



Mastercard Index of Women Entrepreneurs: Hong Kong Ranks Fifth in Asia Pacific in Offering the Most Supportive Entrepreneurial Conditions for Women

The Index also suggests that the COVID-19 crisis could set back a generation of women in business

HONG KONG – March 3, 2021 – Around the world, March 8 is celebrated as International Women’s Day, championing the social, economic, cultural and political achievements of women. Mastercard today announces the latest Index of Women Entrepreneurs (MIWE), which reveals that Hong Kong ranks fifth in Asia Pacific and 15th across 58 global economies as one of those that offer the most supportive entrepreneurial conditions for women.

In tackling the stark disparity and unlocking the fullest potential of women in business, the latest MIWE report findings make a compelling case for building on targeted gender-specific policy best practices internationally.

Gender-targeted policies drive forward women’s entrepreneurial success

Now in its fourth edition, MIWE highlights the vast socio-economic contributions of women entrepreneurs across the world, as well as providing insight into the factors driving and inhibiting their advancement. Through a unique methodology – drawing on publicly available data from leading international organizations, such as the OECD and International Labor Organization – MIWE 2020 includes a global ranking on the advancement of women in business in pre-pandemic conditions across 58 economies (including 15 in the Asia Pacific region), representing almost 80 percent of the female labor force.

The Ranking: top economies for women entrepreneurs (Asia Pacific economies are in **bold**)

2020 Rank	Economy	Rank change from 2019	2020 MIWE Score	2020 Rank	Economy	Rank change from 2019	2020 MIWE Score
1	Israel	↑3	74.7	11	Thailand	↓1	66.9
2	United States	--	74.0	12	Chinese Taipei	↑3	66.6
3	Switzerland	↑8	71.5	13	Ireland	↓8	66.3
4	New Zealand	↓3	70.1	14	Colombia	↑10	66.3
5	Poland	↑11	68.9	15	Hong Kong	↓8	65.8
6	United Kingdom	↑2	68.7	16	Philippines	↓10	65.5
7	Canada	↓4	68.6	17	Indonesia	↑5	65.2
8	Sweden	↑17	68.3	18	France	↑1	65.1
9	Australia	--	67.5	19	Portugal	↓6	64.9
10	Spain	↑4	67.3	20	Denmark	↓3	64.9

Highlights of the study:

- Women across the world have been disproportionately impacted by the COVID-19 pandemic – a staggering 87 percent of women business owners say they have been adversely affected.



- Overrepresentation in sectors hit hardest by the economic downturn (tourism, retail, F&B, etc), the pronounced digital gender gap in an increasingly virtual world, and the mounting pressures of childcare responsibilities are only a few factors that have left women particularly vulnerable.
- For the first time in the Mastercard Index of Women Entrepreneurs' 4-year history, **Israel** tops the chart, advancing from 4th place in 2019, largely driven by focused institutional support for SMEs.
- **Hong Kong** has a healthy MIWE score of 65.8 points, up 1.2 points from last year, ranked 15th across 58 global economies and fifth in Asia Pacific, behind New Zealand (70.1 points), Australia (67.5 points), Thailand (66.9 points) and Chinese Taipei (66.6 points).
- Economies with high overall rankings such as Switzerland (2nd), United Kingdom (6th) and **Hong Kong** (15th) are underperforming in “**Women's Advancement Outcomes**” due to constraints in several aspects, such as the gender gap in entrepreneurial activity and less positive cultural regard for entrepreneurialism.
- Women in Middle East & Africa, Europe and Asia Pacific, including **Hong Kong** (18th), took a lead among the top 20 in “**Knowledge Assets & Financial Access**”, which shows that they have high access to financial products and services, support for SMEs and opportunities to enrol in higher-level education.
- **Hong Kong** positioned strongly among the top five economies for “**Entrepreneurial Supporting Conditions**”. Together with Switzerland, United States, Israel and Sweden, women in these economies are making firm strides in the business world, propelled by favorable conditions such as high ease of doing business and quality of governance.

“What the findings make clear is that regardless of an economy's wealth, level of development, size, and geographic location, gender inequalities continue to persist – even pre-pandemic. What COVID-19 did is that it exacerbated an already problematic situation. It disproportionately disrupted women's lives and livelihoods to a greater extent than men due to a few pre-existing factors: the jobs and sectors women tend to work in, childcare and domestic responsibilities and the pre-existing gender disparity in business.

