

The Effects of Financial Inclusion on Female Entrepreneurship in Cameroon: Product Innovation, Market Development and Product Renovation

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Abstract: This paper examines the effects of financial inclusion on female entrepreneurship in Cameroon. The research applied secondary data from Cameroon Enterprise survey 2016. The researcher employed descriptive statistics and binary logit model analysis to analyse the data. The results of our findings revealed that Usage and access to working capital from commercial banks have positive and significant effects on female entrepreneurship in Cameroon; however, working capitals from Microfinance Institutions as well as Non-bank financial institutions both have positive and insignificant effects. The Pseudo R-Square shows that financial inclusion indicators used account for 7.6% of variations in female entrepreneurship. Variations in female entrepreneurship in Cameroon can therefore be explained by financial inclusion. Thus Laws on property ownership should be revised to permit women have access to acquired landed property to increase their collateral and make them obtained high loans from Commercial bank rather than only microloans from Microfinance Institutions. Microfinance Institutions should reduce the interest rate in order to attract female entrepreneurs

Key Words: Access/usage of credit, commercial banks, microfinance institutions, non-banking financial institutions, female entrepreneurship

I. INTRODUCTION

Until date, little has been done on women financial inclusion (those that are not part of the public service), and the degree to which such groups as the poor, women, and youth are excluded from formal financial systems. Systematic indicators of the use of different financial services had been lacking for most economies. Financial systems in Africa generally lag behind those in other developing economies, even though many significant improvements were implemented within the past decades (World Bank, 2012). An international comparison of private credit to GDP - the main indicator of financial depth - shows a gap with other developing economies. For example, the ratio of private credit to GDP averaged 24% of GDP in Sub-Saharan Africa in 2010 and 39% in North Africa, compared with 57% for all other developing economies, and 72% for high-income economies (Author 2022). Available evidence from literature above shows that women's disproportionate access barriers prevent them from improving their lives.

Despite series of efforts by all stakeholders in that direction, still much is desired if any meaningful progress needs to be

achieved. That is, why in recent times, the World Bank Group of Central African State (BEAC) and other financial institutions, across the globe are working seriously to promote financial inclusion of women to help them achieve gender equity and poverty reduction as well as promote their participation in entrepreneurship activities. Increasingly, women's entrepreneurship is seen as a live wire for the social and economic transformation of society due to the critical role they play both within the realms of households and the community. In an attempt to highlight the importance of women's entrepreneurship to society, Lokhande (2003) posited that up to fifty % of small and medium scale enterprises (SMEs) in all countries are owned by women.

In Cameroon, things such as collateral constraint, inadequate business plan, state of the economy and bureaucratic procedures in applying for loans/finances, the high cost of financial services, the distance of services and financial institutions, the long paper work required to open an account, poor customers service, absent of guarantees and credit history, exclusion of women including young people have excluded a large part of the population from the financial system in Cameroon (Findex CMR Gender gap report.; 2016)

Also, Cameroon has a full or partial common property marriage regime and is one of six countries where a husband has the right to administer the joint property. This greatly reduces the chances of married women having access to credit. In terms of inheritance law, Cameroon's national courts affirm the principle of gender equality with respect to inheritance rights. However, in practice, the extent to which women can inherit is governed by customary law which varies from group to group. In terms of establishing a business, although the law gives women the freedom to establish their own businesses, the Commercial Code allows husbands to end their wives' commercial activity by simply notifying the clerk of the commercial affairs tribunal of their opposition based on the family's interest. Progress to date includes amendments of the Criminal Code and its provisions against gender discrimination and sexual harassment. As such, the majority of women business owners rely to a significant extent on self-generated finance during the start-up period of their business. In Cameroon, the difficulties of access to finance for women are very common in rural areas as well as urban areas. This

has greatly reduces the growth of entrepreneurship initiatives among women in Cameroon. Now that Cameroon has as a vision to emerge in 2035, there is a need to bring people under banking category by this financial Inclusion to help in achieving the ultimate goal of improving the standard of living of the Poor, reduce poverty in Cameroon and guarantee gender equality. Implicitly, the critical objective in the study is to examine to what extent financial inclusion accounts for the participation of women in market development, product development and diversification (female entrepreneurship) in Cameroon.

