

Women entrepreneurship in remote areas in Indonesia and the Philippines

Volume 2025, Issue 1



OECD Global Relations Policy Papers

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Abstract

Women entrepreneurs in remote areas are powerful drivers of inclusive growth, resilience and innovation, yet often face systemic barriers that limit their potential. In Indonesia and the Philippines, where women lead over half of all micro, small and medium-sized enterprises (MSMEs), their contributions are vital, particularly in underserved regions with scarce formal jobs. This report examines women-led businesses in remote and rural areas, highlighting the transformative role of digitalisation in expanding access to markets, finance and training.

Drawing on new survey data, policy dialogue and case studies, it offers a rich portrait of women's entrepreneurship in both countries, focusing on how tailored, place-based and people-centred support can address persistent challenges, from infrastructure and financing to digital skills and social norms. This report provides a foundation for developing national and regional frameworks that address the specific needs of women entrepreneurs in remote and rural areas. Supporting women's entrepreneurship in these contexts is not only a question of gender equality, but also an investment in community cohesion, economic resilience and sustainable development.

Contact

Max BULAKOVSKIY (Max.Bulakovskiy@oecd.org)

Marta BERTANZETTI (Marta.Bertanzetti@oecd.org)

Heekyung (Stella) JUN (Heekyung.Jun@oecd.org)

Acknowledgements

This report was developed by the OECD Global Relations and Co-operation Directorate in partnership with the OECD Centre for Entrepreneurship, SMEs, Regions and Cities. It was authorised for publication by Andreas Schaal, Director of the Global Relations and Co-operation Directorate, and Alexander Böhmer, Head of the South and Southeast Asia Division, Global Relations and Co-operation Directorate. The project was managed by Max Bulakovskiy, Head of the Project Implementation Unit, South and Southeast Asia Division. David Halabisky, Project Coordinator from the Centre for Entrepreneurship, SMEs, Regions and Cities, provided valuable technical inputs. Marta Bertanzetti and Heekyung (Stella) Jun, Junior Policy Analysts in the South and Southeast Asia Division led the preparation of the report. The authors gratefully acknowledge the contributions and review provided by Sara Grubanov-Boskovic, Policy Analyst in the OECD Istanbul Centre, and Charlotte Goemans and Sarah Mouhoud, Policy Analysts in the Middle East and Africa Division, Global Relations and Co-operation Directorate, and Hans Koger, Junior Policy Analyst in the South and Southeast Asia Division. The report also benefited from the support of Robert Akam, Communications Lead in the Global Relations and Co-operation Directorate, along with Erica Viganò Izawa and Marina Fujimaki, respectively Events and Administration Coordinator and Trainee in the South and Southeast Asia Division, for the preparation of the policy dialogue in the Philippines and editorial support.

Special thanks are extended to the government representatives from Indonesia and the Philippines for their commitment to the policy dialogue on *Women's Entrepreneurship in Remote Areas: The Impact of Digitalisation*, held on 10 December 2024. In particular, we extend our gratitude to Emma C. Asusano, Director at the Bureau of SME Development of the Department of Trade and Industry Philippines (DTI-BSMED), Cynthia (Ching) C. Dela Cruz, Chief Trade-Industry Development Specialist, DTI-BSMED, Teresita A. Go, Senior Trade-Industry Development Specialist, DTI-BSMED, and Dinki Cyrus L. Belen, Trade-Industry Development Specialist, DTI-BSMED, as well as Trukan Sri Bahukeling, Assistant Deputy for Creative Economy and Entrepreneurship, Development at the Coordinating Ministry of People Empowerment, Indonesia, Siti Azizah, Deputy for Entrepreneurship at the Ministry of Cooperatives and Small and Medium Enterprises, Indonesia, and Dinar Dana Kharisma, Senior Policy Planner Directorate for Poverty Alleviation and Community Empowerment at the Ministry of National Development Planning (Bappenas) Indonesia for their valuable contributions. We would also like to express our gratitude to all other participants for their insightful contributions and active engagement in the discussions.

We would like to further extend our heartfelt thanks to all the participants who took part in the case study interviews (see Annex B). Their insights and contributions greatly enriched the research, analysis and policy recommendations presented in this report.

This report was made possible thanks to financial support from the Federal Foreign Office (FFO) of Germany.

Foreword

Advancing gender equality is a cornerstone of sustainable and inclusive development and competitive economies. Increasing women's participation in the economy not only strengthens individual livelihoods, but also contributes to broader community resilience and social cohesion. Entrepreneurship is one of the most effective pathways for women to achieve economic empowerment, particularly in remote and rural areas with scarce formal jobs. Women-led enterprises are often embedded in their local communities, acting as catalysts for innovation, job creation, and the delivery of essential goods and services.

In Southeast Asia, women entrepreneurs represent a growing and dynamic force, yet they continue to face systemic barriers that limit their agency and potential contributions. These challenges are particularly acute in remote and rural regions, where geographic dispersion, infrastructure gaps and deeply entrenched gender norms intersect to restrict access to finance, technology, networks and markets.

Indonesia and the Philippines were selected as the focus of this report given the central role of women-led micro, small and medium-sized enterprises (MSMEs) in both economies. In the Philippines, women lead over 55% of all MSMEs, while in Indonesia, they head almost 65% of all MSMEs that in turn account for 99% of the country's business units. This level of female business ownership is exceptional by global standards. Both countries are also archipelagic states with a non-contiguous, dispersed geography of thousands of islands, where approximately 96% of the landmass is considered rural. These unique geographies heighten the importance of supporting women entrepreneurs in underserved areas, where tailored policy measures can yield outsized economic and social benefits.

This report is part of the OECD Southeast Asia Regional Programme (SEARP) Gender Initiative, which supports the Association of Southeast Asian Nations (ASEAN) in strengthening women's entrepreneurship policies across the region, and contributes to the Organisation's broader efforts to promote inclusive entrepreneurship through the work of the OECD Committee on SMEs and Entrepreneurship (CSMEE). It builds on previous OECD analysis, notably the 2017 joint OECD-ASEAN publication on *Strengthening Women's Entrepreneurship in ASEAN*, which delved into the factors driving women's economic participation and entrepreneurship across the region.

This report draws on primary insights from the 2023 OECD SEARP regional survey on women entrepreneurs. With 236 responses collected from ten ASEAN member states, the survey offers a unique snapshot of the profile of women-owned businesses, their characteristics and the perceived impact of digitalisation. The report further reflects the outcomes of the OECD policy dialogue on *Women's Entrepreneurship Promotion in Remote Areas: The Impact of Digitalisation*, hosted in Manila, Philippines, in December 2024, which brought together relevant representatives from Indonesia and the Philippines. It is complemented with insights from interviews carried out with different stakeholders in the region. Together, these inputs provide a detailed picture of the challenges and opportunities facing women entrepreneurs in remote settings, with a particular focus on how digitalisation can serve as a transformative tool for economic inclusion.

By identifying key barriers and advancing practical policy directions, this report provides a foundation for developing national and regional frameworks that address the specific needs of women entrepreneurs in remote and rural areas. Supporting women's entrepreneurship in these contexts is not only a question of gender equality, but also an investment in community cohesion, economic resilience and sustainable development.

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Abbreviations and acronyms

ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
BEPT	Better Entrepreneurship Policy Tool
CSMEE	Committee on SMEs and Entrepreneurship
DTI	Department of Trade and Industry
IFC	International Finance Corporation
ILO	International Labour Organization
Lao PDR	Lao People's Democratic Republic
MENA	Middle East and North Africa
MSME	Micro, small and medium-sized enterprise
NTN	Non-terrestrial network
OECD	Organisation for Economic Co-operation and Development
SEARP	Southeast Asia Regional Programme
SIGI	Social Institutions and Gender Index
SME	Small and medium-sized enterprise
SNKI	National Strategy for Financial Inclusion
SNKI-P	National Strategy for Women's Financial Inclusion
UMi	Ultra Micro Financing Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific

Executive summary

Women entrepreneurs in remote and rural areas are vital drivers of inclusive economic growth, social cohesion and resilience. In both Indonesia and the Philippines, women-led businesses represent a significant share of the MSME sector, demonstrating levels of female business ownership that far exceed global averages. These figures highlight the central role played by women-led MSMEs in both economies, emphasising the need for targeted support to foster their growth and sustainability. Yet women in rural and remote areas continue to face systemic barriers that prevent their full economic participation. This report explores the multifaceted challenges they encounter, examines the transformative role of digitalisation and outlines actionable policy recommendations for fostering a more inclusive and supportive ecosystem.

Women entrepreneurship landscape in Indonesia and the Philippines

Indonesia and the Philippines are notable for their strong policy commitment to supporting women's entrepreneurship. In the Philippines, over 55% of MSMEs are women-led, supported by robust legal instruments such as the Magna Carta of Women and the Magna Carta for MSMEs. Similarly, in Indonesia, more than half of MSMEs are under female leadership and the country has made significant strides through the launch of its National Strategy for Women's Financial Inclusion (SNKI-P), alongside programmes such as the Mekaar programme and the Ultra Micro Financing Programme (UMi), which target micro and ultra-micro enterprises led by women. These efforts have contributed to a rise in Indonesia's score for "Inclusive SMEs for Women" from 3.18 in 2018 to 4.09 in the *2024 ASEAN SME Policy Index*.

Women entrepreneurs contribute meaningfully to household income, job creation and social cohesion in remote and rural areas. Their businesses are often embedded in local communities and play essential roles in delivering goods and services, preserving cultural heritage and promoting sustainability.

However, persistent barriers continue to constrain their potential growth. Across both countries, women entrepreneurs in remote and rural areas report difficulties accessing credit – due to collateral requirements, limited financial literacy and lack of tailored financing products. They are often excluded from business support services and lack access to reliable transport and childcare. Legal and regulatory hurdles in tandem with lack of information further discourage formalisation (particularly in Indonesia), while restrictive social norms limit women's time, mobility and perceived legitimacy as business leaders. Women-led firms are overrepresented in low-margin sectors and underrepresented in high-growth segments, reflecting both constrained opportunities and risk-averse strategies influenced by their broader caregiving roles.

Moreover, the geographic dispersion and archipelagic nature of Indonesia and the Philippines present unique infrastructural and economic challenges, making it difficult to ensure equitable access to resources and opportunities across all regions. Given these geographical constraints, strengthening support for women entrepreneurs in remote and rural areas is not only a matter of local economic empowerment but also a critical lever for fostering inclusive and sustainable growth.

The digital divide: Untapped potential

Digitalisation holds considerable promise for bridging geographic and socio-economic divides. It can enable women entrepreneurs in remote settings to access training, finance, business networks and wider markets. Throughout this report, case studies are presented to illustrate how digitalisation is enabling new business models, transforming the way remote and rural women operate their businesses. However, a pronounced gender digital divide continues to limit these benefits across Southeast Asia, with women's Internet usage consistently trailing that of men.

Encouragingly, both Indonesia and the Philippines have introduced several initiatives to strengthen women's digital skills and expand connectivity, yet their geographic complexity poses serious challenges to broader broadband deployment, particularly in remote regions. These geographic constraints contribute to a marked urban-rural digital gap that deepens the existing gender digital divide, creating a double digital burden for rural women. Both limited broadband infrastructure, affordability constraints and low levels of digital literacy as well as safety concerns continue to hinder the ability of rural women to fully benefit from these digital opportunities. Findings from the OECD's 2023 survey further underscore that while women entrepreneurs view digitalisation as empowering, many still struggle to access and use these tools effectively.

Policy options

All this calls for the need to develop national and regional frameworks and strategies tailored to the specific challenges and opportunities faced by women entrepreneurs in remote and rural areas. Addressing these barriers requires an integrated, gender-transformative approach which combines **place-based** and **people-based** interventions with digitalisation at the centre of each strategy. This enables to cover both the structural barriers in local ecosystems and the specific needs of women entrepreneurs. Policy actions include:

- **Strengthen local ecosystems** by expanding rural digital and transport infrastructure and investing in business support hubs tailored to women. Non-terrestrial networks and gender-sensitive mobility solutions can address connectivity gaps that disproportionately isolate rural women.
- **Expand financial inclusion** through gender-sensitive lending schemes, digital financial services and community-based savings mechanisms. Innovative models using alternative credit data and cashflow-based lending can help overcome collateral barriers in rural contexts.
- **Boost digital and entrepreneurial capability-building** by offering targeted, locally delivered training that blends digital, business and financial skills. Mobile and offline learning options can enhance outreach to women with limited connectivity or education.
- **Close data gaps by supporting gender-disaggregated data collection.** Closing the persistent data gap affecting women entrepreneurs is essential to design effective, gender-responsive policies and services, and to develop products tailored to the needs of rural women entrepreneurs.
- **Tackle informality and regulatory complexity** by simplifying business registration and compliance processes while also offering legal support. Addressing incomplete formalisation is critical to improve women's access to services and growth opportunities.
- **Shift gender norms and reduce care burdens** through public awareness campaigns and investments in formal care services. Engaging men and local leaders can help shift social attitudes and redistribute care responsibilities.
- **Strengthen entrepreneurial ecosystems and promote local engagement** by supporting women-focused networks, cooperatives and local business hubs. Facilitating peer learning, mentorship initiatives and market access while enabling women to leverage local resources is key

to scaling women-led enterprises in remote settings and creating resilient, place-rooted enterprises.

To ensure these place-based and people-based interventions deliver meaningful and lasting results, it is essential to embed robust **monitoring and evaluation schemes** within all programmes. It is equally important to foster greater **horizontal collaboration and peer learning**, both within and across countries. At the regional level, ASEAN offers a valuable platform to promote cross-country learning, share good practices and develop joint solutions to shared challenges.

In conclusion: Towards inclusive women's entrepreneurship

Supporting women entrepreneurs in remote and rural areas is essential for building resilient, equitable and sustainable local economies. This requires recognising women not only as economic actors, but also as agents of social transformation. A coordinated, multi-stakeholder approach – engaging governments, financial institutions, private sector actors and civil society at both national and local levels – is critical. With targeted investment and inclusive policy frameworks, countries can unlock the untapped potential of women's entrepreneurship and help narrow rural-urban and gender divides.

Structure of the report

This report is structured as follows. Section 1 explores the role of women's entrepreneurship in promoting inclusive development in remote and rural areas. Section 2 provides an overview of the women entrepreneurship landscape in Indonesia and the Philippines, examining national strategies and barriers. Section 3 analyses the opportunities and challenges of digitalisation for women entrepreneurs in remote and rural areas. Section 4 synthesises the insights gathered from the OECD policy dialogue in Manila and stakeholder consultations. Section 5 outlines policy options to foster an inclusive entrepreneurial ecosystem and develop new national and regional frameworks tailored to the specific needs of women entrepreneurs in remote and rural areas. Finally, Annex A presents case studies that illustrate local innovations and grassroots initiatives supporting women entrepreneurs in remote and rural regions.

1 Women entrepreneurship and its relevance to remote and rural areas

Advancing gender equality is widely recognised as a key driver of socio-economic development, with women's increased economic participation benefiting not only individuals, but also communities and societies more broadly. Entrepreneurship is a particularly powerful pathway, offering women economic independence, generating employment and contributing to inclusive growth. This is especially relevant in the Association of Southeast Asian Nations (ASEAN), where women entrepreneurs accounted for nearly 10% of the total population as of 2016, with approximately 61.3 million women running businesses (UNESCAP, 2017^[1]; Global Entrepreneurship Monitor, 2016^[2]). While more recent estimates are not available, this number is likely to have increased in line with broader trends in entrepreneurship and rising economic participation of women across the region.

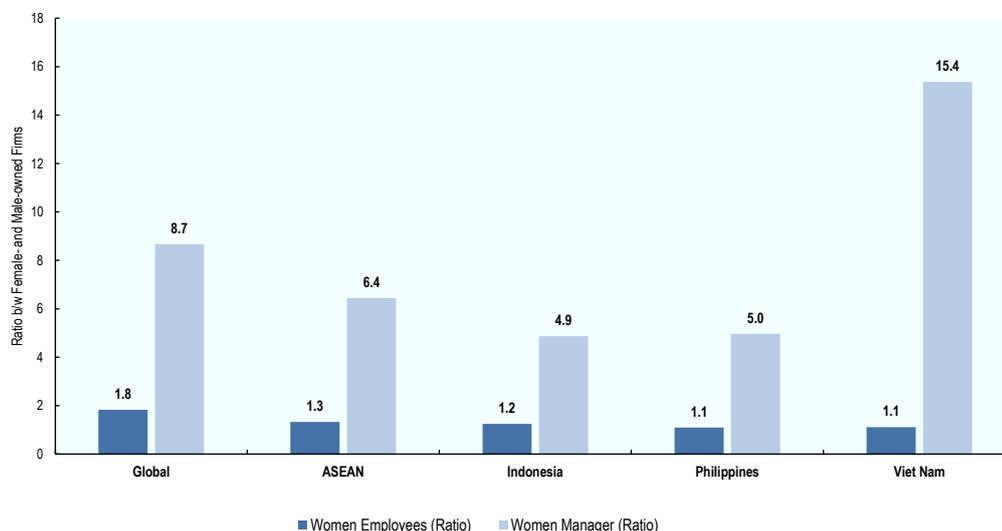
Globally, over 400 million women entrepreneurs hold significant potential to grow their businesses, contribute to economies and create jobs. Yet, they face a persistent USD 1.7 trillion financing gap, which hinders their ability to scale (Women Entrepreneurs Finance Initiative, 2022^[3]). Research by Women Entrepreneurs Finance Initiative (We-Fi) (2022^[3]) suggests that if women were empowered to create and expand businesses at the same rate as men, it could unlock an additional USD 5-6 trillion in global economic value.

