



International Labor Organization

**CREATION OF AN ENABLING ENVIRONMENT FOR WOMEN
ENTREPRENEUR IN VIETNAM**

**MAINTREAMING GENDER ISSUES
IN GOVERNMENT POLICY ON ENTERPRISE
DEVELOPMENT**



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ABBREVIATIONS

BDS	: Business Development Service
EDA	: Enterprise Development Agency (under the Ministry of Planning and Investment)
FDI	: Foreign Directed Investment
FIEs	: Foreign-Invested Enterprises
GDP	: Gross Domestic Product
GDT	: General Department of Taxation, Ministry of Finance
IFC	: International Finance Corporation
ILO	: International Labour Organization
MOF	: Ministry of Finance
MPI:	: Ministry of Planning and Investment
MOST	: Ministry of Science and Technology
MPI	: Ministry of Planning and Investment
OECD	: Organisation for Economic Co-operation and Development
SBV	: State Bank of Vietnam
SEDP	: Social Economic Development Plan
SMEs	: Small and Medium Enterprises
SOEs	: State-owned Enterprises
UNDP	: United Nations' Development Programme
WB	: World Bank

I. INTRODUCTION

1. Context¹

In Vietnam SMEs accounts for more than 90 per cent of all enterprises, and is the main generator of employment opportunities. The WEDGE project and its partners, and earlier the UN Industrial Development Organization (UNIDO) have documented the situation facing women entrepreneurs, with a particular emphasis on growth aspects such as financing; expansion of product base and markets; increase in employment, and improvements in employment conditions; progression from “informal” to “formal” status; and growth from micro to small to medium size. There is an expectation that the support of the ILO will have a direct and positive impact on creating new enterprises and new jobs in both new and existing women-owned enterprises.

In an effort to promote the development of SMEs, the Government issued Decree No. 56/2009/ND-CP on 30 June 2009 on assistance to SMEs and Resolution No.22/NQ-CP on measures to implement the Decree. These two important documents articulated that the Ministry of Planning and Investment shall be responsible to coordinate with other ministries, provinces and business association to formulate the 5 Year SME Development Plan for the 2011-2015 period. The SME Development Plan should be in line with the Five Year Social Economic Develop Plan and be based on the lessons learnt from the Five Year SME Development of the period 2006-2011 (issued by the Decision No.236/2006/QD-TTg approving the first five year SME Development Plan of Vietnam for the period of 2006-2011).

According to the Circular No. 4695/BKHDT-PTDN by the Ministry of Planning and Investment dated 18 July 2011 regarding the formulation of the 2011 – 2015 SME Development Plan, it is emphasized that “through the 2011-2015 SME Development Plan, different policies of the Party and the Government on SME development will be made transparent, more predictable, thus enabling SMEs to strengthen their business performance. The five year SME development plan will be an important instrument that helps the Government to monitor and evaluate the development of SMEs. Implementation of the 2011-2015 SME Development Plan will contribute to the implementation of the five Social Economic Development Plan in this period.”. The draft outline of the SME Development Plan also focus on three group of measures, including (i) improving the overall regulatory framework for SME Development; (ii) incentive policies in support of SME; and (iii) support programmes and project. All of these aim at the overall objective of “accelerating the

¹ This paper is prepared by a research team including Le Duy Binh (Economica Vietnam), Nguyen Dieu Hong (MOLISA), Pham Ngoc Thach, Dao Thuy Trang, Do Kim Yen (Economica Vietnam). The report benefited tremendously from inputs and comments by Ms. Annemarie Reerink (Chief Technical Advisor of ILO/WEDGE Project), Mr. Nguyen Thai Minh (ILO/WEDGE) and Ms. Nguyen Kim Lan (ILO). The team is very grateful for many people, especially those from the EDA/MPI, VCCI, Vietnam Women Entrepreneur Council, Vietnam Women’s Union, CIEM, and institutions and individuals in Quang Nam and Ho Chi Minh City. The team is particularly grateful for the women entrepreneurs met in Quang Nam, Ho Chi Minh City and Hanoi who have contributed ideas and viewpoints on this study.

development, improving the competitiveness of SMEs; creating an equal, favorable and transparent business environment so SME can contribute the best to economic development and national competitiveness”.

At the time of writing, the Government of Vietnam is stepping up efforts to elaborate the Five Year SME Development Plan for 2011-2015. The Enterprise Development Agency of the Ministry of Planning and Investment is charged with coordinating the drafting and formulation of the plan. The overall objective of and focus of the next five year plan is being elaborated. EDA/MPI has articulated that the forthcoming five year plan will include more practical issues and will focus more on the current issues of SME, especially the development quality of SMEs, their competitiveness.

This is a critical process where there is an opportunity to mainstream gender issue into the action plan as an important policy issue in SME promotion in Vietnam. As such, this paper is prepared by WEDGE as part of its overall effort to improve the policy framework for women-led enterprises in Vietnam.

2. Methodology

This exercise was implemented by using the manual “Assessing the Enabling Environment for Women in Growth Enterprises: An ILO Integrated Framework Assessment Guide” as a template. The guideline maps out key areas of the business environment in the country that merit further enquiry, as appropriate, in contributing to an enabling environment for growth-oriented women entrepreneurs, including for women with disabilities and women from different ethnic origins.

The study relies extensively on literature review. The consultant team conducted a review of relevant documentation and information of the general environment affecting MSME development in the country and more specifically, the environment in which women entrepreneurs operate. The interests and concerns of women with disabilities, and women from different ethnic origins were also taken into consideration.

In-depth interviews were also conducted with key informants at VCCI and its units, at national level and in branch offices, some business associations, MOLISA and, Women Union, Cooperative Alliance, Youth Union, Farmers Union, and other (see Annex 1 for the full list of organizations met). The team also consult with key informants involved in national policy-making, promotion and support of WEs; key actors in trade, investment and economic development, and ILO staff and partner organizations. A template questionnaire was designed and used for all of the interviews with some modification in terms of focus to fit with background and work position of the respondents.

Field trips and interviews were conducted in Ho Chi Minh City and Quang Nam. Most of the interviews were in urban or more developed areas in districts of the two provinces as most of the formally registered enterprises are located in more developed areas. Some interviews are also conducted in less developed and rural areas of the two provinces.

During the field trips, interviews were carried out with pre-identified local partners at the country and province levels. The team reviewed the components of the enabling environment (regulatory, financial and non-financial support, etc.) with particular reference to the formal (legal, regulatory, implementational, etc.) and informal (traditional, cultural, attitudinal, etc.) barriers and constraints affecting women entrepreneurs at the macro, meso and micro levels, as well as at the stages of start-up, growth and expansion into exports, etc.

3. Intended Use of the study

The paper as the final product of the study aims at providing an insight on the issues faced by women entrepreneurs in Vietnam, especially from the perspective of creating an enabling environment for women entrepreneurs in Vietnam. It is also expected that the study will provide inputs and suggestions for mainstreaming gender issues in the forthcoming policy documents by the Government, especially the forthcoming 5 Year SME Development Plan between 2011 - 2015.

