

## Developing Women's Entrepreneurship

Malawi, one of the world's least developed countries, has held democratic elections since 1994. After three decades of rule by a president-for-life, the country is beginning to emerge from political and economic underdevelopment and an acute lack of civil society. Women's groups in particular are beginning to play an important role in the development of civil society and the private sector. One of the most successful organizations has been the National Association of Business Women of Malawi (NABW).

NABW was established in 1990 with a mission to advocate for and support the social and economic empowerment of women in business activities. With the support of the Center for International Private Enterprise (CIPE), the association's membership has grown to approximately 25,000 women from both rural and urban areas who are interested in learning about and advocating for greater women's involvement in the economy. CIPE provided professional and organizational development to NABW and delivered strategic advice on advocacy. Through the association's services in five areas – training, provision of credit, policy advocacy, information dissemination, and networking – NABW has made a significant contribution to private sector development in Malawi.

Women in Malawi face a number of obstacles to taking ownership of their economic future. At least 34 percent of Malawi women are the head of their household. At the same time, those who are married and seek to establish a business must have their husband's signature to qualify for a commercial bank loan. Furthermore, 64 percent of women in Malawi live under the poverty line.

NABW's founder and executive director, Joyce Banda, has not been shy in promoting the organization's ability to help

women overcome these and other obstacles to success. “In fact,” she says, “when I took the figures [of a recent set of surveys] to the President, he couldn’t believe it – that 73 percent of our members come out of poverty. He said, ‘Joyce, it can’t be done.’ I said, ‘It can be done.’ You just need to allocate more money for that project – it can be done!”

## **A National Call to Action**

NABW has achieved success because of its unique multi-level approach to advocacy. The combination of a bottom-up, consensus-building approach with focused research and government engagement has drawn women entrepreneurs into the political process and yielded government responses on issues that matter to them. From 1998 to 1999, NABW sponsored three regional forums that allowed women to discuss the constraints they face and learn about small business opportunities in areas such as agribusiness. The forums were attended by women entrepreneurs, policymakers, and government officials, and gave participants the opportunity to make recommendations to government agencies. These recommendations were later reinforced by NABW position papers that contained data and policy recommendations for four sectors in which Malawi’s women are active: agribusiness, soft goods manufacture, tourism, and professional services.

**The National Call to Action played a pioneering role in defining the private sector for policymakers. Hundreds of women were empowered to take ownership of their economic future.**

The year-long advocacy effort culminated in the “National Call to Action,” a blueprint for private sector development. The document compiled the position papers with simple explanations of each sector and NABW’s policy advocacy program. The National Call to Action was launched with the approval of over 100 women business leaders and with the support of the Minister of Commerce and Industry. While simple in form, the National Call to Action has played a pioneering role in defining the private sector for policymakers. In fact, in a young democracy where

policymakers were unfamiliar with the requirements of a market economy, such a simple document was an ideal instrument to initiate advocacy.

To follow up on commitments made at the launch conference, NABW initiated a watchdog communication service to verify and report on the progress of NABW and government agencies in implementing the plans that were set out. Part of this service is a quarterly “alert” describing recent business and policy developments. Notably, the alerts provide information in Chichewa, the language of many rural communities.

## **Changing Women’s Lives**

NABW’s programs have made a difference to its members. Members have established businesses such as fruit tree and flower nurseries, poultry farms, bee farms, bakeries, and vegetable farms with the help of small business loans and training. More significantly, NABW’s advocacy programs have influenced several government policies that potentially affect all women entrepreneurs in Malawi.

Women had concerns about corruption and gender discrimination in the allocation and titling of customary land. Traditional chiefs would sometimes give the same land to three or four applicants, understandably causing disputes. NABW broached this issue in regional forums and invited a representative from the Ministry of Lands, Physical Planning, and Valuation to participate in the discussion. The ministry responded by requesting NABW’s participation in the formulation of the final draft of the new land policy. The new policy included provisions to allocate more land to women heads of household. In rural areas, village committees were set up to oversee the distribution of customary land, bringing transparency to the process. The new laws had particularly beneficial implications for women venturing into the tourism sector along the shores of Lake Malawi.

Women were also uncertain about how they would be taxed. At the regional forums, NABW urged the Malawi Revenue Authority (MRA) to do a better job of educating the public

about taxes, and recommended that the MRA provide services to illiterate women running small-scale businesses to assist them in estimating their profits. The MRA appointed NABW to serve on a committee charged with disseminating information about a surtax bill scheduled to take effect in 2002.

Munday Makoko, a UNDP official, has praised the efforts of NABW, saying, “I think for Malawi, the best way to target and reach out to women is to work with a well-organized association like NABW, which stretches all the way down to the grassroots.” The association and its network do have such a reach. More and more women are being asked to sit on boards and commissions in communities across Malawi, and women – many of them NABW members – are being appointed to more high-level government positions than ever before. Several members have become Cabinet ministers, including Joyce Banda, who served as Minister of Gender, Child Welfare and Community Services, and has since become Foreign Minister. NABW works to develop women not only as entrepreneurs but also as *community leaders*. Judith Nyalugwe, who participated in NABW training, became chairwoman of a 23-member group of women lime miners in the village of Lirangewe. She taught the miners to build a maize mill, a bakery, and a grocery.

Perhaps the most significant result of NABW’s efforts has been the change in attitudes of both women and policymakers. NABW has empowered hundreds of women to take ownership of their economic future. Furthermore, NABW has developed a reputation as a practical, effective organization that can be trusted and emulated as a model for grassroots economic development.

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## Source

Susanne Jalbert, “Economic Empowerment for Women: A Report on the National Association of Business Women (NABW) Project ‘A Private Sector Agenda for Economic Empowerment of Women: A National Call to Action,’” Center for International Private Enterprise (Dec. 1999).