



WCW
Women Creating Wealth

POLICY ECOSYSTEM FOR WOMEN'S ENTREPRENEURSHIP



Senegal

Barriers, Support Mechanisms & Policy Actions



GRAÇA MACHEL TRUST

Introduction

The country's political stability and robust economic growth provide a favourable environment for business development. Recent policies that support entrepreneurship, small and medium enterprises (SMEs) and start-ups have laid a strong foundation for growth across various sectors. However, **the start-up ecosystem remains predominantly male dominated** (AFI, 2023).

Senegal is committed to gender equality and social inclusion, and has made gradual progress in advancing women's financial inclusion. The country is also developing a vibrant start-up ecosystem, highlighted by the implementation of the **Start-up Act** (Création et promotion de la start-up), making it the **second African country** to do so (Afrikan Heroes, 2021). This Act offers key benefits, including a three-year tax exemption for registered start-ups, access to credit guarantees and opportunities for public procurement. It also provides specialised training and mentorship programmes to support start-up growth, which is aligned with the Digital Senegal 2025 Strategy. This initiative aims to foster a more inclusive and dynamic start-up ecosystem.

Women's financial inclusion stands at 50%, with no legal provision for equal pay or protection against discrimination in credit applications. Job restrictions limit their business opportunities and economic mobility. However, women have the same rights as men to apply for biometric IDs, sign contracts, register businesses and open bank accounts.

Only **37% of Senegalese women participate in the formal labour force**, compared to **57% of men**. The share of **female-owned businesses increased from 23.8% in 2007 to 31.3% in 2016**. This increase was driven by gender-responsive programmes. However, a gender gap remains in resource ownership and digital access. Structural barriers, including cultural norms, low financial literacy, gender-based discrimination and limited educational opportunities for girls, continue to hinder women's entrepreneurship. Additionally, **85% of Senegalese women do not own property** (house or land), which could serve as collateral for loan applications.

SME AND START-UPS



the start-up ecosystem remains predominantly male dominated (AFI, 2023)

THE START-UP ACT



this initiative aims to foster a more inclusive and dynamic start-up ecosystem

WOMEN'S FINANCIAL INCLUSION



50%
women have the same rights as men to sign contracts, register businesses and open bank accounts

FEMALE-OWNED BUSINESSES



from
23.8%
in 2007 to
31.3%
in 2016



Key Messages

- Senegal's political stability and economic growth create a strong foundation for business, although the start-up ecosystem remains male-dominated.
- Senegal's policies support women's entrepreneurship through initiatives, such as Startup Act and DER/FJ Delegation Générale à l'Entreprenariat Rapide des Femmes et des Jeunes [General Delegation for the Rapid Entrepreneurship of Women and Youth], that offer tax exemptions, credit guarantees and tailored support to foster an inclusive and dynamic start-up ecosystem aligned with Digital Senegal 2025.
- Despite increasing female entrepreneurship, women face financial and structural barriers, with limited resource ownership and only 37 % of women in the formal labour force.
- Gender-based violence (GBV) and financial exclusion remain significant barriers for women entrepreneurs in Senegal, which underscores the need for stronger legal protections and enhanced access to capital.
- Women entrepreneurs in Senegal face barriers that include limited access to capital, gender discrimination, lack of infrastructure, cross-border trade challenges and societal expectations that affect work life balance.
- Existing policies have aimed to provide financial support and educational opportunities for women; however, their overall impact remains uncertain.
- Furthermore, limited formal collaboration with government stakeholders has resulted in weak policy implementation and has restricted women's ability to influence the very policies that affect their lives.
- Support mechanisms for women entrepreneurs in Senegal include grants, training programmes, government-backed funding, public procurement opportunities, investor alignment and long-term mentorship, all of which enhance access to capital, skills and market connectivity.
- Successful models like product resale and regional expansion showcase how targeted support, mentorship, and networking opportunities help women scale businesses and expand into regional markets.