II. WOMEN ENTREPRENEURS IN THE ECONOMY

1. SME Definition in Vietnam

Sector	Micro enterprises	Small-sized enterprises		Medium-sized enterprises	
	<i>Number of laborers</i>	<i>Total capital</i>	<i>Number of laborers</i>	<i>Total capital</i>	<i>Number of laborers</i>
I. Agriculture, forestry and fishery	10 persons or fewer	VND 20 billion or less	Between over 10 persons and 200 persons	Between over VND 20 billion and VND 100 billion	Between over 200 persons and 300 persons
II. Industry and construction	10 persons or fewer	VND 20 billion or less	Between over 10 persons and 200 persons	Between over VND 20 billion and VND 100 billion	Between over 200 persons and 300 persons
III. Trade and service	10 persons or fewer	VND 10 billion or less	Between over 10 persons and 50 persons	Between over VND 10 billion and VND 50 billion	Between over 50 persons and 100 persons

From 2001 to 2009, the definition of SME was defined by the Decree 90/2001 ND-CP as “independent business establishments with registered capital not exceeding 10 billion VND (about US \$600,000) or annual average number of permanent workers not exceeding 300”.

From 2009 until now, the definition of SME is revised by the Decree 56/2009/ND-CP. According to the decree, “Small and medium-sized enterprises are business establishments that have registered their business according to law and are divided into three levels: micro,

small and medium according to the sizes of their total capital (equivalent to the total assets identified in an enterprise's accounting balance sheet) or the average annual number of laborers (total capital is the priority criterion)". The table below shows the detailed criteria for SMEs:

2. SMEs and women entrepreneurs

There is no exact data indicating the number of SME in Vietnam but some research shows SME account for 97% of total number of enterprises in Vietnam (according to the old definition of SMEs under the Decree No.90). SME use 50.1% of the labor force and contribute over 40% to the GDP².

There are no broken down data on women-led enterprises by size of enterprises and a breakdown of data on size of enterprises does not allow to have an exact number of SMEs as above-defined. For example, data in the current statistical publications such as "Enterprises in VietNam during the first nine years of 21st century"³ groups enterprises by size of laborers as less than 5 persons; from 5 to 9 persons; from 10 to 49 persons; from 50 to 199 persons; and from 200 to 299 persons. Sex disaggregated data by size of enterprises is therefore obviously an area that GSO could further improve in the other surveys in the future.

While there is lack of aggregate data on women-led enterprises at national level, data from some small size survey might shed some light on the picture on women owned enterprises in Vietnam. According to a survey by VCCI on enterprises of all size, the number of enterprises led by women in the survey account for 21%⁴. 97% of the women led enterprises are in the private sector and the other 3% of SMEs are in state-owned and foreign invested sectors⁵.

It is interesting to note from the survey by VCCI for the SME Annual Report 2010⁶ that the smaller the size of the enterprises, the larger the percentage of women led enterprises is. Among microenterprises, women led enterprises account for 26% of total, the percentage is lower at 17% among medium and larger sized enterprises. This is one of the indicators showing that women face more difficulty than men in growing their enterprises to a larger size.

The average labor size in women's led enterprises is 41 workers while that in their men counterpart is 78. This reflects the fact that women-owned enterprise is smaller in size, both in terms of capital and labor. Average income and revenue per worker are also lower in women-led enterprises. For example, according to the 2010 Vietnam SME Annual Report, average income in women-led enterprises is VND 33 million/ year while that in their man counterparts is VND 40 million.

² SME White Book. Enterprise Development Agency, MPI. (2010).

³ General Statistical Office. *Enterprises in VietNam during the first nine years of 21st century*. Statistical Publishing House. Hanoi 2010.

⁴ SME Annual Report, VCCI. (2010).

⁵ SOEs still play an important role in the Vietnamese economy. Their numbers are much smaller but they are holding the lion share of capital and assets in the enterprise sector. SOEs also have more privileged access to different types of scarce resources in Vietnam.

⁶ GSO Annual Enterprise Survey, 2010.

Comparison of Women and Men Led Enterprises in some Sectors⁷

	Enterprise Percentage (%)		Profit Losing Enterprises (%)	
	Women	Men	Women	Men
Total	21	79	25.7	22.8
Agriculture	7.6	92.4	13	8
Gas, power distribution	6.5	93.5	15	11
Water supply	11.9	88.1	31	18
Construction	10	90	22	19

Source: Vietnam SME Annual Report 2010, VCCI

Approximately 25.7% of women-led enterprises are operating at loss while the percentage is lower at 22.7% among men-led enterprises. The debt to equity ratio is higher in men-led enterprises at 1: 1.83 as compared with 1:1.75 among women led ones. There are two possible explanations for this. First, women entrepreneurs seem to be more risk averse than men in doing business. Second, the accessibility of women entrepreneurs to credit, bank financing is more restrictive than man⁸.

In terms of business lines, women enterprises are more concentrated in such sectors as restaurant, hotel, wholesale, retail.

Comparison of labor among women and men-led enterprises

	Woman led enterprises	Man led enterprises
Average labor (number of workers)	41	78
Percentage of female workers	49.2	42.3
Average income per worker (million VND)	33	40
Average revenue per workers (million VND)	600	670

Source: Vietnam SME Annual Report 2010, VCCI

Interestingly, the percentage of women workers in women led enterprise are often much higher. One of the possible explanation is that women entrepreneur tend to recruit more female workers. Additionally, women entrepreneurs tend to run businesses in areas which require skills that traditionally more women than men learn, e.g. weaving, embroidery, crafts, etc. As such, it is important that the Gender Equality Law and other policy of the

⁷ The five sector was selected mostly due to the availability of data in the sector. They do not necessarily mean the sectors which are most important in the Vietnamese economy.

⁸ SME Annual Report 2010. VCCI.

Government should take this into account while promoting gender equality in Vietnam.

3. Overall importance and significance of women's entrepreneurship

There are several reasons to be optimistic about women's entrepreneurship. The country's impressive track record on gender equality, its strong commitment to both economic growth and poverty environment for women's business activity. As long as these positive trends continue, there is no reason to doubt that women in Vietnam will increasingly have greater opportunities not only to share in but also to create prosperity.

Women's entrepreneurship has a remarkable contribution to the development of business sector and the whole economy in recent years. Their increasingly important role is now recognized by the Government and State. In one of his speeches, the Prime Minister, Mr. Nguyen Tan Dung, confirmed that *“Women is a vital force for all aspects of life in Vietnam's territory. Many of them hold important positions in the country such as leaders of Ministry, Departments and Associations both national and provincial level. In the National Assembly, women leaders account for 26 percent. In the business sector, woman leaders makes up 25 percent of the total, of which, 30% are from SMEs and household businesses. It is estimated that each women entrepreneur creates four job positions. Many of them are holding top positions in many businesses in Vietnam. Under woman's management, business operates effectively. They often strictly complies with laws, and take better care of workers. They actively participates in charity activities and make significant contribution to poverty alleviation.”*⁹

However, much remains to be done to ensure that women-owned businesses continue to thrive. The constraints are reviewed in the following sections.