A growing body of evidence also highlights that women's entrepreneurship generates broader socio-economic benefits (Chiplunkar and Goldberg, 2024^[4]). Research shows that **women are more likely to hire other women**, creating a significant "multiplier effect". This suggests that promoting women's entrepreneurship can serve as an effective demand-side policy to boost female labour force participation, stimulating economic growth and enhancing overall welfare without exerting downward pressure on real wages (Chiplunkar and Goldberg, 2024^[4]).

This trend is illustrated in Figure 1, which compares the likelihood of a woman being employed as a worker or manager in female-owned versus male-owned firms. A ratio of one indicates gender parity, meaning women are equally likely to be employed regardless of the firm's ownership. The data reveal that, globally, women-owned firms are 1.8 times more likely to employ women, a pattern that also holds across ASEAN countries, albeit to a lesser extent (with an average ratio of 1.3). More strikingly, female-owned businesses are 8.7 times more likely to have a woman in a top management position, with the likelihood exceeding 15 times in Viet Nam, and 5 times in Indonesia and in the Philippines.

Figure 1. Women hire more women

Ratio of female workers and managers in female- and male-owned firms, 2006-2023



Note: Adapted from Chiplunkar and Goldberg (2024^[5]). The ASEAN average excludes data from Thailand and Brunei Darussalam.
Source: Author's calculations based on the World Bank Enterprise Survey (WBES) database, 2006-2023.

Recognising this impact, many governments have prioritised policies to support women's entrepreneurship. ASEAN's commitment to promoting women's economic empowerment in the region stems back to the Declaration on the Advancement of Women in ASEAN in 1988 (ASEAN, 2012^[6]), through which ASEAN member states called for active participation of women in the region's development. This early commitment has since been reinforced through various instruments and work plans, including the Ha Noi Declaration and the ASEAN Committee on Women (ACW) Work Plans (OXFAM, 2021^[7]), which focused on women's economic rights. Recent efforts have culminated in the development of the Action Agenda on Mainstreaming Women's Economic Empowerment in ASEAN (ASEAN, 2021^[8]), outlining measurable actions to enhance access to finance, training and markets, as well as promoting women's leadership in various sectors. ASEAN has developed guidelines and toolkits to further this agenda, such as the ASEAN Guideline on Gender Mainstreaming into Labour and Employment Policies (ASEAN, 2021^[9]) and *Strengthening Women's Entrepreneurship in National MSME Policies Toolkit* (UNESCAP, 2022^[10]) in partnership with the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) and Canada.

In parallel, the OECD has played an important role in supporting governments worldwide in strengthening women's entrepreneurship policies, providing evidence-based recommendations and policy guidance. Prominent examples are the *OECD Recommendation on SME and Entrepreneurship Policy* (OECD/LEGAL/0473) and the *Recommendation on Gender Equality in Education, Employment and Entrepreneurship* (OECD/LEGAL/0398), which offer a comprehensive framework to foster inclusive and sustainable entrepreneurship ecosystems, including on women entrepreneurship. Through the OECD Southeast Asia Gender Initiative, a number of activities took place in Southeast Asia promoting the OECD and regional good policy practices and looking at the barriers women entrepreneurs face in the region (OECD, 2017^[11]; ASEAN/OECD, 2021^[12]).

Women entrepreneurship in remote and rural areas

As women's entrepreneurship gains global recognition, recent data highlight its growing significance in rural and remote areas¹. While female self-employment rates (as a percentage of all employed women) are generally lower than those of men globally, the trend tends to reverse in rural settings – where women's self-employment rates surpass those in urban areas and match or even exceed those of men. According to estimates by the International Labour Organization (ILO), in ASEAN as of 2020, 65% of employed women in rural areas were self-employed, compared to 43% in urban areas, and the female rural self-employment rate stood at 115% of the male rate (ILO, 2025^[13]).

Women's entrepreneurship in rural and remote areas is increasingly recognised as a key driver of local economic development, community resilience, social inclusion and gender equality (Velmurugan, Bhuvaneshwari and Senthil Kumar, 2025^[14]; Ahl et al., 2023^[15]). Women entrepreneurs are often deeply embedded in family and local social structures, and their contributions are both multidimensional and indispensable to the viability of rural communities (Ahl et al., 2023^[15]). Their enterprises frequently deliver essential goods and services, such as improving access to education and healthcare, without which rural life would be difficult to sustain. These businesses also generate economic spillover effects, acting as buyers in local value chains and attracting visitors who contribute to the local economy (Ahl et al., 2023^[15]).

Many women-led businesses are closely tied to their communities, engaging in local development projects and offering intangible social services, such as serving as social hubs or increasing the visibility of rural locations through their brands (Ahl et al., 2023^[15]). Evidence suggests that women-led businesses are also more likely to reinvest in their communities, contributing to improved social infrastructure and cohesion. In sectors such as sustainable agriculture, eco-tourism and artisanal crafts, women entrepreneurs help preserve local traditions, promote environmentally sustainable practices and enhance regions' cultural heritage.

In turn, entrepreneurship empowers women by providing financial independence, decision-making power and a means to challenge traditional gender roles. Supporting women's entrepreneurship in rural and remote regions can therefore help diversify income sources, enhance rural livelihoods and strengthen community identity, thus contributing to broader economic and social development goals.

Yet, data on women entrepreneurship in remote and rural areas are scarce. Some of the case studies, surveys and observations suggest that despite their potential, women entrepreneurs in these regions face a range of challenges that hinder their ability to fully contribute to economic growth. Often interconnected, these challenges create compounding obstacles that hinder women entrepreneurs in remote areas globally and are exacerbated by geographical isolation, limited infrastructure and environmental conditions (Movahedi and Farani, 2012^[16]). Key barriers include:

- **Lack of support ecosystem**, including advisory and mentoring services, limited government and private support programmes. Business development services are scarce in remote regions, and when available, they may not be fully utilised due to challenges in cost, literacy or accessibility.
- **Access to finance**: Women in rural areas struggle to secure adequate financing due to limited banking services and financial infrastructure, widespread informality, a lack of tailored financial products and gender disparities in collateral ownership. While microfinance has expanded, loan sizes remain insufficient for business scaling.
- **Lower levels of entrepreneurship skills and training**: Many women perceive a lack of necessary skills, knowledge and experience relating to starting and managing a business. They also report less access to entrepreneurship training programs, which are crucial for developing business acumen and confidence (OECD, 2018^[17]).
- **Access to infrastructure**: Access to infrastructure in rural areas consistently lags behind that of urban regions, reinforcing geographic and socio-economic inequalities (UNESCAP, 2021^[18]). Poor

transport, energy and digital connectivity further isolate rural women from markets, financial services and public institutions. High costs and unreliable Internet limit their ability to leverage online platforms for marketing, sales and business expansion (Cherie Blair Foundation for Women & Intuit, 2024^[19]). As a result, rural women often work longer hours, both paid and unpaid, than men in their households and women in more advantaged settings (ILO, 2019^[20]). These infrastructure gaps contribute to time poverty, constraining rural women's ability to participate fully in entrepreneurial activities.

- **Informality and limited demand:** Faced with few employment alternatives, rural women often start businesses in highly saturated sectors within the informal economy, engaging in low-productivity and low-return activities. Informal businesses typically have less access to government support and formal financial services, which limits their growth potential. Importantly, lack of demand is increasingly recognised as a key barrier to the growth of women-owned businesses (Hardy and Kagy, 2021^[21]).
- **Discouraging social and cultural attitudes while balancing business and family responsibilities:** Women frequently face challenges in balancing entrepreneurial activities with family and household responsibilities, as they continue to shoulder a disproportionate share of unpaid care and domestic work. For example, in Southeast Asia, women spend more than twice as much time on these tasks as men, with particularly stark gaps in countries like Malaysia, where women dedicate an average of five hours daily compared to just one hour for men (ASEAN/UN WOMEN, 2024^[22]; OECD, 2024^[23]) (see Box 1). This dual burden can limit the time and energy they can invest in their businesses, affecting growth and sustainability. This is even more pronounced in rural areas, where limited access to childcare and eldercare facilities and more deeply entrenched gender norms further restricts women's ability to engage in entrepreneurial activities (OECD, 2020^[24]; OECD, 2024^[23]). Additionally, societal restrictions on mobility and networking make it difficult for women to access key business connections, further limiting their exposure to growth opportunities.

These challenges are not unique to a single region but are experienced by women entrepreneurs worldwide, with variations in severity depending on local socio-economic conditions. For example, in rural areas of Egypt, physical distance and isolation limit women's access to markets (Elkafrawi and Refai, 2022^[25]). In Zimbabwe, limited market information restricts entrepreneurial opportunities for women, compounded by a lack of access to funding (Mashapure et al., 2022^[26]). In Morocco, restrictive social norms create additional barriers to women's entrepreneurial activities (Hanan, 2024^[27]).

Similar patterns can be observed across several Asian countries, although the specific dimensions and severity of these challenges vary by context. In many cases, women entrepreneurs in remote areas face low levels of education, limited access to capital, and cultural or religious constraints, which hinder their entrepreneurial activities (Tambunan, 2009^[28]).

In rural India, women entrepreneurs face socio-cultural barriers, restricted mobility and heavy household responsibilities that limit their business growth. Limited financial literacy, low bargaining power and cash-dependent operations further constrain their potential. Access to affordable credit is hindered by informal business structures, lack of collateral and rigid loan terms. Despite available government support, women struggle to navigate complex processes and rely on self-help groups with inadequate funding (World Bank, 2023^[29]). In Bangladesh, a significant proportion of rural women entrepreneurs lack formal education, with 76% having never attended school and 17% unable to read or write, relying primarily on manual skills to run their businesses (Nawaz, 2009^[30]).

In Pakistan, women entrepreneurs in remote areas often struggle to access markets due to limited seating arrangements on public transport, which reflect religious and social norms that restrict women's mobility (Roomi, 2005^[31]). They also face limited access to credit facilities, making it difficult to secure the capital needed to start or grow their businesses (Har Bakhsh Makhijani et al., 2015^[32]).

In Malaysia, the lack of peer support networks to exchange information and experiences limits opportunities for women entrepreneurs (Ming-Yen and Siong-Choy, 2021^[33]). These barriers are compounded by low levels of education and limited access to formal credit and financial institutions, particularly in rural and remote areas (Tambunan, 2004^[34]).

These challenges tend to be particularly pronounced in South Asian countries, where women's weaker socio-economic position further amplifies the barriers they face. As a result, much of the existing research has examined the challenges faced by women entrepreneurs in South Asia.

However, less evidence is available on the experiences of women entrepreneurs in Southeast Asia. Countries, such as Indonesia and the Philippines, offer distinct socio-economic contexts and policy challenges. Given the increasing policy focus on inclusive economic development, this report focuses on Indonesia and the Philippines, examining the barriers faced by women entrepreneurs in remote areas in those two countries and exploring policy options to support their greater economic participation.

Box 1. Trends in gender roles and the care economy in Southeast Asia

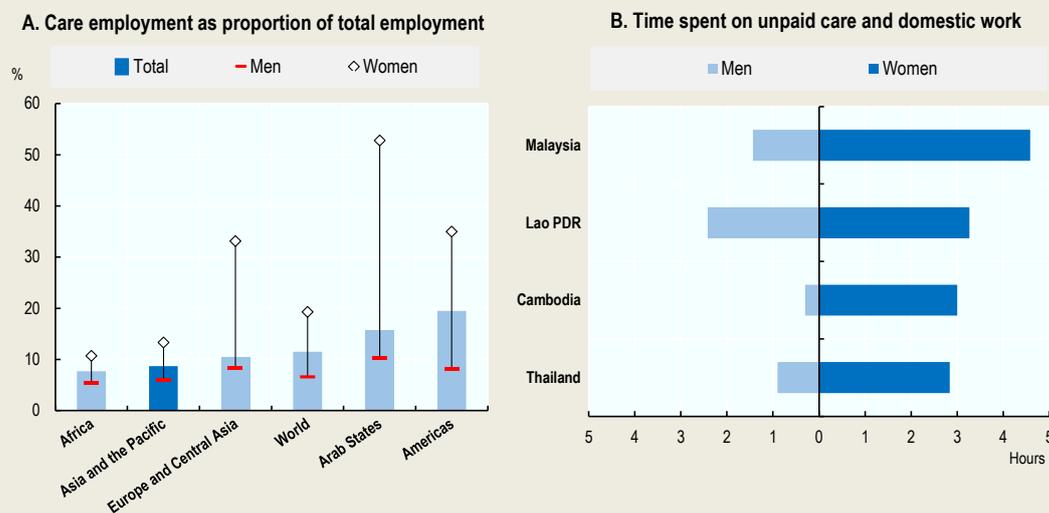
Insights from the OECD Social Institutions and Gender Index (SIGI) 2024 Regional Report for Southeast Asia

Recent OECD data point to a re-strengthening of traditional gender roles in Southeast Asia. Between 2014 and 2022, the share of people agreeing that university education is more important for boys than girls increased by 15%, while those supporting male job priority in times of scarcity rose by 12%. These regional averages mask contrasting national trends: for example, discriminatory attitudes toward working mothers have declined in Indonesia, Singapore and Viet Nam, but worsened in Malaysia. In 2022, agreement with the idea that children suffer when mothers work ranged from 11% in Indonesia to 78% in Viet Nam.

The provision of care in Southeast Asia is still widely seen as a private responsibility, predominantly carried out by women. Strong preferences for family-based care, reinforced by gender norms that uphold women's role as caregivers, result in a system that relies heavily on women's unpaid work. The paid care sector is also largely feminised but remains limited in size and is mostly informal, increasing the economic vulnerability of women employed in these roles.

In Cambodia, for example, women undertake 91% of unpaid household tasks, spending nearly three hours more daily than men (see Figure 2). Across the region, employment in the care economy is low, ranging from 3% of total employment in Myanmar to 7% in the Philippines, against a global average of 12%. These low rates of paid employment in care sectors confirm a stronger reliance on the provision of care via unpaid arrangements within households. In some countries, such as Cambodia, the Philippines, Singapore and Viet Nam, laws even place legal responsibility for elder care on family members.

Figure 2. Paid care in Southeast Asia remains limited, while unpaid care is predominantly provided by women



Source: OECD (2024^[23]), *SIGI 2024 Regional Report for Southeast Asia: Time to Care*, p.91.

Yet, socio-demographic trends in the region, such as ageing populations and rising female education, are rapidly increasing the need for formal care services. Investments in formal care could generate substantial employment and support women's economic empowerment. OECD estimates suggest that by 2035, 300 million jobs could be created in Asia-Pacific's care economy, 78% of them for women. In Indonesia alone, universal childcare and long-term care services could generate over 10 million jobs. Moreover, the increased provision and use of formal care services can directly enhance women's labour force participation by enabling them to outsource unpaid care responsibilities.

Source: OECD (2024^[23]), *SIGI 2024 Regional Report for Southeast Asia: Time to Care*.

2 Women entrepreneurship outlook in Indonesia and the Philippines

In Southeast Asia, Indonesia and the Philippines stand out for their high concentration of micro, small and medium-sized enterprises (MSMEs), many of which are led by women. In the Philippines, MSMEs account for 99.6% of all business establishments, with women owning or leading 55.8% of them (Philippine Commission on Women, n.d.^[35]; DTI Philippines, 2023^[36]). Similarly, in Indonesia, MSMEs represent 99% of all business units, with more than half under female leadership (Fillaili et al., 2022^[37]). This level of female business ownership is exceptional by global standards. Worldwide, only around one-third of businesses have at least one woman among their principal owners, and in regions such as Middle East and North Africa (MENA) and South Asia, that share drops to just 15% (Chiplunkar and Goldberg, 2024^[5]).

Both Indonesia and the Philippines are archipelagic states with thousands of islands and vast remote rural areas. Although both countries have a higher proportion of their population living in urban centres – 81.5% in Indonesia and 59.5% in the Philippines – approximately 96% of their land mass is classified as “rural” (European Commission, Joint Research Centre, 2015^[38]). This dispersed geography characterised by a non-contiguous landscape creates unique infrastructural and economic challenges, making it difficult to ensure equitable access to resources and opportunities across all regions. Given these geographical constraints, strengthening support for women entrepreneurs in remote and rural areas is not only a matter of local economic empowerment but also a critical strategy for fostering inclusive and sustainable growth.

Both Indonesia and the Philippines stand out for their strong policy frameworks and sustained efforts to support women’s entrepreneurship. The Philippines has adopted a comprehensive approach, underpinned by robust legal instruments such as the Magna Carta of Women, while Indonesia has made major strides through the launch of its National Strategy for Women’s Financial Inclusion (SNKI-P). Targeted policies and initiatives aimed at addressing the distinct challenges faced by women-led businesses in remote and rural regions can further help both countries to unlock new pathways for local development while reducing regional disparities. This section examines the landscape of women’s entrepreneurship in the two countries, highlighting existing national support initiatives as well as the specific barriers faced by women entrepreneurs in rural and remote areas.

Indonesia

In Indonesia, women-led MSMEs represent a substantial segment of the business landscape. According to official data from the Central Statistics Agency (BPS), they accounted for 64.5% of the total MSMEs as of 2021 (collectively contributing to nearly 60% of Indonesia’s GDP) and the proportion of women entrepreneurs continues to grow each year (Tubastuvi and Purwidiyanti, 2023^[39]; Fillaili et al., 2022^[37]). Although official gender-disaggregated statistics are limited, a recent survey by the Boston Consulting Group suggests that around 48% of women-led businesses operate in the food and beverage sector, followed by services and retail. Women are also active in agriculture, particularly in smallholder farming and ultra-micro enterprises (Boston Consulting Group, 2024^[40]).

