

REPORT PRESENTED TO



Survey on the status of Business Women in Mozambique



ON BEHALF OF



Submitted by:

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January 2007

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This report was prepared by the consultant Andrea Serra and the Project Promoter. The consultant was hired by IFC's Project Promoter through a partnership between PEP Africa SME Mozambique and IFC/GEM, and managed by Mario Gomes and Natalie Africa respectively.

EXECUTIVE SUMMARY

This report presents the results of a study which aims to ascertain the status of and challenges facing Mozambican women's SME's. The study was carried out through a quantitative survey and focus group discussions among a convenience sample of 70 business women, from which 19 of them were ACTIVA's members and 59 were potential members. The key findings from the study are summarized below.

- ⇒ Most of the business women who participated in this survey are originally from Maputo City, are older than 40 years old, married, have on average 2 children and hold higher education qualifications.
- ⇒ These business women, mostly owners of micro and small enterprises, manage to balance their work and family life well using good time management strategies, even though more than half of them are involved in multiple income generating activities.
- ⇒ Most of the enterprises managed by the respondents are formally registered and operate at a local level in services and commerce, generally employing more women than men.
- ⇒ The majority of the survey respondents started their businesses with their own funds without requiring financial support from banks or credit unions. Their motivation to start their businesses was, essentially their capacity to identify income generation potential activities even without any experience in the business field.
- ⇒ These business women have requirements in technology, particularly computers and access to Internet, as well as staff training needs in areas such as management, administration services, marketing and human resources. They also feel the need to develop their own skills in different areas of business management.
- ⇒ Most women involved in the study did not carry out a feasibility study before starting their businesses and do not regularly utilise external professional support for the development of their businesses, although they admit to having low business management skills. However they conduct customer needs and satisfaction studies as regular management practice.
- ⇒ As business owners, the respondents felt that their main concerns around developing their businesses were related to credit and financing, accounting support, technical assistance, promotion and marketing of their businesses, staff training and human resources management.
- ⇒ Their main constraints are: their staff's lack of management skills, lack of qualified staff, acquisition of raw materials, goods and equipment, tax rates and access to credit.

- ⇒ Most of the businesses owned by these women have increased their investment capital during the last 12 months which may be the reason for the optimistic attitude showed by women in relation to the development of their businesses over the next 2 years.
- ⇒ Currently, less than half of these business women are working with banks and credit institutions but the majority of them will need financial support in the future for investment projects requiring an average amount of up to 400.000,00 Mtn¹ each. Most of them can provide guarantees in the form of property and business cash flow.
- ⇒ More than half of the survey respondents think it is easier for men to be an entrepreneur in Mozambique and pointed out that managing male employees, balancing work and family life, gaining access to capital and being taken seriously as a business owner is much more difficult for them because of their gender.
- ⇒ Besides the fact that most of the potential members of ACTIVA did not know about its existence, for most members involved in this survey the association is operating deficiently, and they provided some recommendations for the association's improvement.
- ⇒ It is recommended that information, advocacy and training are some of the key strategies that ACTIVA should adopt to deal with the challenges mentioned above. In this regard, ACTIVA should start promoting discussions with government and business sector representatives, not only to contribute to the sector's development but essentially to stimulate the empowerment of women owners of micro and small enterprises in the country. This is the right time for influencing the inclusion of gender priorities focusing on specific needs of women entrepreneurs because many policies and strategies are emerging in the country.
- ⇒ It is thus suggested that a special government advisory board for women's business development services be set up and that serious consideration be given to promoting women's enterprise development in Mozambique's gender policy and implementation strategy. Special emphasis should be placed on access to capital, entrepreneurial education and training and access to new markets.
- ⇒ The establishment and reinforcement of formal and more extensive networks for women business owners in Mozambique could contribute to the potential growth of these businesses as well as the organization of regular meetings with other women business owners across the country to share ideas, experiences, best practices and build mentoring relationships. Partnerships with several institutions to support these conferences and workshops should be established by ACTIVA.
- ⇒ Strategic partnerships with educational providers as well as NGO's, International Non-governmental Agencies and other businesses associations should be carried out by ACTIVA in order to organize capacity building for women business owners to improve their business skills. However, this capacity building should be followed by a

¹ Approximately USD 15 625 - Exchange rate USD/Mtn (Mozambique Metical) at 28th December, 2006 was 1USD:26,35 Mtn (Source: BCI Fomento)

mentoring program to evaluate business women's capacity of implementing the skills they learned during the training programs and assist them in technical management issues, in the day to day management of their businesses.

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ACRONYMS

ACTIVA	Associação Moçambicana de Mulheres Empresárias e Executivas (Mozambican Association of bussiness and executive woman)
GMD	Grupo Moçambicano da Dívida (Mozambican Group of Debt)
INE	Instituto Nacional de Estatística (National Institute of Statistics)
MEC	Ministério de Educação e Cultura (Ministry of Education and Culture)
OMM	Organização da Mulher Moçambicana (Mozambican Women Organization)
PARPA	Plano de Acção para a Redução da Pobreza Absoluta (Action Plan to reduce Ablolute Poverty)
PNUD	Programa das Nações Unidas para o Desenvolvimento (United Nations Development Programme)
SME's	Small and Medium Enterprises
SPSS	Statistical Package for Social Sciences
UGC	União Geral das Cooperativas (Co-operatives General Union)



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I. INTRODUCTION

1 Background

Women play a crucial role in reducing poverty and advancing human development. Through a variety of roles - family caregivers, agricultural producers and wage earners, women have a positive impact in sustaining their households and also benefiting their societies.

However, in recent years, there has been greater global awareness around the power of women in economic development and their entrepreneurship capacity. This is due to a number of factors, including better recognition and protection of women's political and economic rights (such as equality, education, and access to resources), the growing role of the private sector in many economies, and the globalization of trade, which has increased market opportunities for businesses.

International research has proved that businesses run by women contribute to their communities in many ways. They not only increase the production of goods and services but also create jobs, in many cases for other women.

The extra income of women business owners and workers boosts family incomes, personal confidence and fosters a sense of empowerment. Over time, this leads to greater recognition and respect for women's abilities and contributions. This changes broader attitudes and perceptions in their societies and ultimately shapes a more equal environment for women and men alike.

In Mozambique, despite developments in eliminating inequalities between men and women through the promotion of women's human rights and the creation of laws and regulations that guarantee a formal equality of rights, much still has to be done in the field of implementation and practice of these rights. Some obstacles still persist and are rooted in a social context based on a male dominated society which places women in an unfavorable position.



Data from a study published by the Grupo Moçambicano da Dívida² (GMD), in 2004, show that Mozambican women participate in the process of development in several distinctive ways, but their contribution is still under-valued and inappropriately recognized. Socio-economic and cultural factors have produced a situation in which most of the development efforts in the country ignore women's potential and their social and economic contribution. As a result, these factors fail in the mobilization and use of women as vital human resources.³

2 Study Objectives

General Objective:

- ⇒ To undertake a survey of 100 business women members and potential members of ACTIVA, the Associação Moçambicana de Mulheres Empresárias e Executivas⁴, in order to ascertain the status and challenges facing women SME's.

Specific Objectives:

- ⇒ To carry out a literature review on gender and entrepreneurship, portraying the situation of women in Mozambique;
- ⇒ To establish a profile of ACTIVA, highlighting the context of its creation and its current situation;
- ⇒ To identify and describe the profile of 50 business women members of ACTIVA and 50 potential members regarding social demographic aspects, balance between work and family life, professional aspects and motivation for the business;
- ⇒ To characterize the businesses run by business women members and potential members of ACTIVA including general data of the enterprise, access to technology, training needs, financial resources and annual revenue;
- ⇒ To identify and describe the management profile adopted by business women members and potential members of ACTIVA, related to capital access, management practices,

² Mozambican Group of Debt

³ GMD, 2004

⁴ Mozambican Association of Business and Executive Women



business performance, attitude towards the future and constraints to the development of business, including gender issues;

⇒ To create a database with the profile of businesses of ACTIVA members and potential members.

The study will collect elements that will allow a better knowledge of the entrepreneurial capacity of ACTIVA members and potential members, their training needs and technical back-up as well as support for their business development. The survey will therefore be essential for ACTIVA and will provide information for the International Finance Corporation (IFC) on needs to anticipate support strategies on behalf of potential members of the association.

3 Brief Profile of ACTIVA

ACTIVA is a national association that promotes professional, business and executive women in Mozambique. Of a private nature and with no political or confessional orientation, this association promotes a higher contribution of women in the country's economic development.

ACTIVA was created on December 12th 1990, has its headquarters in Maputo, and branches in Nampula, Tete, Quelimane, Beira, Chimoio and Xai Xai. To fulfill its objectives, ACTIVA has been organizing and promoting:

- ⇒ Street markets and fairs of products and services from women's enterprises;
- ⇒ Professional training and capacity building for business and executive women;
- ⇒ Markets and other events at local, regional and international level;
- ⇒ Workshops and conferences with themes of interest for its members;
- ⇒ Active collaboration with other economic associations;
- ⇒ The representation of women in the public and private sectors;
- ⇒ Women's membership.



Since it was created, ACTIVA has carried out several promotional and marketing activities, at national and international level, such as the participation in fairs and national (FACIM⁵ 1990, 91, 93 and 95) and international events (Lisbon, Nairobi 1991; Victoria Falls, Zimbabwe, Uganda 1994; Kenya; Swaziland and Malawi 1995).

ACTIVA has also carried out or participated in several professional training courses and activities for the promotion and development of its members, of which we can emphasize:

From 1990 to 1993	1994/2006
<ul style="list-style-type: none"> ⇒ 3 Courses of Basic Management; ⇒ 4 street markets organized by the members; ⇒ Implementation of economic and legal consultancy services; ⇒ Development course for woman on external trade; ⇒ Management Course in Nairobi; ⇒ Participation in the XX Congress of the International Federation of Business women and Professionals, in Nairobi; ⇒ Participation in the Congress of the Business women of South Europe, in Portugal; ⇒ English Course; ⇒ Workshop “Establishment of Financial Intervention to support Business women”; ⇒ Workshop “Environmental Responsibility of Enterprises”; ⇒ Draft a of a Training Master Plan for members; ⇒ Workshops on the Fiscal Law and Conservation of Foods; ⇒ Women in Management Course, at SADC level. 	<ul style="list-style-type: none"> ⇒ Capacity building in the area of woman development , organized by BAD⁶ for business women; ⇒ Workshop on “ Cooperation , Training and Information ”; ⇒ Professional Training Course, organized by the Centro de Formação Industrial⁷; ⇒ Street Markets by the members including the provincial branches; ⇒ English Course; ⇒ Workshops on “ Expansion and Development of ACTIVA ”; ⇒ Workshop on “ The Future Financial Institution of ACTIVA ”; ⇒ Workshop on “ Women in the Electorate ”; ⇒ Workshop on “ Women in the Informal Sector ”; ⇒ Professional Training Courses.

