



Analysis of received comments on

Clause 3.1 “[Majority] Women-Owned Business”]

3.1 [majority] women-owned business business that is at least 51% owned by one or more women, whose management and day-to-day operations are controlled by one or more women, and that is operated independently from other non women-owned businesses, and where a woman is also a signatory of the company’s legal accounts and that is operated independently from other non-woman-owned businesses (lines 122-127)			
Topic	Comment numbers	Analysis	Proposed solution
percentage	026 034	Some comments propose to change the ownership percentage to 50%. Proposed texts: ‘business that is at least 50% owned by one or more women’ or ‘business more than 50% of which owned by one or more women’.	To be discussed.
[majority]	027 to 032	Most comments propose to delete the word “[majority]”.	Proposal to accept.
management and day-to-day operations	033	Proposal to delete “whose management and day-to-day operations are controlled by one or more women.” The first IWA has reached consensus on the need for management and control requirements in order to avoid fronting.	Proposal to not accept.
controlled by one or more women	042 045	3.1 states ‘whose management and day-to-day operations are controlled by one or more women,’ where in 3.2 and 3.3, it says ‘whose management and day-to-day operations are	To be discussed.



		controlled by one or more women <u>decision-makers</u> ". Proposals to leave out the word 'decision-makers' in 3.3 OR add the word 'decision-makers' in 3.1.	
<i>operated independently from other non-woman-owned businesses</i>	038 to 041	Proposal to delete repeated sentence "that is operated independently from other non-woman-owned businesses".	Proposal to be accepted.
independently from other non-woman-owned businesses'	044	There is a comment on the inconsistency between 3.1. "independently from other non-woman-owned businesses", 3.2 "independently from other non-women-led and/or non-woman-owned businesses" and 3.3 "from other non-women-governed businesses". Proposal to include non-women enterprise or select one terms across all three definitions.	Proposal to not accept. The difference between the definitions is deliberate.
<i>a woman is also a signatory of the company's legal accounts</i>	036	Proposal to amend as "signatory of the company's legal and financial accounts".	To be discussed.
	037	Comment that the owner is not a signatory of all legal documents - most often it is either the CEO or the chair. The proposal is to delete the sentence "and where a woman is also a signatory of the company's legal accounts". The draft definition does not require the owner to be a signatory. The draft requires a woman to be a signatory– she could be the owner/CEO/chair.	Proposal to not accept.
	043	Comment that the interpretation of the word 'also' is ambiguous. Proposal to delete.	Proposal to accept.



	023	<p>There is a proposal to apply a threshold to management and control.</p> <p>The percentage threshold only refers to ownership criteria. Sub-clauses 5.3 and 5.4 explain how management and control are determined.</p>	Proposal to not accept.
Women	021 022	<p>Proposal to define 'women' because some societies refer to third gender.</p> <p>'Woman' and 'women' are defined based on national jurisdictions or internal regulations of the organization.</p>	Proposal to not accept.
Practical application	024 025 035	<p>Some comments express concerns about the practical application of the definitions.</p>	<p>Clause 5 provides further information on how to determine management and control.</p> <p>An additional document with guidelines can be created later on to guide practical application of the definitions.</p>
New definition	046	<p>Proposal to add a new category 3.1 "[new] women's businesses" – a business that is women-owned and women-led.</p> <p>The first IWA workshop did not agree to an additional definition to add to the two existing ones.</p>	Proposal to not accept.