While women-led MSMEs account for a significant share of businesses, studies show that their representation declines as enterprise size increases, with fewer women leading larger and more complex firms (Tambunan, 2009^[28]; UNESCAP, 2022^[10]; Fillaili et al., 2022^[37]). Research conducted by SIRCLO Group on a sample of 500 women entrepreneurs found that 56% operate without employees, 26% only employ 1-2 people and 10% have 3-5 employees (SIRCLO Group, 2022^[41]; Tubastuvi and Purwidiati, 2023^[39]). Moreover, only 20% of women in Indonesia are classified as “employers”, the lowest share among member states in ASEAN, underscoring the need for targeted support to help women transition into job-creating roles (UNESCAP, 2022^[10]). These trends point to two key challenges: a) entrepreneurship in larger and more complex businesses continues to be predominantly male-dominated in Indonesia; and b) women-led businesses play a critical role in poverty reduction and women economic empowerment, particularly in rural areas, yet their potential remains underutilised due to structural barriers to scaling up (Tambunan, 2009^[28]).

Policy frameworks and support mechanisms for women entrepreneurs in Indonesia

In Indonesia, a woman entrepreneur is defined by the Presidential Regulation (Perpres No. 2/2022) on National Entrepreneurship Development for 2021-2024 (Section 2.2.4) as a woman who operates a business registered under the government’s electronic business registration system and holds at least 51% ownership of the business, including its initial capital (UNESCAP, 2022^[10]). Unlike the International Finance Corporation (IFC) definition², which offers a flexible approach that combines 20% ownership with leadership criteria, the Indonesian definition primarily focuses on ownership. The presence of such a distinct definition of women-led MSMEs underscores Indonesia’s commitment to fostering women’s entrepreneurship and illustrates how well established and mainstreamed the concept of women-owned businesses is in national policies.

Recognising the importance of women’s entrepreneurship, Indonesia has implemented several measures to enhance financial inclusion and business opportunities for women. Through Presidential Decree No. 114 of 2020, the Indonesian government established the **National Strategy for Financial Inclusion (SNKI)**, prioritising women as a key target group for financial inclusion efforts. This commitment was further reinforced by the launch of the **National Strategy for Women’s Financial Inclusion (SNKI-P)**, which outlines specific measures to enhance women’s access to finance.

Complementing these efforts, the Ministry of Women’s Empowerment and Child Protection (KemenPPPA), in collaboration with State-Owned Enterprises (BUMN) such as PT Permodalan Nasional Madani (PNM), developed the **Mekaar programme**, a financing initiative aimed at supporting underprivileged women operating micro and ultra-micro businesses. Similarly, in 2017, the government introduced the **Ultra Micro Financing Programme (UMi)** as part of its National Priority Programmes to address the specific challenges women entrepreneurs face in accessing capital. Since its introduction, women have made up to 99% of UMi recipients nationwide (Pusat Investasi Pemerintah, 2024^[42]). Between 2017 and 2022, UMi financing in the Bangka Belitung Islands Province alone reached IDR 74.49 billion, benefiting 20 606 recipients, with women accounting for 98% of the total (Febriyani et al., 2023^[43]).

The positive impact of these initiatives is also reflected in international assessments. According to the **2024 ASEAN SME Policy Index** (ERIA/OECD, 2024^[44]), Indonesia has made significant progress in enhancing an enabling environment for women’s entrepreneurship. The country’s score for “Inclusive SMEs for Women” increased from 3.18 in 2018 to 4.09 (out of 6) in 2024, surpassing the median score for ASEAN. This improvement is largely attributed to both policy advancements and more effective implementation of support mechanisms in recent years. For example, KemenPPPA has launched specialised financing programme that targets underprivileged women who run micro and ultra-micro businesses. Additionally, the ministry has partnered with NGOs and the private sector to expand digital literacy training for women.

The **2023 OECD SIGI profile for Indonesia** further reinforces these positive trends. Indonesia’s legal and institutional frameworks provide equal rights for women and men to own and manage land, financial assets

and other productive resources (OECD, 2024^[23]). These provisions have contributed to narrowing gender disparities in key areas such as property ownership (women represent for 42% of landowners in the country) and access to financial services (women represent 51% of bank account holders), indicating progress towards a more enabling environment for women's economic participation (OECD, 2024^[23]).

Women entrepreneurs in remote and rural areas of Indonesia

In remote and rural areas of Indonesia, most women entrepreneurs run informal micro and small enterprises. **Restrictive social norms** remain deeply entrenched in the country and even more in these regions, often preventing women from starting and growing their businesses (Tambunan, 2004^[34]; ERIA Study team, 2022^[45]; UNCTAD, 2023^[46]; FAO, 2019^[47]). The 2023 OECD SIGI highlights that discriminatory laws and social norms still limit women's roles, with men being positioned as the primary breadwinners and decision-makers within the family (OECD, 2024^[23]). For example, the Law on Marriage designates the husband as the head of the household, with women primarily expected to assume household responsibilities (OECD, 2024^[23]). These entrenched gender norms significantly limit women's opportunities, as a substantial portion of the population holds the belief that women are less suited for leadership roles and should be given lower priority than men in the labour market.

The government has launched several initiatives to promote local women's entrepreneurship in rural areas, one of the most prominent being **Badan Usaha Milik Desa (BUMDes)**, or village-owned enterprises. BUMDes are community-based institutions established and supported by local governments to drive economic and social development at the village level. Funded by the Indonesian government, they aim to harness local resources and entrepreneurial potential by providing services and creating business opportunities tailored to the specific needs of rural communities.

The Ministry of Cooperatives and SMEs has also established **Pusat Layanan Usaha Terpadu (PLUT)**, or Integrated Business Service Centres, to provide targeted support to MSMEs. These centres offer one-stop services such as business development consulting, training, legal advice and access to finance, helping rural entrepreneurs, particularly women, overcome barriers to market entry and business growth. PLUTs often collaborate with NGOs, cooperatives, universities and international organisations present in the field to strengthen their service delivery, and some integrate gender-responsive approaches promoted by global partners.

There are also a number of grassroots initiatives. One example of such initiative is the Gender-Based Digital Entrepreneurship training developed by the **Association for Women in Small Business Assistance (ASPPUK)**. This training actively involves men as facilitators and participants. By engaging men in the process, ASPPUK promotes a more inclusive environment that not only empowers rural women but also helps men gain a better understanding of the importance of women's economic empowerment for families and communities (see Box 2). Another example of an initiative addressing these challenges is **Nazava Water Filters**, a social enterprise that empowers women economically by integrating them into its community-based sales network in rural areas. Nazava's model not only provides women with access to a profitable business opportunity but also positions them as influential leaders within rural communities, helping to tackle gender-based social norms (see Box 2).

Beyond restrictive social norms, **limited access to financing** presents another major challenge for women-led enterprises in rural areas, particularly outside Jakarta and Surabaya. Although Indonesia has liberalised its financial system to support the development of **small rural banks** (BPR) (Hani et al., 2012^[48]), the impact on rural women entrepreneurs has been limited, suggesting that the challenge extends beyond improving access to credit itself and highlights the need to strengthen mechanisms that allow women entrepreneurs to effectively leverage financial resources for business growth. A study of 100 women entrepreneurs across 10 villages in Purworejo, Central Java, reveals similar trends. Most women operate in the trade sector, running small grocery stores or selling vegetables, fruits and meats, often from

their homes (HelpAge International, 2023^[49]). Many of these women face challenges in access to credit, high competition and customer debt, all of which hinder their ability to scale and sustain operations.

These financing constraints are further compounded by the high prevalence of **informality** in rural Indonesia, which far exceeds levels observed in comparable countries in the region (ILO, 2018^[50]; Ablaza, Alladi and Pape, 2023^[51]). Informal employment accounted for nearly 75% of total employment according to estimates based on the 2019 Sakernas³ (Wihardja and Cunningham, 2021^[52]), with enterprise informality especially pronounced among micro and small non-agricultural firms. More than 93% of micro and small non-agricultural firms lacked legal status according to the 2016 National Economic Census (UNESCAP, 2022^[10]). Informality is geographically concentrated, with the highest levels observed in the outer islands of Kalimantan, Sulawesi, Sumatra and Eastern regions such as Nusa Tenggara, Maluku and Papua, underscoring its highly rural nature (Hapsari et al., 2023^[53]; ADB, 2018^[54]). As informality is also found to be more pronounced among women (OECD, 2024^[55]; Hapsari et al., 2023^[53]), rural women entrepreneurs are particularly exposed to the challenges of informality, facing a double disadvantage that stems from both gender- and location-based vulnerabilities.

In this context, rural banks can play an important role in reaching informal businesses that would otherwise remain outside the financial system. Their potential to provide credit to women-led informal enterprises offers a key entry point for addressing both financial exclusion and structural informality in rural areas. New digital technologies and fintech innovations hold promise to expand the reach and sustainability of these rural banks, enabling them to better serve the needs of informal women entrepreneurs operating in remote regions and to help gradually formalise their operations (ILO, 2024^[56]).

Overall, a range of factors help explain the persistence of informality in the country. According to a joint ASEAN-OECD report (ASEAN/OECD, 2020^[57]), many informal entrepreneurs lack access to information on the processes and benefits of formalisation or have limited exposure to formal employment pathways. Evidence from Banten province shows that the majority of informal workers entered the sector because it was the only work they knew (ADB/BPS-Statistics Indonesia, 2011^[58]), pointing to a combination of limited options and behavioural inertia. Moreover, informality is not a binary condition; rather, many businesses are partially formalised or abandon registration midway, a phenomenon described as “incomplete formalisation” (Rothenberg et al., 2016^[59]). These findings highlight the need for more granular data and targeted interventions that reflect the diverse realities of informality.

All in all, while policy support has contributed to the advancement of women entrepreneurship in Indonesia, challenges remain – particularly in remote and rural areas, where gender norms, limited financial access and high levels of informality hinder business expansion. Addressing these challenges requires tailored interventions that not only enhance women’s access to resources but also build their confidence, expand their business networks and provide the necessary support for diversifying and scaling their enterprises.

Box 2. Breaking barriers, building opportunities: Case studies from Indonesia

The Nazava Water Filters’ story, Indonesia

In Indonesia, where no one has direct access to safe tap water, households must either boil or purchase drinking water, both costly and time-consuming practices. Lower-income rural women, in particular, bear the heaviest burden of this issue. Nazava Water Filters provides an affordable and efficient solution, enabling families to purify well tap, river or rainwater without boiling or using electricity.

Beyond improving water access, Nazava empowers women economically by integrating them into its community-based sales network in rural areas. The company has recruited 120 women as resellers in these underserved regions, including teachers and small business owners, who sell water filters within

their local communities. This model not only provides these women with an additional source of income but also positions them as influential leaders within rural communities.

Nazava's approach demonstrates how financial and social barriers specific to rural areas can be mitigated through targeted interventions. By offering access to a profitable business opportunity and strengthening women's roles in these remote communities, the initiative addresses the structural limitations that often hinder women entrepreneurs in rural Indonesia.

ASPPUK's inclusive approach, Indonesia

ASPPUK works to overcome the barriers faced by women entrepreneurs in remote areas of Indonesia by providing digital skills training and financial support. Through initiatives like the Gender-Based Digital Entrepreneurship training, ASPPUK equips women with digital skills and access to capital via Local Women's Financial Institutions (LKP), promoting financial independence and strengthening their leadership and decision-making within their communities.

Facing men's reluctance to accept women's entrepreneurial ambitions and the opportunities provided, ASPPUK encourages male participation in the process to foster a more inclusive environment that empowers women while helping men gain a better understanding of the importance of women's economic empowerment for family and community well-being.

ASPPUK's initiatives underscore the necessity of male inclusion in fostering the development of women-led enterprises in remote Indonesian communities. Engaging men not only supports women's entrepreneurial ambitions but also ensures a transformative and sustainable impact on these communities.

Note: These two initiatives were identified and interviewed. Please refer to Annex A.

The Philippines

Women-owned and women-led businesses make up a significant portion of MSMEs in the Philippines. MSMEs comprises 99.6% of all the business establishments in the country, and according to a recent Asian Development Bank (ADB) survey, women-owned businesses represent 58% of microenterprises, 50.3% of small enterprises and 16% of medium-sized enterprises (ADB, 2023^[60]). Although gender-disaggregated data are limited (Geotina-Garcia, 2024^[61]), MSMEs in the country are predominantly found in sectors such as retail trade, food services, manufacturing and various service industries, with over half concentrated in Metro Manila and nearby regions (Investing in Women, 2022^[62]). Notably, 62% of newly registered businesses in 2020 were women-owned (Investing in Women, 2022^[62]) and the self-employment rate among women (33.5%) is above that of men (31.9%), a notable contrast to other ASEAN countries where the female self-employment rate is about 86% of the male rate (UNESCAP, 2022^[10]).

Policy frameworks and support mechanisms for women entrepreneurs in the Philippines

Despite the strong representation of women-owned businesses in the Philippines, the country has not yet established a specific definition for women-owned enterprise. Instead, it refers to the IFC definition, highlighting a lack of clear national legal and policy frameworks for women-led MSMEs (UNESCAP, 2022^[10]). To address this gap, the Philippines incorporated women's entrepreneurship as a priority in its **MSME Development Plan 2017-2022** (DTI Philippines, 2018^[63]), with measures aimed at supporting women-owned businesses in leveraging the digital economy and enhancing resilience (UNESCAP, 2022^[10]). Complementing these efforts, the **Gender Equality and Women's Empowerment Plan 2019-2025** outlines targeted outcomes for the trade, industry and services sectors, to strengthen women's ability to sustain and grow their businesses. In particular, the plan aims to increase the share of women-owned

enterprises by 10% and boost the number of women-led startups in science, technology, innovation and ICT (UNESCAP, 2022^[10]).

According to the **2024 ASEAN SME Policy Index** (ERIA/OECD, 2024^[44]), the Philippines is recognised for its comprehensive approach to supporting inclusive SMEs, excelling in planning and design for women-focused initiatives and outperforming the ASEAN median across most indicators. Specifically, the Philippines scored 5.28 out of 6 in “Inclusive SMEs for Women,” which is significantly higher than the ASEAN median of 3.8. The country benefits from a well-structured policy framework, reinforced by key legal provisions such as the **Magna Carta of Women** (Republic Act No. 9710) (Philippine Commission on Women, 2009^[64]) and the **Magna Carta for MSMEs** (Republic Act No. 9501) (DTI Philippines, 2010^[65]), which ensure equal access to credit and business resources for women, thereby fostering their economic involvement. The Women in Development and Nation Building Act (Sec. 5) further prohibit discrimination in access to credit based on gender (World Bank, 2024^[66]), while the Act on Providing Assistance to Women Engaging in Micro and Cottage Business Enterprises (Republic Act No. 7882) grants priority loan access to women who have operated a qualifying micro or cottage business for at least one year, allowing them to borrow amounts exceeding the value of their business equipment (UNESCAP, 2022^[10]).

The government has also put in place a number of support mechanisms at the local level. The Department of Trade and Industry (DTI) and relevant agencies have continued to support women-led MSMEs by enhancing their capabilities in knowledge management, business development and marketing strategies (UNESCAP, 2022^[10]). For example, in partnership with DTI, the Women’s Business Council Philippines, Inc. (WomenBizPH) serves as the government’s primary private sector partner in advancing women’s economic empowerment by supporting women-led business through capacity-building initiatives, such as employee coaching (Women’s Business Council Philippines, n.d.^[67]). In 2019, 64% of the MSMEs supported by **DTI’s Negosyo Centres** were women-owned or led (Geotina-Garcia, 2024^[61]), reflecting the government’s effort to promote women’s entrepreneurship. Another notable example is the launch of the Enterprise Rehabilitation Financing Facility under the Pondo sa Pagbabago at Pag-aseño (P3) Programme (DTI Philippines, 2017^[68]), which provided critical financial assistance to women-owned enterprises affected by the COVID-19 pandemic. Additionally, in line with the MSME Development Plan 2017-2022 to promote women entrepreneurs through capacity-building and market access, over 500 women micro-entrepreneurs were trained in enterprise management and market development in 2020, as part of Canadian-funded Gender Responsive Economic Actions for the Transformation of Women (GREAT Women) Project II (UNESCAP, 2022^[10]).

Despite ongoing efforts to support women entrepreneurs, challenges persist. An assessment using the **UNESCAP Toolkit** identified several key barriers faced by Filipino entrepreneurs, including limited access to credit and skills, difficulties in navigating the digital economy, compliance issues with program requirements and the added burden of balancing business with childcare and household duties (UNESCAP, 2022^[10]).

Further insights from the **OECD 2023 survey of women entrepreneurs in ASEAN** highlight the main obstacles Filipino women face when starting a business. These include limited access to financial capital, challenges in developing a business idea or product and difficulties in securing the right talent. Once their businesses are established, women entrepreneurs encounter additional hurdles in scaling their operations, including high operational costs, intense market competition and difficulties in expanding their customer base and reaching larger markets.