ACTIVA has participated in national and international seminars and workshops under the gender theme and it is affiliated to the following international organizations:

- ⇒ AFWE – International Federation of the Women of Africa;
- ⇒ FEMCOM – Federation of the National Associations of Business Women of the Countries of the PTA (Preferential Trade Area).

⁵ Feira Internacional de Maputo (Maputo International Fair)
⁶ Banco Africano de Desenvolvimento (African Development Bank)
⁷ Industrial Training Center



At national level, ACTIVA maintains connections and partnerships with institutions such as:

- ⇒ *Forum Mulher* - a network of organizations promoting the human rights of women and gender equity;
- ⇒ The CTA – Confederação das Associações Económicas de Moçambique⁸, a non-governmental economic organization, that promotes business opportunities and the culture of business and associative spirit in the private sector in Mozambique.

From 1990 to 1998, the association dynamically carried out a range of activities for the development of its members. However, from 1998 to 2004, ACTIVA went through a less positive phase and almost disintegrated, due to:

- ⇒ Difficulties in obtaining financial support and technical back-up from external institutions;
- ⇒ The low value of the monthly membership quota, which did not cover the main operational expenses;
- ⇒ Lack of time from the Management Committee for planning and implementing the planned activities, as members also have their own businesses to manage;
- ⇒ Lack of experience by the Management Committee and the members in drafting fund raising project proposals;
- ⇒ Some members leaving the association because they do not obtain any benefits particularly in terms of access to micro-finance for the development of their own businesses.

From 2004 onwards the association has been trying to uplift its operations by creating better conditions in terms of infrastructure and focusing on immediate objectives, namely:

- ⇒ The provision of assistance/consultancy in technical, legal and economical aspects;
- ⇒ The development of activities related to HIV/Aids for business and executive women;
- ⇒ The development of a membership database arranged by sectors of activity;
- ⇒ The production and publishing of a magazine that could be sold to generate revenue for the association.

⁸ Mozambican Confederation of Economic Associations



4 Gender and Entrepreneurship

Just like snails, many women take their homes with them. Each of their steps is a family step, forward or backwards”

Lima (1999)

This study on women entrepreneurs has been conducted within a gender perspective, which analyses the existing power and social relationships in business practice. Compared to men, women are in a disadvantaged situation when competing in the market (for instance: their double or triple work load, as a result of an unequal distribution of tasks by gender). Women also have to adapt to regulations and legal norms that perpetuate inequality. There is thus a need to promote positive discrimination and other measures to overcome this inequality.

In approaching women's entrepreneurship within a gender perspective, it should be recognised that:

- ⇒ Men and women's interests are expressed in a different way;
- ⇒ Advocacy practices to influence positive changes in favour of women, in public politics and programs from different initiatives, should be based on women's practical experiences as well as their practical and strategic needs.
- ⇒ Women are not a homogeneous group, they live different realities, according to, among others, their social status, geographical location and cultural factors;
- ⇒ Experience indicates that women remain have a low failure rate in the market, are willing to do their best in their business and are credit trustworthy;
- ⇒ A great many successful women entrepreneurs develop their businesses from small to large scale while remaining in the informal sector. It is therefore necessary to understand the reasons for them remaining in the informal sector;
- ⇒ Women's empowerment programs tend to focus on training. However, training by itself does not produce sustainable changes and, for this reason, it has to be carried out simultaneously with a monitoring and technical advisory process. Feedback, support and life skills training that educates them on gender roles will help to ensure that empowerment becomes part of their lives.



The promotion of gender equality is a national and international political commitment of Mozambique's which has adhered, amongst other international instruments to: the Convention for the Elimination of All Forms of Discrimination Against Woman (CEDAW), the SADC Gender Declaration, and the Protocols of the African Charter on Human Rights and on the Rights of African women – known as the Maputo Protocol.

At national level, the Constitution of the Republic established the principle of Gender Equality (article 36), a principle that is included in the Family Law and in the Land Law, among other existing legislation. However, there is a lack of practical instruments for the implementation of these rights consigned by law.

5 The Status of Women in Mozambique

.....5.1 General demographic data

According to data from the Instituto Nacional de Estatística (INE)⁹, the Human Development Report 2005 from the United Nations Development Program (UNDP) and the publication of the GMD¹⁰, the female population represents more than half (52%) of Mozambique's population and the majority live in rural areas. Most of this section of the population is involved in subsistence agriculture and in the informal sector of the economy.

Data from PARPA¹¹ II indicates that the poverty rate among Mozambicans was 54% in 2005 and estimates show that female headed households have a higher incidence of poverty: 62,5%, against 51,4% for households headed by men. Poverty indicators show that the high rates of poverty among female headed households are related to women's low level of education, widowhood, their high dependency levels and low income for the needs of their families.¹²

⁹ Mozambique National Institute of Statistics

¹⁰ GMD, 2004

¹¹ Plano de Acção para a Redução da Pobreza Absoluta (Action Plan to reduce absolute poverty)

¹² PARPA II, 2006



In 2003, most women in Mozambique (54,8%) lived in marital union, and the average age of their first marriage was 21,8 years. Mozambique has a very young population: 44,1% of the population is younger than 15 years old, with the forecast for 2015 at 41.6%. In 2003, women's life expectancy at birth was 42,7% and for men it was 41,7% - an average of 41,9 % - according to data from 2000/05. The registered growth rate of the Mozambican population was 1, 8%.¹³

A survey carried out in 2005 showed that the number of women living in rural areas was more than twice the number of those living in urban areas. In a country of 10 051.611 women, only 30% live in urban areas. Projections for 2015 are that 48,5% of the total population will live in these areas.¹⁴ This information is crucial due to the fact that small and micro-enterprises operate more often in rural areas.

With regards to their main occupation, data from 2002/03 shows that 56,8% of active women older than 15 years care for a person or an entire household whereas 39% of women work outside of a home environment.¹⁵ It is worth emphasizing that this data is the inverse of statistics published in 1997 which indicated that 65,7% of women worked outside of a home and only 28,8% cared for one person or a household as an occupation.¹⁶

.....5.2 *Education and employment*

The literacy rate in Mozambique is around 53,6% as revealed by INE. As shown in Graph 1, in all educational levels (from grade 1 to 12) there are more male than female enrolments. As can be observed, the higher the grade the lower the enrolment level: the number of female students decreases as girls grow older, although this is largely true for males as well.

¹³ UNDP, 2005

¹⁴ UNDP, 2005

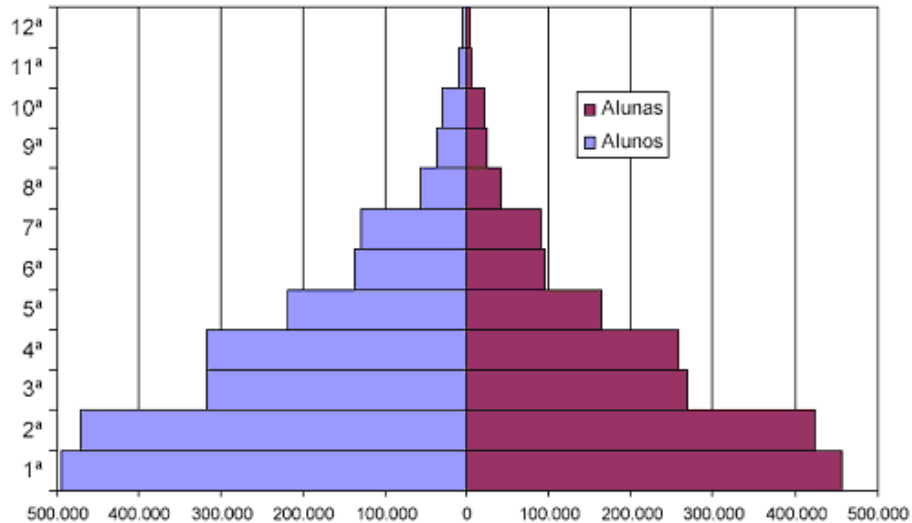
¹⁵ UNDP, 2005

¹⁶ Baden, 1997



GRAPH 1

Pyramid of enrolments in all levels of Public Education, day shift (2005)



Source: Strategic Plan of Education and Culture 2006-2010/11 (2006)

Legend: blue – male students/ purple - female students

Annual statistics show that women are however the main beneficiaries of literacy programs run in literacy centres in all the provinces of the country. Nevertheless, the illiteracy rate continues to be high with only a slight decrease registered over the last few years, as shown in Table 1.

TABLE 1

Adults' illiteracy rate by gender (2000-2004)

Gender	2000	2001	2002	2003	2004
Female	71.2	69.9	68.7	68	66.2
Male	40.2	40.2	37.6	36.7	34.4
Total	56.7	55.6	54.6	53.6	52.8

Source: INE, 2000 and 2004

According to the Ministério do Trabalho¹⁷, between 2004/05, the unemployment rate for women 15 years or older was higher (65.5%) than men's (34.5%), a situation found in all provinces of the country (see Table 2).

¹⁷

Ministry of Labour, 2005



TABLE 2

Percentage distribution of unemployed population 15 years or older by province and gender (2004/05)

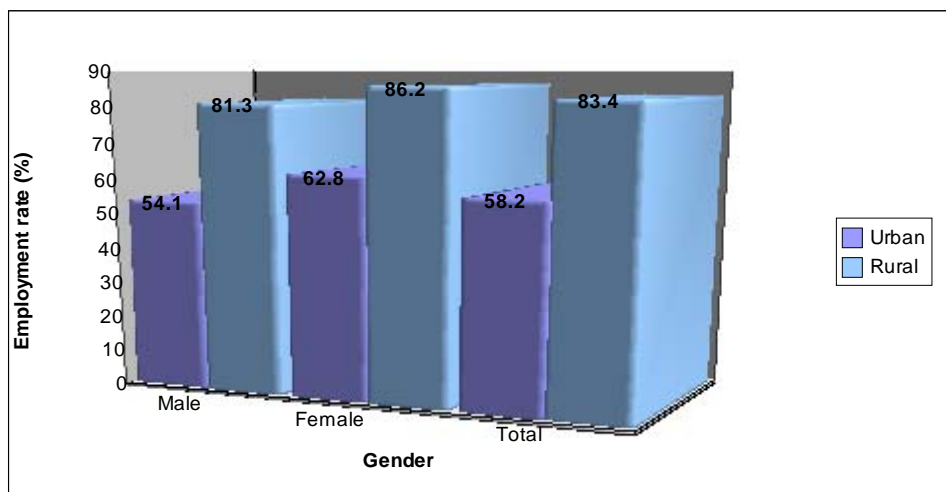
Province	Male	Female
Total	34.5	65.5
Niassa	32.3	67.7
Cabo Delgado	22.1	77.9
Nampula	29.9	70.1
Zambézia	32.5	67.5
Tete	28.2	71.8
Manica	37.9	62.1
Sofala	30.9	69.1
Inhambane	36.4	63.6
Gaza	36.9	63.1
Maputo Province	44.2	55.8
Maputo City	41.5	58.5

Source: Ministério do Trabalho (2005)

Data from INE shows that the percentage of employed adults in the whole country is larger in rural areas than in urban areas. It also shows that about 86,2% of employed women live in rural areas of the country, compared to 81,3% of employed men living in these areas (see Graph 2).