Yet, through the pandemic we've seen women's strength and endurance in the face of adversity. If anything, this year has illuminated how vast women's potential really is. But this moment in time is fragile unless governments, financial services and business organizations come together to do three things: offer systemic support and programs to enable women to survive and thrive in this new normal; equip them with skills to navigate the digital world; and nurture an equitable, accessible financial services system that supports women's work and entrepreneurship. These are not easy to deliver, but investments like these can yield priceless dividends for not only women, but society as a whole,” said **Julienne Loh, Executive Vice President, Enterprise Partnerships, Asia Pacific, Mastercard**.

COVID-19 has posed setbacks, but also opportunity

MIWE 2020 also provides an initial analysis on the ramifications of COVID-19 on women at work and points toward effective supportive policies. Although differing from economy to economy, those proving most



effective include expansive relief measures for SMEs – from wage subsidies to furlough schemes and fiscal bailouts – as well as state childcare support.

Crucially, the report presents an optimistic outlook for the future of women entrepreneurs. It indicates that the pandemic could prove a catalyst for exponential progress for women in business and an opportunity to course-correct gender bias. It draws on several points to illustrate this, notably:

- *The COVID-19 era presents an empowering narrative for women in leadership, providing inspiration at a time when cultural barriers and fear of failure still impede some women from business ventures.* COVID-19 has highlighted women's ability to lead under extraordinary circumstances. With almost half (47.8 percent) of female entrepreneurs reporting to be driven by a desire to contribute to the greater societal good, the impact female leaders have cannot be underestimated.
- *Women in business are already demonstrating marked adaptability, despite extensive barriers to success.* On the frontline, women business owners are adapting to the new world of work with renewed confidence. 42 percent have shifted to a digital business model and 34 percent have identified new business opportunities since the pandemic.
- *The 'next normal' presents a once-in a-lifetime opportunity to remove existing barriers, driving greater gender participation and parity for women in business.* As well as magnifying severalfold the many disparities women in business face – from the digital gender gap to financial inclusion – COVID-19 has been an intense stimulus for structural progress.

The report notes that the implications of these observations are profound. It further demonstrates the untapped value of women as leaders and, critically, highlights the role of the pandemic in expediting progressive solutions. Leveraging this momentum and championing gender-specific initiatives will be critical to realizing women's potential and winding down the US\$172 trillion lost globally (World Bank) due to the differences in lifetime earnings between women and men.

Mastercard's commitment to driving forward inclusion

Sue Kelsey, Executive Vice President, Global Consumer Products and Financial Inclusion, Mastercard, said: "A crisis will always reveal vulnerabilities in the system, and COVID-19 has done that in spades. We have seen the staggering extent of the disparity women in business face. But unlike any other economic downturn, COVID-19 has also paved the way for considerable progress and we have seen what can be achieved when priority is given."

The MIWE report is just one component in Mastercard's broader mission to drive forward the advancement of the disconnected and disadvantaged, with a particular commitment to support and help advance female entrepreneurs and small businesses through initiatives such as its Start Path and Path to Priceless programs. In 2020, Mastercard expanded its worldwide financial inclusion commitment, pledging to bring a total of one billion people and 50 million micro and small businesses into the digital economy by 2025. As part of this effort, there will be a direct focus on providing 25 million women entrepreneurs with solutions that can help them grow their businesses, through a range of initiatives crossing funding, mentoring and the development of inclusive technologies.

- **Download the MIWE 2020 report** and supporting assets [here](#).



- Learn more about Mastercard's efforts to engage, enable and empower women [here](#).

Methodology

The MIWE provides world-leading analysis on how women in business are progressing across 58 global economies. Representing almost 80 percent of the international female labour force, the MIWE provides deep-dive analysis on the socioeconomic factors propelling and inhibiting their success.

Through a unique methodology – involving detailed analysis across 12 indicators and 25 sub-indicators spanning *Advancement Outcomes*, *Knowledge Assets & Financial Access*, and *Supporting Entrepreneurial Conditions* – the index ranks 58 economies according to performance over the past year. Aggregating these scores, the index is able to provide an overall grading of how successful individual economies are in advancing female entrepreneurialism in comparison to peers in pre-COVID19 conditions.

This year's report also provides additional analysis on the early ramifications of emergency measures implemented by governments and business for women entrepreneurs in response to the COVID-19 pandemic across 40 global economies.

The MIWE findings provide clarity and understanding for governments, policymakers, stakeholders, businesses and individuals alike wishing to understand the crucial role of women in business and apply learnings from global economies.

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Mastercard Communications Contact

Karen Lo, Karen.Lo@mastercard.com

Janus Lau, Janus.Lau@mastercard.com

Agency Communications Contact (Mastercard)

Vicky Lo, (852) 2533 9940, vlo@webershandwick.com

Sam Cho, (852) 2533 9982, scho@webershandwick.com