



Micro, small and medium enterprises (MSMEs) are key drivers of economic growth, often described as the “engine of growth” for emerging economies (IFC 2017). In 2018, it was estimated that small and medium enterprises (SMEs) represented over 88 per cent of all enterprises in Samoa (Nataro 2018), indicating the vital role such businesses play in Samoa’s economy. There is widespread recognition that catalyzing women’s entrepreneurship is a key pathway for advancing women’s economic empowerment. With proven multiplier effects on decent employment, poverty eradication and economic growth (ESCAP 2017). Yet, compared with men, women entrepreneurs continue to face complex barriers limiting their ability to start-up and/or grow their business.

Examining and drawing on existing literature and studies, this report will discuss the barriers and opportunities for women entrepreneurs in Samoa.

Section one will focus on the barriers facing women entrepreneurs in Samoa. This will also include preliminary analysis on the impact of the global coronavirus pandemic (COVID-19) on women entrepreneurs in Samoa.

Section two will then discuss opportunities, including policy recommendations and strategies for addressing gaps and leveraging opportunities that will further support the creation of an enabling environment for women entrepreneurs in Samoa.

This discussion paper was prepared through desk research by the United Nations ESCAP’s Catalyzing Women’s Entrepreneurship (CWE) programme team. The CWE programme funded by the Government of Canada, aims to advance women entrepreneurship and market participation in the Asia-Pacific region, resulting in poverty reduction, improved livelihoods and economic growth. The programme takes a facilitative approach to strengthen the entrepreneurial ecosystem, by enhancing women entrepreneurs’ access and use of financial services; strengthening women entrepreneurs’ use of ICT and digital solutions to support their business; and through policy and advocacy initiatives.

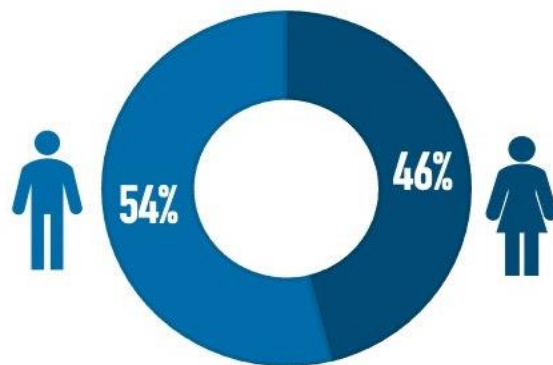


Section 1: Barriers and Opportunities

Drawing from available reports, literature and data, this section discusses the common barriers faced by women entrepreneurs in Samoa. This section will focus on eight areas, including: access to trade and markets; access to finance; cultural and social norms; business networks and skills training; policy and regulation; informal sector; technology and ICT; and COVID-19.

The presence and contribution of women in Samoa's economy and SME sector is notable and growing. In the formal sector, women in Samoa are most likely to be employed in the sectors of education (17.1 per cent), commerce (14.3 per cent) and other services (12.1 per cent) (ADB 2018). Between 2011 and 2015, female employment increased by 44 per cent, in comparison to 35 per cent for males. Recent years have also seen a rise in the share of women in top management positions, rising from 18 per cent in 2001 to 53.3 per cent in 2010. This increase has placed Samoa as one of the highest in the Pacific Island countries (PICs) for the share of women in senior management positions (ADB 2018).

Turning to the entrepreneurial sector in Samoa, according to the 2011 Census, 24 per cent of women were involved in entrepreneurial activities (either formal or informal) (Centre for Samoan Studies 2014). By 2018, it was estimated that women owned between 40 to 46 per cent of businesses in Samoa (ADB 2018). However, critically many women-led MSMEs are micro-sized and operate within the informal sector. With women in Samoa still only making up 29 per cent of the formal workforce in 2018 (ADB 2018). These features make it difficult to accurately assess the number of women-led MSMEs in Samoa. It is likely that the number of women-led MSMEs are higher than the estimated 40 to 46 per cent of businesses in Samoa. Therefore, the above data highlights that women's entrepreneurship in Samoa is notable and growing, however, a number of barriers continue to limit the full potential of women entrepreneurs. These barriers are discussed below in detail.



It is estimated women own between 40-46% per cent of businesses in Samoa.

Source: ADB (2018)

Access to Trade and Markets

Characterized by being small in size, geographically dispersed and distant from major markets, PICs are faced with larger challenges compared to other States with regards to access to trade and markets (ILO 2017, ADB 2018). The Pacific Export Survey 2016 revealed that approximately 27 per cent of exporting small and medium-sized enterprises (SME) in the Pacific are run by women. This number demonstrates the potential of women entrepreneurs. When compared to male-owned businesses, who run over 70 per cent of the exporting SMEs in the Pacific (Pacific Trade Invest 2016), the need to consider a number of barriers which often may restrict women-led MSMEs in their access to trade and markets needs to be considered.