GRAPH 2

Employment rate by area and gender



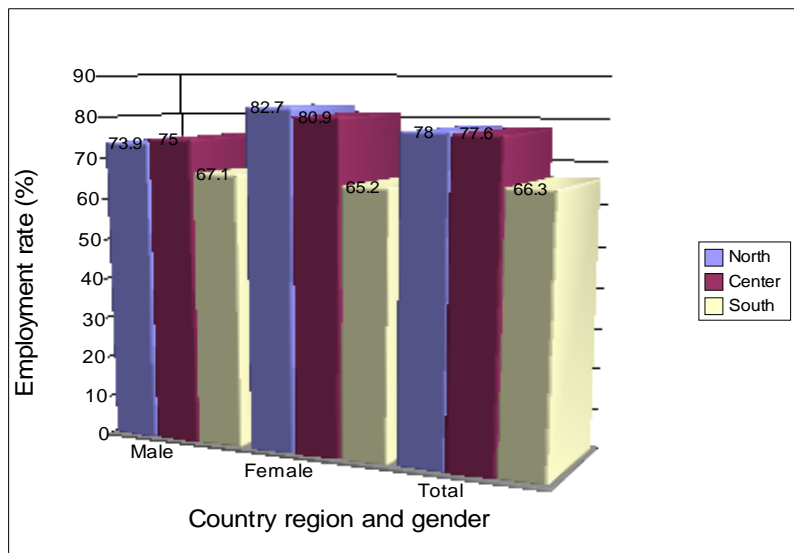
Source: INE

The Northern and Central regions of the country have a larger percentage of employed people compared to the South region. However, while the percentage of employed women is



larger in the North, the percentage of employed men is larger in the Central region of the country (see Graph 3). This may be due to the difference in production activities between these regions which may have an impact in the employment rate by gender.

GRAPH 3
Employment rate by country region and gender



Source: INE

In 2005, of a total of more than 19 million inhabitants in Mozambique, of which 10 million of working age, only 14.956 people enrolled in Instituto Nacional de Emprego e Formação Profissional (INEFP) centres¹⁸. From this total amount of unemployed people, only 19.4% were women due to the fact that, because of their lower qualifications, they do not usually register themselves in this institute. Of the 4.688 job offers advertised, only 2.918 placements were effected, of which only 12.3% went to women.¹⁹

The opportunity for women to have access to formal employment is usually limited due to their qualifications, which are, on average, lower than that of men. The working hours and certain social and cultural factors are also barriers for women's participation in formal

¹⁸ National Institute of Employment and Professional Training

¹⁹ Ministério do Trabalho, 2005



employment. Other factors include the distance that women have to travel to get to their workplace and the nature of the jobs.²⁰

On the other hand, lay offs in the Public sector and the high cost of living, strongly push women towards the informal sector without changing the social expectations related to their roles.²¹

Females predominate in the informal sector where they are able to engage in income generating activities. This is a phenomenon that characterises many African countries and is a result of women's more limited access to education, health care, capital, access to land ownership and unequal decision-making power. These factors place women in a position of serious political, economic and social disadvantage.²²

.....5.3 *Decision-making and leadership*

Mozambican women still face certain obstacles that make it difficult to fulfil their rights. For example, there is no policy or solid practice motivating women to take on leadership positions in all levels of society. Only 31% of union leaders in Mozambique are women. In the management of 397 NGOs (out of a total of 574 National and international NGO's), women's representation is only 23%. Most NGOs have male directors, except those related to gender and women's issues.²³

There are a large amount of women in decision-making processes at the highest level, such as in the Mozambican Parliament which, at 36.5% female representation compares favourably with other remaining Southern African countries. Awareness programs carried out by the Government to improve the situation of women have had a positive impact on women in decision-making positions, as shown in Table 3.²⁴

²⁰ Fórum Mulher/SARDC WIDSAA, 2005

²¹ GMD, 2004

²² Fórum Mulher/SARDC WIDSAA, 2005

²³ Fórum Mulher/SARDC WIDSAA, 2005

²⁴ Fórum Mulher/SARDC WIDSAA, 2005



TABLE 3
Composition of the Government between 1995 and 2005

Position	1995 – 1999			2000			2005		
	M	W	% W	M	W	% W	M	W	% W
President	1	-	0	1	-	0	1	-	0
Prime Minister	1	-	0	1	-	0	-	1	100
Ministers	20	1	5.5	18	3	14.28	20	6	23.07
Vice ministers	13	4	22.2	4	5	55.5	13	4	26.6
Total	35	5	13.1	24	8	25	34	11	24.4

Source: Fórum Mulher/SARDC WIDSAA, 2005

.....5.4 *Impact of HIV/Aids*

Another problem that has affected the situation of women has been the HIV/AIDS pandemic. Statistics show that in Sub-Saharan Africa - on average - for every 2 men, 3 women are infected with HIV/AIDS and among young people 15 to 24 years old, 3 girls for every boy are infected.²⁵

PARPA II²⁶ indicates that the HIV/Aids prevalence rate in 2005, among the Mozambican population is, approximately 16,2%, with a higher incidence amongst young women 20 to 24 years of age (21,9%) compared to men in the same age group. In addition, 8,5% of Mozambican girls aged 15 to 19 years old are infected compared to 2,8% of boys.

Besides being the most infected, the HIV/Aids pandemic has a larger impact on women, resulting in: domestic overload; an increase in care giver responsibilities towards the patients in their families, relatives and/or neighbours; an increase in girls' school drop out rates and in the reduction of time dedicated to subsistence or income generating activities.²⁷

The Government of Mozambique recognizes that, besides the human implications of the pandemic, this disease will negatively affect the economy of the country, through three

²⁵ UNAIDS/WHO, 2006

²⁶ PARPA II, 2006

²⁷ Fórum Mulher, 2005 In *The home based care*. Workshop Report on Research Presentation. Maputo, 7 -8 July, 2005.



different channels: 1) a reduction in population growth and accumulation of human capital; 2) a reduction in the accumulation of physical capital and 3) a reduction of human productivity.

The serious nature of this statistical information is due to the fact that Mozambique is a very young country, with females forming the majority of the population.. Women begin a formal or informal economic activity from the age of 15 and live up to about 42,7 years. The profile of Mozambican women thus leans towards entrepreneurship, since they start working at an early age, gradually increase their presence in schools and universities and then establish their position in the productive market.

Mozambican women therefore embody the notion that “firstly entrepreneurship is linked to the work place. *Secondly, it is recognized that the term refers to a process of, with persistence and future vision, identifying opportunities and creating something innovative under uncertain conditions, assuming the involved risks.*”²⁸

Women are generally considered to be the manager of the household in Mozambique and have to undertake income generating activities to meet their own and their family’s needs. However, in spite of the progress made since Mozambique’s independence in relation to the integration of women in the country's development process and the raising of their social status, gender inequalities largely prevail at different levels of society.

6 Women Entrepreneurs

Although women have established themselves in the job market and are taking on more leadership positions they continue to carry out their usual household chores.²⁹. This means that women are capable of simultaneously taking on a diversity of tasks. This makes them stand out in the way they start and develop their businesses.

²⁸ Hisrich and Peters, 2002, quoted by Jonathan, 2006, p.1

²⁹ Jonathan, 2006



It also means that they develop characteristics such as adaptation and flexibility to different situations, objectivity and persistence. They also have a tendency to adopt a more democratic leadership style compared to men whose management style is characterised as being more prescriptive.³⁰

Entrepreneurship and management styles have been studied considerably within the context of gender, particularly due to the recognition of the importance of enterprise and business for the development of national economies.

According to some authors, through the creation of businesses, women generate employment and inculcate a value system where people are treated as “bearers of values and individual needs; more flexible work schedules and educational performance are motivated”.³¹ In creating and running their own businesses women therefore have the opportunity of getting in and remaining in the productive market and influencing not just their own living conditions but those of the community as a whole.

Various institutions have noted that the increase of women's income has a positive impact for the whole household due to increased spending on nutrition, health care and schooling for children.³² Related research has demonstrated that the nations that promote women's rights have achieved a decrease in poverty rates, a faster economic growth and lower rates of corruption.³³

Women's emergence in Mozambique's formal and informal business environment reveal that women are able to manage social elements such as multiple roles, lower education and management capacity, and still play an important role in income generation and employment creation.

³⁰ Grzybovski, Boscarin and Migott, 2002

³¹ Grzybovski, Boscarin and Migott, 2002, p.192

³² Notably the World Bank and IFAD

³³ See the Gender and Growth Assessments published by the Gender Entrepreneurship Markets division of the International Finance Corporation, and the work of the Women's Education Network, a Brazilian NGO



7 Women's Associations in Mozambique

Women's organizations in Mozambique and, in Africa in general³⁴ should be analysed in the context of women's traditional organisations and women's participation in the national liberation struggle.³⁵ Following the national liberation war, the Government, within the context of developing the country and social well-being, created mass democratic organizations. The first women's organisations were: Organização da Mulher Moçambicana (OMM)³⁶ and União Geral das Cooperativas (UGC)³⁷.

These organisations were guided by a social welfare policy designated “women in development”, that focused on women's reproductive role. Emphasis was placed on programs to promote social well-being, such as nutrition, health, education, justice, access to resources, and family planning. The objectives of OMM, as presented in its IV Conference, were “to struggle for the defence and protection of the marriage and of the family”.³⁸

In 1989, the first socio-professional women's organizations were created. These had both lucrative and non-lucrative goals and among them was ACTIVA. According to Casimiro (2004), most of the organizations which were founded in that period were created by former Government members and were political or job seeking endeavours, due to the need for economic opportunity and for purposes of partnering with international NGO's.

