

Subsidy programme launches 3,300 new women's businesses

Entrepreneurship for Unemployed Women Aged 22-64

In brief

The *Entrepreneurship of Unemployed Women Aged 22-64* programme was an ESF-supported subsidy programme that ran in Greece from 2010 to 2013. It was carried out by the Hellenic Manpower Organisation (OAED) which acts as the Greek Public Employment Service supported by the Greek Ministry of Labour and Social Insurance. It aimed to promote women's self-employment, entrepreneurship and business activity, especially in response to the new dire labour market conditions created as a result of the economic and financial crisis (which has exacerbated women's unemployment).

The programme offered a grant of €24,000 over three years, together with training seminars, individualised advice and performance monitoring. Ironically, although it was targeted at businesses with potential for growth, i.e. those in innovative sectors such as the green economy, in point of fact most applicants planned to set up small personal service enterprises.

The programme's impact in supporting women entrepreneurship has been considerable. By December 2012, out of the initial target of 4,000 women, it had helped 3,348 unemployed women to start and develop their own businesses.

Fighting women's unemployment

The *Entrepreneurship for Unemployed Women Aged 22-64* programme ran in Greece from 2010 to 2013. It was carried out by the Hellenic Manpower Organisation (OAED) which acts as the Greek Public Employment Service supported by the Greek Ministry of Labour and Social Insurance. The programme's budget was €87.4 million for three years and was covered through ESF co-financing under the thematic axis 'Facilitating access to employment' of the Human Resources Development operational programme for 2007-2013. It aimed to promote women's self-employment, entrepreneurship and business activity, especially in response to the new dire labour market conditions created as a result of the economic and financial crisis (which has exacerbated women's unemployment). To this end, it also sought to fight gender-based discrimination, inequality and labour market exclusion by promoting the sustainable employment and economic empowerment of unemployed women.

There programme was launched in the context of a number of initiatives to encourage female entrepreneurship. The Greek Association of Women Entrepreneurs (SEGE) was founded in 1997, and the National Chamber Network of Women Entrepreneurs (EEDGE), an extension of *Euro-chambres' Women's Network*, was established in 2004. Significantly, women's entrepreneurship is also supported through a number of programmes. For example, the *Integrated intervention supporting women's employment by enhancing entrepreneurship* programme is also co-funded by the ESF under the National Contingency Reserve, and provides up to 100% grants to support entrepreneurial activities by women who are unemployed, threatened by unemployment or inactive.

Finance, information, advice and monitoring

The programme was targeted at unemployed women aged 22-64 starting a new business in an innovative field, especially in the green economy, and had the capacity to aid 4,000 new women entrepreneurs and free-lance professionals. The businesses they planned to set up had to take the form of a limited or general partnership or a limited company in which the women should hold between 51% and 60% of the company's capital.

The programme used a set of complementary tools to help women entrepreneurs on their way:

- financial support of €24,000 over a period of three years

- individualised advice, guidance and support by a designated advisor, including advice prior to the submission of the application form

- seminars providing information, advice and guidance on entrepreneurship to prepare women

to start their business
assessment of the business plan by a three-member evaluation committee
regular monitoring of the implementation of the business plan and the progress of the
business.

Women have historically been discriminated in the Greek labour market. Indeed, women may face explicit or implicit gender discrimination, and may be required to pay a higher interest rates or to provide larger guarantees if they try to borrow from banks. This subsidy programme sought to address this issue by providing entrepreneurial women with easy access to finance combined with ongoing support, advice and guidance.

The programme was successful because it made it relatively easy for women to access start-up finance, and could draw on the considerable experience the OAED has in assessing business plans. Although it was intended to promote female entrepreneurship in innovative sectors, including the green economy – i.e. sectors with great growth potential – an analysis of applications showed that, in the main, prospective women entrepreneurs were interested in setting up nurseries, fashion design businesses, beauty salons and small-scale family-run tourism businesses.

3,300 new women's businesses

The programme has had a considerable impact in supporting women's entrepreneurship. By December 2012, out of the initial target of 4,000 women, it had supported 3,348 unemployed women to start and develop their own businesses. In general, it has been argued that the cumulative effect of policies and measures to foster self-employment and entrepreneurship among women in Greece has undoubtedly been positive. The programme has been effective in promoting women's economic independence, in the face of a very difficult economic climate (Greece's GDP fell by 21% between 2010 and 2013). In its report for Greece, the UN Committee on the Elimination of Discrimination against Women mentions the programme as a key action in fighting women's unemployment and discrimination, and ensuring equal opportunities in the labour market.

The programme should be seen within the context of Greece's severe economic and financial crisis and forms part of a raft of recent support programmes whose objective is to help women address the new adverse employment conditions by encouraging them to develop their own businesses. One of its key aims since it was launched in April 2010 has been to encourage and support women's self-employment and entrepreneurship during the financial crisis. In that sense, its relevance to improving the economic empowerment of women is paramount. There is extensive evidence that, in the face of the current unprecedented economic crisis and massive rise in unemployment, many women turn to self-employment as a way of maintaining their family's income. This programme provides such women with a good opportunity to source the necessary initial capital (or part of it) together with relevant training and individualised advice and guidance.

The chief lesson to be drawn is that businesses are much more likely to succeed if entrepreneurs are well-prepared before they start in business. A good recipe is to build up the know-how of intending business people by arranging entrepreneurship seminars, and to offer tailored advice before any application for financial support is made. Once the support period is under way, ongoing guidance and support goes together with monitoring of performance.

Contacts/Further Information

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Further information

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