4. Policies in support of SMEs and Women Entrepreneurs

Decree No. 56/2009/ND-CP dated on 30 June, 2009 by the Government on supporting for developing SMEs has created a legal framework of support policies for SMEs. The policies elaborate support to SMEs in terms of finance, manufacturing space, technology transfer and capacity building, market access, assets purchases, public service offer, information and consultancy, human resource development and business incubator for young business. These policies have specified the roles and responsibilities of different Government agencies in implementation. In particular, the Decree regulates the establishment of Development fund for SMEs, fund for programme which aims at improving capacity for SMEs, focus on products renovation, participation of SME in public procurement, creation of an enabling business environment and higher competitive advantage; investment on technology innovation, equipments; development of supporting industry; improvement of business management capacity¹⁰. The Decree attached a strong emphasis on support to women entrepreneurs by stating that *“priorities are given to support programmes which target*

⁹ Cited from the speech of Prime Minister Nguyen Tan Dung in Global Summit of Women 2008, Hanoi, Vietnam.

¹⁰ Clause 4 Article 7

women-owned SMEs”¹¹. However, it was silent on concrete measures on how to support these target enterprises.

Nearly one year later, on 05 May, 2010, the Government issued Resolution No.22/NQ-CP which call for stronger implementation of the Decree No. 56/2009/ND-CP dated on 30 June, 2009. The Resolution requests for the formulation of plans and supportive programme, improving business access to credit fund and mobilizing funds for SMEs; solving difficulty in manufacturing space; support for competitive advantage improvement; promoting administrative procedure reform in favor of SMEs benefit; constructing and reinforcing SMEs development supportive system.

Though the two above legal documents has been issued for a long time, there has no formal program from the Government with concrete actions and measures to support for SMEs in general and for micro enterprises in particular, especially for woman entrepreneurs.

At the time being, the Government is in the process of formulating the SME Development Plan for the Period of 2011 – 2015. It is expected that the development plan will provide a strong policy statement on SME development in the coming decade. Women-owned enterprises are expected to be highlighted in the SME development plan and specific support is expected to be provided to them in the future.

5. The enabling environment for Women Entrepreneurs and growth

Building a policy environment to enhance women's entrepreneurial capability is crucial to Vietnam due to its current integration in the regional and global economies and women's contributions in this regard. This process requires major structural changes in production and trade regimes, and inevitably will alter gender relations at various levels of production. Vietnam's future depends on how it can creatively build a base of competitiveness that allows its industrialisation strategy to be successful in terms of export-growth with social equity and political stability. In this regard, there are two possible complementary directions to promote women-owned enterprises. One is to closely weave their activities into the country's broader export-oriented industrial strategy and its vision on regional and global competitiveness. Two is to strengthen the space for the improvement of existing activities that are internally relevant and coherent with local socio-economic contexts.

Wage woman workers in Vietnam are concentrated in two areas, either FDI export-processing or micro enterprise and SMEs. Crafting more balance gender regimes at different levels of the society through a more even spread of family burdens, risks and benefits constitutes an area worthwhile for policy reflection and learning. Training needed to achieve this objective would require a multi-pronged approach directed not only at business development for women at enterprise level, but also at policy-makers and those in charge of MSEs development. Equally important is to strengthen the capacity of the Vietnamese Women's Union, in partnership with others, in the policy making field

¹¹ Clause 1 Article 5

with an agenda that could incorporate gender equality as an issue of efficiency in the long term for society as a whole, and not just for enterprise development¹².

6. National gender and disability policies and instruments and their respective effectiveness for women's entrepreneurship development

The Gender Equality Law was passed by the National Assembly of the Social Republic of Vietnam on 29 November 2006. The law articulates that “men and women are equal in establishing new business, operating, trading and managing business as well as in accessing to information of fund, market and workforce”¹³. The Law also stipulates that “*gender issues shall be mainstreamed, integrated and addressed in the drafting of any legal documents so that gender issues and remedial solutions are identified; impact on gender equality from proposed legal documents or the document which are in the making shall be anticipated; responsibility in addressing gender issues related to the legal document shall be clearly defined*”¹⁴. This is also an important legal basis for gender issues to be mainstreamed in policies, programmes and projects to support micro, small and medium enterprises in the future.

Together with Gender Equality Law, the National Strategy on Gender Equality in the period of 2011 – 2020 was also adopted with the issuance of the Prime Ministerial Decision No. 2351/QĐ-TTg dated 24 December, 2010. The Strategy made a very clear target that “the percentage of women-owned enterprises will reach 30% in 2015 and up to 35% and above of total in 2020”. The target will be realized if supportive programme and projects could effectively mainstream gender issues.

It is also important to note that the Disability Law was passed by the National Assembly Course XII during the seventh session on 17 June 2010, which has a chapter on vocational training for people with disabilities. However, there is no clause stipulating the rights and obligations of enterprises whose owners are people with disabilities in general and women with disabilities in particular.

III. ASSESSMENT OF THE INTEGRATED FRAMEWORK COMPONENTS

According to a survey by the IFC in 2006 on Vietnamese Women Owned Enterprises¹⁵, while women business owners in Vietnam are optimistic about their business' potential for growth over the next two years, they are less optimistic about their own firm's prospects than about the future growth of the country's economy. This finding is somewhat unusual compared to other surveys among business owners internationally, and is an indication that many women business owners in Vietnam are experiencing a number of barriers that are holding them back from realizing their full potential.

¹² Thanh-Dam Truong, Gender And Enterprise Development In Vietnam Under Doi-Moi: Issues For Policy, Research, And Training, Working Paper 363, July 2002

¹³ Clause 1 Article 12, Gender Equality Law

¹⁴ Clause 7 Article 5 Gender Equality Law .

¹⁵ “Voice of Vietnamese Women Entrepreneur”, IFC, 2006.

1. Policy leadership and coordination

The Ministry of Planning and Investment (MPI) is the Government body which is in charge of SME support management. In supporting SMEs, MPI (through the Agency for Enterprise Development) is responsible for tasks such as : building and participating in policy and law construction on the development of SMEs; synthesize plans and support programme; improve capacity for officers of MPI and related agencies which are in the field of supporting SMEs, enhancing the skills of supporting SMEs; instruct to construct and improve capacity for SMEs development support system. MPI through the General Statistic Office (GSO), will coordinate with other ministries, departments and related agencies to synthesize and announce SMEs annual statistics; organize model, program and sponsor project for SMEs. Currently MPI is drafting the SMEs Development Plan for the period of 2011 – 2015.

Besides MPI, SME Development Council is responsible for consulting with the Prime Minister on mechanisms and policies for SMEs development. Council members consist of leaders from related competent ministries; SME steering committees and representatives of the People's Committees of Hanoi, Ho Chi Minh City, Da Nang, and Can Tho; representatives of VCCI, VietNam Co-operative Alliance, SMEs Association, Vietna Women Union and others; and professionals in the economic, science, and technology fields.

MPI is a Government body and performs management function to support SMEs development. SME Technical Assistance Centres under EDA are established to support the implementation of SME support policy and programmes. The Centres are located in Ho Chi Minh City, Da Nang and Hanoi and act as a focal point for consultancy activities and carry out technical support for SMEs.

According to the State management level, ministries and departments take responsibility for the implementation of supportive policy for SMEs, for instance, MOF and State Bank of Vietnam (SBV) together with MPI are in charge of financial support. The Ministry of Natural Resource (MONRE) is responsible for business premise. Ministry of Science and Technology (MOST) is in charge of policies which encourage technology innovation and technical capacity improvement. The Ministry of Industry and Trade (MOIT) is responsible for market access promotion. MOLISA is responsible for issues related to job and encouragement of SME contribution to the National Programme on Job Creation.

