Mexico Gender Lens Entrepreneurship and Investing Report 2023
OVERVIEW

This report is the outcome of a research project undertaken and developed by Girls Who Venture in collaboration with Pro Mujer, Femina Oaxaca, and Sikanda. The purpose of the report is to study the entrepreneurial and investment landscape in Mexico, specifically with a gender lens. In addition, we provide actionable recommendations for the ecosystem through data analysis and expert interviews. On the same page, we study gender policy and laws, recommended interventions, and required systemic changes to foster an enabling and conducive burgeoning environment required to thrive female investors and entrepreneurs.

Pro Mujer is a leading, mission-driven non-profit organization that provides financial inclusion, health and education programs to empower women in Latin America. One of the largest women's organizations in the region, Pro Mujer operates in Argentina, Bolivia, Guatemala, Mexico, and Nicaragua with headquarters in New York City. In 30+ years Pro Mujer has upskilled and created opportunities for more than 2 million women, disbursed more than $4.4 billion in loans, and provided 10 million in health services.

Sikanda is a non-profit organization in Mexico. The organization’s mission is to facilitate and support participatory processes for harmonious and sustainable development, in order to improve the quality of life of people in Mexico and other countries, with the conviction that through awareness and collaboration of different sectors of national and international society, a just and equitable world can be achieved.

Fémina Oaxaca is the first institution developing in the state of Oaxaca, Mexico to serve as an startup and enterprise incubator for entrepreneurial Oaxacan women. In addition, the center will assist with job opportunities, training, discussion, and collaborative learning.

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ACKNOWLEDGEMENTS

The Girls Who Venture team would like to extend our sincere gratitude to our mentors, interviewees, interviewers, gender research and policy fellows, participants, and advisors for their contributions to this report. This research report is undertaken in partnership with Pro Mujer, Femina Oaxaca, and Sikanda, and we greatly appreciate the time and effort of all our collaborators. Let’s just say we cannot thank them enough for the amazing opportunity to work with them.

We would first like to thank all the entrepreneurs, investors, experts, and professionals who took time to share their perspectives and experiences. Their participation in our research has furthered our understanding of the challenges facing women entrepreneurs and investors in Mexico as well as the success that many actors have achieved to overcome and reduce these barriers. The candid responses of the interviewees directly informed our recommendations to promote a more inclusive entrepreneurial ecosystem.

At Girls Who Venture, we are particularly grateful to Ana Paula Perez, Maria Liliana Mor Gaviria, and the Emprende Pro Mujer Team at Pro Mujer, whose advice and feedback guided us throughout this research project. Moreover, Pro Mujer collaborated to provide field data on several local and regional Mexican necessity based female entrepreneurs to study the entrepreneurial ecosystem at the base of the pyramid. We are also grateful to Tabatha Mata, who assisted with a survey of local Oaxacan female entrepreneurs apart from her views and experiences as a Mexican entrepreneur and economic policy expert.

Finally, we would like to thank the Sikanda team, in particular Barbara Lazcano and Janett Garcia, who provided insights and impact results from the Mujeres A.V.E pilot project. The project is conducted in Villa de Zaachila, a municipality located in the Central Valleys region of the state of Oaxaca, 15 km south of the capital city.

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Entrepreneurial finance feminist theory assumes that feminist principles should be consciously incorporated in the design of new venture capital funds, angel funds, and gender entrepreneurial and finance policies. Moving forward for our society, women should not be viewed as passive actors of gendered entrepreneurial innovation driven ecosystems that encircle social, economic, cultural, intellectual, and political elements within regional clusters. Therefore, we can explore and study entrepreneurial finance feminist theory focused on venture capital where we can write new rules in the ecosystem to generate female changemakers in developed and less developed economies.

While looking at investor feminist theory homophily will derive a new meaning amongst founders and investors in innovation economies around the world as we observe gendered investor and entrepreneur identities, freedom of gendered thought, and free gender speech, while preserving the unique perspectives and experiences of women. This is not just about purplewashing, pinkwashing, pinketing, purpleketing—we already see changemakers as liberal agents that are developing gender-sensitive economies and societies, where all roads lead away from women suffrage.

Financial inclusion and women entrepreneurship concern policymakers because of their impact on job creation, economic growth and women empowerment. Women in Mexico do engage in paid work but many of them work in the informal sector because they lack opportunities to work in the formal sector. Moreover, the financial exclusion rate in Mexico remains the highest amongst OECD countries, affecting women in particular. A recent paper by OECD uses an individual-based panel dataset over the period 2009-2015 to examine the determinants of women entrepreneurship in Mexico and to determine the relationship between women entrepreneurship and financial inclusion across informal and formal work and across economic sectors.

- The results suggest that financial inclusion is positively linked with entrepreneurship and it can open up economic opportunities for women entrepreneurs.
- Various financial access points like banking branches, POS terminals, banking agents, ATMs and microfinance banks can be a gateway to the use of additional financial services which can allow businesses development through access to credit facilities.
- However, the positive relationship between women entrepreneurship and financial inclusion does not hold for women entrepreneurs working in the informal sector or women working in the commerce sector, highlighting lower entry barriers, including financial, in the informal sector and problems pertaining to financial illiteracy.
- Results also highlight that the probability of a woman being an entrepreneur in the informal sector is higher than in the formal sector that results in lower earnings and financial stability.
- Education, age, income, marital status (married or divorced), and income level at the municipality level are amongst other significant determinants which are positively linked with women entrepreneurship.
- The results also highlight the existence of gender disparity in the status of entrepreneurship across formal and informal work in Mexico. On average, women are about 56% less likely to be entrepreneurs in the formal sector and 63% more likely to be entrepreneurs in the informal sector, as compared to men, after taking into account other relevant individual and municipality level characteristics that are important in explaining entrepreneurship.
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Score</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Bank Ease of Doing Business 2020</td>
<td>72.4</td>
<td>60/190</td>
</tr>
<tr>
<td>GIWPS Women Peace and Security Index 2021</td>
<td>0.725</td>
<td>88/170</td>
</tr>
<tr>
<td>GEDI Global Entrepreneurship Index 2018</td>
<td>27.1</td>
<td>70/137</td>
</tr>
<tr>
<td>WEF Global Competitiveness Index 2019</td>
<td>64.9</td>
<td>48/141</td>
</tr>
<tr>
<td>WIPO Global Innovation Index 2020</td>
<td>7.9*</td>
<td>58/132</td>
</tr>
<tr>
<td>Heritage Economic Freedom Index 2023</td>
<td>63.2</td>
<td>67/176</td>
</tr>
<tr>
<td>WEF Global Gender Gap Index 2022</td>
<td>0.764</td>
<td>31/146</td>
</tr>
<tr>
<td>Female Entrepreneurship Index 2015</td>
<td>42.8</td>
<td>41/77</td>
</tr>
<tr>
<td>Mastercard Index of Women Entrepreneurs 2021</td>
<td>53.3</td>
<td>41/65</td>
</tr>
<tr>
<td>NECI 2022</td>
<td>3.82</td>
<td>44/50</td>
</tr>
</tbody>
</table>

*Investment score (Market Capitalization, Venture Capital Investors, Venture Capital Recipients, and Venture Capital Received)

The COVID-19 pandemic has led to a decline viewed as a major setback in female labor force participation rate. According to United Nations labor experts, the COVID crisis would push global unemployment in excess of 200 million in 2022 with women and youth workers the most adversely affected. This is echoed in Mastercard Index of Women Entrepreneurs (MIWE’s) results with “women's labor force participation” rate declining in all 65 economies. Twenty two economies registered a fall of 2% or more, with Latin America recording the steepest declines in Mexico (-4.8%), Peru (-7.5%), Colombia (-5.9%), Brazil (-5.8%), Ecuador (-5.8%), Costa Rica (-5.5%), Argentina (-5.4%), Uruguay (-4.8%), and Chile (-4.5%). Botswana (-5.2%) and Islamic Republic of Iran (-5.1%) in the Middle East and Africa region also recorded steep declines. When the coronavirus pandemic struck Latin America, most of the economies were confronted with sluggish economic growth amid rising poverty and persistent gender inequalities. In economies such as Chile, Uruguay, Argentina, Brazil, Costa Rica, Ecuador, Mexico, and Peru, women’s roles as professionals and technical workers and business leaders tend to be lower than their global peers.
EDUCATION AND ENTREPRENEURSHIP

According to the World Bank’s *Doing Business 2020* report, Mexico ranks 60 out of 190 countries in the ease of doing business score, placing above several other nations in Latin America and the Caribbean. It reflects an active entrepreneurship ecosystem, with 21 percent of its adult population involved in entrepreneurial endeavors in 2015—double the number in 2010. This total early-stage entrepreneurial (TEA) rate stands above the average for the region (19.9 percent) and for efficiency-driven economies (15 percent). The Secretariat of the Economy reports that 35,000 new small and medium enterprises (SMEs) are started each month.

The government has supported several programs to grow the entrepreneurial ecosystem in the country. In 2001 the government launched the Entrepreneurial Development Plan, which created the sub-Secretariat for SMEs and reduced regulatory constraints for businesses. The Fondo PyMe (SME Fund) was launched in 2004 and the National Institute of the Entrepreneur (INADEM) was created in 2010. This institute led the High Impact Entrepreneurship Program (HIEP) that supported the growth of SMEs through a matching-grant scheme. In 2014, Mujeres Moviendo México program was established to provide business training, technical assistance and guidance to female entrepreneurs. Over 10,000 women entrepreneurs from 5 states in Mexico benefited from the program during 2014. The National Institute of the Entrepreneur and related financial programs disappeared under the new federal administration. Presently, the Secretariat of Economy only offers limited microloans to female entrepreneurs ($25,000 Mexican pesos = 1,311 USD) and a few training programs.

Despite support for entrepreneurial programs, Mexico showcases the lowest labor productivity levels for SMEs among OECD members that is driven by the high rates of informality. This trend feeds into inequality of incomes and opportunities. Policymakers must promote high-impact, high-value firms that have the ability to compete in a global market for the growth of the Mexican economy.

One way to achieve the goals of a competitive global economy is through education. While education levels in Mexico have increased recently, we observed poor educational outcomes among low and middle-income households. At the tertiary level, around 17.2% of Mexican women from 25 to 65 years attained tertiary education, compared to 18.9% of men. This is not a huge gap driving gender inequality, but shows low levels of tertiary education in Mexico.

Education usually is seen as a driver for female entrepreneurs and investors. Also, in a survey of early-stage entrepreneurs in Mexico, for example, 58 percent did not complete a secondary education. Low levels of education are also correlated with self-perceptions of opportunity. Among those adults that did not finish primary school, only 31 percent believe they have the ability to start a business. As of 2017, the share of self-employed women in Mexico with a tertiary education is 15.6%, versus 21.3% of self-employed men. Enhancing education—and entrepreneurship education in particular—is a necessary first step in improving entrepreneurship outcomes.

Girls’ education in Mexico is influenced by family features (e.g. family poverty, parental involvement, maternal education and sibling composition), sociocultural barriers (e.g. early marriages, early pregnancies and domestic responsibilities and expectations), and instability (e.g. regional poverty, regional language barriers, limited transportation, crime, and poor educational infrastructure).
Despite the challenges to education for girls in Mexico, there have been many educational reforms and initiatives in the past 20 years (e.g. PROGRESA-Oportunidades, HiP, The New Educational Model, USMF’s STEM mentoring program, among others) that have encouraged positive change. Mexico is a member of the United Nations Girls’ Education Initiative (UNGEI). This initiative is committed to narrowing the gender gap in education through the enhanced focus on marginalized and excluded groups, reduction, or in best case elimination, of school-related gender violence and improved learning outcomes for girls.

From recent research we note that the business ecosystem of Mexico has many points in favor, but the entrepreneurship education at school is not one of them. In the most recent National Entrepreneurial Context Index of the Global Entrepreneurship Monitor (GEM), it was found that only Togo has the worst score in entrepreneurship education. In general, Mexico’s National Entrepreneurial Context Index (NECI) deteriorated significantly in 2022. In 2021, the total NECI score was 4.3, placing the country in 30th place among the economies studied by the GEM. Last year this score fell to 3.8, leaving Mexico in 44th place in the ranking.

The GEM found that inflation has been rising in recent months in Mexico, reaching almost 9% in September 2022, its highest level in more than 20 years. Hence, credit in the country is expensive and is a major obstacle to entrepreneurship. It also found that while national initiatives to start new businesses have declined, some states such as Jalisco, Querétaro, Yucatán and Nuevo León have stood out in programs to improve local entrepreneurship and innovation ecosystems, where we might see high levels of female entrepreneurship too in the coming years.

Entrepreneurial education at school is infamously stated as the great achilles heel of Mexico. The GEM study found that 12 of the 13 indicators evaluated on the Mexican business ecosystem generally performed worse in 2022, emphasizing entrepreneurship education in school, which went from an already low 2.7 to a dire 1.7. To give us a comparison, as stated earlier, only Togo scored lower than Mexico in this category.