The high level of informality of women-led MSMEs in Samoa will impact the number of registered women-led businesses in Samoa.

Economic activity in Samoa is also often concentrated in urban areas. In 2001, ADB estimated that 70 per cent of Samoa's domestic economic activity took place in the Apia urban area (Jones and Cocks 2003). Therefore, for women entrepreneurs not based in Apia, this may limit their physical access to markets to sell their goods and services. Moreover, it is estimated in PICs, that rural women carers are more likely to be outside the labour force when compared with urban women carers (ILO 2018). Asia and the Pacific overall witnesses' women performing 80 per cent of the total of hours of unpaid care work, accounting for nearly four times as men (ILO 2018). Therefore, for many women entrepreneurs, who perform the dual role of businesswomen and carers, this will further restrict their mobility leading to reduced access to trade and markets.

PICs face some of the most significant risks and exposure to natural hazards and climate change impacts in the world (ILO 2017). It is estimated that Samoa loses 1 per cent of gross domestic product (GDP) each year to disasters (ADB 2019). The impact of natural hazards and climate-induced changes are known to have a disproportionate impact on women, pressuring "women's time, income, health, nutrition and social support systems" (ESCAP 2019). Therefore, as the number of climate-induced changes continue to rise, this is likely to increasingly act as a barrier for women-led MSMEs in their ability to access trade and markets alongside heightened vulnerability to job loss (Pacific Possible and World Bank 2016).

Access to Finance

In contrast to trends around gender and financial inclusion in the region, research in Samoa shows that women are actively involved in finance related activities. 40 per cent of women are banked, compared to 38 per cent of men (Centre for Samoan Studies 2015). The Central Bank of Samoa hypothesizes that the higher level of bank account ownership among women is likely driven by

remittance income. With women receiving 48 per cent of the remittances from overseas, compared to 39 per cent for men (Centre for Samoan Studies 2015).



Though Samoan women have high financial inclusion, women entrepreneurs still face specific hurdles that limit their equal access to the assets, credit and capital required to start up and/or expand their businesses (ESCAP 2013).



Samoa's commercial financial sector comprises of four commercial banks, two of which are subsidiaries of foreign banks¹, with a market share of about 80 per cent of total banking system assets (Women's World Bank 2013). In Samoa, commercial banks are not required to allocate a specified share of their lending to SMEs and there is no dedicated SME bank (ESCAP and UNCDF, 2020).

The microfinance sector is well developed in Samoa. Currently three major suppliers of microfinance operate; Samoa Business Hub (SBH, previously Small Business Enterprise Centre); Development Bank of Samoa (DBS); and South Pacific Business Development (SPBD). Women are often the main beneficiaries of microfinance programmes in Samoa (Centre for Samoan Studies 2015). With two of the three microfinance programmes either engaging in some specific support and/or providing for women microenterprises solely.

Samoa Business Hub

- Recently launched a micro loan and insurance scheme to directly provide loans of up to ST 10,000 (USD 3,800).
- With the aim to fill a gap in the market not sufficiently addressed by other lenders.
- Under this initiative, microloans of up to ST 10,000 (USD 3,800) can be provided directly to microenterprises that have good repayment track records.
- Financial and business training is also provided for recipients.

Development Bank of Samoa (DBS)

- In 2006, DBS commenced a microfinance scheme to support the economic empowerment of women. However, the initiative was unfortunately unsuccessful with repayment rates stalled and the default rate at almost 50 per cent.
- DBS identified the main reason for this failure as reliance on borrower nominations by the Ministry of Women, Community and Social Development, rather than DBS ownership through their own process of borrower vetting.
- Based on the lessons learned from this program, in mid-2017 DBS implemented a pilot microcredit project for women and youth in the island of Savaii.
- 778 loans were disbursed to women and youth, with the loan size ranging from ST 2,500 (USD 940) to ST 7,500 (USD 2,800). The total loan portfolio was around ST 2 million (USD 750,000).
- A large majority of the supported microenterprises were within the agriculture sector, but village shops and small-scale service businesses were also included.
- It is expected with minor modifications, such as including more mentoring support for borrowers, DBS will roll this out to other areas of Samoa in 2020.
- DBS's pilot microcredit project had the interest rate set at 8 per cent per annum, but this has proven to be insufficient to cover operational costs. It is estimated an interest rate of between 13 and 14 per cent per annum would improve the scheme's financial performance, but to ensure sustainability it would still require additional funding support.

¹ ANZ, Bank South Pacific (BSP), Samoa Commercial Bank (SCB) and National Bank of Samoa.