Against this backdrop, the Women Creating Wealth - Intergenerational Edition (WCW-I) project, part of the broader Graça Machel Trust (GMT) initiative, is dedicated to gender-transformative enterprise development across several African countries, including Malawi, Zambia, Tanzania, South Africa, Senegal and Kenya.

This policy brief examines Senegal as a case study to inform evidence-based policies that support women entrepreneurs and that foster economic growth, gender equality and social development. It assesses national, regional (Economic Community of West African States - ECOWAS) and African Union (AU) policies, regulations and programmes to identify gaps and recommend improvements. The study analysed barriers women face and evaluated support mechanisms to highlight best practices. This brief presents findings from document analysis, policy mapping and key informant interviews (KIIs) conducted with GMT network cobweb leads and women entrepreneurs in Senegal.

Women's Entrepreneurship Policy Ecosystem in Senegal

Senegal has a strong regulatory framework that promotes gender equality, entrepreneurship and the growth of SMEs and start-ups. Senegal's policies, including the National Strategy for Gender Equality and Women's Empowerment (2015-2025) and the Strategic Plan for Gender Equality (2016-2020), promote equal opportunities for women in education, health and employment.

The Senegalese Startup Act (Création et promotion de la start-up) fosters innovation and entrepreneurship, and it is aligned with the Plan Sénégal Émergent - Senegal Emergence Plan (PSE) and Digital Senegal 2025 Strategy. The Act provides legal support, incentives, mentorship, training and a resource centre, creating a conducive environment for start-up development in Senegal. The Plan Sénégal Émergent (PSE) (2014-2035) focuses on reducing poverty and inequality through inclusive policies that are supported by regulations to promote women's economic activities and fair business practices.

Several government and partner efforts support women's entrepreneurship in Senegal. The DER/FJ, l'EntrepreneuriatBCE (Bureau des Création d'Entreprise [Business Creation Office]) and other state organisations support start-ups, entrepreneurship, mentorship, funding and women's inclusion. Launched in 2018, DER/FJ, with a 30 billion FCFA fund, targets youth and women, offering incubation funding, training, equity financing and low-interest loans to boost entrepreneurship and innovation in Senegal (Martial, 2021). Furthermore, Senegal's regulations include the Public Procurement Code, which ensures transparency and fair competition in procurement; the Investment Code, which promotes investment with tax breaks and incentives; and Microfinance Regulations, which ensure responsible operations of microfinance institutions to promote financial inclusion and economic development.

Despite policies, regulations and programmes, women in Senegal still face financial inclusion and structural barriers. Gender-based violence (GBV) remains widespread, with approximately half of women in Senegal having attitudes justifying physical intimate partner violence, with this percentage rising to 64% in rural areas, and only 48.9% of married women disagreeing with wife-beating. GBV erodes women's access to resources and opportunities, erodes their confidence, hinders entrepreneurship, perpetuates discrimination and limits women's autonomy (Muluneh et al., 2024; Niang et al., 2021).

Senegal's start-up ecosystem remains underdeveloped and faces critical constraints such as insufficient regulatory support. Despite some progress, the country ranks low in global business sophistication ranking (123rd) and human capital and research (106th), indicating the need for deeper reforms and investments (WIPO, 2024). Specific measures are required to address challenges such as high initial investments, long development periods, intellectual property protection, limited assets and barriers to finance and market access (Martial, 2021).



Policy Gaps

DESPITE PROGRESS, SEVERAL POLICY GAPS HINDER WOMEN'S ENTREPRENEURSHIP IN SENEGAL:

- **Regulatory gaps in the start-up ecosystem:** Despite progress, Senegal's start-up ecosystem is hindered by insufficient regulatory support, low global rankings and a lack of comprehensive reforms. This points to the need to streamline regulations, improve ease of doing business and introduce incentives for innovation to better support start-up growth.
- **Barriers to financial inclusion and market access:** Women and start-ups face significant challenges, including high initial investments, limited assets and barriers to finance and market access. There is need to foster access to affordable financing, provide targeted grants or loans for women entrepreneurs and enhance market connectivity through digital platforms and training.
- **GBV and economic participation:** Widespread GBV undermines women's access to resources and opportunities, and undermines their confidence, which perpetuates discrimination and limits entrepreneurial potential. There is a need to strengthen legal protections against GBV, implement awareness programmes and increase support services for survivors to enhance women's economic participation.
- **Collaboration efforts:** Limited engagement between women entrepreneurs and government stakeholders has led to ineffective and slow implementation of policies. There is a low level of awareness about applicable taxes, which leads to compliance issues.