<table>
<thead>
<tr>
<th>Mexico Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial Financing</td>
<td>3.5</td>
</tr>
<tr>
<td>Ease of Access to Entrepreneurial Financing</td>
<td>4.0</td>
</tr>
<tr>
<td>Government Policy: Support and Relevance</td>
<td>2.3</td>
</tr>
<tr>
<td>Government Policy: Taxes and Bureaucracy</td>
<td>2.9</td>
</tr>
<tr>
<td>Government Entrepreneurial Programs</td>
<td>3.8</td>
</tr>
<tr>
<td>Entrepreneurial Education at School</td>
<td>1.7</td>
</tr>
<tr>
<td>Entrepreneurial Education Outside of School</td>
<td>5.3</td>
</tr>
<tr>
<td>Research and Development Transfers</td>
<td>2.8</td>
</tr>
<tr>
<td>Commercial and Professional Infrastructure</td>
<td>4.4</td>
</tr>
<tr>
<td>Ease of Entry: Market Dynamics</td>
<td>5.7</td>
</tr>
</tbody>
</table>
Ease of Entry: Loads and Regulation 3.3
Physical Infrastructure 5.8
Social and cultural norms 4.4

The GEM highlights that Mexico has had a post-pandemic recovery that, although not exceptional, is sufficient. On the other hand, the report suggests that local markets are “buoyant” and focusing is a good strategy for entrepreneurs. Not only that, the entrepreneurial spirit of the Mexican is high: almost half of adults (50%) in Mexico know someone who recently started their own business and more than two-thirds (66%) of adults consider themselves to have the skills and experience to do it themselves. “The proportion of adults who see good opportunities to start a business locally in 2022 was more than one in two (56%), slightly below the 2019 level (63%),” the GEM observed. Four in five (80%) of the new entrepreneurs decide to start a business “to make a living because jobs are scarce”, although more than two in three (66%) also agreed with the motivation “to make a difference in the world”, and more than half (50%) with “continuing a family tradition”. Finally, four out of five (80%) of the new entrepreneurs are expected to use more digital technology to sell their products in the next six months.

Gender-related issues in education remain. Despite mandating free pre-school, primary, and secondary education for children and a 98.5 percent literacy rate among girls aged 15 to 24, many female students in Mexico tend to leave school early, as they are forced to drop out of school in order to perform household duties. One in three females aged 15 to 29 are not in school or employed, whereas only one in ten males aged 15 to 29 do not attend school or are unemployed. In other words 33% of Mexican women from 15 to 29 years old are not in employment, education or training (NEET), which is 18 points higher than the OECD average. Founding president of the Mexican Federation of University Women, Patricia Galeana, says that “girls do not miss school for lack of intellect, but because there is social deprivation.” Other challenges that deter female education include early marriage, early pregnancy (including teenage and adolescent), and threats of physical or sexual violence.

MEXICO WOMEN ENTREPRENEUR AND INVESTOR PROFILE

- According to LAVCA, 39.6% of Latin American Startups have no women on the Executive Team and 60.4% of them have one or more women represented on the Executive Team.
- According to AMEXCAP, around 28% of startups invested have at least one female cofounder as of 2019.
- Only 9 of the 100 main tech start-ups in Mexico have a woman as a CEO and only 20% of them have a woman among their founders. Within Fintech companies, only 11% had women founders.

Industry: As mentioned earlier female entrepreneurs are 63% more likely than men to operate in the informal sector. Among 100 Mexican startups founded by women entrepreneurs, 34% operate in the consumer internet sector, 25% operate in the healthcare sector and 22% in the fintech. 30 percent of all female owned businesses operate from home in Mexico, compared with only 11 percent of male-operated businesses. “Women Business and Law 2020” measures 190 economies around the world, analyzing eight indicators that affect women’s economic empowerment at different stages in their working lives: mobility, workplace, pay, marriage, parenthood, entrepreneurship, assets, and pension. A perfect score of 100
means that women have the same legal economic rights as men in the areas measured. Mexico has a score of 83.8, which is higher than the average global score 75.2 and also higher than the Latin American average score, 79.2.

**Business Activity**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Women</th>
<th>Men</th>
<th>Gender Ratio (W/M)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial Intentions</td>
<td>12.8%</td>
<td>13.7%</td>
<td>0.9</td>
<td>12.6% of female entrepreneurs in Mexico exhibited entrepreneurial intentions, but only 0.8% established business as of 2018.</td>
</tr>
<tr>
<td>Established Business Activity</td>
<td>0.8%</td>
<td>2.0%</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>Total Early Stage Entrepreneurial Activity (TEA)</td>
<td>11.1%</td>
<td>17.4%</td>
<td>0.6</td>
<td>As of 2018, around 11.1% of women from 18-64 years old are either nascent or new entrepreneurs, which is lower than the Latin American average of 17.3%. However, female TEA rate in Mexico has slightly increased, compared to 10% in 2016.</td>
</tr>
<tr>
<td>Business Discontinuance</td>
<td>3.5%</td>
<td>2.0%</td>
<td>0.6</td>
<td>The percentage of female-led business discontinuation is lower than the Latin America average of 4.2%. The lack of profit is the primary reason that women's businesses fail.</td>
</tr>
</tbody>
</table>

Source: GEM 2018/19 Women's Entrepreneurship Report
## Entrepreneur Characteristics

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Women</th>
<th>Men</th>
<th>Gender Ratio (W/M)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity Perceptions</td>
<td>35.1%</td>
<td>37.7%</td>
<td>0.9</td>
<td>35.1% of female entrepreneurs in Mexico believed there were good opportunities around them in 2018, dropping from 38.4% in 2016.</td>
</tr>
<tr>
<td>Growth Expectations (% of TEA women or men)</td>
<td>6.4%</td>
<td>15.9%</td>
<td>0.4</td>
<td>6.4% of female entrepreneurs expect to add more than six employees in the next five years, versus 15.9% of male entrepreneurs in Mexico.</td>
</tr>
<tr>
<td>Fear of Failure</td>
<td>45.5%</td>
<td>55.1%</td>
<td>0.8</td>
<td>The capability perceptions of female entrepreneurs in Mexico are lower than the Latin American and Caribbean average of 53.3%.</td>
</tr>
<tr>
<td>Undeterred by fear of failure</td>
<td>68.1%</td>
<td>75.7%</td>
<td>0.9</td>
<td>Female entrepreneurs are about 8% less likely to be undeterred by fear of failure than male entrepreneurs in Mexico.</td>
</tr>
<tr>
<td>Role Models</td>
<td>30.5%</td>
<td>38.3%</td>
<td>0.8</td>
<td>30.5% of female entrepreneurs personally know an entrepreneur compared to 38.3% of men. However, on average, women are more likely than men to know an entrepreneur in Latin America.</td>
</tr>
</tbody>
</table>

Source: GEM 2018/19 Women’s Entrepreneurship Report
### Investor Characteristics

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Women</th>
<th>Men</th>
<th>Gender Ratio (W/M)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angel/Venture Capital Investment Rates</td>
<td>0.9%</td>
<td>1.7%</td>
<td>0.5</td>
<td>Around 0.9% of Mexican women have personally funded entrepreneurial ventures, which is lower than the Latin American and the Caribbean average of 5%.</td>
</tr>
<tr>
<td>Median Investment Size</td>
<td>$551.36</td>
<td>$799.48</td>
<td>0.7</td>
<td>The female and median investment size in Mexico is lower than the Latin American average of $933 and the male median investment size is also lower than the Latin American average of $1518.</td>
</tr>
</tbody>
</table>

Source: GEM 2018/19 Women’s Entrepreneurship Report

60 female venture capitalists invest in Mexico. This includes 21 Top women Investing in Latin America Tech and 39 emerging women investors in Latin America Tech. (LAVCA 2022)

**Investor Relation to Entrepreneur**

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<table>
<thead>
<tr>
<th>Relation</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family or other relative</td>
<td>43.80%</td>
<td>75.90%</td>
</tr>
<tr>
<td>Friend or neighbour</td>
<td>13.80%</td>
<td>29.20%</td>
</tr>
<tr>
<td>Colleague</td>
<td>10.30%</td>
<td>20.80%</td>
</tr>
<tr>
<td>Stranger</td>
<td>6.30%</td>
<td>0%</td>
</tr>
</tbody>
</table>
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Source: GEM 2018/19 Women’s Entrepreneurship Report
Nine countries participated in the GEM National Expert Survey (NES) in the Latin America & Caribbean region in 2021. At the regional level, experts scored access to finance and procurement somewhat positively on average, while favorable regulations for women entrepreneurs and family support services received moderately negative scores. Cultural support for women entrepreneurs and the benefit of telework for women juggling family in the pandemic was rated slightly negatively. The most negative scores were found in Brazil for cultural support for women entrepreneurs (−2.0), favorable regulations (−3.1), family support services (−2.8) and telework services being helpful (−1.8). Brazil was also where equal access to procurement was scored the most negatively by experts (−0.6), while Chile showed the most negative score for equal access to finance (−0.4). In contrast, the most positive expert scores for equal cultural support (0.4), equal access to finance (1.4) and equal access to procurement (1.6) were found in Jamaica. Jamaica was also tied with Mexico for the positive score for telework helping women juggle family in the pandemic (0.9). All the expert assessments for family support services in Latin America & Caribbean countries were negative, with the least negative score being in the Dominican Republic (−1.0).

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equal cultural support for women entrepreneurs</td>
<td>-0.9</td>
</tr>
<tr>
<td>Favorable regulations for women entrepreneurs</td>
<td>-1.5</td>
</tr>
<tr>
<td>Equal Access to Finance</td>
<td>0.8</td>
</tr>
<tr>
<td>Equal Access to Procurement</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Mexico is among the Latin American countries where women's businesses grew during the pandemic: according to data from the Mexican Institute for Competitiveness, IMCO, in the period 2019-2020, women's businesses grew by 12.4% while for 2020-2021 reached a growth of up to 26%. However, as Association of Entrepreneurs in Mexico (ASEM) data shows, much remains to be done to see real growth and improvement in Mexican women's entrepreneurship:

- For 57% of Mexican entrepreneurs, their company represents their main source of income.
- 24% of the businesses made by women have closed due to lack of availability of time.
- Women entrepreneurs are more likely to lead companies in the retail and gastronomic consumer sectors.
María Tellez  
Operating Partner, TheVentureCity

What is the entrepreneurship and/or VC ecosystem for women in Mexico?

I come from a banking background, which also has given me a good sense of gender parity, gender equality—what it means, what it means to work in an all male working environment, male driven environments. When I changed to the venture capital ecosystem in Mexico, what I felt was that it's a much more relaxed environment, but it's still predominantly as, you know, led by men. There's very few funds in Mexico, I mean, just two as of 2020 that have female partners. And the thing is, it's still a nascent industry in Mexico and predominantly male.

This is my personal opinion, having changed my institutional background, which is banking to venture capital. I see it as a much more flexible, relaxed environment where women can have more opportunity to do home office, flexible hours, etc. I think it's still perceived as a very new industry. I don't feel there's a formed opinion around it. People are still figuring out what venture capital is in Mexico, but I feel that there are opportunities for women there. Though the thing is. It's like in any other industry, there's a lot of women analysts at the bottom, but it's harder to get them to climb up the ladder and become partners and really have an equal gender lead.

Why do you think there are only a few women partners in Mexico?

Men in Mexico are much more risk seeking, and they're the ones that start businesses. Men have been starting venture funds. As the industry is still fairly new, the funds haven't grown enough to admit new partners, so there hasn't been room for women in the partnership level, obviously, and other levels of a fund. There's a lot of women working at venture funds—several funds have more women than men. I think in the lower levels—analysts, associates—you could see a better mix. At the top level, we primarily see men.

What are the existing barriers and challenges for women entrepreneurs and/or VCs in Mexico? What challenges did you face in your journey?

I don't feel that's my personal opinion because of what I've lived. I don't feel there are barriers because I didn't feel them. Exactly. My team is very small. I'd love to hire a woman because right now we have two men and one woman. The industry is still very, very small, so there's not a lot. We don't create a lot of jobs within venture firms. I do feel that there's a new set of mentality—people are more open. As I said before, relaxed office policies are also more flexible for women. Hence I think it also becomes very attractive for women to come work in the VC market. I don't see a lot of women getting promoted to partners, and I don't see a lot of women at my level having a clear career path to becoming partners of the funds that they currently work for. I think that my generation is still where the change is happening. There are very few women at my level, but in younger generations more women are trying to get in. Therefore, I think it's still like a generational process. A lot of other women my age worked for a couple of years and got married. Now they are taking care of their kids, so it's still strange for my generation to see 100 percent of my classmates working. I would say, like 30 percent of my female classmates work nowadays. That's not a lot,
but I feel like the younger generation is where the change comes—let's say where women are more committed to their jobs. They feel that they could multitask—they can have a family, raise their kids, and have a job. However, I feel it's also generational, and it's also like a change of mindset.

I started working in York in banking at Merrill, where there was a very aggressive male dominated culture. Before that, I worked at a law firm. Then I did my own business or as I say my work experience started there. That's how I learned to work. I had no comparison. That's how I grew. I grew up working. I made myself work in this very aggressive, male dominated environments, where I had no point of comparison. When you take a step back you realize that you're like in a team of eight people and there's only two women, and then all the two women are very junior at the thing. Everyone up there, all your bosses and the bosses of your bosses are all male. That's when you start realizing, OK, there's something here for women not being able to scale up. I moved to venture capital. The good thing about venture capital, especially, well, the fund that I work with is that there is flexibility. We can work remotely, and we can have meetings for a lot of communication. I think having this type of flexibility within your job helps women.

Do you promote and invest in women founders?

Yeah, it's something that I really, really like to do. Unfortunately, there's not a lot of women founders. Women are more risk averse. Men are more risk seeking. What I love about my firm is if an entrepreneur comes and he's the sole founder and he's looking for a co-founder, we always recommend for him to find a female co-founder because we like diversity in founding teams. We don't get to see 50 percent women entrepreneurs and 50 percent men entrepreneurs. We see 80 percent male entrepreneurs and 20 percent women entrepreneurs. We've seen a lot of women entrepreneurs in fitness, health, and e-commerce, but not so many in fintech.