South Pacific Business Development (SPBD)

- Operating for more than 18 years, and part of the SPBD Microfinance network in the Pacific.
- SPBD provides micro loans ranging from a minimum of ST 1,250 (USD 470) to a maximum of ST 8,000 (USD 3,000) to its clients, who are all women.
- Prior to being granted loans, new recruits are provided with a training about the loan program and the creation of a savings account, as well as a financial literacy course. The spouses of women borrowers can also join the training.
- Borrowers are subject to a “loan size graduation process” by which they can only progress to the next level of finance once they have adequately serviced their previous loan.
- Extensive support is provided to borrowers through 346 centres with nearly 80 per cent outreach to the country.
- Of the 19,000-plus clients serviced by SPBD, approximately 90 per cent are classified as women who run and operate several different income-earning informal businesses or microenterprises.
- Interest rates for micro-loans are held at a flat rate of 21 per cent.

Source: Adapted from ESCAP and UNCDF (2020). *For more information please see the full study.*

Though microfinance represents an important available source of start-up capital for women entrepreneurs, it can also limit growth. This being categorised by high interest rates charged by microfinance institutions ranging from 8 to 21 per cent in Samoa (ESCAP and UNCDF, 2020)

Loans are also available to SMEs through DBS, SBH and SPBD. The total loan portfolio of DBS is ST 147 million (USD 55 million), and 98 per cent of its customers are MSMEs. However, loans for large corporate clients account for 81 per cent of the value of DBS’s portfolio. DBS has experienced a high default rate among the large corporate clients, with the non-performing loans of corporate clients representing 23 per cent of the total loan portfolio of DBS. In comparison, the default rates amongst SMEs is between 5 and 8 per cent, and the default rate of Inclusive Development Facility for Women and Youth pilot was recorded at below 2 per cent (ESCAP and UNCDF, 2020).

SBH provides 100 per cent credit guarantees to lenders for loans up to ST 20,000 (USD 7,500) and an 80 per cent guarantee for those between ST 20,001 and ST 100,000 (USD 38,000). At all levels of loan size, trainings for borrowers is provided over varying time frames. For example, businesses seeking a guarantee on larger loans of between ST 50,000 and 100,000 are requested to attend the Business Growth Incubation Program run over a ten-month period (ESCAP and UNCDF, 2020).

Under the SPBD SME finance scheme, the maximum loan offered to women is ST 32,000 (USD 12,000). Out of 400 SME loans, one hundred clients have been granted the maximum loan amount. SPBD notes that at least half of the one hundred SMEs which have borrowed the maximum loan amount of ST 32,000, and have the potential to undertake a ST 200,000 (USD 75,000) loan (ESCAP and UNCDF, 2020).



Recent research also reflects the findings of SPBD, that though women-owned businesses represent almost 50 per cent of their overall smaller commercial finance customers in Samoa, they represent less than 20 per cent of larger borrowers (ESCAP and UNCDF, 2020). This highlights the need for connecting finance opportunities for women entrepreneurs who have outgrown their previous loan size but do not have the resources or ability to access larger SME financing options.

A particular barrier for women entrepreneurs in Samoa looking to expand their loans are that many banks require collateral in the form of fixed assets. With customary land unavailable for collateral and only 4 per cent of Samoa’s land comprising freehold, obtaining credit is a problem for men and women (ESCAP and UNCDF, 2020). However, the situation is more difficult for women who are even less likely than men to have land title (IFC 2010). This highlights how economic activity in Samoa can also often be constrained by cultural and social norms.

Cultural and Social Norms

Research suggests that significant barriers exist for women’s access to participation in decision-making, leadership and management due to various factors including the system of traditional village government in Samoa. Limiting women’s ability to also fully engage in local government councils, church leadership, school management and community-based organisations (Centre for Samoan Studies 2015). Moreover, though men and women have equal right to matai titles, in the 2011 census it was recorded that 89 per cent of matai² were men. Without these titles, women’s opportunities to stand for Parliament and other national leadership positions are also limited (ADB 2018).

Leadership opportunities for women are important. With greater political representation for women increasing women’s overall “labour force participation, the share of public employment opportunities allocated to women, and women’s access to public amenities, such as roads and health services” (UN Women 2018) will go a long way in enhancing their leadership role. To support women’s opportunities in Parliament, the Constitution Amendment Act 2013 amended Article 44 of the Constitution to reserve 10 per cent of parliamentary seats for women (ADB 2015). This placed Samoa above the Pacific average of 8 per cent. However, overall, Asia and the Pacific currently holds an average political participation of women at 18 per cent (ESCAP 2019).



The percentage of women in Parliament and National Legislature in Samoa is 10%.

While this is above regional average of 8%, the Pacific region has the world’s lowest levels of women in parliament.