The rest of the paper is organized as follows: Section 2 discusses our contribution to the literature; Section 3 discusses the data as well as the stylized facts. Section 4 discusses preliminary results as well as major results of our findings: section 5 discusses the summary of our major findings while section 6 discusses conclusions and ways forward.

II. LITERATURE

Entrepreneurship and women access to finance has attracted a lot of researchers and policy makers recently. The results of most recent findings shows that lack of access to finance is the most setback to firm’s growth and efficiency (Beck & Demirgüç-Kunt, 2006; Nkurunziza, 2010; Stein *et al*, 2010; Tabi & Fomba, 2013). However, a strand of literature finds no discrimination in access to finance, that is, women are as likely to access credit compared to their male counterparts (Cavalluzzo & Cavalluzzo, 1998; Blanchflower *et al*, 2003; Storey, 2004; Cavalluzzo & Wolken, 2005; Zimmerman and Scott, 2006; Bruhn, 2009;). The most recent publications are that of Tabi & Adze (2020). They revisit the empirical literature on gender and access to formal finance by enterprises and examine the effects of financial constraints on firm performance in Cameroon. Other existing publications aimed at accessing the effect of financial inclusion on enterprise performance in Cameroon. From the above summary of literature review, it can be seen that all other publications were either focus on the factors affecting female entrepreneurs from accessing credit from formal source or financial inclusion by gender and enterprise performance and all the studies employed ordinary least square to analyse the results. This study is focus on understanding the likelihood of access/usage of finance to either becomes an entrepreneur or expands on her existing business. However, this paper target population is female entrepreneur as oppose to all enterprises in most of the publications. More so, this work is based on Cameroon as oppose to other countries for most existing publications. This study looks at inclusion from the different categories of formal financial Institutions as opposed to other studies which look at inclusion in terms of access/ usage of financial services without considering types of financial service providers. Also the researchers use binary logit to analyse the data as opposed to ordinary least square for most of the existing publications. Existing literature on the importance of gender of the firm’s owner as a determinant of

the firm’s access to finance is clouded with mixed findings and based on the above mention, it is important for more of this study to be carried out in new places in order to add up to the existing knowledge about the subject matter. In conclusion, from the review of literature above, it is clear that, little or no study has been carried on these concepts in Cameroon. Very few theories are available, which explains the link between these concepts, therefore, the results of these findings will add up to the existing literature on these concepts.

III. DATA AND MEASURABILITY

3.1 Data

The nature of the data for this research work is purely a secondary data. For the purpose of this research work, a cross sectional data extracted from the 2016 Cameroon Enterprise Survey Data collected on 361 enterprises in Cameroon by the National Institute of Statistics (NIS, 2016). Our data is restricted by the available data which is collected only from 3 out of 10 regions of Cameroon covering Centre, Littoral and West Regions.

3.2 Measurability of Variables

Table 1: Measurability of variables

| Type | | Variables | Descriptions |
|---------------------------------|------------------------------|---|---|
| Dependent variable | Female Entrepreneurship | Share (If a woman owns at least 1% share) | That is Female entrepreneurs (1) or not no female entrepreneurs (0) |
| Measures of financial inclusion | Usage financial services | working_cap_bk | Percentage of working capital from Commercial Bank |
| | | working_cap_MFIs | Percentage of working capital from MFIs |
| | | Working cap NBFIs | Percentage of working capital from NBFIs |
| | Access to financial services | Check n_saving_acc | Dummy variable (taking value 1 if Establishment has a Checking And\Or Saving Account and 0 otherwise) |

Source: Author 2022

Dependent Variable

Our dependent variable is Female entrepreneurship which is binary in nature and capture by the gender of the entrepreneurs. That is if a woman owns at least 1% share (Female entrepreneurs (1) or not no female entrepreneurs (0)) extracted from 2016 Cameroon enterprise survey data (World Bank Database).