Provincial People's Committees (PPCs) are responsible for supporting the development of SMEs in local areas, including development orientation, cooperating with relevant ministries, organizations to implement activities to support local SMEs' development. In provinces with more than 3,000 SMEs, the PPC can set up an unit directly managed by the Department of Planning and Investment (DPI) to perform functions and tasks supporting the development of local SMEs.

It should be noted that the advisory role of SME Development Council, especially organizations representing SMEs such as VCCI, Vietnam Cooperative Alliance, Vietnam SME Association is constrained as those organizations have limited access to information

and statistics on the current general status of SMEs and of woman-led enterprises in particular, including those owned and operated by women with disabilities, as well as information and studies on challenges and obstacles to the development of those enterprises.

Additionally, it should be noted that the coordination of policy in support of SMEs is inefficient and need to be improved. Often, each ministry is implementing support programmes or measures within its own field. There has not been a well-concerted effort to provide support to women-owned and operated enterprises.

2. Regulatory issues

In addressing the special needs of women business owners in Vietnam, the same survey on women entrepreneurs by IFC in 2006 reveals that the women surveyed would strongly support the establishment of a special governmental advisory board for women's business development issues, so that their voices can be heard in policy deliberations¹⁶. Until now, the Vietnam Women Entrepreneurs Council has been established within VCCI and is mandated with this role. However, the council should play a stronger role in policy dialogue, especially issues related specifically to women entrepreneurs and women workers. For example, women entrepreneurs and women workers are particularly interested in the legal and regulatory issues mentioned under the Gender Equality Law and the Social Insurance Law. From a gender perspective, many issues under the two laws have caught the strong interest of women entrepreneurs and women workers in different policy dialogues and forums. Few of these issues have been addressed by the council.

The Provision of Law on Gender Equality articulates that “man and woman are equal in setting up a business, carrying out business and production activities, managing business and are equal in accessing information, capital, markets and labor sources”. This has been the compass for making policies and programmes supporting business development in general and micro, small and medium sized enterprises in particular, especially those run or owned by women.

The Law on Social Insurance stipulates that “Employers shall participate in compulsory social insurance include entrepreneurs, cooperatives, business individuals, cooperative groups, other organizations and individual hiring, employing and paying wages to employees”¹⁷, regardless of the number of employees. The benefits received include sickness benefit, maternity benefit, work-injury benefit, occupational disease benefit, old-age benefit, and survivor benefit¹⁸. Consequently, entrepreneurs in general and/or female entrepreneurs in particular who have paid social insurance will be protected by Social Insurance Fund from risks associated with sickness, maternity, work-injury, occupational disease, and old-age.

According to the regulation of the Law on Social Insurance, the funds mobilized under the Social Insurance Fund are invested to maintain and develop the funds¹⁹. How the funds are

¹⁶ “Voice of Vietnamese Women Entrepreneur”, IFC, 2006.

¹⁷ Clause 2 Article 2, Law on Gender Equality

¹⁸ Clause 1 Article 4, Law on Gender Equality

¹⁹ Article 99, Law on Gender Equality

invested is decided by the competent Government agencies²⁰. One suggestion raised by analysts is to finance the SME Development Fund as regulated in Decree 56/2009/ND-CP²¹ by the Social Insurance Fund. The utilization of Social Insurance Fund as the foundation for the operation of SME Development Fund is feasible in 2 aspects. Firstly, with the current interest rate of Social Insurance Fund, micro and small enterprises can access to loan, maintain operation and pay interest. At the same time, the Social Insurance Fund can preserve its capital. However, it is important that the SME Development Fund be well managed so the funds to avoid the erosion of funds and to best meet the demand of SMEs.

3. Promotion of women's entrepreneurship

Though a separate programme or policy that targets specifically women entrepreneurs is yet to be put in place, the Government has highlighted its priority to the development of enterprises headed by women and disabled people in the 2005 – 2010 Five Year SME Development Plan. The plan emphasized that “focus will be laid on the development of small and medium enterprises in a sustainable manner, with equal emphasis laid on the development in quantity and quality, thus making a contribution to job creation, poverty reduction, social order and social development; small enterprise development shall be linked with the national objectives, socio-economic development targets of each provinces and region; incentives and support shall be provided to the development of small enterprises owned by ethnic minorities, women and the disabled...”. This enterprise development position has been reiterated in the Decree No. 56/2009/ND-CP by the Government.

Women's entrepreneurship has been promoted actively in the last few years. The Vietnam Women Entrepreneurs Council has been playing a very important role in promoting women's entrepreneurship through such activity like Golden Rose Award. At provincial level, local authorities also organize different events to promote women entrepreneurship on Women's Day.

The Vietnam Women's Union also play an important role in promoting women entrepreneurship. The union has intergrated it under different programmes e.g. women economic empowerment, microcredit and microfinance programmes, etc. (The role of the VWEC and VWU will be discussed further in section 7).

4. Access to enterprise education and training

Women business owners in Vietnam express a strong need for entrepreneurial education and training. The IFC study on women entrepreneurs conducted in 2006 shows that women business owners do not only desire general business management skill development, but also specific training and technical assistance in the areas of financial management and accessing new markets.

Women with larger enterprises also need more advanced training in managerial skills, legal issues, production management, sale, marketing, branding... Therefore, it might be useful to

²⁰ Article 97. Law on Gender Equality

²¹ Clause 4 Article 7, Law on Gender Equality

consider special, focused entrepreneurial training for the owners of established firms with a large number of employees in addition to programs focused at the small and start-up level.

Access to education and training is a strong demand of micro and small enterprise owners and operators. However, high training cost has hindered their access to the service. Interviews with business in Quang Nam and Ho Chi Minh City show that micro and small enterprises cannot afford participation in training courses on communication skills, leadership skills, general management, human resource management, process management, marketing, computer skills – the important knowledge and skills which are indispensable to improve the performance and productivity of their business.

In order to facilitate entrepreneurship as well as corporate governance capacity building for SMEs, on 31 March 2011, the Ministry of Planning and Investment and Ministry of Finance has jointly issued a Joint Circular No. 05/2011/TTLT-BKHDT-BTC guiding on training support and human resources improvement for SMEs. According to the Circular, training support and human resources improvement for SMEs activities are implemented on a cost sharing principle. The national budget finances entirely the development, compilation, complementation, and printing of fundamental and specialized documents on human resources training for SMEs; and partially the delivery of training courses for SMEs which are held by Ministries and Business Associations. Local budget finances entirely the expenses for training needs assessment on SMEs, and partially the delivery of training courses for SMEs.

Some of the trainings by the Government, both at the national and provincial level, target all entrepreneurs, regardless of their sex. In courses organized for both men and women, gender issues are rarely brought up. In reality, there are few training courses and/or support programmes that are designed and implemented taking into account the specific needs of women entrepreneurs which are often different from their men counterpart.

This is also the case in most donor-funded training programmes. The GET Ahead training programme by ILO is one of the very few, if not the only one, that targets specifically the needs of women entrepreneurs. As such, there is still a lot to do to improve activities to promote entrepreneurship among women in Vietnam.

