



TEXTS ADOPTED

P8_TA(2016)0007

External factors that represent hurdles to European female entrepreneurship

European Parliament resolution of 19 January 2016 on external factors that represent hurdles to European female entrepreneurship (2015/2111(INI))

The European Parliament,

- having regard to Articles 2 and 3(3), second subparagraph, of the Treaty on European Union (TEU) and Article 8 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Articles 16, 21 and 23 of the Charter of Fundamental Rights of the European Union,
- having regard to the Convention on the Elimination of All Forms of Discrimination against Women, adopted by UN General Assembly Resolution 34/180 of 18 December 1979,
- having regard to Council Directive 2004/113/EC of 13 December 2004 implementing the principle of equal treatment between men and women in the access to and supply of goods and services¹ and the related judgment of 1 March 2011 of the Court of Justice of the European Union in the Test-Achats case (C-236/09)²,
- having regard to Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation³,
- having regard to the Commission report of 3 October 2008 entitled ‘Implementation of the Barcelona objectives concerning childcare facilities for pre-school-age children’ (COM(2008)0638),
- having regard to the Commission communication of 21 September 2010 entitled ‘Strategy for equality between women and men 2010-2015’ (COM(2010)0491),

¹ OJ L 373, 21.12.2004, p. 37.

² OJ C 130, 30.4.2011, p. 4.

³ OJ L 204, 26.7.2006, p. 23.

- having regard to the Commission communication of 3 March 2010 entitled ‘Europe 2020: A strategy for smart, sustainable and inclusive growth’ (COM(2010)2020),
- having regard to Directive 2010/41/EU of the European Parliament and of the Council of 7 July 2010 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Council Directive 86/613/EEC¹,
- having regard to the proposal for a Directive of the European Parliament and of the Council on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures (the Women on Boards Directive - COM(2012)0614),
- having regard to the Commission communication of 9 January 2013 entitled ‘Entrepreneurship 2020 Action Plan: Reigniting the entrepreneurial spirit in Europe’ (COM(2012)0795),
- having regard to the Commission progress report on the Barcelona objectives of 29 May 2013 entitled ‘The development of childcare facilities for young children in Europe with a view to sustainable and inclusive growth’ (COM(2013)0322),
- having regard to its resolution of 13 September 2011 on women entrepreneurship in small and medium-sized enterprises²,
- having regard to its resolution of 12 March 2013 on eliminating gender stereotypes in the EU³,
- having regard to its resolution of 10 September 2015 on social entrepreneurship and social innovation in combatting unemployment⁴,
- having regard to its resolution of 9 September 2015 on women’s careers in science and universities, and glass ceilings encountered⁵,
- having regard to its resolution of 8 September 2015 on promoting youth entrepreneurship through education and training⁶,
- having regard to the Commission communication of 25 October 2011 entitled ‘Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation’ (COM(2011)0682),
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the report of the Committee on Women’s Rights and Gender Equality (A8-0369/2015),

¹ OJ L 180, 15.7.2010, p. 1.

² OJ C 51 E, 22.2.2013, p. 56.

³ Texts adopted, P7_TA(2013)0074.

⁴ Texts adopted, P8_TA(2015)0320.

⁵ Texts adopted, P8_TA(2015)0311.

⁶ Texts adopted, P8_TA(2015)0292.

- A. whereas entrepreneurship is crucial for employment, economic growth, innovation, development and the reduction of poverty at large;
- B. whereas Article 16 of the Charter of Fundamental Rights of the European Union explicitly refers to the freedom to conduct a business for all EU citizens and as such empowers and encourages entrepreneurship, including female entrepreneurship;
- C. whereas women only accounted for 31 % of entrepreneurs (10,3 million) in the EU-28 in 2012¹, and only 34,4 % of the self-employed in the EU are women;
- D. whereas women are often only the officially registered owners of firms, for the sole purpose of securing financial concessions and advantageous conditions from credit institutions and European, national and regional public administrations; whereas in reality these women function as ‘fronts’ since while they bear the business risk the actual decision-making of the company is left to men;
- E. whereas the female entrepreneurial rate lags behind in all Member States and hides an unexploited growth and prosperity potential;
- F. whereas obstacles to female entrepreneurship such as the predominance of women in unemployment, the consistent gap in entrepreneurial activity, and the under-representation of women in management activities, are interwoven and difficult to deal with, and their removal will call for complex criteria;
- G. whereas quantitative research on female entrepreneurship is sparse but recent studies show that men are more likely than women to prefer entrepreneurial careers²;
- H. whereas female entrepreneurship, once carefully distinguished from ‘bogus’ self-employment, is a powerful source of economic independence that offers women the opportunity of further integration into labour markets; whereas female entrepreneurship offers the opportunity for women to strengthen their role as business leaders and to induce cultural change both inside and outside their companies; whereas these women can be important role models for girls and young women following in their footsteps;
- I. whereas women have huge entrepreneurial potential, and female entrepreneurship is about economic growth, job creation and the empowerment of women;
- J. whereas the decision to become self-employed is an act of self-realisation, but one which calls for a high level of commitment; whereas the high level of personal responsibility leads to exceptionally long working hours, so that self-employment should not be seen simply as an additional source of income; whereas women entrepreneurs can only reconcile family life and work if external circumstances permit, that is to say if suitable childcare is available and fathers play an active role in providing care and running the household;
- K. whereas the availability, quality and affordability of childcare facilities and care facilities for the elderly and people with disabilities remains a key driver for enhancing female labour force participation;