Independences Variables:

The independent variable is Financial Inclusion. In this study, the independent variables are drawn from the supply site of financial inclusion and focus on Usage of financial services specifically usage of credit. The independent variables are sub broken into:

Commercial banks: measure by Percentage of working capital from Commercial Bank

MFIs: Percentage of working capital from MFIs

NBFIs: Percentage of working capital from NBFIs

Control Variable:

The control variable for this study is saving. It is a dummy variable (taking value 1 if Establishment has a Checking and \Or Saving Account and 0 otherwise)

IV. PRESENTATION OF FINDINGS

4.1 Descriptive Analyses

4.1.1 Industry Sampling Sector

Table 2: Industry Sampling Sector

| Industry Sampling Sector | Female Entrepreneurship | | |
|--------------------------|-------------------------|---------------|----------------|
| | No (Male) | Yes (Female) | Total |
| Manufacturing | 85 (70.8%) | 35 (26.2%) | 120 (33.2%) |
| Retail | 76 (66.1%) | 39 (26.2%) | 115 (33.2%) |
| Other services | 70 (55.6%) | 56 (44.4%) | 126 (34.9%) |
| Total | 231 (64%) | 130 (36%) | 361 (100%) |

Source: Extracted from 2016 Cameroon Enterprise survey data

Industry sampling sector and it reveals that 120 of the 361 enterprises used in the study were of the manufacturing industry, 115 of them were of the retail industry, and 126 of them were of other services. Also, out of the 361 enterprises, 130 (36%) of them were promoters of female entrepreneurship (since at least, a share of the enterprise were owned by females) while 231 (64%) of them did not consider female entrepreneurship. It is observed that industries that female are more engaged in are other services (44.4%), followed by retail industry (33.9%) while the females are least involved in manufacturing industry (26.2%).

4.1.2 Legal Status of the Firms

Table 3: Legal Status of the Firms

| Legal Status of the firm | Female Entrepreneurship | | |
|--------------------------|-------------------------|--------------|-------|
| | No (Male) | Yes (Female) | Total |
| Don't know | 1 | 0 | 1 |
| Public Limited | 34 | 27 | 61 |
| Private Limited | 5 | 13 | 18 |
| Sole Proprietorship | 18 | 85 | 269 |
| Partnership | 3 | 4 | 7 |
| Limited Partnership | 3 | 1 | 4 |
| Others | 1 | 0 | 1 |
| Total | 231 | 130 | 361 |

Source: Extracted from 2016 Cameroon Enterprise survey data

Legal statuses of the enterprises sampled and it shows that majority of the enterprises sampled (269 out of 361 enterprises) were Sole proprietorships with 85 of them owned by females while 184 of the sole proprietorships were owned by men. 61 of the enterprises were public limited companies (PLCs) otherwise called Shareholding companies with shares traded among whom 27 of them had female shareholders while 34 of them did not have female shareholders. 18 of the enterprises were private limited companies (LTDs) otherwise called Shareholding companies with non-traded shares where more of them (13 out of 18) had female shareholders while only 5 of them did not have female shareholders. 7 of them were also partnerships with more of them (4) having female shareholders while 4 of them were limited partnerships with only one having female shareholders and one other enterprise with no female share holder.

4.1.3 Checking and\Or Saving Account

Table 4: Establishment Having Checking and\Or Saving Account

| Legal Status of the firm | Female Entrepreneurship | | | |
|--|-------------------------|---------------|---------------|----------------|
| | No (Male) | Yes (Female) | Total | |
| Does This Establishment Have A Checking And\Or Saving Account? | No | 62 (63.9%) | 35 (36.1%) | 97 (26.9%) |
| | Yes | 169 (64%) | 95 (36%) | 264 (73.1%) |
| Total | 231 (64%) | 130 (36%) | 361 (100%) | |

Source: Extracted from 2016 Cameroon Enterprise survey data

The first aspect of financial inclusion is having a checking and/or saving account and from table 5, out of the 361 enterprises, 264 of them had a saving and/or checking account while 97 of them did not have a saving and/or checking account. In relation to female entrepreneurship, (36%) of enterprises that have a checking and/or saving account and those that do not have, involve female entrepreneurs.