Women entrepreneurs in remote and rural areas of the Philippines

These challenges are even more pronounced **in remote and rural areas**, where a significant proportion (40.5%) of the population resides. Although comprehensive data on women entrepreneurs in remote areas remain limited, available evidence points to several specific challenges they face. Women in these areas have demonstrated strong business management skills, including goal setting, information seeking, and

systematic planning and monitoring (Resurreccion and Philippines, 2012^[69]). However, similar to the situation in Indonesia, their entrepreneurial potential remains largely untapped due to **restrictive social norms** that contribute to their lower social status and limit their business aspirations.

Approximately one-third of women entrepreneurs in remote areas engage in wholesale and retail activities, such as operating convenience stores, selling fish and meat, and running fruit stands (Resurreccion and Philippines, 2012^[69]). These entrepreneurs are predominantly married, with an average age of 47.8 years, and often have adult children (Resurreccion and Philippines, 2012^[69]). Their businesses tend to be small in scale, enabling them to balance work and family responsibilities. This preference for lower risk and more manageable ventures reflects the influence of social norms, which often undermine women's confidence in expanding their business activities.

The Philippine government has established over a thousand **Negosyo Centers** under DTI, including in remote municipalities. These Centers provide critical services such as business registration assistance, advisory support, training and access to shared service facilities. For example, in the Cordillera Administrative Region, a predominantly mountainous and remote area, 62 Negosyo Centers and 218 Shared Service Facilities are currently operational, helping more than 2 000 MSMEs improve productivity and product quality (Philippine Information Agency, 2025^[70]). Such infrastructure plays an important role in enabling women entrepreneurs in remote areas to formalise and strengthen their businesses, while reducing barriers linked to isolation and limited institutional support.

Overall, despite the significant role of women-led MSMEs in the Philippine economy, persistent barriers – particularly in access to finance, skills development and market expansion – continue to hinder their growth. As for Indonesia, these challenges are further compounded in remote and rural areas, where restrictive social norms and infrastructural limitations disproportionately affect women entrepreneurs. Strengthening tailored policy interventions, expanding financial inclusion and fostering a more supportive entrepreneurial ecosystem will be essential in unlocking the full potential of women's businesses.

3

Role of digitalisation for women entrepreneurship in remote and rural areas: Opportunities and challenges

Digitalisation presents significant opportunities for women entrepreneurs in remote and rural areas, serving as a powerful enabler of business growth, market access and financial inclusion. The adoption of digital technologies has long been recognised as a key driver of efficiency and competitiveness of MSMEs. However, the COVID-19 pandemic accelerated the shift toward digitalisation, further highlighting its ability to increase business resilience and enable business expansion. This section explores both the opportunities and challenges emerging from the digital economy, presenting concrete examples of how digital tools are enabling new business models and transforming the way remote and rural women operate. At the same time, this section highlights the persistent gender digital divide that continues to constrain women's digital participation across Southeast Asia. The geographic complexity of Indonesia and the Philippines further compounds these challenges, contributing to a substantial urban-rural digital divide. Together, these factors create a double digital burden for rural women, limiting their ability to fully capitalise on digital opportunities.

Opportunities

For women entrepreneurs in remote areas, digital tools can help **overcome traditional barriers** by facilitating access to training, finance, markets and professional networks.

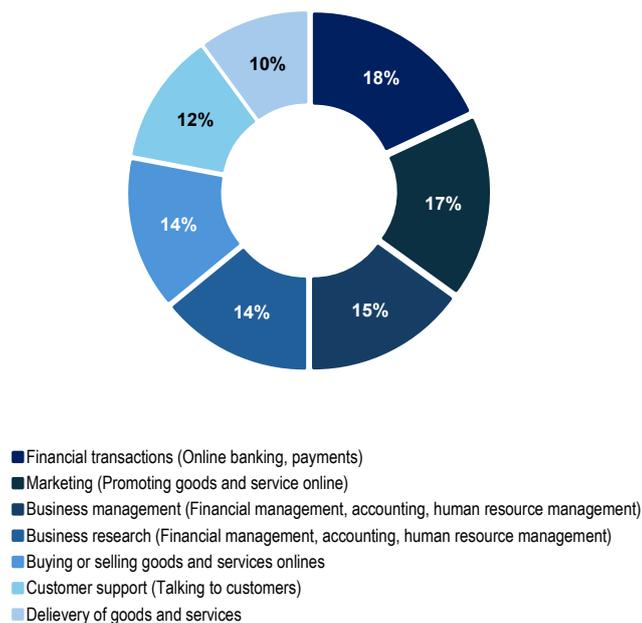
Online platforms and AI-driven tools have revolutionised the delivery of **business training**, making it possible for women entrepreneurs to acquire new skills remotely. Likewise, **digital financial services (DFS)** and **fintech solutions** are transforming access to finance. Innovations such as cashflow-based lending, AI-driven credit assessments and alternative data analytics, are helping women-owned businesses secure funding, despite traditional constraints such as lack of collateral or credit history (World Bank, 2022^[71]). However, these technologies also carry risks. AI and machine learning algorithms may reflect biases embedded in training data (such as gender, race or socio-economic status) leading to unintended discrimination and the exclusion of certain groups from digital lending products. These challenges highlight the importance of implementing safeguards and bias mitigation strategies, ensuring that digital finance tools promote, rather than hinder, access to finance for women entrepreneurs (World Bank, 2022^[71]).

Digital platforms also **enhance market reach**, enabling women entrepreneurs to expand their customer base through e-commerce, social media marketing and online retail channels. Additionally, **online networking groups** provide new opportunities for women entrepreneurs to connect with peers, mentors

and investors, fostering business growth and reducing geographic barriers. A growing body of research highlights the cost-effective power of online networks for women entrepreneurs (Asiedu et al., 2023^[72]), demonstrating their potential to support business development even in the most remote areas.

Digitalisation plays a crucial role in lowering the barriers to women's entrepreneurship in Southeast Asia. In the 2023 survey of women entrepreneurs in ASEAN conducted by the OECD, respondents from ten ASEAN countries affirmed that the pandemic made it more important for them to use digital tools and services in their operations, and that it accelerated their businesses' digital transformation. More importantly, businesses who have successfully adopted digitalisation feel better prepared to deal with future challenges and economic disruptions. As shown in Figure 3, the survey indicates that women entrepreneurs in ASEAN use digital technology in a variety of ways, but the most common reasons are for financial transactions, marketing and business management. In the Philippines, the survey further highlights that digital tools are frequently used for customer support and e-commerce activities. These findings suggest that respondents employ digital technology to streamline their operations, reach new customers and grow their businesses. Respondents indicate that the use of digital technology contributes to improved productivity, customer engagement and real-time measurement of business activities. In the Philippines, increased profitability is also listed as a key advantage resulting from the employment of digital tools and services.

Figure 3. Use of digital tools and services in ASEAN



Note: Figure is based on a total of 236 respondents from 10 ASEAN member countries.

Source: Authors' calculations based on the 2023 OECD Survey of Women Entrepreneurs in ASEAN.

The survey also found that women entrepreneurs in ASEAN demonstrate a strong inclination towards adopting digital technologies. Apart from enhancing their business operations, they perceive that use of digital technology gives them a greater sense of confidence and independence in managing their own businesses.

Participants in the OECD Policy Dialogue held in Manila in December 2024 shared concrete stories illustrating how Internet access and digital platforms have enabled new business models, expanded

customer reach and increased operational efficiency. Box 4 and Section 4 provide further insights into the findings that emerged from the dialogue.

Recognising the opportunities presented by digitalisation in the region, both the Philippines and Indonesia have taken steps to promote its adoption. Governments and international initiatives have launched several programmes aimed at helping women entrepreneurs' transition to digital platforms (see Box 3).

Box 3. Programmes supporting women-led MSME in digital transition

The Philippines

- **Negosyo Centres**, which are a cornerstone of DTI's support to women entrepreneurs, facilitate access to digital technologies and help women leverage e-commerce platforms and digital financial services to expand their businesses.
- In 2018, the Department of Science and Technology (DOST) launched [OneStore.ph](#), an e-commerce platform designed to help MSMEs, expand their market reach locally and internationally. As part of the SETUP (Small Enterprise Technology Upgrading Program), this platform has gained significant traction, with 65% of registered MSMEs being women-owned, many of which are in the food service sector. The platform helps overcome geographical limitations and enhances brand visibility.

Indonesia

- **The Digital Entrepreneurship Academy (DEA)**, under the Ministry of Communications and Informatics, supports women entrepreneurs by providing training in digital entrepreneurship, business growth, financial literacy and cybersecurity. Women represent 63% of DEA participants with thousands having completed the training since the programme began (OPENGOV ASIA, 2022^[73]). The DEA also plays a key role in nationwide digital literacy efforts and tackles the gender gap in STEM fields, where women's participation in Indonesia remains at just 30% (OPENGOV ASIA, 2022^[73]).
- **Tokopedia**, one of Indonesia's leading e-commerce platforms, has played a key role in supporting women-led MSMEs through partnerships with government and local authorities. Tokopedia became the first e-commerce platform to collaborate with the government to facilitate the issuance of Business Identification Numbers (NIBs) via the Risk-Based Online Single Submission (OSS) system. In 2022 alone, over 5 000 MSME owners, including many women, registered for NIBs through this initiative. Moreover, it provides targeted training sessions such as the Digital Advanced Women's class (KPMD), to equip women entrepreneurs with digital skills and guide them through legal registration processes. These efforts, supported by a hyperlocal approach and campaigns, in early 2023 contributed to a nearly 30% increase in women sellers compared to pre-pandemic levels (Suparman, 2023^[74]).

In the Philippines, the E-Government Masterplan 2022 (EGMP), aligned with the ASEAN ICT Master Plan (Peña and Yao, 2022^[75]), sets out the country's digital transformation agenda. It provides a roadmap for digitalising public services, including infrastructure, website portals, security, e-resilience, and organisational and policy frameworks. This masterplan has been wildly successful, enabling women entrepreneurs to expand their customer base through courier services and cashless payments, thereby increasing their income. Furthermore, skills development in areas such as social media literacy and graphic

design has grown, empowering women to reach new clients while promoting greater independence and financial autonomy (Aquino, 2016^[76]).

Recently, DTI launched the E-Commerce Philippines 2024-2028 Roadmap to strengthen the country's e-commerce ecosystem and enhance the global reach of local businesses, introducing targeted support for women, youth, persons with disabilities and senior citizens (DTI Philippines, 2024^[77]). In parallel, DTI introduced the E-TAAS programme⁴ to close the digital divide (DTI Philippines, 2021^[78]). E-TAAS offers access to digital tools, e-commerce platforms, business diagnostics, and tailored support services to improve productivity and competitiveness. By promoting the digital transformation of MSMEs, including those led by women, the programme reinforces the government's commitment to inclusive innovation and supports women entrepreneurs in leveraging digital opportunities.

As part of these efforts to enhance digital capabilities, initiatives such as **Connected Women** play a crucial role in translating digital transformation into tangible economic opportunities for rural women (see Box 4). By providing training in AI and digital skills, Connected Women equips Filipino women with the tools needed to secure remote work and high-demand tech jobs.

In Indonesia, digitalisation strategies have similarly benefited women entrepreneurs by increasing their incomes across trade, food and beverage, and industry sectors (Nur Asrofi, Pratomo and Pangestuty, 2023^[79]). This positive impact is evident in several cases. For instance, the Strengthening Communities/Improving Lives and Livelihoods (SCILLS) programme equips women entrepreneurs with practical digital skills, such as marketing, Internet safety and content creation for online platforms. This has enabled them to expand their customer base and manage multiple roles more effectively in various regions including Serang (Lbouhmadi, 2025^[80]). Another example is Latifa Indonesia, a maternal wellbeing therapy business, which has reported an annual increase of approximately 20% in both customers and income since adopting a digital marketing strategy in 2017 (Rosepti and Niasari, 2022^[81]).

Box 4. Impact of digitalisation: Stories from the field

OECD Policy Dialogue on Women's Entrepreneurship in Remote Areas: The Impact of Digitalisation

On 10 December 2024, the OECD hosted a multi-stakeholder policy dialogue in Manila, Philippines, to explore how support for women entrepreneurs could be strengthened in the Philippines and Indonesia. For further details on the policy dialogue, see Section 4 of this report.

Among other things, the policy dialogue allowed stakeholders to gain insights into the impact of digitalisation. A key outcome of the dialogue was the confirmation that the COVID-19 pandemic has significantly accelerated the shift to digital tools, particularly for women entrepreneurs. Participants shared concrete stories illustrating how Internet access and digital platforms have enabled new business models, expanded customer reach and increased operational efficiency.

For example, Connected Women presented its work connecting women in isolated areas with companies. Other participants shared personal experiences, such as Ms. Afliana, a weaver who expanded her market by using e-commerce platforms and promoting her hand-crafted products via social media. These testimonies underscored how digital tools have transformed the way women operate their businesses, improving their ability to grow and innovate despite geographical constraints.

Connected Women: expanding digital access for rural women in the Philippines

Connected Women is empowering women in the Philippines by equipping them with digital and AI-related skills, enabling them to access new job opportunities and participate in the growing digital

economy. Through tailored training programmes, the initiative helps women secure remote work in high-demand fields like data annotation and AI.

For example, in partnership with government agencies such as the Technical Education and Skills Development Authority (TESDA) and DTI, Connected Women has trained thousands of women in AI and entrepreneurship. This programme has equipped 1 000 women with AI skills, including data classification and annotation. Through this programme, women in remote areas were able to work in both on-site and remote tech positions. Connected Women also offers entrepreneurship training, which has supported over 2 000 women in starting their own businesses.

By expanding digital access to women, especially in remote areas, their initiative helps bridge the gender gap in technology. This not only improves individual livelihoods but also strengthens the overall position of the Philippines as a competitive hub for AI-driven services.

Note: This information emerged during interviews in occasion of the OECD Policy Dialogue on Women's Entrepreneurship in Remote Areas: The Impact of Digitalisation. For more detailed insights into the policy dialogue, and the story and impact of Connected Women, please refer to Section 4 and Annex A.

Challenges

Despite the growing opportunities, the advantages of digitalisation have yet to be fully harnessed by women entrepreneurs across Southeast Asia. In the 2023 survey conducted by the OECD, 14 out of 236 women entrepreneurs' respondents (6%) who do not use digital technology in their businesses, cited lack of digital information, limited skills and scarce resources as their main reasons. More broadly, respondents reported significant obstacles in three key areas: **financial constraints**, **limited digital infrastructure** and **low levels of digital literacy**.

While digital technologies can serve as cost-effective tools to help reduce the operational costs of running a business, the high cost of acquiring such technologies serves as a barrier in itself. Women's limited access to finance, identified as one of the persisting challenges to women's entrepreneurship development in the region, makes acquiring digital tools, securing reliable internet connectivity and pursuing digital literacy training an even more challenging endeavour beyond women's financial reach. These financial constraints, combined with poor infrastructure, make digital technologies even less accessible. Moreover, a digital literacy gap persists across Southeast Asia, where many women feel they lack the skills and knowledge to make the most out of their use of digital technologies. ICT proficiency levels remain low across the region, with fewer than 30% of women possessing basic digital skills (ASEAN/UN WOMEN, 2024^[22]). As a result, women's Internet usage consistently lags behind men's across all Southeast Asian countries, highlighting the enduring **gender digital divide** (OECD, 2023^[82]).

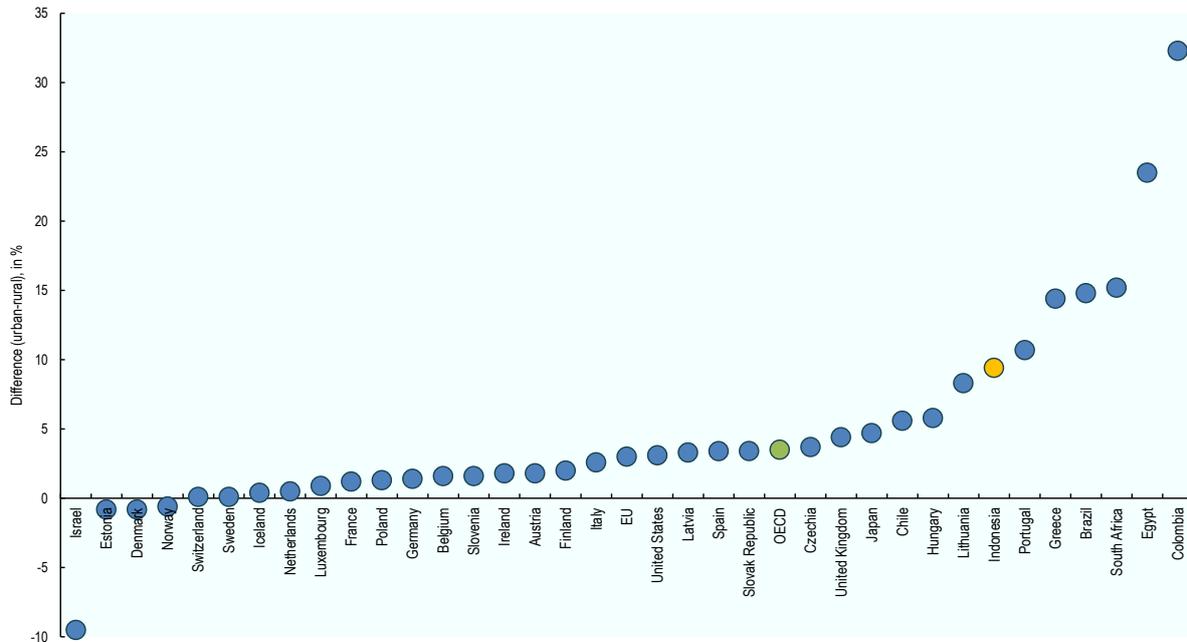
These barriers are particularly acute in **remote and rural areas**, where the gender digital divide intersects with geographic isolation to create a double digital burden for women entrepreneurs. Rural and remote regions indeed face distinct "**last mile**" **connectivity challenges** due to their distance from core network infrastructure, making broadband deployment both cost-prohibitive and commercially unviable (OECD, 2021^[83]).

