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Understanding the Journey of Women Entrepreneurs in Yemen

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TABLE OF CONTENTS

Abbreviations	**2**
Glossary of Arabic Words	**2**
Acknowledgments	**3**
Executive Summary	**4**
1. Introduction	**9**
2. Yemen's Political and Socioeconomic Context	**15**
3. Methodology	**18**
3.1 Conceptual Framework	18
3.2 Study Design	20
4. Findings	**24**
4.1 Individual and Household	24
4.2 Enterprise and Market	34
4.3 Formal Institutions	44
4.4 Informal Institutions	51
5. Discussion and Conclusions	**57**
6. Recommendations	**62**
7. References	**66**
Annex: Data Collection and Analysis	**68**

LIST OF FIGURES

Figure 2.1	Territorial control and population density as of December 2022	15
Figure 2.2	Sector of employment of household's main income earner	17
Figure 2.3	Timeline of key events in Yemen's recent history	17
Figure 3.1.1	Conceptual framework	18
Figure 4.1.1	Examples of multiple income-generating roles of interviewed female entrepreneurs	26
Figure 5.1	Life of an entrepreneur	59

ABBREVIATIONS

GDP	Gross Domestic Product
GII	Gender Inequality Index
ILO	International Labor Organization
INGO	International Non-Governmental Organization
IRG	Internationally Recognized Government
MENA	Middle East and North Africa
PAYG	Pay-As- You-Go
PLC	Presidential Leadership Council
PUE	Productive Use of Energy
SFD	Social Fund for Development
SMEPS	Small and Media Enterprise Promotion Service
UNDP	United Nations Development Programme
UNICEF	United Nations International Children's Emergency Fund
UNHCR	United Nations Refugee Agency
UNOPS	United Nations Office for Project Services
WB	World Bank
WBL	Women Business and Law
WDI	World Development Indicators
WEF	World Economic Forum
We-Fi	Women Entrepreneur's Finance Initiative
WFP	World Food Programme
YER	Yemeni Riyal
YIUSEP	Yemen Integrated Urban Services Emergency Project

GLOSSARY OF ARABIC WORDS

Allah	God
Ansar Allah	Official name for the Houthi movement
Hajj	The pilgrimage to the holy city of Mecca in Saudi Arabia, which every adult Muslim must make at least once in his or her lifetime
Khat or Qat	Chewable mildly narcotic leaf widely consumed in Yemen
Mahram	A form of male guardianship tied to cultural and religious norms

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YEMEN FUND RESILIENCE, RECOVERY AND RECONSTRUCTION

EXECUTIVE SUMMARY

In Yemen, women and girls face multiple obstacles that hinder progress toward gender equality and limit their economic participation. The ongoing conflict has devastated the lives, health, and economic prospects of ordinary Yemenis, and deepened vulnerabilities, especially for women and girls. However, global experience has shown that women often take on the role of head of household and actively participate in income-generating activities during times of crisis. A similar trend has reportedly been seen in Yemen, with women starting new businesses since the start of the conflict and having more say in household decision making. Despite this, Yemeni women still face societal expectations and restrictive norms that limit their mobility and interactions in public life.

This study analyzes factors that enable or constrain Yemeni women to participate in economic activities during a period of protracted conflict. The study uses in-depth interviews and photo documentary to portray the journeys of 24 female entrepreneurs from four governorates in Yemen who have persevered with their businesses. The team subsequently coded and analyzed all interviews to search for common themes and emerging patterns. The study focuses on a niche group

As a female head of household, Roba is the primary earner in her family. She owns a grocery store selling basic treats for students in the nearby school. She barely earns enough to meet her daily expenses and cannot scale up due to lack of capital.

of women who have started enterprises in a country where the female labor force participation is low. The study uncovers critical insights into understanding their needs and aspirations to pave an enabling environment. This study, while small, can be used to inform findings relevant to (i) this group of women, (ii) other women living in other parts of Yemen, (iii) other women living in similar contexts of protracted conflict, and (iv) generations of women to come in these contexts.

The study found that interviewed female entrepreneurs face a web of intertwined factors that act as facilitators and barriers at the individual and household, enterprise and market, formal institutions, and informal institutions levels (see Table ES1). Two common threads—(i) conflict, and (ii) gender norms—woven into these levels have shaped women's coping strategies that do not directly confront status quo barriers but, rather, carefully navigate entrenched social norms for the sake of their own and their family's survival in a context of political and economic instability.

Table ES1: Facilitators and barriers at the individual and household, enterprise and market, formal institutions, and informal institutions levels

LEVELS	FACILITATOR/BARRIER/BOTH
Individual and Household	
Impact of conflict on personal safety and income (Both)	Conflict's impact on personal lives and income is a barrier, but this has also been a catalyst for some to start their business.
Leveraging skills, education, and experience (Facilitator)	Skills (e.g., cooking, crocheting, make-up, hair styling, sewing, etc.), higher educational qualifications or thematic expertise (e.g., business management, engineering, and medical studies) act as a facilitator in initiating and operating a business.
Role of family (Both)	Acts as a facilitator and a barrier as different family members support and oppose (this sometimes changes over time). Gender norms are negotiated within the home and outside. Despite improved income decision-making, care responsibilities are solely borne by women.
Enterprise and Market	
Perceived market acceptance (Both)	The perception of market acceptance due to focus on quality, pricing, unique positioning, customers, human resources, and marketing overall acts as a facilitator, but maintaining these factors in a highly challenging market is also a barrier.
Lack of finance (Barrier)	Acts as a barrier in the initiation and continuation of the business.
Seasonality (Barrier)	Acts as a barrier for some sectors due to the reduced purchasing power of customers.
Competition (Barrier)	Acts as a barrier when competing with established male competitors.
High inflation, economic deterioration & currency-related issues (Barrier)	These macroeconomic factors heightened the risks female entrepreneurs face and overall reduced the purchasing power of customers, hence, acting as key barriers to the smooth functioning of businesses even after a decade from the escalation of conflict.
Access and availability of products (e.g., raw materials) (Barrier)	
Formal Institutions	
Financial services through banks (Barrier)	Acts as a barrier due to the requirement of guarantors for loans, accessing guarantors is doubly challenging for female entrepreneurs as guarantors are often male.
Key services through government agencies (Barrier)	Disrupted provision of electricity and internet services directly act as a barrier in the day-to-day running of the businesses.
Registration and taxation services (Barrier)	Barriers exist in registration and taxation services.
Informal Institutions	
Being a woman (Both)	Perceived as a facilitator by the entrepreneurs themselves, but interviews also highlight how men have advantages.
Social Norms (Barrier)	Acts as a barrier. Female entrepreneurs are constantly negotiating these norms outside and inside their homes.
Social Networks (Facilitator)	Acts as a facilitator, however, to forge social relationships with a non-relative male, female entrepreneurs need to use other male relatives.

The conflict in Yemen has profoundly affected women entrepreneurs. Conflict has jeopardized their personal safety, and disrupted education, health, and major life events. Starting enterprises has become crucial for generating income to cope with instability and economic challenges associated with the conflict.

A female entrepreneur who works as an engraver and incense maker illstrates how she started her business due to her husband's job loss and she needed to provide for her children.

> **"...for the sake of my children, they are the motive, I do not want them to need anyone. As I told you, my husband does not work; he was a soldier and belonged to the army, but they do not give them salaries." —Nadia**

Gender affects ability to start and sustain a business. Despite perceptions among interviewed female entrepreneurs that gender does not pose challenges in the enterprise and market, interviews reveal disparities favoring men due to better mobility, extended networks, and fewer restrictions. Women entrepreneurs continue to face barriers in education and career choices, constantly negotiating gender norms at home while balancing work and caregiving responsibilities.

An import and export business owner from Sana'a succinctly summarizes how being a woman affects female entrepreneurship.

> **"Customary and tradional norms play a significant role in Yemen. Women's participation in new fields of work is often not well-accepted. Additionally, many business deals are negotiated and sealed within *khat* sessions, which tend to exclude women. Women's access to these sessions is limited, creating an additional hurdle. Moreover, some families make it difficult for women to travel alone, and security concerns further restrict women's mobility. These factors collectively pose significant challenges for businesswomen in Yemen." —Rima**

Formal institutions have suffered from service disruptions and eroded trust. This limits access to financial resources, especially for female entrepreneurs. Social norms such as *Mahram*, and constraints on mixing with men, further restrict women's mobility and participation in economic activities, perpetuating gender inequalities.

An entrepreneur who runs a business service consultancy in Mukalla illustrates struggles in accessing finance.

> **"If I want to expand, there are no banks that deal with us (women) and there are no entities that provide anything that we might need. If I intend to expand, they tell me to provide a proposal to the Youth Support Fund, and the appropriate person will be chosen, and you must bring in a government employee. This means they make matters difficult. My business is almost ready, I need money quickly, and I cannot wait for acceptance. These things are considered lengthy procedures." —Yasmin**

An entrepreneur from Sana'a describes how she meets the norm of *Mahram*.

> **"Currently, my husband helps with certain tasks, especially those that require travel between different areas due to the difficulty of women traveling alone without *Mahram*. He sometimes accompanies me in executing these projects. He was involved in one of the projects at Ibb and attended with me. Additionally, my son accompanied me on a project to install solar systems in Al Hudaydah [Governorate]." —Lina**

Women entrepreneurs continue to face restrictive gender norms and expectations. Rather than engage in active conflict with these norms, they use tactful and continuous negotiations to navigate, especially to access education and when choosing a career. Despite conflict-induced economic participation and female entrepreneurs reporting involvement in household income decision-making, the report findings show norms at home around care responsibilities have not changed. Furthermore, despite the conflict push toward economic participation, acceptance of traditional gender norms is still prevalent even in the minds of female entrepreneurs themselves. Ultimately, as the report shows, interaction between conflict and gender in fragile, conflict, and violence (FCV) contexts underlines both potential and limitations in terms of challenging entrenched structural barriers.

The primary aim of generating deep data on women entrepreneurs was indeed not merely to catalog their challenges but to showcase how they achieve success despite these obstacles. While many challenges were previously documented, this study focuses on uncovering how these women navigate and overcome them. This deeper understanding highlights systemic features that can be leveraged by certain women, presenting opportunities for targeted development interventions. This nuanced approach goes beyond standard quantitative studies, providing a comprehensive understanding of the dynamics at play and offering actionable insights for supporting women entrepreneurs effectively. So how can the World Bank Group (WBG) and development partners enhance Women-Owned Businesses (WOB) in Fragile, Conflict, and Violence (FCV) contexts?

Provide Customized Capacity Building

Many entrepreneurs stressed the need for upgraded and more specific training tailored to where they are in their entrepreneurial careers. This means training should go beyond general business knowledge and cater to specific needs on topics that cover niche areas, such as how to conduct a feasibility study, apply for a loan, conduct project monitoring and evaluation, or develop a business plan. These courses could be made more accessible online. There is also an opportunity to support more experienced business owners by offering them continued education in their relevant market areas or fields of study.

Facilitate Access to Financing

Accessing finance has been challenging for many women looking to start or expand their businesses. To promote equitable access, targeting financing specifically designated for women is essential. Revisiting loan eligibility criteria and offering flexible repayment options, including interest-free loans and tax breaks, can also alleviate barriers. Moreover, enhancing financial literacy support is essential to empower women to navigate these financial avenues.

Enhance Registration and Taxation Processes

Development partners must pinpoint targeted policy enhancements to streamline registration and licensing procedures, particularly addressing the distinct hurdles WOBs encounter. For example, establishing centralized "one-stop shops" for professional services like applying for tax cards and business registration could streamline access and knowledge dissemination, eliminating the necessity for multiple visits to different locations.

Expand Access to Key Services

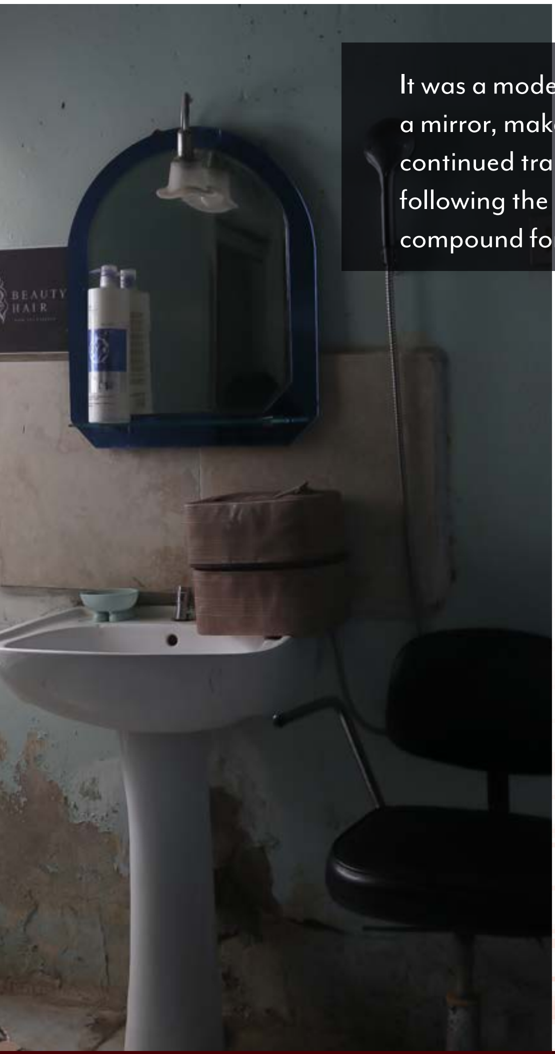
As efforts to support a renewable market increase in Yemen, there is an opportunity for the development community to engage with WOBs. For example, the piloting and deployment of new market technologies such as Pay-As-You-Go (PAYG) and Productive Use of Energy (PUE) should take into account the different consumer and business needs of women and men and ensure that this is complemented by sex-disaggregated reporting and monitoring.

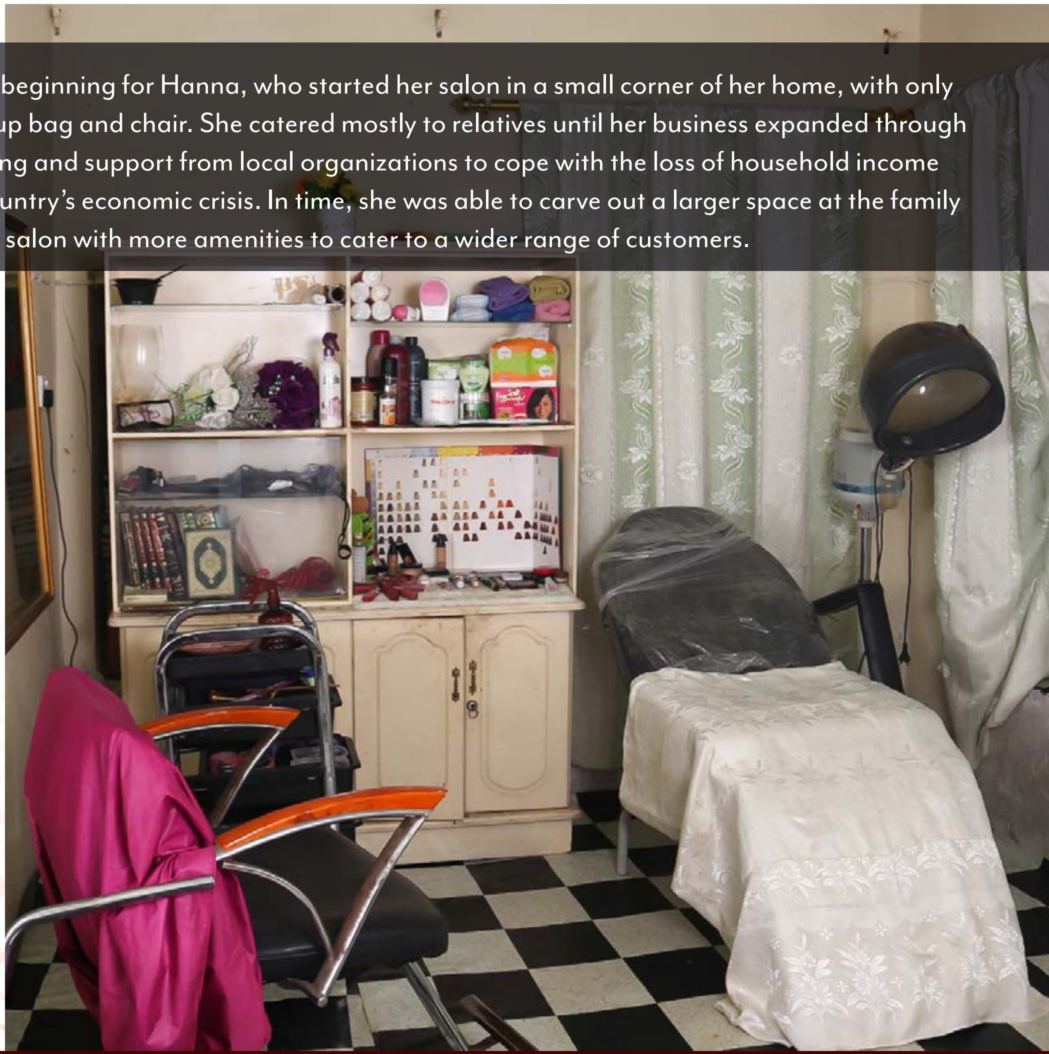
Support formal/informal WOB Networks

Strengthening existing formal networks, such as businesswomen's clubs, can include regional-level structures that increase membership of Yemeni women across the country. Supplementing these formal networks with local informal groups, facilitated through platforms such as WhatsApp, can serve as a resource for advice, moral support, and encouragement. These types of formal and informal networks can be used to provide additional services, such as business incubation, technical capacity building, mentorship, recognition, and marketing. Communities of international and local practitioners should also provide formal certifications during training as evidence of successful completion.

1 INTRODUCTION

Amid protracted conflict and ensuing economic crisis, female entrepreneurship could be on the rise in Yemen. What factors enable and constrain the success of these women? This report draws lessons from the journey of twenty-four entrepreneurs from Aden, Mukalla, Sana'a, and Taiz, who have managed to operate in a context of conflict, economic deterioration and uncertainty, poor living conditions, weakened institutions, and restrictive social norms. Their perseverance in this context is powerful and worth investigating. This in-depth, qualitative photo-study offers actionable insights, beyond standard quantitative studies, to improve the economic participation of other aspiring women.





It was a modest beginning for Hanna, who started her salon in a small corner of her home, with only a mirror, make-up bag and chair. She catered mostly to relatives until her business expanded through continued training and support from local organizations to cope with the loss of household income following the country's economic crisis. In time, she was able to carve out a larger space at the family compound for a salon with more amenities to cater to a wider range of customers.

Year after year, Yemen consistently ranks among the lowest performers in global benchmarks of gender equality. The Global Gender Gap Report (2021) ranks Yemen 155 out of 156 countries on gender gaps indicators across key development areas of economic participation and opportunity, educational attainment, health and survival, and political empowerment (World Economic Forum, 2021). This resonates with results seen in the Gender Inequality Index (GII), with Yemen demonstrating high inequities at a poor GII combined value of 0.82 in dimensions of reproductive health, empowerment, and the labor market (United Nations Development Program, 2022).[1] The Women Business and the Law 2024 index marks similarly low performance in gender-based differences in laws affecting women's access to work: Yemen ranks second to last of 192 economies with a country score of 26.9 out of a maximum of 100 (World Bank, 2024c).[2]

Yemeni women and girls face multiple constraints that disadvantage them in key dimensions of human development and economic participation. Maternal mortality rates in Yemen are significantly higher than the Middle East and North Africa (MENA) average,[3] and only 70 percent of births are delivered by skilled health personnel (CSO and UNICEF, 2023). In terms of schooling, girls are less likely to complete lower secondary school at 42 percent compared to 56 percent for boys.[4] By the age of 14, 44 percent of girls are out of school compared to 29 percent of boys (CSO and UNICEF, 2023). Child marriage has been a concern in Yemen even before the current conflict started, as 16 percent of women between the ages of 20 and 49 were married before age 15. This is likely to be even higher today, as 3 percent of households have had female children marry to ease financial stress over the three months before being interviewed (World Bank, 2023b). Adding to this, less than 2 percent of women had formal bank accounts in 2014, which further limits their economic status and capacity for economic participation.[5]

The protracted conflict compounds existing disparities and has deepened women's vulnerabilities. According to the Yemen Human Development Survey (YHDS) 2021, female-headed households are more prevalent today than at the start of the war, increasing from 13 percent in 2014 to 17 percent in 2021 in southern areas (World Bank, 2024e). This survey also finds improved decision making for women, particularly in conflict affected areas (Ishak et al., 2023). However, these women-headed households suffer much worse food outcomes. They face increased restrictions labor market restrictions, limited access to productive assets and resources, and constraints in generating new income due to their primary role as caregivers (World Bank, 2024e).

Due to the conflict and associated challenges, women often take the role of household head and participate in income-generating activities. Global experience demonstrates that female labor force participation and likelihood of employment increase during times of crisis (Acemoglu et al., 2004; Justino, 2017). This is in line with studies suggesting

1 The GII index is a composite measure that reflects inequalities between men and women in three domains: reproductive health, empowerment, and the labor market. The measure ranges from 0 – 1, with the higher value demonstrating poorest gender achievement in all three dimensions (UNDP Human Development Report Online Data Center).

2 The three indices presented use different indicators and methodologies to calculate the scores of economies and then create their global list of country rankings. The Global Gender Gap Index 2021 provides the latest results for Yemen. The Women Business and the Law has updated its index in 2024 and currently measures "thirty-five aspects of the law across eight indicators of four or five binary questions [representing] a different phase of a woman's career."

3 WHO, UNICEF, UNFPA, World Bank Group, and UNDESA/Population Division. Trends in Maternal Mortality 2000 to 2020. Geneva, World Health Organization, 2023. Maternal rates in Yemen are estimated at 183 deaths per 100,000 live births compared to the MENA regional average of 56.

4 Accessed via the World Bank Gender Portal (April 2024), latest available country data (UNESCO 2016).

5 Global Financial Inclusion Data (latest available country data).

The war has had a marked impact on Nadia, a mother of five, who started a business in henna designs and incense making after her husband stopped working. Every morning, her children collect water so she is able to carry out daily cooking and cleaning chores. Nadia prepares her incense products when her children are out of the house, to make sure they are not affected by the strong scents.

that shifts in gender dynamics as a result of the war in Yemen have contributed to an increased (though limited) role for women in areas of economic life once inaccessible (humanitarian, peacebuilding, and conflict resolution) (ACAPS, 2023b; Al-Ammar, et al., 2019; Al-Ammar & Patchett, 2019). In particular, women have started establishing home-based businesses, selling homemade food and clothing, or importing goods that the war has otherwise made impossible to produce (ACAPS, 2023a, 2023b). While not entirely comparable over time for methodological reasons, less than 5 percent of working-age women were employed in 2014,[6] while 21 percent of adult female phone respondents were employed in 2023 (World Bank, 2024b).