4.1.4 Access to Finance as Obstacle

Table 5: Access to Finance as Obstacle

| How much of an Obstacle | Female Entrepreneurship | | |
|-------------------------|-------------------------|---------------|---------------|
| | No (Male) | Yes (Female) | Total |
| No obstacle | 42 (56%) | 33 (44%) | 75 (20.8%) |
| Minor obstacle | 45 (71.4%) | 18 (28.6%) | 63 (17.5%) |
| Moderate obstacle | 41 (67.2%) | 20 (32.8%) | 61 (16.9%) |
| Major obstacle | 56 (62.9%) | 33 (37.1%) | 89 (24.7%) |
| Very severe obstacle | 47 (64.4%) | 26 (35.6%) | 73 (20%) |
| Total | 231 (64%) | 130 (36%) | 361 (100%) |

Source: Extracted from 2016 Cameroon Enterprise survey data

Finding on the entrepreneurs' perceptions on the extent to which access to finance (financial inclusion) are obstacles to

their business operations, reveal that a relative majority (24.7%) of the enterprises indicated that access to finance is a major obstacle to their business operations while 20.8% of them indicated that access to finance is no obstacle to them, 20% of them indicated that it is a very severe obstacle to them, 17.5% of them indicated it is a minor obstacle and 16.9% of them indicated it is a moderate obstacle to them. Some reasons are advanced as to why firms did not apply for a loan in the past year, and most of them are female-owned firms. Most male and female owned firms reported that they did not apply because they did not need one. This qualifies them to be financially unconstrained. But some firms gave reasons that make them to be classified as being financially constrained. This involved those that reported not applying because they found the collateral and interest rates to be high. More female-owned firms complained of high interest rates while significantly more male-owned firms indicated the collateral requirement as a hindrance. Other reasons which deter firms from applying for loans, such as not being sure to be granted, and the issue of size or maturity being a problem were equally advanced by both groups of firms. Notwithstanding the large share of female-owned firms not applying for loans, access to finance remains the biggest obstacle in their operation.

4.1.5 Percentage of the Firm Owned by Females

Table 6: Percentage of the Firm Owned by Females

| % Of The Firm Owned By Females | Freq. | % | Cum. |
|---------------------------------|------------|---------------|--------|
| Don't know (spontaneous) | 12 | 9.23 | 9.23 |
| 5 | 1 | 0.77 | 10.00 |
| 8 | 1 | 0.77 | 10.77 |
| 10 | 5 | 3.85 | 14.62 |
| 15 | 4 | 3.08 | 17.69 |
| 18 | 1 | 0.77 | 18.46 |
| 20 | 4 | 3.08 | 21.54 |
| 23 | 1 | 0.77 | 22.31 |
| 25 | 2 | 1.54 | 23.85 |
| 30 | 5 | 3.85 | 27.69 |
| 35 | 1 | 0.77 | 28.46 |
| 37 | 1 | 0.77 | 29.23 |
| 38 | 1 | 0.77 | 30.00 |
| 40 | 2 | 1.54 | 31.54 |
| 50 | 1 | 0.77 | 32.31 |
| 70 | 1 | 0.77 | 33.08 |
| 100 | 87 | 66.92 | 100.00 |
| Total | 130 | 100.00 | |

Source: Extracted from 2016 Cameroon Enterprise survey data

Also, out of the 130 enterprises that have female entrepreneurs, table, 6 shows findings in relation to the females' shares of the enterprises. The findings reveal that out of the 130 enterprises that have female entrepreneurs, 87 of them are owned entirely by females which are mostly cases of sole proprietorships as table 4 showed that there were 85 female sole proprietors. For the rest, females own a lesser percentage of the firm except for other two, wherein one female own 70% and in the other females own 50%.