This survey aims to understand the objectives and undertakings of ACTIVA as an organisation in order to make recommendations on how it can be strengthened and rendered more effective for its current and potential membership. It seeks to establish a sound understanding of the profile and requirements of women entrepreneurs within the larger business landscape of Mozambique.

³⁴ excluding Non Governmental Organizations

³⁵ Casimiro, 2004

³⁶ Mozambican Women Organization

³⁷ General Union of the Cooperatives

³⁸ Casimiro, 2004



It is hoped that the results of this survey will help to inform programmes to benefit the entrepreneurs who are members of ACTIVA and have a wider multiplier effect aimed at addressing the conditions facing women entrepreneurs in Mozambique.

8 Policy to promote the development of women entrepreneurs

The promotion of gender equality recommended by the Platform of Beijing has been considered a crucial issue in Mozambique and was included in the 2004 Constitution, establishing that “men and woman are equal by law in all domains of political, economic and cultural life”. There is a political will to promote gender equality as can be observed by the:

- ⇒ Creation of the Ministério da Mulher e Acção Social (MMAS)³⁹
- ⇒ Creation of the Conselho Nacional para o Avanço da Mulher (CNAM)⁴⁰, an advisory board composed by Ministers of different sectors, representatives of the Civil society, trade unions and religious institutions. This Council has a technical advisory board composed of gender focal points from different fields of activities responsible for the implementation of the decisions made by the national council.
- ⇒ Creation of the gender units in all sectors, with the duty of integrating gender issues in policies and sectoral programmes
- ⇒ Appointment of gender focal points in all structural units with the duty to coordinate and promote gender issues within the units.
- ⇒ Approval of the Gender Policy and Implementation Strategy in 2006.

The establishment of the Conselho Nacional para o Avanço da Mulher and the approval of the gender policy and implementation strategy have been seen as progress in the promotion of gender equality and as tools which will stimulate the set up of policies sensitive to gender issues in all sectors of activity.

³⁹ Minister of Women and Social Work

⁴⁰ National Council for the Advancement of Women



However, it is important to highlight that gender policy is an instrument which includes general guidelines and principles. Political intentions still have to emerge from the political decision makers because they are the ones who have the power and authority. The definition of strategies and specific programmes to respond to gender imbalances and inequalities should happen at sectoral level. However, this is not yet happening due to a lack of decision-making power and lack of action by the focal points and gender units. These units or the people who compose them also need technical and financial capacity to take on the agenda of promoting gender equality.

The country's development approach is guided by a philosophy of “Fighting poverty”. The scope of PARPA does not however necessarily follow a principle of wealth creation. Entrepreneurship development has to, in our point of view, be concerned with wealth creation to enable substantial investment in human capital and the increase in productive capacity at all levels.

In Mozambique, there is no specific policy to promote women’s entrepreneurship nor any policy to promote the development of local industry that includes clear initiatives to stimulate women business owners.

It is important to mention nevertheless that the approval of the new Family Law, in 2004, brought significant changes related to the rights and freedom of women vis a vis men. In this law, for example, women can have access to credit without the approval of their husbands and can purchase goods and property and register them in their names and/or use them without the need to have their husbands authorization, as happened in the past. The law gives patrimonial rights inside and outside of a marriage to men and women without discrimination.

This is therefore progress being made relating to the access, ownership and control of resources. However, in a country with a low literacy rate, traditional practices influenced by the strength of patriarchal power dominant in Mozambican society continue to prevail. At the same time, the country does not have a strong judicial system or any activities focusing on the promotion of women’s rights.



In the private sector there is no policy to promote the development of women's entrepreneurship. However, some institutions are emerging such as Novo Banco, Tchuma - Cooperativa de Crédito e Poupança, Socremo, Caixa Cooperativa de Crédito (CCC) and others which have credit lines to benefit SMEs, most of them owned by women. The major constraint factor still has to do with the lack of guarantees available from women who benefit from credit. Most of these women depend on the approval of their family (husband, sons and other relatives) to give family property as a guarantee.

PARPA II, on the other hand, does not establish any clear guidelines to promote women's entrepreneurship. It only refers to the increase of fishing production, the changes made to the Labour Law and to the increase of Social Security cover as goals to be monitored during the 5 years of the programme implementation.

However, the Ministério do Comercio⁴¹ has been developing a promotion strategy for SMEs within the initiative "Produza, consuma e exporte Moçambicano"⁴² and this is an opportunity for lobbying and advocacy to integrate gender issues. ACTIVA could play a crucial role in this process.

⁴¹ Ministry of Commerce

⁴² "Produce, consume and export Mozambican"



II. SURVEY RESULTS

Methodology

The main findings presented in this report are based on a quantitative survey conducted on a convenience sample of 70 executive and business women in Mozambique, members and potential members of ACTIVA

The criteria used to select the participants for this study were that the woman needed to be: a business owner or partner, an executive; actively involved in a leadership role in an enterprise or have the intention to start a business in any field of activity.

A survey questionnaire designed according to the study objectives was used to collect data from three main categories with respective indicators, as can be seen in Appendix 1.

The executive and business women were invited to participate in the study either by telephone or face to face. Meetings were set up and in some occasions the consultant interviewed the survey respondents and filled in the questionnaire herself while on other occasions the questionnaire was given to the respondents to complete. Focus group sessions with some ACTIVA members were also conducted to obtain some information on the Association and its operational activities.

Quantitative data from the survey was processed using the Statistical Package for Social Sciences (SPSS), version 13.0 for Windows and Microsoft Excel software. Data analysis included statistical procedures such as: frequency tables and percentage graphs and diagrams.



1 Profile of the survey respondents

.....1.1 Demographic indicators

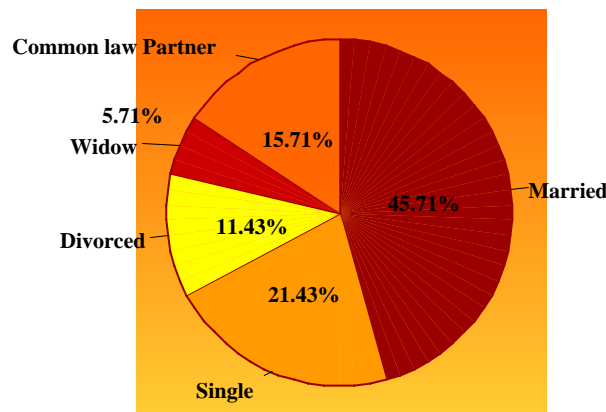
Most women participating in this study were between 40 and 49 years of age and only a small portion were younger as shown in Table 4.

TABLE 4
Age of business women

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18 to 24	2	2.9	2.9	2.9
25 to 29	3	4.3	4.3	7.1
30 to 39	18	25.7	25.7	32.9
40 to 49	28	40.0	40.0	72.9
50 to 59	17	24.3	24.3	97.1
60 and more	2	2.9	2.9	100.0
Total	70	100.0	100.0	

About 45% of the respondents were married and a considerable percentage of them were single (see Graph 4).

GRAPH 4
Marital status of business women





More than 84% of the respondents have children (see Graph 5) and of this percentage the majority (30%) have 2 children (see Table 5).

GRAPH 5
Business women with children

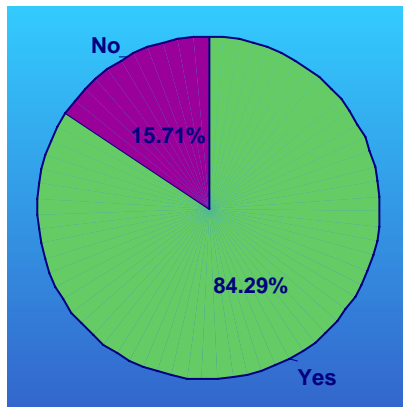


TABLE 5
Business women's number of children

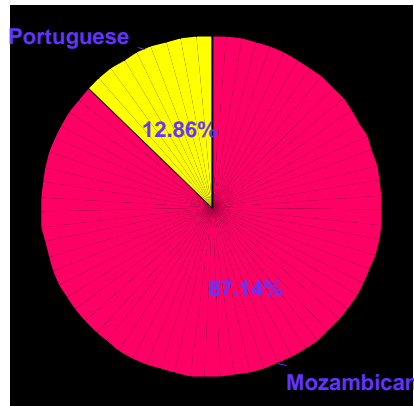
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	15	21.4	25.4	25.4
	2	21	30.0	35.6	61.0
	3	10	14.3	16.9	78.0
	4	8	11.4	13.6	91.5
	5	4	5.7	6.8	98.3
	9	1	1.4	1.7	100.0
	Total	59	84.3	100.0	
Missing	System	11	15.7		
Total		70	100.0		

Around 87% of the business women who participated in the study are Mozambican and the remaining percentage are of Portuguese nationality (see Graph 6).



GRAPH 6

Business women's nationality



As can be observed in Table 6, most women of Mozambican nationality are originally from Maputo City.

TABLE 6

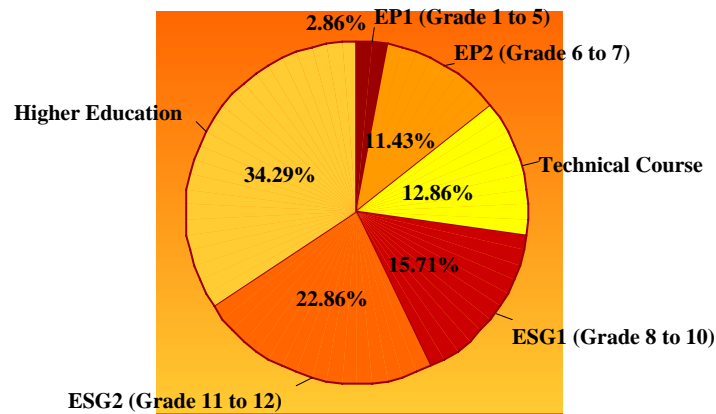
Business women's place of origin

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Maputo City	37	52.9	52.9	52.9
	Maputo Province	7	10.0	10.0	62.9
	Inhambane	5	7.1	7.1	70.0
	Gaza	3	4.3	4.3	74.3
	Sofala	2	2.9	2.9	77.1
	Zambézia	5	7.1	7.1	84.3
	Tete	3	4.3	4.3	88.6
	Nampula	1	1.4	1.4	90.0
	Cabo Delgado	1	1.4	1.4	91.4
	Portugal	2	2.9	2.9	94.3
	Angola	4	5.7	5.7	100.0
	Total	70	100.0	100.0	



The majority (34.29%) have or are currently attending higher education courses and 12.86% of them have attended Technical Courses (see Graph 7).

GRAPH 7
Business women's academic level



.....1.2 *Work and family life balance*

We asked the women who participated in this study if their business activities affected their family environment negatively. 25% of them said yes (see Table 7). Some of the factors they mentioned were: firstly, the reduction of leisure hours, secondly, the absences resulting from business trips and thirdly, the decrease in meals taken at home (see Table 8).