6 Extracted from World Development Indicators Database, World Bank.

Despite indications of improvement in women's decision making and economic outcomes, there are reports of social and mobility restrictions being introduced in parts of the country. In fact, Yemeni women remain constrained by societal expectations and restrictive norms that further limit women's mobility and interactions in public life (ACAPS, 2023b; World Bank, 2024e). For example, women are not able to travel without a male relative across districts, a practice currently enforced in areas under Houthi control. Or, more subtly, women do not usually participate in *khat* sessions with men—who are able to network socially and/or professionally at these times.

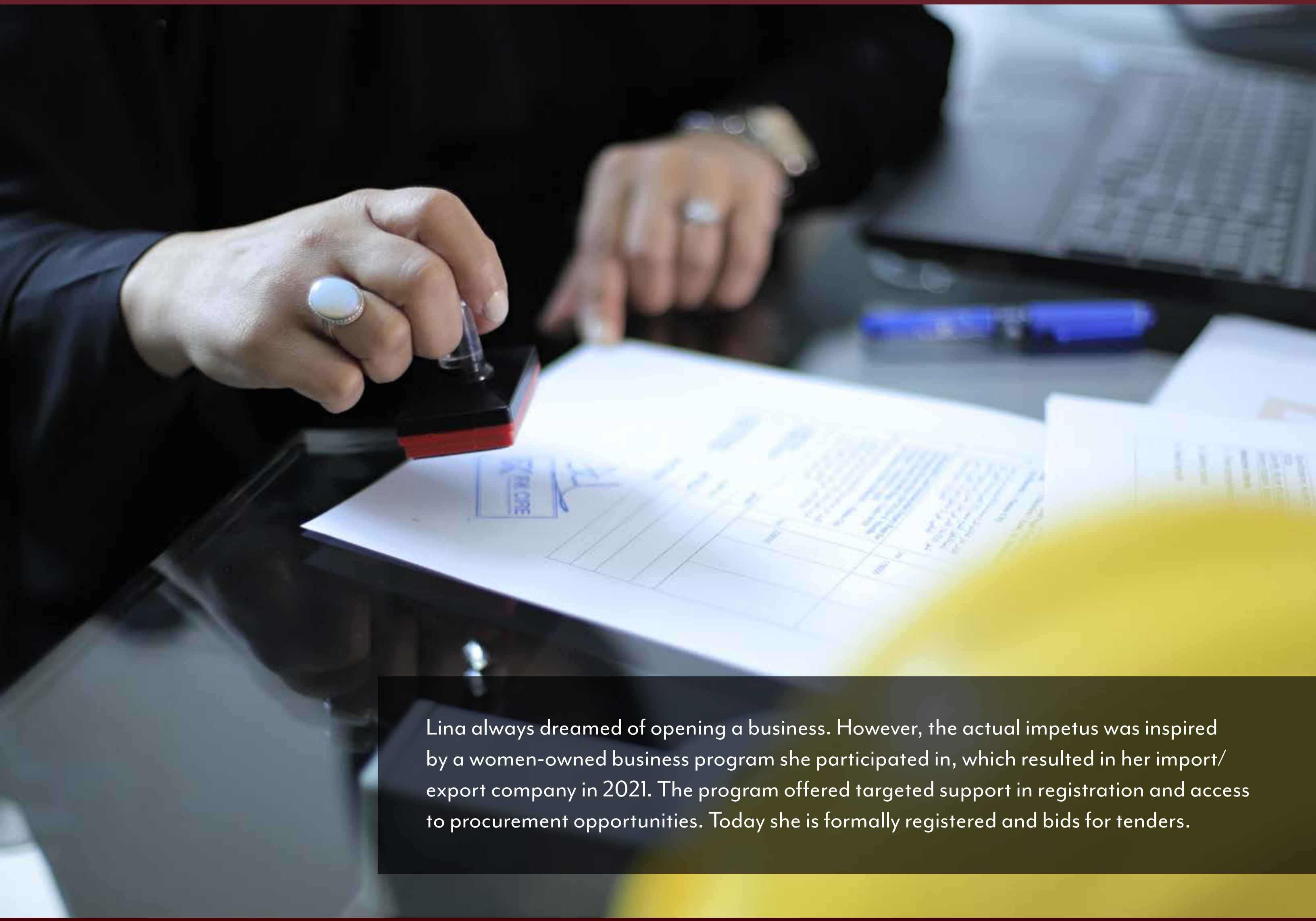
The uptick in women-owned businesses (WOB) is an important step toward improving their agency; but challenges persist. According to an enterprise survey collected in 2022, less than 2 percent of formal enterprises in Yemen are owned by a woman, while this stands at 15 percent among informal enterprises (World Bank, 2024d). Along these lines, ILO projections for 2022 show that more employed women are in vulnerable employment than men (63 percent compared to 47 percent, respectively), which means women are likely to be working in poor conditions with little workplace protection or against economic shocks.[7] Furthermore, while COVID-19 may have presented opportunities for innovative women to respond with new products and services, a large-scale survey of formal businesses across 49 countries shows that overall the pandemic disproportionately harmed women's livelihoods around the world: in fact, women-owned businesses were more negatively affected than male-led businesses, and fewer of them received support (Torres et al., 2023).

Mariam started working at an early age to support her parents and seven siblings. In time, she opened several businesses, including a tailoring factory and a non-profit to support and build capacity of young people. During COVID-19, Mariam pivoted: her factory started producing face masks and she set up a new venture focused on helping communities access services without leaving their homes. She proudly holds her business cards; a glimpse of sewing machines from the factory.

7 Accessed from the World Bank Gender Data Portal, April 2024. Modeled ILO data. (International Labour Organization (ILO), 2024).

Box 1.1: Local and International Initiatives Supporting Women-Owned Businesses

The Social Fund for Development, a national organization promoting poverty reduction and sustainable development since 1997, has long provided financial and technical support to women entrepreneurs mainly through its subsidiary, the Small and Micro Enterprise Promotion Service (SMEPS). SMEPS offers business services, value-chain development and entrepreneurship enhancements to support and grow the pipeline of enterprises, including women-owned, in Yemen. Different country-based programs led by international partners support female entrepreneurship and build women's capacity, more recent among them the Islamic Development Bank's Business Resilience Assistance for Value-adding Enterprises (BRAVE) supported by Women Entrepreneur's Finance Initiative We-Fi (since 2018) and the joint United Nations Office of Project Services (UNOPS)-World Bank Women-Owned Business (WOB) program launched in 2021. Introduced as a pilot in the World Bank-financed Yemen Integrated Urban Services Emergency Project II (YIUSEP II), implemented by UNOPS, the pilot activity focused on identifying the needs of existing active and inactive WOBs, building their capacity to successfully tender with UNOPS and the broader UN, and offering them economic opportunities through limited competition tenders for WOBs, allowing them to gain market experience and grow their businesses.



Lina always dreamed of opening a business. However, the actual impetus was inspired by a women-owned business program she participated in, which resulted in her import/export company in 2021. The program offered targeted support in registration and access to procurement opportunities. Today she is formally registered and bids for tenders.

This study discusses factors that enable or constrain Yemeni women to participate in economic activities during a period of protracted conflict. The study uses qualitative research methods to document the journey of 24 female entrepreneurs from four governorates in Yemen who have persevered with their businesses during volatile and protracted conflict. The report draws on interviews conducted with the women themselves. Photographs capturing women's entrepreneurship experience are also incorporated as part of the study. All interviews were subsequently coded and analyzed to search for common themes and emerging patterns. Despite focusing on a niche group of women who have started enterprises in a country where female labor force participation is very low, the study uncovers critical understanding of their needs and aspirations, fundamental in paving an enabling environment for them and upcoming generations. The importance of female labor force participation and its connection to poverty alleviation is clear. With little nationally representative data in Yemen, a systematic quantitative study is not possible. Instead, this study offers actionable insights from the rich and layered lived experiences of a small subset of women that cannot be gleaned from standard quantitative datasets (Bulmer, 2021).

This report is structured into five sections: The next section (Section 2) briefly describes the Yemeni political and socioeconomic context. Section 3 discusses the methodological approach. Section 4 presents the findings with sub-sections moving into the detailed findings. Section 5 discusses the common threads across these findings and concludes. Section 6 provides some recommendations.

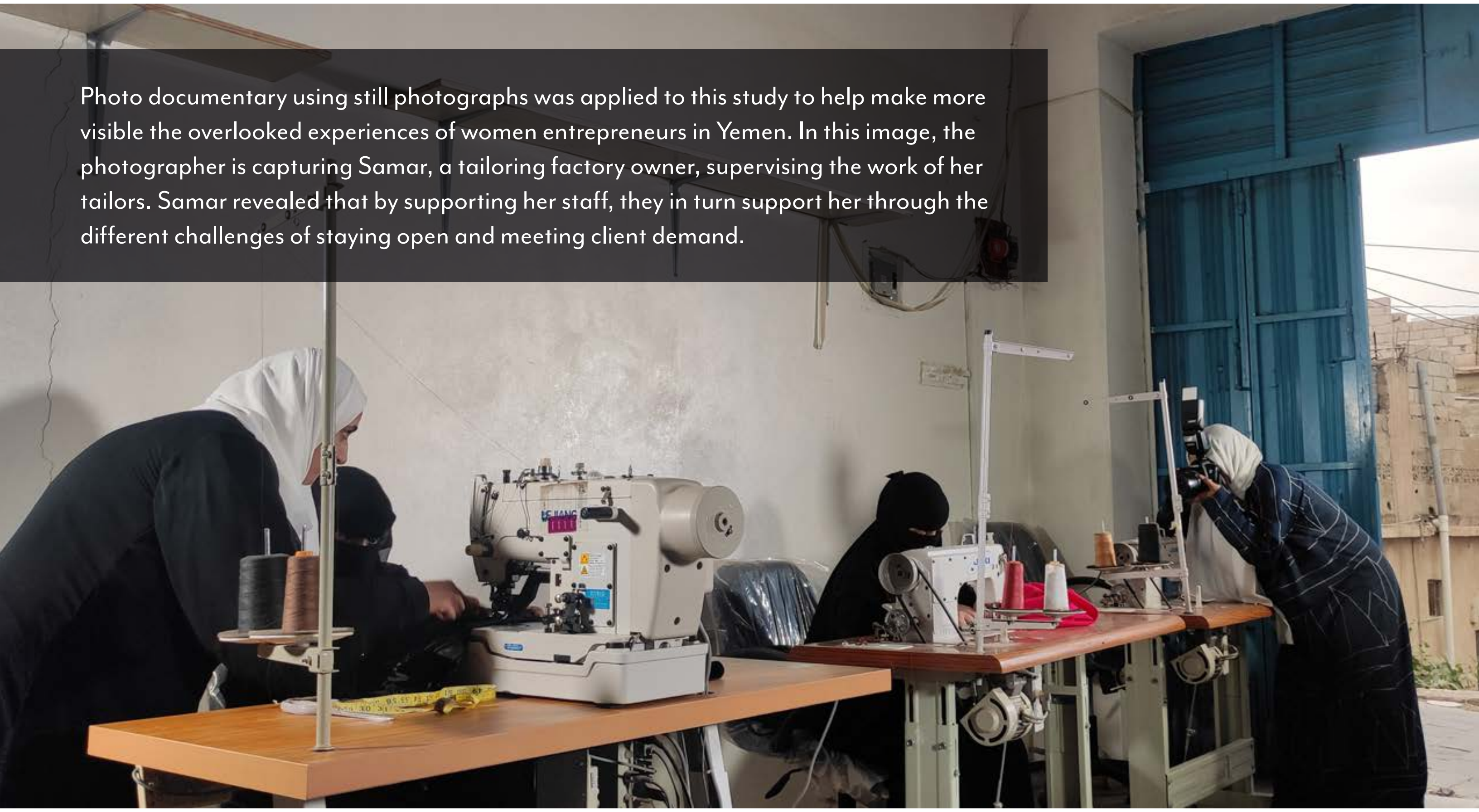
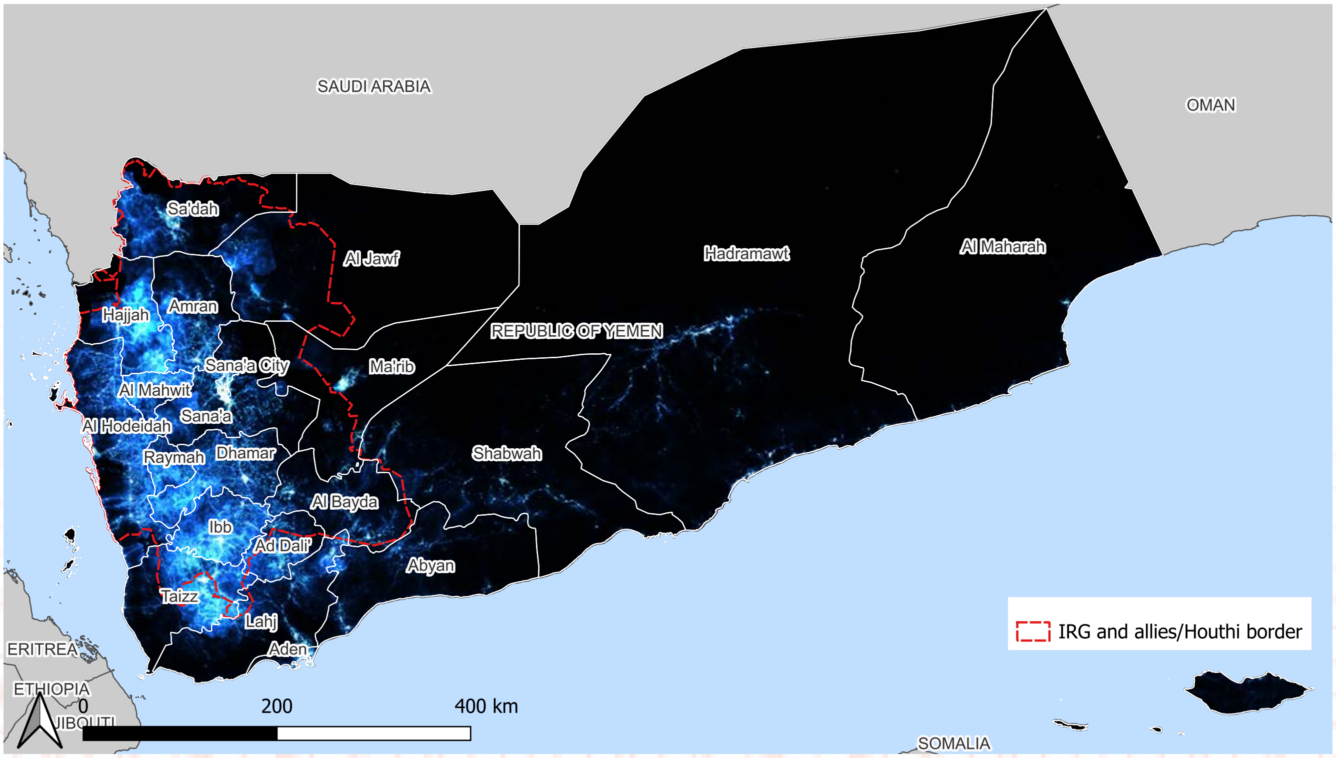


Photo documentary using still photographs was applied to this study to help make more visible the overlooked experiences of women entrepreneurs in Yemen. In this image, the photographer is capturing Samar, a tailoring factory owner, supervising the work of her tailors. Samar revealed that by supporting her staff, they in turn support her through the different challenges of staying open and meeting client demand.

2 YEMEN'S POLITICAL AND SOCIOECONOMIC CONTEXT

Yemen is divided territorially, politically, and economically, with some areas controlled by the Houthis and others by the internationally recognized government (IRG). Yemen spiraled into armed conflict in 2014 when the Houthi forces from northern Yemen took control of the capital city of Sana'a and aimed to advance toward the southern part of the country. However, a coalition of nine countries launched a military campaign in March 2015, pushing the Houthi forces back to the north (World Bank, 2017). Much of Yemen's northwest is controlled by the Houthis and their allies, with the rest of the country held by several different armed political factions unified under the banner of the Presidential Leadership Council (PLC), formed in April 2022 (see Figure 2.1).

Figure 2.1: Territorial control and population density as of December 2022 (Brighter areas have higher population density)



Source: Worldpop and ICG, 2023. Areas under control of the Houthis are on the Northwestern side and include Sana'a, while areas under control of the Internationally Recognized Government (IRG) and allies include Aden.

Armed conflict and economic war have exacted a disastrous toll on the life, health, and economic prospects of ordinary Yemenis (World Bank, 2022). An estimated 226,000 people have lost their lives from direct conflict, while another 150,000 have died from indirect causes such as lack of food, healthcare, or infrastructure (UNDP, 2021). Nearly two-thirds of those who have died from indirect causes are children under the age five (UNDP, 2021). A dynamic needs assessment conducted by the World Bank in 2020 found that the conflict damaged or destroyed more than one-third of Yemen's homes, schools, hospitals, and water and sanitation facilities, further weakening the country's historically sluggish productivity indicators (World Bank, 2020).

Almost all entrepreneurs reported that the devaluation of the currency has hurt their business, making it difficult to afford rising prices and high costs of food or quality goods.

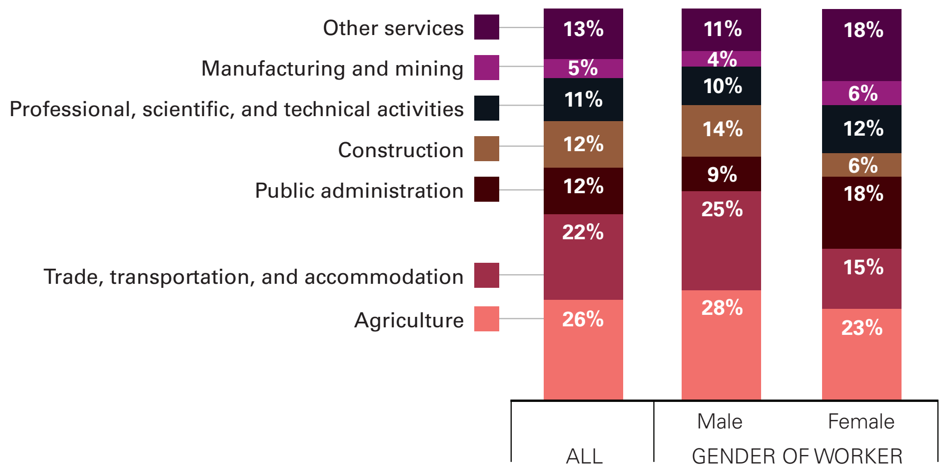
The World Bank estimates that Yemen's economy halved between 2011 and 2021. This was largely the result of further declining oil production and export, the primary engine for pre-war economic growth and government revenues. Lack of finance has undermined the state's ability to support a significant share of the population through the public sector, a major employer for Yemenis in 2014.

As Yemen's economy has declined and work has become more precarious, the cost of living has risen sharply. Inflation, driven by depreciation of the Yemeni Riyal and rising global commodity prices, has pushed the cost of basic goods out of reach for a rising share of Yemenis. The loss of oil export receipts, a rising import bill, and IRG monetization of fiscal deficits, have driven steep depreciation of the Riyal since the beginning of the war, particularly in IRG areas. The Riyal lost around 75 per cent of its value between 2015 and 2023 in IRG areas (World Bank, 2023d). Household incomes have not kept pace with inflation: 91 percent of main income earners in households surveyed by the World Bank in 2022 reported their labor income as not being enough to meet basic household needs (World Bank, 2024e).

Economic conflict has further complicated the economic picture. A series of maneuvers by the Houthis and the IRG during the first few years of the war split Yemen into two broad economic zones drawn down lines of military/political control with distinct monetary and fiscal policies. The subsequent decoupling of the value of the Riyal in Houthi and IRG areas since 2019 has compounded Riyal depreciation for Yemenis living in IRG areas. Overall food supply has also declined on a per-capita basis, due to falling domestic output and largely steady imports, set against significant population growth.

The Yemeni economy is still directly and indirectly reliant on oil, agriculture, and government services, despite shrinking oil output, crop yields, and government revenues. Although private services have grown as a share of output, Yemeni workers appear to be increasingly dependent on agriculture for employment despite the precariousness of the sector to climate-related hazards and limited water resources (Lofgren et al., 2023; World Bank, 2023d). Phone surveys show that 28 percent of men and 23 percent of women are most likely to cite "agriculture" as their sector of employment, the most out of all sectors (Figure 2.2).

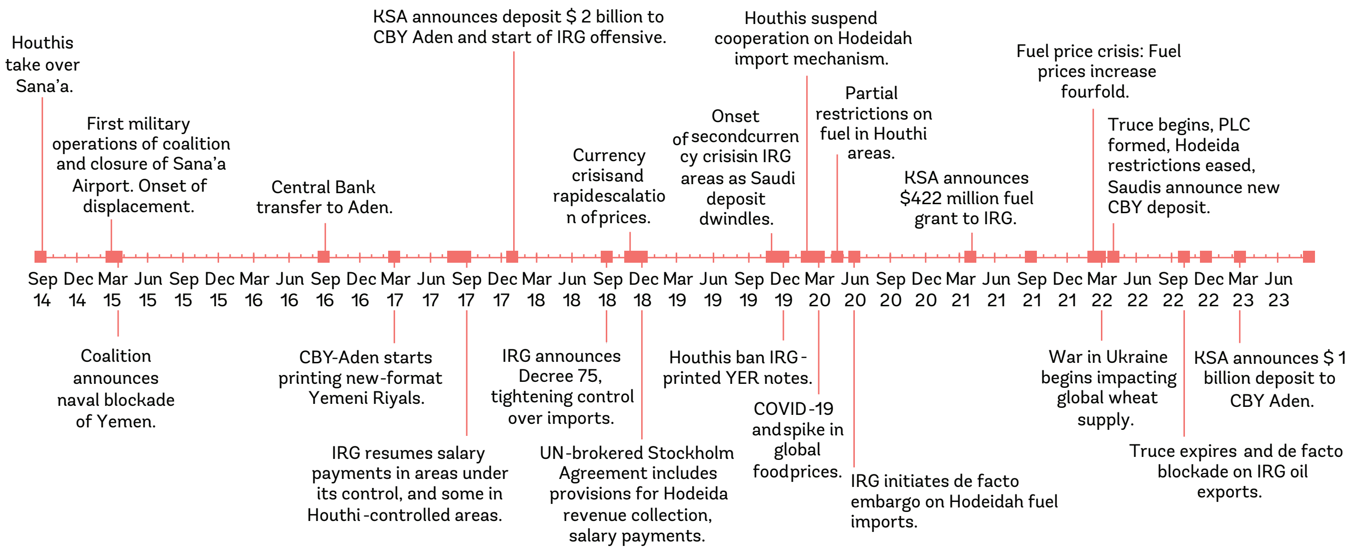
Figure 2.2: Sector of employment of household's main income earner



Source: World Bank Mobile Phone Survey Monitoring Round I 2022

In addition to the ongoing conflict, Yemen faced several other shocks over the years. These include tightened air and sea blockades on Houthi-controlled areas; health epidemics, such as a cholera outbreak; a currency crisis leading to price inflation; the COVID-19 pandemic; and the global spike in food prices (Favari et al., 2023).