The government should therefore work to make demand-based training and post-training support services available to owners and operators of small and micro enterprises, with the needs of women-led enterprises being taken into account. In some cases, subsidies for the provision of the services are needed in order to stimulate demand. This is especially true for women entrepreneurs with disabilities and those who live in remote areas (especially those from ethnic minorities). However, it should also be noted that such subsidy, when really needed, should be offered on a temporary basis only, in order to create long-term demand for services.

5. Access to credit and financial services

For women-owned and operated businesses, access to financing is as much about education as about capital. The majority of women business owners do not have enough capital for their business growth needs, and nearly half currently have bank credit, yet few have been able to reinvest business earnings for growth²². This indicates that many firms may not be growing as strongly as they could be, and could therefore be undercapitalized.

According to MPI's SME White Book 2010, only one third of SMEs have access to bank loans. Under incentive credit programmes by the Government, just 5-10% of SMEs is accessible to credit. Interest rates charged by banks are exorbitant. For example in 2011, with different fees and charges imposed by banks, the real interest rate borne by SMEs in most cases is as high as 27% per annum. With such a high interest rate, many enterprises dare not to borrow to expand operations. This survey did not specify information on the sex of enterprise owners or managers.

Too high interest rate makes enterprises, especially SMEs balk at the idea of borrowing. "To manufacturing enterprises, interest rate of 15-17% is already high. But the current rates of 25-27% is really outrageous. Banks themselves have to mobilize capital at interest rate of 17-18% and they lend at 23-25%. Only non-manufacturing sector can bear such interest rate", a female enterprises owner in HCM city said.

According to the Vietnam Chamber of Commerce and Industry, procedures set by banks are too complicated for SMEs. Recently, as a result of credit tightening requirements, many banks have limited their growth in credit portfolio. They have to apply more criteria to reduce the number of loan applications. Consequently, loan applications by micro enterprises are always the first to be turned down.

A bank credit officer said "*Small enterprises do not know how to borrow or how to write a project proposal and their account books are complicated*". As stated by this officer, there are four capital sources for enterprises: bank and credit institution loans, stock market, self-mobilization and self-saving. However, accessing to bank loans are hindered by such difficulty as lack of collateral, stringent requirements by banks in terms of profitability, audited account statements, etc. Meanwhile, small enterprises do face a problem in financial disclosure and information transparency. Most of small enterprises do not have standard accounting system. Moreover, due to lack of understanding in borrowing procedures and limited capacity in writing a loan proposal, enterprises just receive a "modest" amount of capital if approved by banks. In addition, the weakness of small enterprises is limited human resources. As a result, there is a lot of difficulty during the process of building relationship, cooperating with partners, and accessing credit from the banking system. A common problem that banks confront when lending to small enterprises is the very small operating capital of enterprises or small equity which enterprise put in the project. As for banks, this gives more risk to their loans. Furthermore, financial statements of small enterprises are not audited annually, failing to build trust in banks. Collaterals of enterprises are limited and are insufficient to satisfy the requirement for lending capital.

²² "Voice of Vietnamese Women Entrepreneur", IFC, 2006.

In other countries, there is anecdotal evidence that bank credit officers also have bias against women entrepreneurs. Women entrepreneurs will often be granted smaller loans than men, regardless of the size of their enterprise, simply because of lack of trust in women's capabilities. There is much less such anecdotal evidence in Vietnam but constraints such as limited time and opportunity of women entrepreneurs for after-work-hour social network activities with bank officers or with other business people also hinder their opportunity to access loans as well as other business opportunities.

As in SMEs in general, the development of female entrepreneurs encounters many difficulties such as lack of operating capital, and too small average capital size per enterprise. The number of enterprises of all size with capital of under VND 2 billion accounts for over 80% of total. As such, low capital base make it difficult for enterprises to invest in modern technology and equipment (which are mostly imported). Meanwhile, in order to compete with foreign enterprises, continuous improvement in equipment and in reducing input costs are necessary. Though the Government has policy to support the accessibility to credit, lack of collateral, absence of credit guarantee programmes are frequently mentioned by women entrepreneurs as the key constraints. When renting land, many enterprises have to pay for compensation which is nearly equivalent to the purchase price. However, the land cannot be taken as collateral for loan. Recently, 80% of loans of Vietnam SMEs are from non-financial institutions and from friends and relatives. Only 20% are from banks.

There is no evidence that banks take into account the sex of an enterprise owner when making lending decisions. To banks, it is important that enterprises pay interest in full and in time, though the lending profile includes all information about name, sex, age, professional level, occupation, business scope and year of operation. Banks can use this database in analyzing the capability and efficiency in using loans of enterprises from the gender perspective. From such analysis, banks can have adjustment in policy and develop credit programmes for each type of business, taking into consideration male-led and female-led enterprises. However, such a gender analysis of lending has not been done or released to the public. In reality, some banks e.g. Sacombank have opened branches that target only women clients, including women entrepreneurs. The bank explained that women clients, including women entrepreneurs, need different products and services. And the bank also hope to make a difference with other banks by doing this. But the result so far has not been fully documented.

In addition, women business owners often indicate that they need better financial management skills²³. This would signify that specific training and technical assistance in the areas of financial management and using capital for business growth could yield significant results. It could move women business owners up the financial "value chain," decreasing their reliance on informal sources of capital and enhancing their relationships with financial institutions.

6. Access to business development services (BDS) and information services

²³ "The voice of Vietnamese Women Entrepreneur", IFC, 2006.

Access to BDS is a problem for all SMEs, regardless of whether they are managed by men or women. The study “Voice of Vietnamese Entrepreneurs”, conducted by IFC in 2006 confirmed that business development services, overall, are equally accessible to both female and male entrepreneurs. There is however a difference in (1) the type of services used by men and women, (2) the providers that serve men and women and (3) the appreciation of men and women regarding the services provided. Women were generally less satisfied with training and more satisfied with advisory services and IT services received. Even though over 95% of male and female entrepreneurs prefer business training in mixed groups, most of the training to women is provided by business clubs affiliated to the Women Union while more training to men is provided by government and private BDS providers. Evidence from many provinces show that the performance of the woman business club is far from expectation. The services provided by the club are limited and not always of good high quality. The institutional sustainability of the clubs are not clear. For not being an institution, very few women business club have engaged in policy advocacy work.

Most of the BDS providers that do not explicitly and/or exclusively target women, service a low percentage of women entrepreneurs or sometimes none at all. Half of the BDS providers are aware that male and female clients have different requirements in service delivery. Most providers do not have time to pay attention to these issues, consider that the number of female clients is too small to pay special attention, or consider that women have to solve their own problems.

While most entrepreneurs expressed a need for business development services, the number of entrepreneurs actually using these services was considerably lower. 59% of women and 86% of men entrepreneurs had ever paid for training. This is not only because men are more willing/able to pay for training, but also because women seem to be less satisfied with training services than men. Women (83%) are ready to pay if there are suitable course on business management training as compared to 78% for men. The availability of suitable training courses is therefore another issue.

Women business owners are eager to meet regularly with other women business owners, to share ideas and experiences and to learn from one another. Women entrepreneurs often rely on other business owners as informal mentors; more formal women's business networks would strengthen the women's business community. The lack of formal and more extensive networks for women business owners in Vietnam is another element which is limiting the growth potential of these businesses.