Analysis of received comments on Clause 3.2 “Women-Led Business”

3.2

women-led business

business that has a woman CEO who is actively involved in the business and that is at least 30% owned by one or more women, whose management and day-to-day operations are controlled by one or more women decision-makers; has at least [30% or other percentage?] of the board of directors comprised of women, where a board exists; and where a woman is also a signatory of the company’s legal accounts and that is operated independently from other non-women-led and/or non-woman-owned businesses

(lines 128-134)

Topic	Comment numbers	Analysis	Proposed solution
Ownership percentage	023	<p>Proposal to amend the ownership, management and control requirements: ‘business that is at least 51% owned and managed OR 51% managed and controlled by one or more women and at least 30% influenced by women in missing category (either ownership or control) and that is operated independently’</p> <p>There was consensus from the first IWA workshop on the need for a women-led category with lower ownership requirements than 51%. Moreover, the thresholds only apply to ownership criteria not management/control (see clause 5).</p>	Proposal to not accept.
	046 047	<p>Two proposals to increase the ownership requirement to 51%.</p> <p>There was consensus from the first IWA workshop on the need for a women-led category with lower ownership requirements than 51%</p>	Proposal to not accept.
	054	Comment supports the 30% ownership requirement.	To be discussed.



Percentage on board of directors	048 055 057 062	Comments in agreement with the requirement that at least 30% of the board of directors comprised of women	To be discussed.
	058 059 063	<p>Some comments points out that certain critical decisions (to elect board members, mergers, dissolutions, sale of all assets of the company, etc.) in shareholders meeting or in the meetings of Board of Directors requires a two-thirds majority or supermajority (67%-90%).</p> <p>Proposals are to increase the requirement to more than 1/3 or 34%</p>	To be discussed.
	061	<p>Proposal to lower the requirement to 7%.</p> <p>There was consensus from the first IWA workshop on the need for significant percentage of directors being women.</p>	Proposal to not accept.
	064	<p>Proposal to delete "where a board exists".</p> <p>Some companies do not have a board.</p>	Proposal to not accept.
Term 'women-led'	049 050	<p>Comment that the term "women-led" in most English speaking countries would immediately be understood to mean a company where the CEO is a woman, without implying any ownership.</p> <p>According to these comments, the definition should not include the requirement for a woman to be the CEO. This will exclude companies where, for many good reasons, the woman founder / owner may decide to hire in a CEO. (typically this can happen in high potential start ups where the research and innovation lies with the woman, but she decides to bring in an experienced commercial CEO).</p>	Proposal to not accept.



		<p>“Women Shareholding and control”</p> <p>There was consensus from the first IWA workshop on the need for the CEO to be a woman.</p>	
	043	<p>Comment that the interpretation of the word ‘also’ is ambiguous. Proposal to delete.</p>	<p>Proposal to accept.</p>
<p>independently from other non-women-led and/or non-woman-owned businesses’</p>	044	<p>Comment on the inconsistency between 3.1 ‘Independently from other non-woman-owned businesses’, 3.2 ‘independently from other non-women-led and/or non-woman-owned businesses’ and 3.3 ‘from other non-women-governed businesses’.</p> <p>Proposal to include non-women enterprise or select one terms across all three definitions.</p>	<p>Proposal to not accept.</p> <p>The difference between the definitions is deliberate.</p>
<p>controlled by one or more women decision-makers</p>	042 045	<p>Comment that 3.1 states ‘whose management and day-to-day operations are controlled by one or more women,’ where 3.2 and 3.3 state ‘whose management and day-to-day operations are controlled by one or more women <u>decision-makers</u>’.</p> <p>The proposal is to leave out the word ‘decision-makers’ in 3.2 and 3.3 OR add the word ‘decision-makers’ in 3.1.</p>	<p>To be discussed.</p>
<p>Women-led vis a vis other definitions</p>	051	<p>Comment that the definitions of women-led and women-governed businesses are broadly the same. The proposal is to only keep women-led business definition.</p> <p>The first IWA workshop did not agree on whether we need the definition of women-governed businesses.</p>	<p>To be discussed.</p>
	052 056 065	<p>There are comments that it is not clear whether the three different definitions are overlapping or mutually exclusive. If mutually exclusive, the proposal is to add more text.</p> <p>To differentiate between a women-led business from a women-owned business, there is a proposal to change the term to ‘at least 30% but not more</p>	<p>Proposal to not accept.</p>



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		than 50% owned' and 'at least 30% but not more than 50% of the board'. Stakeholders may decide to use only one definition. If they decide to use 'women-led', this definition should include companies with more than 51% ownership by women	
Ownership requirement	053	Comment that the threshold (30 percent) might be different for different countries, depending on the local practice.	Proposal to not accept.