How does Covid-19 affect female entrepreneurs/or the VC market in Mexico?

It's going to be very hard for new startups to raise their first round. Established companies that have already a good and solid business model are probably going to get the next round with their previous investors. Though I feel that in general, it's just going to be a very hard environment. We still don't understand the extent of the crisis that is to come, especially the economic and financial crisis. However, I think, which is my personal opinion, that it's going to be a big one.

What are your recommendations for improving Entrepreneurship and/or the Venture Capital ecosystem for women in Mexico?

I would definitely encourage more women to participate, to bring forward their ideas, and to be brave about them. I'd love to invest in entrepreneurial education for female entrepreneurs. The great idea of the greatness of creating something from scratch and running your own thing requires a lot of mentoring. I really don't know how I would personally love to increase the time that I spent mentoring and I would like to focus more on women. It will be very helpful to create a solid network of women entrepreneurs and also from there have events, fireside chats, mentoring programs, not only mentoring programs, but also educational programs around different subjects of building a business, etc.

Funds need to have flexible policies for women. They need to understand the needs of female employees. You need to understand that women have a lot of other things apart from a job. They have other responsibilities. They're multifaceted. We take care of our home. We take care of our family. We take care
of our kids. So one job, your actual job, your economic job, the one that you get paid for is one out of four or five different jobs that a woman might have. I think bosses need to understand that, and they need to be flexible with women. Moreover, they need to have a clear image of the value of what a woman brings into a team. They're like, "OK, this girl is giving me five hours. And this guy is giving me ten hours. Come on. And I paid for them. Same thing. Think, Oh, great, I'm going to go with a guy that gives me ten hours a day." Of course, that's how people pick, but we need a change of mentality.

Catriona Forrester
Managing Director, Sun Mountain Capital-Mexico Ventures

What is the entrepreneurship and/or VC ecosystem for women in Mexico?

I feel that in venture capital in Mexico, there's a real disparity in only the senior ranks, which impacts a handful of women. There's quite a lot of women in the junior sort of associate ranks. Then there's sort of this gap in the middle where I don't know where women go, and I don't know what they're doing from senior associate to just below managing director or managing partner levels. There's just this bit of gap, so that's one of my observations on the ecosystem. I feel there's some really strong female entrepreneurs, but I do feel that there's a level of cultural conditioning where there's often women or co-founders in a startup, rather than a female lead founder of the business. I also feel that there's quite a lot of successful female entrepreneurs, but they tend to stick in this women's products environment, you know, like the pink stuff. For example cooking videos and delivery services for flowers and cookies, and that sort of thing, which is not a bad thing at all, but it does sort of, you know, segments females into that pink stuff category.

Why do you think there are only a few women partners in Mexico?

I think there's also a level of cultural conditioning where women go away and have kids, and then they don't come back for a while. And I mean, if you can make that decision, and you want to stay home, great, but it sort of leaves the rest of us in that middle kind of position a little bit.

Existing barriers and challenges for women entrepreneurs and/or VCs in Mexico? What challenges did you face in your journey?

I've been on boards in Mexico, and it's sort of me and everyone else on the board, which will be over 60 Mexican males who have known each other since childhood. It's just a horrible experience because whenever you sort of make a comment, you can be dismissed or over-talked, but I feel that happens in a lot of countries. I know I am an Australian, and it happens in Australia. I've been in American contexts and I feel the same thing happens. Though I feel here in Mexico, there's a little bit more of the insult at a very low level. You know, it's things like I remember speaking at a board meeting and I got interrupted in a way that really made me mad. I do feel you have to be a little bit strategic sometimes here in Mexico, where you know, in that particular situation I brought in one of the colleagues from our Mexican business who himself is over 60. He used to come with me to board meetings, but I did feel that this situation isn't cool, but it is what it is in the economy to work within the framework. The average guy here in Mexico, let's assume the man who speaks to his wife, his mother, his housekeeper, his kids, I don't know if they know how to even interact on a professional level with women because we're seen as sort of, you know, we either want
something from them or we want to boss them around, but I think sometimes men don't even know how to handle women in the workplace.

I sometimes feel that women don't help other women out and really are a little bit of competition. However, I’ve seen examples where women have been incredibly helpful with each other and worked in a very collaborative sense. On the other hand then I've seen other situations where I feel that women have just been a bit nasty and not been constructive in the dialogue. Hence I think sometimes women can also sabotage each other, which is not, I mean, longer term, it's just not cool, and it's not constructive. I think that we can move forward together rather than sabotage each other. I feel whenever I've tried to connect with women here, it's 50/50 as to whether they're responsive and helpful. When I've connected with men here in Mexico, I've usually had a response. I really don't know why, but I feel like we shouldn't be in competition.

There are cultural things where Australians are incredibly direct. Whereas here in Mexico people are not. People also have a cultural aversion to saying no, so it took me some time to sort of read those responses. For example here people say, oh, you know, I'll come back to you, and in Australia there would be a yes or no answer. Whereas in Mexico, you kind of do this dance around the issue. You get nowhere. Then you realize, oh, hold on, that was actually a no. I feel a lot of these guys, they go back to their grandmothers, went to kindergarten together, and they went to their Ivy League US schools together. That was a bit of a challenge for me at the beginning. I mean, you just need to give it time and, and, and network network and we often co-invest with a lot of the guys here, so I built up my relationships through that. It did take a long time, but I don't know if that's exactly so unique to Mexico. I do feel it's hard to get promoted here as a foreigner, but you know, ultimately, for me, it’s that I love this country. I love the ecosystem. I think it's exciting. I feel that the women in Mexico have all sorts of female diversity groups that are helpful, to an extent, at least on the surface, but there's still a lot more work to be done. These groups were really only established in the past year or 18 months, so they're still relatively very new.

**How many women entrepreneurs believe that there are good opportunities around them?**

I think some women will struggle because I mean, entrepreneurs struggle in general. I feel in Latin America in general, from what I've seen, the female entrepreneurs are a little bit younger. Hence I sort of look at them and think well, what was I like in my knee in my mid to late 20s? Because there's no way I could have pitched in front of a group of male investors, I would have it in me, but I just wouldn't have done it. Therefore I think that they have these ideas, but I think it's hard for them to sort of break in and network and there's a few that have done an excellent job. I think that they see the opportunity, but they don't quite know how to shape it or move to the next step or to get funding or to get bought. This is where I think some of these women in venture capital groups here in Latin America come into action. They are just so important because we can at least sort of help review pitches, connect a little bit and, you know, kind of mentor to some degree.

**Do you promote and invest in women founders?**

Not specifically, which is a shame. Personally, I’m in a bunch of these affinity groups and active in them. It’s my personal interest, so that gives us some sort of pipeline to some degree. We have invested in one group of female co-founders.

Not within my company. But I will say that a lot of the money that we manage is from the Mexican Development Bank. They are limited partners in the fund, so indirectly it’s Mexican Development Bank
investment. Interestingly, we do need to report development indicators, which does include, you know, how many female co-founders have you invested in and how many female employees do these underlying portfolio companies have? We're aware of these statistics, but we don't have a bespoke program for female investors. Here again, like when there's quite a few of these pink stuff ideas coming out, it makes it very hard for me to sell it to my investment committee unless it's a super strong business model.

**How does Covid-19 affect female entrepreneurs/or the VC market in Mexico?**

I will say that women in general in Mexico have been disadvantaged by this whole COVID-19 business simply because there's a lot of informal work in the sector. You know I feel for women who are having a very serious meeting via zoom and you know, you can hear the kid yelling out or kids in the back—we're all human, you know, I'm empathetic towards that. There's a lot of people who are sort of day to day workers and they're out of work at the moment.

**What are your recommendations for improving Entrepreneurship and/or the Venture Capital ecosystem for women in Mexico?**

I think that to change VC in Mexico, you really need to sort of be present at the undergraduate level. Even even beneath that. I don't know how you get high school students involved and interested in this, but I think, you know, getting the university students a little bit more excited about this. However, when you go to the universities, there's not that many women who are in the finance programs; they're not in certain things. You kind of need to say, "well, okay, the women aren't doing the base foundation studies for this, where and how do we get them in? I think the earlier that you can start with conditioning a little bit to say, “hey, you can do it, you can go into finance, that's fine. You can be a doctor, engineer, whatever the hell but I think that there's still this perception that women do women's jobs. I feel that that's common across a lot of cultures, I think a lot of cross training and the earlier, the better.”

**Workplace Flexibility:** I mean women who tend to get married a lot younger, so sort of late 20s, early 30s. And I think that there needs to be a little bit of flexibility around if you have kids, then sure we'll keep your job open for a lot longer than the three months maternity leave because that's, I don't know we have 12 months in Australia blows my mind in the US and Mexico that three months is considered generous. I think there needs to be a bit more workplace flexibility as well.

**Hiring Mindsets:** I think it's probably, you know, some of the opportunities where maybe women aren't seen as strong negotiators. I think there's a lot of stuff around perception. It's also how women perceive themselves. I think that it's very important to sort of leave the door open and say, you know, particularly at university level, it's kind of easier to work with because you've got a level of educated people who are looking for jobs, right-- that's your perfect hunting ground. Though I don't think VC groups, particularly present at that level, focus so much on women. I feel that it's very much VC and finance jobs, at least in Australia and the US, people hire through their personal connections, so they're not as open to this female superstar who has blitzed the academic records, who's enthusiastic. They'd rather hire their mates, son or whatever. I feel that the nepotism in Mexico is pretty, pretty obvious.

**Never Give Up Attitude:** For female entrepreneurs, I feel that they need to be even more professional than the men and I hate to say that. I think that I hate the fact that women have to be good entrepreneurs. You know, mothers, wives, all this other stuff too. They have to be good entrepreneurs, but they also have to be more professional than the men because they're also setting an example, which is a big burden to carry. I
feel, be open to feedback and be more collaborative. And for all the infighting that goes on, and it happens in every country, every company. Keep it very professional, and, and network, network, network because you only need a few good contacts. I've had the door closed on me several times--no one will take my calls, no one responds to my emails. You know what, you just have to keep trying, it's not going to be easy. So yeah, hang in there and just sort of find someone who's going to work with you, who's going to help you with constructive feedback, but at the same time, be open to it.

Antonia Rojas Eing  
Partner, ALLVP

How did you get into venture capital?
I joined ALLVP as a partner in January 2020. I spent a month and a half in Mexico. Then the pandemic started and I went to Chile to work from my home country.

What is the entrepreneurship and/or the Venture Capital ecosystem for women in Mexico?
If you compare the VC system state, for example, I think we have a lot of work to do in Latin America in general, particularly in Mexico. If we go and look at the partners, for example, there are just a few funds that have female partners. In terms of the team, I think we're striving to be more diverse and progress has been made. Though, we need to do a lot of big work, you know, in bringing more women into the decision making.

Why do you think there are only a few female partners in venture capital in Mexico?
I think that the Latin American society has been very male driven and the women are not in charge of financial decisions as a general rule. I think there is this expectation that men should be the one taking the financial decisions. And women should be doing other things. So I believe we need to change that expectation. We need to change it from very early on. Since girls are small and they are starting to kind of see what they like and what they don't like, and they can freely decide what this what's the path they want to pursue.

Existing barriers and challenges for women entrepreneurs and/or VCs in Mexico? What challenges did you face in your journey?
We need more women to lead the way, so we need to see more women accomplished. We need to see women are making the decision. We need to see more women in entrepreneurship as well. We believe that we need to encourage more women to take entrepreneurship as their career.

It's a matter of expectation--when you go into a meeting and you talk and you see that no one was expecting you to talk. Then, like, everyone is surprised and you're like, why are you surprised that I'm talking? I didn't find or I didn't feel that discrimination at school. I didn't feel that discrimination at any other place I was at before. You know, there is this misconception that women should be quiet. Then the fact that people don't look at you, you know, when you go into a meeting or that they just talk over you. There are things that you
learn to speak out. I think my personality, it's a personality that I definitely don't mind saying my opinion. I would just go with that if I'm convinced it's the right thing to do.

**What are your recommendations for improving Entrepreneurship and/or the Venture Capital ecosystem for women in Mexico?**

VC in general is super intense, right. It's a challenging industry. You really need to have a partner that you share household responsibilities with too. Especially if you want to have a balanced life where you have a private life as well. I think we definitely need to move a lot forward on that. Then the second thing is expectations. Stop expecting that women shouldn't be the one deciding, you know, like, men are the ones making the most financial decisions in the house--they are the ones deciding which things you buy, and which things you don't buy. Basically, decision making is something that it's in our nature.

Then the third thing would be to have more women as role models, you know, we really need women to be models and see that they are being successful in their roles, right. It's not only about bringing women into the workforce and bringing women into VC roles. It's how we can make those women successful. and that's especially important when you think about the long term. It's about women that arrived at these places, and were able to succeed--that's super important.

**Do you promote and invest in women founders**

Of course, we look for women entrepreneurs, and we try to meet with every woman entrepreneur that has a startup, and connect with AllVP. We definitely want to try to meet with every woman that has a startup. However, we don’t have any specific programs to help women entrepreneurs.