Figure 2.3: Timeline of key events in Yemen's recent history



Source: World Bank Yemen Poverty and Equity Assessment 2024 (World Bank, 2024e)

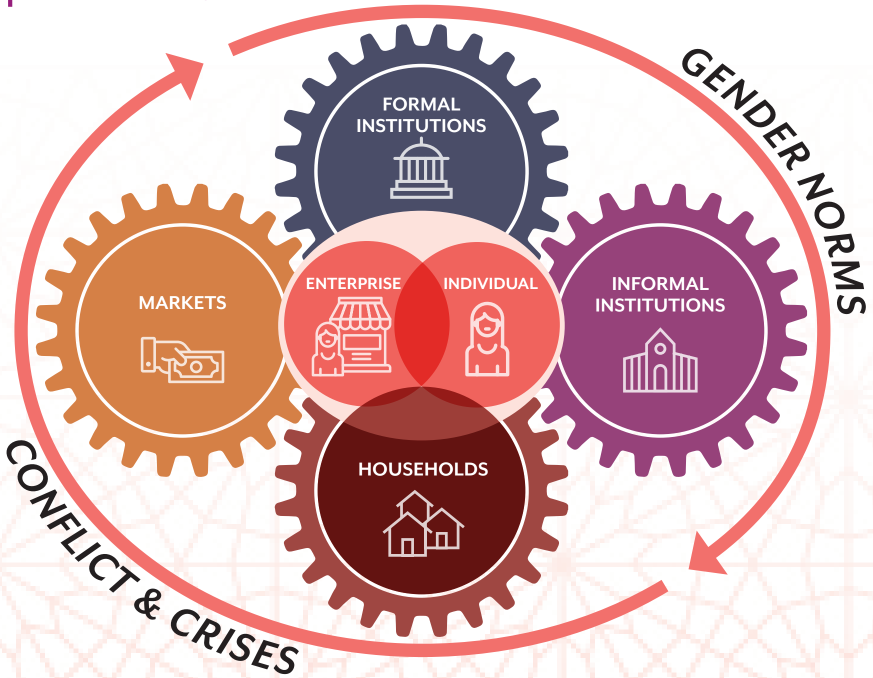
3 METHODOLOGY

This study primarily uses qualitative research methods—a combination of qualitative interviews and the visual method of photo documentary—to unpack the entrepreneurial journeys of female entrepreneurs. This section discusses the conceptual framework guiding the study design, including participant selection, data, data collection, analysis, and limitations.

3.1 CONCEPTUAL FRAMEWORK

This study uses a conceptual framework to guide study design, research tool preparation, and initial data analysis envisages a complex interplay of facilitators and barriers (see Figure 3.1). A woman's entrepreneurship journey takes place at the individual and enterprise level, and is further influenced by household, market, and formal and informal institutions. Conflict, fragility, violence, and gender norms influence all these levels. Although gender norms are included in informal institutions as well, it seeps through all levels. As visualized in Figure 3.1, all levels are interlinked and influence each other. The different levels used in the framework were motivated by the broader categories used in the Women's Economic Empowerment Framework in the *World Development Report (WDR),* 2012. The study did not directly use the WDR framework as it did not explicitly include an element of entrepreneurship. Definitions of each of the levels are adapted to the Yemeni context from the WDR, 2012 (World Bank, 2012). We consulted a number of reports to derive the conceptual framework and conceptualize the study, such as the *Addressing Gender Inequalities in Countries Affected by Fragility, Conflict, and Violence report (World Bank, 2023a),* the *World Bank Group Strategy for Fragility, Conflict, and Violence 2020–2025,* and key highlights from the *World Bank Gender Strategy 2024 – 2030* (World Bank, 2024a).

Figure 3.1.1: Conceptual framework



Source: Authors' adaptation.

Box 3.1: Key definitions used in the conceptual framework

The *individual* in this study is the female entrepreneur, the unit of analysis. An entrepreneur is defined as someone who operates an enterprise, or a business venture, which is also part of the study's unit of analysis. The enterprise could consist of a sole entrepreneur or could have multiple owners or employees. In Yemen, 95 percent of enterprises are informal and small, micro or medium enterprises, and the majority of these operate in the services sector (World Bank, 2023c).

The *household* is a diverse unit, with members having different preferences and influences on decision-making. In the Yemeni context, households are often intergenerational and include an extended kinship network and are embedded in a religious, tribal, and patriarchal society (ACAPS, 2022).

***Markets* refer to a variety of arrangements that allow buyers and sellers to exchange (the rights over) any type of goods and services subject to a set of rules.** They can be influenced and shaped by formal and informal institutions. In this study, the market level also includes broader macroeconomic factors such as economic conditions, inflation, and currency. This study also considers the enterprise as a part of the "market".

***Formal institutions* refer to all aspects that pertain to the functioning of the state.** These include laws, regulatory frameworks, and mechanisms for the delivery of services that the state provides (such as judicial services, police services, basic infrastructure, health, and education).

***Informal institutions* refer to mechanisms, rules, and procedures that shape social interactions but do not pertain to the functioning of the state.** In this study, the focus is on gender roles (or "being a woman"), beliefs, social norms, and social networks.

- ***Social norms* refer to patterns of behavior that flow from socially-shared beliefs and are enforced by informal social sanctions.** One of the key social norms discussed is the requirement of *Mahram*. *Mahram* is a family member with whom marriage would be considered permanently unlawful (*haram*). The requirement for a *Mahram* applies to various types of travel, including travel one day and night, acts of worship like *Hajj,* visiting parents, or other permissible journeys. *Mahrams* include close male relatives and can be differentiated into blood, such as a father, husband, brother, or even a young son. Blood *Mahrams* include all direct ancestors, all direct descendants, siblings, siblings of parents, grandparents, and further antecedents, and children and further descendants of siblings. In-law *Mahrams* (through marrying someone) include all the ancestors of one's spouse, all the descendants of one's spouse, and all who marry a direct ancestor. The enforcement of *Mahram* regulation in recent times has been stricter in areas under Houthi control (ACAPS, 2023c), and could be considered an "informal institution", exemplifying how the lines between formal and informal are often blurred.
- ***Social networks* refer to the system of social relationships and bonds of cooperation that shape one's opportunities, information, social norms, and perceptions.** In this study, social networks include female entrepreneurs' social relationships and bonds of cooperation outside of the family, and not always for tangible benefits. For example, a female entrepreneur could be part of a business forum or an informal network without receiving tangible monetary or in-kind benefit, but to be part of a community.

3.2 STUDY DESIGN

The in-depth interviews comprised of a researcher and a note-taker. After each interview, the photographer and research team in the respective governorate de-briefed before the photography session to ensure visual alignment with the main storyline of the interview. All photography sessions required consent and were conducted at the location preferred by the entrepreneur.

Female entrepreneurs—the primary respondent group for this study—participated through in-depth interviews and photo documentary. Twenty-four female entrepreneurs were purposively selected from four governorates[8] in Yemen using a two-stage process:

- In the first stage, lists of female entrepreneurs were obtained from three sources: those who had been trained by UNOPS to bid for contractual services; those surveyed in a World Bank 2022 enterprise survey of formal and informal businesses across seven governorates; and those known through local informal and formal networks such as the Chamber of Commerce (World Bank, 2024d).
- In the second selection stage, ensuring sufficient representation across governorates, location, formality, type of products, and size of the enterprise, 36 female entrepreneurs were shortlisted from the combined lists, 24 were interviewed (eight of the shortlisted declined due to logistical inconvenience), and 22 took part in the photo documentary (see Table A1).

Ease of access and safety of respondents and interview teams were paramount, and the study ended up dropping four respondents from Sana'a due to heightened restrictions in that region. The research team was cautious in explicitly asking about the conflict and experiences related to the authorities, particularly in Sana'a, to ensure the safety of respondents.

8 The governorates were chosen in consultation with local partners as the main economic centers of the country with a high concentration of female-owned businesses.

However, the entrepreneurs from Sana'a naturally discussed some issues related to restrictions from the authorities, but the team recognizes that there are some aspects that remain undiscussed. Box 3.2 summarizes the demographic characteristics of female entrepreneurs, and the following pages contain short profiles of each entrepreneur. Annex A presents the data collection details.[9]

Box 3.2: Demographic Characteristics of Respondents

This study interviewed a diverse set of female entrepreneurs from Aden, Mukalla, Sana'a, and Taiz. They belong to different age groups, possess varied education levels, and produce various products and services. The average age of the sample is 40. The majority of study participants belong to the 30-39 age group. The interviewed female entrepreneurs have varied educational qualifications. The majority possess an undergraduate degree and four female entrepreneurs have not completed their primary education (See Table A2 in the Annex)

Although most of the interviewed female entrepreneurs are married, the sample also includes divorced, separated, single, and widowed female entrepreneurs, enriching the study with perspectives of women without a spouse in a highly patriarchal society. A few interviewed female entrepreneurs were also orphaned, and some were married at young ages of 14 to 16.

Most of the interviewed entrepreneurs are from urban areas, are formally registered, and own either micro or small enterprises. Only one business is classified as a large enterprise. The interviewed entrepreneurs offer a range of products and services: six enterprises offer consulting services in fields such as engineering and construction, business services, or import and export. Five enterprises belong to the personal care industry, which includes hairdressing, beauty salons, and cosmetics. Catering, handicrafts, medical services, and sewing represent other common types of enterprises. Medical services include a veterinary enterprise from Taiz and an herbal medicine enterprise from Mukalla. The sample also includes a bag manufacturing company run by a group of women led by a single female from Mukalla, and a corner shop run by a divorced woman from Taiz.

Qualitative research is not intended to provide representative findings, rather it offers unique insights into the experiences of individuals and small groups, delving into mechanisms and patterns (Bulmer, 2021)**.** This study specifically examines women who have launched businesses in a country with low female labor force participation, uncovering key dynamics within complex socio-economic systems. The findings extend beyond this group, offering generalizable insights applicable to other women entrepreneurs and working women. By exploring their perspectives and needs, this study provides critical insights to foster supportive environments for them, future generations, and women facing historical limitations on economic participation due to gender norms. However, this study also has its limitations, including respondent selection bias, social desirability bias, and interviewer bias. The Annex further discusses these, and mitigating measures taken.

All names used in this report, including in the profiles of entrepreneurs and the quotes, are pseudonyms and cannot be traced back to the real names of the entrepreneurs to protect their identity and anonymity.

9 The Annex contains further information on how data was collected and analyzed is included. This includes information on how tools were co-produced with research partners, ensuring consent from participants, and coordination between photographers, interviewers, and participants to ensure a coherent and relevant storyline was developed. The qualitative data was then analyzed with Dedoose software using deductive codes developed from the conceptual framework and reading of the literature, while inductive codes were developed based on the initial reading of the interviews. The photographs captured alongside the interviews have been featured throughout this report after obtaining an additional level of consent, and are accompanied by explanations to provide further context.

MEET THE ENTREPRENEURS (all names are pseudonyms)[10]

Fatima owns an informal, home-based micro-enterprise, focusing on pastries and cakes. She is known for her pizzas.

Based in rural outskirts, **Hana's** salon specializes in hair and make-up. It is kept cool by a battery-run generator appreciated by her customers.

Aisha owns a small engineering consultancy firm, where she won an international tender to supply garbage barrels to neighborhoods.

Yasmin started her import-export firm from home. Today, she has hundreds of employees and offers project management support.

To meet her family's economic needs, **Sarah** has multiple businesses including soap making, tailoring, and selling spices.

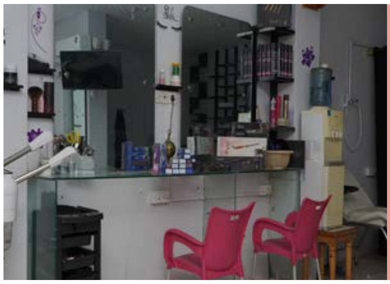
With encouragement from her daughters and friends, **Rana** keeps her home-based sweets and pastries service popular with ongoing training.

Mariam's business supports youth capacity building. During COVID-19, her firm pivoted to mass produce masks and PPPs.

With 20+ years of experience, **Amira's** herbal medicine store is renowned for cures. It now includes hair and skin care.

Layla is a professional photographer and certified trainer. She has created her own podcasts on social media to promote wellness.

Dina's firm manufactures bag from concept design to finish, where she sells locally or exports to Saudi Arabia and Oman.



Amal started her hair salon after her husband fell ill. The salon allows customers to pay in installments, which makes it popular.

Inspired by a business training program, **Lina** started her import-export company in 2021. She has secured tenders that lead her to remote governorates, where she delivers solar installations or equips farmers with agricultural inputs.

10 Two of the entrepreneurs did not want to participate in the photo study and are represented by icons here. Some of the photos have been submitted by the women themselves.

Jihane's construction and contracting firm fulfills her passion for engineering. She is proud to follow in the footsteps of her father.

Rima started her commercial firm on importing and supplies with the goal to challenge herself. She trades with suppliers in China and India.

Noura's family business focuses on jewelry design and handiworks, which she manages with her husband and children.

Samar owns a tailoring factory that employs local women. She takes business courses to follow market trends and uses digital technology to reach her clients.

Salma's tailoring firm makes a range of items from glamour wear to hospital gowns. She often offers women advice and training in the art of fashion.

Nadia's home business in Taiz offers henna design and makes perfumes and incense, which she learned by phone.

Leila received support from her father to open her beauty salon in Taiz. She browses social media daily for latest hair and make-up trends.

Noor's journey to set up her media production and services company began in school. She loved to do public speaking and was on a radio show in school

After attempts at different crafts, **Farah** found love in crocheting. She began her business despite setbacks and relies on e-videos for help.

Sama's beloved veterinary practice was encouraged by her husband. It is far different than the hairdressing profession she considered. Gradually, Sama obtained certification and now manages her own veterinary pharmacy.

Inspired by a friend, **Zainab** started a firm in accessories which she makes and markets. She also volunteers as a teacher, training other women on her the craft.

To set up her grocery store, **Roba** received a small grant. She sells chips and biscuits priced fairly for her local community to afford.

4 FINDINGS

This section presents findings in four main sections aligning with the broad categories of the conceptual framework: 4.1 Individual and Household, 4.2 Enterprise and Market, 4.3 Formal Institutions, and 4.4 Informal Institutions. Findings at the individual and household level, as well as at the enterprise and market level, significantly overlap; therefore these findings are presented together.

4.1 INDIVIDUAL AND HOUSEHOLD

The conflict has made peoples' lives more difficult, including threatening individual and household income. Skills, education, and experience facilitate entrepreneurship, while families can act both as a facilitator and/or barrier on the entrepreneurship journey of interviewed female entrepreneurs. Delineating facilitators and barriers can be highly complex as these are dynamically intertwined in the life and work of female entrepreneurs.

Noura and her husband have multiple businesses to sustain a living. While their other ventures slowed, Noura's hand-made jewelry business—renowned for its special designs and craftsmanship—has endured. Raised in Saudi Arabia and returning due to the war, Noura was surprised at how difficult it was to run a business in Yemen. Costs of imports could rise three times to avoid delays, and movement restrictions make deliveries to outside governorates even more of a challenge.

Impact of conflict on personal lives and income

Conflict in Yemen has made everyday life, including running a business, more challenging. Interviewed respondents have been displaced, experienced violence, continue to live in fear for their safety, and lost homes and other assets (such as gold) that could help cope with emergencies posed by conflict. For some, conflict escalation led to the loss of a family member, interruption of their own education or their children's, and delay in receiving health treatments.

An entrepreneur who sells handmade jewelry and clothes shared her encounter that provides a glimpse into security challenges. While many of the women and their families had experienced more extreme forms of violence, this type of interaction exemplifies day-to-day events that might not be reported.

> **"One time my son was with me and he had a camera, one of the guard soldiers came and dealt with him violently, to the extent that he grabbed my son and beat him in front of me because he was taking pictures." —Noura**

While conflict-induced economic deterioration overall represents a barrier for interviewed entrepreneurs, it has also served as a catalyst for some entrepreneurship. The escalated cost of living resulting from the conflict necessitated additional income sources. Furthermore, the reduction or discontinuation of spousal income was directly linked to conflict-related factors, including unemployment, delays in spousal salaries,[11] or a spouse's injury. Even when spouses lost jobs due to non-conflict-related factors such as illness, the high cost of living required women to earn a living. Women and/or their families who once held conservative views on whether women should undertake paid work had to reconsider their views.

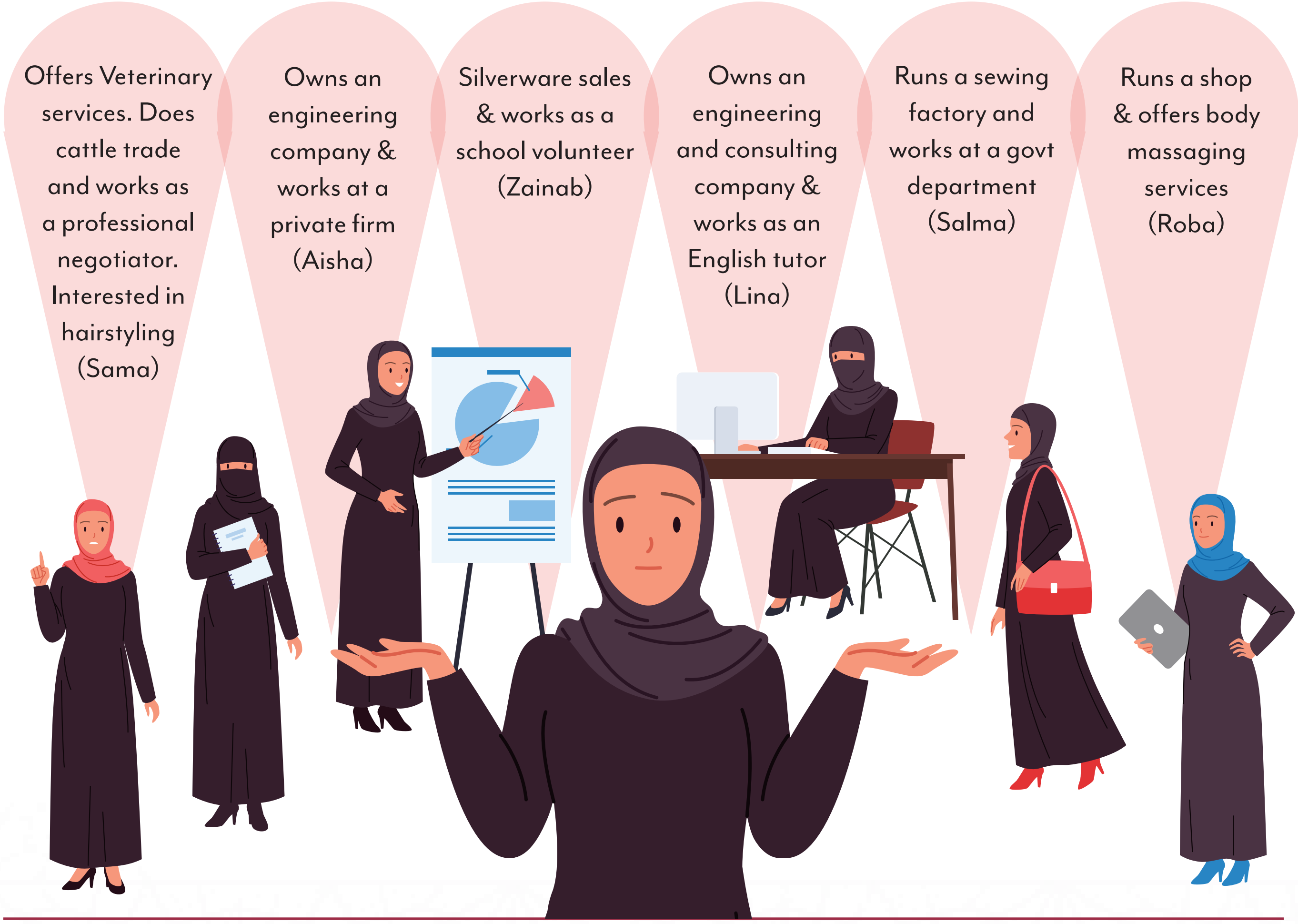
A female entrepreneur who works as an engraver and incense maker illustrates how she started her business due to her husband's job loss and she needed to provide for her children. She faced objections from her extended family, but her mother provided support. In the interview, she also described how the war destroyed her house and hurt them financially, physically, and emotionally. She had to use her gold to repair the house, but later they needed to move due to the war.

> **"...For the sake of my children, they are the motive, I do not want them to need anyone. As I told you, my husband does not work; he was a soldier and belonged to the army, but they do not give them salaries." —Nadia**

The entrepreneurial journey for most is rife with continuous coping, often juggling multiple income-generating roles, and many owners who do not report making a substantial profit. However, the majority believe that their enterprises provide at least some form of subsistence or more. Some of the entrepreneurs also manage to re-invest their earnings into their businesses, after covering their household needs. For extra income, many of them take on an additional job, start additional businesses, or depend on a passive income source such as rent, in addition to the primary enterprise (see Figure 4.1.1). In some cases, one entrepreneurial initiative aids the other and helps both initiatives to survive and grow.

11 Public sector salaries were paid at a lower value in IRG areas (Favari, 2023; Rageh, 2016). In Houthi areas, salaries have not been paid since the start of the conflict and are occasionally offered before festivals such as Eid.