Source: UN Women (2018)

Further actions in Samoa have also been undertaken to support women’s participation and leadership. Each village has a woman government representative who provides the link on activities and policies promoted by Government to the village and communities (IFC 2010). Women’s committees also exist at village

² “The Matai are the chiefs of the Samoans. The matai are responsible for maintaining the respect, traditions, and administration of the village.” (Pasefika 2020).



level but have traditionally focused on the public health of the village. Thirdly, the National Council of Women represents women’s interests in Samoa. Churches have also been provided as a forum for women to form committees and address gender issues, however, this is not consistently operated across Samoa (ADB 2018).

A second cultural and social norm that can act as a barrier for women to set up and/or expand their businesses in Samoa is the high customary obligations, including the system known as ‘fa’alavelave’. This is a traditional ceremony where large amounts of money, food and fine mats are accumulated, pooled, exchanged and redistributed between kin-groups. This is undertaken to mark funerals, weddings, and title-conferring rituals (Women's World Bank 2013). ‘Fa’alavelave’ impacts both women and men in Samoa. Yet often for women the burden may be felt more deeply because these obligations require significant time and resources to be committed to the organization and running of ‘fa’alavelave’ (Women's World Bank 2013).

Thirdly, women in Asia and the Pacific work the longest hours (paid and unpaid work) in the world. On an average, women in the Pacific region perform four times the amount of unpaid care work that men (ILO 2018). The undertaking of unpaid care work remains a major reason of women’s underrepresentation and mobility in the workplace while also influencing women’s choice of part-time or informal work (ILO 2018). It is estimated that if included in the measurement of GDP, unpaid care work carried out by women in Asia and the Pacific would add USD 3.8 trillion to the total regional GDP (McKinsey Global Institute 2018).

Business Networks and Skills Training

The 2011 Census indicated that women in Samoa are well educated, and overall if not better educated than men. 47 per cent of women have secondary education compared to 44.1 per cent of men, and



In Samoa, 47% of women have secondary education compared to 44.1% of men, and 11.5% of women have tertiary qualifications compared to 10.5% of men.

Source: Pacific Community (2015)

11.5 per cent of women have tertiary qualifications compared to 10.5 per cent of men (Pacific Community 2015). However, good education levels for women have not translated into improved employment opportunities. As noted above, women are nearly three times less likely than men to be part of the formal labour force in Samoa (ADB 2018). This highlights the importance of providing continued

and accessible training and opportunities for women in Samoa to support them into and throughout employment. This is even more important in occupations perceived to be reserved for men, such as the ICT sector.

A number of support services are currently available in Samoa from SPBD; DBS; and SBH. All of these services are available to potential borrowers and established microbusiness operators, as well as



specific financial and business training for women and youth (Women's World Bank, 2013; ESCAP and UNCDF, 2020)

While SPBD originally focused on micro and small start-up businesses, SPBD also developed a special focus for disadvantaged groups, such as the poor, youth, and women in rural areas and the outer islands (ESCAP and UNCDF, 2020). The success of SPBD support services for women is notable. It is estimated that SPBD supported over 300 women clients to move from microfinance loans to small and medium-sized loans. However, the transitions of women from microfinance loans to those for SMEs has remained slow, with many women remaining in the informal economy (ADB 2018).

Under the re-design of SBH, advisory services will be established for MSMEs. Tailoring different levels of business support to enterprises at different stages of development and loan size. This includes both a “Start Your Business” training programme and moving to a more advanced business training programme, covering areas such as strategic planning and financial management. A new 10-month business growth incubator programme is also expected to be launched in 2020 to support businesses undertaking the largest loan size offered by SBH (Pacific Periscope, 2019; ESCAP and UNCDF, 2020).

Training opportunities are also provided by various public sector stakeholders. The Ministry of Women, Community and Social Development provides financial literacy training and allocates grants to projects that will benefit women in rural communities. Secondly, the Samoa Chamber of Commerce and Industry offers 15 training courses a year. These courses cover basic and advanced accounting, marketing, business management, increasing productivity, and management and accounting for nongovernment organizations (ADB, 2018).

In Samoa, two main organizations also provide business networking opportunities for women. The Women’s Enterprise Network (WEN), was formed in March 2015 and has over 100 members. WEN represents interests of all businesswomen both in the rural and urban areas in Samoa. Members of WEN consist mostly of women who own small and medium-sized enterprises, with some members also from the informal sector (ADB, 2018).