**How does Covid-19 affect female entrepreneurs/or the VC market in Mexico?**

A lot of the advancements that we've done so far on bringing women into the workforce can be deterred by the pandemic. What do I mean by this, though, remote working is something that historically people have said that would help bring women into the workforce. More freedom that you can have more flexibility. It's something that supposedly would help, but what I'm seeing is actually the household work being given to the women. It's something that I feel is completely tearing too many women that are trying to be successful in their careers and are trying to give their best to their work. They are just overwhelmed with household work. I feel it's completely inherent to many women that are trying to be successful in their careers and are trying to give their best to their work, but then they are just overwhelmed with it. Homeschooling for example, you know, like, all the things that are related to the house. We really need men to step up, you know, and really take their 50/50 role.

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**Susana Espinosa de los Reyes**  
Partner, Dux Capital

**How did you get into venture capital?**

I studied business and political science, which doesn't make that much logic. I knew I wanted to work in something related to finance. After graduating college, my friends
and peers were going to organizations such as the Central Bank of Mexico, Bank of America, Morgan Stanley, like, you know, the traditional ones. I wanted to look for something that was smaller, and where my point of view would actually go towards the CEO or the founding managing partner to take the final decision. I met the founding president of Angel Ventures at the different entrepreneurial events that were held in my college as he's also an alum. I requested his email address and asked for an unpaid summer internship with him. It was not that difficult.

**What is the entrepreneurship and/or the Venture Capital ecosystem for women in Mexico?**

At the beginning it started very, very small. More like me, officers were becoming venture capitalists and then the first fund arrived around 2013 like an official VC firm backed by funds and funds and large corporates and institutional investors, which has made it mandatory to be much more professional. It has been growing very fast as you may imagine, we have such a large economy and so many problems to be solved with the use of technology and new solutions. We’re in emerging markets, where there are lots of opportunities for startups to operate and for investors to come in. I would say it’s a more conservative scenario compared to the US and Asia, since we do not have that much capital to invest

It's a NASA industry. It started with white males graduating from top 10 MBA programs coming back to Mexico and launching the VC firms. I would say that there are many females like me, I would say I'm one of them who are on the senior team, but we've only had expertise for about four or five years at the most, at the funds. We were just in the process of going to get our MBA, and we still don't have that credential or that seniority to become partners.

I would say we have too many female entrepreneurs that are operating very traditional businesses. They’re launching co-working spaces for women, fitness studios, and gluten free oriented bakeries, which are good. They're totally profitable businesses. I don't say they're not good at all. They are not that high impact tech founder that we’re looking to invest in a venture capital fund

**Existing barriers and challenges for women entrepreneurs and/or VCs in Mexico? What challenges did you face in your journey?**

**Mentality Barriers:** I would say they are very risk averse. They just don't like risk. They are too worried about failure. I would say that many females that I know as founders, they want to have more control or understand everything that's happening there in the company. Hence they don't delegate that much. I'm talking only of the female founders whose startups don't become very large. They stop at one point, and they don't expand their teams or their employees

**What are your recommendations for improving Entrepreneurship and/or the VC ecosystem for women in Mexico?**

For women entrepreneurs: what I always tell them is just like to take more risk. Try to make the company larger. Don't just settle down with something that's small, but it is also profitable. If there's potential for your company to be larger, just try to do it.

For the first time one of the employees was pregnant, so we were all designing maternity and paternity leave programs. We want to have equality. You need to offer leave not only for females but also for males. It is an offering for those firms who don't offer work from home policies.
Do you promote and invest in women founders?

There's not a program where we have to invest a percentage of the fund in female founders. We're not an impact fund. Based on that there are a couple of funds that only do that. We believe diversification is the key for any portfolio in terms of investment, and diversification means that you have to have people from all nationalities and every gender within your investment team.

How does Covid-19 affect female entrepreneurs/or the VC market in Mexico?

If you have kids, especially mothers, I would say, those are the ones that are more affected. I've seen a couple of them affected by the pandemic--you have your house with you and your husband and your husband also has a full time job. Then you have a full time job, and you cannot take your kid to school as you have to take care of your family.

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Fernanda de Velasco  
Chief Structuring Officer, Play Business

How did you get into entrepreneurship and/or VC?

I got into entrepreneurship and fintech because of my background and experience in finance. I had been working for large financial institutions such as HSBC and Bank of America Merrill Lynch, where I gained valuable insights into the industry and saw the opportunities that lay beyond just serving the needs of large businesses. I was aware of the lack of access to capital for small and medium-sized businesses and saw the potential for a platform like Play Business (regulated fintech) that could innovate in terms of financial structures and match investors with opportunities that worked for them. This led me to co-found Play Business with the goal of helping everyone generate passive income so that eventually they could live from their investments. Over the years, we have evolved, expanded our offerings, and developed revenue-based financing, an innovative alternative offering a hybrid form of financing that combines the benefits of equity and debt, a great option for growing companies in Latin America.

What is the entrepreneurship and/or VC ecosystem for women in Mexico?

I believe that the entrepreneurship and venture capital ecosystem for women in Mexico has been growing and improving in recent years. Actually in Mexico the private equity industry has grown over 12 percent annually in the last 20 years, however there is still a long way to go in terms of gender equality.

In 2020, the Mexican Private Equity Association (AMEXCAP) conducted the first Study of Diversity and Inclusion in Private Equity (EDIC) in Mexico and some of the results were appalling because even though 96% of the GPS talked about their commitment and the benefits of working towards diversity and gender inclusion, the numbers reflected another reality:

- 22% do not have a single women in their investment team
- 91% of the people taking decisions in the investment teams are men
- 76% do not have senior women in their investment teams
- 45% of people participating in VCs are women, but only 17% are partners even though Harvard Business School found that VC firms that increase their proportion of women partners by 10%, have an average of 1.5% better annual performance and 9.7% more profitable exits.

According to Liliana Reyes, CEO of AMEXCAP, Capital raised through mid-2022 totaled US$130 million — the second-largest growth in committed capital in the last four years, according to their VC Overview 2022 report. The numbers show there is a great appetite for venture capital. Today, we have 12 unicorns incorporated, which places Mexico in second place in Latin America for the number of fintech companies valued at more than US$1 billion. Even though there is evidence that companies with at least one female co-founder grow faster and companies that have balanced leadership teams have 1.7% higher IRRs, all that capital was destined to companies where less than 25 percent of the co-founders are women.

All this could be discouraging for women entrepreneurs, but I am optimistic about the future because at least I see that now people are talking about this issues and it is becoming more evident that as an industry measures have to be taken. More and more I see groups of women in VCs joining to raise their voices and demand the private capital industry to do better which makes me believe that the ecosystem will continue to evolve in a positive direction for women.

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Tabatha Mata (Oaxaca, Mexico), Social entrepreneur and Economic Advisor to the City of Oaxaca de Juárez, Economic Counselor to the Municipality of Oaxaca de Juárez
CEO, Oaxaca en una caja
CEO, Fémina Oaxaca - Centro de Oportunidades

Fémina Oaxaca – Centro de Oportunidades (femina stands for woman in Spanish) will be the first institution of the state of Oaxaca, Mexico to serve as an exclusive business incubator for Oaxacan women, as well as a center for job opportunities, training, discussion, mutual learning, and sorority, while offering childcare services at no cost. Additionally, and thanks to alliances already established with different actors and key partners, participants will be able to receive medical care, psychological and legal counseling at affordable rates, as this will contribute to their general well-being.

For 2023, the organization will focus on 4 action areas:

1) Centro Fémina: Located in the northern part of the Oaxacan capital, our main center will have a training room, kitchen, bathroom and outdoor play area and playroom. Experienced workshop instructors and trainers will offer various courses on techniques for: stress management, self-esteem, time management strategies, leadership, product photography, use of cell phone business applications, and others. While these reasonably priced workshops take place, childcare services will be offered by trained Fémina’s personnel free of charge.

2) Fémina Móvil: With the support of the Ministry of Economic Development of the Municipality of Oaxaca de Juárez, the Ministry of Welfare of the same municipality and members of society, a mobile entrepreneurship program for female micro-entrepreneurs is set to begin early 2023 (3 brigades attending three different priority areas within the municipality). During this cost-free program, female small business
owners will improve and strengthen their knowledge on expenses, costs, salary allocation, management skills, use of social networks for business purposes, negotiating tasks at home, trade networks with other women, and revaluing their labor both at work and home. A portable children's play center has also been considered. The methodology and study program, designed by Fémina Oaxaca, with a duration of 3 months and weekly face-to-face sessions, is based on fundamentals of feminist and care economics, on concepts of entrepreneurship and business administration, and social economy. Training spaces have been made available by the municipal authorities and the community.

3) Bolsa de Empleo Fémina: Thanks to a collaboration with the local private sector, we will be sharing job and employment opportunities for women (only those with all legal benefits) on our social networks (https://www.facebook.com/FemenOax).

4) Ferias Féminas: We will also organize fairs, markets, and other commercial opportunities in conjunction with other all-female groups of local entrepreneurs, to maximize the visibility of female entrepreneurship in the locality.

Tabatha, how did you get into entrepreneurship and/or VC?

I grew up having a role model to follow—my mother. As a successful business owner and physician, my mother always encouraged me to study, to go after my dreams and to be financially independent. Having this upbringing, I always envisioned myself as an empowered woman who could do everything she wanted. The opportunity to open this business stemmed from another opportunity. I was working for the state government of Oaxaca when I was asked to travel across the state and visit hospitals, clinics, and healthcare offices to collect data. During those visits, I was able to learn about handicrafts and local products unknown to me. Sadly, I also learned about the hardships faced by artisans and small producers when selling their crafts and edibles at fair prices, promoting their work, and learning new techniques to improve production. With this in mind, I returned to my office and came up with the idea of designing a product that would showcase all these different items and that would become a sales vehicle. That is how Oaxaca en una caja (Oaxaca in a box) came to life, handcrafted boxes with different traditional contents. My business in turn has also made me aware of the everyday struggles of women entrepreneurs in Mexico. This led me to open Fémina Oaxaca, a center for business opportunities for women.

What are the existing barriers and challenges for women entrepreneurs and/or VCs in Mexico? What challenges did you face in your journey?

Mexico has been known to be a male-dominant country, culturally referred to as “machista”. “Machos” are these male power figures who underestimate the value of women both at home and at work and do not consider them as equals. These cultural beliefs have resulted in women having less opportunities to run a corporate business (women owned businesses in Mexico tend to be small-scale business designed to provide immediate income often lacking appropriate management skills), not having equal pay and job benefits as men and being victims of gender-based violence and all its forms: domestic abuse, psychological violence, economic impositions, and so on.

I, myself, have experienced different challenges in my entrepreneurship journey. I used all my savings to start my business because I did not qualify for any loans. Since I had no more funds available, I could no longer afford any business training (I was able to improve and strengthen my business as soon as I had access to business-oriented education). I suffered enormous amounts of stress and anxiety at the beginning
and did not have any support network or mentors available. When my business began growing and I started going to meetings to sell my boxes, I was met by male decision makers who undervalue and underrate my work. Plus, I had to deal with comments that made me feel uncomfortable based solely on the fact of being a woman. During this journey, I became a mom, to which I had to adapt and incorporate new time-management skills into my business. Nowadays, I still face some harassment, but on a lesser scale as I have matured in the business world. The obstacles that I once encountered and confronted have become part of my personal growth.

What are your recommendations for improving Entrepreneurship and/or the VC ecosystem for women in Mexico?

Women who desire to follow the entrepreneurship path in Mexico need to know that THEY CAN DO IT! This male-dominancy culture that has been imposed has made many women retract from starting a business and expanding it as they consider themselves unfit to do so, and this misconception has been passed from one generation to the next. Over the years, there have been dramatic changes, as more free business training programs have been developed specifically for women; more business chapters and chambers for female owners have opened; and fintech startups and non-traditional banking institutions now offer loans and credits to female micro-entrepreneurs.

However, living conditions of women in urban, semi-urban, and rural settings are not the same and these may have a negative impact on running a business: lack of connectivity and digital literacy (women in semi-urban areas sometimes cannot afford credit for their mobile phones), deficient public services and infrastructure (limited water supply, electric power and paved roads), non-existent childcare services, few financial and banking options, and insecurity.

The Mexican government needs to address these issues if it wants to have a successful agenda on female entrepreneurship that would benefit all Mexican women.

How did you fundraise? Are there any women-led funds or accelerators dedicated to female founders?

I started my business with my own resources, as at that time, there were no financial credits nor training available to women opening businesses. Currently, there are some comprehensive programs offered by government institutions and the private sector for female business owners with a wide array of requirements (sales revenue, taxes, property owned, and so forth) that many small business owners cannot fulfill. Incubators and accelerators also cater to businesswomen in big cities who can afford their services and pay their fees.

How did Covid-19 affect female entrepreneurs/or the VC market in Mexico? Did the pandemic affect your business? How?

Covid-19 affected female entrepreneurs in Mexico in numerous ways as face-to-face interactions ceased, training programs were paused, or many switched to virtual formats, the use of e-commerce platforms and online sales increased, and new payment methods had to be implemented. These adaptations were incorporated more rapidly by larger businesses, but at a slower rate by those considered micro or small, thus impacting their sales and operations. As a result, many female entrepreneurs had to close their business to stay at home and care for children or sick family members, others opened new ones, whereas
other entrepreneurs added or decreased the number of products and/or services they offered as supply chains were being affected. Lastly, a group of female entrepreneurs had to join the labor force accepting minimum wages with little or no benefits.

Before the pandemic started, we were already proficient in social selling and accepted all forms of payment. However, our sales did decrease, and we had to recur to emergency funding (business savings destined for other purposes) to keep operating.

What recommendations do you have for improving the state of female necessity-based entrepreneurs in Mexico?

