

# Research papers

Authors  
Reham Rizk  
Ali Rashed  
Coordination  
Anda David (AFD)

## Trends and Patterns of Women's Entrepreneur- ship in Egypt



# Agence française de développement

---

## Papiers de recherche

---

Les *Papiers de Recherche de l'AFD* ont pour but de diffuser rapidement les résultats de travaux en cours. Ils s'adressent principalement aux chercheurs, aux étudiants et au monde académique. Ils couvrent l'ensemble des sujets de travail de l'AFD : analyse économique, théorie économique, analyse des politiques publiques, sciences de l'ingénieur, sociologie, géographie et anthropologie. Une publication dans les Papiers de Recherche de l'AFD n'en exclut aucune autre.

Les opinions exprimées dans ce papier sont celles de son (ses) auteur(s) et ne reflètent pas nécessairement celles de l'AFD. Ce document est publié sous l'entière responsabilité de son (ses) auteur(s).

---

## AFD Research Papers

---

*AFD Research Papers* are intended to rapidly disseminate findings of ongoing work and mainly target researchers, students and the wider academic community. They cover the full range of AFD work, including: economic analysis, economic theory, policy analysis, engineering sciences, sociology, geography and anthropology. AFD Research Papers and other publications are not mutually exclusive.

The opinions expressed in this paper are those of the author(s) and do not necessarily reflect the position of AFD. It is therefore published under the sole responsibility of its author(s).

# Trends and Patterns of Women's Entrepreneurship in Egypt

Reham Rizk

The British University in Cairo

Ali Rashed

Economic Research Forum

## Abstract

This paper conducts a detailed analysis of the trends and patterns of women's role in household non-agricultural enterprises in Egypt. The paper uses the Egypt Labor Market Panel Survey (ELMPS) waves of 1998, 2006, 2012 and 2018. First, the paper examines whether households have enterprises and how this varies across female and male-headed households over time. Second, it investigates whether men and women own enterprises and how this differs by their characteristics. Third, it investigates the characteristics of women-owned enterprises vis-à-vis men. Finally, it examines the gendered patterns of participation in enterprises. The findings demonstrate that women are less likely to engage in or own non-agricultural enterprises than men. Although the trend in participation in enterprises has been declining for men, it has been flat for women. Women-owned enterprises are more likely to be informal, have less capital, and be home-based.

## Keywords

Household Enterprises, gender differences, Employment

## JEL Classification

D2, J23, J6

## Acknowledgments

The authors acknowledge the support of Agence Française de Développement (AFD). We also acknowledge the general support of the World Bank, the International Labour Organization, AFD, UN Women, and the Arab Fund for Economic and Social Development for the Egypt Labor Market Panel Survey 2018, on which this paper is based. The authors would like to thank Caroline Krafft and Ragui Assaad for their valuable comments and suggestions.

## Original Version

English

## Accepted

December 2019

### **Résumé**

Cet article analyse en détail les tendances et les schémas du rôle des femmes dans les entreprises non agricoles des ménages en Égypte. Le document utilise les vagues de l'Égypte Labour Market Panel Survey (ELMPS) de 1998, 2006, 2012 et 2018. Premièrement, le document examine si les ménages ont des entreprises et comment cela varie entre les ménages dirigés par des femmes et des hommes au fil du temps. Ensuite, il examine si les hommes et les femmes possèdent des entreprises et comment cela diffère par leurs caractéristiques. Enfin, il examine les caractéristiques des entreprises appartenant à des femmes par rapport à celles appartenant à des hommes. Enfin, il examine les schémas de participation sexospécifiques dans les entreprises. Les résultats montrent que les femmes sont moins susceptibles de se lancer dans des entreprises non agricoles ou de les posséder que les hommes. Bien que la tendance à la participation aux entreprises ait diminué pour les hommes, elle est restée stable pour les femmes. Les entreprises appartenant à des femmes sont plus susceptibles d'être informelles, d'avoir moins de capitaux et d'être à domicile.

### **Mots-clés**

Entreprises familiales,  
différences entre les sexes,  
emploi

## Introduction

Women entrepreneurs are considered an untapped source of economic growth and job creation (Berger & Kuckertz, 2016; Minniti & Naude, 2010). Despite the rise of women entrepreneurs globally, women lag behind men in entrepreneurship, particularly in the Middle East and North Africa (MENA) region. In the region women's participation in entrepreneurship is less than half the rate of men, with the exception of Qatar (GEM, 2018).

Egypt had a consistent gender gap in entrepreneurship. While 1.8 % of women owned a business 10.3% of men did so (Ismail, Tolba and Barakat, 2016). Additionally, 8% of women compared to 21% of men were involved in early stage entrepreneurship, setting up a business or with a business that is younger than 3.5 years old. These patterns indicate the systematic challenges facing women starting and continuing their own enterprise (Ismail, Tolba and Barakat, 2016).

In the global context, there is growing literature that elaborates the challenges facing women's entrepreneurship. Enterprises owned by women face additional barriers to finance (Marlow and Patton, 2005; El Mahdi and Rashed, 2007; Rashed and Sieverding, 2015) and this could be the reason behind having fewer women engaged in an enterprise work compared to men (Devine, 1994; Georgellis & Wall, 2005; Kim, 2007; Kevane & Wydick, 2001). Women-led enterprises are more likely to continue being small in size or exit due to limited financial resources (Carter & Allen, 1997; Rajan & Petersen, 1994). Moreover, women receive discriminatory treatment when dealing with financial institutions (Brush, 1992; Kara, 2010; Verheul & Thurik, 2001) which drive them to depend

on their own personal resources or borrow from family members (Rajan & Petersen, 1994).

Women's decision to engage in entrepreneurial work is strongly associated with family, where women do not view their business as a separate economic entity but an attempt to improve their families life future (Brush, 1992). Motherhood, childcare, and spouse's type of work impact the likelihood women pursue entrepreneurial activities (Tonoyan, Budig and Strohmeier, 2010; Klyver, Nielsen and Evald, 2013). Entrepreneurship for women could lead to more respect in their marital relationship in addition to provision of more food, clothing and schooling for children (Parasuraman and Simmers, 2001; DeMartino and Barbato, 2003). However, in many cases women struggle to achieve work and family balance (Ufuk and Özgen, 2001; Winn, 2004; Shelton, 2006). Among the difficulties, time allocated to home chores and family related tasks were more for woman than men entrepreneurs (Cliff, 1998; Jurik, 1998; Carter & Allen, 1997; Justo & DeTienne, 2008). Women also faced difficulties securing husband support and approval (McGowan *et al.*, 2012). Entrepreneurship for women is more likely to be out of necessity rather than opportunity (Du-Rietz & Henrekson, 2000; Luke & Munshi, 2011). Women may have no other option for viable employment opportunities due to their lower levels of education, lack of experience and limited acquisition of financial resources (Kelley, Brush, Greene, & Litovsky, 2011).

The paper addresses the following questions about women's entrepreneur-

ship, for the case of Egypt: (1) What share of households have non-agricultural enterprises and how has this varied across female and male-headed households and over time? (2) What share of men and women own enterprises and how does this differ by their characteristics? (3) What are the characteristics of women-owned enterprises vis-à-vis men-owned enterprises? (4) What are the gendered patterns of participation in enterprises?

The findings of the paper show a persistent gender gap in entrepreneurship. The percentage of households with non-agricultural enterprises has been declining since 2006. Female-headed households with enterprises also continued to be fewer,

older, poorer, and more rural than male-headed households. Women-owned enterprises were more likely to be informal. There were growing shares of women-owned enterprises engaged in wholesale and retail activities and operating at home or in a fixed establishment. As well as being less likely to own enterprises, women were less likely to participate in enterprise work compared to men.

The paper is organized as follows. Section 2 describes the data and methods. Section 3 presents the descriptive analysis. Section 4 provides the discussion and conclusion.

## I. Data and methods

Our analysis uses the Egypt Labor Market Panel Survey (ELMPS) waves of 1998, 2006, 2012 and 2018 (Krafft, Assaad and Rahman, 2019).<sup>1</sup> ELMPS is a nationally representative panel survey that has detailed modules with data on agricultural and non-agricultural enterprises. This paper focuses on only on non-agricultural enterprises. The non-agricultural enterprise module is asked of all households and responding to the agricultural or non-agricultural module is required if any household member has a work status of employer (hires other workers), self-employed, or unpaid family worker. Data are collected on all household non-agricultural enterprises, potentially more than one. The module has rich information on different topics such as formality, access to finance, economic activity, location, number of workers, capital and ownership.

For the purpose of this paper, women's participation in a household enterprise is defined as being one of the three people who worked the most on at least one enterprise (only three were collected per enterprise). We define an enterprise owner as the individual who worked the most on the enterprise. Female- versus male-headed households are identified based on who was reported as the household head in the roster. The formality definition used in our analysis is based on whether the enterprise is registered or there are accounting books kept for the enterprise or whether the owner has a business license. The enterprise is defined as formal if it meets any of these criteria.

## II. Results

The results are presented as follows; first, we examine the share of households that have non-agricultural enterprises and how has this varied across female and male-headed households and over time. Second, we investigate the share of men and women who own enterprises and how this differs by their characteristics. Third, we investigate the characteristics of women-owned enterprises vis-à-vis men-owned enterprises with respect to capital, location, employment, formality and access to finance. Finally, we show the patterns and trends of women's participation in enterprise work compared to men.