7. Access to women entrepreneurs' associations and networks

Currently, no government management agency knows the precise number of business associations. The Ministry of Internal Affairs - the government agency in charge of managing associations - estimates that there are approximately 300 national associations, including 70 associations of economic organizations. The remainder concern art and literature, friendship, sports, charity, social and humanitarian activities. Over 2,150 are municipal and provincial associations.

According to the Provincial Competitiveness Report Survey conducted by VCCI in 2009, 24.9% of private enterprises surveyed are members of business associations. The survey unfortunately did not break down their membership by sex.

The Vietnam Women Entrepreneur Council is the representative agency of woman entrepreneurs and women entrepreneurs or executive directors of enterprises. Vietnam Women Entrepreneurs Council supports and protects the legitimate rights and interests of women entrepreneurs, business and organizations of businesses owned or operated by women; promotes business support services through measures such as trade promotion, business information, business consultation for women entrepreneurs; market surveys, and market researches, workshops, meetings, exhibitions, trade fairs, advertisement and other domestic and international trade and investment promotions.

In its agenda, the Vietnam Women Entrepreneur Council also provides entrepreneurship training and consulting services, and business advices, facilitating accessibility to credit. However, due to its limited resources and capacity, the council has not been able to fulfill these functions well.

The council is supposed to play an important role in policy advocacy, especially when it comes to gender issue. Again, this is also an area in which the Council could further improve and play a much more prominent role in Vietnam.

With support from the Women's Union, there are clubs of women entrepreneurs established at provincial level, their activities are mainly for social networking purposes. They do not perform well their function of sharing related information to promote enterprise development and trade promotion. These business clubs also faced many constraints in their operations. Their sustainability is questionable both institutionally and financially. Limited resources are also major constraints of these business clubs²⁴.

Under the ILO WEDGE project, women entrepreneurs clubs in Quang Nam and Phu Tho have engaged in more meaningful activities, e.g. business linkage, capacity building for members, and improving the voice of women's entrepreneurs. These examples could be shared and replicated in other places in Vietnam.

8. Access to business premises

Access to land and business premise is a problem for business in Vietnam. One of the main obstructions for investors and land users in Vietnam is the ambiguous process of issuing decisions related to assigning lands, transforming the land use purposes and land using registrations. In many cases, decisions issued by authorities of provinces, districts and communes are contradicted with master plans or lacks of transparency. Regulations on land titles and land transactions are not clear. This hinders the agreement between investors and land users.

The proportion of enterprises which have lands in industrial zones is very small. There is a

²⁴ See more on the report on women entrepreneur clubs implemented by WEDGE.

large proportion of enterprises which obtained lands directly from local governments. 70% of SMEs obtained land use rights through the secondary markets, four times higher the number of enterprises obtaining land use rights from industrial zones and local governments. There is a very large number of enterprises which cannot afford the land rental which keep skyrocketing in the recent years.

In this respect, women-led entrepreneurs share the same problem with their man counterpart. From a regulatory perspective, there is no discrimination between women and men led businesses when accessing land. But in reality, access to land in Vietnam would require a lot of administrative procedures to be completed and a lot of social networking to be done. Women are again at a disadvantage as compared with men in this.

9. Access to markets

Another prominent problem of SMEs is that the market for their products is far too limited. The linkage between large enterprises and SMEs, and among SMEs themselves is weak. In addition, the lack of information also makes SMEs lose their opportunity. Currently, while implementing their projects and programs, many big enterprises could not find the components and parts needed for their production and business in the domestic market. Therefore, they are obliged to import or buy from big enterprises rather than from SMEs. The business linkage therefore is more between big businesses rather than between big businesses and small enterprises. This is happening with foreign invested enterprises too. These enterprises often import raw materials, spare parts supplied by other enterprises of their own group which are located in other countries.

Moreover, Vietnam does not have effective plans and support policies to guide the SMEs to develop supporting industries. Another disadvantage of SMEs in Vietnam is the lack of information, while in business, those who have information are more likely to succeed. Improving accessibility to business information therefore needs to be strengthened. More resources should be spent by the Government, both at national and provincial level, on providing easy to access information, e.g. websites, for entrepreneurs.

Surveys implemented by IFC for the study “Voices of Vietnamese Women Entrepreneurs” show that women business owners in Vietnam want to learn more about international trade opportunities. Another area of potential business growth lies in pursuing international trade opportunities. Accessing new markets at home and abroad is one of the most highly ranked issues in most of the survey on women entrepreneurs. Under the trade promotion programmes by the Ministry of Industry and Trade between 2010-2015, it is important that a component of it be allocated to address the need to know more about international trade opportunities of women led enterprises.

10. The state of research on women in SMEs in the country, including women in growth enterprises

According the Decree No. 56/2009/ND-CP, small enterprises are those with capital of VND 20 billion or less (10 billion or less for trade and services) corresponds to the agriculture,

forestry, fishery production, industrial and commercial construction or services. However, the statistics are subdivided in groups from 10 billion to 50 billion VND.²⁵ Therefore, it is difficult to separate how many small businesses are in this group. Although there are official statistics, the available ones are not the best for the purpose of analysis for the purpose of small businesses policies. It can be clearly seen that the current mechanism of reporting and collecting statistical data cannot meet and track the impact resulting from the changes in the provisions of policies and laws.

There have not been many studies or regular surveys by the Government about the needs and situation of female as compared with male entrepreneurs. Some of the surveys mentioned in this report are implemented either by donor agencies or research institutes. And the linkages between surveys by donors and research institutes and government policies have been weak.

11. Gender related constraints

Beside issues related to business, female entrepreneurs have to take on the majority of family responsibilities. Data from a study on gender equality in 2 years 2005 – 2006²⁶ revealed that when women participate more and more in business, the contribution of men to housework has not increased correspondingly. In other words, women's share in business has not accompanied by the share of man in housework. Another finding of the survey is that women have limited "voice" in making business-related decisions. In families, women normally can make decision on family-related issues, while men make business-related decisions. For the reason that women are in charge of most housework, it is difficult for them to meet requirements on capacity development, information access, competitiveness improvement as a labor, especially as businesswomen. It is obvious that to succeed in business, women need proper investment into building skill and social capital as well. Currently, in comparison with men, women invest less time to improve the competence into study, networking and learning²⁷. As a result, it is really difficult for female entrepreneurs, especially very those who own micro and small businesses, to balance their roles in family and at work.

12. General constraints

The technology level of SMEs is low. Due to their small-scale of capital, enterprises' investment in modern technology and equipment are restricted. In terms of the quality of human resource, the managerial expertise of managers and skills of workers among SMEs is really an issue. Provinces and cities such as Hanoi, Ho Chi Minh City, Da Nang are also with more number of training centers being concentrated, and thus benefiting from a large number of employees with higher qualifications. Most qualified people coming from the provinces which are less developed than these provinces and cities are more interested in working in big cities, and do not want to come back to work at the less developed provinces.

²⁵ Ho Chi Minh City Statistical Office. *Statistical Yearbook of Ho Chi Minh City 2010*. Statistical Publishing House. February, 2011. p 113.

²⁶ Study on Gender Equality in Vietnamese Families 2005 conducted by Viet Nam Academy on Social Sciences.

²⁷ Viet Nam Academy on Social Sciences . Tran Thi Van Anh, Nguyen Huu Minh (Ed.). *Gender Equality in Viet Nam (Analysis of Study's Data)*. The Publishing House on Social Sciences. Ha Noi, 2008.