Society must see female entrepreneurship as a priority, since it is well documented that women owned businesses have better credit history, comply extensively with labor norms and regulations, and generate more impact in the community. Social enterprises led by women tackle other problems that public administrations do not. Therefore, more investment is needed, as well as new legislation, a broader exposure, and a deeper consciousness regarding the importance of female businesses in Mexico.

Executive Summary: Findings on Survey for Female Business Owners in Oaxaca de Juárez, Oaxaca

In conjunction with the Secretariat of Business Development of the Municipality of Oaxaca de Juárez, Fémina Oaxaca conducted a survey during the last trimester of 2022 in order to gather sociodemographic data on female entrepreneurs and business owners in this city. The survey also had questions on business development and administration and everyday challenges of this population in the capital of the state of Oaxaca in southern Mexico. Fémina’s goal was to incorporate these findings in their programs to better cater to female entrepreneurs’ needs and promote growth within their businesses; areas of opportunity were also made visible.

<table>
<thead>
<tr>
<th>Female Business Owners Surveyed</th>
<th>100</th>
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<tbody>
<tr>
<td>Age Group</td>
<td>30-40 years</td>
</tr>
<tr>
<td>Marital Status</td>
<td>52% married or living with a significant other, 40% single</td>
</tr>
<tr>
<td>Dependents</td>
<td>80% reported having children</td>
</tr>
<tr>
<td>Education</td>
<td>72% have a Bachelor's Degree</td>
</tr>
<tr>
<td>Household Monthly Income</td>
<td>48% reported an estimated monthly income of $20,000.00 pesos ($1,062 )</td>
</tr>
<tr>
<td>Cell Phone Usage</td>
<td>62.6% reported proficiency in using cellphone</td>
</tr>
<tr>
<td>Internet Access</td>
<td>100% reported access to the Internet</td>
</tr>
<tr>
<td><strong>Savings schemes and programs</strong></td>
<td>64% participate in savings programs (formal and informal)</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td><strong>Weekly hours dedicated to managing their businesses</strong></td>
<td>40+ hours</td>
</tr>
<tr>
<td><strong>Household income derived directly from their businesses</strong></td>
<td>50% and above</td>
</tr>
<tr>
<td><strong>Business Training</strong></td>
<td>64% have received some form of business training</td>
</tr>
<tr>
<td><strong>Branding</strong></td>
<td>88% indicate that their business has a commercial name</td>
</tr>
<tr>
<td><strong>Social Marketing</strong></td>
<td>88% advertise on social media</td>
</tr>
<tr>
<td><strong>Business Establishments</strong></td>
<td>48% sell online or virtually, 16% sell door-to-door and 24% pay rent</td>
</tr>
<tr>
<td><strong>Access to financing</strong></td>
<td>Only 20% have had access to financing</td>
</tr>
<tr>
<td><strong>Business Taxes</strong></td>
<td>44% pay business taxes and provide fiscal receipts</td>
</tr>
<tr>
<td><strong>Most common payment methods</strong></td>
<td>Cash and bank transfers</td>
</tr>
<tr>
<td><strong>Self-confidence when making business decisions</strong></td>
<td>The great majority feels secure when making business-related decisions; nevertheless, the degree of confidence varies within that group</td>
</tr>
<tr>
<td><strong>Business related apps</strong></td>
<td>68% have installed business related apps on their cellphones (graphic design, finances and others)</td>
</tr>
<tr>
<td><strong>Business sorority</strong></td>
<td>Only 32% belong to an all-female business chapter and/or network</td>
</tr>
<tr>
<td><strong>Most frequent business needs</strong></td>
<td>More exposure, more clients, more sales, more time availability and financing</td>
</tr>
<tr>
<td><strong>Most desirable workshops</strong></td>
<td>Marketing, accountability, customer service, and human development</td>
</tr>
<tr>
<td><strong>Childcare services</strong></td>
<td>Only 24% have access to childcare services</td>
</tr>
<tr>
<td><strong>Support network</strong></td>
<td>84% believe they can count on fellow women for recommendations and other forms of support and aid</td>
</tr>
<tr>
<td><strong>Family support</strong></td>
<td>84% of female entrepreneurs have their family’s support and divide house duties among all members of the household</td>
</tr>
<tr>
<td><strong>Time invested in household chores</strong></td>
<td>More than 20 hours per week</td>
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</table>

**Key Findings and Conclusions**

The majority of female business owners in Oaxaca City have a Bachelor's Degree, are married or live in civil partnership, have children and provide equally to their household income. Female entrepreneurs report having the support of their family and of other women when it comes to their business. In other words, female entrepreneurship in the city is closely linked to family ties and dynamics, and relationships with
others. Despite the fact that most women have received business training and do advertise on social media, they still face challenges such as increasing their presence in the market, expanding their operations and accountability, and managing finances. Lack of financing is noticeable, as well as their reluctance in becoming registered taxpayers, which in turn decreases their chances in obtaining investment and/or credit for their businesses. The shortness of female business chapters in the city also negatively affects advocacy and legislation. Female business owners look for specific training and business and commercial opportunities, hence the creation of tailored programs for the biggest sectors (handicrafts and regional edibles, food prep and food service, and other goods and services).

PRO MUJER ENTREPRENEURS RESEARCH STUDY

Methodology and Interview Summary

For a clearer understanding of Mexico’s female entrepreneurship and investment ecosystem we conducted interviews of 72 Pro Mujer entrepreneurs. These women are necessity-based entrepreneurs at the base of the pyramid that usually receive funding through microfinance initiatives, the main pillar of Pro Mujer. These entrepreneurs go unnoticed as they aren’t a good fit for microfinance and sophisticated venture capital funds that historically invest in high growth and scalable businesses. This primary research gave us an unambiguous perspective about necessity based Mexican female founders. The interviews were translated from Spanish. Series of qualitative data was quantified to depict a holistic picture of the female entrepreneurial aspirations and challenges in an emerging, innovative economy.

Key Findings

Access to capital was most challenging for 34.8% of the females interviewed
Almost 50% of the females were driven towards entrepreneurship due to necessity.

38% of the participants felt that it was a greater challenge to start the business as an entrepreneur.

Patriarchal mindset was reported as a challenge by 26% of the women entrepreneurs.
The females reported a myriad of preferred entrepreneurial skills that would have been useful in launching the business ranging from finance to soft skills to sales to marketing.

More than 50% of the women requested finance and access to capital for further entrepreneurial support.

76.5% of the females reported that it wasn’t easy to find entrepreneurship related information.
The avenues they found for entrepreneurship information included internet/apps, friends, family, bootcamps, etc.

72.9% of the female entrepreneurs reported that the pandemic affected their business adversely. 64% of the respondents faced low sales and loss of customers.

Motivation and support from family, friends, government, banks, investors recommended for aspiring Mexican female entrepreneurs.
Pro Mujer: The Pursuit of the “Missing Middle”

With roots of the organization in micro-lending, Pro Mujer incorporates a gender analysis when investing to ensure that the injected capital not only generates financial returns but also contributes to greater equality and the closing of gender gaps. Gender lens investing, a waltz to investment that advertently canalizes capital to businesses that is composed of women in leadership positions or women as beneficiaries, is an embryonic industry not only in Latin America but also Mexico, despite growing on a global scale. Recently, of particular interest, is the “missing middle”. Small and growing businesses (SGBs) are indicators of considerable optimism and impact in emerging economies, but they struggle to access the capital they need for hockey stick and holistic growth potential. The IFC has observed that SGBs in emerging markets face a $930 billion financing gap. According to Dahlberg Advisors report, many are stuck squarely in the “missing middle”: they are too big for microfinance, too small or risky for traditional bank lending, and lack the growth, return, and exit potential sought by venture capitalists. In addition, SGBs are also incredibly diverse: ranging from an agricultural cooperative to a high-tech start up to an energy access venture serving the base of the pyramid customers, making it difficult for a viable, high return of investment financial vehicle.

In our view the missing middle is gender neutral, but it affects women-led SGBs disproportionately. The lack of real estate ownership, STEM education, role models exacerbates the problem for female business owners and investors. Research conducted by Value for Women and Oxfam noticed that the “missing middle” gap in Latin America and the Caribbean appears most acute between $5,000-$50,000, and there were many female founders expressing unmet financial capital needs that fell in this range. Dalberg classifies SGBs in four segments: high-growth ventures, niche ventures, dynamic enterprises, and livelihood-sustaining enterprises (Dalberg, 2018). While high-growth ventures and niche ventures appeal to commercial investors, dynamic enterprises and livelihood-sustaining enterprises are usually SGBs that can be particularly attractive for funds targeting the missing middle. A McKinsey & Company study cites another missing middle holding Mexico and Latin America back--a solid middle class with growing purchasing power. Both middles need to be filled for sustainable growth.

Let’s look at Mexican women entrepreneurs running SGBs--what makes them unattractive for bigger loans is the disparity in real estate or fixed asset ownership. Fixed asset ownership gender gap contributes to difficulty in access to financing as the real estate property serves as collateral to loans. Developing revenue-based financing such as Adobe Capital, digital credit platforms such as Konfio, venture building vehicles such as Village Capital and Polymath can be key solutions in addressing the missing middle gap. Angel investing – an approach that involves individuals investing their own capital and time in start-ups and early-stage businesses – has the potential to become an effective form of capital for innovative SGBs.

Early stage innovation financing (angel, pre seed, seed), digital finance solutions (payments, crowdfunding), and securitization of SGBs loans are a few solutions that can fix the missing middle for women entrepreneurs nationally and regionally. In 2020, the Trust Funds for Rural Development (Fideicomisos Instituidos en Relación a la Agricultura, or FIRA) issued a social bond with a gender focus with the aim of expanding the resources available to finance projects led by women in rural areas. The financial innovation issuance was Mexico’s first gender bond, the first to be issued by a national development bank (NDB) in Latin America and the Caribbean (LAC) and was made under a Social Bond Framework in accordance with the International Capital Markets Association (ICMA) Social Bond Principles. FIRA operates as a second-tier development bank that offers credit, guarantees, training, and technical assistance through its network of banks and non-bank financial intermediaries. The Inter-American Development Bank (IDB) supported FIRA in this pioneering initiative. The bond,
issued on the Mexican institutional stock exchange (Bolsa Institucional de Valores, or BIVA), was almost four times oversubscribed.

In 2019, New Ventures Group and Pro Mujer partnered to launch VIWALA, which is a non-bank financial institution in Mexico that provides revenue-based loans to early stage impact-focused entrepreneurs with a specific strategy for attracting women-led enterprises. The overarching goal of VIWALA is to finance early-stage SGB with significant social and/or environmental impact in Mexico, particularly in renewable energy and agriculture sectors. VIWALA’s investment thesis has a key focus to apply a gender lens throughout the investment process and to catalyze economic gains and empowerment for women, with 50% of its portfolio dedicated to women-led companies. In addition, they provide business readiness through workshops. The target companies have sales between $100,000 to $1 million.

They offer working capital loans from 500,000 to 5,000,000 pesos ($20,000 to $200,000) with variable and fixed rates. This innovative lending model allows companies to pay off credit with variable payments that depend on the company’s sales. Companies pay back in 30 months, but they can extend to 36 months. According to the investors this model does wonders for SGBs and provides considerable support to fill in the “missing middle” of financing for companies that at the moment have access to very few financing options.

Source: Mujeres Impulsando Transformación, MIT Management Latin America Office

Mexican boards remain unacceptably dominated by men, even if a few companies have made some decent progress over the past couple of years in reducing the gender disparity. Based on Miranda ESG’s analysis of the boards of the 35 companies in the BMV’s IPC Index, women held 10% of the board seats as of 2020, up from 8% in 2019 and 7% in 2018. In contrast, according to Spencer Stuart’s latest survey, women make up 28% of board members in the S&P500. Furthermore, looking at women who are independent members of these boards, female participation decreases to a mere 4% (vs. 3% in 2019 and 2% in 2018).

Source: Mujeres Impulsando Transformación, MIT Management Latin America Office
Pro Mujer Emprende Impact

Pro Mujer’s Emprende platform is a Spanish-language resource for women executing “subsistence” or necessity-based enterprises. The platform is inspired by the need to offer virtual programs during the pandemic. Pro Mujer chose 600 women from 3,000 applicants to participate in the three-month pilot in 2021 that offers pre-incubation and incubation services in the following categories:

- **Skills**: Based on the idea of lifelong learning, Emprende offers learning opportunities, including via “edutainment,” with new content to be developed based on customer requests.
- **Collaboration**: The platform includes a “collaborative hub,” with content partners such as the US-based technology firms Microsoft and Platsi. Platsi is a trilingual online learning platform targeting Latin America.
- **E-commerce**: Emprende will connect women to third-party online sales platforms to help them find new customers.

### Impact Pro Mujer Emprende 2022

<table>
<thead>
<tr>
<th></th>
<th>99%</th>
<th>20%</th>
<th>80%</th>
<th>30%</th>
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<tbody>
<tr>
<td>of women improved</td>
<td>of women improved</td>
<td>increased their business</td>
<td>reported that the</td>
<td>increased their online</td>
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<td>their entrepreneurship</td>
<td>their entrepreneurship</td>
<td>sales</td>
<td>program helped them</td>
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<td>skills</td>
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<td>develop skills</td>
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<td>to help them save money</td>
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### MEXICO HUMAN DEVELOPMENT INDICATORS 2021

Mexico’s Gender Inequality Index (GII) value for 2021 is 0.309, ranking it 75 out of 191 countries. In comparison, Denmark ranks 1 with a Gender Inequality Index of 0.013 with Norway (0.016) and Switzerland (0.018) following close behind. Mexico performs worse in the Human Development Index at 86 with a score of 0.758 whereas Switzerland tops the list with a value of 0.962. Even more dismal is to note that Mexico dropped 8 ranks between 2015 and 2021. Mexico’s female labor force participation rate of 43.8% (HDR 2021) is lower than the Latin America average of 48.6% (HDR 2021).