Figure 4 illustrates the disparity in broadband uptake between urban and rural households in OECD and selected non-OECD countries. The graph shows that Indonesia's urban-rural divide is almost three times the OECD average (9.4% vs. 3.5%). Additional data from the International Telecommunication Union (ITU) (2023^[84]) indicate that while 83% of urban households in the Philippines have Internet access at home, this figure falls to 69% in rural areas. These gaps contribute to stark disparities in Internet usage, with ITU

data (2023^[84]) revealing that, across Southeast Asia, Internet adoption in rural areas lags behind urban areas by 22.5%.

Figure 4. Disparity in broadband uptake between urban and rural households

OECD and non-OECD countries, 2024 (or latest available data)



Note: This indicator measures the disparity in broadband uptake between urban and rural households. It reflects the share of households that have purchased subscriptions to fixed line (DSL, cable, fibre, satellite, terrestrial fixed wireless or other fixed wired technologies) or mobile broadband services of 256 Kbps advertised speed or more, and it is calculated as the share of urban households with broadband Internet access minus the share for rural households.

Source: The [OECD Going Digital Toolkit](https://oecd.org/dx/ict-access-usage), based on the OECD ICT Access and Usage by Households and Individuals Database, <https://oecd.org/dx/ict-access-usage>, and the ITU World Telecommunication/ICT Indicators [Database](https://www.itu.int/ITU-T/ict/).

Digitalisation challenges in the Philippines

In the Philippines, women respondents to the OECD 2023 survey cited insufficient technical skills, limited budget and security concerns among the main obstacles to the use of digital solutions in their businesses. Government programmes such as DigitaljobsPH, which aims to improve **digital skills** and employment opportunities, often struggle to reach remote communities due to geographical barriers. For instance, participants from island barangays often have to traverse the sea to attend training sessions, highlighting the lack of localised facilities and accessible infrastructure (OpenGov, 2023^[85]).

Trust in digital platforms also emerges as a growing concern. According to the GSMA (2024^[86]), nearly 29% of Filipino consumers have been victims of financial crimes such as identity theft and security breaches. The country has also witnessed a 4500% increase in deepfake cases, raising concerns over digital misinformation and its implications for trust in digital ecosystems (GSMA, 2024^[87]).

Limited digital infrastructure further compounds these issues. The country faces one of the world's largest mobile usage gaps, with 55 million people (over 45% of the population) not using mobile Internet (GSMA, 2024^[88]). This disparity is particularly pronounced in **rural areas**, where handset affordability and mobile ownership remain key barriers (GSMA, 2024^[88]). A 2019 government survey revealed that, while 32% of households in the National Capital Region have Internet access, this figure drops dramatically to

only 5% in rural areas, such as the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) and Bicol provinces (AlphaBeta, 2021^[89]). Rural areas also experience significantly **lower service quality**, with mobile broadband speeds 29.3% slower for downloads compared to cities (Figure 5) (Opensignal, 2025^[90]), and a territorial gap in mean latency between rural areas and cities of almost 21 milliseconds (ms) in 2024 (OECD, 2025^[91]).

When it comes to **broadband adoption**, the Philippines has the second-lowest mobile broadband subscription rate in the region, surpassing only Lao PDR, with 69.8 subscriptions per 100 inhabitants. This stands in contrast to the region's overall surge in mobile connectivity, which averaged 103.7 subscriptions per 100 inhabitants in 2022 (ITU, 2023^[84]). In terms of affordability, while mobile broadband is relatively accessible at 2.3% of GNI per capita, the cost of fixed broadband remains expensive. At 11.3% of GNI per capita, the Philippines has the third-highest fixed broadband prices in the region, limiting access for many households and businesses (ITU, 2023^[84]). These factors impede productivity, particularly for platform-based work that requires stable, high-speed Internet (Policarpio and Magpantay, 2024^[92]).

Digitalisation challenges in Indonesia

In Indonesia, while 86% of women-led MSMEs use digital platforms – particularly social media (96%) and e-commerce (67%) – to grow their businesses, 14% have yet to adopt digital tools due to a lack of knowledge in selecting and using the right platforms (Boston Consulting Group, 2024^[40]). Moreover, **digital literacy and skills** remain low: only 38% of women are digitally proficient, limiting their ability to adapt and grow their businesses in the digital era (UNESCAP, 2022^[10]).

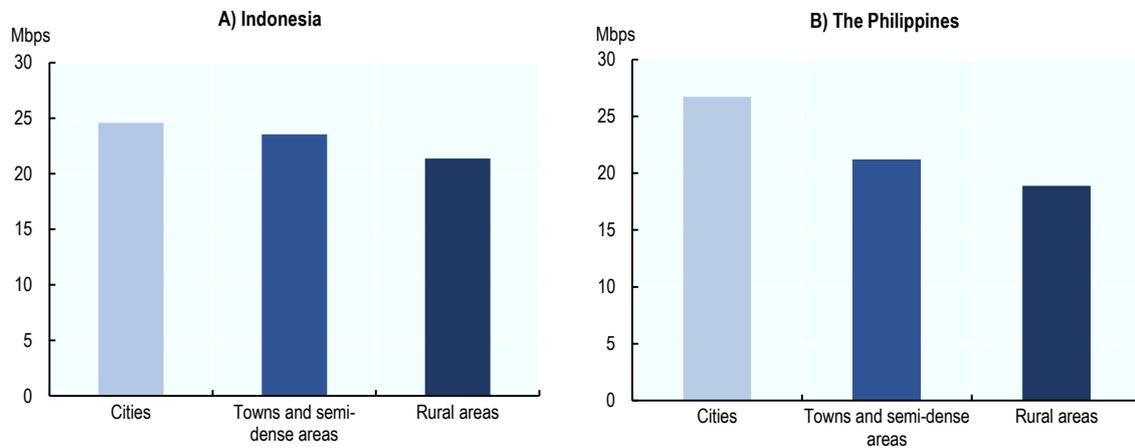
Gender disparities in Internet access endure, with usage rates 6% lower among women than men (ITU, 2023^[84]). Geographic factors compound these gaps. As in the Philippines, Indonesia's archipelagic composition makes **digital infrastructure** development particularly costly and logistically complex. While mobile broadband penetration ranks mid-range within the region, with 114.8 subscriptions per 100 inhabitants in 2021, **fixed broadband penetration** remains among the lowest at just 4.9 subscriptions per 100 inhabitants (ITU, 2023^[84]). This disparity reflects the high investment burden required to extend fixed networks across the country's non-contiguous landscape (OECD, 2023^[82]).

The high cost of extending infrastructure to sparsely populated islands, combined with a lack of backhaul networks, restricts connectivity for rural communities. According to OECD interviews with operators, most fixed broadband infrastructure is concentrated in Java and other major islands, making expansion to remote areas particularly costly (OECD, 2023^[82]). Moreover, only 36% of the population lives within 10 km of a backbone network node, below the regional average of 43% (ITU, 2023^[84]). This means that, without sufficient backhaul infrastructure, expanding broadband access to **remote areas** remains commercially unviable.

These infrastructure gaps contribute to significant digital divides. Internet usage remains among the lowest in the region, with only 62% of individuals online – placing Indonesia ahead of only Cambodia, the Philippines and Myanmar (ITU, 2023^[84]). The **urban-rural divide** is particularly stark, with Internet adoption in rural areas lagging 23% behind urban areas (49% vs. 72% in 2021) (ITU, 2023^[84]). Even where mobile networks are available, rural users experience **lower service quality**, with mobile broadband speeds 13.1% slower for downloads compared to cities (Figure 5) (Opensignal, 2025^[90]), and a territorial gap in mean latency between rural areas and cities of almost 24 ms in 2024 (OECD, 2025^[91]). This is particularly relevant for women entrepreneurs in remote areas, for whom digitalisation is expected to unlock new opportunities, yet access and quality remain essential preconditions for this potential to be realised. These limitations reinforce connectivity barriers for businesses and households in underserved regions, in turn deepening the existing gender digital divide and placing a **double digital burden** on rural women.

Figure 5. Urban-rural divide in overall mobile download speeds experiences in Indonesia and the Philippines

Degree of urbanisation classification, Q4 2024



Source: OECD based on data from Opensignal (2025^[90]), *Insights*, www.opensignal.com.

Box 5. Expanding connectivity in remote areas through satellites and non-terrestrial networks (NTNs)

Given the geographical complexity of many Southeast Asian countries, aerial connectivity solutions are emerging as a key tool for achieving universal Internet access. Extending connectivity to remote and hard-to-reach areas has long been a challenge, driving interest in **non-terrestrial networks** (NTNs), including **low Earth orbit** (LEO) satellites and **high-altitude platform stations** (HAPS). Recent advancements in these technologies have further increased their appeal, with telecommunications operators across the region actively investing in NTN solutions through strategic partnerships.

Indonesia provides a notable example of satellite-driven connectivity efforts. The **Palapa Ring project** has leveraged satellite technology to reduce the digital divide by improving network coverage across the country's vast archipelago. More recently, the launch of **Starlink's** Internet service in June 2024 represents a significant advancement in expanding digital access to Indonesia's most remote islands. In parallel, the Indonesian government and **SpaceX** have signed an agreement aimed at enhancing digital connectivity in the education and health sectors, further underlining the potential of satellite-based solutions in bridging connectivity gaps.

Source: GSMA (2024^[88]), *The Mobile Economy Asia Pacific 2024*.

4 Findings and perceptions identified from the policy dialogue

While policies, programmes and initiatives to promote and support women entrepreneurs have been introduced across Southeast Asia, little is known about their impact. There has also been limited focus on whether support offered meets the needs of different profiles of women entrepreneurs, including their experiences participating in initiatives. To advance these objectives, the OECD organised a multi-stakeholder policy dialogue on *Women's Entrepreneurship Promotion in Remote Areas: The Impact of Digitalisation*. This section synthesises the insights gathered during this dialogue.

The multi-stakeholder policy dialogue was held in Manila, Philippines, on 10 December 2024. It aimed to facilitate an exchange among 40 stakeholders on how support for women entrepreneurs should be strengthened in the Philippines and Indonesia. Discussions covered fostering an inclusive entrepreneurial culture, improving the design and delivery of support, creating a supportive regulatory environment, building skills and capacities for business competitiveness and resilience, facilitating access to finance and expanding networks for inclusive entrepreneurship. Participants came from the Philippines and Indonesia, representing the public sector, private sector, business support organisations and women entrepreneurs.

The multi-stakeholder dialogue included a session where participants could work with the OECD-EU [Better Entrepreneurship Policy Tool](#) (BEPT). The BEPT is an online tool designed for policy makers and policy stakeholders at local, regional and national levels who wish to explore how public policy can better support women, youth, seniors, the unemployed and migrants in business creation and self-employment, as well as the development of social enterprises (European Commission, 2025^[93]). The tool features an interactive self-assessment structured around six areas (culture, strategies, regulations, skills, finance and networks) (see Table 1), along with guidance notes and good practice case studies. One of the strengths of this tool is that it has a function that allows individual self-assessment questionnaires to be linked together into groups. Individuals can be assigned to different stakeholder groups (e.g. entrepreneur, policy maker, researcher), allowing for a comparison of the perceptions of different stakeholder groups on different policy issues. This creates a starting point for structured discussions that can explore identified policy gaps or misaligned perceptions across stakeholder groups.

Table 1. Policy areas considered in the BEPT consultation on women's entrepreneurship support

Policy area	Description
Culture	Fostering an inclusive entrepreneurial culture
Strategies	Strengthening the design and delivery of entrepreneurship support for women
Regulations	Building a supportive regulatory environment for women entrepreneurs
Skills	Building entrepreneurship skills and capacities for women entrepreneurship
Finance	Facilitating access to business finance for women entrepreneurs
Networks	Expanding networks for women entrepreneurs

Note: Each of the six modules has between four and eight statements that respondents assess for their region/country on a ten-point scale relative to international best practice.

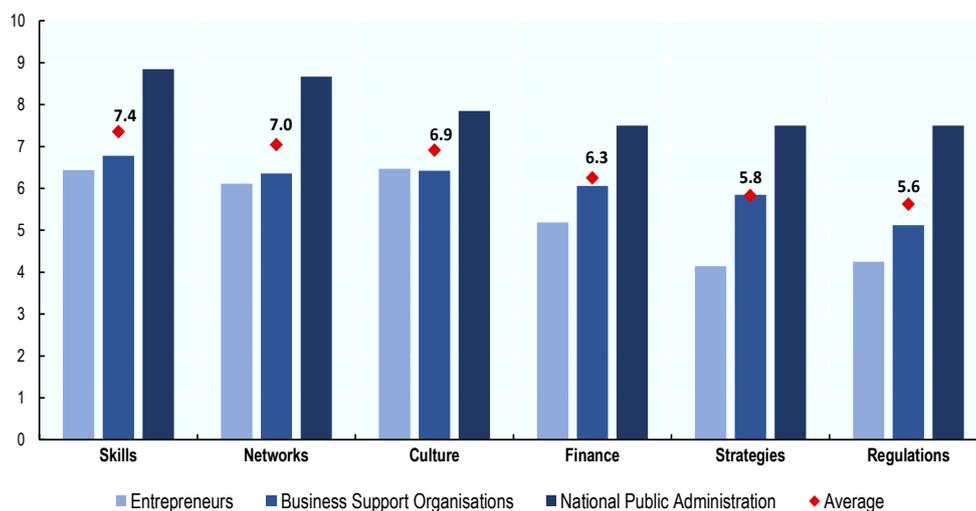
Workshop participants used the tool to identify strengths and weaknesses in support systems in the Philippines and Indonesia. Collectively, views tended to be neutral to positive (Figure 6). Skills (7.4), networks (7.0), and culture (6.9) scored highest, while regulations (5.6) were viewed least favourably. These findings are broadly consistent with other OECD indexes such as the Social Institutions and Gender Index (SIGI). The 2023 SIGI (OECD, 2023^[94]) found that gender discrimination in access to productive and financial resources in Indonesia was low relative to other aspects of social institutions measured, namely discrimination in the family, restricted physical integrity and restricted civil liberties. This indicates that the formal and informal laws as well as social norms are relatively supportive of labour market participation and access to financial resources, which would enhance opportunities in entrepreneurship. This was also true in the Philippines but to a lesser extent.

Overall, the regulatory environment was identified as an area that could be more supportive of entrepreneurship. For example, the registration of businesses could be simplified. This finding is consistent with past policy assessments of the entrepreneurship ecosystems in the two countries undertaken by entrepreneurship experts in both Indonesia (Nawangpalupi et al., 2016^[95]) and the Philippines (Velasco et al., 2016^[96]) as part of the Global Entrepreneurship Monitor reports.

Perceptions of the different elements of the support system varied across stakeholder groups who participated in the exercise (public administration, business support organisations, entrepreneurs). Public officials tended to view each support area more positively than the other groups. The area where the public administration group had more favourable views than the other two stakeholder groups was regulations, underlining that the business community views room for further progress. Conversely, the group of women entrepreneurs, on average, had the least positive perceptions of the entrepreneurship support. This suggests that there is still scope for better tailoring the support offers to the needs of women entrepreneurs. For example, it was noted that the area needing the most improvement was the design and delivery of support programmes and the regulatory environment.

Figure 6. Stakeholder views on support for women entrepreneurs

Self-reported perceptions of the entrepreneurship support system for women entrepreneurs, 2024



Note: Each of the six modules has between four and eight statements that respondents assess for their region/country on a ten-point scale relative to international best practice. The tool was completed by 17 respondents: 8 from Business support organisations; 3 from National Public Administration; and 6 from Entrepreneurs.

Source: Authors' calculations.

5 Policy options

This section outlines actionable policy options to support women entrepreneurs in remote and rural areas, focusing on practical interventions and targeted support mechanisms that can enhance individual capabilities and improve the local business environment.

To foster inclusive and resilient local economic development, policy makers must ensure that women entrepreneurs in rural and remote areas are not left behind. This requires a strategic combination of **place-based** and **people-based policy approaches** that jointly address local structural constraints, while also enhancing the capabilities of individual entrepreneurs. By simultaneously improving the business conditions in underserved areas and investing in the skills, networks and agency of women, such an integrated approach can unlock untapped entrepreneurial potential and contribute to more equitable growth.

Place-based policies focus on transforming the local ecosystems in which women entrepreneurs operate, recognising that geographical contexts differ significantly in terms of opportunities, resources and constraints. In contrast, people-based policies aim to equip individuals with the tools they need to succeed, regardless of location, while taking into account the diversity of their needs, backgrounds and aspirations. Together, these policy tracks offer a comprehensive framework to reduce spatial disparities, enhance women's economic participation and drive inclusive innovation in rural economies.

Importantly, policy makers must acknowledge that supporting rural women is not only a matter of gender equality, but also of rural development more broadly. As seen in Section 1, women entrepreneurs play a pivotal role in sustaining rural livelihoods and their economic participation is integral to the vitality of local economies. Tailored policy support can therefore generate dual dividends: empowering women while strengthening the resilience and prosperity of rural and remote areas.