---

### 2.1 Households with enterprises

---

Figure 1 shows the percentage of households with non-agricultural enterprises in Egypt and how this has evolved over time and by head's sex. The share of households with enterprises slightly increased over the period 1998-2006, from 20% in 1998 to 22% in 2012 and then declined sharply over the period 2012-2018 from 19% in 2012 to 14% in 2018. The reduction started since the 2011 uprising and subsequent economic turmoil which led to deterioration

---

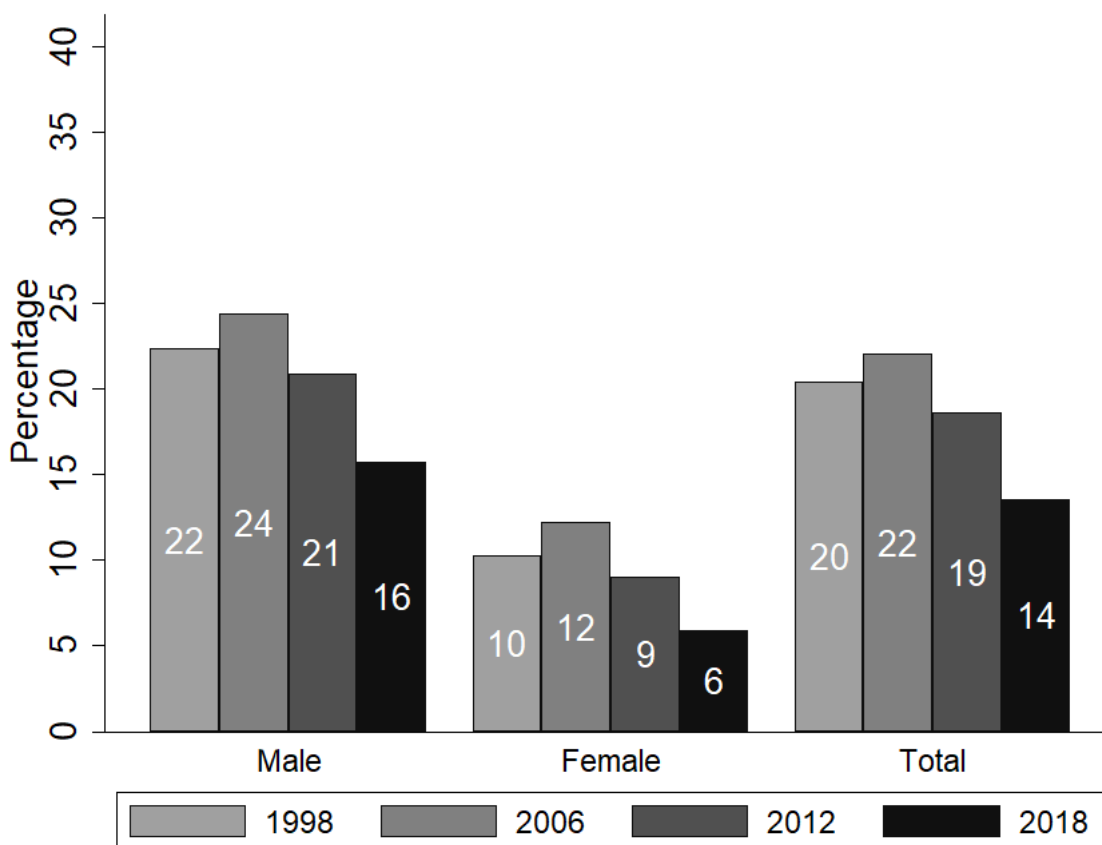
<sup>1</sup> The data are publicly available at [www.erfdataportal.com](http://www.erfdataportal.com)



in the labor market conditions evidenced by lower employment rates and economic opportunities (Assaad and Krafft, 2015; Krafft, Assaad and Rahman, 2019). Post-uprising there were decreases in sales and increases in costs to those who were employers or self-employed. Additionally, there was an increased likelihood of household non-agricultural enterprises becoming non-viable and closing (Krafft, 2016).

Female-headed households are less likely to have enterprises. While in 2018, 16% of male-headed households had non-agricultural enterprises, just 6% of female-headed households had enterprises. The declining trend of enterprises affected both male- and female-headed households.

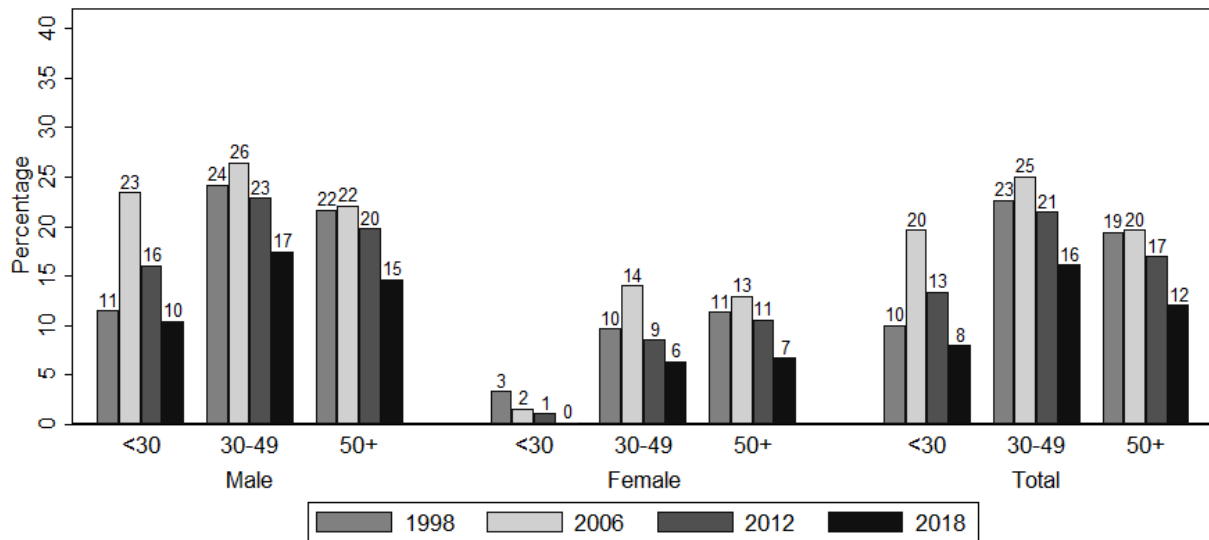
**Figure 1: Percentage of households with non-agricultural enterprises by head's sex and wave**



Source: Authors' calculations based on ELMPS 1998, ELMPS 2006, ELMPS 2012, ELMPS 2018

Figure 2 shows the percentage of households with enterprises by head's sex, head's age group and wave. Households with prime-age heads are more likely to have enterprises. In 2018, 17% of households with prime-age (between 30-49 years of age) male heads had enterprises. Just 6% of prime-age female-headed households had an enterprise. For female-headed households, enterprises tended to be more common at ages 50+ than ages 30-49, but the opposite was true for male-headed households. Households with young (age <30) heads had the lowest rates of enterprises.

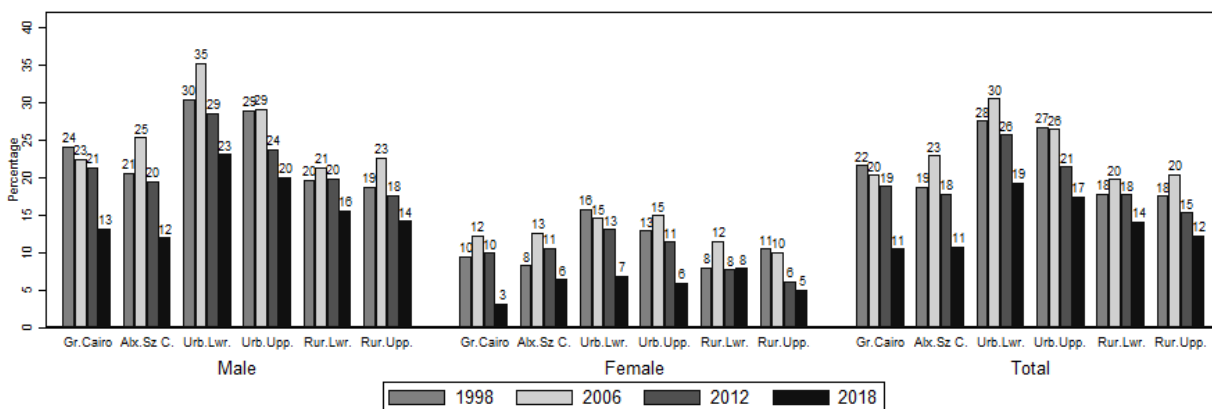
**Figure 2: Percentage of households with non-agricultural enterprises by head's sex, head's age group, and wave**



Source: Authors' calculations based on ELMPS 1998, ELMPS 2006, ELMPS 2012, ELMPS 2018

As shown in Figure 3, the share of households with non-agriculture enterprises in 2018 was higher in urban Lower Egypt (19%) and urban Upper Egypt (17%), while the share declined substantially over time in Greater Cairo and Alexandria and Suez Canal and was 11% for both in 2018. Male-headed households followed the overall pattern. The pattern was reversed for female-headed households, with higher rates of enterprises in rural Lower Egypt (8%) and urban Lower Egypt (7%) followed by 6% in Alexandria and Suez Canal and 5% in rural Upper Egypt and just 3% in Greater Cairo.

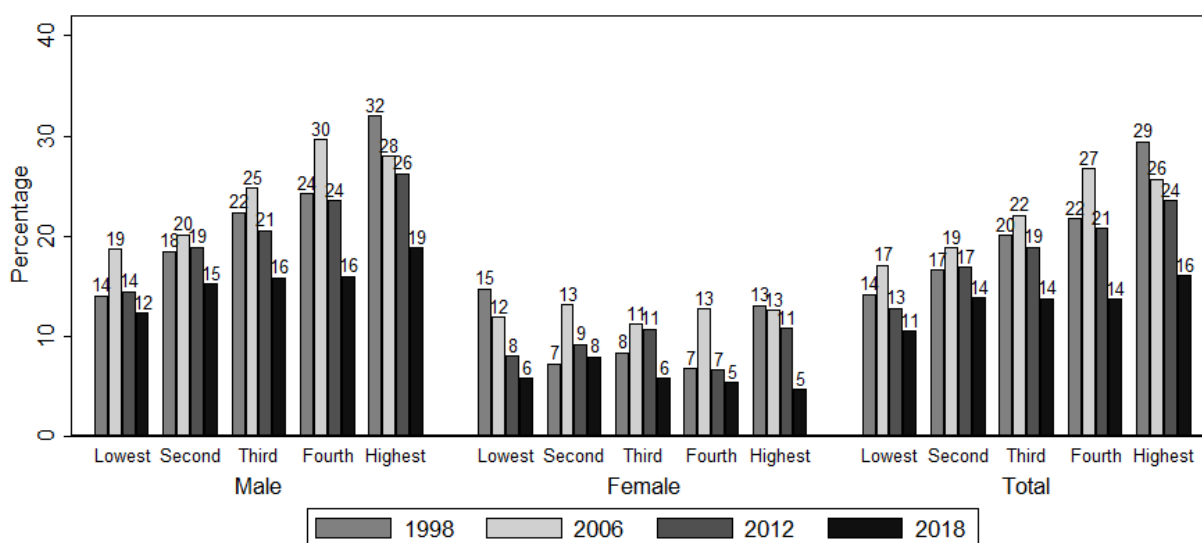
**Figure 3: Percentage of households with non-agricultural enterprises by head's sex, region and wave**



Source: Authors' calculations based on ELMPS 1998, ELMPS 2006, ELMPS 2012, ELMPS 2018.