In less developed provinces, the number of trained SME owners is very low, and most of them are untrained professionally. Most of employees are manual workers who just benefited from short-term trained courses. It is estimated that as low as 25% of workers in Vietnam are trained at vocational training courses. They are often the ones who just moved out of the agriculture sector, thus having limited skills. Therefore, the application of advanced technology is really a challenge for SMEs in general and for women-owned entrepreneurs in particular.

SMEs lack information and are still inferior in many relationships (with the state, markets, banks, the central scientific and training center, and etc). As mentioned earlier, information is a key factor for success and failure of the enterprise. But accessing to Internet-based information among SMEs is far more limited than the cases of large enterprises.

IV. FINAL REMARKS

In the forthcoming 5 Year SME Development Plan, it is recommended that detailed consideration be given to promoting women's enterprise development - with special emphasis on access to business development services, entrepreneurial education and training, access to capital, and access to new markets.

Women business owners in Vietnam need more opportunities for networking and forming mentoring relationships. Regular fora to create these opportunities should be established and supported. The Vietnam Women Entrepreneur Council should be strengthened in this role. The council could play a stronger role in promoting women's entrepreneurship in Vietnam and become a coordination office for women's business development programs.

Low competitiveness of many women's enterprises are due to shortages of capital, small scales of operation, difficulties in technology, information, management knowledge, and obstacles caused by inadequate legal framework, socio-psychological environment. Government policies and the forth-coming five year SME development plan should include concrete and specific measures that faced by women entrepreneurs, especially in terms of accessibility to land, accessibility to Government incentive schemes in technology, enterprise intellectual property development programme.

Many women entrepreneurs lack professional, foreign language, and business management knowledge and skills. Many of them have not yet participated in any training in business management. The Five SME Development Plan should call for greater access to training and education, where necessary subsidized for rural women and women from poor households. This issue can also be addressed by different programmes by the Government, e.g. vocational training for the youth, vocational training for farmers, industrial extension programmes...

The global business environment changes quickly and frequently. The globalization process and changes in business technology applications have impacted all enterprises. Women in small and medium enterprises face the threat of being excluded. It is recommended that the trade promotion programmes to be included in the 5 Year SME Development Plan and projects by the Government and donor agencies need to take this into account.

The statistics on enterprises, especially SMEs from gender perspective should be enhanced. Current available data base e.g. those of banks should be used for the purpose of making policy related to SMEs in general and women-led enterprises in particular. Regular sex-disaggregated surveys should be conducted in order to monitor the implementation of any women-specific programmes and the achievement of targets related to women's entrepreneurship.

In order to implement the Law on Gender Equality and achieve the target of National Strategy on Gender Equality for the 2011 - 2020 period, i.e. “*The number of business female owners will increase to 30 percent by 2015 and 35 percent by 2020*”, there should be specific programmes and policies for to support the increase and expansion of women-led SMEs by 2015.

The SME Development Fund could be backed by the Social Insurance Fund to ease the accessibility to financial sources by SMEs.

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ANNEX 1: LIST OF INSTITUTIONS INTERVIEWED

1. The Vietnam Chamber of Commerce and Industry
2. The Enterprise Development Agency of Ministry of Planning and Investment
3. The Central Institute of Economic Management
4. The Vietnam's Women Union
5. The Vietnam Women's Entrepreneur Council
6. Vietnam SME Association
7. The Ministry of Labor and Social Affairs
8. The Vietnam's Women Union in Quang Nam and Ho Chi Minh City
9. Provincial Cooperative Alliance in Quang Nam and Ho Chi Minh City
10. Department of Planning and Investment in Quang nam and Ho Chi Minh City
11. The women's business clubs in Ho Chi Minh City and Hanoi.

ANNEX 2: LIST OF INSTITUTIONS INTERVIEWED

No.	Full name	Position	Agencies	Address
1	Ms. Nguyen Thi Giang Huong	Chief of Division	Division of General Affairs – Statistical Office	29 Han Thuyen – District 1
2	Ms. Huynh Kieu Nguyen	Chief of Division	Credit Division – Bank of Agriculture and Rural Development – HCM City Branch	21 Pho Duc Chinh – District 1
3	Ms. Truong Thuy Trang	Deputy - Director	Department of Science – Technology	167 Hai Ba Trung – District 3
4	Ms. Nguyen Thi Huyen Nhung	Deputy-Chief of Division	Division on Labour – Cultural and Social Affairs – Department on Planning and Investment	244 Dien Bien Phu - District 3
5	Ms. Nguyen Thi Hau	Deputy Head of Institute	Research Institute on Development	28 Le Quy Don – District 3
6	Ms. Nguyen Thi Hue	Head of Club	Sai Gon Female Entrepreneur Club	51 Ben Chuong Duong – District 1
7	Ms. Nguyen Thi Hong Phiet	Head of Club	Club of Female Entrepreneurs from 24 districts of HCM City	51 Ben Chuong Duong – District 1
8	Ms. Truong Thi Ngoc Dung	Director	Transaction Division of Eastern Asia Bank - HCM City Branch	442 Vo Van Tan – District 3
9	Ms. To Thi Yen	Deputy-Chief of Division	Division on Labour – Wages – DOLISA HCM City	
10	Ms. Thai Thi Ngoc Du	Director	Research Center on Gender and Society – University Hoa Sen	93 Cao Thang – District 3
11	Ms. Nguyen Thi Hang	Director	Limited Pharmaceutical Company Hoàng Nguyễn	284/25/23 Ly Thuong Kiet – District 10
12	Ms. Nguyen Thi Ngoc Lan	Director	Joint-stock Garment Company Đại Việt	62 Tan Thanh - Tan Thanh Ward– District Tan Phu
13	Ms. Tran Hoang Yen	Owner	Garment Establishment Hoàng Tâm	41B Nguyen Duy – P3 – District Binh Thanh

ANNEX 3: QUESTIONS USED FOR ASSESSING COUNTRY ENABLING ENVIRONMENT FOR WOMEN ENTREPRENEURS

I. Policy leadership and coordination for MSME's development

- 1) What role do women entrepreneurs, including women with disabilities play in the market-oriented economy and job creation in Viet Nam?
- 2) How are issues on women entrepreneurs, including women with disabilities integrated into socio-economic development policies in generally and business development ones in particularly? Which agency is responsible for suggesting such policies? Which agency is responsible for designing and developing them?
- 3) What is the voice of the Viet Nam Women Entrepreneurs' Council in developing and implementing policies for MSME? Is there a separated strategy for development of MSME operated by women, including women with disabilities?
- 4) Are there regular meetings of partner organizations (e.g., government, NGOs, donors, BDS providers and financial institutions) to share good practices, review progress, and identify areas for coordinated action? If so, who leads this process and these meetings?
- 5) Is there a mechanism for advocating the interests and concerns of women entrepreneurs and their enterprises among relevant government departments and at other levels of government? What is it? Who leads it? How effective is it?

II. Business environment, regulatory and legal issues

2.A: *Gender equality*

- 1) What are advantages, disadvantages and barriers in the implementation of the gender equality legislation for women entrepreneurs, including women with disabilities? What are measures needed for overcoming such barriers?