A second business network available for women-led MSMEs in Samoa is the Women in Business Development Initiative (WIBDI). In Samoa, WIBDI has worked with 1,300 families in more than 189 villages. WIBDI focuses on working directly with women in the supply chain of products³. Aiming to empower families with knowledge and skills opportunities, while developing communities and networks of likeminded women and organizations across Samoa. As part of WIBDI, small loans around a few hundred Tala (ST 200, USD 76) have also been provided to families at a 10 per cent interest rate. However, the focus is for participating women and/or families to save part of their income until they have ST 1,000 (USD 380) in the bank, after which they are referred to a local bank to apply for a small loan if needed. This hands-on approach aims to further provide women

³The market niche opportunities pursued by WIBDI include organic ‘direct micro expelled’ (DME) coconut oil; organically certified fetau oil (*calophyllum inophyllum*); coffee, cocoa and organic dried bananas.



entrepreneurs with practical guidance and mentoring (IFC 2010, ADB 2018, Women in Business Development Inc. 2020).

Policy and Regulation

The government of Samoa has committed to achieving gender equality through several national and international engagements. In particular, Article 15 of the Constitution of Samoa (1960) states that all persons are equal before the law and entitled to equal protection under the law (Government of Samoa 2016). In 2015, Samoa pledged to achieving the Sustainable Development Goals, including Goal 5 of gender equality and the empowerment of women. Consistent with the latter commitment, the Ministry of Women, Community and Social Development (MWCSD) has implemented the National Policy for Gender Equality (2016-2020) as well as the Community Development Plan (2016-2021). Both policies aim to promote women's economic empowerment, with specific focus also given to supporting women entrepreneurs, and particularly those in the informal sector, in building networks and strengthening business and training links (Government of Samoa 2016).

The Ministry of Commerce, Industry and Labour (MCIL) has a broad mandate to facilitate economic development in Samoa and recognises the need for a business-enabling environment to allow MSMEs to prosper. Under this mandate, MCIL is currently developing a draft MSME policy (ESCAP and UNCDF 2020) which is expected to be finalised by end of the year. The draft policy has taken into account the need to increase the number of women entrepreneurs in Samoa as well as to foster an enabling environment for women entrepreneurs to thrive. It should also be noted that the National Financial Inclusion Strategy (NFIS) (2017-2020) of Samoa includes action plans benefitting MSMEs, including improved access to finance (AFI 2017).

According to the World Bank's Ease of Doing Business Index, Samoa is ranked 90th out of 190 in terms of regulatory environment for creating or running a company (World Bank 2018). This consists of one of the highest scores for the Pacific Island region. It is estimated in Samoa, that women and men experience the same time, cost and procedures to starting a SME. Taking an estimated 4 procedures, and 9 days to open an SME in Samoa (World Bank 2018).

However, before starting a business, licenses for each of the enterprise's expected activities must be obtained. The need to apply and pay for licenses according to each business activity, and not for an individual business acts as a barrier for many micro and small business owners (ADB 2018). Moreover, under the current system personal attendance at a licensing office is still required (ADB 2018). Cost of travel to urban centres where the offices are located often acts as another disincentive for formalization, which is likely to hinder women who further who lack time, less information on business processes and higher care responsibilities (IFC 2011).

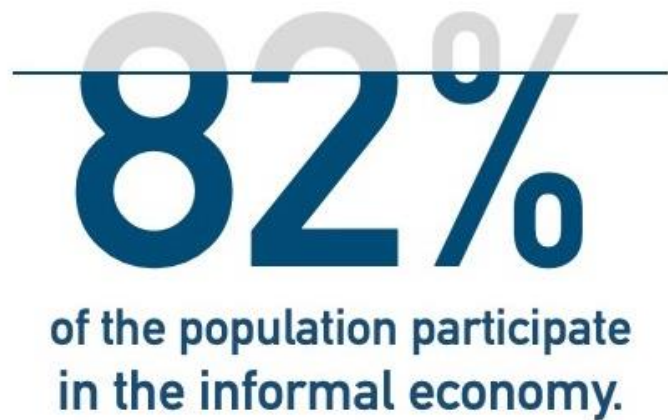
Efforts to encourage and simplify business registration process has been taken up in Samoa, with the introduction of the online company registration system in 2014. This resulted in the time taken for business registration to be reduced considerably, from 21 days to 1 day (ADB 2018). However, many women entrepreneurs remain unable to make use of this new registration system, particularly those in



the rural areas, who are still limited in their access to internet or internet banking facilities (IFC 2010, ADB 2018).

Informal Sector

It has been estimated that nearly 82 per cent of the population in Samoa, participate in the informal economy (Women's World Bank 2013). However, women in Samoa, are often hesitant to disclose their engagement in the informal economy. In the 2011 Census, only 931 women reported to be engaged in subsistence work such as agriculture or fishing, and only 23 women claimed they had been engaged in street vending (ADB 2018). Therefore, the size of the informal economy and women's participation in it remains uncaptured in full detail.