TABLE 7
Impact of businesses activities in the family environment according to business women

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	18	25.7	25.7	25.7
No	52	74.3	74.3	100.0
Total	70	100.0	100.0	



TABLE 8
How business activities affect family environment according to business women

	Frequency (n=18)	Percentage (%)
Reduction of leisure hours	15	83.3
Absences resulted from business trips	10	55.5
Reduction of the number of meals at home	8	44.4
Mismanagement of household duties	5	27.7
Lack of participation in the children's education	3	16.6
Incompatibility with school or husband/partner holidays	2	11.1

The other 74.3% who did not think that their businesses activities negatively affected their family environment pointed out that the key factor in enabling optimal work/life balance was good time management (see Table 9).

TABLE 9
Business women's strategies to handle business and family life

	Frequency (n = 52)	Percentage
Good time management	31	59.6
Servants help with household chores	22	42.3
Family support	19	36.5
Don't have young children	19	36.5
Share of household chores with husband/partner	12	23
Friends support	2	3.8
Night shift Job	1	1.9

.....1.3 *Employment history*

Among the sample of 70 respondents, 37.1% were former employees in the public sector and the same percentage (37.1%) were employees in the private sector before starting their own businesses (see Table 10).



TABLE 10
Business women's main professional activity before starting their own businesses

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Employee in the public sector	26	37.1	37.1	37.1
Employee in the private sector	26	37.1	37.1	74.3
Entrepreneur in other company	3	4.3	4.3	78.6
Free Lancer	4	5.7	5.7	84.3
Student	7	10.0	10.0	94.3
Housewife	4	5.7	5.7	100.0
Total	70	100.0	100.0	

Almost 43% of the respondents have previous experience in their field of activity (see Graph 8) and this was acquired mostly from their activities as employees in other enterprises and as freelancers in the sector (see Table 11).

GRAPH 8
Previous experience of women in their business field

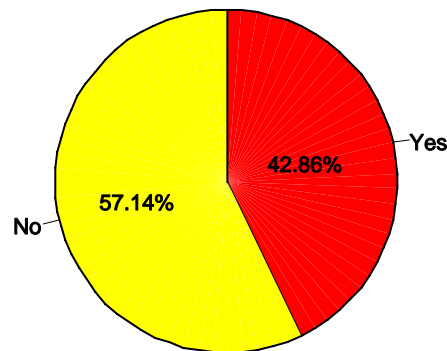




TABLE 11
Business women's acquired experience in their business field

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Employee in other enterprise	10	14.3	33.3	33.3
	Someone in the family had a similar business	9	12.9	30.0	63.3
	Partner of other enterprise	1	1.4	3.3	66.7
	Freelancer in the sector	10	14.3	33.3	100.0
	Total	30	42.9	100.0	
Missing	System	40	57.1		
Total		70	100.0		

.....1.4 *Business Motivation*

When the respondents were asked what their motivation was to start their businesses, the reasons they came up with were mainly: the identification of a business opportunity, dissatisfaction with their previous jobs and being in a situation of unemployment (see Table 12).

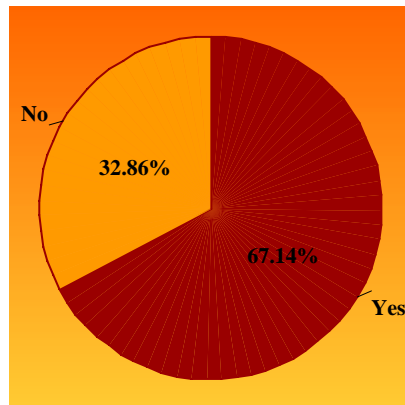
TABLE 12
Women's motivation to start their own businesses

	Frequency (n = 70)	Percentage
Business opportunity	34	48.5
Not satisfied with the Job	17	24.2
Unemployment	14	20
Free time	12	17.1
Income needs	9	12.8
Previous experience	7	10
Use of incentives	6	8.5
Self realization	3	4.2



The majority of women involved in this survey were the sole owners of their businesses (see Graph 9).

GRAPH 9
Sole ownership



Most of those who were not sole owners share their business's ownership with a friend and most of these have a 50%/50% share of the business as can be noted in Table 13.

TABLE 13
Business women's partners and share in the business

	Frequency (n=24)	Percentage	Frequency of Share Percentage							
			70%	60%	50%	45%	40%	30%	15%	5%
Friend	8	33.3	1		5				1	1
Brother/Sister	7	29.2		2	4			1		
Husband	6	25			5	1				
Son/Daughter	2	8.3			1		1			
Mother	1	4.2			1					

Up to 35% of the respondents are involved in more than one income generating activities such as: owner of other businesses, consultancy services, workers and executives in other enterprises (see Graph 10 and Table14).



GRAPH 10

Income generating activities apart from women's own businesses

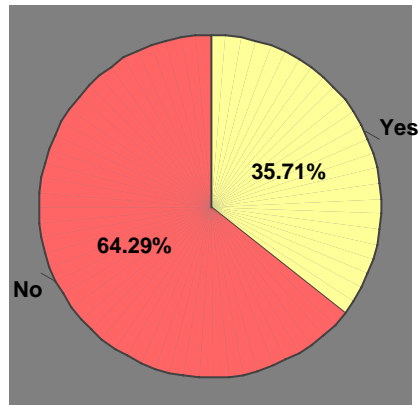


TABLE 14

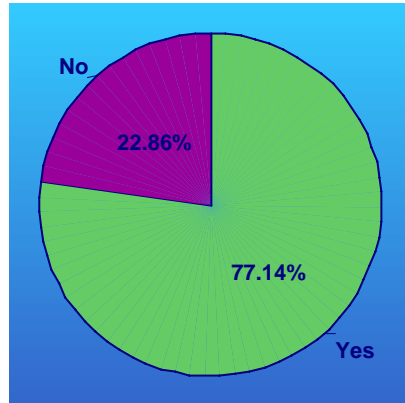
Types of other income generating activities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Consultancy Services	6	8.6	24.0	24.0
	Owner of other business	7	10.0	28.0	52.0
	Worker in the Public sector	3	4.3	12.0	64.0
	Executive Position in a company	2	2.9	8.0	72.0
	Arts Activities	1	1.4	4.0	76.0
	Teaching	1	1.4	4.0	80.0
	Singing	1	1.4	4.0	84.0
	Did not answer	4	5.7	16.0	100.0
	Total	25	35.7	100.0	
Missing	System	45	64.3		
Total		70	100.0		

The respondents were asked whether, if they were to choose their own career they would choose what they are currently doing. 77.14% of them said yes as seen in graph 11. Reasons cited were: they liked what they are doing, they experience personal and professional satisfaction in what they do, their businesses are related to their academic background, they like to innovate and welcome challenges and the activities have a high income potential.



GRAPH 11
Business women's choice of career



The 22.86% that would not choose the same career noted as reasons: the preference to follow their academic experience, their wish to run a more lucrative business activity and the desire for flexibility in being able to explore other opportunities and challenges.

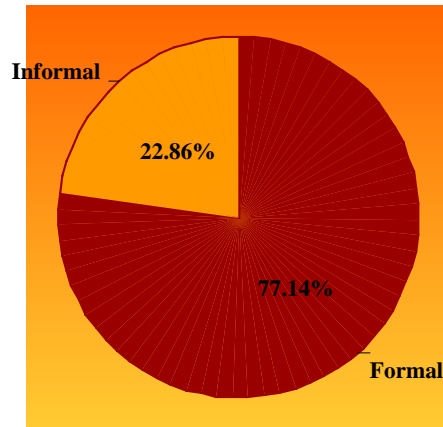
2 Company Profile

.....2.1 *General Company's data*

A profile of each enterprise owned by the 70 women of this study can be found in Appendix 2 and 3. Appendix 2 shows the company profile of ACTIVA's members and Appendix 3 of ACTIVA's potential members. The majority (77.14%) of the enterprises and businesses owned by the respondents are in the formal sector as shown in graph 12.



GRAPH 12
Business/Company sector



Most of the enterprises (88.6%) have their main office in Maputo City and the remaining ones in Maputo and Zambézia provinces (see Table 15).

TABLE 15
Company/Business Location (Main Office)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Maputo City	62	88.6	88.6	88.6
Maputo Province	6	8.6	8.6	97.1
Zambézia	1	1.4	1.4	98.6
New York (U.S.A.) ⁴³	1	1.4	1.4	100.0
Total	70	100.0	100.0	

⁴³ An international NGO



Of the 70 companies/businesses only 8 of them have branches in other parts of the country as can be seen in Table 16.

TABLE 16
Company/Business Location (Branches)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Maputo City	3	4.3	37.5	37.5
	Maputo Province	1	1.4	12.5	50.0
	Gaza	1	1.4	12.5	62.5
	Sofala	1	1.4	12.5	75.0
	Nampula	1	1.4	12.5	87.5
	Nampula and Cabo Delgado	1	1.4	12.5	100.0
	Total	8	11.4	100.0	
Missing	System	62	88.6		
Total		70	100.0		

Around 34% of these enterprises or businesses have been operating for 10 and more years but a considerable percentage (approximately 16%) of them started in 2006 (see Table 17). More than 77% of the 70 enterprises/businesses are legally registered (see Graph 13) but as shown in Table 17 the majority of them were legalized a few years after they started operating. This is due to the bureaucratic procedures involved in the process, which is a serious issue pointed out by some of the respondents.⁴⁴ Cross referencing between the year of starting the enterprise and the year of registration made it possible to ascertain that the average length of time to register is 1 year and three months.

