A large, abstract graphic on the left side of the cover features three overlapping, semi-circular shapes. The leftmost shape is a solid light grey. The middle shape is a light grey with fine, parallel white lines. The rightmost shape is a light grey with a fine, stippled texture. These shapes are contained within a thin white circular border.

Mastercard
Index of Women
Entrepreneurs
2020

**Case Study
Switzerland**

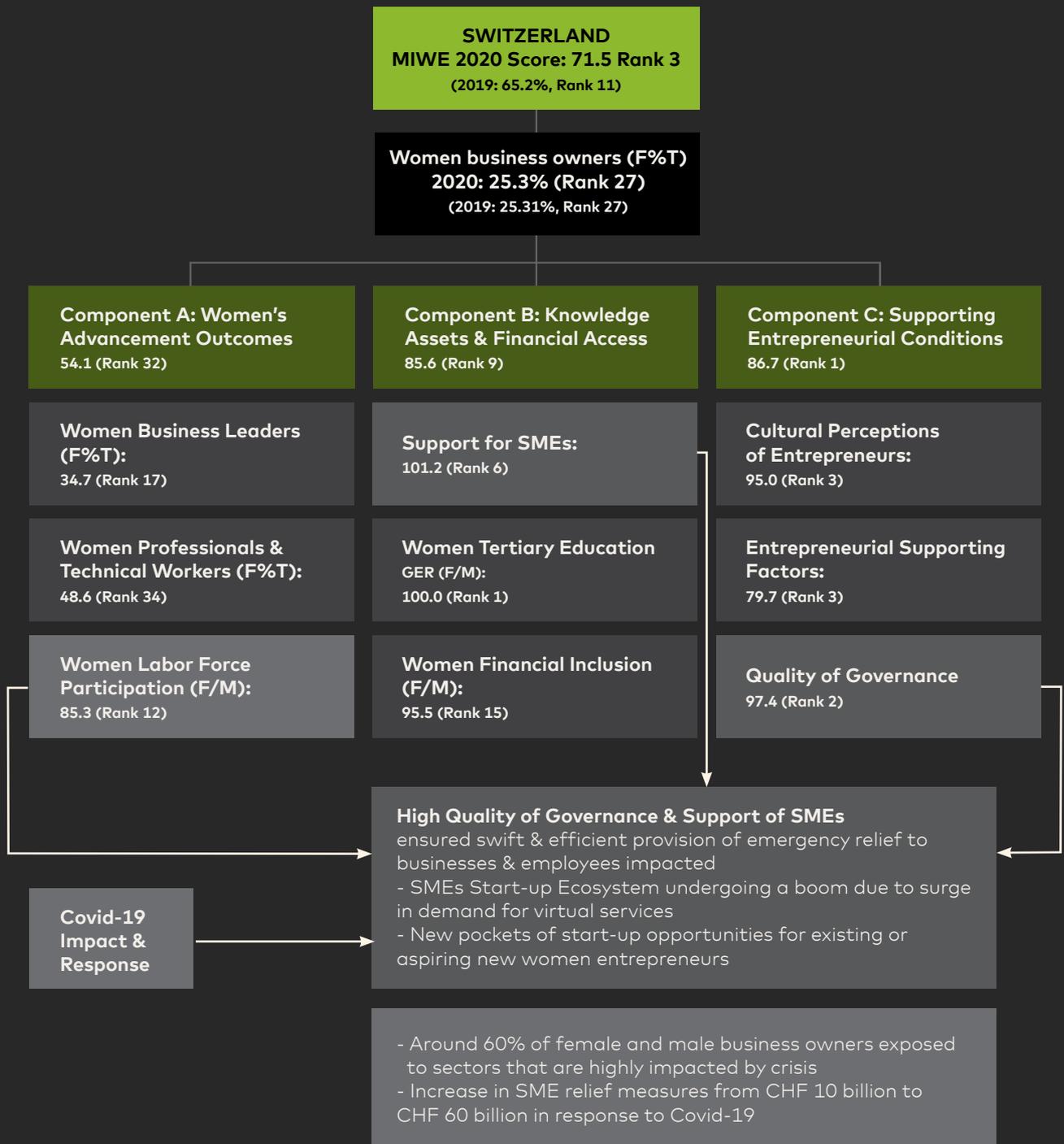


Switzerland

Very Strong Supporting Entrepreneurship Conditions

In 3rd place, Switzerland advanced strongly from a score of 65.2 (rank 11) in 2019 to 71.5 this year, buoyed by a sharp improvement in 'Support for SMEs' (up 37% from 73.8 to 101.2), 'Cultural Perceptions of Entrepreneurs' (up 45% from 65.3 to 95), and 'Women Entrepreneurial Activity Rate – F/M' (up 26% from 47 to 59.3). Highly positive cultural perceptions of entrepreneurship that applaud individuality and success through personal effort and initiative against a backdrop of strong government support for SMEs and quality of governance are playing an instrumental role in strengthening Swiss women's confidence when starting a business (optimism up 40% since 2015/2016).³² The economy is also rated top in *GEM's 2019 National Entrepreneurship Context Index (NECI)* in terms of ease of starting and developing a business.