Source: Women's World Bank (2013)

In most Pacific countries, informal employment is more common in rural areas and on the outer islands (ADB 2019). Most women who work in the informal sector, work as employees, as employers, or as vendors of their own produce and handicrafts at the market (ADB 2017). However, many women entrepreneurs operating in the informal economy face a number of specific challenges and barriers.

Women entrepreneurs operating in the informal sector face greater difficulty accessing finance, with banks and credit unions generally offering loans to registered businesses only (ADB 2017). This often leads women entrepreneurs to turn to informal credit lenders to overcome this barrier. However, this can result in women entrepreneurs being charged high interest rates (ADB 2018).

Enterprises in the informal sector are also often limited in their ability to access business opportunities available to formal business operators. This includes opportunities and policy measures put in place by the Government or participation in large contracts open to corporations or other registered enterprises (ADB 2017). For example, in response to COVID-19, the Samoan Government has undertaken a range of economic measures to support the country (IMF 2020). Yet, for women-led enterprises operating in the informal economy they are particularly vulnerable, as they will likely have been unable to access the necessary social protection coverage and support mechanisms if they have to suspend or lose their enterprises (ILO 2020).

As noted above, women are also especially vulnerable to the effects of climate change and natural disasters (ILO and ADB 2017). For women who are employed in the informal sector, this is likely to lead to less access to income and fewer resources to deal, recover or adapt to climate change (Pacific Possible and World Bank 2016). In a country with such high natural disasters, insurance coverage also remains very low. With non-life insurance being secured by only 1.6 per cent of the population in



Samoa (ADB 2018). Moreover, for many individuals operating in the informal sector they rarely have access to legal or social protection (ADB 2017).

Technology and ICT

Approximately 165,500 people gained access to a mobile phone from 2002 to 2010 - nearly 90 per cent of the population in Samoa (World Bank 2013). Since then, the Samoan Government has continued to support technological development in Samoa. For example, in June 2018, the Government of Samoa partnered with the UNDP to host the Pacific Digital Futures: Samoa 2018. This focused on how digital transformation could facilitate the achievement of the Sustainable Development Goals in the region (ILO 2019).

Businesses and private sector organisations in PICs are also beginning to utilise ICTs to improve productivity, entrepreneurship, finance, and innovation. It is expected that with further increases in internet connectivity expected in the coming years across PICs, the potential for ICTs to support the development of e-commerce and e-government is large (ILO 2017).

The importance of supporting the potential of ICT is further reflected in statistics from Samoa's Central Bank. As though 71 per cent of adults own a mobile phone, only 3.7 per cent of mobile phone owners have a mobile money account. Even among adults with bank accounts, only 7.8 per cent have



In Samoa, across all adults, 2.6% report having a mobile money account, 3% have mobile banking services, and 0.5% have both.

Source: ADB (2018)

mobile banking services (allowing them to access their bank accounts directly from their phones). Therefore, across all adults, 2.6 per cent report having a mobile money account, 3 per cent have mobile banking services, and 0.5 per cent have both (ADB 2018).

The adoption of digitalisation of financial services as well as

technology in general can act as a barrier to women enterprises who have limited digital skills, limiting their ability to engage and operate with new technology (ILO 2019). Research by ILO and ADB (2017) indicates that some of the key challenges in regard to skill development for women entrepreneurs are a lack of quality and relevant of Technical and Vocational Education and Training (TVET); low workforce skills in communication and information technology; and lack of links between labour market demand and training. Therefore, a key challenge for the Samoan government, businesses and private sector organisations will be to make the necessary infrastructure investments and policy supports to maximise the potential of ICTs across Samoa. With the appropriate measures taken and improvement in technological skills for women in Samoa, this will likely bring significant benefits to women.



COVID-19

The COVID-19 global pandemic has resulted in an unprecedented situation for many countries and severely impacted the global economy (ESCAP, 2020). The impact of the pandemic is also revealing vulnerabilities and intensifying pre-existing inequalities “across social, political and economic systems” (UN 2020). Reflecting on past outbreaks such as the Ebola and Zika have highlighted the critical importance of considering and integrating a gendered lens into all stages of the outbreak. Including the planning, decision making, response and re-building, to help ensure interventions are effective and successful (UN 2020, Pacific Women 2020).

Compared to larger enterprises, all SMEs have a reduced ability to effectively absorb the impacts of COVID-19 because they have on average “less savings, smaller client bases, and more limited credit options” (UN Women 2020, ILO 2020). In the case of women-led MSMEs, this lack of resilience is further heightened by a number of barriers that women entrepreneurs already experienced, as detailed above. As such, with women on average having less access to technological devices such as mobile phones, this can limit their access to accurate official information regarding COVID-19 (Pacific Women 2020).