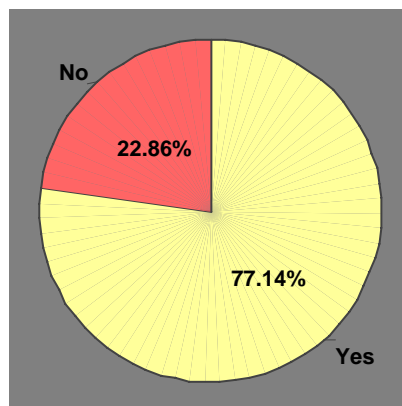
⁴⁴ FC's *Doing Business* report for 2007 places Mozambique at 140 out of 175 countries surveyed for ease of doing business



TABLE 17
Business/Company's starting date and year of registration

		Year of Business/Company's registration																			Total
		84	87	88	91	92	93	94	95	96	97	98	99	00	01	02	03	04	05	06	
Business/	1977	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1
Company's	1984	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
starting date	1987	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	1988	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	1990	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
	1991	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	1992	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	1993	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1
	1994	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	1	0	0	0	3
	1995	0	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0	5
	1996	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1
	1997	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1
	1998	0	0	0	0	0	0	0	0	0	0	4	0	0	0	0	0	0	0	0	4
	1999	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	2
	2000	0	0	0	0	0	0	0	0	0	0	0	0	4	0	0	0	0	0	1	5
	2001	0	0	0	0	0	0	0	0	0	0	0	1	0	3	2	0	0	0	0	6
	2002	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	2
	2003	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	0	0	1	5
	2005	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	2	0	3
	2006	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	9
Total		1	1	1	1	1	1	2	5	1	2	4	3	4	3	4	5	1	2	12	54

GRAPH 13
Enterprises' legal registration





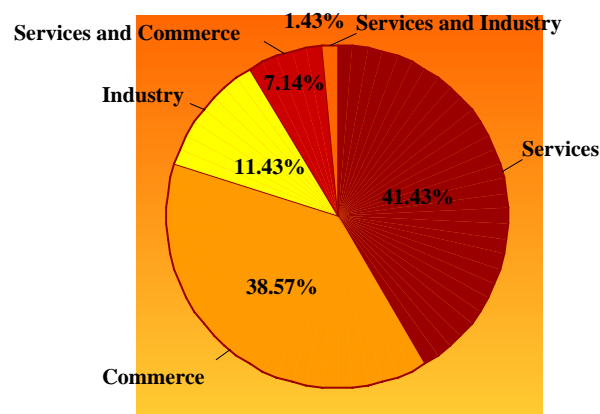
More than half of the enterprises included in the survey (51.4%) are small and the remaining ones are micro and medium enterprises (see Table 18).

TABLE 18
Enterprise Size (based on the number of workers)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Micro (1/2)	18	25.7	25.7	25.7
	Small (2 to 10)	36	51.4	51.4	77.1
	Medium (10 to 99)	16	22.9	22.9	100.0
	Total	70	100.0	100.0	

Services are the main business field of activity of enterprises owned by the respondents followed by commerce/trade (see Graph 14). However there is also a small percentage of business women operating in more than one field of activity at a time (approximately 9%).

GRAPH 14
Enterprise activity



The type of activity of these enterprises is very diverse as can be seen in Table 19. In the field of services the main activities are catering, hairdressing, consultancy and transport. In the field of commerce, the main activities are clothing/fashion and flower sales. In industry, where women are poorly represented, the main activities are graphic design, coconut processing, bakeries and manufacturing of diaries and bags.



TABLE 19
Enterprise Activity

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Restaurant	3	4.3	4.3	4.3
Handicrafts	1	1.4	1.4	5.7
Supermarket	2	2.9	2.9	8.6
Transport Services	3	4.3	4.3	12.9
Clothing/Fashion	11	15.7	15.7	28.6
Interior Decoration	3	4.3	4.3	32.9
Education Services	2	2.9	2.9	35.7
Restaurant and Guesthouse	1	1.4	1.4	37.1
Florist	5	7.1	7.1	44.3
Manufacture of diaries and bags	1	1.4	1.4	45.7
Cleaning Products and Beauty and Nutrition Services	2	2.9	2.9	48.6
Catering Services	5	7.1	7.1	55.7
Sale of bags and suitcases	1	1.4	1.4	57.1
Hairdressing	5	7.1	7.1	64.3
Take Away Services	2	2.9	2.9	67.1
Beauty Services	1	1.4	1.4	68.6
Bar Services	1	1.4	1.4	70.0
Rearing Livestock and Transport	1	1.4	1.4	71.4
Events decoration Services	1	1.4	1.4	72.9
Customs Services	1	1.4	1.4	74.3
Animal Medical Care	1	1.4	1.4	75.7
Consultancy Services	4	5.7	5.7	81.4
Sale of household goods	1	1.4	1.4	82.9
Graphic designer	2	2.9	2.9	85.7
Books Distribution and Sale	1	1.4	1.4	87.1
Advertising Services	1	1.4	1.4	88.6
Coconut Processing	1	1.4	1.4	90.0
Bakery	1	1.4	1.4	91.4
Sale of consumable goods	2	2.9	2.9	94.3
Products resale	2	2.9	2.9	97.1
Crockery sale	1	1.4	1.4	98.6
Photo Industry	1	1.4	1.4	100.0
Total	70	100.0	100.0	

The majority (60%) of these enterprises are operating locally, however, 20% of them operate at national level (see Table 20). This means that efforts are been made by business women to expand their businesses to other markets in other regions of the country and some of them to international markets (8.6%).



TABLE 20
Enterprise scope

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Local	42	60.0	60.0	60.0
Provincial	7	10.0	10.0	70.0
National	14	20.0	20.0	90.0
Regional	1	1.4	1.4	91.4
International	6	8.6	8.6	100.0
Total	70	100.0	100.0	

On average, the total number of employees from the 70 enterprises/businesses is 9 and a slight majority of these are female (see Table 21).

TABLE 21
Enterprises' number of employees

Total of Employees (Mean)	Male (Mean)	Female (Mean)
8.7	3.5	5.2

.....2.2 *Access to Technology*

The majority of women-owned enterprises have access to telephone and cellular phones and most have personal computers, computers in a local network area and Internet access (see Table 22). Only 2 enterprises owned by women have a website (see Table 23).

TABLE 22
Technology tools used in women's enterprises

	Frequency (n = 70)	Percentage
Cellular phone	50	71.4
Telephone	43	61.4
Fax machine	24	34.2
Internet	23	32.8
Personal Computers	21	30
Computers linked by a local area network	14	20



TABLE 23
Women's enterprises having websites

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	2	2.9	2.9	2.9
No	68	97.1	97.1	100.0
Total	70	100.0	100.0	

.....2.3 *Training needs*

We asked the respondents if their employees needed training and 74.3% of them answered yes (see Table 24). According to the respondents, the main areas where there is a need for staff training are management, administration services, marketing and human resources (see Table 25).

TABLE 24
Business women's employees' training needs

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	52	74.3	74.3	74.3
No	18	25.7	25.7	100.0
Total	70	100.0	100.0	

TABLE 25
Areas of training needs for women business owners' staff

	Frequency (n = 52)	Percentage
Management	40	76,9
Administration Services	33	63,4
Marketing	32	61,5
Human Resources Management	29	55,7
Accounting/Finance	27	51,9
Communication	23	44,2
Leadership	15	28,8
Public Relations	13	25
Hair style techniques	9	17,3
Decoration Techniques	4	7,6
Graphic Design	3	5,7
Nutrition	2	3,8
Beauty care	2	3,8
Child Education	1	1,9
Technical Course for waitresses	1	1,9



However, the respondents also mentioned that, besides their staff, they need to develop their own skills in order to better manage their businesses. Such skills include leadership, teamwork, marketing and advertising, entrepreneurship, quality management, English skills, commerce, public relations and project management.

.....2.4 *Business resources and annual sales revenue*

Data from the survey shows that women entrepreneurs' principal sources of resources are the sale of products and services and own funds (see Table 26).

TABLE 26
Women entrepreneurs' principal sources of resources

	Frequency (n = 70)	Percentage
Sales of products and services	47	67.1
Own funds	34	48.5
Micro credit	19	27.1
Family/Friends	13	18.5
Individual donations	8	11.4
International Non Governmental Agencies	2	2.8

34.3% of the respondents did not disclose their businesses' annual sales revenue but table 27 shows that, while 25.7% of their businesses have an annual sales revenue less than 400.000,00 Mtn⁴⁵, there is a significant percentage of enterprises (11.4%) with a very high amount of annual sales revenue (between 22.400.000,00 to 22.600.000,00 Mtn).

⁴⁵ Exchange rate USD/Mtn (Mozambique Metical) at 28th December, 2006 is 1USD:26,35 Mtn (Source: BCI Fomento)



TABLE 27
Annual sales revenue of enterprises/businesses owned by women

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 200.000,00 Mtn	9	12.9	12.9	12.9
	200.000,00 to 400.000,00 Mtn	9	12.9	12.9	25.7
	400.000,00 to 600.000,00 Mtn	2	2.9	2.9	28.6
	600.000,00 to 800.000,00 Mtn	4	5.7	5.7	34.3
	800.000,00 to 1.000.000,00 Mtn	2	2.9	2.9	37.1
	1.400.000,00 to 1.600.000,00 Mtn	2	2.9	2.9	40.0
	2.000.000,00 to 2.200.000,00 Mtn	1	1.4	1.4	41.4
	3.000.000,00 to 3.200.000,00 Mtn	1	1.4	1.4	42.9
	3.600.000,00 to 3.800.000,00 Mtn	1	1.4	1.4	44.3
	19.800.000,00 to 20.000.000,00 Mtn	1	1.4	1.4	45.7
	21.600.000,00 to 21.800.000,00 Mtn	1	1.4	1.4	47.1
	22.400.000,00 to 22.600.000,00 Mtn	8	11.4	11.4	58.6
	Don't know	5	7.1	7.1	65.7
	Did not answer	24	34.3	34.3	100.0
	Total	70	100.0	100.0	

3 Business Requirements

.....3.1 Access to Finance

We asked the respondents if they required financial support to start their businesses and only 27.9% of them agreed that they did (see Graph 15). Most of these entrepreneurs used private banks as a source of financial support and a lower percentage of them used other sources such as family and/or friends and an International Non-Governmental Agency (see Table 28).



GRAPH 15
Financial support required by business women to start their businesses

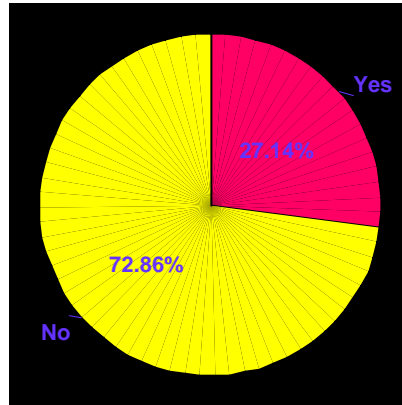


TABLE 28
Sources of financial support used by business women

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Private Bank	12	17.1	63.2	63.2
	Family/Friends	6	8.6	31.6	94.7
	International NGO	1	1.4	5.3	100.0
	Total	19	27.1	100.0	
Missing	System	51	72.9		
Total		70	100.0		

According to the 27.9% who required financing, the main purpose of the financial support they obtained was to purchase machines and equipment as well as raw materials and goods (see Table 29).