Figure 4.1.1: Examples of multiple income-generating roles of interviewed female entrepreneurs



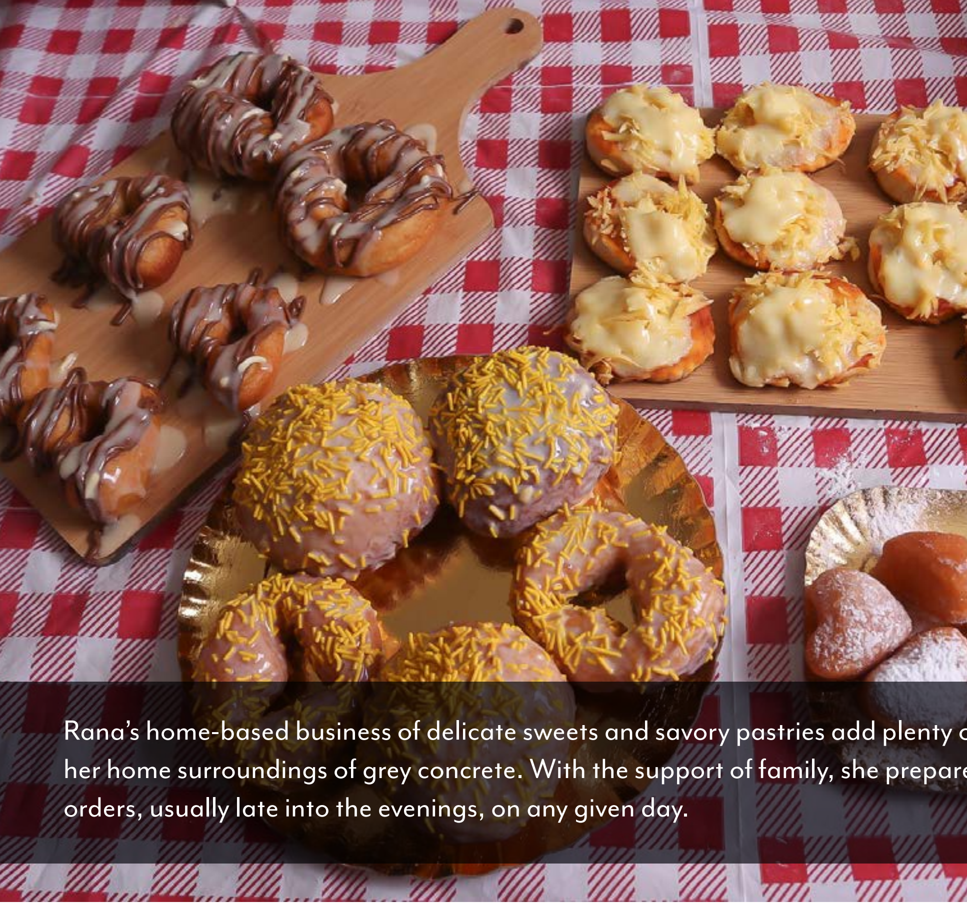
An entrepreneur from Aden who runs multiple initiatives describes how she needs three types of businesses (soap production, lemon pickle production, and sewing) to cover household expenditures as the primary income provider.

> "My project helped me provide a source of income for my family, and I don't need anyone. So, I don't ask my husband, all the money he earns doesn't help with household expenses. He just buys *khat* and focuses on his needs. I am the one who provides the house needs and education expenses for my son. Soap and lemon pickles money is not enough to provide the necessities of life. Now we rely on the money I get from sewing. My life has changed a lot for the better." —Sarah

Sarah holds out a large jar of home-made lemon pickles, which she makes by hand using ingredients with Indian spices. She also makes her soap products by hand, and for that she uses lemon and pomegranate peel. She is particular about using natural ingredients because of its benefits to people.

Most entrepreneurs utilize their income for day-to-day household expenditure, children's education and needs, repayment of debts, health expenditure, and expansion of their ventures. Some also support their maiden family, including their siblings. The majority of the interviewed entrepreneurs report they have the sole decision-making authority over their incomes. Even a few who jointly make decisions with their spouses or other family members (for example, sisters who are partners in the business), say they make the decisions based on the needs of the family or business.

Quantitative analysis using a household survey in IRG-controlled areas confirms women's participation in intrahousehold decision making. Ishak, et. al, 2023 found an increase in women's participation in decision-making between 2014 and 2021, and this change is largely driven by households living in districts that have experienced medium levels of conflict intensity. These areas have also seen an increase in female-headed households as men have migrated for work or conflict and the women in the household have taken on a more significant decision-making role. The experiences of female entrepreneurs indicate that conflict precipitated new economic challenges necessitating innovative economic responses that prompted women to start their own businesses, increasing their intrahousehold bargaining positions.



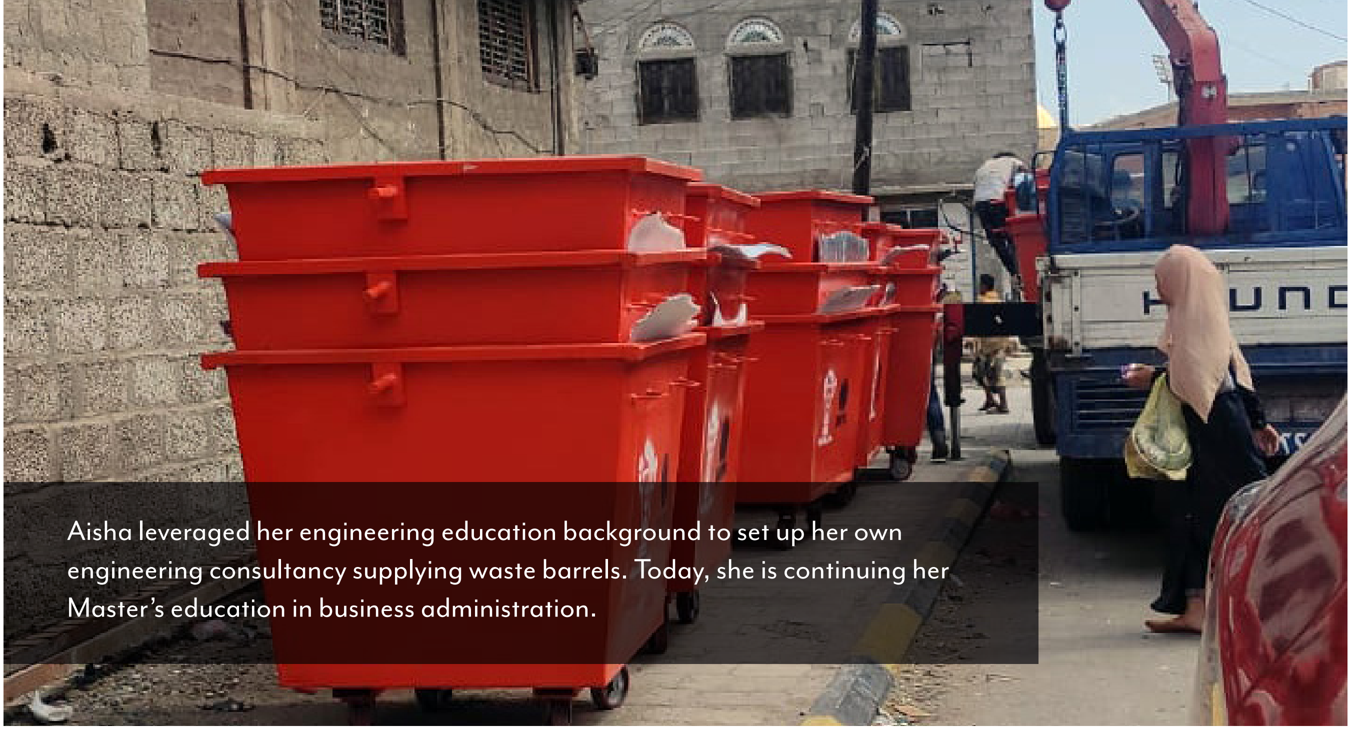
Rana’s home-based business of delicate sweets and savory pastries add plenty of color to her home surroundings of grey concrete. With the support of family, she prepares dozens of orders, usually late into the evenings, on any given day.

An entrepreneur from Mukalla who runs a catering business describes the benefits of entrepreneurial income on her day-to-day life.

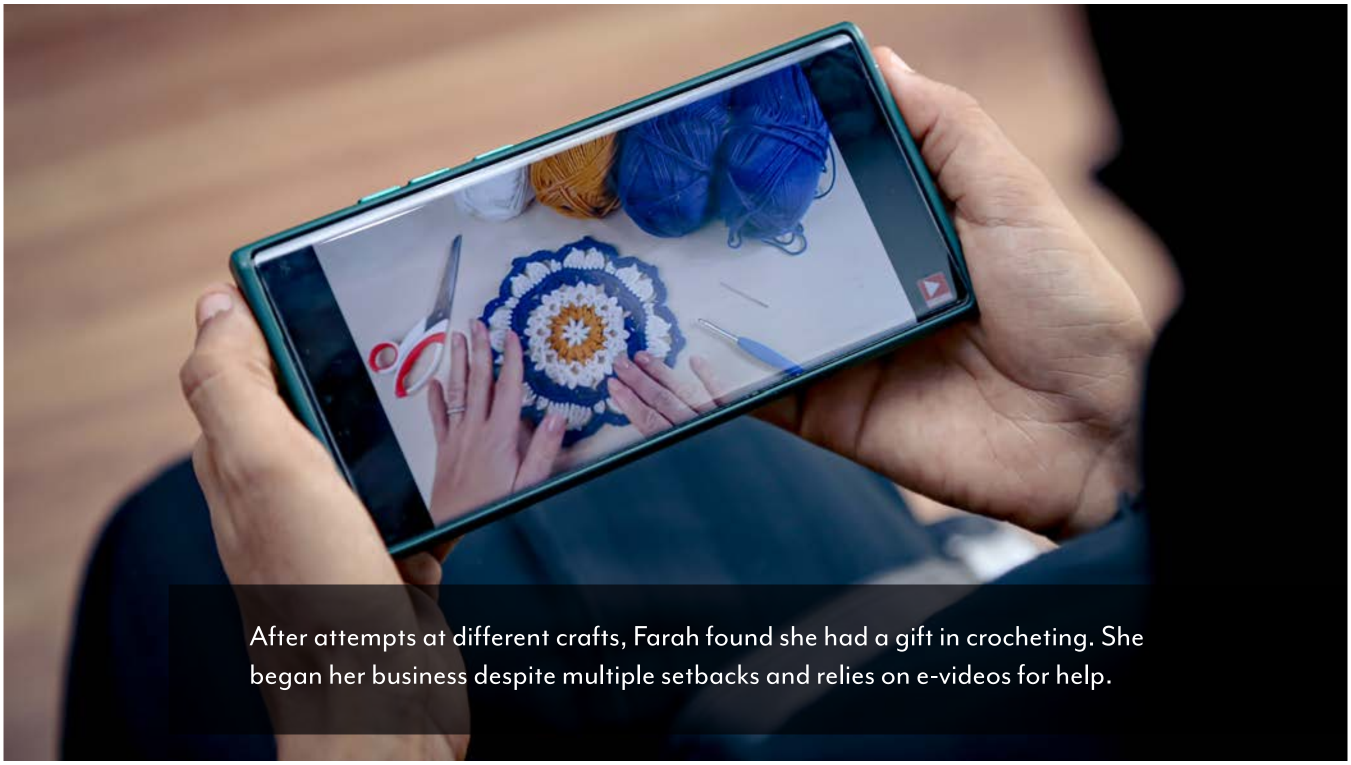
> **“I was just an employee, so when the first day of the month comes, I would start thinking about loans all the time. Who will lend me money? Now I have changed my life, instead of borrowing, I am the one who lends. I can give it to someone who seeks my help with something. Now I may have a surplus, God willing, and my work will continue, praise be to God.” —Rana**

Leveraging skills, education, and experience

At the individual level, the majority of female entrepreneurs perceive that leveraging their skills, education, and experience helps them in their businesses. Many of the female entrepreneurs leveraged existing skills (such as cooking, crocheting, make-up, hair styling, and sewing) or used their educational qualifications or thematic expertise (such as business management, engineering, and medical studies) or past work experiences to initiate or develop their businesses. Most of them believe that they constantly “manage themselves” through effective and efficient time management and organizational skills. They derive their initiative from their ambition, financial necessities, or both. Their words showcase the constant ways in which they keep learning, using digital sources, training, and other capacity development opportunities to improve their skills and knowledge, in addition to fulfilling familial care responsibilities. However, these statements also imply glaring examples of the multiple layers of mental and physical load women bear to fulfill their roles at home and work (discussed later).



Aisha leveraged her engineering education background to set up her own engineering consultancy supplying waste barrels. Today, she is continuing her Master's education in business administration.



After attempts at different crafts, Farah found she had a gift in crocheting. She began her business despite multiple setbacks and relies on e-videos for help.

Another quote from an entrepreneur who has a salon describes how she uses digital media to update her skills.

> "I browse through different platforms and watch videos on hair styling or makeup to improve myself and keep up with new trends and demands. I don't go to someone to learn because no one will give away the secrets of her profession, so I have to search and follow the new trends." —Leila

Role of family in entrepreneurship

The entrepreneurs' families both support and sometimes oppose their ventures, often at the same time or at different stages in life. Family is a significant factor that influences the lives of the interviewed entrepreneurs. For many, families were both the driving force instilling higher education ambitions and raising barriers to accessing education and career choices. Most of the interviewed entrepreneurs identify family as a cornerstone in their decision-making, and most of them are motivated to secure a better future for their children and other familial needs.

Despite experiencing displacement and widowhood, Leila was one of the entrepreneurs that received continued support from her father who surprised her one day by getting her a generator and ordering her business cards. Here she is supported by her father; her salon carries the highest quality make-up tools.

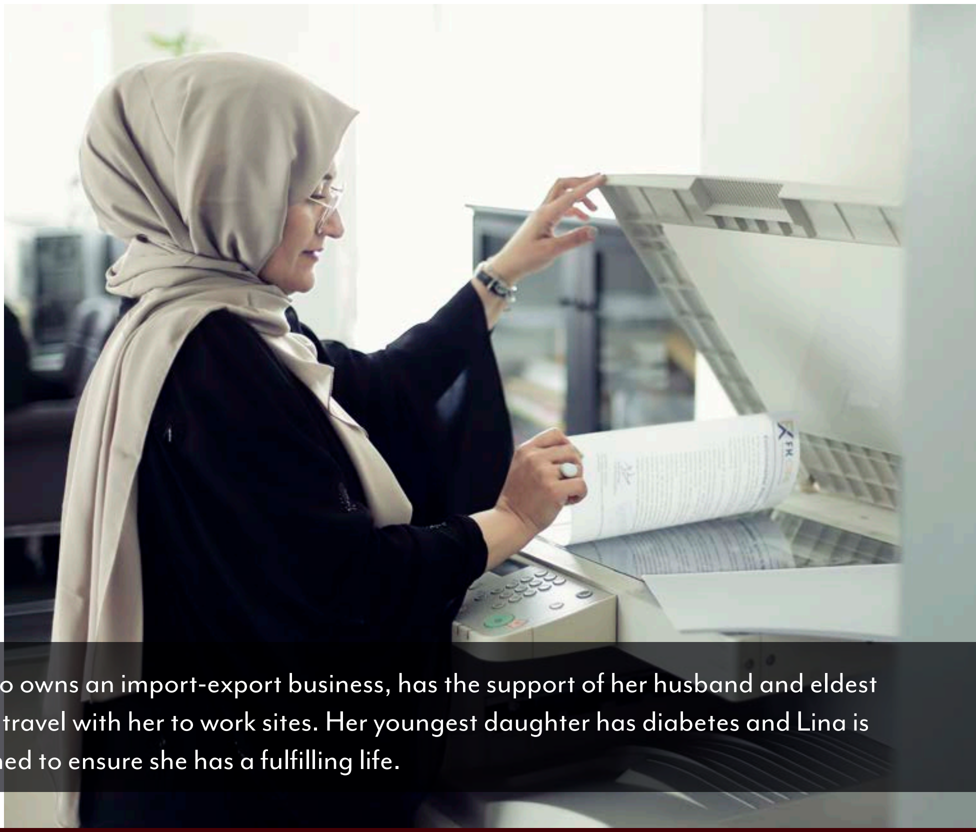
The majority of interviewed entrepreneurs found both allies and foes within their family and kinship networks. Often the respondents had to challenge gendered expectations to pursue higher education or work in fields deemed inappropriate for girls (such as media or engineering). This included experiencing physical and emotional violence, restriction of movements, and forced marriages. Respondents who shared that they faced objections from the family in studying or working (for example, from parents, brothers or aunts, uncles, or parents-in-law) also found supporters from within the family at the same time or at later stages in life. Although the family is an extended concept, many of the interviewed entrepreneurs focused on securing support from either spouses, parents, or siblings. For example, even if one or more family members oppose the idea of studying or starting an enterprise, they negotiate support from another family member. An entrepreneur from Taiz who had to start an incense and henna designs[12] business due to her husband's injury in the war, faced objections from her uncles as they thought it was not "reputable" for her to do such a business. However, with her mother's support, she pursued her business. In some other cases, interviewed entrepreneurs managed to change opposition into encouragement with success in academics or business. The support often came in the form of moral (emotional support), financial (contributing financially towards education or business or partnering in the business), and instrumental (helping with physical tasks, arranging a physical space, or helping with transportation) support.

12 Henna is a natural dye that has been used for centuries for temporary tattoos. It's extracted from the leaves of a tropical shrub or small tree, and its reddish-brown color is perfect for intricate designs.

An entrepreneur from Taiz who has a background in special education and psychology faced backlash for starting a handicrafts business as her parents thought that profession was beneath their family's social status; however, she received support from her husband and siblings.

"When I started sewing shoes…, my father's initial reaction was shocking. He was very harsh to the point of saying that he would break our tools and ruin them. He allowed me to sew, but only within a certain scope. Do not go out as we are from the House of [NAME], and do not make shoes for people to wear outside. In our family, it was not acceptable for me to engage in shoemaking for the public because it was considered a lowly profession, similar to barbers and butchers. My father always prevented me from pursuing this path. […]. Alhamdulillah (Praise be to God), my journey began when I got married. The encouragement at home came from my older sister [NAME], may Allah protect her... She would support us in our handicrafts, and she held the position of a mother figure for us." —Farah

With strict social norms around mixing with men and *Mahram* requirements, relationships with husbands and other male relatives is crucial for movement and bridging business connections with men. The interviewed group of entrepreneurs includes single, married, separated, divorced, and widowed women. Although supportive husbands or male champions were shown to aid women's entrepreneurial journeys, a number of female entrepreneurs were also able to successfully navigate their entrepreneurial journey without the support of a spouse or other men. In those cases, their experiences highlight sheer determination to acquire skills to overcome obstacles. In the absence of husbands, they sought support from brothers, fathers, or older sons. Nevertheless, the backing of female members of the family (mothers, sisters, sisters-in-law, and older children) provides tangible support for female entrepreneurs in managing their home and their businesses.



Lina, who owns an import-export business, has the support of her husband and eldest son who travel with her to work sites. Her youngest daughter has diabetes and Lina is determined to ensure she has a fulfilling life.

Her family's economic situation forced Amal to drop out of school and enter into early marriage. Without family or husband support and a full-time job managing the care of her three children, Amal started studying the hair salon field on the side while testing new skills on friends. After her husband fell ill, he had a change of heart. Joining forces with her sister, she borrowed money from a local bank and opened a salon, which her husband helped equip.

Negotiation, an important and transferable skill for running a business, is first practiced at home. It is key to note that the interviewed entrepreneurs operate in a social context with strict gender norms around women's work. Rather than engage in active conflicts against these gender norms, the majority of interviewed women use continuous and tactical negotiations to navigate them. The need for income acted as a facilitator to circumvent the strict gender norms around women's work. Negotiating norms at home also seems to be a transferable skill that entrepreneurs use in their businesses when negotiating with clients, vendors, and employees.

The case of a hairdresser from Aden captures the essence of how she navigated gender norms at home and paved her way to starting an enterprise. Later in her story, she also shared how her spouse now supports her business after seeing the income benefits. Her experience is one of the explicit examples of navigating gendered norms and how a woman waited for the right opportunity to emerge to circumvent them.

> **"My family and my husband were opposed to the idea of me working, even studying to become a hairdresser. I felt bored and thought that I would study this field but not work in it. I told them this so they would accept me leaving the house because I was bored. I was thinking that I would learn this skill because I had a lot of free time and wanted to do something new. And because I hadn't had my second child yet, I started studying. After that, I started making excuses that I would only help my friends for a day or two. Then, at some point, my husband became financially comfortable, and after that, he fell ill and started suffering from diabetes. Our financial situation deteriorated, and then he agreed that I should work. But initially, he was opposed to the idea of me working and said that I had many responsibilities and a house to take care of and children. He said he was the one working and I shouldn't work". —Amal**

Being a female entrepreneur means constantly juggling home care work with entrepreneurial responsibilities. All interviewed female entrepreneurs perceive they need to fulfill their care responsibilities, and their experiences demonstrate the constant struggle to balance home and entrepreneurial roles. Many entrepreneurs were convinced that the only way to pursue an entrepreneurial path is to organize and manage time efficiently for all aspects of life and work. All interviews show that the "mental load" remains with the entrepreneurs despite tangible support in a few cases. The interviews suggest that for entrepreneurs who started a business either out of necessity or out of ambition, the responsibility of care work is immutable. Some, over the years, or with support (from elder children and extended family members), have found ways to manage care work so they can fulfill their entrepreneurial responsibilities, but "ownership" of the care responsibility is still ingrained.

An entrepreneur who owns a sewing business, and is a single mother from Taiz, faced backlash from her former husband and immediate family. They refused her decision to work, thinking she could not fulfill her care responsibilities and in general do not support women's paid work. Her words bring out the difficult balance women are expected to maintain.

> **"We faced these challenges by proving that there is nothing to fear as long as we, as women, have principles and values. I managed to spend time with my children and not neglect them. I was present with them all the time. I set a specific work schedule with precise hours to coordinate with my children and not neglect them. Thank God, I overcame this stage." —Samar**

All women entrepreneurs prioritized their families—-be it parents, siblings, husband or children—-and had to balance their business while maintaining a heavy care workload. [Left photo] Samar, who owns a tailoring factory, works around her children. She combines visits to suppliers and shop-owners with excursions for her children. [Right photo] Farah also often juggles her crochet business with preparing meals and caring for her 17-month-old. One day while she was busy with domestic chores, her daughter unraveled an entire dress that was almost ready for a client.

In summary, across this section, the influence of conflict and gender norms on the entrepreneurial journey is evident. Two features of conflict—(i) direct effect of violence, and ii) the indirect effect of economic deterioration on cost of living—have repercussions on their lives. The conflict and associated economic crisis act both as barriers and facilitators for most of the female entrepreneurs. The latter is also a reason for some to start their business. The majority of female entrepreneurs report that their ventures brought positive experiences for them and their families and aided decision-making over their income. However, from a gender perspective, it is clear that despite their involvement in income decision-making, household dynamics over care responsibilities have not changed. Many of the interviewed female entrepreneurs deeply perceive the importance of "being organized" and "managing themselves" for the smooth running of their home and business. In a way, they are utilizing "care strategies" (for example, meeting all the care responsibilities to the fullest) to enable them to perform paid work. Moreover, the majority of female entrepreneurs faced restrictive gender norms within families in accessing education and career choices and continuously negotiated these norms to circumvent them to achieve their educational or career goals.

