SHE TRADES MENA REPORT 2019
RECOGNIZING HER POTENTIAL
I believe bringing women entrepreneurs into trade can lead to national inclusive growth. Women-owned businesses that export and are able to strengthen their competitiveness and connect to international value chains tend to earn more, pay 1.6 times more, employ more people and are 3.5 times more productive than firms that only operate domestically. To this end, UPS and Dubai Exports have launched SheTrades Middle East and North Africa (MENA) in association with the International Trade Centre to empower women entrepreneurs in the region to begin exporting their products or services – with the goal of connecting 5,000 women from the MENA region to international markets by 2021.

As a global leader in supply chain, package delivery and logistics services that serves more than 220 countries and territories, UPS can be a powerful partner to women entrepreneurs who want to grow beyond their domestic market. Our company offers trainings and mentorships to support women-owned businesses’ sustainable growth, improve their logistics expertise and expand their brands’ presence internationally. Women aren’t the only ones who benefit from their own business success.

Economies fall short of their full potential when female labor force participation rates are lower than males, and women’s workforce rates in this region are lower even than global averages. Dismantling discriminatory barriers to trade will help women entrepreneurs start their businesses, join the workforce and connect to global value chains, which will bolster economic growth and stimulate long-term benefits for the region. As we all work toward a world where men and women can participate equally in the global economy, we hope this report insightfully illustrates what is left to be done – while proudly demonstrating how far we have come.

Jean-Francois Condamine
President – ISMEA & Emerging Markets
UPS
RECOGNIZING HER POTENTIAL

A look into the Middle East’s business ecosystem for women entrepreneurs

The professional playing field may not be level for women just yet, but it’s getting there. In fact, many say that we are witnessing something of a golden age for female entrepreneurship. Indeed, it is easier today than ever before for women to start and run businesses. On the global stage, the number of women-owned firms in the U.S. has increased by 114% in the last 20 years, according to a 2017 report by the National Women’s Business Council. A 2018 American Express Study further found that women now make up more than 40% of new entrepreneurs in the U.S., while the number of women-owned businesses in the country has multiplied 31 times since 1972—from 402,000, or 4.6% of all firms, to 12.3 million, or 40%, of all business ventures. This new climate of female professional empowerment is also sweeping across the Middle East. Today, one in three start-ups in the Middle East is founded or led by a woman—a higher percentage than in Silicon Valley. This number is expected to continue growing as women entrepreneurs leverage the internet and turn to digital channels to enter the workforce and start their own businesses. Given that women’s increasing participation in the workforce could add an estimated $2.7 trillion to the region’s economy by 2025, female-led companies could be transformative for the Middle East. Recognizing the importance of supporting women entrepreneurs in any
State of female entrepreneurs in the MENA region

The development of women entrepreneurship is an important priority for the MENA region, especially as a driver for economic growth, economic diversification and development. Female labor force participation rates in the MENA region are among the lowest in the world. Therein lies the opportunity for entrepreneurship to help women generate their own income, which corresponds to higher spending on family welfare that could range from improving nutrition to boosting girls’ literacy rates and access to education. A 2018 Mastercard report revealed a lack of female business owners in the region: in the UAE, only 2.8% of all business owners are women. In Saudi Arabia, this number is 1.4%, while Egypt takes the lead for women-owned business representation at 3.3%. But women-owned businesses in the MENA region represent a wealth of untapped potential – in 2017 alone, 33% of women-run enterprises in the UAE generated revenue in excess of $100,000, compared to 13% in U.S., based on a Payfort report. This highlights the growing potential of women-owned businesses in the region, but more support is required from both the private and public sector to encourage women to take the entrepreneurial route. Internationalization to reach new markets is part of businesses’ growth strategy, but many small and medium businesses struggle to reach beyond their domestic borders. According to a 2018 Mastercard report, female-led businesses are more likely to internationalize their businesses than their male counterparts. While the proportion of established businesses owned by women in the UAE, Saudi Arabia and Egypt are among the lowest in the world, those that became successful and growth-focused were among the most innovative and internationally driven.

Roadblocks

Several countries in the MENA region have restrictive laws that act as barriers for women entrepreneurs. These include unsupportive domestic legislation, such as inheritance rights, marriage laws, prohibitions against women opening bank accounts or owning property, limited freedom of movement without a male guardian, and constraints on interactions with unrelated men. Further, cultural and attitudinal stigmas often impede women’s entrepreneurship, even when a country’s laws are not explicitly oppressive. The lack of business resources and information, such as access to funding, training and development, are also challenges that many entrepreneurs face. For many female entrepreneurs, the experience of attracting funding can be fraught, especially with early stage venture capital being dominated by men.

The way ahead

Can you imagine the positive impact on economy and community if women had the same opportunities to be entrepreneurs as men? Thankfully, the tide is changing. Over the last few years, global funds like Ivanka Trump’s Women Entrepreneurs Finance Initiative (We-Fi), the Cherie Blair Foundation, and the Global Fund for Women have begun investing in women-led businesses in the MENA region. Additionally, more and more venture capitalists who are women are looking to invest in other women. The public and private sectors are also furthering their efforts to provide equal opportunities, encouraging SME development and championing women-owned businesses. Women entrepreneurs might still be a minority, but the gender gap is slowly closing as we acknowledge the female potential.
A conversation with Maureen Hall, Founder and CEO of COEGA Sunwear and mentee of the UPS-Dubai Exports SheTrades MENA Mentorship Program

COEGA Sunwear Founder and CEO shares what inspired her to start a sustainable swimwear business and how she’s managed to grow it to a brand loved by families and retailers around the world.