Place-based policy options

Place-based policies address economic and social challenges by integrating a range of measures that target the specific needs of regional areas (Beer et al., 2020^[97]). These approaches recognise that places are not interchangeable but instead shaped by unique combinations of material, social and economic relations (Korsgaard, Müller and Tanvig, 2015^[98]). As such, place-based strategies move beyond generic, one-size-fits-all solutions to stimulate development that is embedded, inclusive and sustainable.

Drawing from human geography and rural entrepreneurship theory, Korsgaard, Müller and Tanvig (2015^[98]) highlight how rural entrepreneurship is distinctively embedded in “place,” placing value on local resources, traditions and networks. When supported through place-based policy, such entrepreneurship does more than stimulate economic activity, it also reaffirms and revitalises local identity, generating socio-economic value that is both resilient and less prone to relocation. This aligns with the logic of entrepreneurial ecosystems, in which localised interactions and institutional support matter deeply.

Importantly, place-based approaches can also yield disproportionate social returns. As Bartik (2024^[99]) argues, job creation in distressed or low-employment areas delivers higher marginal benefits than in more prosperous regions, with larger and more persistent spillover effects. Evidence from the U.S. shows that improving economic opportunities in the most disadvantaged neighbourhoods significantly enhances long-

term earnings for local children (Chyn and Daruich, 2022_[100]), and in some cases, raises the present value of employment gains by over USD 250 000 per job created (Bartik, 2024_[101]).

For women entrepreneurs in remote and rural areas, place-based policies focus on improving local conditions to reduce structural barriers such as inadequate connectivity, weak market integration and insufficient financial support. Improving the local business environment through targeted investments in infrastructure and support mechanisms can enable women's entrepreneurship to flourish. Moreover, place-based policies can empower women entrepreneurs to contribute to the socio-economic fabric of their communities by leveraging local resources and traditions.

Examples of place-based policy options include:

- **Expanding rural digital infrastructure** – Limited connectivity in remote areas remains a major barrier to women entrepreneurs seeking access to digital markets and e-commerce opportunities. A concerted effort to expand broadband and mobile networks in these regions would greatly enhance digital accessibility, empowering women to tap into broader market opportunities. As highlighted in Section 3, while the market is already generating some broadband services in remote areas, the deployment of these services in the Philippines and Indonesia remains slow (OECD, 2023_[82]). Box 5 explores innovative solutions, including aerial connectivity technologies such as satellites and NTN. These promising alternatives can extend coverage and overcome the structural geographical challenges faced by these archipelagic nations.
- **Establishing rural business hubs** – The delivery of support services in remoted areas is often hindered by logistical challenges and geographical distance. Establishing local business incubators, co-working spaces or mobile advisory units specifically designed for women-led enterprises can provide essential mentorship, training, financial and legal advisory services. Such initiatives can be a critical cornerstone for women entrepreneurs in remote areas, enabling them to experiment and access markets more effectively. For example, in Indonesia, the government has established Integrated Business Service Centres (PLUT), which offer one-stop services – including business consulting, legal assistance and access to finance – for MSMEs in rural areas, with a strong emphasis on supporting women entrepreneurs. Another initiative in Ireland, the Ludgate Hub, has created over 450 jobs and revitalised a remote rural town by offering co-working spaces, mentoring and digital literacy programmes tailored to local needs (OECD, 2023_[102]).
- **Enhancing transport connectivity** – Poor transport infrastructure in rural areas impedes women entrepreneurs' ability to reach markets and distribute goods. This challenge is also consistently highlighted as a key barrier in the case studies conducted for this report (see Annex A). Investing in rural transport systems can make it easier for women to move goods, connect with customers and participate more actively in the market. Evidence from Indonesia's Wonder Women programme, which provides women with solar technologies, shows that women with access to motorbikes achieve sales twice as high as those without (Nakamura, 2016_[103]), highlighting the critical role of mobility in last-mile distribution. However, improving connectivity alone is not enough, transport systems must be designed to meet women's specific needs and safety concerns. **Gender-sensitive transport planning** is essential to ensure that women not only have access to transport but feel safe and empowered to use it. Evidence from Pakistan shows that investments in affordable, safe and accessible transportation options (e.g. female personnel, gender-sensitive training, infrastructure designed with women's input) can significantly improve women's economic participation (Amber, Beyene Chichaibelu and Hussain, 2023_[104]). To address mobility barriers, policy makers and service providers could consider measures such as providing transport options for women entrepreneurs by partnering with rental services for motorbikes or bicycles, offering travel allowances to cover delivery costs and ensuring access to safe restroom facilities during travel (Mastercard Strive, 2024_[105]). These measures can enhance the ability of women in remote areas to reach customers, participate more fully in last-mile distribution and improve their access to markets.

- **Leveraging local resources and industries** – Women entrepreneurs in remote areas encounter challenges that limit their access to financial and non-financial resources and to local and regional markets. Policies are needed to integrate women entrepreneurs into local value chains, such as agriculture, crafts and eco-tourism. For instance, a women-owned business in Cameroon, Product Related to Agricultural Sector (PRA), produces compostable packaging from recycled paper and plantain stems (Kim, 2022^[106]). By allowing women in rural areas to actively participate into local value chains to create eco-friendly packaging solution, this initiative not only supports the agri-food industry but also empowers rural women and reduces plastic consumption. Supporting similar initiatives can help lower market entry barriers and strengthen connections to local economies.
- **Creating localised and digitalised funding mechanisms** – Financial mechanisms tailored to the realities of rural economies are essential to support women entrepreneurs in remote areas. These could include community-based lending schemes, local credit cooperatives, rural banks and gender-responsive banking services. For instance, **micro-loan programmes** designed specifically for rural women could provide flexible repayment terms aligned with the seasonal income patterns of rural businesses, helping improve financial stability and growth prospects. In parallel, **digital financial services** such as mobile money are increasingly proving to be powerful tools for expanding access to finance in underserved areas, with fintech advancements helping tailor financial products to specific business characteristics, including gender-specific needs. A digital, collateral-free model is especially well-suited to rural contexts, where formal banking infrastructure is limited and many women lack assets to secure loans. In West Africa, for example, Orange Bank Africa – a fully licensed, digital-only bank – has provided over 2.4 million collateral-free microloans to MSMEs between 2020 and 2023 (GSMA, 2024^[107]). By using a machine-learning algorithm to analyse users' digital financial behaviours and leverage past mobile money transaction data, the bank is able to create economic identities for rural farmers and offer cashflow-based lending that directly addresses gender disparities in collateral ownership. Similarly, in the Philippines, digital bank Maya uses payment histories to build alternative credit scores, which significantly expanded credit access for underbanked populations, growing its loan portfolio from USD 54 million in 2022 to USD 373 million in 2023 (GSMA, 2025^[108]). In Egypt, the Central Bank and National Council for Women launched Tahweesha, a digital platform enabling formal savings and loan associations for rural women. The platform combines smartphone access, green finance and financial literacy training to empower women through environmentally friendly income-generating projects (Hteit, 2024^[109]).
- **Collecting gender-disaggregated data** – A cross-cutting issue to all the abovementioned place-based policy options is the systematic lack of granular data on women-led MSMEs, which is particularly severe in remote and rural areas. Closing the persistent data gap affecting women entrepreneurs is essential for designing effective, gender-responsive policies and services. A critical first step is to increase the production, availability and use of sex-disaggregated data, especially in the financial sector. Partnering with banks and microfinance institutions to pilot local data collection initiatives can help build an evidence base to develop financial products tailored to the needs of rural women entrepreneurs ([OECD/LEGAL/0493](#)). A prominent example of this approach is the **Women Entrepreneurs Finance Code (WE Finance Code)**, which places data at the core of efforts to improve women's access to finance by mobilising public and private actors to track and act on gender-specific financial indicators (see Box 6). It is worth noting that, while Indonesia currently lacks legal provisions regulating the production and dissemination of gender statistics, the Philippines has taken steps in this direction. The Magna Carta of Women mandates that all public institutions maintain a Gender and Development (GAD) database, containing systematically gathered, regularly updated sex-disaggregated data subjected to gender analysis for planning, programming and policy formulation. Although implementation gaps remain, such provisions provide a foundation on which to build (OECD, 2024^[23]).

Box 6. The WE Finance Code: Data as a cornerstone for improving women's access to finance

The **WE Finance Code** is a global multi-stakeholder initiative coordinated by **We-Fi** at the World Bank to close financing gaps for women-led micro, small and medium-sized enterprises. The code brings together financial service providers, regulators, development banks and ecosystem stakeholders to commit to improving access to finance for women entrepreneurs.

A defining feature of the code is its **strong emphasis on sex-disaggregated data** as the foundation for action. By tracking a standardised set of indicators (including the number and volume of loans, deposits, applications and approval rates disaggregated by gender) the code enables the design of gender-responsive financial products, informs policy design and monitors the impact of interventions. This approach helps ensure that both public and private actors can make informed, data-driven decisions to support women entrepreneurs more effectively.

The Code is being piloted in 26 countries, including countries in the Indo-Pacific region (**Indonesia, Fiji and Sri Lanka**) where local champions and national coalitions are adapting the code's framework to the local context, establishing common definitions, setting up data collection mechanisms and coordinating implementation. In March 2024, the Government of Fiji, with the Asian Development Bank, launched its national pilot, mobilising stakeholders across the financial ecosystem. In **Indonesia**, similar efforts are underway to advance inclusive finance through improved gender data practices.

Source: WE Finance Code [webpage](#) and [background note](#).

People-based policy options

People-based policies aim to provide individuals with the skills, knowledge and resources needed to succeed, regardless of their geographic location. These policies focus on strengthening individual capabilities beyond spatial constraints and can be especially important for women entrepreneurs in remote and rural areas, where access to resources and opportunities is often limited. They help address personal barriers such as financial literacy, digital skills and access to networks. Strengthening the capabilities of women entrepreneurs through these approaches can create long-term economic opportunities.

Crucially, well-designed people-based policies recognise the heterogeneity of women entrepreneurs rather than assuming uniform needs. Too often women are treated as a homogenous group in policy design, with the assumption that all will benefit equally from the same interventions. In practice, however, women entrepreneurs differ in their motivations, backgrounds, sectors of activity and aspirations (Ahl et al., 2023^[15]). By tailoring support measures, such as training and mentoring, to accommodate these varied profiles, people-based policies can more effectively empower women entrepreneurs and support inclusive business development. This differentiation is key to ensuring that interventions reach women with the appropriate tools and opportunities to thrive.

Examples of people-based policy options include:

- **Enhancing financial literacy** – Many women entrepreneurs, particularly in rural areas, face challenges due to a lack of essential financial management skills, which restricts their business growth and sustainability. To address this issue, targeted financial literacy programmes can be developed to equip women with the necessary financial skills, particularly for those in marginalised rural communities. In India, for example, the NIIT Foundation delivers financial literacy training to rural women, helping them gain practical skills in budgeting, saving, using banking services, mobile accounts and e-wallets. The programme has enabled participants to make informed financial

decisions and improve the sustainability of their small businesses (NIIT Foundation, 2024^[110]). In Myanmar, the GIZ Sustainable Agricultural Development and Food Quality Initiative (SAFI) has implemented financial literacy training for women farmers, helping them enhance their productivity and access to finance (Maftei, 2024^[111]). Similar models can be adapted and scaled to support women entrepreneurs in gaining basic financial literacy, building on the *OECD Recommendation on Financial Literacy* ([OECD/LEGAL/0461](https://www.oecd.org/legal/0461)), which highlights the importance of addressing gender-specific needs in financial education.

- **Encouraging entrepreneurial education for girls** – In rural areas, young women often do not have access to the necessary education or exposure to entrepreneurial opportunities, which limits their potential to pursue business ventures. Integrating entrepreneurship education into school curricula, including in rural areas, can empower young women with the necessary skills, motivations and aspirations for entrepreneurship. For example, Estonia has made entrepreneurship a core theme in its national curriculum and rolled out dedicated programmes such as Edu ja Tegu, which has reached over 70% of general education schools, including those in rural areas (Veide, 2022^[112]). Similarly, Poland has embedded entrepreneurship education in its curriculum since 2002, and in 2023 introduced a new subject, Business and Management, aimed at providing students with practical business knowledge and fostering entrepreneurial mindsets from an early age (Brant and Kilar, 2025^[113]).
- **Tailoring entrepreneurship and digital skills training** – Limited access to digital resources in rural areas prevents many women from leveraging online platforms to grow their businesses. To bridge this gap, mobile-based and community-centred digital skills training programs should be implemented to help rural women gain essential digital literacy, thereby enabling them to expand their businesses online. More broadly, entrepreneurship training needs to be tailored to the realities of women entrepreneurs, taking into account their diverse needs and constraints. **Gender-specific delivery mechanism** and **operational adaptations** reduce time, mobility and care-related barriers that are critical to improving access and impact. Moreover, training materials and modules should be developed to be accessible in a “just in time” manner, so that the information can be easily accessed when it is needed. Although several organisations, including ASPPUK and Connected Women (see Annex A), address training gaps in remote provinces in Indonesia and the Philippines, national-level support is needed to scale these efforts and integrate inclusive training into broader entrepreneurship strategies.
- **Promoting gender-sensitive business networks** – Women entrepreneurs in rural areas often lack access to networks and market opportunities, which can hinder their business growth. Supporting the development of women-led business associations and networking groups that foster peer learning and market access can help overcome this challenge. A notable example is South Korea’s Reboot Camp, which supports women in re-entering the workforce by providing co-working spaces and peer support networks, fostering community engagement and improving practical skills through hands-on projects that leverage digital tools (see Box 7).
- **Shifting social norms through community engagement and role models** – Traditional gender roles and societal expectations often limit women’s ability to pursue entrepreneurial ventures. For example, in Indonesia, the vast majority of the population believes that men should be the breadwinner, with 63% claiming that men make better business executives than women and 76% thinking that when jobs are scarce, men should have more right to a job than women (OECD, 2024^[23]). Campaigns and policy initiatives that actively engage male allies, community leaders, and traditional authorities can be implemented to tackle this issue. These efforts aim not only to raise awareness but also to reshape the public narrative around women’s roles in the economy, encouraging greater support for women’s entrepreneurship. Evidence from India shows that school-based programmes targeting adolescent boys can shift gender attitudes over time, creating more supportive future spouses (Dhar, Jain and Jayachandran, 2022^[114]). In Saudi Arabia, an intervention that corrected

men's misperceptions of peers' beliefs about women's work led to increased job-seeking by their wives months later (Bursztyn, González and Yanagizawa-Drott, 2020^[115]). Global data confirm that such misperceptions are widespread, pointing to the potential of norm-correction strategies (Bursztyn et al., 2023^[116]). An example of a community-based initiative is ASPPUK, which is promoting male participation in supporting women entrepreneurship in Indonesia (see Annex A and Box 2).

- **Offering flexible childcare and family support** – Women entrepreneurs often face significant barriers in reconciling business activities with family and household responsibilities, due to persistent gender imbalances in unpaid care work. Globally, women perform 2.6 times more unpaid care and domestic tasks than men (OECD, 2023^[94]), a gap that is even wider in rural areas where access to formal childcare and eldercare services is scarce and traditional gender norms are more deeply entrenched (OECD, 2020^[24]; OECD, 2024^[23]). Integrating care policy into entrepreneurship and rural development strategies is therefore essential. For example, expanding access to affordable, **community-based childcare solutions**, such as shared care facilities in rural hubs or mobile daycare units near business locations, can help alleviate the burden of unpaid care work (Ahl et al., 2023^[15]). In Peru, the PRONOEI programme trains local mothers to deliver early childhood care in remote areas, offering a low-cost, community-embedded model (Buvinic and O'donnell, 2016^[117]). In rural Democratic Republic of the Congo, similar childcare centres increased women's agricultural productivity and their likelihood of engaging in non-agricultural wage work (Donald, Lowes and Vaillant, 2024^[118]). These findings echo broader evidence from low-income countries, where improved childcare access consistently raises women's labour force participation (Halim, Perova and Reynolds, 2023^[119]). The *OECD SIGI 2024 Regional Report for Southeast Asia* (2024^[23]) highlights the transformative potential that the development of **formal care sectors** could bring to Southeast Asia in terms of women's economic empowerment and resilience (see Box 1 for more on SIGI). However, structural socio-economic barriers remain, including entrenched norms that frame care as a private responsibility. To address these challenges, Southeast Asian countries can build on the momentum of recent regional initiatives, such as the ASEAN Comprehensive Framework on Care Economy (2021), and commit to long-term reforms. Potential reforms include strengthening labour market formalisation, enhancing social protection, improving the quality and recognition of care work and shifting social norms around caregiving roles (OECD, 2024^[23]).

To ensure these place-based and people-based interventions deliver meaningful and lasting results, it is essential to embed robust **monitoring and evaluation schemes** within all programmes. Systematic assessment using relevant, gender-sensitive indicators can help determine what works, for whom and under what conditions. By closing feedback loops and using evidence to inform future action, governments can continuously refine policy design and implementation. This not only improves accountability and impact but ensures that support systems for women entrepreneurs in remote and rural areas remain responsive to their evolving needs and grounded in place-specific realities.