4.1.6 Top Manager of Enterprise Being a Female

Table 8: Top Manager of Enterprise Being a Female

| Is The Top Manager Female? | Freq. | % | Cum. |
|----------------------------|------------|---------------|--------|
| Don't know (spontaneous) | 1 | 0.28 | 0.28 |
| Yes (Female) | 56 | 15.51 | 15.79 |
| No (Male) | 304 | 84.21 | 100.00 |
| Total | 361 | 100.00 | |

Source: Extracted from 2016 Cameroon Enterprise survey data

Since female entrepreneurship is an aspect of women empowerment and females holding posts of responsibility is another aspect of the women empowerment, the findings on table 8 show that only 15.51% of the enterprises had females as their top manager while 84.21% of them had males as their top managers. This shows issues of female marginalisation

4.1.7 Summary of Descriptive Statistics

Table 9: Summary of Descriptive Statistics

| Variable | Obs | Mean | Std. Dev. | Min | Max |
|----------|-----|----------|-----------|-----|-----|
| FENT | 361 | .3601108 | .4806986 | 0 | 1 |
| Bank_Inc | 361 | 10.30748 | 20.9618 | 0 | 100 |
| MFI_Inc | 361 | 1.562327 | 7.233189 | 0 | 60 |
| NBFI_Inc | 361 | 4.024931 | 13.61359 | 0 | 100 |
| Savings | 361 | .7313019 | .4438978 | 0 | 1 |

Source: Author 2022

Table 9 shows the summary of descriptive analysis of the study and it shows the observations which is the number of responses on the various question items, mean which is the average values for the variables, the standard deviations which shows the extent to which the data points deviate from the mean values, the minimum values and the maximum values for each of the variables used in the study. In all 361 enterprises used in the study, the mean value for female entrepreneurship of 0.3601108 reveals that 36% of the enterprises had female entrepreneurs while the remaining 64% of them did not have female entrepreneurs with a standard deviation of 0.4806986, a minimum value of 0 for no female entrepreneur and maximum value of 1 for at least a female entrepreneur.

For Bank credit inclusion, the mean shows that on average, 10.30748% of the enterprises' capital come from bank loans

with a standard deviation of 20.9618 and while the minimum value of 0 shows that some of the enterprises did not have any financing from Banks, the maximum of 100 shows that some of the enterprises were financed entirely by Bank credits. For MFI credit inclusion, the mean shows that on average, 1.562327% of the enterprises' capital come from MFI loans with a standard deviation of 7.233189 and while the minimum value of 0 shows that some of the enterprises did not have any financing from MFIs, the maximum of 60 shows that some of the enterprises had up 60% of their capital coming from MFI loans.

Also, for Non-Bank Financial Institutions (NBFIs) inclusion, the mean shows that on average, 4.024931% of the enterprises' capital come from NBFIs with a standard deviation of 13.61359. The minimum value of 0 shows that some of the enterprises did not have any financing from NBFIs and the maximum of 100 shows that some of the enterprises were financed entirely by NBFIs. In relation to savings inclusion, the mean of 0.7313019 shows that 0.7313019% of the enterprises are savings inclusive as they have a checking and/or saving accounts while the rest about 26.9% do not. The minimum of 0 shows that some enterprises are not saving inclusive while 1 stands for those who are savings inclusive.