Women's Entrepreneurship Challenges and Barriers In Senegal

THE STUDY IDENTIFIED FIVE KEY BARRIERS AND CONSTRAINTS THAT LIMIT SENEGALESE WOMEN ENTREPRENEURS' PARTICIPATION IN BOTH DOMESTIC AND CROSS-BORDER ENTREPRENEURSHIP

ACCESS TO CAPITAL AND GOVERNMENT FUNDING

Senegalese policies are tough, particularly for entrepreneurs seeking government funding. For instance, to access government support, entrepreneurs must be in the production sector, which excludes many women entrepreneurs, especially those in agriculture or trade. This restricts access to critical funding for scaling businesses. In addition, high interest rates and inadequate financing policies, particularly in the banking sector, make it harder for women to secure loans for investment. Procurement policies in Senegal are not supportive of women entrepreneurs, with only 5 % of public procurement contracts awarded to women. Only 50 % of women report receiving government support, with many relying on donors and non-governmental organisations (NGOs) for assistance.

GENDER DISCRIMINATION AND SECTOR-SPECIFIC BARRIERS

Women face significant discrimination in male-dominated sectors such as construction. In these industries, societal norms limit women's access to resources and opportunities. Discrimination is also prevalent in sectors such as trade and agriculture, where women often have limited access to storage facilities and end up losing 35 % of their produce due to inadequate storage options. This prevents women from optimising their business potential and reduces their ability to scale or enter more lucrative markets.

LACK OF INFRASTRUCTURE AND MARKET ACCESS

Access to both local and international markets is a major challenge for Senegalese women entrepreneurs. Due to insufficient storage, women are forced to sell their agricultural products at throwaway prices, especially in the absence of storage facilities to hold produce until market prices improve. In addition, the cost of transporting goods within Africa is prohibitively high due to a lack of infrastructure, such as African-owned ships, well-linked railway lines or reliable transport systems, which makes cross-border trade difficult and costly.

CROSS-BORDER TRADE CHALLENGES

Trading within Africa is complicated by inconsistent policies across countries, which creates barriers for cross-border traders. For example, policies in countries such as Morocco and Mali are more favourable to local entrepreneurs, while Senegal's policies are tougher. Women entrepreneurs face challenges trading with neighbouring countries, such as Mali, Benin and Mauritania, due to these policy discrepancies. High transport costs and complex logistics further hinder access to African markets that are essential for regional growth and trade.

WORK LIFE BALANCE AND SOCIETAL EXPECTATIONS

Women face the dual challenge of balancing business responsibilities with family expectations. Societal norms in Senegal place the majority of family management on women, making it difficult to focus on entrepreneurial activities. Women engaged in provision of veterinary services, for instance, find it challenging to allocate time for family commitments, which impedes business growth. In addition, societal pressures limit their ability to scale businesses and engage fully in economic opportunities.

LACK OF FORMALISATION

Many women engage in entrepreneurship out of necessity rather than ambition for growth, which often results in a reluctance to formalise or register their businesses.

LIMITED ACCESS TO TAILORED TRAINING

There is a significant gap in access to specialised training, with a shortage of experts available to deliver entrepreneurship education that addresses the unique needs of women entrepreneurs.



Support Mechanisms that Facilitate Women's Entrepreneurship Development in Senegal

KEY SUPPORT MECHANISMS THAT EFFECTIVELY SUPPORT WOMEN'S ENTREPRENEURSHIP IN SENEGAL, WITH GENDER-INCLUSIVE EXAMPLES, ARE LISTED BELOW.