However, gender gaps in entrepreneurial activity and low perceived capability continue to weigh on Swiss women's advancement in the business world. This is reflected in the relatively low share of women business ownership (25.3% of total, rank 27). This may also be dragged down by an overall low regard for entrepreneurship as a good career choice. On a positive note, GEM's Women

Report showed Switzerland having the lowest rate of business closure for women (0.3%). On top of this, median investment amount by women business owners is high (USD 15,108) compared to global peers. This implies that although total entrepreneurial activity rate is low among women, for those who actually start a business, they tend to invest in it and are capable of sustaining it.³³

A Economic Impact of Covid-19 Crisis

The pandemic that swept across the globe has fundamentally changed the economic outlook for Switzerland. Stringent containment measures such as closing of shops, factories and national borders have brought the economy to a standstill, with losses amounting to an estimated CHF 4-5 billion a week in mid-April. Unemployment rose to a non-seasonally adjusted 3.3% in April from 2.9% the previous month, the highest jobless rate since March 2017, as the number of unemployed rose 13.1% to 153,413.³⁴ Business confidence plunged to 63.5 in April, the lowest since March 2009 as all sectors of economy were heavily impacted.³⁵

By sectors, the wholesale & retail trade, accommodation & food services, and professional, scientific & technical are the hardest hit by the coronavirus crisis and economic downturn. Our business sectors by vulnerability analysis show around 60% of women and men owned businesses operating within these most impacted sectors ("High" impact). Gender profiling shows there are twice as many women business owners than men (15.8% vs 6.8%) operating in the human health & social work sector where the economic impact is considered "Low", but risk of infection is the most acute. In contrast, male business owners are nearly 3.5 times more represented in the "Medium" risk construction sector than female (13.1% vs 3.9%).³⁶

B SME Support: Switzerland

Compared to its global peers, Switzerland's SME support system in terms of physical infrastructure, availability and effectiveness of government program support, and access to financial services is considered among the strongest globally (rank 6 on MIWE chart). Quality of governance in terms of the credibility of commitment by government to the implementation of effective policies here is second to only New Zealand. This is evident in the efficiency with which SME relief measures were rolled out during the pandemic, including:

- CHF 8 billion emergency package earmarked for unemployment insurance funds whereby companies only have to bear one day's lost work independently before they are entitled to unemployment insurance support
- CHF 10 billion expenditure program aimed at helping ease the cost burdens of companies so that they made tide through the crisis

By April 3, the total emergency aid package by the Swiss government has been increased from an initial CHF 10 billion to CHF 60 billion to stem

the economic and social consequences of the pandemic. Within a week of the announcement of relief measures, more than CHF 15 billion has been disbursed to over 76,000 businesses.³⁷ To date, this is the largest relief package ever agreed by the government and is nearly equivalent to the annual public spending (CHF 71 billion in 2019) and 8.5% of gross domestic product (GDP).³⁸

The efficacy and promptness with which such support was rendered is worthy of commendation and mention. In stark contrast to the United Kingdom, France, Germany and the United States where application of emergency relief support is sometimes delayed due to confusion, rejection and system overload, the support rendered to distressed businesses in Switzerland was swift.³⁹ Such rapid response and targeted support measures are testimonial of the economy's high 'Quality of Governance' (97.4, rank 2). In the forthcoming months, as the crisis unfolds amid lingering uncertainties and bearish economic outlook, such support will be instrumental in helping businesses sustain.

Covid-19 Impact – Business Sectors by Vulnerability in **Switzerland**



ECONOMIC IMPACT FROM COVID-10	BUSINESS SECTORS	% SHARE OF FEMALE	% SHARE OF MALE
HIGH	Wholesale and retail trade	18.5%	15.4%
	Accommodation and food services	12.3%	8.1%
	Manufacturing	7.7%	9.1%
	Real estate activities	1.4%	2.0%
	Administrative & support services	4.4%	4.6%
	Professional, scientific and technical	14.3%	16.9%
	Information & communication	0.8%	4.4%
MEDIUM-HIGH	Arts, entertainment & recreation	1.5%	1.2%
	Other service activities	7.2%	1.0%
	Transportation & storage	0.8%	1.9%
MEDIUM	Construction	3.9%	13.1%
	Financial and insurance	0.5%	2.8%
	Mining and quarrying	0.0%	0.0%
LOW-MEDIUM	Primary sectors	7.5%	12.1%
LOW	Human health and social work	15.8%	6.8%
	Education	3.3%	0.7%
	Public administration and defense	0.0%	0.0%

