

Promoting Women's Economic Rights and Opportunities in Central America

LATIN AMERICA
AND THE
CARIBBEAN

Context

Central America is undergoing important economic transformations, linked inter alia to the process of regional integration (CAFTA) and strengthened linkages with the global economy. The project, Women's Economic Agenda: Developing capacities for the gender analysis of the region's economies and conditions for positioning the women's agenda in the new stage of trade opening seeks to reduce the profound inequalities that characterize Central America. This is a region where more economically advanced areas and productive clusters coexist with economically backward ones, further reinforcing the dichotomy between those with the highest vs. lowest incomes, urban vs. rural, Caribbean vs. Central and Pacific coast, and indigenous vs. white and mestizo. Thus, the programme focuses on the alleviation of poverty and gender inequalities through the promotion of women's entrepreneurship and their role as economic agents, while addressing the structural and contextual causes that reproduce said inequalities.

Objectives and Expected Results

The overall objective of the program is to contribute to the eradication of poverty and gender inequalities through a new focus on women's economic empowerment and the role of women's leadership in the governance of economic development. The program includes all Central American countries and five districts in Guatemala, El Salvador, Honduras and Nicaragua. It is based on macro, meso and micro analyses of economic processes, while focusing on the economic empowerment of women entrepreneurs and governance.

The multi year project will contribute to:

(1) At the national and Central American level, to a strengthened women's leadership and gender equality institutions to influence governance and development processes; (2) a stronger women's entrepreneurial sector able to insert itself in local-regional development processes; and (3) increased awareness about women's contribution to the country's economic development and poverty eradication.

The program consists of two components

- **A regional and national component**, "Women's Economic Agenda" supported by the Government of Sweden which includes all Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama)

- **A local component**, "Women's Economic Empowerment and Participation in Local Government and Development Processes" (MYDEL), supported by the Italian Government that includes five districts in Guatemala, El Salvador, Honduras and Nicaragua

Key Activities and Results to Date

At the Regional and National level

- National studies have been completed for six communities that analyze women's position within the economy in the context of trade integration (CAFTA and NAFTA). These have also formed a basis for a regional analysis, "Gender Profile of the Economies of the Central American Isthmus 1990-2002". The findings serve to develop a women's economic agenda to be used by national women's mechanisms, line ministries and Civil Society Organizations (CSOs) to inform and influence trade negotiations. Results will also be useful as a baseline for tracking progress on women's economic situation in the future. A more 'popular' version will contribute to educate and raise awareness among Women's CSOs on macroeconomics, trade liberalization and globalization from a gender perspective.
- The Council of Ministers for Women's Affairs (Consejo de Ministras de la Mujer de Centroamerica – COMMCA) has been formed and established within the Central American Integration System (Sistema de Integracion Centroamericana – SICA), approved by the Presidents of Central America. This historical achievement ensures that the Ministers of Women's Affairs will be involved in advising on mainstreaming gender in all SICA policies and ensure women's concerns are represented in the agenda and institutional priorities of the region. COMMCA has formulated a strategic framework to develop an economic agenda for women from the region and an action plan to negotiate the resources to put said plan into action.
- The generation and dissemination of evidence for advocacy on the gender dimensions of the national and regional economies to more than 4,000 key national actors and stakeholders during a number of important meetings in the Central American countries.
- The availability of key analysis tools which will provide knowledge for governmental and non-governmental organizations to include gender equality in national development strategies and productive clusters.
- The creation of spaces for debating, analyzing and coordinating among various stakeholders on gender and economics. For example, two forums on "Free Trade Agreements and Gender Equality" were organized in Honduras with the participation of the Mexican expert Rebecca Salazar and almost 200 hundred participants. In Nicaragua, the project facilitated a dialogue among representatives from 15 different CSOs, trade unions, peasant organizations, government and international cooperation agencies to establish an Office for Equal Opportunities within the Ministry of Labor.