What was the inspiration behind launching COEGA?
The concept for COEGA was born about 14 years ago when I noticed a gap in the market for family-friendly sun wear in Dubai after moving here from Canada. Back then, there was nothing that provided the coverage that the culture asked for, functioned as it was supposed to, and looked good at the same time. I’d always loved to sew, so once I was convinced that there was nothing in the market that fit my needs, I began to work on it myself. I started with a unique design for poolside shoes. Over the decades, I’ve watched COEGA grow to house an extensive line of products for people of all ages and body types. We are the only Dubai Expo 2020 registered swimwear supplier, and our products encourage families to leave their homes, feel confident in their clothes, and make memories at the beach. Today, we manufacture 3,350 pieces weekly at production facilities in Jebel Ali and Dubai, and sell in over 75 leading retail outlets, eight waterparks, seven external e-commerce platforms across the Middle East, and through our own e-commerce shop.

Your company won the title of Best Sustainable Swimwear Business by MEA Markets, UAE Business Awards in 2019. What’s COEGA doing to minimize its carbon footprint?
COEGA is homegrown. Everything from design to distribution is done locally, within a span of kilometers in the heart of our sales region, which allows us to be responsive to market demands and gives us valuable insight to our customers’ needs. This helps...

COEGA MANUFACTURES 3,350 PIECES WEEKLY, WHICH IS SOLD AT OVER 75 LEADING RETAIL OUTLETS, 8 WATERPARKS, 7 E-COMMERCE PLATFORMS ACROSS THE MIDDLE EAST, AND ON THEIR OWN E-COMMERCE SITE.
us limit our carbon footprint, which would have been much higher if we were manufacturing outside of the UAE. It also helps to have select logistics partners like UPS, which share the same commitment to sustainability. Furthermore, our garments are built to last, and a percentage of our fabrics are made with recycled materials. Where possible, our staff have the freedom and flexibility to choose to work from home, which reduces emissions while contributing to our staff’s overall well-being. We are a fully digitized, paperless company. We do not maintain paper files and documents, and all information is stored electronically. We only print when required to by external parties. We encourage planned procurement and purchase locally whenever possible. When not, we arrange sea freight rather than air freight. We cut down on waste by recycling anything we can and by donating old stock to charities rather than sending it to landfills.

**What’s in the pipeline for you?**

We’re excited for our international growth. The biggest growth niche in the swimwear market is by offering varying degrees of modesty. We make swimwear for everybody and every body. We’re looking to expand into Saudi Arabia and Singapore, as our gateway to South Asia. Europe, India and North America are also showing increased demand for our products, which is why it’s important to have a reliable shipping partner like UPS, which is also the official Logistics Partner for Dubai Expo 2020 and is known for its efficiency, access to markets and reliability. We are also collaborating with Disney to create exclusive designs featuring Disney prints, which will be out on shelves by October this year, and we also showcased our modesty collection at the modest fashion show during Torino Fashion Week. We’re always on the lookout for expansion opportunities to new regions through reputable distributors. If you’re a distributor and want to join the COEGA community or the SheTrades MENA team at Dubai Exports, get in touch with us today! ❖

**EVERYTHING FROM DESIGN TO DISTRIBUTION IS DONE LOCALLY, WHICH ALLOWS US TO BE RESPONSIVE TO MARKET DEMANDS AND GIVES US VALUABLE INSIGHT TO OUR CUSTOMERS’ NEEDS.**

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As an organisation committed to **empowering communities**, UPS invests in the potential of entrepreneurs across the world through a series of initiatives.

**Trainings in Vietnam, Mexico, and the UAE**
In partnership with the International Trade Centre (ITC), UPS and the UPS Foundation have launched high-level e-commerce and exporting workshops around the globe, and we are following up with specific participants for deep-dive trainings in Vietnam, UAE and Mexico. In these three countries, ITC and UPS will select about a dozen companies and work directly with them to identify advantageous customers and markets, design an efficient supply chain, improve their understanding of online payments and returns, and expand their online brand presence. All participants will also receive a promotional code that allows them to ship their products at a discounted rate if they choose UPS as a logistics provider.

**Nigeria pilot**
UPS will soon launch an opportunity for 80+ established women-owned businesses in Nigeria. Participants have been chosen based on criteria related to the businesses’ maturity and export readiness, and UPS will coach the companies through their first six months of international trade. UPS and ITC will coordinate with the selected companies to strategize cost-efficient shipping and logistics plans specifically for small and medium-sized businesses, such as monthly multi-customer shipments and creative warehousing solutions.

**WTO initiative**
To bolster women’s economic empowerment and global prosperity, UPS is proudly supporting the advancement of a plurilateral initiative that promotes women’s access to cross-border business and trade under the auspices of the World Trade Organization. UPS helped identify building blocks that enable access to trade by using data from the World Bank’s Women, Business and the Law Report. This effort seeks to build on the 2017 Joint Declaration on Trade and Women’s Economic Empowerment by having a critical mass of countries commit to specific reforms that facilitate women’s entrepreneurship and participation in global markets. UPS sees this as an important first step in holding governments accountable to ensuring that international trade is accessible to all and that discriminating against women is not allowed.
For more information about the SheTrades MENA and Women Exporter Program, please contact Christina Struller at cstruller@ups.com.