 2011. "Lift Liberia Poverty Reduction Strategy Assessment Report." Monrovia.
- IFC. 2008. Voices of Women Entrepreneurs in Bosnia and Herzegovina. Washington, DC: IFC.
- 2007. Removing Barriers to Enterprise Formalization in Liberia. A Gender Analysis. Monrovia: IFC.
- Lemmon, G. T. 2012. Entrepreneurs in Post-Conflict Zones, Council of Foreign Relations Working Paper.
- Morrison, A., and Biehl. 1999. Too Close to Home: Domestic Violence in the Americas. Washington, DC: Inter-American Development Bank.
- Simavi, S., C. Manuel, M. Blackden. 2010. Gender Dimensions of Investment Climate Reform: A Guide for Policy Makers and Practitioners. Washington, DC: IFC.
- UN Women. 2011. Unleashing the Potential of Women Informal Cross-border Traders to Transform Intra-African Trade.
- World Bank. 2007. Liberia Gender Needs Assessment: Towards Women's Economic Empowerment. Washington, DC: World Bank.
- 2008. Girls' Vulnerability Assessment, background paper for the preparation of project to promote the economic empowerment of young women in Liberia. Washington, DC: World Bank.
- 2010. Liberia Employment and Pro-poor Growth, Report No. 59124-LR. Washington, DC: World Bank.
- 2012a. Poverty Note: Tracking the Dimensions of Poverty, Report No. 69979-LR. Washington, DC: World Bank.
- 2012b. Preliminary EPAG Mid-line Report – Economic Empowerment of Adolescent Girls and Young Women (EPAG) in Liberia, internal report.
- 2012c. Liberia Inclusive Growth Diagnostics, Report No. 67188-LR. Washington, DC: World Bank.



THE WORLD BANK GROUP

The World Bank
1818 H Street, NW
Washington, DC 20433
USA

www.worldbank.org
www.worldbank.org/wbi
www.ifc.org/gender