Figure 4 shows the share of households with enterprises by head's sex and wealth quintiles. Non-agricultural enterprises were disproportionately owned by wealthier households; while 11% of the poorest households had enterprises in 2018, 16% of the richest quintile had enterprises. The overall pattern holds for male-headed households. The pattern is reversed for households headed by females, where 6-8% of female-headed households in the poorest through third quintile in 2018 had enterprises compared to just 5% of households in the fourth and top wealth quintiles.

**Figure 4: Percentage of households with non-agricultural enterprises by head's sex, wealth quintile, and wave**

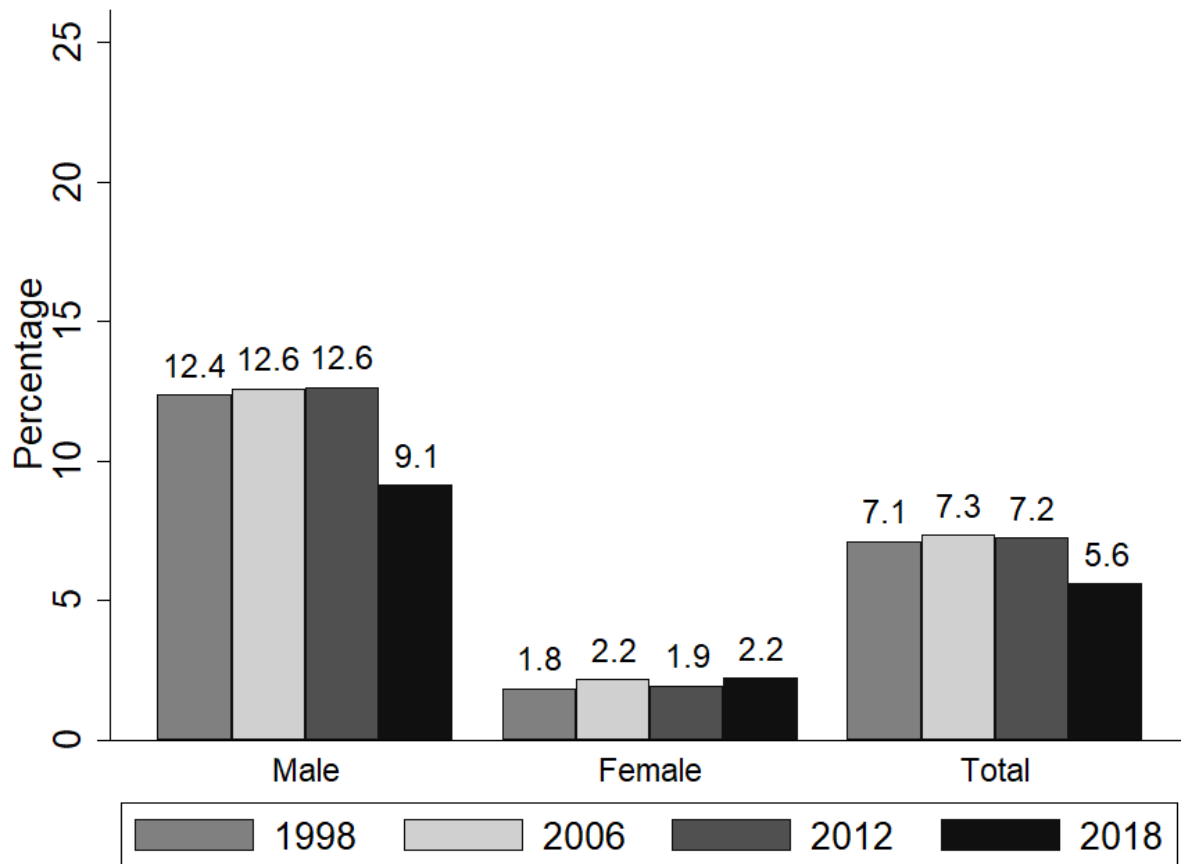


Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

## 2.2 Non-agricultural enterprises owner

Looking across the four waves of the ELMPs also showed some changes in the rate of non-agricultural enterprise ownership over time as shown in Figure 5. The rate of enterprise ownership, on aggregate, was stable over the period 1998-2012 and started to decline over the period 2012-2018 from 7.2% of individuals aged 15-64 owning enterprises in 2012 to 5.6% in 2018. Women were less likely to be enterprise owners compared to men, however, there was a slight increase in the rates of women owning enterprises from 1.9% in 2012 to 2.2% in 2018.

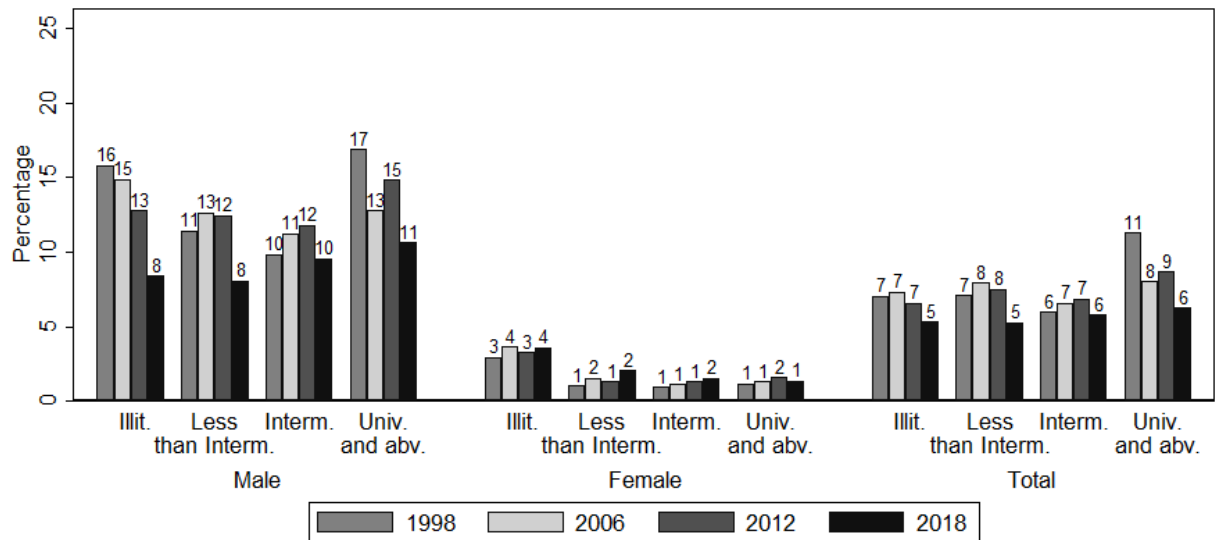
**Figure 5: Percentage of individuals who are enterprise owners by sex and wave, ages 15–64**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

In 2018, there were few differences in owning enterprises by individuals' education, overall (5–6% across education levels). However, there were substantial differences when disaggregated by sex. Less educated women were more likely to own enterprises than more educated women; 4% of illiterate women owned enterprises in 2018 compared to 1–2% of women with other education levels. Conversely, more educated men were more likely to own enterprises than less educated men; 10% for those with intermediate degrees and 11% for those with university degrees compared to 8% for lower education levels in 2018.

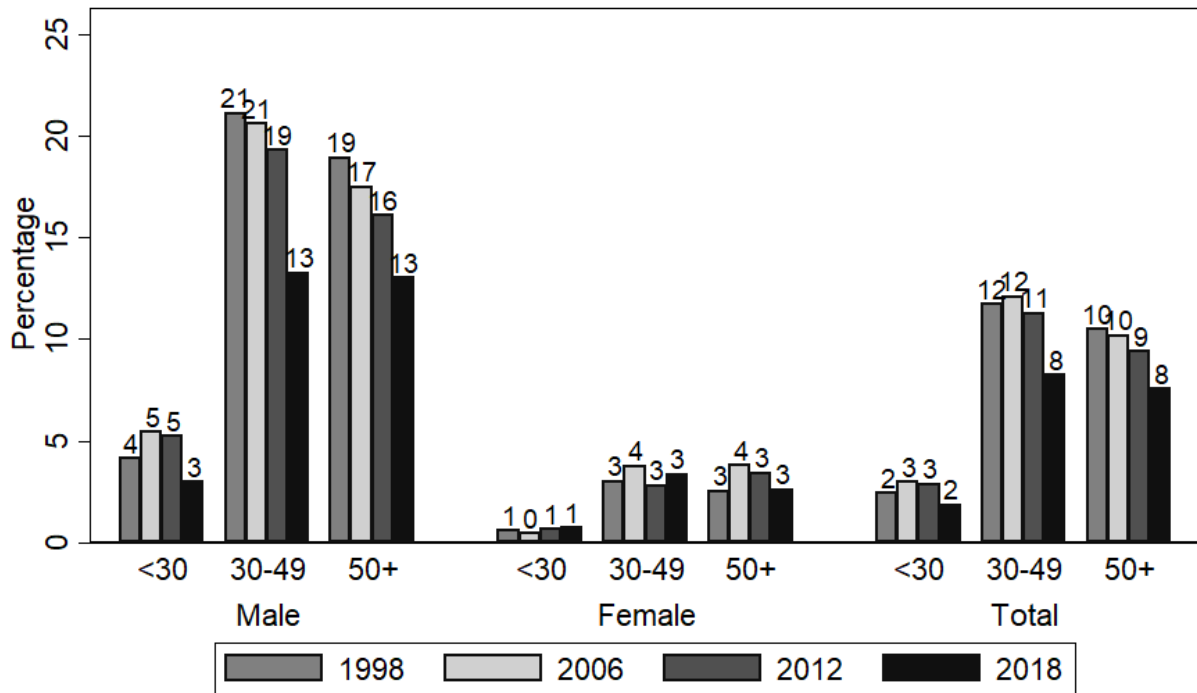
**Figure 6: Percentage of individuals who are enterprise owners by education, sex and wave, ages 15-64**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Figure 7 shows enterprise ownership by age group, sex and wave. Those aged 30-49 or 50+ were more likely to be enterprise owners than those less than 30. This pattern relates to the fact that entrepreneurship is predominantly undertaken by older adults with greater work experience and capital acquisition (Krafft & Rizk, 2018). While patterns were similar over time for women, for men it used to be that enterprise ownership was slightly more common at ages 30-49, but that was no longer the case in 2018.