2.B: *Regulatory and legal systems*

- 2) Are there specific policies for supporting women, including women with disabilities at the start-up and growth stages?
- 3) What are advantages and disadvantages in the implementation of currently preferential policies for women entrepreneurs, including women with disabilities?

2.C: *Business registration and formalization procedures*

- 4) Is special support available to enable women who have limited time due to
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family and household tasks to register their businesses and obtain business licences at the local level? Who operates this process? How effective is it?

5) Is information readily available to women on the procedures and benefits of formalizing their enterprises? Is this easily accessible to women, including women with various types of disabilities?

6) Are women entrepreneurs' associations able to participate in facilitating the registration and formalization processes? As there is under-representation of women with disabilities in WEAs, are DPOs and their women's wings able to participate in facilitating their members to register and formalize their enterprises?

7) To what extent does social protection exist and apply to women entrepreneurs, including women with disabilities (e.g., provision of maternity protection, child care services, sickness benefits, health insurance, etc.)? Are women aware of the advantages of such schemes for the success of their enterprises? What innovative schemes have been developed to extend social protection to otherwise excluded groups and to the informal economy? Can they be replicated and scaled up? Do women entrepreneurs apply them within their own workforce, and do they set examples as "model employers" in this regard? What measures exist for both women and men to enable them to improve work-family balance?

III. Promotion of women as entrepreneurs

1) Describe the level of broad-based public awareness of and support for the role of women entrepreneurs with and without disabilities in the economy? What efforts are made to raise public awareness of the needs, interests, priorities and contributions of women as entrepreneurs? How effective are these? What good practices can be highlighted?

2) Is there a general awareness of the gender-based issues, barriers and problems that women encounter in starting, formalizing and growing their enterprises? Who actively promotes this awareness? Is there an awareness of the additional issues, barriers and problems faced by women with different types of disabilities? Do these issues get media coverage? What changes and improvements have been effected? What change processes are currently underway?

3) Are there initiatives that recognize and celebrate the achievements of women entrepreneurs?

4) How do women entrepreneurs manage their time in the context of the competing demands being made by their family/household, business, personal life, and full-time employment?

IV. Access to enterprise education and training

- 1) Are needs assessments carried out on the entrepreneurial training and business development needs of women entrepreneurs at each stage of growth and development—start-up, survival, formalization and growth? Who conducts these assessments? How are they acted upon?
- 2) Do women have access to entrepreneurship and small business training opportunities at the local level, e.g., training in business opportunity identification; quality and productivity improvement; occupational health and safety; improving working conditions; trade fair participation; financial management; marketing; market access, etc.? How effective are these programmes for the women entrepreneurs and their enterprises? Does the existing provision also cater for women with disabilities?
- 3) To what extent do female students, including those with disabilities, participate in vocational skills training programmes, particularly those programmes with a strong technological component?
- 4) Is entrepreneurship training a key component of technical training initiatives targeted at those sectors where women are dominant? Are there efforts to ensure the participation of women with disabilities in this training?
- 5) Are training approaches tailored to meet the needs of women entrepreneurs (e.g., content, scheduling, duration, and location)?

V. Access to credit and financial services

5.A: *On women as clients:*

- 1) Are women able to access financing beyond the micro-finance lending limit?
- 2) Are women aware of ways of presenting a request for a loan?
- 3) What knowledge and skills do women entrepreneurs generally have to help them meet the requirements of preparing business plans? Do women entrepreneurs need further training in how to manage their finances?

5.B: *On financial Institutions:*

- 4) Are the banks aware of differences between women entrepreneurs, including women with disabilities and men entrepreneurs in access to their services?
- 5) What evidence is there that gender and disability sensitivity training is offered to account managers so they can respond to the growth opportunities presented by women's emerging entrepreneurial activities? What evidence is there that banks employ women and promote them to management positions?

6) In what ways are financial services linked to the services of BDS providers?

7) What special financing programmes exist to help women overcome the barriers they face in accessing credit (e.g., their lack of collateral)? Is support available for women entrepreneurs with disabilities or other target groups?

VI. Access to Business Development Services (BDS) and information

1) Are the business development services and information separately designed and collected for women entrepreneurs, including women with disabilities?

2) Are business support services linked to the provision of (micro) finance for women?

3) What are women entrepreneurs' expectations from BDS providers—in terms of services required, costs and subsidies, delivery methods, etc.?

4) Is BDS available to support the needs of women with growth enterprises?

5) Is there a supply of women advisers and trainers in the BDS network? Do these include women with different types of disabilities?

VII. Women entrepreneurs' associations and networks

1) Do women have access to the networking activities of mainstream employers', business and industry associations?

2) Do WEAs organize regular meetings for members so they can network and develop joint business and marketing activities?

3) Do WEAs have sufficient capacity to deliver business support, information, and entrepreneurial skills programmes to their members?

4) Does government view WEAs as partners in strengthening the environment for women entrepreneurs, and improving their performance and growth?

5) How successful are WEAs and other women's groups in influencing government policies?

6) Do these organizations genuinely represent the needs and concerns of women entrepreneurs? Are they linked to key women's organizations? Do they consider and advocate on gender-related issues?

VIII. Women's access to business premises

1) To what extent do women entrepreneurs have access to suitable and

affordable land and premises to run their enterprises, including premises for renting or buying?

2) What is the proportion of women entrepreneurs operating within business incubators? What is being done to promote women entrepreneurs' access to business incubators?

3) Are existing incubator and technology units accessible to women entrepreneurs with physical disabilities?

IX. Access to markets

1) What efforts are made by government units (e.g. Export Promotion Agency) and Chambers of Commerce to help women-owned MSMEs and women entrepreneurs with disabilities to identify new markets or expand existing markets?

2) Do initiatives exist (e.g., within employers' organizations) to promote linkages between women-owned MSMEs and large firms?

X. The state of research on women in MSME in the country

1) Are there qualitative studies on the start-up experiences, aspirations and behaviours of women entrepreneurs, e.g., start-up motivations, start-up processes, major barriers and strategies for overcoming them, and limitations faced by their enterprises in the early development phases?

2) Is there information and awareness on how women's start-up experiences, challenges and access to resources differ from those of men?

3) Are there systematic mechanisms for researching the impact of MSME policy and programme measures on the development of women entrepreneurs, including their relative take-up of business support services and incentives?

4) Is national survey data disaggregated by sex? Is there national survey data on the population of MSMEs in the country from which sex-disaggregated data can be derived? Is this data available along regional and sectoral lines? Is this disaggregation of data reflected in official reports, such as Census of Production, Labour force Survey, etc.?

5) Is there quantitative, descriptive and qualitative information available on women-owned enterprises (e.g., distribution of enterprises by employment size, location, sector, and age of enterprise)? If so, where can it be located?

6) Is there a demographic profile of the women entrepreneurs (e.g., age, education level, work experience, years in business, family background, women

entrepreneurs with disabilities, etc.)?

7) Is information available nationally on the similarities and differences between enterprises owned by women and men entrepreneurs respectively?

8) Are there any reports on the similarities and differences between female and male entrepreneurs and their enterprises? Are they widely available?

9) Is there capacity and interest within the university environment to conduct research on women entrepreneurs? If so, have academic links been built between university researchers and the government's (MSME) policy unit to encourage policy-oriented studies on issues relating to women as entrepreneurs?