Analysis of received comments on

Clause 3.3 “Women-Governed Business”

3.3 women-governed business			
business that has a woman CEO who is actively involved in the business, whose management and day-to-day operations are controlled by one or more women decision-makers; has at least [30% or other percentage?] of the board of directors comprised of women, where a board exists; and where a woman is also a signatory of the company’s legal accounts and that is operated independently from other non-women-governed businesses			
<i>(lines 136-142)</i>			
Topic	Comment numbers	Analysis	Proposed solution
General note	20	Reminder on the substitution principle: definitions of a superclass shall be replaceable with definitions of its subclasses without breaking or repeating the original intent	Proposal to give this as task to leadership after workshop as part of the editorial check.
Phrasing	43	Proposal to remove “also”	Proposal to accept.
Referring to non-women owned/led/governed businesses as non-women enterprises	44	Proposal to refer to non-women owned/led/governed businesses as non-women enterprises in 3.1, 3.2 and 3.3	Proposal to not accept. The difference between the definitions is deliberate.
“whose management and day-to-day operations are controlled by one or more women <u>decision-makers</u> ”	45	Proposal to either remove “decision-makers” or add “decision-makers” in 3.1 and 3.3	Parked, discussed under 3.1
Rationale for adding women-governed business	51	Asking for clarification on the addition of women-governed business	To be discussed.
Percentage of board of directors	46, 66, 71, 72, 74, 75	Proposal to change 30% to 51% in 3.3 Proposal to keep 30% in 3.3 Proposal to change to 7% in 3.3	To be discussed.
Concrete proposals on the definition of women-governed business (including %	65	Proposal to add “and that less than 30% is owned by one or more women” in 3.3	Proposal not to accept



ownership, board of directors, etc.)	67	Proposal to define women-governed business as follows: business that has a woman CEO who is actively involved in the business, whose 10% ownership is held by one or more women, whose management and day- to-day operations are controlled by one or more women decision-makers; has at least 30% of the board of directors comprised of women, where a board exists; at least one woman in executive leadership role eg CEO/CFO/CTO/CMO and where a woman is also a signatory of the company's legal accounts and that is operated independently from other non- women-governed businesses	Proposal to not accept as main reason for adding definition was to have one without any ownership requirement
	60, 73	Proposal to define women-governed as follows: business, whose management and day- to-day operations are controlled by two or more women decision-makers (one of which can be the position of CEO) ; has at least [30% or other 140 percentage?] of the board of directors comprised of women, where a board exists; and where a woman is also a signatory of the company's legal accounts and that is operated independently from other non women-governed businesses	Proposal to not accept. There was consensus from the first IWA workshop on the need for the CEO to be a woman. Also comment 060.
	76	Proposal to include "or": ... one or more women decision-makers; OR has at least [30% or other percentage?] of the board of directors comprised of women, where a board exists; and ...	proposal to not accept as too weak
Change term from Women-governed to women-led or women-directed	68	Proposal to put the definition of women-governed (definition does not ownership) under women-led; if not possible change the term	To be discussed: whether the term should be women-



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		"women-governed" to "women-directed"	governed or women-directed. Proposal to not call it women-led.
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Analysis of received comments on