¹ Commission report (2014), ‘Statistical data on Women entrepreneurs in Europe’.

² Commission (2012), Flash Eurobarometer 354, on ‘Entrepreneurship in the EU and beyond’.

- L. whereas the sharing of family and carer's responsibilities between women and men impacts female entrepreneurship as well as women's participation in the labour market and achieving work-life balance is a necessity when it comes to women's economic independence; whereas a quarter of Member States do not provide paternity leave;
- M. whereas administrative burdens continue to have a negative effect on the entrepreneurial spirit of both women and men, and therefore effective regulation and legislation are needed in order to economically empower women and create a stable economy with sustainable, smart, and inclusive growth;
- N. whereas women tend to self-assess the level of innovation of their businesses lower than men, and only a small percentage of patents issued by the European Patent Office (EPO) are awarded to women¹;
- O. whereas choices made by women during their education and horizontal and vertical gender segregation in employment mean that fewer women than men would be able to set up a business in the science and technology field or turn an invention into a profitable item; whereas science and technology, innovation and invention are also concepts that are associated for the most part with men, which renders these fields less attractive to women and results in innovations and inventions by women being recognised and appreciated less;
- P. whereas female entrepreneurs more often tend to concentrate on sectors that are considered less profitable, such as education, healthcare and community work, as opposed to the male-dominated, high growth-potential sectors of technology and IT, and more often operate in small-scale enterprises with lower growth and turnover; whereas this resulted in 2012 in an EU-28 average net income gap of 6 % between female and male entrepreneurs²;
- Q. whereas new green technologies and ecological entrepreneurship constitute a sector that offers enormous potential for developing and promoting parity in entrepreneurship, in terms of both equal access to funding and equal numbers of participating women and men entrepreneurs;
- R. whereas self-employment in one-woman firms, the arrangement many women find themselves in, does not usually generate substantial profits, so that the women in question are particularly at risk of poverty during their working lives and in old age;
- S. whereas various studies³ reveal that female entrepreneurs start businesses with lower capital levels, opting for smaller loans and using family for advice and funding rather than debt or equity finance from banks, angel investors, private equity or venture capital;

¹ Commission report (2008), 'Evaluation on policy: promotion of women innovators and entrepreneurship'.

² Commission (2014), Study on 'Statistical data on Women entrepreneurs in Europe'.

³ European Parliament (2015), Policy Department study on 'Women's Entrepreneurship: closing the gender gap in access to financial and other services and in social entrepreneurship'.