4.2 ENTERPRISE AND MARKET

Female entrepreneurs face complex and intertwined factors at the enterprise and market levels that both help and hinder them. This section discusses enterprise and macro-level market-specific factors separately, demonstrating the dynamic interlinkages (summarized in 4.1).

Table 4.2.1 Enterprise and market-level barriers and facilitators influencing female entrepreneurs

	BARRIERS	FACILITATORS
Enterprise Level	Conflict-induced disruptions	Market acceptance due to: ■ Focus on quality ■ Competitive pricing ■ Unique market pricing ■ Customer focus ■ Human resources ■ Marketing methods
	Lack of finance	
	Seasonality (acts as a facilitator and a barrier)	
Market Level	Competition	
	Conflict-induced macroeconomic factors such as: ■ High inflation and overall economic deterioration ■ Currency-related issues ■ Availability and access of products for procurement and delivery	

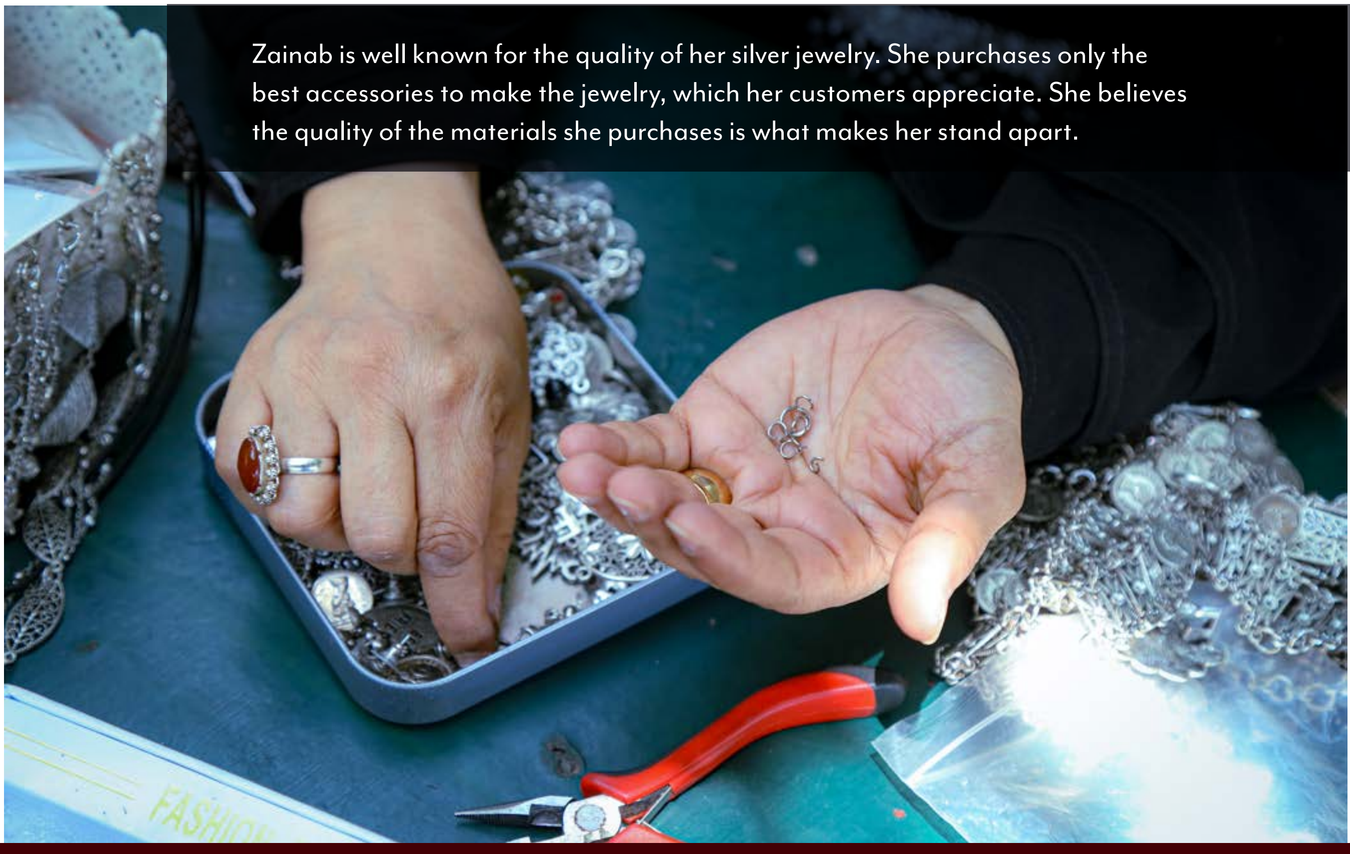
At the enterprise level: Market acceptance

Most interviewed female entrepreneurs report market acceptance for their products and services, a key enabler for them to continue their ventures. They attribute it to their: (i) focus on quality, (ii) competitive pricing, (iii) unique market positioning, (iv) customer focus, (v) human resources, and (iv) marketing methods. Many of them shared their pride and satisfaction recollecting experiences of customers accepting and appreciating their products and services. It is important to note that these advantages could be due to the size of their businesses and these could likely evolve if they scale up.

Most female entrepreneurs, irrespective of their sector, believe their focus on quality is a key aspect that aids acceptance of their products and services. Whether procuring raw materials for a construction or catering business, entrepreneurs focus on procuring high quality materials so that customers appreciate their products. Although focus on quality is often challenging due to high inflation and currency-related issues (market-level factors discussed later in this section), it is a business strategy that female entrepreneurs employ to carve out market space for their products and attract sales in a highly constrained market.

A quote from a jewelry maker from Taiz, who also volunteer teaches at a school, describes how her products are of high quality and bring her good reputation.

> **"I take pride in my accuracy and quality of work. Customers often come to me saying, 'I bought from you, and it hasn't changed or broken. When I buy from other places [these items break], I don't understand why'. Thank Allah, I feel proud when I hear these words. Of course, when you purchase materials, buy excellent things. Don't buy poor quality because it reflects on your reputation." —Zainab**



Zainab is well known for the quality of her silver jewelry. She purchases only the best accessories to make the jewelry, which her customers appreciate. She believes the quality of the materials she purchases is what makes her stand apart.

Female entrepreneurs perceive they offer competitive pricing to increase sales; but it is challenging to combine competitive pricing with good quality in a high-inflation context. The importance of maintaining competitive pricing is especially evident in industries such as catering, personal care, and sewing, where businesses compete with others offering similar products and price ranges. Although competitive pricing could be market-led, one of the female entrepreneurs who runs a catering business in Aden said she consciously kept her prices low so that everyone could afford her products. Other than keeping the prices lower for better competition or to help customers, a few other female entrepreneurs offered their products or services on credit, reduced prices for customers from the poorest backgrounds, and offered payment plans. Such customer-centric pricing tactics not only reflect sharp business acumen but also underscore a profound relational understanding these women possess regarding their business environment.

Many female entrepreneurs believe they have a unique business positioning due to the specialty of the products and services they offer, or due to their unique skills and expertise in their respective fields. Although this belief was expected from specialist businesses (such as the veterinary or herbal medicine service enterprise, photographers, or creative enterprise owners), it can be seen across sectors. For example, entrepreneurs who own catering businesses perceived the specific regional delicacies they offered, or the "unique taste" of their products, enabled a unique market space for them. Identifying and effectively marketing a business's unique selling point is a common strategy, yet within this context, it serves as yet another testament to combining innate business acumen and relational understanding of the market.

Layla is a seasoned photographer who proudly specializes in capturing special moments for individuals and families in her own studio. After spending many years in the field, she conducts most of her business in the studio, which allows her to determine her own schedule.

{Top photo] Jihane, owner of a construction contracting firm, followed in the footsteps of her father, also an engineer. With a long-established office, and having carried out multiple construction projects, she utilizes different marketing strategies, such as business cards, to market her efforts. [Bottom photo] Fatima spent many hours in the kitchen as a child, where she discovered her love for cooking. When her husband lost his job because of the war, Fatima put her passion to work, finetuning her skills to sell and market her pastries with the support of her sister and children, who help with advertising, packaging, and delivering to customers. Today, her products are popular, especially the pizzas that are a client favorite.

Interviewed entrepreneurs unanimously credit their customer-centric approach for garnering acceptance. While prioritizing customers is intrinsic to all entrepreneurs, female entrepreneurs in this context navigate myriad challenges to do so. They emphasize fostering positive customer relationships by prioritizing preferences and ensuring timely order fulfillment. This entails offering additional services like home delivery, salon generator backup, accommodating urgent orders, and crafting personalized products. Moreover, they recognize the pivotal role of customer reviews and repeat business in solidifying their reputation and marketing efforts. The words of a salon owner from Mukalla describe her satisfaction with providing above-and-beyond services for her customers.

> **"I excelled in my work and provided every comfort. When there is a bride, it is important to have an electric generator [to provide comfort for the customer]. I provided the generator. Sometimes there is electricity, but sometimes the electricity is off. I provided a battery too. They say: "[NAME] provides for all needs." If I work in customers' homes, it is difficult and expensive for them to provide a generator." —Hana**

Interviewed entrepreneurs underscore the pivotal role of employee dedication, particularly during peak periods, in facilitating order fulfilment and sustaining business operations. However, amidst the challenges posed by conflict and gender norms, female entrepreneurs exhibit adept relational skills in managing their workforce. Most entrepreneurs who employ non-family members use a piece-rate system for pay, as it allows employees to earn according to their effort. Some entrepreneurs pay monthly salaries, but it's not common. Female entrepreneurs struggle to offer higher wages due to low profit margins. Negotiations on wage calculation, offering piece rates, partial advance payments, and commission for sales help entrepreneurs manage wage demands. Efficient shift management and role clarity promote smooth functioning of the enterprise, especially in managing power outages and the mixing of male and female employees.

Interviewed female entrepreneurs navigate a challenging market landscape through marketing strategies that combine informal approaches and digital media with deep understanding of customer needs. Leveraging digital platforms like Facebook and WhatsApp, alongside traditional methods like sales exhibitions and referrals, they reach diverse audiences. Assistance from family, peers, and employees bolsters their marketing efforts. Incentives such as discounts and personalized offerings attract clientele, despite barriers like the absence of dedicated women's marketplaces and limited resources for market research.

Notably, one entrepreneur from Aden, despite being illiterate, harnesses family support to utilize social media for marketing her catering business.

> **"My sister prints cards to promote my project because I'm illiterate. They (family) always advise me on what to do. And they post my cases to promote my products. I was initially communicating with my customers via call, now via WhatsApp. They said I had to open a Facebook page because Facebook opens up a bigger horizon for promoting projects." —Sarah**

Importantly, women entrepreneurs are often systemically excluded from market institutions and social spaces (discussed later in section 4.4) and cannot always draw support from all sources. However, their gendered experiences and exclusions enable them to attain a finely tuned relational understanding of business landscapes. This allows them to strategize tactful techniques for the benefit of their businesses, drawing resources from the specific contexts and spaces they can operate in.

At the enterprise level: Conflict-induced disruptions

The conflict directly interferes with the smooth functioning of businesses. Road blockades and violence due to the conflict cause raw material shipping delays and reduced mobility of entrepreneurs who offer services to customers. These led to reduction in clientele and a loss of revenue. A young widowed female entrepreneur who runs a beauty salon in Taiz recollects the disruption of her business during road blockades.

> **"I believe that before the road blockades, I used to have many customers from outside Taiz. My work was hindered significantly. Before the war, many brides would come to me from Sharab, Makhlaaf, and even from Ibb and Al-Baida. They would come from various places. The road blockade happened, and this stopped. Now, we only work with customers from the city." —Leila**

Another female entrepreneur who also runs a beauty salon from Mukalla had similar experiences of facing conflict-induced violence during her business visits.

> **"Of course. I will tell you, for example, there was an explosion at a point here in Brom (a town in Yemen), and we were in [GOVERNORATE] because we had business with a bride. It was difficult to return home. Our location is close to the [check] points, and this causes some problems. There are a lot of clashes at these points. This is very scary." —Hana**

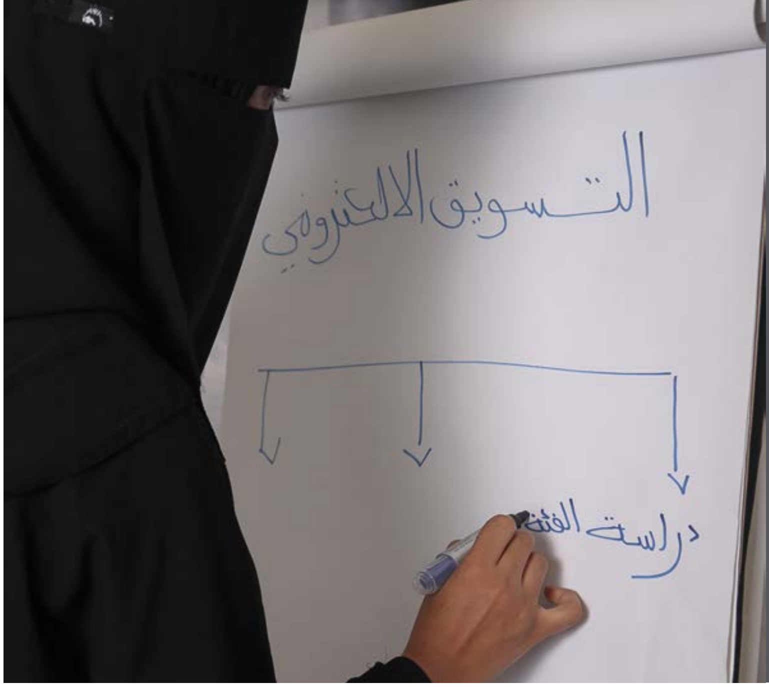
At the enterprise level: Lack of finance

Most entrepreneurs interviewed face financial challenges, especially covering operational expenses, maintaining liquidity, and obtaining expansion capital. Financial challenges that interviewed entrepreneurs face are multifold. Due to high and fluctuating inflation and currency-related issues, most entrepreneurs often find it difficult to cover day-to-day business and personal expenses, especially when hit with unexpected expenditures. The unexpected challenges include repairs or replacement of equipment, increase in bills, or health challenges at home, and these can deplete emergency funds. Most of them utilized their savings and gold, and borrowed money from family and personal networks for initiating and continuing the business. Although maintaining liquidity is important for all businesses, it is particularly vital for engineering and consulting enterprises. Often, most of these interviewed entrepreneurs find it difficult to maintain liquidity and need to borrow money from family or networks.

An engineering consultancy owner from Aden explains in detail the challenges in maintaining liquidity and common borrowing options.

> **"There are a lot of challenges. The first is the difficult financial challenges, as my business does not have liquidity. Because we receive money after we complete our work. The contract amount was $38,000 and it was very large. I borrowed money from my aunt and uncle because they live outside Yemen. They were covering some money, but not all. When I go to the blacksmith, I tell him that I will initially pay him 10 percent of the amount, and I tell him that when I receive all the money, I will pay the rest of the money. He didn't accept and said he had no guarantees because I was not known in the market, and because I was working from home. Sometimes I would mortgage my car and he said it was not enough. I also have one of my friends who helped me with the guarantee." —Aisha**

For all businesses, formal channels for obtaining expansion capital are limited in Yemen. A few interviewed entrepreneurs either borrowed from their networks or pledged to receive a loan. Accessing financial capital for initiation or expansion through presenting commercial guarantees has been challenging for interviewed entrepreneurs. The multitude of challenges female entrepreneurs face in borrowing from financial institutions in Yemen is discussed in detail in Section 4.3 in the context of formal institutions.



When Yasmin started her import-export business, she started small and was home- based. In time, she has grown to have tens of thousands of customers and hundreds of employees/consultants working for her. Her success can be attributed to her effective utilization of e-commerce platforms, which she presents to her clients.

An entrepreneur who runs a business service consultancy in Mukalla illustrates these struggles.

> **"If I want to expand, there are no banks that deal with us (women) and there are no entities that provide anything that we might need. If I intend to expand, they tell me to provide a proposal to the Youth Support Fund, and the appropriate person will be chosen, and you must bring in a government employee. This means they make matters difficult. My business is almost ready, I need money quickly, and I cannot wait for acceptance... These things are considered lengthy procedures." —Yasmin**

At the enterprise level: Seasonality

Seasonality can act as a facilitator and barrier. This is especially the case for enterprises in catering, personal care, creative, and sewing fields. Seasons such as wedding season and Eid celebrations increase demand for products. If the enterprise is unable to mobilize additional workers, they might not be able to fully utilize the opportunity. Due to conflict-induced economic deterioration, customers treat such services as a luxury and only use them during weddings or Ramadan/Eid seasons. This makes it difficult for enterprises to achieve a steady business flow across the year. In the case of the veterinary enterprise or the herbal medicine enterprise, seasons also matter. In those cases, outbreaks of diseases cause unpredictable seasonality. Although seasonality is not explicitly mentioned by entrepreneurs from engineering and construction services industries, urgent implementation of projects can lead to busy periods that require additional employees without notice.

A photography and media production studio owner from Taiz describes how seasonality acts as a facilitator and a barrier in her business.

> **"[…] such opportunities and seasons [Ramadan and weddings] that we mentioned are considered facilitators for providing the service because there is demand. As the demand increases, the supply also increases. This means that when there is demand, we try to make the supply equivalent to the demand as much as possible. Similarly, we observe the needs of people, and it is also an opportunity. However, opportunities can turn into obstacles. The opportunity may become an obstacle when it is available, but you do not have the resources to seize that specific opportunity. For example, a lack of staff or employees not being available at the same time. This means that you receive more requests than you can handle due to having a limited number of employees, and the opportunity turns into an obstacle." —Noor**

A leather bag manufacturer from Mukalla also explained how economic deterioration affected the seasonal surge of sales.

> **"At one time the economy was deteriorating, and the purchasing rate was weak until the Eid season. Even though we bought the materials, they (customers) need food more than luxuries." —Amira**

Seasonality also affects the size of the enterprise. Due to increase in demand caused by seasons, the size of the enterprise also changes. It can be argued that seasonality changes the size of the enterprise from micro to small or small to medium or large. This is crucial in understanding these female entrepreneurs as they constantly change in size to adapt to increases or decreases in demand. This has implications for formal registration and taxation (discussed in Section 4.3). A registration and tax system that enables them to remain flexible in the face of seasonality is much needed.

At the market level: Competition

All entrepreneurs face competition, but female entrepreneurs in engineering and import-export consulting face more as they compete, with limited prior experience, against male competitors. Competition with relatively larger male-owned businesses, combined with market-level issues such as high and fluctuating prices and currency depreciation, make the entrepreneurial path tough for interviewed entrepreneurs in engineering and consulting fields. Despite entrepreneurs lacking extensive prior experience and business networks like male counterparts, they ventured into the male-dominated field with an attitude to carve out a space with the help of donor organizations. Even the entrepreneurs who did not win competitive tenders approach firms that win contracts to work as sub-contractors to gain experience. For other businesses, especially the fashion and creative industries, competing with new large-scale online businesses represents an emerging challenge. However, they believe that their focus on quality and uniqueness keeps them protected despite the low prices on online portals (such as online clothing platforms Shein).

An engineering and construction business owner from Sana'a describes the competition in her field of work and how she navigates it.

> **"The competition in this field is fierce. A single tender can attract anywhere from 17 to 25 applicants. Even though these competing entities have established strong reputations, my team and I still engage, believing that there are opportunities for us to compete effectively. In instances where we don't secure the tender, we often approach the winning bidder to offer our services for specific projects, aiming to establish our presence in the market." —Lina**

At the market level: High inflation, economic deterioration, and currency-related issues

High inflation and fuel prices escalated the cost of living for everyone, especially in IRG areas. Most interviewed female entrepreneurs reported that high inflation does not allow them to reach their profit and expansion potential as they are constantly struggling with increased operating costs. This high inflation scenario disrupts both the demand and supply sides. On the demand side, for all interviewed entrepreneurs, the high inflation scenario reduced the purchasing power of customers resulting in reduced sales. As described earlier, the reduction of purchasing power particularly affected those working in the catering, photography, jewelry, and skincare industries, as customers treated these services as a luxury, making their businesses essential only during seasons such as weddings and festivals. On the supply side, high inflation raised the cost of raw materials, equipment, rent, utilities, and transportation (for procurement and delivery).

A photographer who also owns a female accessories shop in Aden found that her business declined due to the reduced purchasing power of customers.

> **"People's purchasing ability decreased. For example, in the past, the net return from the studio was one million Yemeni Riyals. Now people are unable to pay 3 thousand Yemeni Riyals worth of photos. People no longer buy artificial nails, lingerie, and perfume every month. These things are only seasonal and for brides. They are not consumables, and people consider them as luxuries and do not buy them." —Layla**

Currency depreciation and fluctuations due to conflict further deteriorated the market, heightening business risks. The Yemeni Riyal faced sharp depreciation in areas under IRG control, and the exchange rate continued to fluctuate regularly. In paying vendors and receiving payment from customers, entrepreneurs solely bear the exchange rate risks and it directly hampers their revenue. Interviewed entrepreneurs reported this as the main barrier they faced due to the conflict, combined with high inflation. Some entrepreneurs import goods from Saudi Arabia and pay for raw materials and rent for buildings using the Saudi Riyal within Yemen. The constant currency fluctuations make these routine expenses unpredictable. The two currency zones further amplified logistical and exchange rate risks. Entrepreneurs often lose money in exchanging old and new currencies.

Many of the entrepreneurs relied on personal or family savings to start and sustain their business. The currency devaluation and price fluctuations contribute to rising costs of good, making it difficult to save.

A female entrepreneur who owns an import and supplies business in Sana'a further describes how price fluctuations pose financial risks.

> **"Raw materials pose one of the most substantial challenges in our field of work. Prices can change rapidly, and this affects our projects. We might submit a tender with certain prices, but by the time the approval comes through, perhaps a week later, prices have already shifted, and we end up bearing the cost difference, which can result in significant losses. Moreover, the fluctuation and unavailability of raw materials in local markets often force us to import them in large quantities from outside Yemen. All these factors contribute to the complexity of our operations. Additionally, security conditions at ports and customs procedures add another layer of challenge that is no secret to anyone operating in this environment." —Rima**

The difficulties in doing business in a two-currency zone are explained by a female entrepreneur from Aden who runs a service consultancy.

> **"For example, when I transfer money to my family in Sana'a, I lose half the value of the money I worked hard to obtain. If I transfer 100,000 Yemeni rials,[13] they receive only 50,000 Yemeni rials, which is not enough to even cover the rent. When I order goods from Sana'a, I have to pay customs fees for each area, and I have to deal with the currency exchange rate difference. All of these are significant economic challenges, and currency volatility is a major problem." —Mariam**

At the market level: Availability and access of products

At the market level, the conflict hindered availability and access of products for procurement and delivery. The availability of specialist raw materials and equipment such as wool, leather, and ingredients for cosmetics are either unavailable or limited in Yemen, and it hinders production in these fields. The conflict led to relocation or outmigration of merchants and investors, decreasing the availability of products and services. The currency depreciation, increased transportation costs, and conflict-related road blockades make it challenging for female entrepreneurs to import these items even from within Yemen. Moreover, transportation of goods within Yemen and shipping from outside leads to delays, damaged goods, customs fees, and procedural difficulties. The division of the country also led to different customs laws and made the transport of goods to and from the north, for example Sana'a, riskier.