Clauses Relating to “Women [-Led] Cooperatives

3.4 women[-led] cooperative cooperative in which at least 51% of total number of votes are held by women, and where the majority of the board of directors are women and the majority of leadership positions, if applicable, are held by women [NOTE 1 to entry: This definition does not include non-profit organizations.] (lines 143-148)			
3.12 cooperative autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise [SOURCE: Statement of cooperative identity, International Cooperative Alliance] (lines 195 -199)			
3.13 enterprise institutional unit in its capacity as a producer of goods and services; an enterprise may be a corporation, a quasi-corporation, a non-profit institution, or an unincorporated enterprise (lines 200 – 206)			
5.2.4 [Ownership Criteria for women [-led] cooperatives] The statutes of a cooperative are a key identifier of a women[-led] cooperative. The statutes of a women[-led] cooperative shall stipulate that at least 51% of the total number of votes shall be held by women, as well as that the majority of the board of directors shall be women and that the majority of leadership positions, if applicable, shall be held by women.] (lines 360 -364)			
5.3.1.2 Cooperatives and informal enterprises When proving management by one or more women for cooperatives and/or informal enterprises she/they shall have the power to direct or cause the direction of the management and policies of the enterprise and to make the day-to-day, as well as major, decisions on matters related to operations. (lines 379 -382)			
5.5.4 Criteria for women[-led] cooperatives (lines 462)			
Topic	Comment numbers	Analysis	Proposed solution



percentage	069	Change phrase “cooperative in which at least 51% of total number of votes” with “cooperative in which more than 50% of total number of votes” or something in this line.	To be discussed
cooperative	077	There is a proposal to change “cooperative” to “collaborative”. The term “cooperative” is defined in Clause 3.12.	Proposal to not accept.
“women [-led]”	78, 79, 80, 81, 82, 83	There is a proposal to delete the brackets – i.e. “women-led cooperatives” – as this would provide more flexibility and is also consistent with the proposed “women-led business” term under Clause 3.2. Text within square brackets [] are terms for which there are divided opinions or lower levels of consensus.	Proposal to accept.
NOTE 1 to entry	85, 86	Comment 085 proposes to remove “NOTE 1 to entry” on the exclusion of non-profit organisations. Clause 3.13, which includes non-profit institutions, applies to Clause 3.4 – see line 204. Comment 085 proposes to NOTE 1.	To be discussed.
percentage	212	Proposal to change “at least 51%” to “more than 50%”.	To be discussed.
Ownership Criteria for Women [-led] Cooperatives	202	Proposal to change numbering to “5.2.3.2” does not follow the structure.	Proposal to not accept.
	208, 211	Proposal to include text on cooperatives	Proposal to accept.
	209	Proposal to include “at least 51% of members are women”	To be discussed.
	210	Proposal mentioned the binding nature of cooperative statutes and proposes the need for cooperatives to commit to enhancing women power and leadership in the cooperative.	Proposal to not accept. This clause outlines the ownership criteria for a women [-led] cooperative. The proposed amendment is beyond the scope of this clause.



Cooperatives and informal enterprises	217	Proposal to change clause heading to "Cooperative and informal enterprise", citing use of singular forms of "cooperative" and "informal enterprise" in 3.1.1 and 3.2.1.	Proposal to not accept. 3.1.1 and 3.1.2 define a single unit, while under 5.3.1.2, plural forms refer to entities in general.
Criteria for women [-led] cooperatives	244, 245	Proposed criteria for "women [-led] cooperatives" <ul style="list-style-type: none">• Cooperative is not accountable to or supervised by other non-women-led organizations, nor are they fully and solely dependent on other non-women-led organizations for access to the market, materials or capital items.• Cooperative's status as a party to any contract or lease agreement on terms at variance with industry standards or prudent business practice• Common directors, officers, or members between the cooperative and non-women-led business or cooperatives.• Cooperative's use of employees, equipment, expertise, facilities, etc., "shared" with or obtained from a non-women-led business or cooperative.• The cooperative shall possess all applicable legal requirements necessary to legally be recognized as such (where applicable).• The receipt by the non-women-owned or non-women-led business of financial benefits (i.e. Profits, wages, etc.) shall be commensurate with the duties performed.	To be discussed.
	246	Another comment proposed including 51% leadership positions and 51% of votes.	Criteria already included under Clause 5.2.4, so proposal to reject here