- T. whereas the European Progress Microfinance Facility has the objective of promoting equal opportunities for women and men, but the male-to-female ratio of microloans was 60:40 in 2013¹;
- U. whereas female entrepreneurs, compared to men, are more reluctant to assume a position of debt or to expand their business, thanks largely to lower levels of self-confidence as regards their business;
- V. whereas the greater difficulty for female entrepreneurs in accessing financing could in part be related to a difficulty in building up sufficient credit history and managerial experience;
- W. whereas stereotypes relating to women's and men's abilities in the area of entrepreneurship may influence stakeholders' judgements about new businesses; whereas the high probability of being discriminated against when trying to access financing could have an impact on women's decisions to start companies or to do so with smaller loans;
- X. whereas involving people from diverse backgrounds in investment processes may help prevent group and stereotyped thinking;
- Y. whereas Directive 2004/113/EC prohibits gender discrimination in access to goods and services and its scope includes banks and financial services, as well as services associated with setting up businesses; whereas it is difficult to prove indirect discrimination in this context and Member States do not have data or precise information on cases of discrimination in terms of access to finance;
- Z. whereas data show that women, despite the belief existing that female investors are better risk managers², are likely to have a greater risk aversion tendency and a greater lack of confidence; whereas this may lead to a lesser ability to generate confidence from external parties and could subsequently influence their financing possibilities;
- AA. whereas female entrepreneurs contribute significantly to the creation of new development opportunities as well as the reduction of social exclusion and the strengthening of social cohesion; whereas barriers to social entrepreneurship seem less pronounced for women, and equal participation in social sectors constitutes an empowering experience for women that makes it easier for them to embark on entrepreneurship in other sectors;
- AB. whereas in most cases women entrepreneurs operate in sectors which are secondary from the point of view of economic returns and competitiveness on the market;
- AC. whereas there is a lack of research on gender and access to finance for social entrepreneurs while in general it seems a more complex matter for social enterprises to obtain funding;
- AD. whereas entrepreneurship education, both formal and informal, is key to encouraging more women and girls into the field;

¹ Commission (2015), Interim evaluation of the European Progress Microfinance Facility.

² KPMG (2015), Report on 'Women in Alternative Investments'.

1. Encourages the Member States to recognise the value of female entrepreneurship for their economies and the hurdles that need to be overcome; calls on Member States and regions to put forward concrete strategies to promote a culture of female entrepreneurship, bearing in mind work being done on needs, motives and conditions in relation to the eradication of gender stereotypes, as well as different management and leadership styles and new ways of organising and managing companies;
2. Calls on the Commission to ensure the full mainstreaming of gender into all future policy in the area of entrepreneurship;
3. Calls on the Member States to collaborate actively with the private sector in order to highlight those companies that are seeking to promote gender equality and their best practices;
4. Calls on the Member States to adopt programmes to help, support and advise female entrepreneurs in starting up value- and wealth-generating and pioneering companies based on socially responsible principles;
5. Calls on Member States to collect at regional level gender-disaggregated data, including on various female entrepreneurship fields, in order to acknowledge female entrepreneurs' contribution in the social field, and to report regularly on their numbers; recommends that data be collected and consolidated at European level with the support of the European Institute for Gender Equality and Eurostat; recommends that gender should be mainstreamed into the methodology of any research undertaken on entrepreneurship, social economy and social enterprise, by a qualified gender expert, and that particular attention should be paid to the experiences of women with multiple marginalised identities;
6. Calls on the Commission to incorporate the issue of women's entrepreneurship into its post-2015 strategy on equality between women and men;
7. Calls for a holistic approach to female entrepreneurship, aimed at encouraging and supporting women in building a career in entrepreneurship, facilitating access to finance and business opportunities, and creating an environment enabling women to realise their potential and become successful entrepreneurs by ensuring, inter alia, the reconciliation of professional and personal life, access to childcare facilities, and tailor-made training;
8. Calls on the EU institutions, the Member States and regional and local authorities to step up their fight against gender stereotypes and to put in place measures aimed at combating the stereotypical beliefs about men's and women's traits and abilities that still persist in male-dominated sectors such as science and technology, innovation and invention; considers that in these sectors, decision-makers, investors, the financial sector and the market may perceive women as being less credible or less professional, as a result of which potential customers, suppliers, partners, banks and investors sometimes regard female entrepreneurs with scepticism, with the latter needing to be far more persistent in proving their knowledge, skills and abilities in order to obtain the funding they need;

Work-life balance

9. Calls on the Commission and the Member States to recognise the value of entrepreneurship for the work-life balance of women and men, to eliminate barriers that

hinder or even prevent female entrepreneurship, and to adopt a coherent framework of measures to support female labour market participation; in the aftermath of the decision to withdraw the proposal to amend the Maternity Leave Directive and in order to safeguard progress on equality policies at EU level, encourages a constructive dialogue among institutions to see how best to support and implement work-life balance policies as well as an equal distribution of family responsibilities, also by highlighting the role of men in promoting equality; reiterates that parental and paternity leave can have a positive impact on female labour force participation, and encourages Member States, if they have not yet done so, to consider introducing paternity leave; calls on the Commission, by the end of 2016, to propose concrete steps, including legislative proposals, for increasing the participation of women in the labour market through measures to improve work-life balance;