<table>
<thead>
<tr>
<th>Gender Development Index (GDI)</th>
<th>0.989</th>
</tr>
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<tbody>
<tr>
<td>Mean years of schooling, (female)</td>
<td>9.1</td>
</tr>
<tr>
<td>Mean years of schooling, (male)</td>
<td>9.4</td>
</tr>
<tr>
<td>Estimated gross national income per capita, female (2011 PPP $)</td>
<td>12.456</td>
</tr>
<tr>
<td>Estimated gross national income per capita, male (2011 PPP $)</td>
<td>23,600</td>
</tr>
<tr>
<td>Population with at least some secondary education, female (% ages 25 and older)</td>
<td>65.1</td>
</tr>
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</table>
At the federal level, Mexico has made strides in accomplishing women’s rights and gender equality that includes strengthening of national laws focused on gender equity, strong gender institutionalism, and increased public resources earmarked for gender equality.

The National Development Plan (2013–2018) for the first time incorporated a perspective on gender equality and women’s empowerment in all its areas, and the National Gender Equality Policy (2013–2018) was intended to advance sizable equality. The federal budget allocated for gender parity reached USD 1.65 billion in 2015, representing a 157% increase, but it’s a mere 0.5% of public spending.

In 2014 the highest advance in the gender equality field was the Political-Electoral Reform—it uplifted gender parity to a constitutional level for candidacies to Mexico’s Federal and State Congress. In March 2015 this development was made concrete when parity became a statutory obligation to register electoral candidates.

**Despite the progress made, gender equality in Mexico faces a series of structural challenges characterized by an unrelenting gap between formal and substantive equality in all areas of development; it means that there is an implementation gap between what is stated in the laws, plans, programs and budgets on women’s rights and practical implementation and compliance in daily life. Progress has also been made in law and policy harmonization with international commitments, especially CEDAW, this harmonization is still partial, mainly at state and municipal level. (UN Women)**

Insufficient funding continues to earmark gender equality advances in the country. Mexico’s unpredictable agenda for gender parity is observed in domestic and international resources. A 20% reduction in public spending announced in February 2015, produced negative ramifications on government capital mobilization for gender equity.

<table>
<thead>
<tr>
<th>Year</th>
<th>Name of the Plan</th>
<th>Responsible Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2018</td>
<td>National Development Plan</td>
<td>Office of the President</td>
</tr>
<tr>
<td>2013-2018</td>
<td>National Programme for Equal Opportunities and Non-Discrimination against Women (PROIGUALDAD)</td>
<td>National Women's Institute</td>
</tr>
<tr>
<td>2019-2024</td>
<td>National Development Plan</td>
<td>Office of the President</td>
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</table>
Mexico’s “feminist foreign policy” was launched in 2020 by The Ministry of Foreign Affairs. The five principles of the policy are primarily focused at prioritizing gender equality and women’s rights in the international agenda. The set of principles that aim to advance policy actions that reduce and eliminate structural differences, gender gaps, to be able to develop just, prosperous, and gender equal societies.

1. Foreign policy with a gender perspective, and a feminist agenda abroad
2. Parity within the Foreign Ministry
3. A Foreign Ministry free of violence that is safe for all
4. Visible equality
5. Feminism in all areas of the Foreign Ministry

With the feminist foreign policy concentrated on human rights, applying a gender perspective across all sectors, Mexico becomes the first country in Latin America to adopt such an explicit stand on feminism. Other countries that have adopted a feminist foreign policy are France, Canada, Norway, and Sweden. The policy is planned to be implemented from 2020-2024. This is in congruence with Mexico government’s commitment to the agenda of gender equity and non-discrimination. In 2016, the government launched a national program (Mujeres PYME) to support micro, small and medium sized enterprises led by women. The program provided female-owned SMEs access to finance and business development tools. Unfortunately the program was discontinued.

Although some progress has been made toward closing gender inequality, Mexico needs to do much more to reach the gender equality goals. Mexico offers female employees 84 days of paid maternity leave but it is short relative to the OECD average. Paid paternity leave is only five days compared to the OECD average of seven weeks. According to OECD, Mexican women spend more than 6 hours and 23 minutes a day on unpaid housework, compared to men’s 2 hours and 17 minutes. Furthermore, Mexico has the highest adolescent pregnancy rate amongst OECD countries, with 70.6 per 1000 population as of 2022. 32.7 million girls in Mexico are mothers.

Among women aged 15-49 years, 9.5% of them suffered physical and sexual violence from an intimate partner in the last 12 months in 2016. Also, Mexican women do three times more household chores and child care than men. Also, Femicide- the gender motivated killing of women- is prevalent in Mexico. On average, 10 women were murdered per day in 2019. Even more, since the COVID-19 pandemic began, violence against women has surged in Mexico. The government confirmed that femicide rates were 7.7% higher than in the same time period last year. However, on July 15th 2020, the government approved a 75% budget reduction (USD $6.67 million) to the National Institute of Women (Inmujeres).

Mexico, like most of the world, has taken leaps on the bridge towards gender equality. Nevertheless, there’s a lot of room for constant change and improvement. Women continue to suffer from violence and discrimination in most parts of the world. Mexico is no exception with its strict gender roles, inequalities, and conservative mindsets.

Women’s suffrage was established 63 years ago in Mexico, but it was 2005 when sexual violence was deemed illegal in the nation. A country plagued with high rates of domestic violence and many cases of child marriage. When speaking about the gender pay gap, Mexican women are paid 16.5% less than men in the same jobs, while girls in rural areas have less access to education than boys. In addition, women are encouraged to have babies- 73.3% of Mexican women above the age of fifteen are mothers. Partaking in the labor workforce becomes a peripheral priority, resulting in financial dependence on family and partners.
In such a vulnerable situation financial dependence becomes a danger when women cannot abandon abusive relationships. When these females have jobs they are expected to do the housework, leading to larger workloads than their male counterparts. However, there is a shift in the gender equality conversation in Mexico—conversations around topics such as sexual violence, female education, gender roles are changing despite the persisting challenges regarding gender parity.

A 2019 song went viral and was sung across the country. It’s a song composed by Chilean women, originally at a protest on November 25, 2019, the International Day for the Elimination of Violence Against Women. “And the fault wasn’t mine, not where I was, not how I dressed.” says the song. Generations before, public sentiment may have been different, but now, more people are starting to agree. Blaming the victim may soon become less culturally acceptable. This conversational shift may seem small, but it’s actually a substantial victory. The song has taken over the Spanish-speaking world. Many people identify with it, and many people are listening. Women are taking to the streets to protest, and with this mobilization comes hope for further change. (GVI USA 2021)

The opposition to abortion remains strong across Latin America, including in Oaxaca. Pro-life organizations have publicized the names of MORENA representatives; they voted to legalize abortion in Oaxaca and are putting together the names of senators and representatives in other states, who probably will support
abortion. Abortion rights can have a causal effect on gender equality, gender pay gap, labor force participation rates, entrepreneurship rates, and high growth employment opportunities. As of October 2022, abortion (up to 12 weeks) is legal in 11 out of 32 Mexican states.

September 2022 marked the one-year anniversary of a significant moment in reproductive rights history in Mexico: the landmark decision in Mexico to decriminalize abortion. The event in Mexico isn’t happening in isolation. “La Marea Verde” (The Green Wave), a movement started in Buenos Aires, Argentina in the summer of 2018 is spreading through the whole continent, challenging restrictive abortion bans and expanding women’s rights from Colombia to Argentina. Apparently feminists in green bandanas took to the streets outside Argentina’s congress as the nation’s house of representatives and senate debated a bill to legalize abortion, which came into effect in early 2021 legalizing abortion in Argentina in the first 14 weeks. The ramifications of the green wave are huge. Right to abortion gives women access to education, job opportunities, and the freedom of life. Furthermore, it improves outcomes for entrepreneurship, investment, and political participation.

Since 2007 when abortion was legalized in Mexico City, there has been an 80 percent reduction in emergency cases and zero abortion-related deaths. It leads to more economic opportunity for women, which results in income and economic gender equality. Specifically, in countries where abortion has been banned or restricted, anti-abortion rights constitute economic subjugation and disempowerment. Abortion bans, lower wages, incarceration, and unionization are some interconnected economic policy issues. On the surface abortion appears as a religious, cultural, and personal issue, but in reality abortion access is fundamentally intertwined with economic progress and mobility. Mexican women have historically suffered with abortion bans. Even in some of those 11 states, such as Oaxaca, abortion-rights activists apparently face dire straits challenges in the quest for safe, accessible, and government-funded abortion. On September 28 in 2021 we observed two contrasting groups; thousands of pro-life, Catholic Mexicans gathered at the Mexico City Metropolitan Cathedral to pray, on the other hand feminists demonstrated for International Safe Abortion Day. The green bandanas that Mexican feminists wore in Oaxaca’s state congress on September 25 in 2021 reflect the transnational bond of the green tide.
In Mexico, half of parliament is now female and eight of the country’s 19 ministers are women. This is partly due to changing attitudes but also to federally mandated gender equality laws. Mexico is known for its macho culture, and the country has now become one of the world’s leaders in gender political equality. While Mexico’s glass ceiling is clearly cracking, it’s unclear whether 2021’s parity will translate into real power.

In 2012, Josefina Vázquez Mota, a 51 year old mother of three girls, became the first female in the history of the nation to contend for Mexico’s Presidential Elections. Also, the 2014 political reform required political parties to ensure that 50% of candidates are female. In 2022, Mexico ranks fourth in the world for women’s representation in parliament right behind Rwanda, Cuba, and Nicaragua. In comparison we also achieved gender equality for the first time (October 2022) in parliament in New Zealand.

Mexico City’s Abortion Provisions in English (Unofficial Translation)

Penal Code of Mexico City (2002), Articles 144 - 150

Article 144. Abortion is the interruption of the pregnancy after the twelfth week of gestation. For the effects of this code, pregnancy is part of the process of human reproduction that starts with implantation of the embryo in the endometrial layer.

Article 145. Three to six months of prison and from 100 to 300 days of community serve will be imposed on the woman that voluntarily procures her abortion or gives her consent to another one to procure it after the twelfth week of pregnancy. In this case, the felony of abortion will only be punished if it is perpetrated. Whomever procures a woman’s abortion with her given consent will be punished with one to three years of prison.

Article 146. Forced abortion is the interruption of the pregnancy, at any time, without the pregnant woman’s given consent. For the effects of this Article, whomever forces a woman to abort through any means without her consent will be punished with five to eight years in prison. If the act were perpetrated through physical or moral violence, the conviction will be between eight of ten years of prison.

Article 147. If the abortion or forced abortion is procured by a surgeon, midwife, nurse or intern, besides the judicial consequences described herein, they will be barred from their profession or occupation for a term equal to the prison time imposed.

Article 148. The following are considered exclusions of liability for the felony of abortion:

I. when pregnancy is the result of sexual assault or rape or an artificial insemination as described in Article 150 of this Code.

II. when the pregnant woman’s health is at serious risk if the abortion is not procured; based on the judgement of her physician, along with the opinion of another physician, whenever this is possible, and the delay does not imply danger for the woman.

III. when based on the opinion of two medical specialists there is sufficient reason to diagnose that the product has genetic or congenital alteration that could result in serious physical or mental injury; if the pregnant woman gives her consent.

IV. when the abortion is caused by an imprudent act of the pregnant woman. In the cases found in sections I, II and III, physicians will be obliged to give objective, truthful, sufficient and timely information on the procedures, risks, consequences and effects, as well as the existing alternatives to the pregnant woman so she can make a free, informed and responsible decision.

Article 150. Whomever artificially inseminates a woman older than eighteen years of age, without her given consent, will be punished with four to seven years in prison.
<table>
<thead>
<tr>
<th>Lower House (Single House)</th>
<th>Upper House (Senate)</th>
<th>Women in Ministerial Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank</td>
<td>%Women</td>
<td>Women/Seats</td>
</tr>
<tr>
<td>4/186</td>
<td>50</td>
<td>250/500</td>
</tr>
</tbody>
</table>

Source: Women in Politics: 2023, UN Women

**CHALLENGES**

Mexican entrepreneurs and investors have faced many barriers to advance their careers and reach their professional goals. They have to overcome gender stereotypes and prejudices in the venture capital industry, which is overwhelmingly dominated by men. According to the entrepreneurs surveyed by Association of Entrepreneurs in Mexico (ASEM), among the main obstacles to entrepreneurship they mentioned:

- Lack of access to financing
- High costs of the tax and labor structure
- Lack of education or preparation to undertake. This last factor worries 36% of the entrepreneurs surveyed in 2021, while in 2020 it worried 29% of the entrepreneurs in 2020.
- Corruption, difficulty mentioned by 24% of the entrepreneurs surveyed.
- Crime and/or theft, a difficulty indicated by 17% of the entrepreneurs surveyed.

These last two difficulties were recently added in the 2021 edition of the study conducted by ASEM. ASEM highlights in its X-ray of Entrepreneurship that entrepreneurs pointed out, both in the 2020 edition and in the 2021 edition, that initiatives to facilitate business management procedures and friendly schemes for the payment of taxes and worker-fees should be a priority.