TABLE 29
Purpose of financial support obtained by business women

	Frequency (n = 19)	Percentage
Purchase of machines and equipment	15	78,9
Purchase of raw materials and goods	11	57,8
Repairs and/or installations	9	47,3
Social Capital	7	36,8
Working capital	5	26,3
Purchase of Technology	3	15,7



Currently, around 41% of these business women are working with banks and credit institutions (see Graph 16). The breakdown of these banks and credit institutions they are working with is shown in Table 30.

GRAPH 16
Business women currently working with a bank

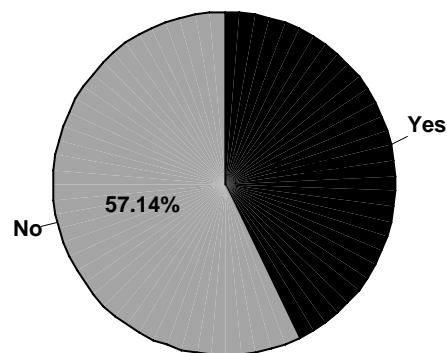


TABLE 30
Banks with whom business women are working

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BCI Fomento	5	7.1	16.7	16.7
	Standard Bank	4	5.7	13.3	30.0
	Millennium BIM	8	11.4	26.7	56.7
	BDC	4	5.7	13.3	70.0
	Novo Banco	3	4.3	10.0	80.0
	Socremo	3	4.3	10.0	90.0
	Banco Austral	3	4.3	10.0	100.0
	Total	30	42.9	100.0	
Missing	System	40	57.1		
Total		70	100.0		



Of the 70 women, 25 indicated that they regularly request financial support from banks mainly for investment projects (see Table 31).

TABLE 31
Nature of financial support from banks

	Frequency (n =25)	Percentage
Investment projects	18	72
Purchase of equipment	14	56
Working capital	6	24

Data collected from the survey shows that 64.29% of business women will need financial support in the future for investment projects (see Graph 17 and Table 32).

GRAPH 17
Respondents' need for future financial support

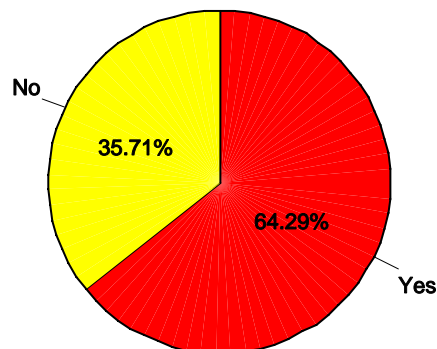


TABLE 32
Future purpose for obtaining financial support

	Frequency (n =45)	Percentage
Investment projects	38	84,4
Purchase of equipment	22	48,8
Working capital	11	24,4

The main forms of payment for equipment purchase cited by business women are: leasing, followed by upfront payment and monthly contributions (see Table 33).



TABLE 33
Forms of payment for purchase of equipment by business women

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Leasing	32	45.7	72.7	95.5
	Upfront	10	14.3	22.7	22.7
	Monthly contributions	2	2.9	4.5	100.0
	Total	44	62.9	100.0	
Missing	System	26	37.1		
Total		70	100.0		

Of the 64.29% of women that are interested in obtaining future financial support from banks, 31.1% of them would require an amount of up to 400.000,00 Mtn, 17.2% would require between 400.000,00 Mtn and 800.000,00 Mtn and the remainder would need higher amounts (see Table 34).

TABLE 34
Amount of money required from banks by business women (in Mtn)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 200.000,00 Mtn	5	7.1	11.1	11.1
	200.000,00 to 400.000,00 Mtn	9	12.9	20.0	31.1
	400.000,00 to 600.000,00 Mtn	6	8.6	13.3	44.4
	600.000,00 to 800.000,00 Mtn	6	8.6	13.3	57.8
	1.000.000,00 to 1.200.000,00 Mtn	3	4.3	6.7	64.4
	1.200.000,00 to 1.400.000,00 Mtn	1	1.4	2.2	66.7
	2.400.000,00 to 2.600.000,00 Mtn	1	1.4	2.2	68.9
	2.600.000,00 to 2.800.000,00 Mtn	1	1.4	2.2	71.1
	3.000.000,00 to 3.200.000,00 Mtn	1	1.4	2.2	73.3
	4.600.000,00 to 4.800.000,00 Mtn	1	1.4	2.2	75.6
	Did not answer	8	11.4	17.8	93.3
	Don't know	3	4.3	6.7	100.0
	Total	45	64.3	100.0	
Missing	System	25	35.7		
Total		70	100.0		

If they were to receive loans from banks the respondents would mostly provide guarantees in the form of their property and their business's cash flow (see Table 35).

TABLE 35



Type of Bank guarantee given by business women

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Property	16	22.9	35.6	35.6
	Business Cash Flow	16	22.9	35.6	71.1
	Personal Aval	9	12.9	20.0	91.1
	Vehicles and Equipment	4	5.7	8.9	100.0
	Total	45	64.3	100.0	
Missing	System	25	35.7		
Total		70	100.0		

Most of these entrepreneurs indicated that they would ask the Bank for loans covering 100% of their requirements. 17.1% of them however are willing to provide own cash equity towards such loans (see Table 36).

TABLE 36
100% request for financial support

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	33	47.1	73.3	73.3
	No	12	17.1	26.7	100.0
	Total	45	64.3	100.0	
Missing	System	25	35.7		
Total		70	100.0		

The range of cash equity that some respondents would be able to provide ranges from 10% to 80% with most (5.7%) citing a 30% contribution (see Table 37).

TABLE 37
Cash equity to the Bank

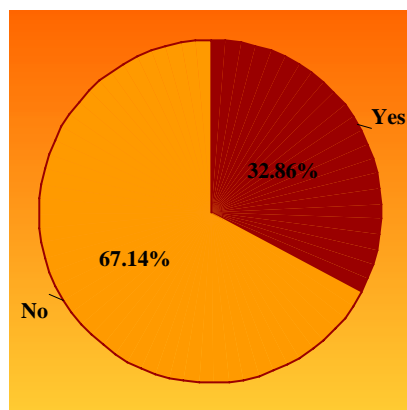
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10%	2	2.9	16.7	16.7
	20%	1	1.4	8.3	25.0
	30%	4	5.7	33.3	58.3
	40%	2	2.9	16.7	75.0
	50%	2	2.9	16.7	91.7
	80%	1	1.4	8.3	100.0
	Total	12	17.1	100.0	
Missing	System	58	82.9		
Total		70	100.0		



.....3.2 *Management Requirements*

Regarding business women’s management practices, this survey show that 67.14% of women involved in the study did not carry out a feasibility study before starting their businesses (see Graph 18).

GRAPH 18
Business women’s feasibility study for starting their businesses



However, the majority of the respondents (67.1%) have, as regular management practice, among others, conducted studies on customer needs and satisfaction (see Table 38).

TABLE 38
Regular management practices used by business women

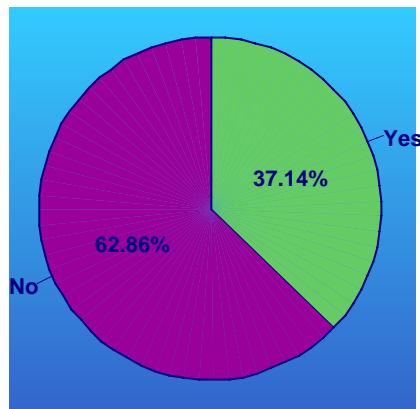
	Frequency (n = 70)	Percentage
Costumer needs and satisfaction study	47	67.1
Accounting control	28	40
Product promotion and marketing	26	37.1
Staff training	23	32.8
Hiring professional and specialized services	20	28.5
Technology Update	16	22.8

Data from the survey shows that a low percentage (37.14%) of business women have been using external professional support for the development of their businesses (see Graph 19).

GRAPH 19



External professional support used by business women



The majority of them used external professional support from people with knowledge of the business sector (18.6%) as well as support from associations in the industry sector (see Table 39).

TABLE 39
Type of external professional support used by business women

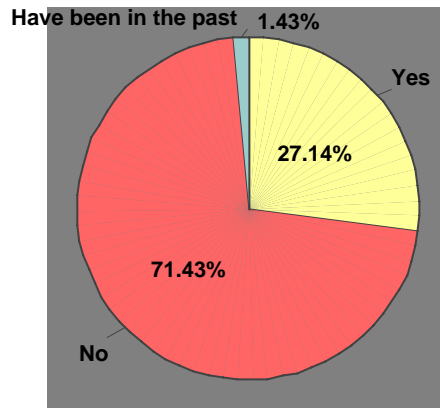
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other business institutions	1	1.4	3.8	3.8
	Sector Enterprise Associations	9	12.9	34.6	38.5
	Consultancy Enterprises	3	4.3	11.5	50.0
	People with knowledge of the business sector	13	18.6	50.0	100.0
	Total	26	37.1	100.0	
Missing	System	44	62.9		
Total		70	100.0		

.....3.3 *Services from ACTIVA*

Of the 70 business women involved in the survey, 27.14% are current ACTIVA members, 1.43% have been a member of this association in the past and the remaining 71.43% are potential members of ACTIVA (see Graph 20).



GRAPH 20
ACTIVA membership



Of the 19 ACTIVA members involved in this study, more than half of them (14.3%) have been members for 14 to 16 years (see Table 40).

TABLE 40
Length of business women's membership of ACTIVA

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 2 years	3	4.3	15.8	15.8
	6 to 9 years	5	7.1	26.3	42.1
	10 to 13 years	1	1.4	5.3	47.4
	14 to 16 years	10	14.3	52.6	100.0
	Total	19	27.1	100.0	
Missing	System	51	72.9		
Total		70	100.0		

A high percentage (32.9%) of the non-members pointed out that they did not know about the existence of ACTIVA; this was given as their main reason for not being a member. However, a significant percentage of non-members (24.3%) indicated that they do not believe in business associations. This is a challenge for ACTIVA since these women represent what should be their natural constituency (see Table 41).



TABLE 41
Reasons presented by business women for not being affiliated to ACTIVA

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Do not know of the existence of Activa	22	31.4	44.0	44.0
	Do not know the advantages of being a member	2	2.9	4.0	48.0
	Don't believe in the functioning of Associations	17	24.3	34.0	82.0
	Lack of Opportunity	1	1.4	2.0	84.0
	Lack of time/availability	4	5.7	8.0	92.0
	Member of other Business Association	3	4.3	6.0	98.0
	Don't have guidelines about ACTIVA	1	1.4	2.0	100.0
	Total	50	71.4	100.0	
Missing	System	20	28.6		
Total		70	100.0		

In the opinion of ACTIVA's members, the association has been developing and implementing capacity building activities (courses, workshops, seminars) and forming partnerships to support the development of their businesses. One of the association's duties is to obtain financial support through loan programmes for its members, but according to the members it has not been able to do so. These loan programmes benefit ACTIVA's members both in formal and informal businesses.