An entrepreneur from Sana'a describes the challenges posed by the conflict in transporting goods within Yemen.

> **"I faced a significant challenge early on when I submitted a tender for a contract in Marib governorate. The location was remote and required delivering materials through a desert with challenging conditions. Mines in the desert caused the driver to be slightly delayed, leading the customer to reject the delivery. This was disheartening and exhausting." —Lina**

13 The exchange rate of the Yemeni Riyal (YER) fluctuated drastically over the years. According to the Telegram exchange market group, in IRG-controlled areas, the exchange rate depreciated from approximately YER 610:US$1 in 2020 to a peak of YER 1,700:US$1 by December 2021. During the fieldwork period (August–September 2023) it was YER 1427: US$1 in IRG-controlled areas. The currency in the Houthi-controlled areas has remained relatively stable, around YR 600:US$1, and during the fieldwork period, it was YER 527:US$1.

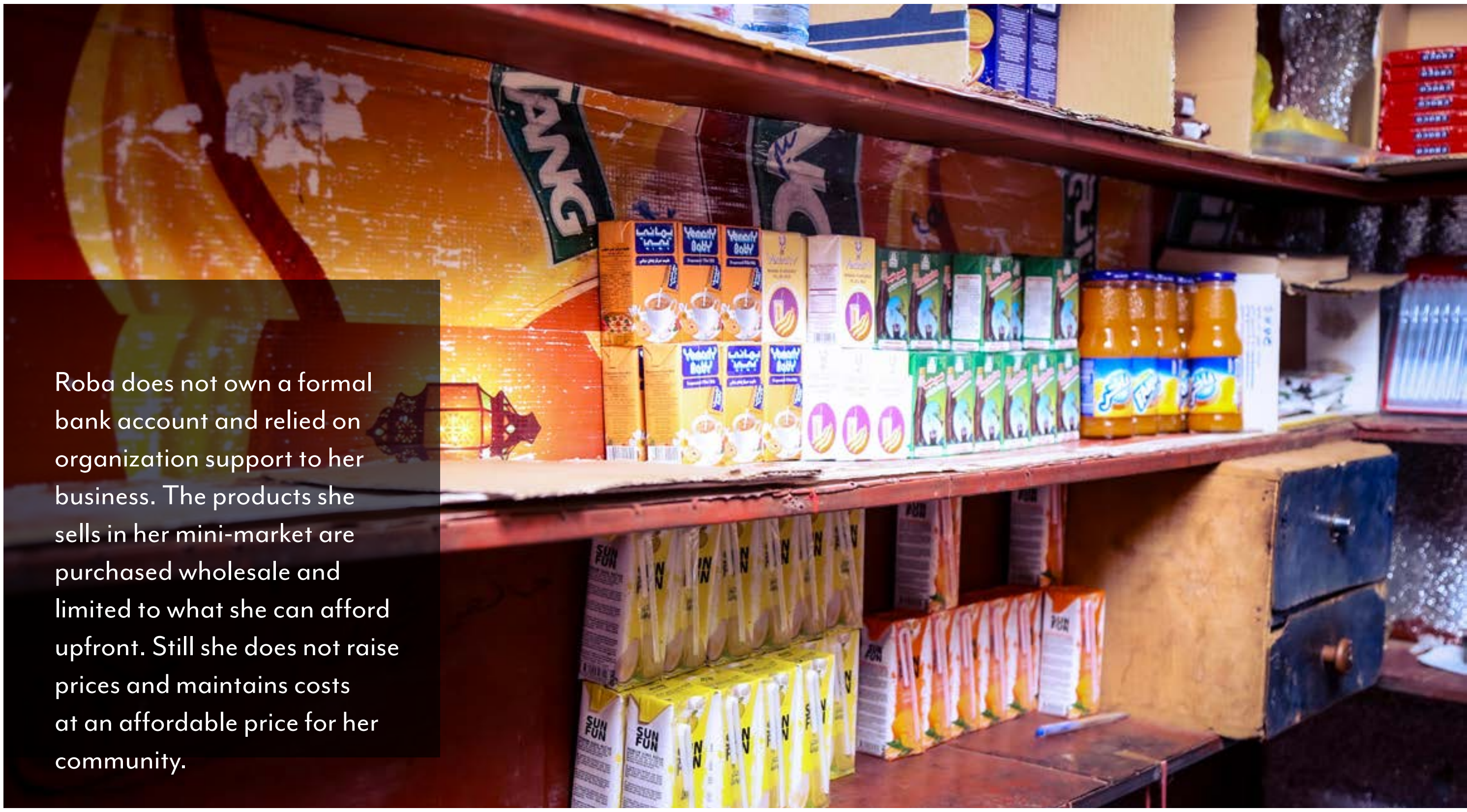
Despite these challenges, some female entrepreneurs import and export goods from Djibouti, the United Arab Emirates, Oman, and Saudi Arabia using family networks and/or appointed representatives in these countries. They recruit these representatives during visits to these countries or through direct contact, and over time build trust to carry out business operations. Some entrepreneurs also shared that the Yemeni identity was initially represented a challenge in terms of gaining trust from representatives and merchants overseas. However, prompt response and payment and the quality of their products help them build strong international bonds.

In summary, enterprise-level and market-level factors are intertwined and have a combined effect on the lives and businesses of female entrepreneurs. For example, all the interviewed female entrepreneurs perceive that the market acceptance they receive is due to the focus on quality, competitive pricing, unique business positioning, and customer focus. However, aiming to achieve these priorities in a market with high inflation and currency-related issues is a tough trade-off, making the entrepreneurial path a constant struggle. **Moreover, conflict and gender norms intersect to create unique disadvantages for WOBs.** While all businesses are affected by conflict-induced disruptions and overall economic volatility, this section has demonstrated how WOBs face unique challenges that are exacerbated by issues faced only by women.

When Dina and her friends founded the leather bag-making business, they went through many attempts at designing and manufacturing products that would sell. Ultimately, Dina excelled in the business producing quality leather products at competitive pricing. Each bag is hand made by the company.

4.3 FORMAL INSTITUTIONS

Formal institutions sometimes pose key barriers to everyday business operations. The key barriers reported by the female entrepreneurs are erosion of trust and limited access to financial institutions, disruption of key services such as electricity and internet, and complex registration and taxation systems. The majority of interviewed female entrepreneurs face far more barriers than help when interacting with formal institutions. Often, their own initiative and personal and business networks facilitate the navigation of barriers formal institutions pose. Although a number of formal institutions have long suffered from capacity constraints, conflict has further weakened the capacity of formal institutions in Yemen by disrupting the banking system, destroying infrastructure, and fragmenting citizen services such as registration and business taxation (Favari, 2023; Rageh et al., 2016; World Bank, 2024e). The technical details of registration processes and taxation laws are outside the scope of this study. This analysis focuses only on the experiences of interviewed female entrepreneurs who work in various sectors and are from different governorates with different lending, borrowing, taxation procedures. Moreover, registration and tax collection systems likely differ in Houthi-controlled areas. As this study has only two respondents from Sana'a, it did not delve into the details about processes in that region.



Roba does not own a formal bank account and relied on organization support to her business. The products she sells in her mini-market are purchased wholesale and limited to what she can afford upfront. Still she does not raise prices and maintains costs at an affordable price for her community.

Financial products through banks

The majority of interviewed female entrepreneurs do not depend on formal financial institutions such as banks for loans for two main reasons.

Firstly, not all entrepreneurs hold bank accounts, therefore their engagement with banks is limited. A few interviewed entrepreneurs held personal bank accounts before opening their businesses, and a few others started a bank account to receive donors or philanthropic support for their businesses or use a husband's or other family member's bank account. The rest of interviewed entrepreneurs did not have any bank accounts in their name. Bank accounts with microfinance institutions such as Al Kuraimi are the most common type the interviewees held.

Secondly, the conflict eroded trust in financial institutions as investors were not able to liquidate their deposits during the peak conflict period (Rageh, 2016). Even for entrepreneurs who were familiar with banks before the conflict, it was difficult to withdraw cash from their savings accounts once the conflict escalated as many banks did not have sufficient liquidity. Moreover, high-inflation depleted potential savings to deposit, further reducing interactions with banks.

A female entrepreneur from Aden who runs an engineering services consultancy recollects of liquidity issues with the bank:

"Of course, the situation directly affects us because of the deterioration of the economy. Before the conflict, there were facilities from the bank. When you were going to withdraw cash from the bank, there was no problem. Now when you go to withdraw your money from commercial banks, they tell you that there is no liquidity. This is a big challenge I faced, when I wanted to withdraw money pending in the bank, they told me to withdraw cash in batches." —Aisha

Finally, in accessing bank loans, women face the unique challenge of finding guarantors, who are mostly men. Guarantors or collateral are requirements of the lending process. Finding commercial guarantors can be challenging for all business owners, but especially for women as guarantors who can financially vouch for them are often men. As a result, female entrepreneurs need to seek help from male family members to find someone from their family or business networks. If the family is not supportive, finding a guarantor is almost impossible. Moreover, finding any guarantors who can provide commercial guarantees, like another business owner or a government employee, is difficult in the current economic situation. Therefore, many female entrepreneurs do not attempt to apply for loans.

An entrepreneur who owns a business service consultancy summarizes the multiple challenges to accessing bank finance in the current climate in Yemen. She also alludes to implicit social norms around sharing financial information with others.

"They [banks] are not satisfied. They give out the loan. I have to put a guarantee and I have to put gold. Any lender would ask for this thing. First, the issue of the commercial guarantee. It is difficult for me to tell anyone to guarantee me. After all, it would be shameful because it is an embarrassing thing. Even if a person came to me and told me to guarantee him, I would not guarantee him. It means that something that you will not do for people is difficult to ask others. Therefore, I could not tell anyone to guarantee me, and for the government employee, I do not know any of them. As you know the situation in the country, everyone feels uncomfortable and says that we can hardly assume our responsibilities." —Yasmin

A majority of the women entrepreneurs reported selling gold as collateral to start and sustain a business or overcome economic hardship.

In Yemen, women mainly own gold, which they usually receive as a gift at their wedding as part of their *Mahr* (bride price). Gold serves as economic security for women and they invest their savings in gold. Women who do not have gold are vulnerable to social and economic shocks, which can lead to losing their security within the family. As a result, women often save their gold for the most serious situations, such as the death of their husband, divorce, or a family medical emergency. Interestingly, men do not have direct access to their wives' gold. If a husband needs to sell gold, he has to negotiate to borrow it from his wife first (ACAPS, 2023b).

A female entrepreneur from Aden who has multiple small-scale enterprises including soap production, lemon pickle production, and sewing, describes how the requirement of a loan combined with the lack of familial support created barriers for her to access a loan. Her words are an example of how female entrepreneurs face additional challenges in accessing finance and the role of male relatives in accessing formal financial sources.

> **"I tried to borrow money from a bank. They told me I had to pay 20,000 Yemeni riyals,[14] but I couldn't pay that amount. […] I went there alone. They made it difficult for me because they told me I had to bring my husband and two witnesses with me. My husband rejects the idea of my business. He frustrates me and says I'm going to fail. And to say that it is a shame to work and does not want to stand by me. The woman who works at the bank is an acquaintance of mine and said she would help me, and that I would need a pension book, but that was difficult. I needed 100,000 Yemeni riyals to finance my project, but my husband didn't help me." —Sarah**

A few respondents who received loans used gold as collateral. In these cases, the process was smooth if they were able to repay the amount within the repayment period. Even though many of the interviewed female entrepreneurs needed loans for their businesses, in addition to the barrier of finding a guarantor or collateral, they are apprehensive about their repayment capacity. As the market is highly volatile, they worry whether they can make steady revenue every month to repay the loans. A few who repaid the loan mentioned that they would not take a loan again as the timely repayment stressed their financial situation.

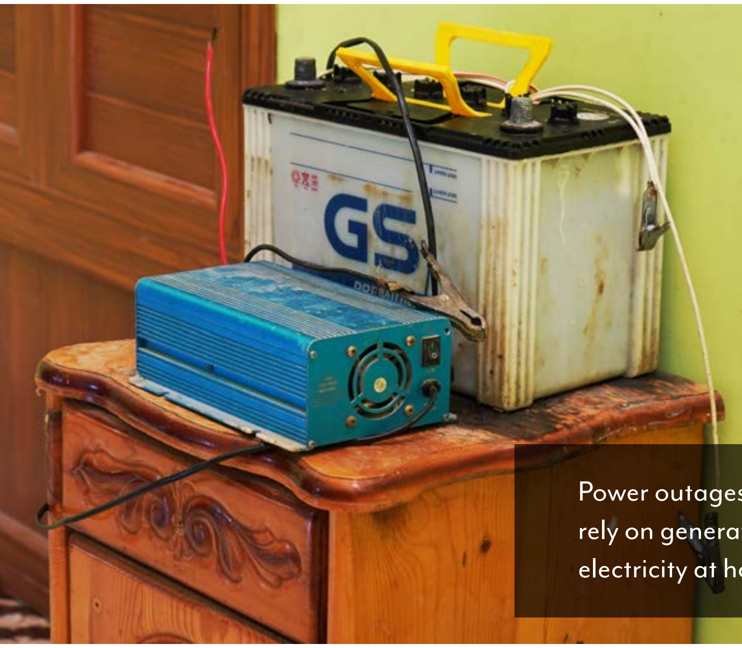
"Norm-blind" laws followed by financial institutions systemically alienating female entrepreneurs from accessing financial products. Findings from this study substantiate barriers other studies found for women to access financial resources, underscoring women's lack of access to financial resources, assets, or collateral (ACAPS, 2023b; Al-Ammar et al., 2019; Al-Ammar & Patchett, 2019). Requirements posed by financial institutions, such as the requirement of a male guardian's permission for women to conduct financial transactions, also act as barriers, and many women prefer borrowing from relatives rather than seeking help from financial institutions. Small enterprises—such as sewing, making incense, textile trading, perfume production, hairdressing, or animal husbandry—were previously funded by microfinance institutions, however, the 2015 UNDP data asserts that 73 percent of these female-owned enterprises had no access to external funding since the start of the war. To fund their ventures, women rely on their savings and help from friends (UNDP, 2015).

Key services provided through government institutions

Disruptive provision of key services, such as electricity and internet connectivity, hamper day-to-day business operations While not reliable before the conflict, the conflict has drastically deteriorated services provision (Favari, 2023). According to the World Bank phone survey, only 15 percent of Yemeni households use electricity from the public network as the main source of lighting, while 78 percent were connected to the public grid in 2014 (World Bank, 2024d). The availability and affordability of electricity is a key issue interviewed entrepreneurs face. Businesses that need to use machines—such as refrigerators, sewing machines, and studio light—are disproportionately disrupted. Many

14 The exchange rate of the Yemeni Riyal (YER) fluctuated drastically over the years. According to the Telegram exchange market group, in IRG-controlled areas, the exchange rate depreciated from approximately YER 610:US$1 in 2020 to a peak of YER 1,700:US$1 by December 2021. During the fieldwork period (August–September 2023) it was YER 1427: US$1 in IRG-controlled areas. The currency in the Houthi-controlled areas has remained relatively stable, around YR 600:US$1, and during the fieldwork period, it was YER 527:US$1.

interviewed entrepreneurs resort to using generators, but the high fuel cost is another barrier. High electricity and fuel costs have pushed a few businesses to solar energy, but this is not possible for businesses that operate electricity-intensive equipment. Uninterrupted phone and internet connectivity is also a key requirement for most female entrepreneurs as they take orders, coordinate with vendors and customers, and access digital media for product ideas and knowledge. Interruption in phone or internet connectivity directly hampers the ability to do business for most respondents.



Power outages are a major constraint for almost all the entrepreneurs, who have to rely on generators. Fatima who owns the pizza and pastry catering often does not get electricity at home; she uses her freezer as a storage unit for food and drink products.

A female entrepreneur from Mukalla who runs a sewing factory explains the need for steady internet for communicating with customers and uninterrupted electricity for at least a few hours to operate her equipment.

> **"[For] large orders such as school uniforms in any governorate, and in Yemen in general, the internet is not available for us (always) to communicate with them, and electricity is also a problem, this is the biggest obstacle because sometimes we do not use ordinary scissors when we have an order, so we use the large electric scissors to facilitate production. But when electricity is not available, the generator cannot operate the electric scissors and the iron too… I have a large iron for shops and a small one, and both do not work with the generator, so we have to wait for the electricity to come back on and it lasts only for two hours… that is not enough." —Salma**

Another female entrepreneur from Aden has a small venture that makes lemon pickles and produces soaps illustrates why electricity is essential for her business.

> **"Of course, we need electricity a lot. We use the refrigerator to store soap and lemon pickles. When the electricity goes out, the lemon pickles are ruined, and the soap is melted. A lot of times I have to throw [out] lemon pickles. Sometimes the refrigerator burns because electricity increases its power. The electrical appliances have been damaged." —Sarah**

Registration and taxation services through government departments

The majority of interviewed female entrepreneurs have formally registered their businesses; with mixed results. The female entrepreneurs who registered their businesses did so to secure their legal names so that their "brand names" could be unique and would not be duplicated by competitors. It was also a moment of personal pride for a few. The registration was also a condition for a few to receive donor support or to participate in official tenders. Some found the process smooth, only having to go to a government department and provide relevant documents. For others the process was tedious and required multiple visits. Female entrepreneurs who found the process easier either received support from the Chamber of Commerce or individuals from their networks. Some interviewed female entrepreneurs did not register their businesses either due to lack of knowledge about the need for registration or the process.

A female entrepreneur who owns an herbal medicine shop took a different approach to securing registration using her initiative to request a license from the governor at a public function.

> **"When I participated in the [public function], there were 33 participants. Every participant shared his/her product, and my product won first place. They gave me a grant in the presence of the governor, and I took advantage of the opportunity and asked the governor to give me a manufacturing license and a commercial register, and he said no objection. It was the best moment and they honored me, and all my family was there." —Amira**

Another female entrepreneur who runs an engineering consultancy summarizes the registration and taxation process, highlighting the facilitators and barriers she faces.

> **"First, you have to go to the municipality to present the required documents, such as copies of the engineering certificate, tenancy contract or house ownership, and ID card. Then they go to the workplace, the office, or home, to see and inspect the premises to make sure there is equipment. And they write a report. At first, there is difficulty. After I started practicing the profession, I went to the commercial registry, showed them the profession, and gave them the same copies of the requirements. An employee working there said it is wonderful that a woman is working in contracting and engineering. At first, the fees were high. In the commercial register, the fee is up to 160,000 or 165,000 Yemeni riyals.[15] However, the validity of this register lasts for five years. But when you go to taxes, they calculate money and profits even if you don't work and even if there is no income. They ask for up to 200,000 thousand Yemeni riyals annually. I told them that we weren't working, but they said it was a must." —Aisha**

15 The exchange rate of the Yemeni Riyal (YER) fluctuated drastically over the years. According to the Telegram exchange market group, in IRG-controlled areas, the exchange rate depreciated from approximately YER 610:US$1 in 2020 to a peak of YER 1,700:US$1 by December 2021. During the fieldwork period (August–September 2023) it was YER 1427: US$1 in IRG-controlled areas. The currency in the Houthi-controlled areas has remained relatively stable, around YR 600:US$1, and during the fieldwork period, it was YER 527:US$1.

Most of the entrepreneurs interviewed found the taxation process to be unclear and arbitrary. The process of obtaining a tax card can take a few weeks or months. The process of calculation of taxes is made by officials either by visiting the enterprises or by the entrepreneurs visiting the office. The calculation is solely made by tax officials. Most of the interviewed entrepreneurs did not understand the calculation of taxes by officials and they found the quoted amount to be arbitrary and exaggerated. A few also mentioned that processes have weakened after the conflict, sometimes feeling pressured to hire informal middlemen to file taxes for a higher cost, and the lack of records at the tax office. Some female entrepreneurs have described the arbitrary demands from tax officials, who are predominantly men, as harassment. This highlights female entrepreneurs' added challenge due to the unclear taxation process compounded by societal gender norms that restrict interaction with men.

A few interviewed entrepreneurs managed to obtain tax exemptions for their projects as home-based, small-scale enterprises. A photography studio owner from Aden describes the arbitrary calculation of taxes and repeated visits to her shops.

> **"They go to the stores and tell us that we have to pay, and if we don't pay, they give us a notice that we have to pay. In case of non-payment, there are certain procedures, and in some stores, they arrest some employees to pressure the store owner to pay. Now the situation after the war is different from how it was before. Some people pay taxes and others don't. And suddenly they massively raised the prices. My husband went there and asked for a discount, and they reduced the price to 150,000 Yemeni riyals,[16] which was a lower amount recorded on the paper. This is a problem. When they come to the store and there are few merchandise, they ask for a small amount. All the work they do is random." —Layla**

Another female entrepreneur from Taiz who owns a sewing factory describes her experience of tax officials threatening her by visiting her factory.

> **"A tax employee used to come every day demanding a certain amount without providing any receipts. Each day, the requested amount would be different. However, I insisted on not paying anyone and decided to go to the office myself and pay it personally…. I didn't know the actual amount I was supposed to pay, so one day he would tell me to pay 10,000 Yemeni Riyals[17] and the next day 15,000 Yemeni Riyals, and so on. I became suspicious of the situation. Sometimes they would threaten me, but I wouldn't accept it because I know that if their claims are valid, there would be legal procedures to follow, and direct threats wouldn't be used." —Samar**

In dealing with formal institutions for business registration and other official procedures, most interviewed entrepreneurs say they did not face any negative differential treatment due to gender. A few even found that being a woman made the process easier. However, even the respondents who stated that they did not face negative differential treatment believed that men's extended social networks and lack of restrictions mingling with other men helped them.

16 The exchange rate of the Yemeni Riyal (YER) fluctuated drastically over the years. According to the Telegram exchange market group, in IRG-controlled areas, the exchange rate depreciated from approximately YER 610:US$1 in 2020 to a peak of YER 1,700:US$1 by December 2021. During the fieldwork period (August—September 2023) it was YER 1427: US$1 in IRG-controlled areas. The currency in the Houthi-controlled areas has remained relatively stable, around YR 600:US$1, and during the fieldwork period, it was YER 527:US$1.

17 ibid

A contractor from Aden who reports that she had positive treatment describes the implicit male advantage.

