

# UK aid to break down barriers for female entrepreneurs in Africa

- The UK is leading the way in supporting female entrepreneurs across Africa to start and grow businesses
- UK aid will break down barriers by providing up to 10,000 women with essential business training and thousands more with better access to business loans
- Unleashing the economic potential of women will boost African economies, trade and investment opportunities and increase global prosperity, which is in the interests of the UK and African countries

The International Development Secretary Alok Sharma has announced today that the UK will significantly increase its support to empower female entrepreneurs and businesswomen across Africa. UK aid will provide business advice, training and financial support to back women-led businesses supporting economic growth across the continent.

An equal role for women in the economy is essential to sustained growth and will help lift millions out of poverty. Experts estimate that advancing economic equality globally could add \$12 trillion (or 11 per cent) to the global Gross Domestic Product (GDP).

Despite having the highest concentration of female entrepreneurs in the world, women in a number of African countries face greater barriers to starting their own businesses than their male peers. This is because women often find it harder to access further education, get business loans, sign contracts and own property based on their gender.

Increased funding through UK aid will incentivise African banks across the continent to lend to women by reducing the costs, while providing expert training to female entrepreneurs in essential skills to make their businesses a success.

Research shows that women typically reinvest up to 90 per cent of their income in the education, health and nutrition of their family and community, compared to 40 per cent for men. This means that investing in female-led businesses can transform societies as well as women's lives.

By leveraging the economic potential of tens of thousands of women, today's announcement of £30 million of UK aid will:

- Provide up to 10,000 budding female entrepreneurs with essential training and mentoring to help them better manage their businesses,

including marketing, financial and business planning.

- Start partnerships with up to 30 banks across Africa, helping to bring down the cost and incentivise lending to thousands of women.
- Transform women's job opportunities and boost African economies to help countries become our trading partners and build their future beyond aid.

International Development Secretary Alok Sharma said:

Every woman deserves the same opportunities as her male peers to start and build a business. But this is not just about equal opportunities. By breaking down barriers and unleashing the potential of women across Africa, UK aid is supporting the private sector to thrive, helping nations across the continent to increase economic growth and shape their own future beyond aid.

By investing in the economic empowerment of African women, we are investing in ending poverty, and in developing Britain's trading partners of the future.

The UK aims to be the biggest G7 investor in Africa by 2022. Today's announcement builds on the UK's existing partnerships with African nations to create mutual trade and investment opportunities, ahead of the UK-Africa Investment Summit which is due to take place in London next year.

### **Notes to editors**

The £30 million of UK aid announced today is for women's economic empowerment to extend DFID's Women Entrepreneurs Finance Initiative. This will go towards the Affirmative Finance Action for Women in Africa (AFAWA) programme run by the African Development Bank.

The UK-Africa Investment Summit will bring together businesses, governments and international organisations to strengthen the partnership between the UK and Africa and help generate billions of pounds of opportunities for both British and African businesses.