The most significant barriers faced in their career path were balancing their work and family. In Mexico, women are responsible for the majority of household chores and caretaking. It is difficult for many women to maintain both the traditional role in a house and her professional careers. Although balancing career and family is not a new issue for women, today’s highly competitive work environment requires women to often work longer and harder, which further increases work-family conflict for women. Especially, during the Covid-19 pandemic, women suffer from the double burden of domestic chores and paid work. Women carry the majority of the burden of child care and household duties due to traditional gender roles. The time consumed by household chores greatly limits women’s opportunities to reach their professional goals.

Another challenge is the lack of female role models in the VC market in Mexico. According to The Latin American Venture Capital Association, there are only 17 senior-level investment professionals in Mexico as of 2019. However, role models often serve as mentors who could inspire and guide a younger female
professional toward career success. The absence of female role models means female employees are less likely to learn how to navigate their career paths, which makes it more difficult for female employees to succeed in the VC market.

Also women face unconscious gender bias in the male-dominated venture capital industry in Mexico. Stereotypical gender roles in the mindsets of male colleagues and managers can impede women’s career advancement. For example, female stereotypical roles include being submissive and quiet. Most female interviewees said that men don’t expect them to speak up in meetings and even men talk over or interrupt them in meetings. In addition, since men traditionally have been viewed as financial decision makers, there is an expectation that men should be in charge of major decisions on investment and financial planning. As a result, there are more male partners in the VC market in Mexico, and men are more likely to get promoted than their female colleagues in the VC market as most female interviewees stated.

Recent report on budget 2023 deems it insufficient in sexual, maternal, and reproductive health. Moreover, there is a lack of investment in the national care system. The government of Mexico announced its project of the Expenditure Budget of the Federation for the Exercise (PEFE) 2023 in October 2022. According to said project, the following year 346 thousand 077 million 017 thousand 893 pesos will be allocated in actions to achieve equality between men and women. According to economist Carmen Ponce Meléndez, this represents an increase of 41 percent over the previous year. However, more money does not guarantee opening a path to real equality.

Among the items contemplated by PEFE 2023 specifically oriented to gender issues are the Support Program for Women's Institutions, the Social Milk Supply Program run by Liconsa and Young People Writing the Future (a scholarship program for high school students), higher level, other than Youth Building the Future, among many other projects of a social nature. And, although there are also other aspects such as Attention to Victims and Attention and Prevention of Violence against Women, their amounts are notably lower compared to the expenses destined for said projects.

In an interview, the economist specializing in gender issues Carmen Ponce Meléndez stated that investing in social programs is something positive, as it allows many people to have access to the basic basket and, in the case of women, contributes to getting many of them out of poverty. However, she regretted that there are other neglected areas such as health issues and violence prevention. In this regard, for example, she pointed out that the investment in sexual, maternal, and reproductive health is insufficient (2,115,941,499 pesos) and that this amount has not been recovered since the COVID-19 pandemic. In this sense, it must be remembered that in 2022 the federal government made significant cuts in the budget for maternal and perinatal health, as well as in care for sexual violence and cancer in women.

For the economist, another of the weak points of PEFE 2023 is the lack of investment in a national care system. At this point, PEFE 2023 only includes an investment of just over 14 billion pesos in the daycare service of the Mexican Institute of Social Security: Likewise, expenses of up to 1,458,481,603 pesos are planned for milk supply programs. Beyond that, there is no other sphere attended to in the matter of care, one of which is essential to promote the economic participation of women.
"The level of violence against the women that we live in the country is terrifying," declared Ponce Meléndez and recalled that proof of this are the results of the National Survey on the Dynamics of Household Relations (ENDIREH) 2021, which show that 70 out of every 100 women have been victims of some type of violence in Mexico. In addition, the survey demonstrates the appalling increase in some types of violence such as assaults of a sexual nature.

In this sense, the Mexican economist regrets that the data from ENDIREH 2021 do not become public policies expressed in PEFE 2023, suggesting that the results of the ENDIREH should be reflected in the PEFE 2023. Moreover, Carmen believes that the matter is serious when speaking about issues such as femicide violence.

Despite this, Carmen Ponce rescues the fact that the budget project for the following year includes a gender section in the General Economic Policy Criteria, establishing the guidelines of the main macroeconomic variants for 2023. Labor and economic participation and the closing of gaps in this sphere are factors attributing to economic development.

However, the specialist added, violence is also an impediment to our economic growth. If it is not invested in its prevention, social programs and other projects will only be palliative measures in view of the current panorama of Mexican women.

**Labor:** Less than 50% of Mexican women of working age participate in the labor market, the second lowest rate of all OECD countries. In comparison to men's labor participation rate, which is 82%, it is way lower. 60% of the women in informal jobs experience low social protection, high insecurity, and low pay. The responsibility of excessive unpaid work at home, which is three quarters of unpaid work including childcare, is the leading cause of low female labor participation rates. Moreover, the long-hours work culture in high paying employment makes it difficult to strike a decent work/life balance. It is interesting to note that media promoting gender stereotypes reduces room for women's emancipation.

**Violence:** In addition, Mexico is one of the OECD countries with the highest levels of violence against women. In Mexico, 63% of women above the age of 15 have admitted that they have been victims of some type of violence during their lives. It is a clear violation of their fundamental human right to security and well being, which affects their ability to participate in various spheres of life, in particular the economic life of the country.

We demand that this has to change for all reasons moral, ethical, and economic--it is a matter of justice. It has been analyzed in the Review of Gender Policies in Mexico in 2017, if Mexico were to reduce the gender gap in labor force participation by 50%, it could potentially add 0.16 percentage points to the annual rate of growth in per capita GDP to 2.46% per year. Fortunately, this would lead to an increase of around USD 1100 in GDP per capita, one of the largest pay-offs to greater gender equality in Mexico.

**Measures to Promote Gender Equality**

**Childcare:** Improving the availability and quality of early childhood care and education facilities support mothers by reducing the unpaid work burden and enabling women's labor participation. In addition, it lowers the gender pay gap.
Paternity Leave: New fathers in Mexico are entitled to only 5 days of paid paternity leave, one of the most precarious leaves worldwide. The nation, in particular the government and employers, needs to support an extension of paternity leave.

Gender Stereotypes: It is also essential that gender stereotypes be eliminated from textbooks and teaching, while regulating such stereotypes in the mass media. The media must also make a greater effort to eradicate violence against women in their programs.

Leadership Representation: Women held about 40% of seats in Mexican Congress that was above the OECD average of 30%. Nevertheless, there wasn’t a lot of room for women in the Mexican private sector and the glass ceiling in the business sector persists. Only 7.5% of the management boards of Mexico’s largest conglomerates are held by females, far below the OECD average of 20%. There needs to be a shift in private sector decision making towards women, making it gender equal.

STEM Participation: For promoting inclusivity and closing gender gaps in the labor market we need more participation of women in STEM professions (Science, Technology, Engineering and Mathematics). The European Union (EU) estimates that closing the STEM gender gap could result in a cumulative increase in EU GDP per capita of up to 3%. Increasing women's participation in STEM is one of the best inclusive development policies. Recently OECD launched the “NiñaSTEM Pueden” program with the Mexican Government, a project aimed at stimulating the curiosity and passion of Mexican girls for STEM subjects through educational opportunities outside the classroom, inspired by meetings with women mentors who have excelled in these fields.

The current government is giving priority to the gender equality issue:

- Promoting a cabinet with gender parity
- Integrating gender equality into the National Development Plan
- Bringing gender equality into the design and implementation of all Federal Government policies
- Joining forces with the European Union and the United Nations in the launch of the Spotlight Initiative to eliminate all forms of violence against women and girls

Women’s paid work contributes to total household income and helps to reduce inequalities. Women’s labor market participation changes the distribution of resources in the household and helps to distribute unpaid work more evenly. The integration of mothers into the formal economy has a very positive impact on the well-being of children. Working mothers change gender standards and contribute to the elimination of harmful stereotypes. Women in government help improve the outcomes of social inclusion policies. Mexico holds the key to its inclusive and sustainable development. It is a magic formula: gender equality and the empowerment of Mexican women.

–Angel Gurría OECD Secretary-General, January 2020
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   Entrepreneurs are increasingly seeing more business opportunities in the midst of the COVID-19 pandemic, according to the latest Global Entrepreneurship Monitor (GEM) Global Report entitled Opportunity Amid Disruption. In 2021, GEM’s Adult Population Survey (APS) featured at least 2,000 respondents across each of 47 economies. In 15 out of these 47 economies, more than half of those starting or running a new business agreed that the pandemic had led to new business opportunities. In 2020, this had been the case for just nine out of 46 economies.

   The 2016 Global Entrepreneurship Monitor (GEM) survey represents the 18th consecutive year that GEM has tracked rates of entrepreneurship across multiple phases of entrepreneurial activity; assessed the characteristics, motivations and ambitions of entrepreneurs; and explored the attitudes societies have towards this activity. This report includes results based on 65 world economies completing the Adult Population Survey (APS) (between the ages of 18 and 64 years) and 66 economies completing the National Expert Survey (NES). GEM countries in the 2016 survey cover 69.2% of the world’s population and 84.9% of the world’s GDP.

   The levels of entrepreneurship in Mexico have consistently been on the rise, reaching 1 in 5 adults in 2015 (21%), with greater participation of both young people and women, motivated by an expectation of opportunity and improvement. This TEA is the highest since the first participation of Mexico in 2001. According to the NES, the entrepreneurial ecosystem has improved too, since 8 of 9 factors received better scores.
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This document was produced by Value For Women as part of a consultancy for UN Women, thanks to the financial support of the European Union in the framework of the Win-Win Program: Gender Equality is Good Business. Its contents are the sole responsibility of the authors and do not necessarily reflect the views of the European Union. This paper presents an analysis of the situation of investment funds in the Latin American and Caribbean region.

A study that identifies different segments within the category of small and growing businesses based on scalability, the level of innovation of a product or service, and the behavioral characteristics of the entrepreneur. Dalberg distinguishes between high-growth ventures, niche ventures, dynamic enterprises, and livelihood-sustaining enterprises.

A report on the challenges that investors and lenders face in financing SGBs through traditional methods. Dalberg assesses the potential for innovative financing solutions that serve different segments of SGBs, from high growth ventures to livelihood-sustaining enterprises.

This report published by the IDB invest describes the global trend of gender lens investing and presents a compelling business case for this investment strategy in Latin America and the Caribbean.

Interview-based report that examines the impact investing ecosystem, with a focus on gender lens investing. The report looks at the importance of gender lens investing and presents evidence of the positive impact of investing in women-led enterprises. It also looks at some of the challenges mentioned by investors when investing with a gender lens.


IDB Investment announcement of the $50-million credit facility to Mexican lender Crédito Real. Together with technical assistance to incorporate a gender strategy into its marketing, the loan is designed to facilitate the expansion of its asset leasing business targeting women-led SMEs.


This report discussed the issuance of Mexico’s first social bond with a gender focus with the aim of expanding the resources available to finance projects led by women in rural areas.


The report discusses Mexico’s expenditure budget allocation to gender equality. The money allocated to gender equality is a 41% increase from the previous year, but does not guarantee a real path to equality.


This report presents a new diagnosis of the region’s key challenges with a focus on two “missing middles”: a missing tier of midsize companies that could create better-paying jobs and ignite a stronger competitive business environment, and a missing burgeoning middle class of consumers whose spending and saving could fuel domestic demand and investment. The report also highlights the new opportunity for the region to reboot inclusive growth by harnessing the forces of digital technologies, as some entrepreneurs in Latin America are already notably starting to do.
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APPENDIX
Only the 94% of venture capital funding goes to men, while the other 6% goes to women-run businesses.

Including more women in the economy has the potential to increase GDP per capita in Latin America by up to 16%.

Thousands of women in Latin America are changing the way they do business.

**PRO MUJER** is a leading mission-driven social enterprise with more than 32 years advancing toward gender equality in Latin America.

Our geographical footprint:

- Argentina
- Bolivia
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- Ecuador
- El Salvador
- Guatemala
- Honduras
- Mexico
- Nicaragua
- Peru
- Panama
- Paraguay
- Peru
- Uruguay
- Venezuela
- Brazil

**OUR IMPACT**

+10,000 women of 19 countries of Latin America have joined the platform.

+2,000 hours of synchronous and asynchronous training is available.

**WE BUILD WOMEN ENTREPRENEURS’ DIGITAL SKILLS:**

- Using the Internet
- Getting the most out of my cellphone
- Social Networks
- Designing with Canva
- Digital Transactions
- Videocall Platforms
- Office automation for your business

**BUSINESS STAGES**

**IDEATE**

- Create your business

**START**

- Pre-incubation

**IMPROVE**

- Incubation

**STRENGTHEN**

- Acceleration

**OUR BASELINE**

In Latin America, 70% of women are unable to access the capital they need to start a business.

Only 6% of venture capital funding goes to women-run businesses, while the other 94% goes to men.

Including more women in the economy has the potential to increase GDP per capita in Latin America by up to 16%.

**EMPRENDE** is a digital platform that seeks to support women entrepreneurs’ economic prosperity by giving them the opportunity to:

- Connect with other women entrepreneurs in the region.
- Acquire digital, entrepreneurial, leadership, negotiation, finance, and sales skills.
- Find a mentor and gain insights from their experiences.
- Create new market opportunities for their products and services.
- Receive personalized support at any stage of their entrepreneurial journey.
- A learning network where women have equal access to opportunities and can choose their path.
- An empowering space that encourages every woman to reach her full potential and become an agent of change for her family and her community.
- A platform that supports personal development, as well as the development of skills, ideas, businesses, and communities.