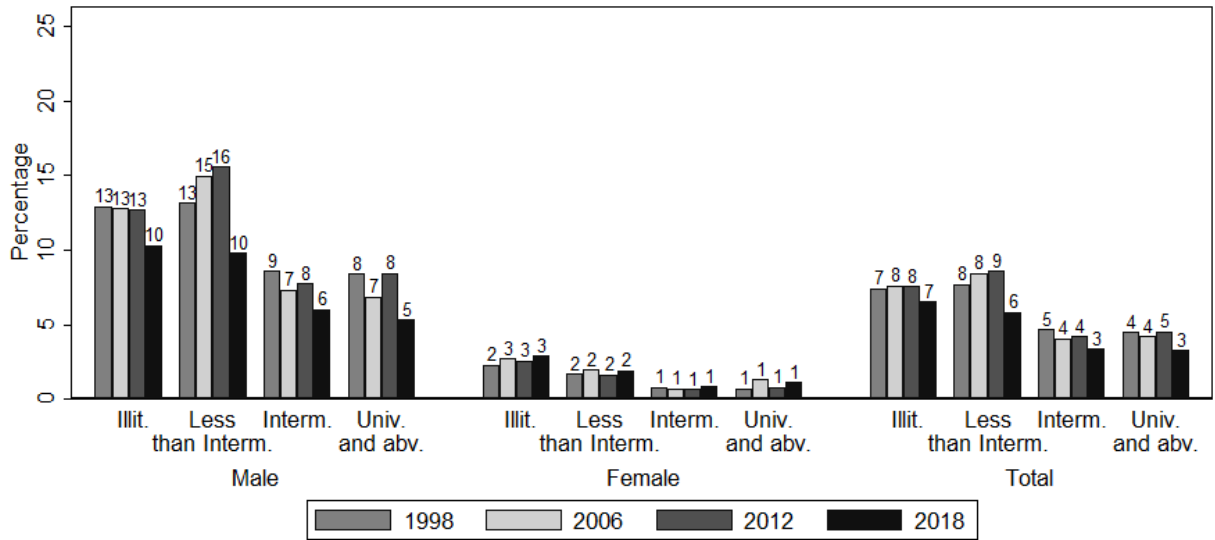
**Figure 7: Percentage of individuals who are enterprise owners by age group, sex and wave, ages 15-64**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018.

Father's education, as a signal of the socio-economic status of individuals, is shown in Figure 8. The percentage of men who were enterprise owners was higher among those with less educated fathers, and the same was true for women. For example, in 2018, 7% of those with illiterate fathers owned an enterprise compared to 3% of those with university educated fathers.

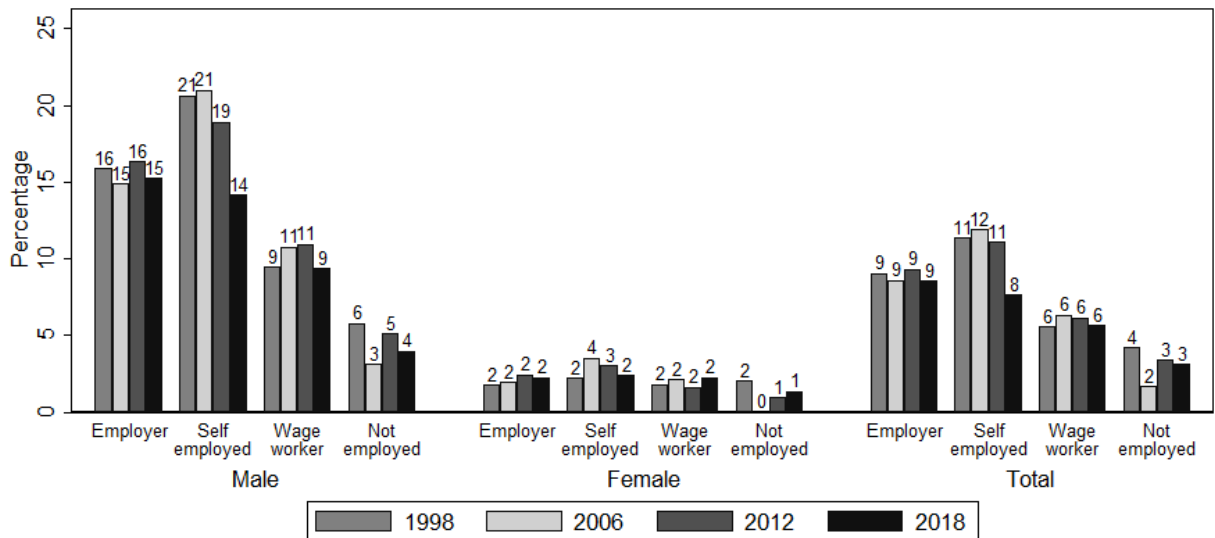
**Figure 8: Percentage of individuals who are enterprise owners by father's education, sex and wave, ages 15-64**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Enterprise ownership may be linked to a family business (Figure 9). Social, physical and human capital could be passed through families. Overall, those whose fathers were employers or self-employed were more likely to themselves own enterprises (8-9% in 2018 versus 6% for wage worker fathers). Father's employment was, however, primarily related to enterprise ownership for men; women with employer fathers had the same rates of enterprise ownership as women with wage worker fathers.

**Figure 9: Percentage of individuals who are enterprise owners by father's employment, sex and wave, ages 15-64**

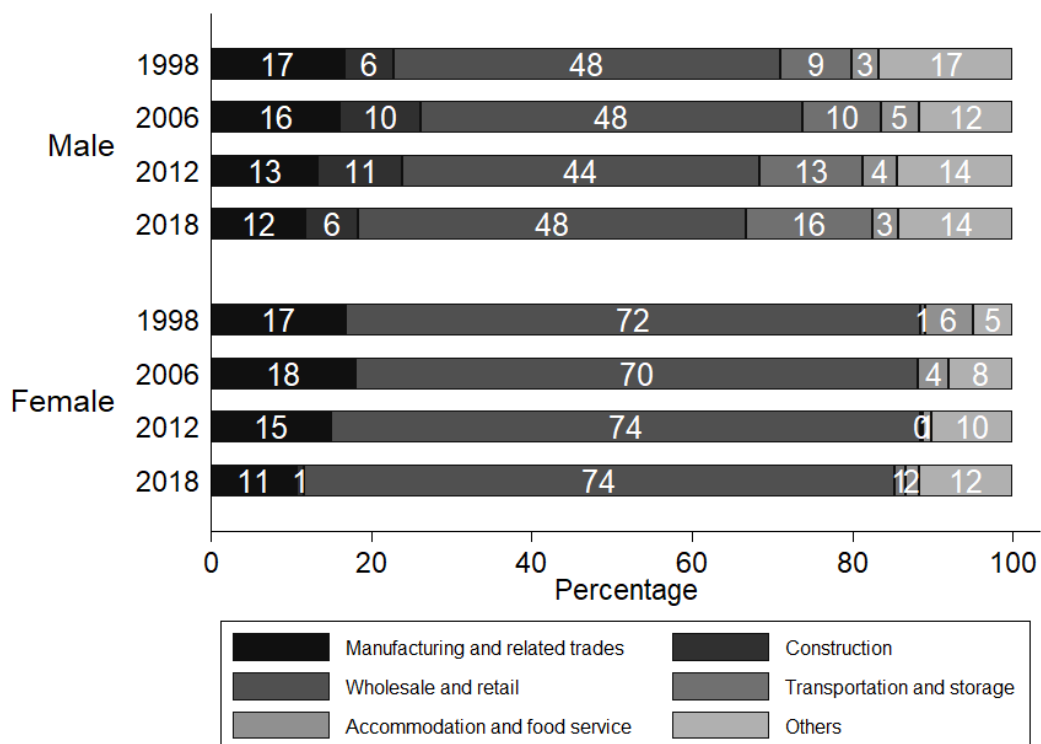


Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

### 2.3 Characteristics of enterprises

We now turn to the characteristics of non-agricultural household enterprises. Figure 10 shows the economic activity of non-agricultural household enterprises by wave and owner sex. The share of enterprises owned by women engaged in manufacturing and related trades was 17–18% in 1998 to 2006 then started to decline to 15% in 2012 and to 11% in 2018. The share of male-owned enterprises in manufacturing and related trades has largely fallen over time from 17% in 1998 to 12% in 2018. The share of women-owned enterprises in wholesale and retail rose from 72% in 1998 to 74% in 2012 and 2018. Over time, the share of enterprises owned by men in transport has been rising from 9% in 1998 to 16% in 2018. For women-owned enterprises, transport and construction were uncommon. For both men and women only a small percentage of their enterprises were in accommodation or food service.