Source: ILO, 2016-2018, Mastercard 2020 In-House Analysis

C Surge in Swiss Startup Opportunities

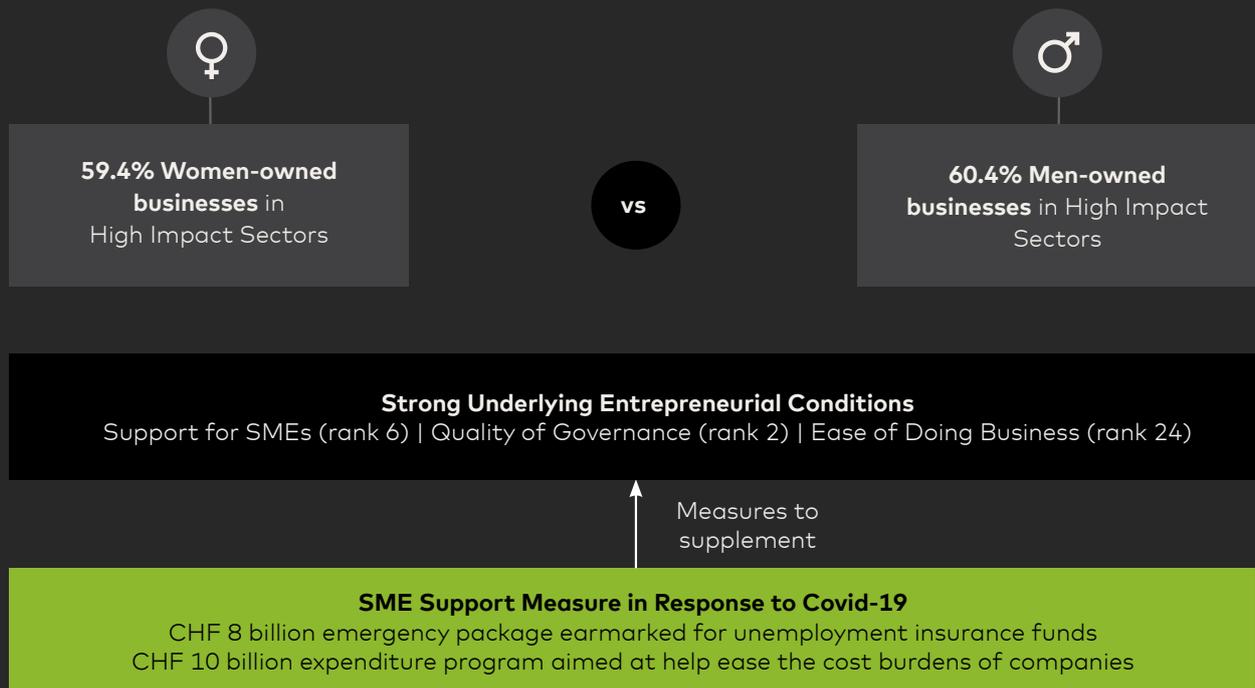
Amid the crisis, there is silver lining in the Swiss start-up ecosystem whereby remote working and online collaboration activities are fast gaining momentum and making a vital contribution to the daily lives of millions at work and at home. Over the past 2 months, the demand for virtual shopping and services have skyrocketed, including:⁴⁰

E-commerce & Delivery: Provision of direct delivery service from groceries to biological farming goods to organic baby food and medical products to packaged meals.

E-health & Telemedicine: Provision of remote health and consultancy services for the home care industry, the bioanalytical sector to remotely detect immunological responses, the healthcare sector for online medical consultation and remote patient monitoring, among others

Enterprise Tech and Services: Offering contactless checkout-free solution for the retail sector, automated people counting system for the food and retail sector, virtual job interviews for corporations, among others

Impact of Covid-19 on SMEs: Switzerland



Source: ILO, 2016-2018, Mastercard 2020 In-House Analysis

D Impact on Women Labor Force Participation

In Switzerland, around two-thirds of working age females are engaged in the workforce (63% compared to 74% for men). This is considered relatively high on the MIWE charts (rank 10). Of those that are working, nearly half (48.6%) are professionals and technicians.

Like their global peers, the pandemic has impacted the economy's labor market severely. According to

the ILO, as of 29 April, around 70% of workforce in Switzerland have been affected due to social distancing and lockdown measures related to the coronavirus.⁴¹ To prevent mass layoffs, CHF 8 billion has been allocated as employment support for short-time work allowances.⁴² As of mid-March, benefits have been claimed by around 1.3 million employees – a quarter of the active workforce in the economy.⁴³