> "As a woman, your relationships are limited. Businessmen have more years of experience than women. Women can only deal with five or ten men, but men have more relationships than women. In Yemen, when you go to a government facility, the managers are mostly men." —Aisha

In summary, the prolonged and sudden effects of conflict weakened formal institutions, creating obstacles for all businesses. Conflict has disrupted key services, eroded trust in banking institutions, and increased energy costs. Unfortunately, these barriers, coupled with gender-related disadvantages, make things even more difficult for female entrepreneurs. For instance, navigating an unclear taxation system is particularly difficult for women due to their limited business networks. Furthermore, accessing finance through banking institutions is particularly challenging for women as they often struggle to find guarantors, who are mostly men. Although many female entrepreneurs believe that they do not face negative differential treatment when dealing with formal institutions, some highlight implicit male advantage because men have extended relationships and no restrictions on interacting with other men.

4.4 INFORMAL INSTITUTIONS

At the informal institution level, being a woman, social norms, and social networks influence the entrepreneurial paths of interviewed female entrepreneurs. The previous sections discussed some of the challenges brought about by gender related social norms, but this section further considers how some of these have been crystalized in informal institutions such as *Mahram* and restrictive norms.

Being a woman: a facilitator or a barrier?

The majority of interviewees perceive that being a woman does not pose any challenges for being an entrepreneur, however, their nuanced stories suggest otherwise. When asked directly, the majority of interviewed entrepreneurs perceive that being a woman does not pose business challenges, in general, but face common conflict-induced economic challenges. In exploring further, nuanced details emerge of how gender affects female entrepreneurs' journey. Their experiences suggest that men have an advantage as they have better mobility (to sell products anywhere or meet people at any time or travel), social networks (leading to easier ways to seal deals and solve problems), extended prior experience (therefore can offer a better commercial guarantee, large-scale businesses), no social restrictions managing male employees (the majority of employees are men in Yemen), and no preconceived notions from clients due to their gender.

An import and export business owner from Sana'a succinctly summarizes how gender affects female entrepreneurship. This quote sheds light on the significance of customary practices, notably *khat* sessions, where predominantly men convene to chew *khat*, a stimulant leaf indigenous to the region. These gatherings serve as vital facilitators of male networks, yet simultaneously perpetuate the systemic exclusion of women. *Khat* sessions, occurring almost daily, hold paramount social importance, fostering male bonding, social ties, negotiations, and business transactions. Despite the existence of female-only *khat* sessions, they remain relatively uncommon, underscoring the entrenched gender disparities within this cultural framework. This quote also discusses other social norms (discussed later) posing barriers for women.

"Customary and traditional norms play a significant role in Yemen. Women's participation in new fields of work is often not well-accepted. Additionally, many business deals are negotiated and sealed within *khat* sessions, which tend to exclude women. Women's access to these sessions is limited, creating an additional hurdle. Moreover, some families make it difficult for women to travel alone, and security concerns further restrict women's mobility. These factors collectively pose significant challenges for businesswomen in Yemen." —Rima

One entrepreneur from Mukalla who owns a business consultancy illustrates how being a woman intervenes in her day-to-day business operations. The quote underscores the nuances of gendered disadvantages that female entrepreneurs face in Yemen.

"No [there is no impact on the day-to-day], [...] but there are some (merchants) when they come, they say that because "you are a woman, we will not be able to work with you." —Yasmin

Social norms pose barriers for female entrepreneurs

Restrictive social norms in Yemen work against women. These include restrictions on free movement (need of a *Mahram*, time restrictions for coming home after work), mixing with men, and in some cases backlash from the community. The formal and informal need for *Mahram* is a critical social norm that undermines women's autonomy in Yemen. Reports suggest that the requirement of *Mahram* has become stricter since the conflict, especially in the Houthi areas (ACAPS, 2023c). The majority of interviewed entrepreneurs consciously or subconsciously use *Mahram* in their movements. A few use their husbands, fathers, brothers, or older children as *Mahram* to accompany them for travel and just moving around in public spaces. This could include accompanying them on going to the market, meetings, client visits, among other business purposes. Even when *Mahram* is not strictly mandated, some women commonly travel with a familiar companion. The majority of them mentioned they do not use *Mahram* when using public transport. The conflict-induced safety issues also prompted a few entrepreneurs to take someone with them as they often need to travel to meet the client (for example, a hairdresser going to a bride, or a veterinary service provider visiting farmers). An entrepreneur from *Sana'a* describes how she meets the *Mahram* norm.

"Currently, my husband helps with certain tasks, especially those that require travel between different areas due to the difficulty of women traveling alone without *Mahram*. He sometimes accompanies me in executing these projects. He was involved in one of the projects at Ibb and attended with me. Additionally, my son accompanied me on a project to install solar systems in Al Hudaydah [Governorate]." —Lina

Often, families also impose restrictions on movement and on the choice of education and employment (discussed in Section 4.1) and these are also due to the prevailing social norms.

A photographer in Aden summarizes how society perceives men and women's work.

> **"As a woman, the work options that I can work with are less than the options of a man. A man can travel abroad and do anything to save money, but I cannot travel and leave my husband to look for another job. There are jobs for men that are difficult for women to work in, such as construction, real estate, and such jobs." —Layla**

Some interviewees discussed how community members can interfere in running a business if it does not fit their idea of women's work. An herbalist in Mukalla (quote below) provides an example; she mentioned that only out of sheer determination did she manage to continue the business despite community backlash. She managed her workers as separate male and female batches to minimize mixing. Her brothers are involved in the business to help her, and she also thinks that her older age helped her garner acceptance from family and community. Another entrepreneur who runs a veterinary clinic in Taiz had to face severe backlash in training a young group of girls to be veterinary assistants. Nevertheless, she succeeded in training them and many of them continue with their small-scale veterinary enterprises.

> **"People were hostile. I used to change the store's lock every day because someone was breaking the lock with sticks. Then, after they noticed that I was persistent that the store was in a market and there were *khat* shops, and that people might complain to the police, they stopped annoying me. After that, people were helping me open the shop door. At first, they looked at me with contempt, as if I was doing something strange or it was shameful to do it. [….] Also, most of them were surprised by the idea that there is a woman who sells. When a person passes by the store and sees that there is a woman selling, he returns to make sure of what he has seen." —Amira**

Interviewed entrepreneurs do not actively confront social norms and often circumvent them to continue their enterprises. Often, they are trying to mitigate impact on their daily lives by minimizing conflicts and finding coping strategies to navigate through these norms to pursue study, travel, or work. In some cases, the entrepreneurs themselves believe in such norms and consciously or subconsciously reinforce them. This could also be an implicit strategy to mitigate day-to-day life and entrepreneurial obstacles. Although many interviewed female entrepreneurs found the requirement of *Mahram* restricts them, a few demonstrated internalized acceptance of it and believed that *Mahram* is a requirement for women's safety. On the issue of mixing with men, one of the entrepreneurs was genuinely scared to mingle. Many interviewed entrepreneurs take it upon themselves to act "respectfully" and consider it a pre-condition to continue life outside the home.

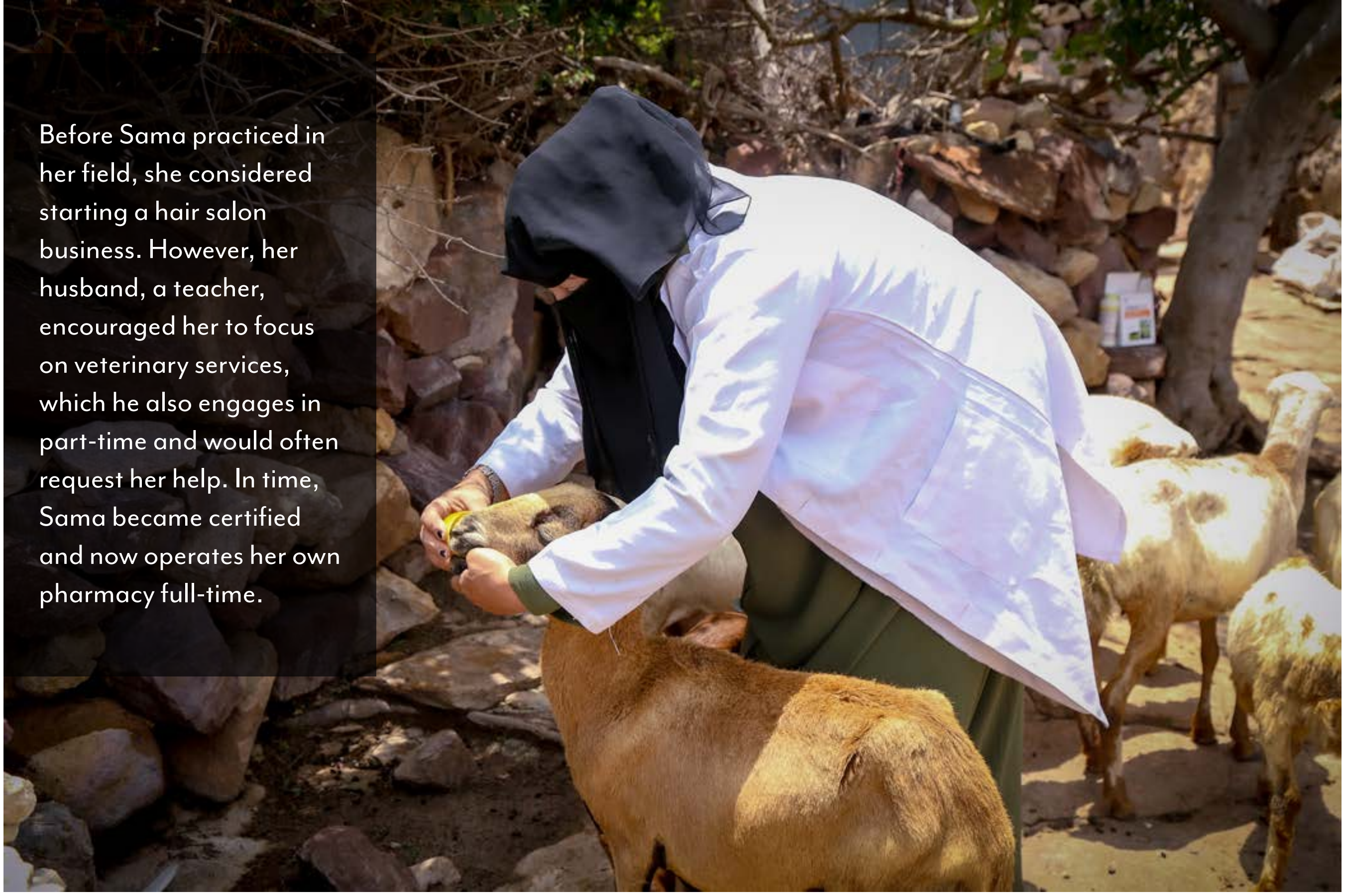
A hairdresser from Mukalla explains how she puts the onus of “putting boundaries” on herself.

> **“This society accepts mixing, but the person must set boundaries. If she thinks it is difficult to work with men, she will not work with them. For example, you can work in a school where all the teaching staff are women. This may depend on what her husband imposed on her. In this case, you will be restricted to certain actions. For me, a person imposes his morals and personality at work. I have no objection to working in a job where there is mixing; because all places have men and women.” —Hana**

Social networks as a facilitator for female entrepreneurs

Many of the interviewed entrepreneurs have received tangible support from social networks. Support has included peer-to-peer learning, improving business knowledge and skills, funding, networking, troubleshooting, and simply bonding. The conceptual framework used in this study defines social networks as a system of social relationships and bonds of cooperation for mutual benefit that shape one’s opportunities, information, social norms, and perceptions. In the context of female entrepreneurs, social networks include their social relationships and bonds of cooperation outside of the family and not always for mutual benefits. However, the family plays a role in forging these social relationships. A few examples of social networks identified are relationships with vendors, employees, peers, philanthropic individuals or organizations, and other individuals outside of the family. These include one-to-one relations, or participation in groups or networks such as Businesswomen Forums and the Chamber of Commerce.

Although participation in forums for businesswomen is one way of creating and utilizing social networks, some entrepreneurs lack availability or awareness about these forums. In the absence of forums, a few female entrepreneurs found participating in training courses, exhibitions, or bazaars organized by government agencies or independent foundations enabled them to provide platforms for their products and services, network with peers, or learn about industry trends and technical skills. The Chamber of Commerce in the respective governorates was mentioned as the most common forum where female entrepreneurs participated. In these and other events, the entrepreneurs were able to learn about issues such as registration, taxation, and other governorate-level issues. Many of the interviewed female entrepreneurs found the forum participation useful in receiving training courses to enhance business knowledge and skills, and access mentors (who taught courses or seniors based on more experience). These events provide a network that stays connected even after events, facilitates peer-to-peer learning and bonding, and provides a source of support for entrepreneurs to reach out to. Participation in forums also enables opportunities for international conferences and exhibitions that encouraged the female entrepreneurs. In addition to face-to-face interactions, digital media is also a common platform for official and unofficial forums and digital media groups. For example, a WhatsApp group of hairdressers in a specific area is helpful for coordination and sharing knowledge.



Before Sama practiced in her field, she considered starting a hair salon business. However, her husband, a teacher, encouraged her to focus on veterinary services, which he also engages in part-time and would often request her help. In time, Sama became certified and now operates her own pharmacy full-time.

A media production company owner from Taiz describes her perspectives on the influence of social networks and how she seeks support from the Chamber of Commerce.

> **"A person alone cannot reach; it is necessary to have companions and supporters in life. I seek help from experts in their respective fields. For example, on a day when I need assistance with photography, I can ask for help from anyone experienced in that area. Each field now encompasses multiple domains, so I may seek help from several people. I often turn to Ms. [NAME], the head of the Women Entrepreneurs Department at the Chamber of Commerce. If I need anything, I can go back to her and seek her advice. She guides us on whom to consult and seek guidance from, especially regarding official transactions and such. Seeking input from others is essential." —Noor**

A hairdresser from Aden illustrates the importance of collaboration in her line of work and how they support each other.

> **"There is a lot of collaboration, and we need each other. Today, I might need something, and the next day, I'm expected to help someone else. For example, if I need workers, I will contact another hairstylist and ask her to send her workers. There is a lot of interaction and cooperation. I can borrow something from someone else's salon or anything like that." —Amal**

Social networks in the form of philanthropic individuals and organizations provided funding for many interviewed entrepreneurs to initiate or develop their businesses. Many interviewed entrepreneurs received monetary support from individuals as part of philanthropic endeavors or charitable organizations to initiate or develop their businesses. In some cases, individuals known to female entrepreneurs stepped in to monetarily support them in buying raw materials, repairing or purchasing equipment, among other things. A few interviewed entrepreneurs also mentioned that traders, especially wholesalers, gave them materials in credit or other assistance such as sharing a space to sell their products. Some female entrepreneurs credit their families—in particular, husbands or brothers—for forging new business and social relationships, or they utilize existing familial networks for support. Many of them also mentioned names of male and female supporters who directly helped them or facilitated help from other individuals or organizations. To forge social relationships with other men not from their families, female entrepreneurs rely on male relatives.

In summary, at the informal institution level, conflict and gender intertwine to affect the lives of female entrepreneurs. For example, *Mahram* restricts female mobility and conflict-induced violence further fuels safety concerns, implicitly reinforcing restrictive norms. Although female entrepreneurs did not attribute the increase in restrictive social norms to conflict, changes in political regimes and the conflict-induced financial reasons leading to more of them seeking paid work and interacting with others could have increased female exposure to these norms.

5 DISCUSSION AND CONCLUSIONS

This section summarizes the study's findings. It also identifies common themes across them, highlights their key contributions, and situates them within the broader literature on female entrepreneurship and economic empowerment in fragile and conflict-affected contexts.

Existing literature shows that women in Yemen are excluded from work by a number of intersecting structural issues. While men also face most of the same challenges, they affect women disproportionately and differently. In general, this study finds evidence that the conflict and related economic crises have further disproportionately disadvantaged women—both in terms of their social/economic outcomes and their ability to work.

This study focuses on a set of women entrepreneurs who are, through sheer determination and perseverance, overcoming those challenges. The study identified key mechanisms through which some women have found opportunities to work and improve their lives and family outcomes. Against the background of generally worse exclusion, the women in this study have found creative ways of turning challenges into opportunities.

Firstly, some women have taken advantage of the exceptional circumstances posed by the conflict and economic crises to gain support from at least some household members to start businesses. Then, once in the market, they have used their unique positions in society to find a foothold for their businesses; for example, connections to certain women clients, female-centered services, and other economic needs for which they could justify breaking with existing norms (such as engineering). To achieve this, they had to work with informality and deploy their skills at maintaining a deep attunement to relational conditions – both within informal institutions and formal institutions.

Secondly, most of the challenges these women faced were also faced by men, but they affected the women disproportionately and differently. For example, all businesses face challenges around accessing credit. However, the women who get credit tend to find relational ways of accessing it, from personal connections, serving as informal sources of lending for others, or from having a trusted male support loan applications with collateral or guarantees. Alternatively, some women used culturally appropriate forms of wealth—gold—to serve as collateral. In this way, then, once having made initial advances, there was often feedback: for example, women who got limited support from family to enter the market later improved their intrahousehold bargaining positions after demonstrating success.

Thirdly, because of the interlinked nature of the challenges, there is no universal pathway to entrepreneurial success. Each person faces a unique set of challenges based on their position within this complex set of issues, dependent on how things are evolving in real-time. Just as the exceptional circumstances around the conflict and economic crises disrupt traditional norms, the successful women have taken advantage of opportunities when they found them, sometimes turning barriers into facilitators. However, even for the same individuals, these pathways may not be repeatable. This study demonstrates a web of intertwined dynamics that can either facilitate or hinder individuals and households at the level of enterprises, markets, or formal and informal institutions. Table 5.1 summarizes key dynamics that act as barriers or facilitators.

Table 5.1: Summary of Findings

LEVELS	FACILITATOR/BARRIER/BOTH
Individual and Household	
Impact of conflict on personal safety and income (Both)	Conflict's impact on personal lives and income is a barrier, but this has also been a catalyst for some to start their business.
Leveraging skills, education, and experience (Facilitator)	Skills (e.g., cooking, crocheting, make-up, hair styling, sewing, etc.), higher educational qualifications or thematic expertise (e.g., business management, engineering, and medical studies) act as a facilitator in initiating and operating a business.
Role of family (Both)	Acts as a facilitator and a barrier as different family members support and oppose (this sometimes changes over time). Gender norms are negotiated within the home and outside. Despite improved income decision-making, care responsibilities are solely borne by women.
Enterprise and Market	
Perceived market acceptance (Both)	The perception of market acceptance due to focus on quality, pricing, unique positioning, customers, human resources, and marketing overall acts as a facilitator, but maintaining these factors in a highly challenging market is also a barrier.
Lack of finance (Barrier)	Acts as a barrier in the initiation and continuation of the business.
Seasonality (Barrier)	Acts as a barrier for some sectors due to the reduced purchasing power of customers.
Competition (Barrier)	Acts as a barrier when competing with established male competitors.
High inflation, economic deterioration & currency-related issues (Barrier)	These macroeconomic factors heightened the risks female entrepreneurs face and overall reduced the purchasing power of customers, hence, acting as key barriers to the smooth functioning of businesses even after a decade from the escalation of conflict.
Access and availability of products (e.g., raw materials) (Barrier)	
Formal Institutions	
Financial services through banks (Barrier)	Acts as a barrier due to the requirement of guarantors for loans, accessing guarantors is doubly challenging for female entrepreneurs as guarantors are often male.
Key services through government agencies (Barrier)	Disrupted provision of electricity and internet services directly act as a barrier in the day-to-day running of the businesses.
Registration and taxation services (Barrier)	Barriers exist in registration and taxation services.
Informal Institutions	
Being a woman (Both)	Perceived as a facilitator by the entrepreneurs themselves, but interviews also highlight how men have advantages.
Social Norms (Barrier)	Acts as a barrier. Female entrepreneurs are constantly negotiating these norms outside and inside their homes.
Social Networks (Facilitator)	Acts as a facilitator, however, to forge social relationships with a non-relative male, female entrepreneurs need to use other male relatives.

The study has several examples, but Figure 5.1 presents one case study example to showcase how an entrepreneur experiences this interconnected web of facilitators and barriers.

Figure 5.1: Life of an entrepreneur

Formal Institutions:
Electricity prices and availability negatively impact the business. The registration process was fairly easy but faced barriers in tax assessment.

Informal Institutions:
Family and society impose restrictions on mixing with men. She makes sure most employees in the factory are women. She takes older children with her for raw material purchases. Seeks support from mentors and peers and a member of social networks.

Enterprise and Markets:
Introduced new styles and trends among local followers following the international market. Uses digital media for this. Conflict interrupted day-to-day business operations, especially the delivery of products to the north or the purchase of raw materials. Faces issues related to high inflation, high fuel prices, and currency-related fluctuations.

Individual and Household:
Experienced in sewing and factory management. Studying business administration and specializing in conducting feasibility studies. A single mother with four children balancing work and home. As the first woman from the family to work outside the home, she faced resistance from the family, especially from her ex-husband.

Samar
Tailoring Factory

Samar owns a tailoring factory that employs women from her community. To understand the market and reach clients, Samar takes business courses and uses digital tech. She combines visits to suppliers and shop owners with excursions for her children to manage care responsibilities.

Conflict and gender norms represent common themes throughout this report. A few key contributions of the report's findings in this regard are:

- Female entrepreneurs experienced several dimensions of conflict through direct, immediate effects, with conflict-related violence hampering lives and work; but indirect, protracted damage through economic deterioration, currency-related issues, and reinforced social norms continue to hinder female entrepreneurs. This improvement in understanding of how female entrepreneurs experience FCV represents a nuanced contribution of this study applicable to other FCV contexts.
- The conflict is an overall barrier at all levels, but it has played a catalytic role for business start-up due to the need to create additional income. The findings of this study corroborate others, especially regarding how conflict spurs business creation (ACAPS, 2023b; Al-Ammar et.al, 2019; Althalathini et al., 2020; World Bank, 2024b). According to the ACAPS situation assessment (2023), women have started establishing home-based businesses, selling homemade food and clothing, or importing goods (ACAPS, 2023a, 2023b).
- Most studies on intra-household bargaining do not consider intergenerational families, but this study showcases that there are more opportunities for women to find some form of support within intergenerational families.
- Despite conflict-induced economic participation and female entrepreneurs reporting involvement in income decision making, the report finds that gender norms at home around care responsibilities have not changed. Besides illustrating the close tie between conflict and gender norms, this point illustrates that, despite their increased economic participation, gender norms are still prevalent even in the minds of female entrepreneurs themselves. This finding contributes to fine-tuning understanding of the interaction between conflict and gender in FCV contexts, underlining the potential and limitations of conflict in challenging entrenched structural barriers.
- The report demonstrates that, facing challenging gender norms and expectations, female entrepreneurs often use tactful and continuous negotiations to navigate norms rather than engaging in active conflict. In a way, they work with entrenched informality at different levels using their relational positions and relationships to their advantage. Examples of innovative and strategic measures women take to work around restrictive norms include convincing families to access education or paid work, networking for business purposes in female-only forums, using male relatives to forge social relationships with other businessmen, or using strategies to circumvent the need for *Mahram*. This "negotiation of norms", a unique finding emerging from this study, contributes toward understanding how women manage resistance in their path.