**Figure 10: Economic activity of non-agricultural household enterprises by wave and owner sex (percentage of enterprises)**



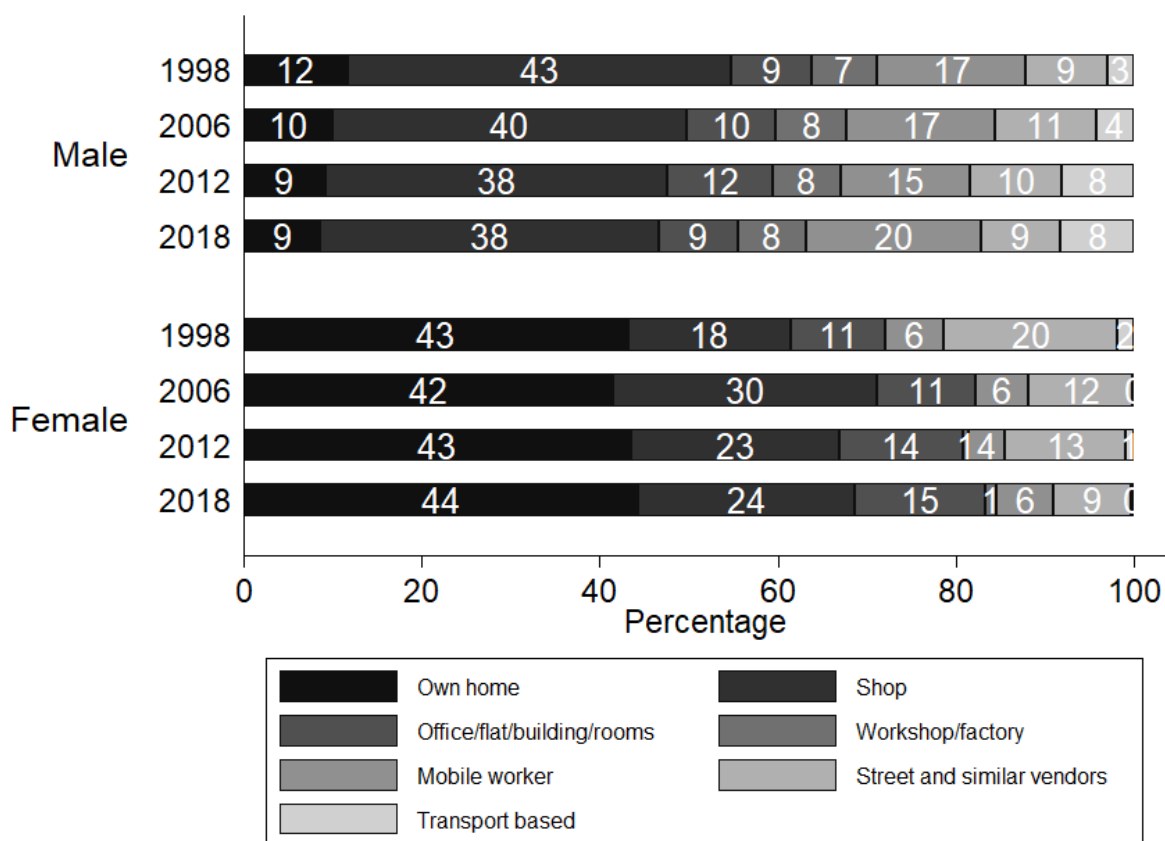
Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Figure 11 demonstrates the location of enterprises by owner sex. The most common location for women-owned enterprises were home (44% in 2018), followed by having a shop (24%). Having an office/flat/building/rooms showed an increase from 11% in 1998 to 15% in 2018. Being a mobile worker (6%) or work in a shop/factory and transport-based were less common for women owned enterprises. Also, the percentage of women owned enterprises that were



street vendors declined from 20% in 1998 to 9% in 2018. The most common locations of enterprises owned by men were shops (38%) followed by mobile workers (20%), street vendor (9%), own home, office/flat/building/rooms (9%) and lastly, workshop/ factory and transport-based (8% each).

**Figure 11: Location of non-agricultural household enterprises by wave and owner sex (percentage of enterprises)**

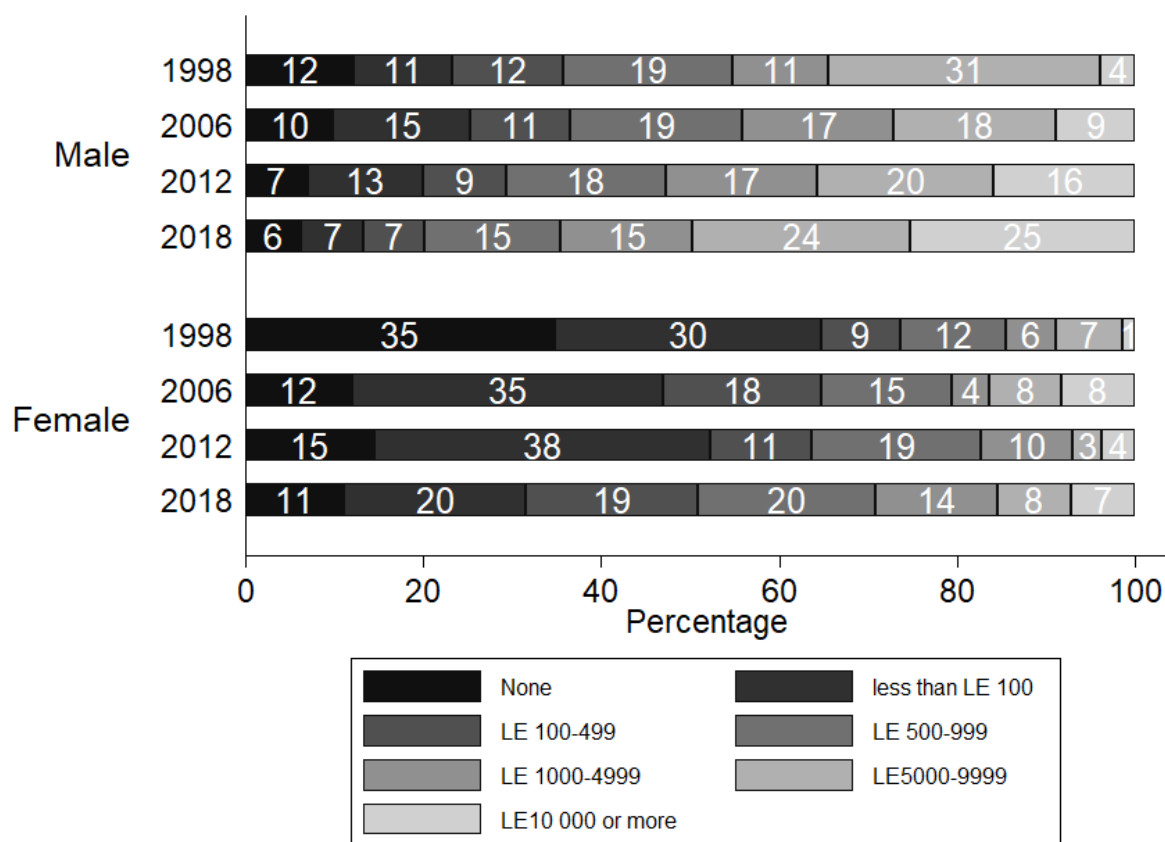


Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Another very important aspect of household enterprises is their current capital<sup>2</sup> as shown in Figure 12. Compared to men owned enterprises, the share of enterprises owned by women with high capital was low. For example, in 2018, 11% of women-owned enterprises had no capital compared to 6% of men-owned enterprises. Men-owned enterprises commonly had 5000-9999 pounds of capital in 2018, 45%, compared to 12% for women-owned enterprises. Additionally, 25% of men-owned enterprises had 10,000 or more pounds of capital, compared to 7% for women-owned enterprises.

<sup>2</sup> The current capital is in nominal prices and in categories.

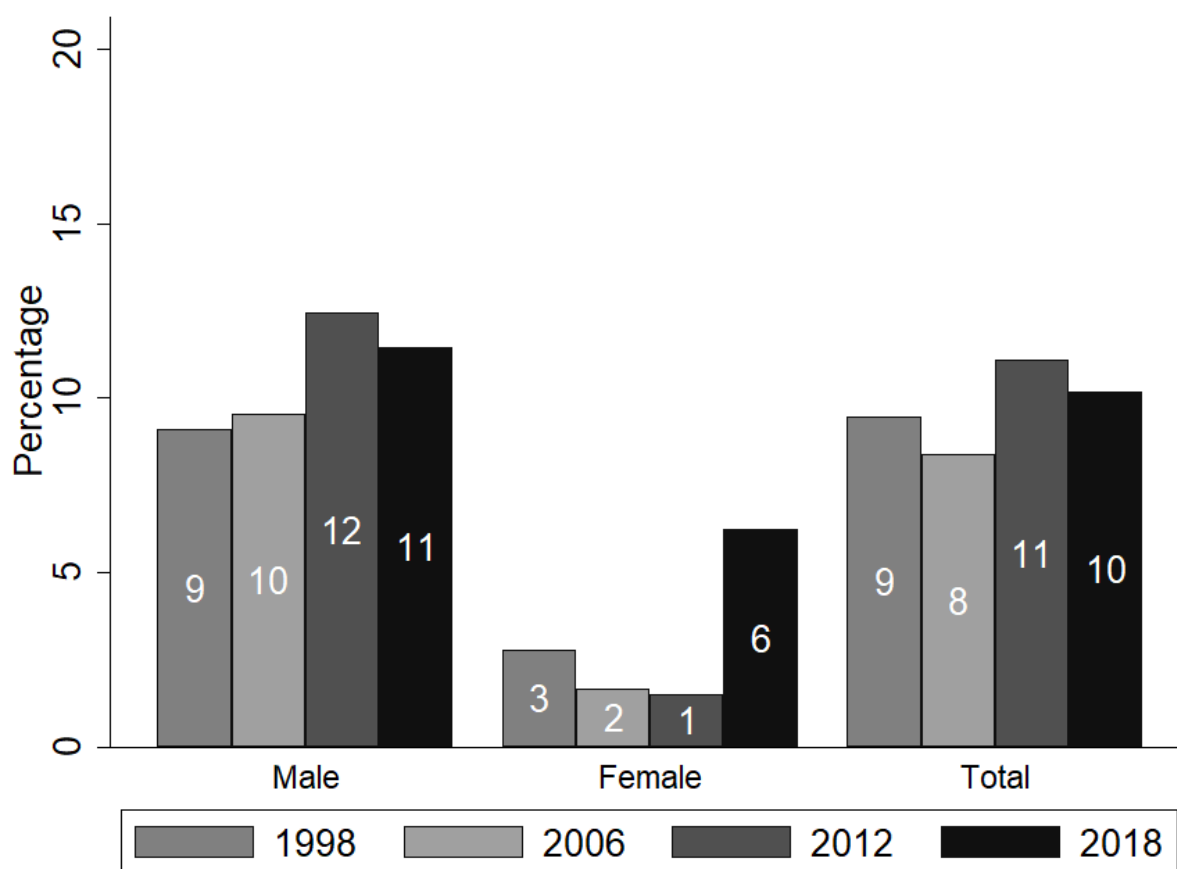
**Figure 12: Nominal capital of non-agricultural household enterprises by wave and owner sex (percentage)**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Figure 13 shows the share of household enterprises held in partnership by owner sex and wave. Sole proprietorship was still dominant among household enterprises with a partnership share around 9–11% over the period 1998–2018. Men-owned businesses were more likely to be in partnership (11% in 2018) than women-owned businesses (6% in 2018, albeit an increase from previous 1–3%).