4.2. Pairwise Correlation Analysis

Table 9: Pairwise Correlation Analysis

| | Bank_Inc | MFI_Inc | NBFI_Inc | Savings |
|----------|----------|---------|----------|---------|
| Bank_Inc | 1.0000 | | | |
| MFI_Inc | -0.0877 | 1.000 | | |
| NBFI_Inc | -0.0832 | 0.4302 | 1.0000 | |
| Savings | 0.2024 | 0.0403 | 0.0829 | 1.0000 |

Source: Author 2022

The objective of the correlation analysis was to examine whether there are very strong relationships between the pairs of the independent variables (financial inclusion indicators) used in the model which shows the possibility of the independent variables highly inter-affecting one another making it difficult to isolate the effect of one of them on the dependent variable without indirectly capturing the effect of the other. If such very strong relationship exists, then there will be a problem of Multicollinearity in the results. The finding in table 9 reveals that all the relationships are weak and thus implying that there are no issues of Multicollinearity among our variables. This thus validates the technique of analysis as an appropriate one for this study even though a post test for Multicollinearity was also conducted to confirm this assertion.

4.3 Estimated Results of Binary Logit Model

Table 10: Binary Logit Regression Analysis

| FENT | Log Odds (Robust Std. Err.) | Odds Ratio (Robust Std. Err.) | Marginal Effects (dy/dx) (Std. Err.) |
|---------------|-----------------------------|-------------------------------|--------------------------------------|
| Bank_Inc | .0210862*** (.0075128) | 1.02131*** (.0076729) | .0050464*** (.00181) |
| MFI_Inc | .0552118 (.0443871) | 1.056764 (.0469067) | .0132133 (.01062) |
| NBFI_Inc | .0192195 (.0254139) | 1.019405 (.0259071) | .0045996 (.00608) |
| Savings | .2554999 (.2485275) | 1.291107 (.3208756) | .0604094 (.05796) |
| _cons | -.7633721 (.5034831) | .452317 (.2286404) | — |
| Number Of Obs | 361 | | |
| Wald Chi2(7) | 32.14 | | |
| Prob> Chi2 | 0.0000 | | |
| Pseudo R2 | 0.0765 | | |

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Source: Author, (2022)

The analysis on table 10 is the binary logit regression analysis results done with robust standard errors to control for heteroskedasticity. Column (2) show log odds results, column (3) is the odd ratios and column (4) is the marginal effects. Given that all the independent variables are continuous in nature except savings which is a dummy, the marginal effects interpretation is preferred over other results.

The Wald Chi Square coefficient of 32.14 and its p-value of 0.0000 shows that the results are overall significant at 1% level of significance and thus 99% reliable. The Pseudo R-Square shows that financial inclusion indicators used account for 7.6% of variations in female entrepreneurship.

The findings show that, controlling for other effects, bank inclusion positively affect female entrepreneurship. The marginal effects of 0.0050464 shows that a 1% increase in bank credit inclusion increases the likelihood of female entrepreneurship by 0.0050464 as compare to male and this effect is significant at 1% level of significance. Based on the above, we reject the first null hypothesis and conclude that bank inclusion positively and significantly affect female entrepreneurship in Cameroon.

Also, MFIs inclusion positively affects female entrepreneurship. The marginal effect of 0.0132133 shows that a unit increase in MFIs credit inclusion increases the likelihood of female entrepreneurship by 0.0132133 compare to their male counterparts and this effect is insignificant. Based on the above, we do not reject the second null hypothesis and conclude that MFIs inclusion positively but insignificantly affect female entrepreneurship in Cameroon. NBFIs inclusions positively affect female entrepreneurship. The marginal effect of 0.0045996 shows that 1% increase in

NBFIs credit inclusion increases the likelihood of female entrepreneurship by 0.0045996 and this effect is insignificant. Based on the above, we do not reject the third null hypothesis and conclude that NBFIs inclusion positively but insignificantly affect female entrepreneurship in Cameroon.

The constant term's coefficient of -.7633721 shows that in the absence of all the financial inclusion variables used in the study, there will be a fall in the likelihood of female entrepreneurship though the coefficient of the constant term is insignificant.