10. Calls on the Commission and the Member States to recall the importance of achieving the Barcelona targets in order to make work-life balance a reality for all, as well as of implementing the appropriate legislative and non-legislative actions foreseen in the Commission's roadmap on work-life balance published in August 2015, and using the appropriate tools and incentives, including European funds such as the European Social Fund, the European Regional Development Fund and the European Agricultural Fund for Rural Development, to guarantee the provision of affordable quality care for children and other dependent persons, including elderly dependents and family members with disabilities; stresses the importance of rational and flexible working hours in order to enable parents and carers to contribute to a sound work-life balance; recalls the importance of full protection of social rights for the specific circumstances of the self-employed, without which innovative and inclusive entrepreneurship is not possible;
11. Emphasises the need to change the way that gender roles have traditionally been assigned in society, the workplace and the family, by encouraging men to become more involved in housework and caring for dependent relatives, by means of, for example, mandatory paternity leave, non-transferable parental leave and public policies enabling effective reconciliation of family- and work-related responsibilities, particularly for women and especially in highly competitive and mobile sectors, where long and flexible working hours are the norm, as well as lifelong learning in order to keep up with the latest technological developments and market opportunities;

Information and networks

12. Underlines the importance of looking beyond the start-up phase to help those women who have chosen the path of entrepreneurship to consolidate and expand their businesses, as also of networking and sharing best practices, mentorship, female role models and peer-to-peer support for these women, including with a view to moving towards more innovative, sustainable and profitable sectors while not undermining the conditions for a healthy general wellbeing;
13. Underlines the huge potential of women innovators and entrepreneurs and the important role they can play in the digital transformation of the economy; calls on the Commission and the Member States to invest in women's and girls' digital potential, and to fully support and promote a digital entrepreneurial culture for women and women's integration and participation in the information society;

14. Emphasises the great importance of public spaces in helping to develop projects (providing visibility and acting as incubators for companies) and providing financial and tax-related support, relevant and up-to-date information, and advice on starting up a business, in particular for new female entrepreneurs; stresses, likewise, the importance of funds for business consolidation, greater presence in social forums, work-life balance policies and recognition by the authorities of the importance of this group – both new and long-established entrepreneurs – to society;
15. Welcomes the creation of the various European networks for female entrepreneurs; urges the Commission to communicate more actively on the achievements of female entrepreneurs and to recognise them explicitly as potential role models, through the Enterprise Promotion Awards and the European Social Innovation Competition;
16. Considers that European networks of women entrepreneurs should create a European and national network to facilitate and assist women in seeking financing and advice services for ease of access;
17. Calls on the Commission to emphasise the use of forums in its upcoming European e-Platform for Women Entrepreneurship, and to include a step-by-step plan for accessing European funding possibilities, while also making the e-Platform attractive for potential investors and for Member States' government services, in an attempt to cut red tape for female entrepreneurs by clarifying administrative procedures, thus creating an e-Platform that could become a future reference in the sector;
18. Calls on the Commission to establish, with no impact on the Commission budget and in the framework of the existing structure, a European Business Centre for women, in close cooperation with Member States and companies from the private sector, which would function as a focal point to promote the Commission's initiatives for female entrepreneurs, providing management and technical assistance, creating and boosting existing networks, and monitoring and gender-mainstreaming business initiatives and programmes financed from the EU budget;
19. Calls on the Commission and the Member States to facilitate the access of women entrepreneurs to the most relevant technical, scientific and business networks, since such access is essential for developing business concepts, meeting potential customers, suppliers and partners, understanding the market with its trends, opportunities and weaknesses, and obtaining strategic information, cooperation and support;

Access to funding

20. Calls on Member States' governments, authorities and equality bodies (where they exist) to collaborate with the financial sector regarding their obligation to ensure equality between men and women in access to capital for freelancers and SMEs; invites them to explore the possibilities of introducing gender equality into their reporting structures on the attribution of loans, into the tailoring of their risk profiles, investment mandates and staff structures, and into financial products and the advertising thereof;
21. Calls on the Member States to draw up aid maps setting out measures to support entrepreneurship among women and competitiveness and entrepreneurship in business, ranging from the fostering of an entrepreneurial culture to the adoption of new technologies or funding for RDI;