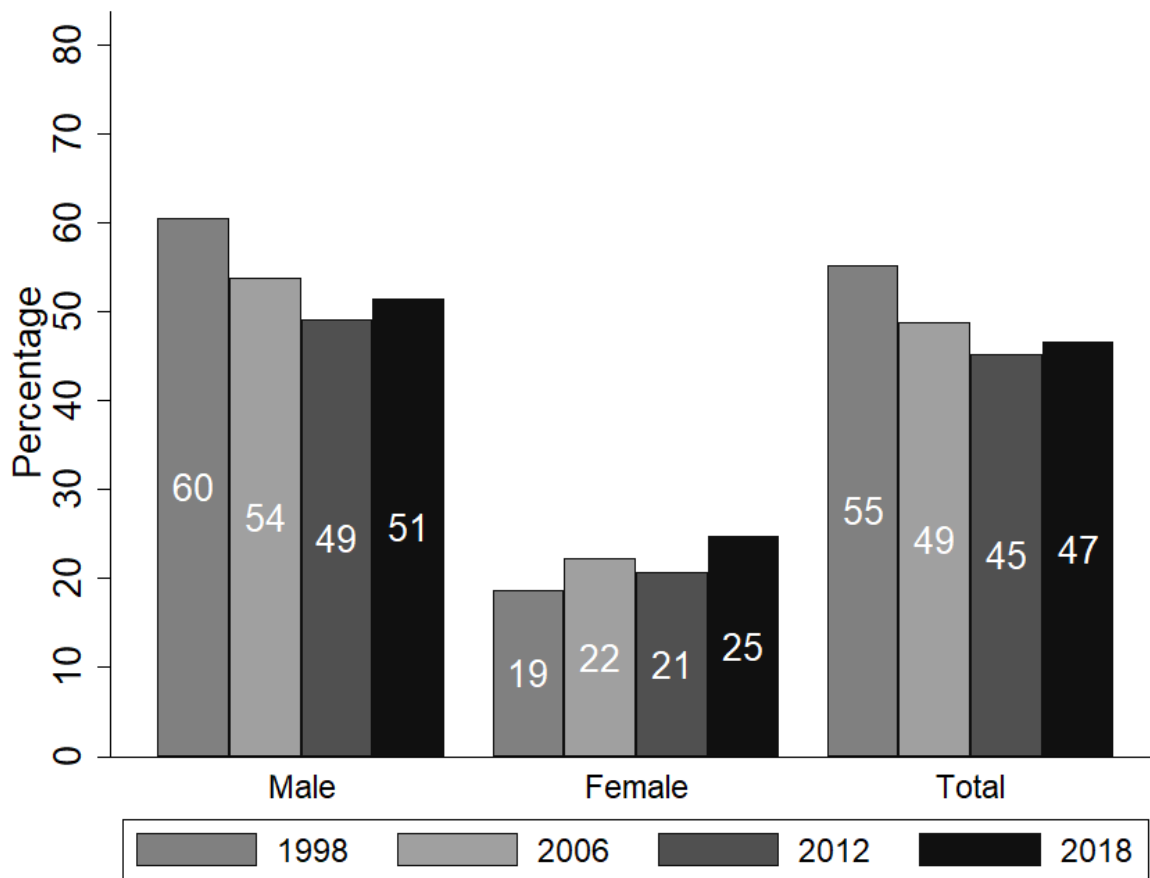
**Figure 13: Percentage of non-agricultural enterprises that were in partnership by wave and owner sex**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Figure 14 shows the formality status of enterprises by owner sex and wave. Formality is defined as either having license, registration or accounting books. Overall, the share of non-agricultural enterprises that were formal declined from 55% in 1998 to 45% 2012, but in 2018 there was an increase in enterprises that were formal by two percentage points (47%). The share of enterprises owned by women that were formal increased from 21% in 2012 to 25% in 2018. For men owners, the rate increased from 48% in 2012 to 51% in 2018.

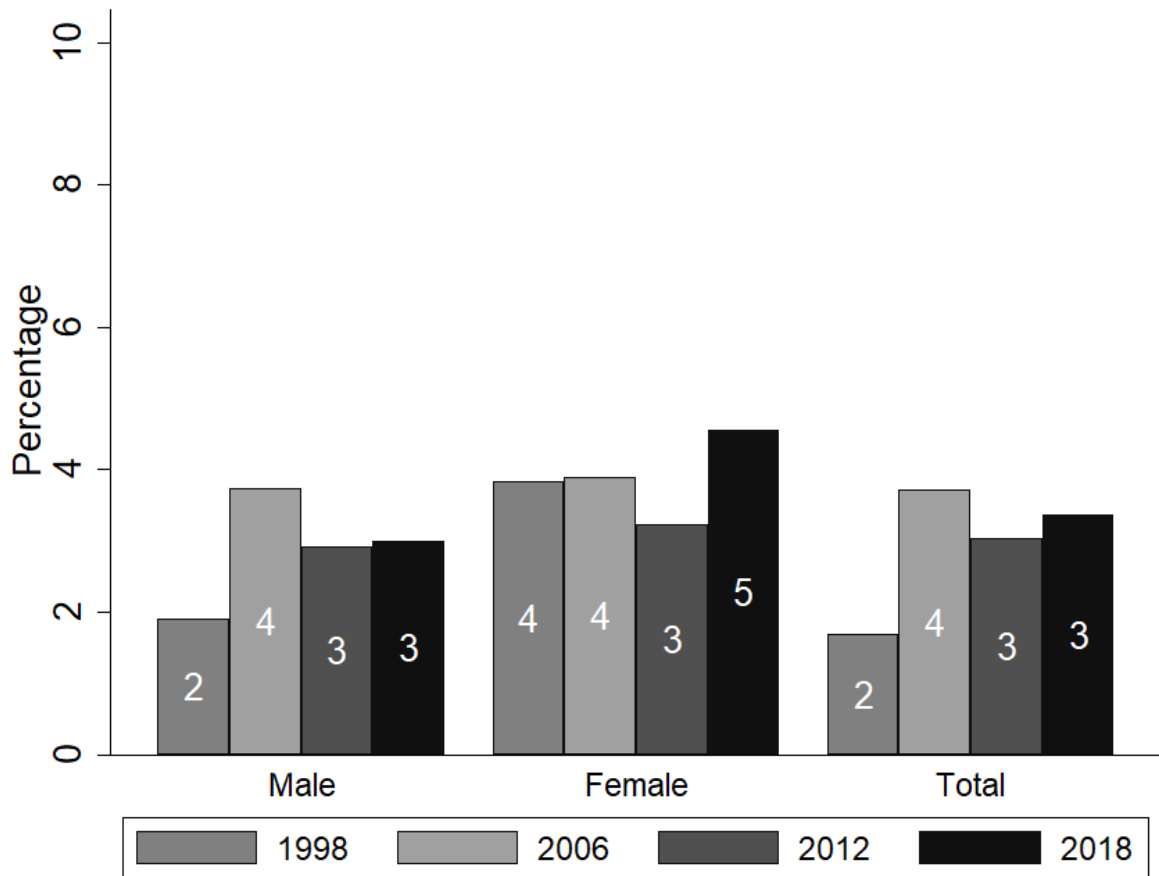
**Figure 14: Percentage of non-agricultural enterprises that were formal by wave and owner sex**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Figure 16 shows the percentage of household enterprises that received formal loans by owner sex and wave. One of the important factors that limits the capacity of enterprises to continue and grow is the availability of finance. The ELMPs data identified several sources where enterprise owners could receive formal loans or any other financial support such as Nasser Development Bank (NDB), Micro Small Medium Enterprise Development Agency (MSMDA), public and private banks, NGOs and religious institutions. Overall, the percentage of enterprises that received formal loans was stable at 3% over the period 2012-2018. The percentage of men owned enterprises followed the overall time trend, while the percentage of enterprises owned by women reported a small increase in receiving loans, from 3% in 2012 to 5% in 2018.

**Figure 15: Percentage of non-agricultural enterprises that receive formal loans by wave and owner sex**



Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Turning to the contribution of household enterprises to employment, Table 1 shows the distribution of changes in the number of employees in household enterprises by head's sex and wave. Overall, the share of household enterprises with outside (non-household member) workers declined from 31% in 2012 to 24% in 2018. Female-headed household were less likely to employ outside workers, 11% in 2018 compared to 25% for men.

The share of enterprises that added workers in the last year fell from 16% in 1998 to 10% in 2012 then increased to 13% in 2018. Male and female rates of adding workers were similar to the total in 2018. At the same time, enterprises were unlikely to lose workers in the past year (12%) in 2012 and 2018. Female headed households with enterprises were less likely to lose workers in 2018 (2%) than male-headed households with enterprises (13%).

In the questions that tracked the changes in the number of workers over the past three years, there was an increase in the percentage reporting an increase in number of workers from 5% in 2012 to 8% in 2018. Also, there was a decline in the percentage reporting a decrease in the number of workers from 18% in 2012 to 11% in 2018. Female headed households were more likely to have no change than male headed households.

Table 2 examines the amount of employment in enterprises. Overall, around 5.6 million workers in 1998 were engaged in household enterprises, 7.2 million in 2006, 6.3 million as of 2012, and finally 5.0 million in 2018. Female and male-headed households with enterprises followed the overall trend. Almost 391,000 workers engaged in enterprise work in female-headed households compared to 4.6 million workers were engaged in male-headed households with enterprises. The vast majority of employment in female-headed households was household member employment, with only 32,000 outside of household workers employed in 2018, compared to 1.3 million outside of household workers employed in enterprises in male-headed households.

To have more insights on the dynamics behind these levels, we looked to the number of workers that were added and lost in the past year. While 236,000 workers were added and 287,000 were lost in 2012, just 203,000 workers were added and 179,000 were lost in 2018. For female-headed households with enterprises, 16,000 were added in 2012 and 6,000 in 2018 while, 13,000 were lost in 2012 which declined to 1,000 in 2018.

