



MILLENNIUM DEVELOPMENT GOAL 3

**PROMOTE GENDER EQUALITY
AND EMPOWER WOMEN**

**UNIDO's Contribution:
Women Economic Empowerment**



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

UNIDO's Contribution: Women Economic Empowerment



In most developing countries, gender inequality is a major obstacle to meeting the MDG targets. In reality, achieving the goals will not be feasible without closing the gaps between women and men in terms of capacities, access to resources and opportunities, and vulnerability to violence and conflict. Women and girls constitute three-fifths of the world's poor. Their poverty level is worse than that of men as clear gender disparities in education, employment opportunities and decision making power exist.

Millennium Development Goal No. 3 is about promoting gender equality and aiming to empower women. In the Millennium Declaration in 2000, Member States resolved to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable,

implicitly recognizing the centrality of gender equality and empowerment of women to the achievement of all international development goals.

There is also evidence of a dual relationship between women's empowerment and the private sector. On the one hand, women's participation in the private sector, particularly within micro, small and medium enterprises (MSMEs), is critical to its development. On the other hand, MSMEs not only play a key role in sustaining economic growth and reducing poverty (by creating employment, generating incomes, reducing vulnerability for small producers and poor workers) but also in addressing gender imbalances. MSMEs provide women with income, and promote their empowerment and independence both within the household and the community.

MDG 3 focus: promotion of gender equality and the empowerment of women.

Three indicators of assessment:

- Eliminate gender disparities in education;
- Increase women's economic independence and access to economic resources;
- Increase women's participation in and influence on political decision-making.

UNIDO's contribution

Almost two thirds of women in the developing world work in vulnerable jobs, either as self-employed or unpaid family workers. In South Asia and sub-Saharan Africa, this type of work accounts for more than 80 per cent of all jobs for women. Gender wage gaps persist in all sectors throughout the world. Gender inequalities harm overall wellbeing and hinder productive capacities, and are seen as an impediment to growth and poverty reduction.

Most women are employed in low-skilled, poorly paid jobs, where they are often exposed to health hazards. However an increasing number of highly educated women are now advancing into senior decision-making positions. The creativity and talents of all women are invaluable resources, which can and should be developed both for their own

self-realization and for the benefit of society as a whole. Women's work not only sustains their families, but also makes a major contribution to socio-economic progress.

The key to enhancing women's opportunities, and hence their position in the productive sector and the economy, is to provide them with access to know-how, technologies and credit. Training to upgrade women's technological capabilities and to enhance their entrepreneurial and business skills, whether in simple artisanal production or in high-technology industries, is at the heart of enabling women to advance in more rewarding positions.

UNIDO recognizes that gender equality and the empowerment of women, and particularly the economic empowerment of women, have a significant positive impact on sustained economic growth and sustainable industrial development, which are drivers of poverty reduction and social integration.

Women in agri-business and rural production

In most of the developing countries, particularly in Africa, women constitute 70 to 80 per cent of the total agricultural labour force and account for over 80 per cent of food production. Most of the rural population depends, directly and indirectly, on small-scale food crop agriculture, fishery, pastoral animal husbandry or rural wage labour associated with plantations and ranches, and ancillary activities linked to the economies of the rural life and rural townships. It is not surprising therefore to find many women engaged in food processing, weaving, personal services, beverage preparation, and selling of snack foods.

The migration of men from rural to urban areas leaves unbalanced family structures behind, with women, children and elderly expecting remittances. Many rural families need to diversify their sources of income and employment in view of in-

creasingly small parcels of land, low agricultural productivity, volatile weather conditions and soil erosion. The rural non-farm economy plays an important role for wealth creation and well-being across countries. For example, small rural households with fewer than 0.5 hectares earn over half of their total income from non-farm sources. The composition is generally one-third manufacturing, one-third commerce and services with mining and construction accounting for the rest.

Globalization and increasing competition are favouring technology-intensive production and skilled labour, particularly in agriculture and textiles, which have traditionally been seen as women's work. Adequate skills-upgrading programmes therefore need to be devised to allow women to retain jobs and reap the benefits of technological improvements.



If women's skills are not upgraded to enable their full participation in the technology-based agricultural and agro-industrial production of the future, women are likely to face further disadvantages in finding and keeping jobs.

Women as micro and small-scale (MSE) entrepreneurs

In the MSME sector worldwide, women make up one-quarter to one-third of the total business population and one-third of the global labour force in manufacturing. However, most of the enterprises owned by women are very small and have low profit margins, thus their contribution to economic well-being is mostly in terms of securing a safety-net to the benefit of their families.

Women have different needs and face greater constraints than men when running a business. In particular, in developing countries, the limited provision of welfare services, such as lack of child-care and healthcare infrastructures, increases the time women need to spend in the care economy. In addition, women entrepreneurs face severe constraints in terms of limited access to finance, information, productive resources, education and relevant skills, while household responsibilities and societal constraints increase their risk adverse-ness and affect their self-confidence.