ACCESS TO CAPITAL

Grants instead of loans should be provided to avoid debt burdens, especially for women-led businesses in capital-intensive sectors. For instance, the DER/FJ provides funding for women entrepreneurs, including low-interest loans and equity financing, which helps women access the capital they need without significant financial strain.

TRAINING, CAPACITY BUILDING AND ADVOCACY

Fifty per cent of women report that offering a bundle of skills such as technical support, financial education and business development could support women entrepreneurship more effectively. Organisations such as Women Invest Capital (WIC) provide financial and training support. Women federations foster dialogue on entrepreneurship challenges and opportunities. There is a need for initiatives that educate women entrepreneurs on advocacy and policy engagement.

GOVERNMENT SUPPORT AND PUBLIC PROCUREMENT

Government-backed funding programmes should be enhanced to ensure women entrepreneurs have equal access to public procurement opportunities. Senegal's Public Procurement Code mandates that a certain percentage of contracts are awarded to women-owned businesses (WOBs), but this should be increased. The Senegalese Startup Act provides incentives and legal support for women entrepreneurs to start and scale businesses but further sensitisation is required.

INVESTOR ALIGNMENT WITH LOCAL NEEDS

External investors should be encouraged to prioritise supporting WOBs and aligning investments with local needs. For example, initiatives such as Japan International Cooperation Agency (JICA)'s women entrepreneurs' programme support local women entrepreneurs by connecting them with investors who understand the challenges women face in securing funding. Such initiatives help to bridge the gap.

LONG-TERM AND SUSTAINABLE SUPPORT

Long-term support structures should be established to provide consistent financial assistance, mentorship and access to networks. Organisations such as EPZ (Export Processing Zones) offer women access to specialised networks and resources that are critical for scaling their businesses and expanding into international markets. They offer mentorship programmes tailored to the unique needs of women entrepreneurs.



Best Practices

THE STUDY IDENTIFIED THE FOLLOWING BEST PRACTICES THAT SUPPORT WOMEN ENTREPRENEURS IN SENEGAL:

- **Product resale model:** Women receive products for resale, for which they pay after sales. This model is supported by firms such as Enda Tamweel and WIC Capital that provide microfinancing and business development services. The model supports women's financial autonomy and reduces initial capital barriers for entry.
- **Regional expansion:** Expanding into neighbouring countries such as Mali and Mauritania with support from firms such as EPZ, Senegal Export Promotion Agency (ASEPEX) aids market access and international trade. This cross-border expansion highlights the success of entrepreneurial women who tap into regional markets and contribute to economic growth and regional integration.
- **Business growth and networking:** Increased turnover and job creation, with networking opportunities from organisations such as JICA, GMT, African Development Bank (AfDB) and Women Entrepreneurs in Senegal (WES), foster collaboration and recognition. Through these initiatives, women are recognised for their achievements and others are motivated to follow suit and invest in their entrepreneurial journeys.

The Way Forward

- To foster women's entrepreneurship in Senegal, key actionable strategies must be implemented. First, expanding access to finance is crucial. This could be achieved by creating government-backed funding programmes and incentivising financial institutions to offer low-interest loans and grants specifically designed for women entrepreneurs.
- Second, strengthening regulatory frameworks would help to ensure a more supportive environment. Simplifying business registration processes and increasing women's representation in public procurement opportunities are essential steps in this regard.
- Third, enhancing skills and training is vital. By providing targeted training in financial literacy, business management and technical skills, women would be better equipped to succeed. This could be achieved through partnerships with local and international organisations.
- Fourth, promote inclusive policy engagement by actively involving women entrepreneurs in the design, implementation and evaluation of policies that affect their economic participation.
- Fifth, strengthen communication and outreach to develop targeted communication strategies to raise awareness of available programmes, resources and opportunities among women entrepreneurs, especially in underserved areas.
- Lastly, supporting market access is critical. Facilitating platforms for women to connect with regional and global markets, for example, leveraging trade networks such as ASEPEX, would help to reduce market barriers and enhance growth opportunities.



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