It is equally important to foster greater **horizontal collaboration** and **peer learning**, both within and across countries. At the national level, enhanced coordination across ministries, agencies and local governments can improve coherence in the design and delivery of policies for women entrepreneurs in remote and rural areas. At the regional level, ASEAN offers a valuable platform to promote cross-country learning, share good practice and develop joint solutions to shared challenges. For instance, ASEAN member states can learn from each other's experiences in MSME formalisation, with "one-stop shop" service points in Thailand and the Philippines having found success in streamlining enterprise registration and licensing processes. More broadly, peer exchanges, role model engagement and case study-based learning have emerged as powerful tools to inspire, inform and empower women entrepreneurs, and should be embedded systematically across support programmes (ASEAN/OECD, 2020^[57]). An example of peer-learning exercise is the joint EU-OECD Regional Action on Women's Economic Empowerment in the Southern Mediterranean, a project launched in 2024 across eight MENA countries that promotes access to finance and capacity building for women in underserved areas through peer learning and collective action.

To enable more effective collaboration and improve data collection, a **shared understanding of key concepts**, such as what constitutes a micro and an informal enterprise, is also essential, as definitions currently vary widely across ASEAN. All in all, there is a need to develop **new national and regional frameworks** and **strategies** tailored to the specific challenges and opportunities faced by women entrepreneurs in remote and rural areas. This section has outlined concrete policy directions that could inform the design of such frameworks, which may be further strengthened by leveraging existing OECD instruments such as the *OECD Recommendation on Regional Development Policy* ([OECD/LEGAL/0492](#)).

Box 7. Power in the Collective: How communities are driving policy change for women in South Korea

'We Believe in the Power of Community': Root Impact's vision for empowering women

Root Impact is a non-profit organisation in South Korea committed to identifying and supporting change makers across sectors through the development of a sustainable impact ecosystem. Recognising the challenges faced by women seeking to re-enter the workforce after career interruptions due to caregiving responsibilities, the organisation has launched a series of targeted initiatives known as "Impact Career W".

These include the provision of co-working spaces, known as the "Heyground," which offer: a professional environment and peer support network; practical skill enhancement through participation in hands-on projects with social ventures; and access to training and digital tools to strengthen work readiness for women. In addition, Root Impact collaborates with private and public sector partners, such as financial institutions, to provide on-site childcare services, known as "Forest for All Daycare Centre", enabling mothers to continue their careers without disruption from caregiving responsibilities.

The programme has received national recognition, and it has also contributed to a shift in public discourse by promoting the adoption of the term "**Career Holding women**" in policy discussions, which highlights women's potential rather than focusing on employment gaps. Following this, Root Impact continues to expand its support system to ensure that women can fully reintegrate into the workforce with confidence, leveraging the power of community where they can collaborate and grow together.

From words to action: Local policy reforms for women's empowerment

Building on the momentum created by Root Impact's initiatives, one of the provinces in South Korea has initiated legislative reforms to replace the term "Career Interruption Women" (long criticised for implying a discontinuous career path for women) with "**Career Holding Women**". This legislative change seeks to create a more supportive environment for women, enabling them to gain proper recognition for their skills and continue balancing work, caregiving and other responsibilities.

Building on this, other regions such as Sejong City and Jeonnam Province have also revised their ordinances. Furthermore, starting from 2021, 16 additional local governments, including districts in Seoul as well as cities in Gyeonggi Province and Jeonnam, have also introduced or amended their relevant regulations.

Note: The content of this box is based on an interview with Heo Jae-hyong, CEO of Root Impact, which offered deeper insights into the organisation's initiatives and vision for empowering women.

Source: [Root Impact](#) and [National Assembly in South Korea](#).

Annex A. Case studies

This section showcases a series of case studies highlighting women entrepreneurs who are driving gender-transformative change in remote and rural regions. Each story reflects not only the challenges these women face, from limited infrastructure and rigid social norms to climate shocks and digital divides, but also the ingenuity and resilience with which they respond. These women have reimagined traditional crafts, introduced sustainable practices, created inclusive workplaces and tapped into digital tools to expand their reach.

The entrepreneurs featured here were carefully selected and interviewed either virtually or in person during the OECD policy dialogue on *Women's Entrepreneurship Promotion in Remote Areas: The Impact of Digitalisation* held in Manila in December 2024. They were identified as powerful and emblematic examples of gender-transformative entrepreneurship in remote settings, based on their innovative approaches and broader community impact.

By placing women's leadership and cultural heritage at the centre of innovation, these examples offer valuable, context-specific lessons for designing more targeted, effective support for women's economic empowerment in remote settings. Through these case study interviews, the authors witnessed firsthand that there is no force more powerful than a woman determined to rise, a strength we hope will continue to inspire and multiply across communities.

Nazava Water Filters: Turning unsafe water into opportunity for women in remote areas of Indonesia

Ms. Lieselotte Heederik founded Nazava Water Filters out of a deeply personal experience. While engaged in post-Tsunami relief efforts in Aceh, she struggled to access safe drinking water herself and witnessed how profoundly this affected local families, especially women, who are typically responsible for collecting, boiling or purchasing water. This experience inspired her to create a business with a simple but powerful goal: to bring safe, affordable drinking water to households that need it most.

Business model and innovation

Nazava Water Filters is a social enterprise that designs and distributes household water filters tailored to the needs of low-income, off-grid communities. The filters allow users to purify well tap, river or rainwater with no boiling needed, no electricity needed and no recurring costs.

In Indonesia, where nobody has reliable access to clean water from the tap, rural women often spend hours each day sourcing and treating water – time that could be spent on work, education or rest. For many mothers, this daily task comes at the cost of income, health and energy.

Nazava's innovation lies not just in its product, but in its delivery model. The company has built a grassroots sales network of over 120 women in rural communities – many of them teachers, small shop owners and caregivers – who serve as resellers of the filters. These women are not only bringing safe water to their neighbours; they are becoming local entrepreneurs and health advocates in the process.

Overcoming barriers and empowering women

The women involved in Nazava's distribution network often start with little to no formal sales experience. Many face gendered expectations about their roles and limited mobility due to family duties or poor transport infrastructure. Yet, through mentorship, training and peer support, they have transformed these constraints into strengths, leveraging their trusted positions within the community to educate others about clean water and build customer bases through word-of-mouth.

One such reseller, a schoolteacher in East Nusa Tenggara, began selling filters after witnessing students fall ill from unsafe water. She now earns enough to supplement her salary and fund her children's school fees – all while improving her community's health outcomes.

Impact

Nazava has reached over 712 000 people – mostly in rural and peri-urban areas of Indonesia – helping households save more than USD 21 million in water costs and avoid 329 000 tons of CO₂ emissions. Importantly, over 70% of those reached live on less than USD 7 per day.

The women resellers themselves are seeing tangible gains. Two-thirds of them earn around USD 26 per month in additional income – small but significant in local contexts. Beyond the income, they report increased confidence, stronger community standing and a new sense of purpose. Many are now sought out not just as vendors, but as informal leaders and role models.

Looking ahead, Nazava aims to expand its female reseller network across Southeast Asia and beyond. Still, scaling remains difficult. High inter-island shipping costs, especially in eastern Indonesia, pose logistical hurdles. In response, Nazava is building partnerships with NGOs that already maintain supply chains in remote areas, using shared warehouses to reduce costs and improve last-mile delivery.

Relevance to gender-transformative approaches

Nazava's model illustrates how addressing a basic need, safe drinking water, can become a springboard for empowering women and transforming community dynamics. By easing the domestic burden of water collection and creating pathways for income generation, the initiative helps women reclaim time, boost family resilience and step into new economic roles. It is a clear example of how gender-transformative approaches can emerge from local innovation and a deep understanding of community realities.

For further information: [Nazava Water Filters](#) (webpage), [Nazavawater](#) (Instagram)

Her Works: Weaving empowerment through tradition in rural Lao PDR

Ms. Tookta founded Her Works with a vision to empower women artisans from ethnic minority groups in remote parts of Lao PDR. Many of these women faced shrinking job opportunities and declining demand for traditional crafts, as modernisation and migration threatened the survival of their cultural heritage. Seeing both the economic hardship and the risk of cultural loss, Ms. Tookta set out to create a platform where women could preserve their skills while earning a fair, sustainable income.

Business model and innovation

Her Works works directly with rural women artisans, transforming traditional weaving and dyeing techniques into contemporary fashion and home decor products. By connecting these crafts to broader markets, the enterprise makes ancestral skills relevant and economically viable. Beyond sales, Her Works follows ethical business practices and offers stable employment, especially in areas where opportunities for women are scarce.

Overcoming barriers and empowering women

Many women involved had limited education and little business experience. Cultural norms and geographic isolation further restricted their mobility and access to income. Her Works addressed these challenges from the ground up, beginning with hands-on skills training. Women were taught not only the art of traditional craftsmanship, but also essential business skills, from product design and quality control to leadership and financial management. This training allowed them to transform their ancestral skills into modern, marketable products, opening the door to income generation and greater independence.

But Her Works' support didn't stop there. The company also embraced fair trade principles and partnered with the Centre for the Promotion of Imports (CBI), an agency of the Dutch Ministry of Foreign Affairs. This partnership ensured ethical working conditions and fair pay, while also linking women artisans to international markets. As a result, their work gained visibility and value far beyond local boundaries, giving them the chance to compete globally and earn sustainable livelihoods.

Impact

Her Works now supports over 200 women, including 40 full-time staff, and has helped artisans increase their incomes by an average of 150%. The results go beyond the financial: women report greater independence, social recognition and pride in preserving their heritage. In turn, their communities benefit from stronger local economies and the revival of cultural traditions.

Relevance to gender-transformative approaches

Her Works is a clear example of a gender-transformative approach that enables income-generating activities for women in remote areas by reimagining traditional crafts with a modern twist. By valuing women's cultural knowledge and equipping them with the tools to turn heritage patterns into contemporary products, the initiative not only generates livelihoods but also shifts social norms. Women gain greater visibility, economic independence and influence, transforming not just their own lives, but the dynamics of their communities.

For further information: [Her Works](#) (webpage), [Herworks](#) (Instagram)

ASPPUK: Building women's resilience through skills, finance, and inclusion in remote Indonesia

For many women in remote parts of Indonesia, the dream of running a business often collides with invisible but powerful roadblocks, including poor Internet access, restrictive social norms and limited control over household finances. During the COVID-19 pandemic, these barriers became even more pronounced. Women found themselves competing with their children for the family's only device, struggling to attend virtual training sessions or being required to seek a husband's permission just to participate.

ASPPUK (the Association for Women in Small Business Assistance) saw these challenges not just as technical issues, but as deeply rooted structural inequalities. With a network of 44 grassroots women-focused NGOs across 20 provinces, ASPPUK set out to do more than just train women entrepreneurs. They sought to change the terms of participation.

Business model and innovation

ASPPUK's strategy begins with understanding the lived experiences of women. Its approach goes beyond offering workshops: it builds ecosystems that support women-led enterprises from the ground up.

This approach is well exemplified in one of its flagship programmes, the Gender-Based Digital Entrepreneurship training, which is a collaborative initiative with the Ministry for Women's Empowerment and Child Protection, UN Women and Gojek. The training didn't just teach technical skills; it created space for women to connect, share experiences and envision themselves as business leaders. Sessions were held across six provinces and tailored to the realities of rural life, ensuring women didn't just attend but thrived.

ASPPUK also focuses on financial inclusion. It has established Local Women's Financial Institutions (LKP) in 64 districts, helping women access credit through gender-sensitive approaches. These LKPs not only offer microloans, but also safe spaces where women can build financial literacy and agency. In regions like West and Central Java, these institutions are often embedded in women-run savings and loan cooperatives, creating strong local ecosystems of trust and resilience.

Overcoming barriers and empowering women

The barriers women face in these areas are often invisible from the outside. Many need permission from their husbands to attend training. Some must bring a male relative just to leave the village. Others face financial gatekeeping, being unable to access loans without a male guarantor. On top of this, older women often feel left behind as business tools shift online.

ASPPUK's programmes respond directly to these realities. Training begins at the community level, in local languages and accessible formats. Women learn not only digital skills, but also product design, quality control and leadership. Fair trade practices and partnerships with organisations like the Dutch Centre for the Promotion of Imports ensure that their work is ethically sourced and has a path to international markets.

ASPPUK also understood that empowering women meant engaging men. That's why their digital entrepreneurship trainings included male facilitators and encouraged husbands to attend. This wasn't just about inclusion; it was about building buy-in and awareness of how women empowerment benefits the whole household. The strategy has helped reduce resistance and shift norms, creating space for women to lead.

Impact

ASPPUK has supported thousands of women-led microenterprises across Indonesia. Women who once had little say in household finances are now leading cooperatives. Many say they now have the confidence, and the means, to make decisions for their families without seeking permission. Some are now stepping into political spaces, using their entrepreneurial platforms as a springboard for civic engagement.

Yet challenges remain. The digital divide continues to grow, not only between rural and urban areas but across age groups. Older women, in particular, often feel excluded in a world that assumes digital fluency. ASPPUK continues to adapt its strategies to ensure no one is left behind.

Relevance to gender-transformative approaches

ASPPUK exemplifies a gender-transformative approach that goes beyond addressing symptoms to tackling root causes of inequality (see Box 8). By creating income-generating opportunities tailored to remote contexts (through digital skills, traditional crafts and access to finance), it empowers women to gain economic independence and shift household and community dynamics. Grounded in local realities and built on trust and inclusion, ASPPUK's work enables women to access tools, capital and visibility while also challenging restrictive norms and reshaping the systems that once held them back.

For further information: [ASPPUK](#) (webpage)

Box 8. Examples of ASPPUK's impact: Supporting entrepreneurial journeys in local communities in Indonesia

Saadah's journey with ASPPUK's support

Saadah, a single mother of three, has been producing coconut palm sugar in North Lombok since 2014. Though her business is small, she supplies customers far beyond her rural village. But long distances, high transport costs and poor Internet connectivity make it hard to manage and grow her operations. Relying on a shared phone, she struggled to reach wider markets.

With ASPPUK's support, Saadah received training in production management and women's leadership. She also learned how to use digital tools to promote her products, despite the limited infrastructure. As a result, she has streamlined her business and expanded her customer base, improving both her income and independence.

Overcoming logistical challenges: Harainthy's story

Harainthy leads a group of women entrepreneurs in a remote palm oil-producing village, six hours by motorbike from the nearest city. She transforms palm oil waste into organic fertiliser for local farmers and runs a backyard garden to support food security and local sales.

To help her overcome logistical barriers, ASPPUK provided a seed grant and helped her engage with community leaders. With this support, Harainthy is building a local distribution network, reducing transport challenges and expanding her business's reach and impact within the community.

Note: The interviews were conducted during the OECD Policy Dialogue on Women's Entrepreneurship in Remote Areas: The Impact of Digitalisation, held on 10 December 2024 in Manila, Philippines.

Connected Women: Expanding digital access while reimagining women's role in the Filipino digital economy

Connected Women was founded by Ms. Gina Romero, a former flight attendant and entrepreneur who understood firsthand the struggles that many Filipino women face when trying to balance work and family. Through her travels and personal experience, she recognised a recurring pattern: women, particularly those from low-income or rural backgrounds, were often forced to leave their homes (and their children) behind to earn a decent income abroad. Deeply moved by these stories, Gina set out to create a solution that would allow women to earn a livelihood without leaving their families.

Her idea was clear but bold: equip women with the digital skills needed to participate in the growing global demand for remote tech jobs. In 2013, Connected Women was born. Connected Women was not just a training initiative, but as a movement to reimagine the role of women in the digital economy.

Business model and innovation

Connected Women is a social enterprise that delivers digital skills training tailored specifically to the needs and realities of women in underserved communities. At its core is the Artificial Intelligence and Data Annotation (AIDA) programme, co-developed with the Technical Education and Skills Development Authority (TESDA). The programme trains women in tasks such as image classification and data annotation – skills increasingly in demand across global AI supply chains. Additionally, the organisation conducts entrepreneurship training, empowering them to start their own businesses. This training not only promotes economic independence but also fosters inter-generational benefits.

What sets Connected Women apart is its deep understanding of the structural constraints many women face, such as childcare responsibilities, lack of mobility or limited access to formal education. The training is designed to be flexible, accessible and supportive, with many women learning after hours or between domestic duties.

Upon completing the programme, many graduates can secure freelance digital work paying up to USD 5 per hour – far higher than typical earnings in their local contexts. Others go on to start their own businesses through Connected Women’s entrepreneurship training.

Overcoming barriers and empowering women

Most of the women who join Connected Women’s programmes have never worked in the technology sector before. Many face scepticism from family and community members who view digital work as untraditional or inappropriate. Others live in remote areas where Internet access is unreliable or devices are scarce.

Yet, through targeted mentorship and peer support, these women begin to overcome barriers – not just technical, but social. One graduate, a mother of three in a rural province, shared how she would complete her training after putting her children to bed, often working into the night. Now, she earns enough to support her family and has become a digital skills mentor to other women in her community.

For many, the benefits go beyond income. Women report feeling more confident, respected and hopeful about their futures. Some are now encouraging their daughters to pursue careers in tech, redefining what is possible for the next generation.

Impact

Connected Women has reached more than 58 000 women across the Philippines, with 1 700 trained specifically in data annotation and 2 000 trained in entrepreneurship. The initiative has opened doors to remote, flexible work that allows women to remain close to their families while contributing economically. In parallel, the initiative’s entrepreneurship training has enabled women to launch small digital businesses or offer freelance services.

But the impact doesn't stop there. The organisation's work extends beyond just skills training. Through partnerships with the Department of Trade and Industry (DTI) as part of the National AI Strategy Roadmap, Connected Women is actively expanding women’s access to AI-driven job opportunities. By doing so, Connected Women is not only boosting the employability of these women but also helping them take part in the digital economy. This empowers women to create meaningful change in their own lives while also positioning the Philippines as a competitive hub for AI and ethical outsourcing.