As noted above, in Asia and the Pacific region, women already perform 80 per cent of total hours of unpaid care work, more than four times more than men (ILO 2018). With an estimated 85,000 under-18s in Samoa, the impact of school closures has likely increased women childcare responsibilities (UNICEF 2016). This is also coupled with a women’s increased responsibility to look after sick and older family members who are particularly vulnerable to COVID-19. The increases in care responsibilities may further impact the ability for women to stay economically active whether as employees, self-employed or as entrepreneurs. Due to being in the early stages of the pandemic impacts, detailed data is currently unavailable

The Samoan Government has undertaken a range of economic measures to support the countries response to COVID-19. The details of these measures are detailed below in **Table 1**.

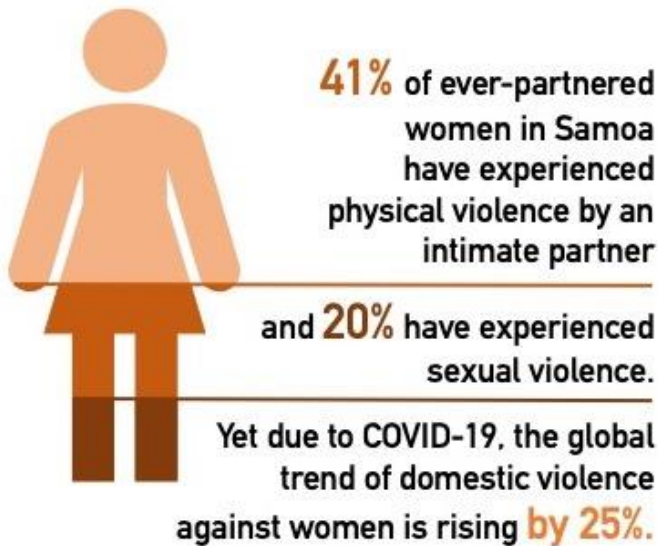
Table 1: Key economic policy resources undertaken by the Samoan Government

Category	Measures Undertaken
- Fiscal	<ul style="list-style-type: none"> - The government has put together the first phase of the fiscal and economic response package, amounting to 66.3 million Samoan tala (USD 25 million) (about 3 per cent of GDP). This package was approved by parliament on April 7th 2020. The mission of the package is to “Support the private sector so they can feed the nation,” and includes: (i) expenditure to cover the immediate medical response; (ii) assistance to the private sector; and (iii) assistance to individuals and households. - The support for the private sector includes: a temporary exemption on import duties on most commonly bought food items for households; duty concessions to be applied to an expanded list of agricultural and fishing materials; a grace



	<p>period of three months to be applied for all loan payments; and a six-month moratorium on pension contributions for the hospitality sector.</p> <ul style="list-style-type: none"> - Support for citizens includes: establishment of the Emergency Price Control Board to keep wholesale and retail prices in check and bring them down, if necessary; provision of financial assistance to members of the National Provident Fund in the form of a refund of their loan payments for March 2020; and a temporary reduction of utility bills (both electricity and water) for six months through September 2020. - On June 30, Parliament approved the Financial Year 2021 budget, including the second phase of the fiscal and economic COVID-19 response package that amounts to ST 83.1 million. This includes a similar set of measures to the first stimulus package. It provides a dividend pay-out by Samoa National Provident Fund, a benefit of ST 50 per citizen for a national ID registration, a special one-off pension payment, unemployment benefit, financial support for utility bills, and paid training for the hospitality sector. The health sector continues to be a priority sector for the government in light of the COVID-19 pandemic, and the package finances construction and upgrade of rural hospitals. The government will also continue to assist remote education services.
<p>Monetary and macro-financial</p>	<ul style="list-style-type: none"> - The Central Bank of Samoa (CBS) continues to maintain an accommodative monetary policy. - The CBS will encourage commercial banks to reduce interest rates, and/or associated bank fees and charges. The CBS will also make sure to maintain ample liquidity in the banking system to support businesses and stands ready to activate its lending facilities for the financial institutions. - As noted above, the proposed fiscal and economic response package includes provision of a three-month grace period to be applied for all loan payments. To compensate part of the losses in interest income, local commercial banks will receive payments from the government.
<p>Exchange rate and balance of payments</p>	<ul style="list-style-type: none"> - No measures taken yet.

Source: Adapted from IMF (2020) on 29th July 2020.



Source: WHO (2012); UN Women (2020)

In addition to the economic fallout, there are also a number of social impacts of the COVID-19 pandemic. This includes an emerging global trend of domestic violence against women rising by 25 per cent (UN 2020). Yet, in Samoa, this is occurring against a background of 41 per cent of ever-partnered women in Samoa having previously experienced physical violence by an intimate partner and 20 per cent having already experienced sexual violence (WHO 2005).