V. SUMMARY OF MAJOR FINDINGS

The main objective of this study was to investigate the effect of financial inclusion on female entrepreneurship in Cameroon. The researcher aimed at finding out how female access/usage to finance in Commercial banks, MFI, NBFIs will affect women entrepreneurship in Cameroon as compare to male entrepreneurs. In other to achieve the above objectives, the researcher analysed data extracted from the 2016. The data was a cross sectional data collected in 3 regions in Cameroon (Centre, Littoral and West regions).

A binary logit model was employed to analyse our data. Binary logit model analysis was preferred over other techniques of data analysis especially the traditional Ordinary Least Square technique due to the fact that the dependent variable is binary in nature. That is Female entrepreneurs (1) or not no female entrepreneurs (0). Thus those were the only two possibly forms that the dependent variable could take. Binary logit was also preferred over the Linear Probability Model analysis because of its limitations such as: Non normality of the disturbance term, heteroskedastic variance of the error term, non-fulfilment of the range of probability since it can give probability values of even less than zero or greater than one, low R^2 , unrealistic linearity. However, the choice between binary logit and binary probit was arbitral since both were appropriate and there was no need of using the two. And after the analyses, the following results were obtained:

From our objective one, Bank inclusion positively favours female entrepreneurship and increases the likelihood of female entrepreneurship by 0.0050464 as compare to male entrepreneurs and this effect was significant at 1% level of significance.

Also, from our objective two, MFIs inclusion positively favours female entrepreneurship. MFIs credit inclusion increases the likelihood of female entrepreneurship by 0.0132133 as compare to male entrepreneurs and this effect is insignificant.

From our objective three, NBFIs inclusion positively favours female entrepreneurship. NBFIs credit inclusion increases the likelihood of female entrepreneurship by 0.0045996 as compare to male entrepreneurs and this effect is insignificant.

The researcher went further to investigate the effect of saving inclusion and the result shows that savings inclusion

positively affect female entrepreneurship as being savings inclusive compared to being savings exclusive increases the likelihood of female entrepreneurship by 0.0604094 as compare to male entrepreneurs and the effect is also insignificant.

VI. CONCLUSIONS

The overall result shows that men are more likely to have access to formal sector borrowing to finance working capital or investment capital than female, female owned firms are mostly dependent on internal funds and informal borrowing. This is true of the fact that legal and culture norms reduced the resultant effect of few female owned firms to SMEs. This conclusion contradicts that of (Cavalluzzo & Cavalluzzo, 1998; Blanchflower et al, 2003; Storey, 2004; Cavalluzzo & Wolken, 2005; Zimmerman & Scott, 2006 Bruhn, 2009; who found no discrimination in access to finance; that is; women are as likely to access credit compared to their male counterparts.

From the results, the following recommendations are made to encourage female entrepreneurship in Cameroon and should be enforced by panels of experts, not politicians who are vulnerable to political pressure from interest groups for special protection.

First and foremost, it is evident that the level of financial inclusion and female entrepreneurship in Cameroon is still far below expectations for Cameroon's emergence in 2035. Men are more likely to have access to formal credit than female. Therefore the priority should be to implement the national gender policy and to expand it to include economic empowerment, and ensure that all government ministries are required to play their part in implementing it as this will go a long way to encourage female entrepreneurship in Cameroon. Commercial bank too should be more relax on their credit policies (such as co-surety, business plan, sales books in place of collateral security) so as increase female access to credit and thus, entrepreneurship. More so, The CEMAC, COBAC and NCC should review the whole regulatory system to provide clear direction, firm control and confidence in the system. They should evaluate which barriers for women's financial inclusion lie within their jurisdiction and study how these barriers can be relaxed or removed to further include women in the formal financial sector.

MFIs should reduce their s lending rate and increase their lending period (loan duration) as well as increase the amount of loan they can lend to an individual so as to significantly affect female entrepreneurship in Cameroon. They should as well venture into programs aimed at encouraging female access to finance.

Women entrepreneurs should be encourage registered for insurance services and other non-banking financial institutions as this could provide a start-up capital for them as well as could provide them with necessary funds needed to boost their existing businesses.

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