22. Calls on the Commission to diligently monitor the implementation of gender mainstreaming in the allocation of EU funds in relation to entrepreneurship; suggests to the Commission the introduction of gender quotas in all forms of targeted support provided to under-represented and disadvantaged groups, in order to ensure progress towards achieving parity in entrepreneurship;
23. Calls on the Commission and the Member States to enhance the visibility of financing for entrepreneurial activity by drawing up aid maps for microfinance, among other measures, under the European Progress Microfinance Facility, and to look into the possibilities of collaboration with the private sector for investment in 'female' sectors, such as government loan guarantees;
24. Stresses the importance of using all possible financial streams, and especially the Structural Funds, within the next programming period 2014-2020;
25. Urges the Member States to promote measures and actions to assist and advise women who decide to become entrepreneurs, to encourage business enterprise on the part of women by facilitating and simplifying access to funding and other support, and to remove bureaucratic and other obstacles to women's start-ups;
26. Calls on the Commission to explore and develop proposals for ways of interesting women in business start-ups; stresses that women with the necessary business acumen should be made aware of support programmes and funding opportunities;
27. Calls on the Commission and the Member States to start accumulating gender-disaggregated data on entrepreneurs' access to finance, in close collaboration with the European Institute for Gender Equality, and to further explore and research whether there is any hard evidence of direct or indirect discrimination against women in this context and, if so, how the external factors that influence investors' assessments of the viability of female-led start-ups should be addressed;
28. Calls on the Commission to address the specific challenges faced by women entrepreneurs in its next review and update of the Small Business Act (SBA), as well as the annual SBA reports; believes that these challenges should be taken into consideration in all SBA programmes, and that an additional Action Plan should be established to overcome the obstacles facing women entrepreneurs;
29. Welcomes the Commission's review of the application of Directive 2004/113/EC and its transposition into national law by Member States, but regrets the lack of focus on identifying indirect discrimination; asks the Commission to further review the Directive by considering more effective measures to tackle this type of potential discrimination;
30. Considers that easier access to financing should be provided for women entrepreneurs in innovative and sustainable sectors where men are in the majority, with particular reference to ICT, construction and transport; calls in this respect for greater monitoring to avoid the phenomenon of women being used by men as 'fronts' in order to secure financing on easier terms;

Entrepreneurial education and training

31. Encourages the Member States to promote an entrepreneurial culture within education and training; highlights the importance of education at all levels, both formal and informal and including lifelong learning, for boosting entrepreneurship and new

business development, including in ICT, and especially in subject areas mostly studied by girls, such as healthcare and other services; calls on the Commission and the Member States to provide incentives to ensure a more balanced representation of women and men in the business sector and to boost this representation by making women more aware of the advantages of business training;

32. Calls on schools and universities to encourage girls and women to take up subjects that lead to careers in sectors in the areas of science, finance and high-growth profitable sectors such as new technologies, including green technology, digital environments and IT;
33. Calls on the Member States to collaborate with the public sector, the private sector, NGOs, universities and schools in order to establish more apprenticeships and non-formal and informal learning programmes, including those enabling students to conduct development projects based on real business concepts from a young age onwards and business incubators that aim to empower young entrepreneurs while learning, understanding and implementing the labour rights culture;
34. Calls for the EU to invest in programmes providing continuing training for women, both workers and entrepreneurs, constantly updating their skills and ensuring quality professional development, with particular reference to the commercial sector;
35. Underlines the importance of facilitating access for female entrepreneurs, including through grants and training courses on basic legal aspects of starting and running a company, such as laws on starting a business, intellectual property and data protection, tax rules, e-commerce, available public grants, etc, and of training in new information and communications technologies, social networks, online commerce, networking, etc;
36. Notes with concern that women often underrate their skills, probably as a result of stereotypes anchored in society, and are more likely than men to confess to a lack of entrepreneurial skills, self-confidence, assertiveness and willingness to take risks when starting a business, and that there is thus a need for motivational and psychological support programmes to boost the self-confidence of female entrepreneurs;

Social entrepreneurship

37. Calls on the Commission and the Member States to conduct research with a view to explaining women's greater entrepreneurial activity in social entrepreneurship and its possible multiplier effect on traditional entrepreneurship;
38. Calls on the Commission and the Member States to support the development of financial instruments that value companies in correlation with their contribution to society and the development of trustmarks for social and environmental entrepreneurship; recommends the inclusion of gender equality and women's empowerment as measures of social impact which, in turn, would encourage more social entrepreneurs to consider their enterprise from a gender perspective;
39. Highlights that alternative business models such as cooperatives and mutuals play an important role in promoting gender equality and advancing sustainable and inclusive development and growth; calls on the Commission and the Member States to facilitate and promote such alternative models;

40. Instructs its President to forward this resolution to the Council and the Commission.