Analysis of received comments on

Clauses Relating to “Women-Led Informal Enterprises”

3.5 women-led informal enterprise [independent] enterprise whose management and day-to-day operations are controlled by one or more women [NOTE1 to entry: They make the important strategic and operational decisions about the economic unit for which their work is performed and the organization of their work, are not accountable to or supervised by other persons, nor are they dependent on a single other economic unit or person for access to the market, raw materials or capital items.] [NOTE2 to entry: All or at least some of the goods or services produced are mainly meant for sale or barter, with the possible inclusion in the informal sector of households which produce domestic or personal services in employing paid domestic employees.] (lines 150-160) 3.21 informal sector enterprise private unincorporated enterprises (excluding quasi-corporations), i.e. enterprises owned by individuals or households that are not constituted as separate legal entities independently of their owners, that are not legally registered in the business registry and for which no complete accounts are available that would permit a financial separation of the production activities of the enterprise from the other activities of its owner(s) NOTE 2 to entry: All or at least some of the goods or services produced are [mainly] meant for sale or barter, with the possible inclusion in the informal sector of households which produce domestic or personal services in employing paid domestic employees. NOTE 3 to entry: "Registration in the business registry" does not include e.g. registration in listings of informal enterprises. (lines 245-256) 4.2 Informal enterprises Informal enterprises can be divided into four categories: <ul style="list-style-type: none">• Enterprises without licences• Enterprises without addresses• Enterprises without a bank account• Enterprises without documents Some informal enterprises can belong to more than one of the categories listed above. (lines 266-273)			
Topic	Comment numbers	Analysis	Proposed solution
	084	Proposal to change definition to: enterprise whose management and	Proposal to not accept



		day-to-day operations are controlled by one or more women and which does not meet the official requirements of the home country to be considered a formal enterprise	
Women-led informal enterprise	088	Proposal to remove “enterprise” and use instead “sector” or “entity” due to concern of “enterprise” connoting “formal establishment” Definition of enterprise under 3.13 also includes unincorporated enterprises, which is aligned with 15 th ICLS’ definition of an “informal sector enterprise”. ¹	Proposal to not accept.
Women-led informal enterprise	089	Commented that these enterprises can switch to formal and subsequently be subjected to the criteria of “women-owned”, “women-led”, and “women governed”, etc.	Noted. No action required.
Women-led informal enterprise	090, 091, 092, 093,094,095	Majority of proposals called for the removal of [independent] and using “informal” in its place.	Proposal to accept, depends on comments 130-132 being accepted as well.
Women-led informal enterprise	096	Proposed to keep NOTE 1 (No opposing comments on this).	Proposal to accept.
Women-led informal enterprise	098	Proposal to use “women-led informal enterprises” throughout the text – or alternatively, to use “informal enterprise” only.	Proposal that this will be handled by leadership after workshop and to make sure term is used in the text.
Women-led informal enterprise	099	Proposal to delete “with the possible inclusion in the informal sector of households which produce domestic or personal services in employing paid domestic employees”, in accordance with the latest ILO 17th ICLS guidelines.	Proposal to accept.
Women-led informal enterprise	096, 097,100	Proposals to delete “all or at least some” or “mainly”.	Proposal to delete “ All or at least some of”, but keep “mainly”.
Informal sector enterprise	130, 131,132	Proposal to remove “sector” to be consistent with use of “informal enterprise(s)” throughout the document – or vice versa.	Proposal to have “informal enterprise” as preferred term and “informal sector enterprise” as an alternative term.