In order to produce a change in gender relations, enterprise development programmes need to address the inequalities faced by women in accessing assets and opportunities.

Environmental Considerations and Social Considerations

Rural women working in agriculture are often the most exposed to the impacts of environmental degradation, whether in terms of agricultural losses, depletion of natural resources, or natural disasters. Women in the productive sector are usually concentrated in low-level positions, which tend to carry higher risks of exposure to serious health hazards or unclean working environments. Where there are jobs involving highly toxic materials, such as using mercury amalgamation for gold recovery in the mining sector, or spraying pesticides in agriculture, these are often performed by women. Women entrepreneurs in small-scale industries typically have to make do with old, inefficient, polluting and unsafe machinery.



Although cleaner technologies may exist, women may not have access to the credit to purchase them or the know-how on how to use them effectively and safely. In particular, women need improved access to credit to acquire cleaner technologies, and to training to operate the technologies in ways that optimize performance while minimizing pollution.

SOCIAL CONSIDERATIONS

In addition to their economic and income-generating activities, women assume multi-faceted roles in society, i.e. as breadwinner of a family, unpaid family workers, service providers in the communities and mother/care-taker of the family.

In spite of their important contributions to socio-economic development, women suffer from various constraints, which inhibit them from fully realizing their potential for development. Cultural values and social norms hinder the equal participation of women in society.

This requires devising measures to integrate women as decision-makers, participants and beneficiaries in all relevant development activities, irrespective of the sector or type of activity



It is necessary to address the totality of problems women face, due to the wide spectrum of elements affecting the equitable participation of women in development ranging from education, health, human rights as well as environment and energy.

UNIDO promotes economic empowerment of women through removing barriers to women participation in enterprise, improving women's control over economic resources and strengthening women's economic security. It promotes a "bottom-up growth strategy" that focuses on the transformation and diversification of micro- and small-scale enterprises to growth-oriented activities and on increasing the productive capacity in order to enable them to participate in the mainstream economy of the nation. Such a strategy supports the growth of a modern export-oriented sector. Economic empowerment of women also decreases their vulnerability to domestic violence and victimization through trafficking.

METHODOLOGIES AND TOOLS

In order to support the effort to empower women and make them more economically productive members of society, UNIDO has developed several methodologies and training tools. These are:

- **Women Entrepreneurship Development (WED):**

Specific methodologies and manuals for women entrepreneurship development (WED) include trainer's guides, handouts for participants or software programmes and are adapted to the specific project conditions. These include marketing surveys, production process management, business plans, costing and pricing strategies or organizing handicraft production for export markets. Methods range from business opportunity seminars to full entrepreneurship training courses. Small industry advisory services are developed through capacity building, village outsourcing or the development of entrepreneur-to-entrepreneur advisory services. Entrepreneurship development curricula in secondary and vocational schools are also used.



- **Collective self-help capacities and advocacy roles**

Self-help groups empower micro- and small entrepreneurs to identify their needs, plan and implement their own projects, share the benefits of their collective efforts and evaluate their programmes and projects. This includes collective marketing, bulk purchasing, the creation and use of common facilities including machinery and equipment, group-owned enterprises, group lending and training programmes.

- **Technological upgrading in agro-industries**

By focusing on the processing of agricultural produce, productivity at the rural levels is raised, thereby promoting income-generating opportunities for rural women. Technical skills upgrading modules in specific subsectors are applied in cooperation with UNIDO's subsector and environmental specialists and address topics such as food and fish processing, textile and wood industries or waste management. This includes improved technologies, process optimization, waste minimization, by-product utilization, product innovation and diversification, and improved packaging particularly in the food processing industry.



- **Environment and energy**

UNIDO has developed databanks that provide businesswomen in the manufacturing sector with information on cleaner production. UNIDO also conducts training programmes, workshops, and awareness raising campaigns related to cleaner production methods and new and renewable sources of energy. Moreover, UNIDO aims to implement programmes intended to improve local environments, and provide women with new techniques and technologies, for example in waste management or recycling.

- **Linkages with the financial sector**

Despite evidence that women's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit for their businesses. Linkages with micro-credit services and other sources of funding are provided combined with assessments on viable business opportunities, business plan development and mentoring.

- **Networking**

Networking among women entrepreneurs is encouraged to connect them with sources of knowledge. This includes technical support, advisory services and training to improve technical capacities, access to technologies and information. Business support organizations (BSOs) that provide business support services to women and young entrepreneurs are assisted to build regional and national networks to sustain market orientation, manage supply capacity to facilitate growth, and develop competitive thinking.





UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Vienna International Centre, P.O. Box 300, 1400 Vienna, Austria

Telephone: (+43-1) 26026.0 Fax: (+43-1) 26926-69

E-mail: unido@unido.org Internet: <http://www.unido.org>