**WE OFFER**

- Skilling and entrepreneurship opportunities
- Health services in Latin America
- Provide financial inclusion
- Build digital skills

**OUR IMPACT**

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- Social Networks
- Designing with Canva
- Digital Transactions
- Videocall Platforms
- Office automation for your business

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FINAL EVALUATION
MUJERES
PILOT STAGE
Most of this population lives in the Vicente Guerrero municipal agency.

(National Institute of Statistics and Geography [INEGI], 2020)

General characteristics of the municipality of Villa de Zaachila

Mujeres A.V.E. currently takes place in Villa de Zaachila. This municipality is located in the Central Valleys region of the state of Oaxaca, 15 km south of the capital city. It is 54.86 km² wide, and is divided into: one municipal agency, three police agencies, a subdivision, ten boroughs and thirty neighborhoods.
SOCIODEMOGRAPHIC DATA

46,464 Population
52.3% Women
47.7% Men

4,534 people 5-9 years
4,529 people 10-14 years
4,209 people 15-19 years

8.96% 4,529 Population aged 3 and over speak at least one indigenous language

19,259 Residents do not have access to healthcare

55.2% 26,797 People live in poverty

8,778 People live in extreme poverty

4,203 Do not have drinking water

3,547 People over 15 years of age barely know how to read and write

Most of this population lives in the Vicente Guerrero municipal agency. (National Institute of Statistics and Geography [INEGI], 2020.)
FINAL STAGE OF MUJERES A.V.E. PILOT PROJECT

- 2021 was a year shaped by a political, economic and social context, as an electoral process took place where municipal authorities, local and federal deputies were elected. A slow economic recovery, due to COVID-19, also caused some activities to be canceled or postponed.
- Eastern Zaachila is an area in which conflicts frequently arise between different power groups, for example, neighborhood leaders, motorcycle taxi associations and political parties.
- Over the past six months, there have been roadblocks, government office takeovers, marches, protests, and the landfill has been closed, which has led to the postponement of some training workshops or their suspension.
- Internal situations have also affected participants’ daily lives, such as: lack of communication with partners/spouses, psychological, verbal and economic violence, the possibility of a breakup and/or divorce, difficulty in making agreements on domestic work with daughters and sons, stress due to work overload and the loss of relatives.

The SiKanda team worked to promote mental health among participants, as workshops on stress management skills and psychological support were provided. They also offered training on business skills, including making promotional videos and product photography with cell phone applications, in addition to time management, social networks, Mexican fiscal and tax systems and collaborative economies. The One-Stop-Shop was renamed “Espacio A.V.E.” or AVE Space in English, as it is a central component of the program and a meeting place for women.
Participants´ Profile

Based on Baseline + Evaluation registries, the following data was processed and analyzed (1).

Generalities: 114 registered women

- The fourth group or Cohort 4 had the highest number of participants (16).
- Of the 114 women registered in the Mujeres A.V.E. training program, 50 women attended the courses continuously, with 68% completing the program as of January 2021 (Groups 9 and 10 were still undergoing training when this evaluation was conducted).
- The average age of participants is 30-45 years, representing 53.5% of all age groups.
- 50.4% of all participants have a partner, regardless of marital status.
- It stands out that 34.8% of the participants have completed high school.
- 76.5% speak Spanish.
- The predominant indigenous language is Zapotec with 10.4%.
- 29.8% of participants have an average two children.
- 4 out of 10 women (38.3%) receive government aid; 44.4% of participants are registered in the Bienestar Welfare Program.
- 13.2% of participants have an average monthly income ranging from 1,000 to 3,000 pesos.

(1) Access link: https://docs.google.com/spreadsheets/d/1nSxiRIq-6WA2oCj8D0B8H3aYhvrHx2z9ktX1nUx_Tsk/edit
Regarding their businesses

Of the 114 registered women:

- **43.9%** of participants decided to start their own business to **contribute to the family income**.
- **31.6%** of women entrepreneurs keep a **record of their sales**.
- Only **16.7%** separate their **business records** from their personal ones (COVID-19 affected how they maintained records).
- **23.7%** of women **keep an inventory**.

- **19.1%** of women **save** part of their earnings.
- **20.2%** of participants have an average monthly income from their businesses ranging from **1,000 to 3,000 pesos**.
- **24.6%** of women report **monthly earnings** from their business of **less than 1,000 pesos**, while **15.8%** have a utility that goes from **1,000 to 3,000 pesos**.

- Only **8.8%** of women **have unpaid assistants in their businesses**.
- It stands out that, on average, **2.6%** of businesses **employ at least one assistant** per week.

- **19.3%** of women save part of their earnings, **the average monthly savings** is one thousand pesos.
- **33.3%** of women **have access to some type of credit** with different institutions.
Confidence in making business decisions

- **23.7%** of women entrepreneurs make important decisions regarding their business **with a family member**, partner or friend.
- **15.8%** of participants set product and service prices by themselves.
- **22.8%** of women feel confident when dealing with clients and providers.

- **23.7%** of women feel supported while running their business (2).
- **80.8%** of women perceive an increase in profits in their businesses.

- **100%** of interviewees stated that they felt that their well-being had increased as a result of their participation in the program as follows:
  - They felt more confident, secure and safe.
  - They felt as members of a group
  - They had learned to better interact with people

- **100%** of women interviewed indicated that they use WhatsApp as a sales tool, while 12% additionally use Facebook.

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(2) Help with domestic chores, economic aid, assistance with marketing tools and emotional support to mention a few.
A diagnosis was carried out prior to the implementation phase, which made it possible to have an understanding of the area and its context.

The project is aligned with two goals of the 2030 Agenda: Goal 5, Gender Equality and Goal 8, Decent Work and Economic Growth. This set the guidelines for the development of its training program along with a social and solidarity economy approach.

- From its inception, the program followed the “GET Ahead: Gender and Entrepreneurship” methodology by the International Labor Organization (ILO).
- The implementing team and allies (ECOOS) received prior training by Value for Women (Cherie Blair Foundation for Women - CBFW) in coordination with the Women's Entrepreneurship Development (WED) program of the ILO.
- Workshops and training sessions were catered for female participants on topics identified during evaluations and other meetings.

A comprehensive approach was set from the start, which reflects in the different partnerships with institutions and NGOs that were established in order to strengthen participants’ businesses and provide support for those with specific needs (health issues, personal matters and so forth). Alliances were solidified with organizations such as the Vicente Guerrero Educational Community Center, the Church of Santa Cecilia (Catholic Church), the Municipal Agency, the Santa Cecilia School of Musical Initiation, Aids Healthcare Foundation (AHF) Oaxaca, National Network of Indigenous Lawyers (RAI), Rosario Castellanos Women's Study Group (GES Mujer), Oaxaca en una caja®,...
The Mujeres A.V.E. network was strengthened, in addition to the accompaniment provided to its Assembly and committees.

The operating team responded positively to recommendations suggested by the Cherie Blair Foundation for Women, the Trafigura Foundation, and external evaluations. Evidence shows that each one was reviewed and analyzed to later be implemented and/or integrated into the program.

Mujeres A.V.E.’s duration (3 years) guaranteed a greater probability of success and positive impact on participants’ lives and entourages. This also reduced learning costs and relevant experience was gained.

### Impact on participants’ lives

- One of the core objectives of the Mujeres A.V.E. program is its focus on strengthening micro-businesses, however, its different dynamics have also impacted women's lives and their communities.
- Women's confidence and organizational capacity have been fostered through fairs and other activities, and this in turn has enabled them to access new markets.
- The program has witnessed remarkable coping mechanisms employed by participants during times of crisis (such as the pandemic), while forging resilience and making adaptations to their businesses. Innovative ways in promoting their businesses have been used, such as social media, specifically WhatsApp and Facebook. They have also participated in virtual fairs and are now accepting new forms of payment.
- Their participation in the program has allowed them to value their own businesses and the work they perform in other aspects of life.
- The program has provided them with financial tools to manage their businesses: most women recognize that they had little or no knowledge on the subject. They also shared that they did not know how to apply them to their businesses before joining the training program.
Participants have also strengthened their organizational abilities, as reflected by the formation of their Assembly. On their own accord, each committee was elected and new presidents were elected.

Mujeres A.V.E. members show a deep appreciation towards the program. They feel thankful for mobile credit, food kits and emotional support provided by the SiKanda team. At present, they show greater willingness to continue working with the program and improve their businesses, thus experiencing an increase in their income.

Women consider Espacio A.V.E. a place of convergence with other women, a place where they can not only share what they have learned on business matters, but also life experiences and changes in everyday dynamics as a result of enrolling in Mujeres A.V.E.

- 100% of interviewees stated that they felt that their emotional and economic well-being had augmented as a direct result of their participation in the program.
- 80% of interviewees indicated that their business sales had increased by approximately 39% since joining Mujeres A.V.E.
- The average monthly income of participants derived from business sales equals 4,323 Mexican pesos, with profits of 2,143.08 pesos.
- Regarding the use of Information and Communication Technologies (ICTs), 100% of the women interviewed mentioned using WhatsApp as a sales tool, while 12% additionally use Facebook.

Areas with potential for further development

- The development of a medium-term goal for the project, taking into consideration the context in which the program is implemented.
- Furthering advances that women have had, for example establishing cooperatives and other forms of association and group work, and a tracking system.
- Its focus on gender, only prioritizing women and children, does not involve partners, which could generate violence against women, as they achieve financial and economic independence. Interculturality, interculturality and territoriality still need to be considered.
EXECUTIVE SUMMARY

- Participation in fairs must be reoriented. Market segmentation and audience targeting must be performed before registering for new fairs as they not only serve as a showcase of products or services, but also as a sales venue.
- Updating all documents, databases and reports presents work in excess. It is difficult to access data quickly and makes document review less efficient. Lack of systematization.
- Limited staff for organization and systematization tasks, due to the number of documents and reports generated and requested by donors, is noticeable. The Mujeres A.V.E. seems to be overwhelmed by this work load.
- A methodological scheme is required for the next stages of the program. With this form of planning, women could take off their businesses and generate profits (profitability).

**If the current trend continues, there is a risk of Mujeres A.V.E. becoming a welfare program.**

- The low academic and/or literacy rates of some participants limits the correct application of business management concepts, like setting fair prices for their products and/or services.
- The need to share problems that are not directly related to the business but that do have an effect on it.
- The lack of a business vision, despite the fact that most interviewees mentioned considering owning and managing their businesses in the long term. It is suggested to further develop products or services in demand, or that have a competitive advantage.
- The coronavirus pandemic increased the visibility of the following life situations and aspects:
  - Participants’ needs, priority was given to the economic situation and household management such as childcare duties.
  - Limited internet access
  - Little knowledge of social media.
  - Lack of phone credit
  - The extended use of mobiles and Internet data plans for online school lessons.
  - Physical, verbal and economic violence at home.
  - Loss of family members.
  - Couple separation / divorce
Finally, it is important to consider the following factors that may alter the Mujeres A.V.E. program in the eastern side of Zaachila:

- **The economic situation in the area, which is worsening with the pandemic.**
- The latent conflict over the landfill, which is undergoing expansion plans, and the instrumental use of poverty, women and lack of services for political ends.
- The pandemic caused by COVID-19 and its variants; now-a-days, there are few available vaccines for youth and children worldwide.
MAIN RECOMMENDATIONS

1. Consolidating and validating Mujeres A.V.E. own methodology with new cohorts. A certification procedure can be requested, which can lead to the implementation of this training curriculum in other areas and communities.

2. Design or redesign a methodological scheme for the future development of the program, which would allow for the advancement and/or autonomy of previous groups of women who have participated in the program. It can be done in two stages.

For the first stage, which includes the current 36 hours of training, the following should be considered:

a. Implementation of work strategies with engaging men (partners and relatives of participants) and training sessions on masculinities and genders.

b. Create networks by types of businesses, with the support and accompaniment of women from previous groups and those that are new to the program. Women within each network could organize and set up childcare routines, could tend to each other’s businesses and promote their goods or services conjointly.

c. Women from previous Mujeres A.V.E.’s groups could teach others on topics such as cooking, confectionery, weaving, embroidery, etc. Together, they could participate in workshops about self-esteem and public speaking. By this, they could put into practice what they have learned.

d. New fairs and markets. The Mujeres A.V.E.’s team can continue inviting more women to participate as a way to position their products in different markets, increase their sales and make a profit, whilst empowering them.
For the second stage, this evaluation proposes to first identify the businesses with the greatest progress achieved during the previous stage and to focus on their consolidation, using strategies and techniques to make them more profitable. It is important to prioritize quality over quantity.

Therefore, the implementing team should:

a. **Strengthen training in finances** and determine financial projections of the different businesses.

b. **Continue advertising fairs among the group and inviting women to participate in other events** outside the state and the country to better position their products in different markets, increase their sales and profits, as they empower them.

c. **Reach other markets** through some virtual platforms such as Mercado Libre, Amazon, etc.

3. Add a label and a QR code that would identify a Mujeres A.V.E. product as a socially-responsible item, so that consumers know its place of origin, context and story behind it.

4. Implement the program in other areas within the same municipality with similar poverty conditions and gender-based violence alerts, with the purpose of comparing and contrasting impacts and results from different perspectives: pandemic, inflation rates and economic recovery.

5. Hire personnel for data collection, systematization and monitoring.

6. Continuously work for the Mujeres A.V.E. program to effectively monitor its components, but also to minimize learning costs involved in training new staff.

7. Strengthen relationships with key actors in the area.