Regarding the current operation of ACTIVA, members are of the opinion that the association is operating deficiently. Some of the members feel that the association is not progressing due to, among other issues, member's lack of time to develop activities, lack of funding and weak management. Members also noted that ACTIVA's operations could improve with the increase of membership fees, better marketing of the association and technical assistance from partner institutions.



Of the 70 business women involved in this survey 27.14% confirmed their membership in other business associations besides ACTIVA (see Graph 21): mainly in the Associação de Importadoras e Vendedoras do Sector Informal de Moçambique (Mukhero)⁴⁶ and industry sector organizations such as the Associação de Cabeleireiros e Esteticistas de Moçambique (ACAEMO)⁴⁷ and CTA (see Table 42).

GRAPH 21

Business women's membership in other business associations

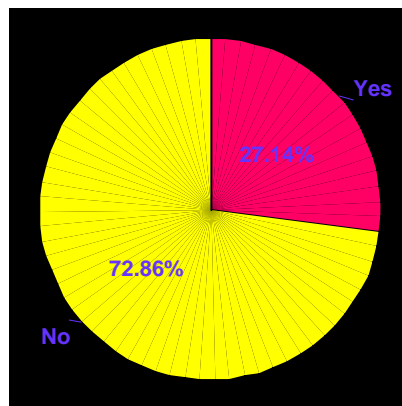


TABLE 42

Associations to which business women are affiliated

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CTA	1	1.4	5.3	5.3
	Mukhero	7	10.0	36.8	42.1
	ACAEMO	6	8.6	31.6	73.7
	Did not answer	5	7.1	26.3	100.0
	Total	19	27.1	100.0	
Missing	System	51	72.9		
Total		70	100.0		

⁴⁶ Mozambican Association of Informal Sector Importers and Sellers

⁴⁷ Mozambican Association of Hairdressers and Beauty Professionals



.....3.4 *Business outlook*

According to most of the respondents (58.5%), during the past 12 months, their businesses increased in investment capital (see Table 43). 30% of the respondents said that their business's employment and investment level remained the same.

TABLE 43
Business during the past 12 months

	Frequency (n = 70)	Percentage
Increased its investment capital	41	58,5
Employment and investment level remained the same	21	30
Hired new employees	19	27,1
Expanded into new markets	16	22,8
Reduced the number of employees	7	10
Reduced its investment capital	6	8,5
Found a foreign partner	2	2,8
Closed stores or branches	1	1,4

The above could be the reason why most of the business women demonstrated a largely optimistic and somewhat optimistic attitude towards the growth and development of their businesses for the next 2 years (see Table 44).

TABLE 44
Attitude of women towards the growth of their businesses for the next 2 years

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very optimistic	33	47.1	47.1	47.1
Somewhat optimistic	23	32.9	32.9	80.0
Neutral	8	11.4	11.4	91.4
Somewhat pessimistic	1	1.4	1.4	92.9
Very pessimistic	5	7.1	7.1	100.0
Total	70	100.0	100.0	



.....3.5 *Operational and development constraints*

The survey showed that the main constraints emphasized by the business women in relation to the operation and development of their businesses are: their own and their staff's lack of management skills, lack of qualified staff, acquisition of raw materials, goods and equipment, followed by tax rates and access to credit (see Table 45).

TABLE 45
Main constraints faced by women's businesses

	Frequency (n = 70)	Percentage
Lack of management skills	37	52.8
Lack of qualified staff	33	47.1
Acquisition of raw materials and goods	31	44.2
Resources for equipment acquisition	29	41.4
Taxes	28	40
Access to Credit	25	35.7
Rental expenses	23	32.8
Lack of Social Capital	22	31.4
Lack of costumers	19	27.1
Competition of other enterprises	18	25.7
Staff expenses	17	24.2
Interest Rate	17	24.2
Competition of imported products	14	20
Bureaucracy for the business legalization	14	20
Inappropriate Infrastructure	7	10
Inappropriate Location	4	5.7
Don't have any difficulties	3	4.2
Personal/Family Problems	2	2.8
Difficult financial situation	1	1.4

As business owners, the respondents felt that their main concerns around developing their businesses were related to credit and financing, accounting assistance, technical assistance, promotion and marketing of their businesses, staff training and human resources management (see Table 46).



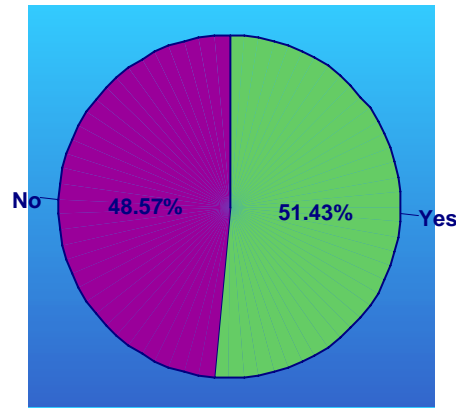
TABLE 46
Business women's concerns around the development of their businesses

	Frequency (n = 70)	Percentage
Credit and financing	43	61.4
Accounting Assistance	37	52.8
Technical Assistance	32	45.7
Promotion and marketing	31	44.2
Staff training	29	41.4
Management of Human Resources	29	41.4
Micro and small enterprises open procedures	28	40
Market know ledge	26	37.1
Machines and equipment suppliers	26	37.1
Labour, taxes and fiscal legislation	26	37.1
Economic impact in the business	13	18.5
Technology Capacity Building	12	17.1
Exportation	11	15.7
Economy of energy	9	12.8
Importation	8	11.4
Company information systems	8	11.4
Raw Material Suppliers	7	10
Participation in Exhibitions	7	10
Organization of distribution channels	6	8.5
Technological Management	5	7.1
Informal market	5	7.1
Administrative Assistance	4	5.7
Possibilities of association w ith other enterprises	4	5.7
Government policy f or micro and small enterprises	4	5.7
Quality and productivity	3	4.2
Sales price definition	3	4.2
Micro and Small business legislation	2	2.8
Bad Services from Internet Providers	2	2.8
Business development strategies	1	1.4

To assess how gender issues impact on business, we asked the 70 business women involved in this survey if they think it is easier for men to be an entrepreneur in Mozambique. As can be seen in Graph 22, 51.43% of them answered positively.



GRAPH 22
Respondents' opinion on gender and entrepreneurship in Mozambique



Most of the women interviewed mentioned that managing male employees, balancing work and life, gaining access to capital and being taken seriously as a business owner is much more difficult for them because of their gender (see Table 47). Where being female was seen by respondents as a slight advantage, it was in areas around relationship building, such as client and supplier engagement, or joining formal networks.

TABLE 47
Gender and the development of businesses

	More difficult for being a woman		Easier for being a woman		There is no difference due to gender	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Managing male employees	48	68.5	5	7.1	17	24.2
Balancing work and family life	44	62.8	11	15.7	15	21.4
Gaining access to capital	42	60	7	10	21	30
To be taken seriously as a business owner	39	55.7	12	17.1	19	27.1
Personal safety issues	37	52.8	14	20	19	27.1
Networking and building informal business relationships with mentors, advisors and other business owners	23	32.8	15	21.4	32	45.7
Managing female employees	21	30	13	18.5	36	51.4
Dealing with corruption	16	22.8	13	18.5	41	58.5
Dealing with bureaucracy and paperwork	15	21.4	6	8.5	49	70
Joining formal networks, like business associations	13	18.5	19	27.1	38	54.2
Working with Suppliers	12	17.1	33	47.1	25	35.7
Working with clients/customers	8	11.4	24	34.2	38	54.2



Respondents perceive other issues as relatively gender-neutral for them as women business owners. The majority of them say their gender makes no difference in the areas of: dealing with bureaucracy and paperwork and dealing with corruption (see Table 47).



III. CHALLENGES AND RECOMMENDATIONS

The creation of ACTIVA as well as other professional women business's associations is a reaction to a series of barriers faced by Mozambican women business owners in their business operations. ACTIVA's mission is to help Mozambican women entrepreneurs find the right solutions to various challenges.

One of those challenges is the fact that the majority of Mozambican women entrepreneurs manage micro and small enterprises. Barriers related to the size of businesses owned by women include, among others: limited investment capital, limited access to markets, staff's low educational level, limited access to information and lack of skills in using information, lack of access to technology and SMEs' legalization constraints.

Gender issues related to the management of businesses can also be pointed as challenges for ACTIVA and respective members. Although business women in Mozambique contribute for the national development of the economy, the idea that women have low skills compared to men still prevails. Although it is true that many Mozambican women do not have the same level of commercial and management skills as most business men, this situation exists because of barriers related to business development in the communities due to gender differentiation.

On the other hand, we can point out other challenges that are currently affecting Mozambique's business sector in general, namely: weak financial institutions; lack of access to information on businesses and markets; insufficient business networks; out of date technology; national currency instability and low education level of the population.

Information, advocacy and training are some of the key strategies that ACTIVA should adopt to deal with the challenges mentioned above.



Besides learning more about how to get involved in policy issues and advocacy, ACTIVA should start promoting discussions with government and business sector representatives, not only to contribute to the sector's development but essentially to stimulate the empowerment of women owners of micro and small enterprises in the country. In fact this is the right time for influencing the inclusion of gender priorities focusing on specific needs of women entrepreneurs because many policies and strategies are emerging in the country.

Regarding access to finance for women entrepreneurs, one recommendation is for national policy makers to consider setting up special loan funds or guarantee schemes for SMEs owned by women.

On the other hand, methods of access, sharing of business development information and training are crucial requirements to deal with the main constraints that Mozambican women entrepreneurs face today.

The establishment and reinforcement of formal and more extensive networks for women business owners in Mozambique could contribute to the potential growth of these businesses as well as the organization of regular meetings with other women business owners across the country to share ideas, experiences, best practices and build mentoring relationships. Partnerships with several institutions to support these conferences and workshops should be established by ACTIVA.

Regarding access to training for women entrepreneurs, other recommendations may be: establishing a special government advisory board for women's business development services and providing basic business skills training for new and prospective business owners. Strategic partnerships with educational providers as well as NGOs, International Non-governmental Agencies and other businesses associations should be carried out by ACTIVA in order to organize capacity building for women business owners to improve their business skills.



However, this capacity building should be followed by a mentoring program to evaluate business women's capacity of implementing the skills they learned during the training programs and assist them in technical management issues, in the day to day management of their businesses.

Finally, in Mozambique's gender policy and implementation strategy, it is recommended that serious consideration be given to promoting women's enterprise development with special emphasis on access to capital, to entrepreneurial education and training and access to new markets.



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