¹ See <https://www.ilo.org/public/english/bureau/stat/download/papers/meas.pdf>



Informal sector enterprise/ Informal Enterprises	133, 142, 151	Proposal to consider “tax file”	To be discussed: to modify to “that are not registered under specific forms of national legislation (such as factories’ or commercial acts, tax or social security laws, professional groups’ regulatory acts, or similar acts, laws or regulations established by national legislative bodies as distinct from local regulations for issuing trade licenses or business permits) – see here
Informal sector enterprise	134, 135	Proposals to delete “all or at least some” or “mainly”.	Parked – see comments 097 and 100
Informal Enterprises	145	Proposal to do away with categories given that these are not mutually exclusive and therefore might not be useful.	To be discussed.
Informal Enterprises	140, 148	Proposal to add “Enterprises without registration”. Comment mentioned that there have been cases of unregistered businesses which are operational, but which still pay licenses to government agencies.	To be discussed.
Informal Enterprises	144, 146, 147, 149, 150	Proposal to clarify what “documents” or “licenses” refer to – and to allow for contextualization to national definitions of formality or informality. Secondly, a proposal to modify “Enterprises without addresses” to “Enterprises without registered addresses”	To be discussed.
Informal Enterprises	141	Proposal to add examples of “typical occupational groups” such as street vendors, domestic workers, home-based workers, and waste pickers as part of a note entry. The examples given above could also belong to one or more of the categories. Hence, providing the examples might not necessarily help illustrate the point.	Proposal to not accept.



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Informal Enterprises	143	<p>Proposal to use “informal business” and not “informal enterprise” or to add “informal business” as one option among “informal economy” and “informal enterprise”</p> <p>“Enterprise”, as opposed to “business” is a more appropriate word in the informal context since the latter is usually geared towards profits, whereas the formal allows for more variations.</p>	Proposal to not accept.
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Analysis of received comments on Clause 5.6 “Dilution by Investment”

5.6 Dilution by investment

High-growth and scalable startups need continuous rounds of external investment to finance their growth. This means that the female founders' ownership share gets diluted with the entrance of business angels, venture capital funds or any other type of equity investors. In these circumstances, a business may still qualify as [women-owned and/or] women-led, where the criteria below are met:

[Criteria for a women-owned business:

- Women shall own at least 51% of the equity once non-founding shareholders are excluded; and
- The criteria regarding management and control in clauses 5.3 and 5.4 shall be met.]

Criteria for a women-led business:

- Women shall own at least 30% of the equity once non-founding shareholders are excluded; and
- The criteria regarding management and control in clauses 5.3 and 5.4 shall be met.

(lines 463-475)

Commented [M1]: Some stakeholders are not convinced that we should allow businesses that have been diluted by investments to be called women-owned. They feel that these businesses would instead be women-led. Please provide comments on this.

Topic	Comment numbers	Analysis	Proposed solution
Can a business that has been diluted below 51% ownership still be called women-owned?	247 248 252 257 258 259 260 261 264	Comments are divided. There are more comments arguing for deleting the possibility to call the diluted business women-owned. They give arguments such as that they would fall into the women-led category and that if a majority is not owned by women, then it cannot fall under that category + that the investors may not be "silent partners" but may want to influence the business decisions. The comments arguing for keeping the possibility to call these businesses women-owned are mainly concerned women entrepreneurs would otherwise be disadvantaged as e.g. the public procurement system may only be set up for women-owned and then successful businesses are punished when they need to bring in capital.	To be discussed.
Proposal to delete whole clause	251 253	Two commentators propose to delete the entire clause.	To be discussed.



			But proposal to keep at least the part regarding women-led as there are very few comments against that.
Greater than 50% instead of 51%	262	This comment is also brought up in other places so may already be discussed. But the argument is that the main thing is that the woman/women own the majority.	To be discussed.
High-growth and scalable startups	254	The comment proposes to change to "growing startups" to simplify text and understanding	Proposal to accept.
Foundation date	255 256	Comment that the judgement standard may be the foundation date of a women-owned business and the period of running it before the entrance of business angels, venture capital funds or any other type of equity investors.	To be discussed: the reference point for determination.
Criteria for women-led cooperatives	263	Proposal to add criteria related to women-led cooperatives in this clause.	Proposal to not accept.