For Samoa, COVID-19 is also only one of the two health emergencies which Samoa has experienced in the last six months. The outbreak of measles in Samoa in late 2019 lasted in a 43-day state of emergency being declared (WHO and UNICEF 2019). As of Jan 22, 2020, 5707 measles cases and 83 measles-related deaths have been reported (WHO and UNICEF 2020).

Therefore, the likely impacts being felt by women entrepreneurs are going to be even more severe as Samoa enters its second state of emergency in a 6-month period. As such, it is critical that response plans and budgets address and consider the gender impacts of the pandemic. As noted by the UN (2020), this means: “(1) including women and women’s organizations at the heart of the COVID-19 response; (2) transforming the inequalities of unpaid care work into new, inclusive care economy that works for everyone; and (3) designing socio-economic plans with an intentional focus on the lives and futures of women and girls.”

Section 2: Opportunities

Based on the barriers and constraining factors facing women entrepreneurs in Samoa, this section identifies broad opportunities and recommendations towards supporting women entrepreneurs in Samoa. It presents recommendations in six key areas; gender-disaggregated data; multi-sector public and private partnerships; regulatory environment; gender-inclusive financial products and information; and communication and advocacy.

The catalyzation of women’s entrepreneurship requires a multi-faceted approach and the full participation of men, women, youth and children, across sectors and communities. Therefore, as part of the opportunities and recommendations detailed below, it is critical that all women empowerment activities undertaken encourage the inclusion of family members and male stakeholders. As through active engagement with all members of society and community, this will help broaden the awareness, understanding and encourage contribution to the catalyzation of women’s entrepreneurship and the creation of a gender-responsive ecosystem in Samoa.



1. Gender-disaggregated data

- a. Regularly collecting gender-disaggregated data on all existing barriers and challenges faced by MSMEs would help policy makers gather a better understanding of the existing barriers and opportunities and in turn offer more targeted and tailored responses; and
- b. The importance of gender-segregated data is even more important to ensure a fully effective response to COVID-19 can be undertaken. Drawing on lessons learnt from Ebola, this highlights the need to collect high-quality reliable data, to help ensure that the impact on the economy and various industries are fully understood.

2. Multi-sector public and private partnerships

- a. Identify Ministries and agencies across sectors to develop and take part in an organised and coordinated mechanism to develop gender-responsive policy recommendations and actions to support Samoa's MSMEs development; and
- b. Facilitate and strengthen public-private partnerships, business sector and civil society networks to support the sharing, best practices and lessons learnt for the development towards creating an enabling environment for advancing women's economic empowerment through entrepreneurship.

3. Regulatory and Enabling Environment

- a. Encourage the relevant Ministries and business registry offices to take on board the needs of women. Opening hours and facilities should be designed with the needs of women in mind, and staff provided with training on the special needs and barriers often faced by women entrepreneurs;
- b. Support relevant ministries in the development of incentives to formalize businesses across Samoa. Including allowing "hybrid" applications (internet, in person and telephone), information packages and communication materials about how to navigate the systems for entrepreneurs, and in particular aimed at women entrepreneurs; and
- c. Providing a "one stop shop" for information, guidance, application submission and follow up on business regulations in Samoa. This would also provide an opportunity to ensure guidance is directly given to women entrepreneurs on available finance and credit schemes as well as training and education opportunities in Samoa.
- d. Conducting an analysis/study to determine the number of women entrepreneurs in various sectors, regions as well as attempting to cover the informal sector. This will result in a comprehensive baseline of women-led MSMEs in the informal and formal sector. This will aid the various institutions involved to provided targeted support for the advancement of women entrepreneurs.

4. Gender-inclusive financial products and information

- a. Encourage commercial banks and other financial institutions to collect gender-disaggregated data on product and service utilization;



- b. Support commercial banks to develop products and services tailored specifically for women in business; and
- c. Engagement with existing NGO networks and business networks for outreach and support for women entrepreneurs based in rural areas looking to access finance and credit schemes.

5. Capacity building

- a. Tailor training initiatives to the needs of women entrepreneurs, accommodating varying skill levels and business stage requirements. In areas such as finance and cost management, marketing, product development and information and communication technologies;
- b. Ensure access and availability to all women entrepreneurs across location, age and business sector. Therefore, encourage training providers to consider the direct needs of women, opening times, childcare and those who are based in the rural areas; and
- c. Enhance greater access to and use of innovative technologies for women entrepreneurs.

6. Communication and advocacy

- a. Conduct public awareness and advocacy campaigns that encourage and promote women's entrepreneurship; and
- b. Feature and highlight successful women entrepreneurs and encourage their engagement and sharing of experiences with new and expanding women entrepreneurs.



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Note: Conversions from Samoan Tala (ST) to USD in the text are for illustrative purposes only. They are based on the average exchange rate for 2019 of ST 2.65 = USD 1.00.



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