Relevance to gender-transformative approaches

Connected Women illustrates how digital inclusion can be a powerful entry point for women’s economic empowerment. By designing programmes that fit the lived realities of women, especially those in remote and underserved communities, these efforts help women reclaim time, boost household income and challenge traditional gender roles (see Box 9).

Moreover, by creating visibility for women in tech and entrepreneurship, Connected Women is shifting community norms and helping reshape the national conversation about who belongs in the digital economy. It is a compelling example of how local innovation and inclusive design can lead to transformative change for women and for society at large.

For further information: [Connected Women](#) (webpage), [Connectedwomen](#) (Instagram)

Box 9. Building a new future with Connected Women

Cynthia Indaya's journey

Cynthia Indaya, a 33-year-old single mother from Batangas City, faced financial hardship after losing her job during the pandemic. Pregnant with her third child and struggling to support her family, she found a lifeline through the Elevate AIDA programme by Connected Women.

The programme offered her digital skills training and a small allowance, easing immediate pressures. Cynthia later received advanced technical training in sentiment analysis, which led to steady project work, including AI tasks. Her dedication paid off: she was promoted from Data Annotation Specialist to QA Lead.

Today, Cynthia can cover household expenses, support her children and even contribute to her mother's social security. Her story illustrates how Connected Women equips women with digital and AI-related skills, enabling financial independence and long-term resilience.

Note: The information in this case study has been provided by Connected Women. For further details, please refer to the source below.
Source: Building an Inclusive Future: Case Studies.

Siegrid Bangyay Pottery: Turning indigenous heritage into a pathway for women empowerment

Ms. Siegrid Anne Bangyay-Rogers is a ceramic artist and entrepreneur from Sagada, Mountain Province in the Philippines. When she lost her corporate job in Manila, she returned to her hometown seeking purpose and connection to her roots. While working as a local tour guide, she discovered pottery through the Sagada Pottery Training Centre, and what began as personal interest soon became a mission. Siegrid saw the potential of pottery not just as indigenous heritage preservation, but as a livelihood for women who had few economic opportunities in this remote mountainous region.

Business model and innovation

Siegrid founded a pottery studio rooted in traditional stoneware techniques, using locally sourced clay, glazes and bamboo tools. Over the years, it evolved into a multifunctional space: part production workshop, part training centre and part tourist attraction. Today, the centre attracts visitors eager to learn about traditional pottery, while also offering workshops that teach both local women and visitors the techniques of the craft.

Her model offers more than skills training – it creates an accessible platform for women to enter the creative economy. In a community where women's work is often unpaid and confined to the home, Siegrid's pottery centre repositions traditional craft as a means of income, expression and pride. Through workshops in pottery and contemporary design, she empowers women to cultivate their own artistic styles and create income opportunities.

Overcoming barriers and empowering women

Like many entrepreneurs in remote areas, Siegrid faces operational constraints. Especially, unreliable mobile connectivity hampers her ability to manage online sales. Attracting and retaining staff is difficult, especially among youth who often prefer urban jobs. Many of the women she trains also start with no

background in business or craftsmanship, while balancing household responsibilities that limit their economic independence.

Despite these challenges, Siegrid keeps going with a strong will. She invests in digital upskilling, promotes her work through social media and embraces community-based solutions rooted in local realities. Through her potter workshops, women gain not only technical skills but also a sense of self-expression and confidence. Thanks to her efforts, several have begun selling their own pieces, supporting their families and taking pride in being artists and cultural bearers.

Impact

Today, Siegrid's enterprise supports six local jobs and has trained dozens of women in pottery. Her initiative contributes to the local economy through tourism and product sales, while fostering a deeper appreciation for Sagada's cultural identity. Women who once saw few alternatives beyond domestic work are now earning modest but meaningful income and are increasingly seen as creative contributors and decision-makers in their households and communities.

Siegrid herself has grown as a leader, learning business management through online courses and building a brand presence via platforms like Instagram. Her work has elevated the visibility of rural women artisans and inspired others to consider heritage-based livelihoods.

Relevance to gender-transformative approaches

Siegrid Bangyay Pottery exemplifies a gender-transformative approach by turning a cultural practice into a pathway for women's empowerment. It addresses structural constraints, such as women's unpaid labour, by offering women opportunities to earn income, build skills and gain recognition. The initiative redefines women's roles in their communities, not only preserving tradition but also fostering innovation and resilience among those too often left at the margins of economic life.

For further information: [Siegrid Bangyay Pottery](#) (webpage)

Rose Ann Bangalo Wangdali's Enterprise: Weaving heritage into economic and social empowerment

A third-generation weaver from Sagada in the Mountain Province of the Philippines, Rose Ann Bangalo Wangdali grew up surrounded by traditional textiles, but also by the limits placed on women in her community. In a region where men often work in mining and women are expected to stay home or work in agriculture, she saw weaving as more than a craft – it was a way for women to earn income, reclaim time and gain respect. In 2006, she turned this vision into action, founding a weaving enterprise rooted in cultural preservation but oriented toward social change. Her goal was clear: to transform a heritage skill into a platform for women's empowerment.

Business model and innovation

At the heart of Rose Ann's business is a commitment to preserving tradition while embracing innovation. Her enterprise produces handwoven textiles using indigenous techniques, while integrating modern elements in design and marketing. One of the key strategies she employs is digitalisation – from expanding her reach via e-commerce platforms to promoting weaving through social media and online catalogues. She also encourages her team to take online courses to improve their design, marketing and financial management skills.

Beyond digital innovation, she has forged partnerships with local fashion designers, helping to position traditional Sagada weaving within contemporary fashion trends. These collaborations have boosted visibility and sales, especially among tourists and ethical fashion consumers, elevating the status of local women as contributors to the creative economy.

Overcoming barriers and empowering women

A central pillar of Rose Ann's business is its women-friendly structure. In a context where few jobs accommodate the realities of motherhood, Rose Ann has redefined what a supportive workplace looks like. Many of the women she works with weave from home, balancing childcare, gardening and household tasks. For those who prefer working onsite, her shop offers a child-friendly space where women can bring their children, making it possible to work without choosing between income and caregiving.

The women in her enterprise start with diverse backgrounds – some with no formal education, many with limited digital skills. Rose Ann encourages them to take online courses and develop their craftsmanship, business acumen and digital literacy. In doing so, she builds not only a team of skilled artisans but a community of confident, independent women reshaping the narrative of what is possible in rural areas.

Impact

Today, Rose Ann's business provides stable income to around 20 local women, many of whom had no prior access to formal income-generating activities. The steady income has improved their ability to contribute to household finances, invest in their children's education and reduce economic dependence.

More than just economic impact, however, her initiative has helped redefine women's roles. Several employees now see themselves not only as weavers but as entrepreneurs, trainers and cultural ambassadors. The enterprise has also reignited local pride in indigenous craftsmanship, drawing interest from domestic and international markets.

Relevance to gender-transformative approaches

Rose Ann's enterprise offers a clear example of a gender-transformative model grounded in community realities. By creating income-generating opportunities tailored to women's needs (home-based work, flexible hours and childcare support), she challenges traditional gender roles and expands women's agency. At the same time, by investing in digital tools and external partnerships, she ensures that tradition remains dynamic, valued and economically viable. Her model proves that cultural preservation and women's empowerment can go hand in hand – reviving not just craft, but confidence, voice and opportunity.

Shelmed Cottage Treasures: Weaving livelihoods and dignity with abaca

Mary Mediatrix Vallejo Villanueva, affectionately known as Tita Med, carries with her not just the legacy of a family business, but a personal mission to uplift women in her community. A third-generation abaca craftswoman, she leads Shelmed Cottage Treasures, a Philippine-based medium-size enterprise that has been crafting and exporting handmade, eco-friendly abaca products for over five decades. But to the women around her, she is more than a business owner; she's a mentor, a teacher and an advocate.

Raised in a family that valued craftsmanship and culture, Tita Med returned to the family business not just to grow it, but to anchor it more deeply in purpose. Her vision is to ensure that women artisans, many of whom come from rural disaster-prone areas, can build stable livelihoods in their own communities while rediscovering pride in their skills.

Business model and innovation

Under Tita Med's leadership, Shelmed Cottage Treasures evolved into more than a manufacturing business. It became a creative space and a community hub. The enterprise produces high quality eco-friendly products from abaca, a strong natural fibre native to the Philippines, while ensuring every step from sourcing to design is grounded in sustainability and fairness.

What sets the business apart is how innovation is driven by local hands. Women artisans are trained in advanced techniques like braiding, crocheting, weaving and dyeing. With Tita Med's guidance, they learn to take traditional methods and experiment by trying new patterns, exploring dye techniques and co-creating products that reflect both cultural heritage and international trends. Their designs find their way to global markets, but their roots remain deeply local.

She also embeds financial and digital literacy into the business model. Artisans are supported in opening bank accounts, managing savings and even exploring online platforms to showcase their work. Shelmed thus becomes both a source of income and a steppingstone for women in rural areas to take control of their futures and grow into local business leaders.

Overcoming barriers and empowering women

The road wasn't easy. Many women Tita Med works with had never worked outside the home. In deeply conservative communities, women's economic independence was not always welcomed. Some faced opposition from family members or neighbours, who questioned their place in the workshop or resisted the idea of women handling finances.

On top of this, natural disasters, especially typhoons, added another layer of vulnerability – damaging materials, halting production and endangering livelihoods.

Tita Med tackled these challenges by creating a safe, supportive environment that welcomed women at any stage of life. She personally mentored women who were hesitant to join, offering flexible hours, child-friendly spaces and emotional support. She also promotes a strong sense of rural community solidarity, encouraging peer learning and collaboration between artisans and farmers. When disasters struck, she responded not with retreat but with resilience, founding the Dios Mabalos Po Foundation to provide relief and recovery for affected artisans and their families.

Over time, women who once doubted their own potential became skilled craftswomen, decision-makers and even peer mentors to others.

Impact

Today, Shelmed provides sustainable livelihoods to more than 2 000 people, the majority of them women. Through this work, they have been able to send their children to school, invest in their homes and save for the future, milestones that once felt unreachable. More than just economic gains, the shift in mindset is profound: women who once saw themselves as secondary contributors now speak of their own goals and leadership roles. They are proud not only of the products they make, but of the dignity and independence they have gained through their craft.

The impact also reverberates through culture and environment. By preserving traditional abaca techniques and using eco-friendly materials, the business nurtures both heritage and sustainability, while offering a globally competitive product. Shelmed's work contributes to revitalising rural economies by fostering entrepreneurship and revaluing local knowledge.

Relevance to gender-transformative approaches

Tita Med's work embodies a gender-transformative approach that challenges systemic barriers while creating space for women's agency, creativity and leadership. Through Shelmed, women are not only earning incomes, but they are also claiming ownership of their time, their talents and their futures.

By designing a business that meets women where they are, and building their capacities across artisanal, financial and digital domains, Tita Med is shifting long-standing gender norms. Her story is a powerful reminder that entrepreneurship, when rooted in empathy and inclusion, can be a catalyst for personal transformation and structural change – especially in the most remote and traditionally underserved rural communities.

For further information: [Shelmed Cottage Treasures](#) (webpage), [shelmed](#) (Instagram)

Afliana Widia Ullu's Fabric Recycling Enterprise: Turning waste into worth in rural Indonesia

Afliana Widia Ullu, a single mother of five, lives in Babau, East Nusa Tenggara, one of Indonesia's most remote and culturally rich provinces. Faced with limited job opportunities and a declining use of traditional fabrics, she set out in 2016 with one sewing machine and a bold vision: to preserve her region's textile heritage while creating new livelihoods for women.

Her journey began after attending a government training on handicrafts. With a passion for both sustainability and culture, Afliana began recycling discarded items, like old shoes and bags, into high-value products by incorporating traditional woven patterns inspired by local nature and beliefs.

Business model and innovation

What started as a small home-based initiative has grown into a women-led microenterprise with five sewing machines and ten local employees. Afliana trains other women in repair techniques, fabric use and design, helping them turn waste into beautiful, marketable goods. Her business relies on reusing materials while celebrating cultural motifs, making it both eco-friendly and culturally grounded.

She also embraced digital platforms like Facebook, Instagram and TikTok to reach broader markets, especially during the pandemic, helping her overcome Babau's isolation and limited infrastructure.

Overcoming barriers and empowering women

Afliana's journey was not without resistance. She faced logistical hurdles, as Babau's rural location meant poor infrastructure and long distances to reach suppliers and markets. Early on, she also faced community criticism for repurposing discarded fabrics, especially those associated with religious or ceremonial uses. Many considered the act taboo. But with patience and dialogue, she helped shift mindsets – framing her work as a means of cultural preservation and environmental responsibility. Her insistence that these fabrics be honoured rather than wasted began to resonate.

As a former ASPPUK leader, she built a supportive, women-first workplace. Her business offers income, skills training and mentorship, creating space for women to lead and earn in a region where that remains rare.

Impact

Afliana's work has sparked change at multiple levels. Economically, she has created stable livelihoods for a growing team of women, enabling them to contribute to their households and gain greater autonomy.

Socially, she has shifted gender norms by showing that women's roles extend far beyond domestic duties. Culturally, she is helping revive and reinterpret traditional fabrics in ways that resonate with younger generations and new markets.

Through a simple yet powerful idea – turning waste into worth – Afliana has helped reshape how her community sees sustainability, tradition and the role of women in local development.

Relevance to gender-transformative approaches

This case exemplifies how gender-transformative action can emerge from local innovation. Afliana's initiative tackles deep-rooted norms by giving women the tools and space to lead, earn and create. Her model not only generates income but also builds social capital, challenges cultural taboos and fosters environmental stewardship.

Through her leadership, recycling becomes not just a business model – but a vehicle for dignity, visibility and long-term resilience for women in remote Indonesia.

For further information: [Aflianawidiaullu](#) (Instagram)

Annex B. List of participants in interviews for case studies

Name of Business	Country	Type of Business	Interviewees	Position
Nazava Water Filters	Indonesia	Sales of Water filters	Ms. Lieselotte Heederik	Co-founder and Director
Her Works	Laos	Handicraft	Ms. Douangmany Heuangkhamsene (Tookta)	Founder and Director
ASPPUK	Indonesia	Non-Governmental Organisation network	Ms. Emmy Astuti, Mr. Joe Fernandez, Ms. Siti Masriyah	Director of ASPPUK, Senior Advisor, Project Manager
Connected Women	Philippines	Digital and AI skills training	Ms. Agnes Gervacio Ms. Liezl F. Dunuan	CEO Social Impact Lead
Siegrid Bangyay Pottery	Philippines	Pottery	Ms. Siegrid Anne Bangyay-Rogers	Founder
Rose Ann's Fabric Gallery	Philippines	Weaving	Ms. Rose Ann Bangalo Wangdali	Founder
UKM FUA FUNI	Indonesia	Handicraft	Ms. Afiana Widia Ullu	Founder
NIRA ARENTA	Indonesia	Producing Coconut Palm Brown Sugar	Ms. Saadah	Founder
BKBM MITRA USAHA	Indonesia	Producing fertilisers	Ms. Haritanty Darno	Founder
Shelmed Cottage Treasures	Philippines	Manufacturing	Ms. Mary Mediatrix Villanueva	Director
Root Impact	South Korea	Non-Profit Organisation	Mr. Heo Jae-hyong	Founder and CEO

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Notes

¹ According to the OECD classification of small regions, *remote* areas consist of non-metropolitan regions where 50% of the population cannot reach a functional urban area (FUA) within a 60-minute drive (Fadic et al., 2019_[128]). Remoteness affects the opportunities people have to gain access to markets (for goods, services and labour) and to public services. For rural areas, the OECD recognises three types of rurality: rural within a FUA, rural close to cities and remote rural. Level 1 of the degree of urbanisation classifies rural areas as thinly populated areas that have more than 50% of their population in rural grid cells, where the majority of rural grid cells have a population density that is less than 300 inhabitants per km² (OECD et al., 2021_[129]).

² [IFC defines MSMEs](#) as enterprises that meet at least two of the three criteria related to the number of employees, total assets and annual sales, or those receiving loans within the MSME loan size threshold. A women-owned enterprise is defined as one that is at least 51% owned by women, or at least 20% owned by women with a senior female leader (CEO, President, or Vice President) and at least 30% female representation on the board, where applicable.

³ As there is no clear-cut definition of informality in Indonesia or across ASEAN, estimates may vary across sources (Wihardja and Cunningham, 2021_[52]).

⁴ Empowering Local MSMEs and Women Entrepreneurs, Train for Success, Access a Wider Market, Amplify Philippine-made products and Sustain Growth.

Women entrepreneurship in remote areas in Indonesia and the Philippines

Women entrepreneurs in remote areas are powerful drivers of inclusive growth, resilience and innovation, yet often face systemic barriers that limit their potential. In Indonesia and the Philippines, where women lead over half of all micro, small and medium-sized enterprises (MSMEs), their contributions are vital, particularly in underserved regions with scarce formal jobs. This report examines women-led businesses in remote and rural areas, highlighting the transformative role of digitalisation in expanding access to markets, finance and training.

Drawing on new survey data, policy dialogue and case studies, it offers a rich portrait of women's entrepreneurship in both countries, focusing on how tailored, place-based and people-centred support can address persistent challenges, from infrastructure and financing to digital skills and social norms.

This report provides a foundation for developing national and regional frameworks that address the specific needs of women entrepreneurs in remote and rural areas. Supporting women's entrepreneurship in these contexts is not only a question of gender equality, but also an investment in community cohesion, economic resilience and sustainable development.