



# CATALYZING WOMEN'S ENTREPRENEURSHIP PROGRAMME .

## COUNTRY BRIEF – POLICY AND GOVERNANCE COMPONENT



# NEPAL

### Catalyzing Women's Entrepreneurship

Funded by Global Affairs Canada, the Catalyzing Women's Entrepreneurship (CWE): Creating a Gender Responsive Entrepreneurial Ecosystem Programme was developed with the objective of enhancing women's economic empowerment and contributing to gender equality in Asia and the Pacific, two of ESCAP's key areas of work under its Social Development Division.

The CWE programme implements on-the-ground activities in Bangladesh, Cambodia, Fiji, Nepal, Philippines, Samoa, and Vietnam and provides regional policy and advocacy support across Southeast Asia, South Asia, and the Pacific. The programme works across three inter-connected pillars that address barriers hindering the growth of women-led enterprises: 1) enabling policy environment 2) access to finance and 3) access to ICT and business skills development.

### Partnership with South Asian Women Development Forum

ESCAP has partnered with South Asian Women Development Forum (SAWDF), a South-Asia wide network of women entrepreneurs, through a formal letter of agreement (LOA).

Through the CWE programme, research was undertaken on bridging the gender divide in the digital ecosystem for women entrepreneurs in Nepal. The research aimed to identify specific barriers and opportunities for women entrepreneurs in rural and other vulnerable segments in terms of their access to digital ecosystem (see below). Additionally, e-commerce capacity building for women entrepreneurs was planned in identified provinces based on the needs assessment.



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## KEY PROGRESS MADE

### ECOSYSTEM OF STAKEHOLDERS

- The programme was launched in Nepal through a [national consultation](#) that brought together more than 110 participants including policymakers from key ministries, experts in the areas of gender equality, SME development, ICT and finances, as well as representatives from leading international organizations. The consultation provided substantive background on the opportunities and issues faced by women entrepreneurs in their enabling environment. Diverse dialogue was facilitated around specific areas to advance women's entrepreneurship in Nepal. The press release can be assessed [here](#).

### EVIDENCE GENERATION

- ESCAP jointly with SAWDF, led research and produced a discussion paper on **“Women Entrepreneurs and the Digital Ecosystem in Nepal.”** The paper assessed the challenges and barriers women entrepreneurs face in adopting technology to strengthen their business ventures. It further explored the geographical differences in these challenges for women living in rural vs. urban locations and in each of the three regions of Nepal. The paper was based on interviews with officials from key government bodies and stakeholders as well as surveys filled by 1,000 women entrepreneurs. Barriers for women entrepreneurs include high digital device costs, limited internet usage knowledge, distrust in online transactions, and social internet usage restrictions. Recommendations include enhancing digital infrastructure, offering proficiency training, promoting gender equality, and enacting women-friendly policies.

Recommendations to address the barriers include strengthening inclusive digital infrastructure, provision of digital proficiency training and skills development, promoting gender equality and gender inclusivity, and implementing women-friendly policies and legislation. Some of these proposed recommendations were incorporated in the policy options paper of provisions for women entrepreneurs for inclusion in the above-mentioned MSME Policy.

### TECHNICAL ASSISTANCE AND POLICY SUPPORT

- With strong and continual advocacy by ESCAP and SAWDF, Nepal's first **MSME policy** was drafted by the Ministry of Industries Commerce and Supplies (MOICS). The drafted policy targeted provisions for women entrepreneurs in the Micro Cottage and Small-Scale Industries. A policy options paper included recommendations in the following eight areas:
  1. Fostering innovation and technology.
  2. Access to finance.
  3. Access to markets.
  4. Enhancing human capital.



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5. Access to gender-responsive business development support services.
6. Strong policy and leadership to coordinate the promotion of women's entrepreneurship.
7. Establishing multi and cross-sectoral governance mechanisms.
8. Monitoring the impact of policies and initiatives for WMSMEs.

To ensure the validation and enhancement of policy recommendations, workshops were conducted in two Provinces with UN Women Nepal's support. Through collaborative efforts among ESCAP, SAWDF, and UN Women Nepal, inputs from these workshops were consolidated and integrated into the policy options paper and shared with MOICS. The MSME Policy, containing proposed provisions for women entrepreneurs, was presented to the Cabinet in January 2024 and endorsed in April 2024. MOICS expressed profound gratitude for ESCAP's technical support and requested further assistance in forthcoming initiatives, such as devising a startup policy and establishing business incubation centres nationwide.