Table 5.2: How do conflict and gender norms affect female entrepreneurs in their entrepreneurship journey?

LEVELS	CONFLICT	GENDER NORMS
Individual and Household	The conflict posed threats to personal safety making everyday life more vulnerable. In some cases, this disrupted their own education or children's, major life events, and health, affecting their personal lives. Starting the enterprise is a means of generating income due to the instability and the need for multiple incomes to cope with high inflation and conflict-related shocks.	Being a woman, respondents have faced barriers in choosing education and career choices, especially when those were considered unconventional. All interviewed entrepreneurs have negotiated gender norms at home to do paid work. Often, they found allies and foes within their family and kinship networks. They are constantly juggling to balance home and work and believe that they need to fulfill their care responsibilities.
Enterprise and Market	The conflict led to operational disruptions, including delays and cancellations, affecting smooth business functioning. Conflict-induced economic decline, with high inflation rates, high fuel prices, and currency fluctuations increased prices of raw materials, reduced production, decreased purchasing power of customers, and heightened financial and logistical risks. This makes maintaining quality and affordable pricing challenging. In addition, the division of the country and the use of two currencies further eroded the business climate.	Most interviewed entrepreneurs perceive that being a woman does not pose any additional challenges within the enterprise and market; however, their nuanced stories suggest otherwise. Interviews suggest that men's better mobility, extended networks, previous work experience, and lack of restrictions to deal with employees (majority male in Yemeni) afford men business advantages. They also face uneven competition with their male counterparts.
Formal institutions	The conflict disrupted essential services such as electricity and the internet, disrupting business operations that rely on these services. It also eroded trust in formal financial institutions, limiting access to crucial financial resources and support for female entrepreneurs. It also further weakened the registration and taxation system (which is also likely different in Houthi-controlled areas).	The majority perceive that they did not face negative differential treatment dealing with formal institutions; however, a few do highlight implicit male advantage as they have extended relationships, more contacts, and no restrictions on interacting with other men.
Informal institutions	Implications on mobility due to social norms and conflict-induced violence.	Several social norms in Yemen work against women through familial and social restrictions, such as restrictions on movement (need of a *Mahram*, time restrictions for coming home after work), mixing with men, and in some cases community backlash. Often, family-imposed restrictions are also due to prevailing social norms.

The primary aim of generating deep data on women entrepreneurs was not merely to catalog or repeat documented challenges, but rather to showcase how women navigate and overcome obstacles. This report details the journeys of 24 resilient female Yemeni entrepreneurs amidst ongoing conflict. Throughout the report, the findings illustrate the perseverance of these entrepreneurs in overcoming adversity. However, it's important to recognize that their perseverance reflects unique experiences—primarily an ambition to survive utilizing a diverse array of tactics. The study uncovers how these women navigate challenges unique to their circumstances, utilizing mechanisms to seize opportunities and transform "barriers" into "facilitators". Understanding these mechanisms and systemic features that can be leveraged by certain women is essential for exploring avenues to support these entrepreneurs and designing targeted development interventions. By bolstering the efforts of female entrepreneurs, they may pave the way for others, catalyzing sustainable systemic changes that foster broader equality and development.

6 RECOMMENDATIONS

The development community should prioritize supporting Yemeni women by acknowledging their leadership and facilitating their economic participation and success. The negative consequences of the conflict in Yemen have been well documented. The 2024 Poverty and Equity assessment brings attention to the protracted food security crisis, largely driven by a weak economy and macroeconomic conditions (World Bank, 2024e). It is clear that without peace and stability, poverty will remain high. However—and perhaps in spite of these dire living conditions—women are participating in the economy in a way that has not been seen before; there is a noticeable increase in women's engagement in the economy, albeit with lingering gender norms.

This study unveils how female entrepreneurs adeptly negotiate through hurdles, uncovering systemic features that enable certain women to transform barriers into catalysts for success. Drawing recommendations from this study demands a deep grasp of the underlying dynamics, providing actionable insights to effectively bolster support for women entrepreneurs.

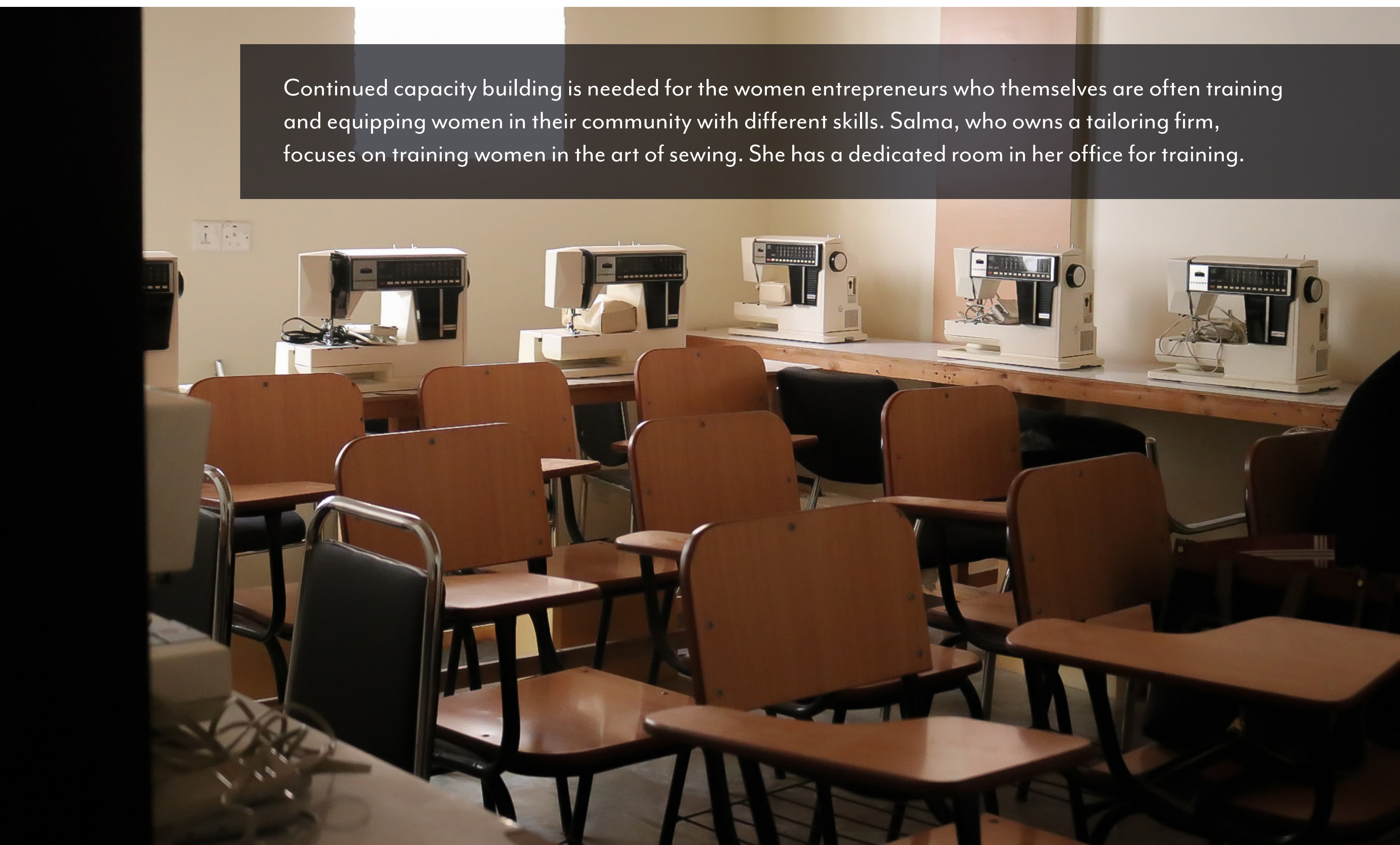
Interventions should aim to empower women to navigate informal systems skillfully, while strategically targeting key mechanisms to reframe obstacles as pathways to opportunity. Therefore, this report advocates for sustained and enhanced support for female entrepreneurs to integrate them firmly into Yemen's economic fabric. The recommendations outlined below offer potential entry points for collaboration between the development community, governmental agencies, and local stakeholders, aligned with this study's conceptual framework, focusing on (i) Individual and Household; (ii) Markets and Enterprise; (iii) Formal Institutions; and (iv) Informal Institutions. This approach facilitates refinement and adaptation as required, showcasing the interconnectedness of different categories and how interventions impact multiple areas simultaneously. This approach could generate interest from a broad range of stakeholders, addressing their diverse interests spanning the fields of private sector development, community development, financial inclusion, education and skills development, and governance.

The recommendations serve as examples, leaving ample room for enhancing their design and execution. Customized consultations with local implementing partners to detail the underlying dynamics and careful focus on technical and contextual intricacies are crucial for successful and lasting interventions.

Individual and Household and Informal Institutions

1. **Provide customized capacity building/curricula.** The majority of women-owned businesses in the study raised the benefits of training and the importance of sustained capacity-building efforts. However, many also stressed the need for upgraded and more specific training tailored to where they are in their entrepreneurial career. This means training should go beyond general business knowledge and cater to specific needs on topics that cover niche areas, such as how to conduct a feasibility study, apply for a loan, conduct project monitoring and evaluation, or develop a business plan. While courses on soft skills, such as confidence building, are useful for early-stage entrepreneurs, there is an opportunity to support more experienced business owners through continued education in their relevant market areas or fields of study. Building digital skills should be a priority for all, be it in technical areas, such as electronic engineering, or for marketing on e-platforms/social media.

   It is crucial to leverage existing formal and informal networks to disseminate information through word of mouth and various channels. In the Yemeni context, recruiting participants for training and capacity-building programs can be challenging. Creating safe spaces for learning within established networks and organizations is essential for fostering engagement and participation. Importantly, ensuring safety is paramount, including suitable timing and locations conducive to women's participation.



Continued capacity building is needed for the women entrepreneurs who themselves are often training and equipping women in their community with different skills. Salma, who owns a tailoring firm, focuses on training women in the art of sewing. She has a dedicated room in her office for training.

Enterprise and Market and Formal Institutions

2. **Facilitate access to financing.** The majority of women in the study have faced barriers in accessing finance to start their business or for further investments. Based on the experience of the UNOPS-World Bank project, targeting financing for women, especially in infrastructure and service sectors, can help ensure more equitable and fair access. Revisiting loan eligibility criteria and flexible loan repayment options, interest-free loans, or tax breaks will also be helpful. While more established enterprises, particularly those engaged in sectors such as import-export, could be potential candidates for bank loans or medium to large-scale tenders, the majority of female entrepreneurs need support in financial literacy to access some of these options. This support can be provided through informal and formal support networks.

   Development communities should implement incentive schemes to encourage financial institutions to actively engage with WOBs and ensure more equitable access to banking services. In Yemen, where social and gender norms can present challenges, the requirements set forth by development communities can serve as powerful incentives for financial institutions. For instance, development partners can build the capacity of financial institutions to explore innovative approaches that enable and expand women entrepreneurs' access to capital. Good practices can be drawn from the experience of the International Finance Corporation's support to women entrepreneurs through We-Fi and other financing facilities as described in the World Bank Gender Strategy 2024-2030. Providing incentives—such as grants, subsidies, and appropriate technical assistance including in emerging areas of finance support —not only aligns with broader development goals but also provides tangible measures for financial institutions to support WOBs and promote inclusive economic growth.

Formal Institutions

3. **Improve registration and taxation processes.** International partners should work closely with trusted organizations, such as the Social Fund for Development (SFD), to help local agencies communicate registration processes and tax requirements through diverse channels and also to rural and remote populations. In parallel, the development community should identify concrete entry points to improve policies that will streamline registration and licensing processes, taking into account the specific challenges facing WOBs. For example, different business owners raised the issue of making professional services such as application for tax cards and registration of businesses available through a "one-stop shop" to improve access and knowledge exchange.

   Development communities must effectively communicate how such improvements can result in mutual benefits for both WOBs and government revenues. By fostering this understanding, development communities can pave the way for expanded efficiency and market growth. Convincing governmental agencies and counterparts involves highlighting the benefits streamlined registration and taxation processes can impart on the overall business environment. For WOBs, simplified processes can reduce administrative burdens, lower compliance costs, and improve access to formal financing and markets. This, in turn, can stimulate business growth, job creation, and economic empowerment for women entrepreneurs. Enhanced registration and related tax collection can lead to increased government revenues, improved fiscal sustainability, and a more conducive business climate.

4. **Expand access to key services.** Many women raised frequent electricity shortages as a major or top obstacle for conducting business. As efforts to support a renewable market increase in Yemen, there is an opportunity for the development community to engage with WOBs. For example, the piloting and deployment of new market technologies such as Pay-As-You-Go (PAYG) and Productive Use of Energy (PUE) should take into account the different consumer and business needs of women and men, while also ensuring that this is complemented by sex-disaggregated reporting and monitoring.

   Under the investment program, prioritizing or assigning higher weight to female's accessibility of infrastructure can be a valuable consideration. While many investment programs consult with local stakeholders for project identification and implementation, there is often no distinct weighting system to ensure equal access to service delivery. In the Yemeni context, development communities need to explore weighting mechanisms specifically tailored to enhance female access to key infrastructure such as electricity; water, sanitation, & health; road rehabilitation, and solid waste management. This approach could involve implementing a scoring system that assigns higher priority to projects explicitly designed to address women's needs. For instance, ensuring that water and sanitation facilities are safe and accessible for women, or that road rehabilitation projects consider routes frequently used by women for market access or healthcare. Additionally, involving women in the decision-making process and conducting gender impact assessments can help ensure that the infrastructure investments genuinely benefit female beneficiaries. By incorporating these weighting mechanisms, investment programs can promote more inclusive development outcomes in Yemen.

Informal Institutions

5. **Offer informal and formal support networks.** Existing formal networks, such as businesswomen's clubs, can be strengthened by including regional-level structures that increase membership of Yemeni women across the country. These formal networks should be supplemented by local informal groups, facilitated through platforms such as WhatsApp, to serve as a resource for advice, moral support, and encouragement. These types of formal and informal networks can provide additional services such as business incubation, technical capacity building, mentorship, recognition, and marketing. The community of international and local practitioners should also provide formal certifications during training as evidence of successful completion.

   Development communities should leverage existing formal and informal networks to engage diverse groups of people. This means moving beyond traditional methods like large public hearings and outreach campaigns. In conflict situations, it's essential to utilize smaller group meetings, phone calls, and SMS to effectively communicate and foster the formation of organic organizations.

Importantly, gender-sensitive programming in Yemen should prioritize limiting backlash against working women. Programs should also implement safeguards to ensure that women are able to access services even if this requires additional interventions (for example locating intervention sites in a manner that women do not need to travel across districts). However, any large-scale behavioral-change campaign is likely to backfire and could be seen as interfering with traditional Yemeni values in the current climate. Instead, fostering an environment conducive to female entrepreneurship could promote acceptance, as evidenced by this study's findings on women's nuanced strategies to navigate and mitigate backlash within local norms. Tailoring interventions to local priorities should acknowledge and respect existing strategies in order to better enhance effectiveness and sustainability.

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ANNEX: DATA COLLECTION AND ANALYSIS

Table A1 provides the overview of interviews and photography and Table A2 further details on the characteristics of the entrepreneurs.

Table A1: Overview of interviews

Research methods	Type of respondents	Sources (UNOPS, WB, & MC)			Governorates (Aden, Mukalla, Sana'a, & Taiz)				Location		Size of enterprises (Micro, Small, Large)[18]			Total number of participants
		UN	WB	MC	A	M	S	T	Rural	Urban	M	S	L	
In-depth interviews	Female entrepreneurs	5	8	11	7	7	2	8	3	21	17	6	1	24 Female entrepreneurs
Photo documentary	Female entrepreneurs	4	8	10	7	7	1	7	3	19	17	4	1	22 Female entrepreneurs

One data collection team per governorate conducted all interviews in that governorate. An all-female team included a team leader, interviewer, note-taker, and photographer (only for in-depth interviews with female entrepreneurs).[19] Experienced female researchers were recruited by the local partner to ensure the quality of data collection. All governorate-level data collection teams received two days of training conducted by the local partner with guidance from the World Bank team on research tools, data collection etiquette, and processes.

The WB and the local partner team jointly designed the research tools. They also translated the interviews in Arabic, then audio recorded (with consent from respondents), and transcribed and translated them into English. Detailed interview notes were documented in Arabic and translated to English. All interviews were carried out face-to-face from August to September 2023. The data collection team conducted interviews either at work premises or the respondent's home or in a mutually convenient location, such as cafés. Except in a few cases, interviews averaged 155 minutes.[20]

The photo documentary method visually captured and documented the experiences, environments, and social contexts relevant to the research. The study employed four photographers across the four regions to take photos of female entrepreneurs (based on consent) that depicted various aspects of their lives. The introduction of a visual perspective to the more traditional data collection efforts provides a medium to visually represent more authentic narratives of businesswomen that capture their professional and personal journeys as they attempt to reach their goals, as well as the complexities of operating in a very fragile and conflict setting.

18 Size of enterprises: micro (one–four employees), small (five–nine employees) medium (over 50 employees)
19 The team in Sana'a did not have a note-taker.
20 The average interview duration in Mukalla was 188 minutes. It was between 90-106 minutes in the rest of the governorates.

Table A2: Business and personal characteristics of female entrepreneurs

Business and Personal Characteristics	Governorates				Total
	Aden	Mukalla	Sana'a	Taiz	
Location					
Rural		1		2	3
Urban	7	6	2	6	21
Registration Status					
Formal	4	5	2	3	14
Informal	3	2		5	10
Size					
Micro	6	5		6	17
Small	1	1	2	2	6
Large		1			1
Types of products and services					
Catering	1	1			2
Engineering& Construction and Business Services Consultancy (incl. import and export, multi-product marketing, HR services)	3	1	2		6
Handicraft		1		1	2
Manufacturing (production of bags)		1			1
Medical (veterinary and herbal medicine)		1		1	2
Personal care (hairdressing and beauty salons)	2	1		2	5
Photography	1			1	2
Retail (small shop)				1	1
Sewing		1		2	3
Age					
Below 30		1			1
30–39	6	2	1	5	14
40–49		1	1	3	5
Above 50	1	3			4
Education					
Undergraduate degree or higher	4	5	2	3	14
Secondary completed		2		3	5
Secondary incomplete				1	1
Primary incomplete	3			1	4
Marital status					
Divorced	1	1		3	5
Married	5	5	2	4	16
Single	1	1			2
Widowed				1	1

For each governorate, female photographers were recruited based on their previous work experience. Photographers either accompanied the research team or discussed with entrepreneurs to agree on a location for photography. Once interviews were completed, photographers debriefed with the research team to ensure alignment with the storyline they prepared collating the photographs. For each entrepreneur, the photographer provided a storyline (a short write-up with selected photographs) to support the storytelling of the entrepreneurship journey and complement the analysis.

The WB and Yemeni research partner teams worked jointly to ensure data quality during all stages of data collection. For example, an Arabic-speaking researcher reviewed the translation quality of interview guides. The local partner, MEAL Center, recruited experienced female researchers to ensure the quality of data collection. All pilot interview recordings, transcripts, and interview notes were reviewed, and teams were debriefed before data collection. All interview recordings in Arabic were reviewed against the Arabic and English transcripts before the data analysis.

This study followed a comprehensive ethics protocol, including training research teams on ethical data collection and data management. In collaboration with the local partner, the WB team trained the data collection teams in ethical data collection practices such as using informed consent including for photography, ensuring voluntary participation and anonymity of respondents, and disposal of any personal data, such as contact information and location. All research tools included detailed informed consent in Arabic and English. The team leader and interviewer explained the informed consent, which included details on the study purpose, data use, voluntary participation, anonymity, and contact details of the study teams to each respondent. Additionally, the team explained the purpose and process of the photo documentary and sought consent separately. The consent form included separate sections to seek consent for the interview, recording, and photography (with or without face shots). In managing the data, pseudonyms and numerical identifiers were given to all respondents to ensure their true identities remained protected throughout the process. This practice was used consistently to mask all personal identifiers in saving all files, such as recordings, photographs, and transcripts. Names used in the entrepreneurs' profiles and quotes are pseudonyms. All data is saved in password-protected storage with access only to selected members of the research team.

This qualitative study uses a hybrid approach of inductive and deductive thematic analysis (Fereday et al., 2006). A comprehensive coding tree was developed, and all transcripts were coded using the qualitative software *Dedoose*. Deducting from a detailed literature review and conceptual framework, deductive codes were developed. Inductive codes emerged from the initial reading of interview transcripts. After that, one of the lead researchers coded a few pilot interviews. Two team members were trained to carry out coding of the transcripts. One of the lead researchers reviewed all transcripts for coding consistency and quality. The codes were later summarized, and common themes were derived to present findings. In analyzing the interview transcripts, the interview notes and short write-ups with photographs submitted by photographers provided context and enhanced the meaning of the narration.

Limitations

- ***Respondent selection bias:*** focusing on a niche sample might mean that the selection is biased toward women who have better access to education, business training, and employment opportunities. They could also have additional support and various other explicit or implicit privileges. To mitigate this bias, this study purposively selected entrepreneurs from both rural and urban areas across four governorates, of varying levels of education (including no education), registration status, types of products and services, and sizes of enterprises to gain diverse experiences.
- ***Social desirability bias***: as the female entrepreneur interviews were coupled with photo documentaries, entrepreneurs could have expected the interviews as journalistic interviews for magazines or newspapers. This could potentially lead to social desirability bias (*answering in a socially desirable way*). To alleviate this bias, interviewers were trained to explain the purpose and scope of the interview and interview techniques to identify and mitigate such bias. In all cases, the photos were taken after the interview concluded to avoid disruption and minimize bias. Moreover, the UNOPS program participants could have responded positively about the program. Interviewers were trained to deeply engage with respondents to understand their program experience, not just to focus on positive experience.
- ***Interviewer bias***: highly educated women with research experience were selected for this study as interviewers. In discussing themes such as motivation, education, career, aspirations, interviewers were mindful of any bias they bring, such as leading the respondents to answer in a desirable way or not engaging due to any conflicts with the interviewer's perspective. Interviewers were trained to emphasize the following during the training "listening to the respondent", "silence" after a pause, mitigating leading questions, and avoiding any personal opinions of the interviewer during the interview.

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