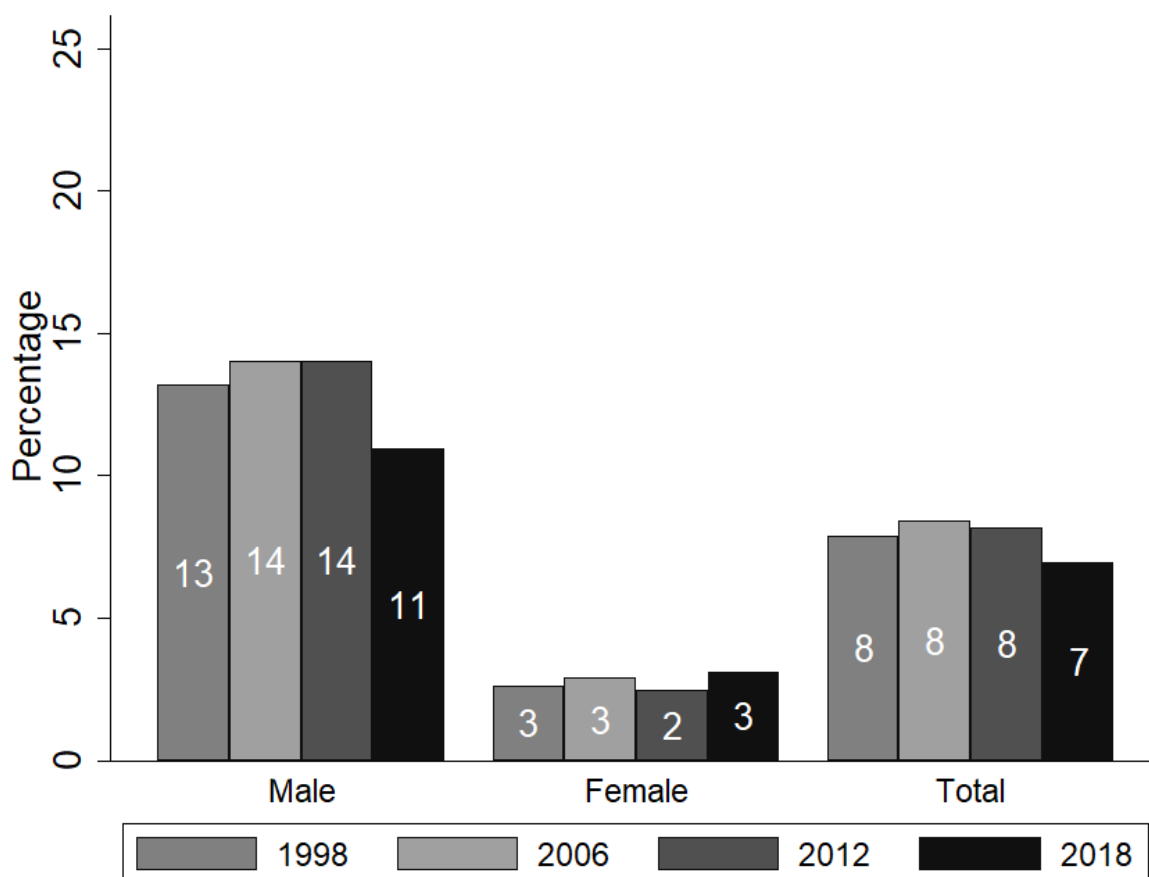
---

## **2.4 Household members participating in non-agricultural enterprises**

---

We turn now to the percentage of household members engaged in non-agricultural enterprises (potentially multiple members per household, up to three per enterprise) Figure 16 shows how the percentage of individuals aged 15-64 engaged in enterprises has evolved over time. There were relatively few individuals engaged in non-agricultural enterprises over time, 8% over the period 1998 to 2012 and 7% in 2018. Among women, the percentage engaged in enterprises was generally stable at 3% with slight decline in 2012 to 2% before recovering to 3% in 2018. Among men, the percentage engaged were large compared to women, men's rate increased from 13% in 1998 to 14% between 2006 and 2012 then fell to 11% in 2018.

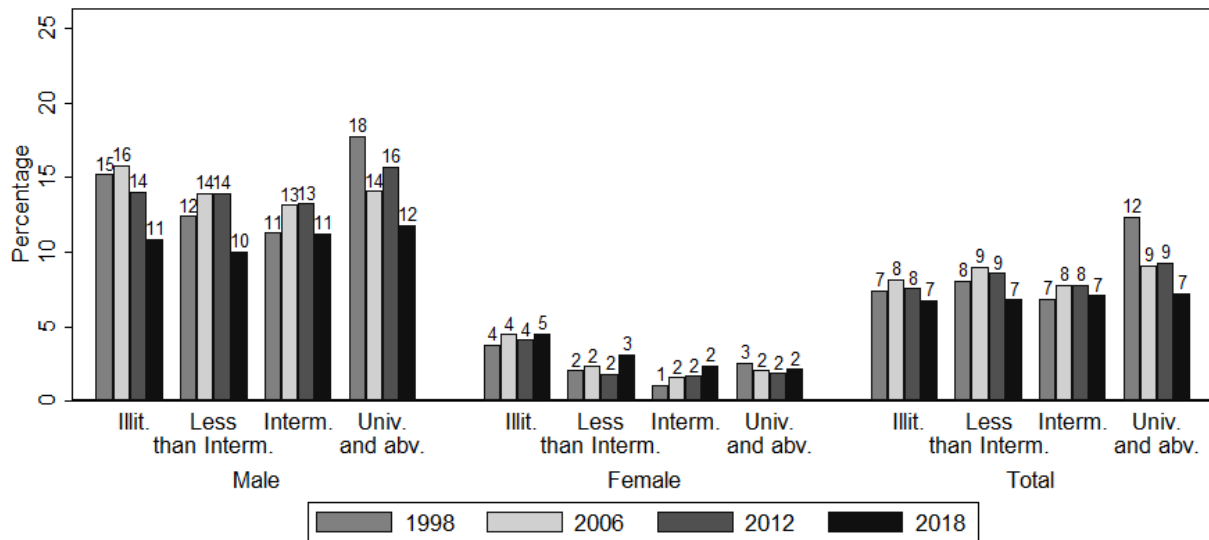
**Figure 16: Percentage of household members engaged in non-agricultural enterprises by sex and wave, ages 15-64**



Source: Authors' calculations based on ELMPS 1998, ELMPS 2006, ELMPS 2012, ELMPS 2018

Figure 17 shows the participation of household members in non-agricultural household enterprises by education, sex and wave. In 2018, a similar share (7%) of individuals engaged in enterprises across education levels. There was modest fluctuation over time at most education levels. However, the percentage of individuals with university degrees engaged in enterprises fell from 12% in 1998 to 9% in 2006 and 2012 then 7% in 2018. As with ownership, among women, illiterates were more likely to participate. For men, in 2018, there were limited differences in participation by education (10-12%).

**Figure 17: Percentage of household members engaged in non-agricultural enterprises by education, sex and wave, ages 15-64**

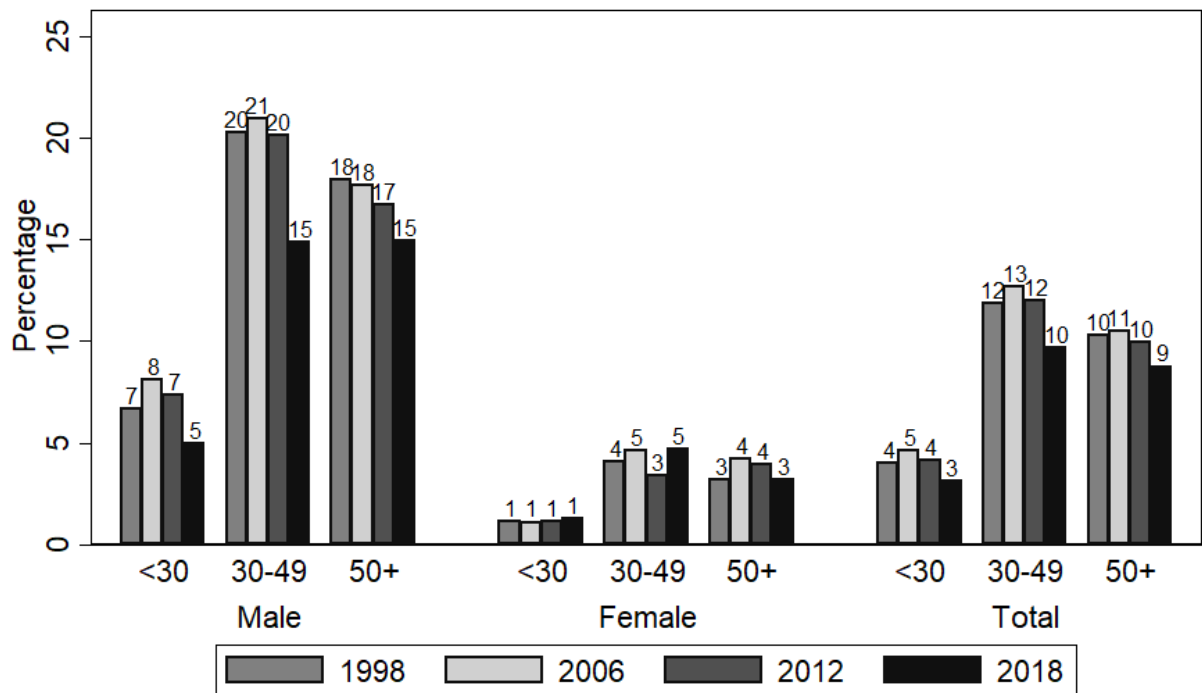


Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

Figure 18 demonstrates the percentage of individuals engaged in enterprises by sex, age and wave. Overall, the percentage of individuals engaged in enterprises was highest for the 30-49 year old age and lowest for those who were below age 30. In 2018, 1% of women below age 30 participated, 5% around 30-49 and 3% above age 50. Likewise, 5% of men below 30 participated and 15% for both the 30-49 age group and above 50.



**Figure 18: Percentage of household members engaged in non-agricultural enterprises by age group, sex and wave, ages 15–64**



Source: Authors' calculations based on ELMPS 1998, ELMPS 2006, ELMPS 2012, ELMPS 2018

## Discussions and conclusions

The paper offers a comprehensive investigation of the patterns and trends of women's role in enterprises in Egypt over 1998 to 2018. The findings of this paper suggest a number of important gendered patterns of headship, ownership and engagement with enterprise work on different levels.

First of all, the percentage of households with enterprises has been declining since 2006. Female-headed households with enterprises also continued to be fewer, older, poorer, and more rural than male-headed households. Women were also less likely to engage in enterprise work compared to men. Women engaged in enterprise work are more likely to be less educated, older, and located in rural locations.

Turning to the characteristics of enterprise owners, the percentage of women owning an enterprise was much fewer than men. There is still education gap between men and women owners, with illiterate individuals more likely to be owners among women, and university educated individuals among men. Entrepreneurship was undertaken by older adults, who possess capital and have work experience. With respect to enterprise characteristics, there were growing share of women-owned enterprises engaged in wholesale and retail activities

but stable for men-owned enterprises. There were high rates of women-owned enterprises operating at home or in fixed establishment such as an office/flat/building/rooms. However, women were less likely to have formal enterprises.

After analyzing the financial profile of household enterprises, women owned enterprises reported lower current capital compared to men. As has been noted in the global literature, provision of access to finance is a fundamental driver to enterprise development in Egypt. Since 2012, Egypt has implemented different public sector initiatives aimed to increase access to loans. Among the prominent initiatives, “Mastoura” adopted by Ministry of Social Solidarity and funded by Tahya-Misr Fund, aimed to provide women loans to start up their own business, of total cost 250 million LE and helped to create 15,000 new projects.<sup>3</sup> Also, “Fekratak Sherketak”<sup>4</sup> is a program designed by Ministry of Investment and International Cooperation to support and empower youth entrepreneurs by offering funding, mentorship and training to develop and grow their business.

In the food and beverages sector, there are two initiatives, namely “Sharea 306 (306 street)”<sup>5</sup> and “Sharea Misr (Egypt street),”<sup>6</sup> the first, funded by Tahya-Misr Fund, and the other funded by Cairo governorate; both allocate locations for youth entrepreneurs to sell their products. Additionally, public banks, such as Misr Bank<sup>7</sup>, in addition to the civil society and NGOs program worked on improving access to finance.

There was a decrease in the overall number of workers in household enterprises since 2012. These changes were driven by decrease in the use of both outside and inside household workers. At the same time, there was a slight increase in hiring in the past year. Female-headed households were much less likely to employ outside workers and employed far fewer workers.

Overall, the gender gap in entrepreneurship persists. There are a growing number of initiatives and resources designed to close the gender gap in entrepreneurship ranging from entrepreneurial skill training to the provision of credit and investment funding. However, more needs to be done to ensure women have economic opportunities through entrepreneurship.

---

<sup>3</sup> <https://www.moss.gov.eg/ar-eg/Pages/news-details.aspx?nid=587>

<sup>4</sup> <http://www.miiic.gov.eg/Arabic/Investment/support/Pages/startupFunding.aspx>  
<http://www.sherketak.com/>

<sup>5</sup> <http://street306.com/ar/>

<sup>6</sup> <https://www.almasryalyoum.com/news/details/1351277>

<sup>7</sup> <https://www.banquemisr.com/ar/funding-smes/small-enterprises-projects>

# Bibliographie

**Assaad, R. and Krafft, C. (2015)**

'The Structure and Evolution of Employment in Egypt: 1998–2012', in Assaad, R. and Krafft, C. (eds) *The Egyptian Labor Market in an Era of Revolution*. Oxford, UK: Oxford University Press, pp. 27–51.

**Brush, C. G. (1992)**

'Research on Women Business Owners: Past Trends, a New Perspective and Future Directions', *Entrepreneurship Theory and Practice*, 16(4), pp. 5–30. doi: 10.1177/104225879201600401.

**Cliff, J. E. (1998)**

'Does one size fit all? exploring the relationship between attitudes towards growth, gender, and business size', *Journal of Business Venturing*, 13(6), pp. 523–542. doi: 10.1016/S0883-9026(97)00071-2.

**DeMartino, R. and Barbato, R. (2003)**

'Differences between women and men MBA entrepreneurs: Exploring family flexibility and wealth creation as career motivators', *Journal of Business Venturing*, 18(6), pp. 815–832. doi: 10.1016/S0883-9026(03)00003-X.

**GEM (2018)**

Global Entrepreneurship Monitor Global Report 2017/18. Global Entrepreneurship Research Association. Available at: <https://www.gemconsortium.org/report>.

**Ismail, A., Tolba, A. and Barakat, S. (2016)**

GEM Egypt National Report 2016/17. American University in Cairo.

**Jurik, N. (1998)**

'Getting away and getting by: The experiences of self-employed homeworkers', *Work and Occupations*, 25(1), pp. 7–35.

**Klyver, K., Nielsen, S. L. and Evald, M. R. (2013)**

'Women's self-employment: An act of institutional (dis)integration? A multilevel, cross-country study', *Journal of Business Venturing*, 28(4), pp. 474–488. doi: 10.1016/j.jbusvent.2012.07.002.

**Krafft, C. (2016)**

'Understanding the Dynamics of Household Enterprises in Egypt: Birth, Death, Growth, and Transformation', *Economic Research Forum Working Paper Series*. 983. Cairo, Egypt.

**Krafft, C., Assaad, R. and Rahman, K. W. (2019)**

'Introducing the Egypt Labor Market Panel Survey 2018', *Economic Research Forum Working Paper Series* (Forthcoming). Cairo, Egypt.

**Krafft, C. and Rizk, R. (2018)**

'The promise and peril of youth entrepreneurship in MENA', *ERF Working Paper Series*, 1257.

**El Mahdi, A. and Rashed, A. (2007)**

'The Changing Economic Environment and the Development of the Micro and Small Enterprises in Egypt 2006', *Economic Research Forum Working Paper Series*. 706. Cairo, Egypt.

**Marlow, S. and Patton, D. (2005)**

'All credit to men? Entrepreneurship, finance, and gender', *Entrepreneurship theory and practice*, 29(6), pp. 717–735.

**McGowan, P. et al. (2012)**

'Female entrepreneurship and the management of business and domestic roles: Motivations, expectations and realities', *Entrepreneurship and Regional Development*, 24(1–2), pp. 53–72. doi: 10.1080/08985626.2012.637351.

**Parasuraman, S. and Simmers (2001)**

'Type of Employment, Work-Family Conflict and Well-Being: A Comparative Study', *Journal of Organizational Behavior*, 22(5), pp. 551–568. doi: 10.1002/job.

**Rashed, A. and Sieverding, M. (2015)**

'Micro and small household enterprises in Egypt: Potential for growth and employment generation', in **Assaad, R. and Krafft, C. (eds)** *The Egyptian Labor Market in an Era of Revolution*. Oxford, UK: Oxford University Press, pp. 182–197.

**Shelton, L. (2006)**

'Female entrepreneurs, work-family conflict, and venture performance: new insights into the work-family interface', *Journal of Small Business Management*, 44(2), pp. 285–297.

**Tonoyan, V., Budig, M. and Strohmeier, R. (2010)**

'Exploring the heterogeneity of women's entrepreneurship: The impact of family structure and family policies in Europe and the US', *Women Entrepreneurs and the Global Environment for Growth: A Research Perspective*, (January 2014), pp. 137–160. doi: 10.4337/9781849806633.00013.

**Ufuk, H. and Özgen, Ö. (2001)**

'Interaction between the business and family lives of women entrepreneurs in Turkey', *Journal of Business Ethics*, 31(2), pp. 95–106. doi: 10.1023/A:1010712023858.

**Winn, J. (2004)**

'Entrepreneurship: not an easy path to top management for women', *Women in Management Review*, 19(3), pp. 143–153. doi: 10.1108/09649420410529852.

## Appendix

**Table: Non-agricultural enterprises and outside employment  
by head sex and wave (percentage)**

	Male				Female				Total			
	1998	2006	2012	2018	1998	2006	2012	2018	1998	2006	2012	2018
<b>Employ outside workers</b>												
No	70	68	68	75	81	81	78	89	71	70	69	76
Yes	30	32	32	25	20	19	22	11	29	31	31	24
<b>Add workers in the past year</b>												
No	84	80	91	87	84	87	80	89	84	80	90	87
Yes	16	20	9	13	16	13	20	11	16	20	10	13
<b>Lose workers in the past year</b>												
No	87	85	88	88	97	93	83	99	88	85	88	88
Yes	13	16	12	13	3	7	17	2	12	15	12	12
<b>Change in number of workers in past 3 years</b>												
Increase	6	13	5	8	13	5	6	7	6	13	5	8
Decrease	6	8	19	12	0	10	7	6	6	8	18	11
No change	81	76	72	76	77	83	83	82	81	77	73	76
Enterprise < 3 years	7	3	5	5	10	2	5	5	7	3	5	5
<b>Total</b>	100	100	100	100	100	100	100	100	100	100	100	100
<b>N</b>	1041	1842	2113	2031	100	202	202	220	1141	2044	2315	2251

Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018

**Table 2: Employment and employment dynamics in enterprises by head sex and wave (in thousands)**

Wave	Male					Female					Total				
	Total employment	Household member employment	Out of household employment	Workers added in the past year	workers lost in the past year	Total employment	Household member employment	Out of household employment	Workers added in the past year	Workers lost in the past year	Total employment	Household member employment	Out of household employment	Workers added in the past year	Workers lost in the past year
1998	5317	3139	2178	337	273	287	255	33	8	-2	5604	3394	2210	345	271
2006	6632	3662	2970	510	308	559	435	124	9	5	7191	4097	3094	519	312
2012	5874	3816	2058	220	273	504	391	113	16	13	6377	4207	2170	236	287
2018	4580	3239	1342	197	178	391	358	32	6	1	4971	3597	1374	203	179

Source: Authors' calculations based on ELMPs 1998, ELMPs 2006, ELMPs 2012, ELMPs 2018



#### **What is AFD ?**

The Agence Française de Développement (AFD) Group is a public entity which finances, supports and expedites transitions toward a more just and sustainable world. As a French overseas aid platform for sustainable development and investment, we and our partners create shared solutions, with and for the people of the global South.

Active in more than 4,000 projects in the French overseas departments and some 115 countries, our teams strive to promote health, education and gender equality, and are working to protect our common resources – peace, education, health, biodiversity and a stable climate.

It's our way of honoring the commitment France and the French people have made to fulfill the Sustainable Development Goals.

Towards a world in common.

**Publication Director** Rémy Rioux  
**Editor-in-Chief** Thomas Melonio

**Legal deposit** 1st quarter 2020

**ISSN** 2492 - 2846 © AFD

**Graphic design** MeMo, Juliegilles, D. Cazells

**Layout** Denise Perrin, AFD

**Printed by the AFD reprography service**

**To browse our publications:**

<https://www.afd.fr/en/ressources-accueil>