Participation in regional fora and the exchange of experiences has contributed to consolidating the capacities of partner to develop and place a model for women's economic empowerment, entrepreneurship, gender and economics on the regional political agenda.

At the local level

- Participation of key partners in the program implementation: the national women's mechanisms, academia, CSOs and the institutions dealing with policies for small and medium enterprises (MIPYMES) in five departments: Cuscatlan in Sonsonate, El Salvador; Valle, Honduras; Leon, Nicaragua, and Huehuetenango and Chiquimula, Guatemala.
- Institutions provided with capacity-building and technical and financial resources to support women entrepreneurs.
- Links established with the Departmental Development Councils, Local Economic Development Agencies (ADELs) to ensure that program actions are in line with the national decentralization policies and process.
- Services for Women's Entrepreneurship (SEM) established within the ADELs to support the national strategies for decentralization of services for small and medium enterprises in all 5 pilot departments. The SEM was conceived as a clearing house for information to support women entrepreneurs on resources, funding sources, service providers, providers of primary resources and inputs, potential markets, etc.
- Trust-funds set-up with selection and operational guidelines. Agreements signed with the ADELs to operate loan programs in all departments averaging between \$100,000 - \$200,000.
- Local teams developed ownership of the programme, as well as leadership in relevant topics, and the capacity to develop strategic partnerships
- Three meetings on Gender, Economics and Local Development were held to foster a public debate on gender and economics, competitiveness and women's empowerment . These contributed to: (1) increased understanding of the priorities of international cooperation to include women's economic empowerment; (2) including women's entrepreneurship in the follow-up of the Beijing and Continental Indigenous Women agenda; and (3) recognition of the priority UNIFEM gives to gender, economics and women's empowerment.
- Agreements with universities in all 4 programme countries to identify and document best practices on women's economic entrepreneurship, and to facilitate the exchange of experiences.
- Studies on the economic potential of each territory were completed and validated in the five districts/departments. In Nicaragua and Honduras, a marketing document were developed to promote entrepreneurship in communities.
- UNIFEM presented the program priorities to the COMMCA, which accepted these, and subsequently visited four countries to bring these to the attention of the national Women's Mechanisms and other counterparts.

- The methodology to identify and classify women's entrepreneurship, and to develop a baseline were defined by the regional and national teams, composed of representatives from the participating universities, NWMs, Departmental project coordinators and the Local Economic Development Agencies.
- A regional workshop with the ADELs and SEM coordinators was organized to strengthen their capacities for strategic planning, territorial development, financial management as well as to exchange of experiences. The work plan for the program's evaluation was also defined.

Partnership with academia is generating the knowledge base on gender and economics, and on women's entrepreneurship, which serve as a main resource for services for women entrepreneurs, for raising public awareness and for formulating policy and political agendas at all levels.

Collaboration with other partners

UNIFEM AND UNEP/ROLAC signed an Agreement to strengthen a territorial development plan on gender equality and environmental sustainability. Three workshops were held in July 2006 in Guatemala, Honduras and Nicaragua. Linkages were established with the WINNER project (UNDP/Italian Cooperation) in all four countries. The program established linkages with the Spanish Decentralized Cooperation, reinforcing the territorial approach. Partnerships include the Fondo Andaluz de Solidaridad and the Diputaciones of Barcelona and Castilla y León.

Preliminary Lessons Learned

The integrated approach – regional-national-local – as well as the program's coordination with other UNIFEM and UN initiatives on HIV/AIDS and environment has been effective, giving strength to an integrated empowerment strategy; The partnership with academia has broadened the debate on gender and economics, sensitized a new generation of students to the concept of human development and fostered interest in research from a territorial and gendered approach, therefore strengthening the links between the universities and the local communities.

Support for the value-chains as a means for improving women's enterprises helped identify the main limiting factors which are not financial; they are lack of technical know-how, appropriate technology, information and efficient distribution channels.

The choice of territorial partners - Development Councils, ADELs and women's networks - and academia has proven critical to impacting policies and programmes that improve women's situation.

Women's Economic Agenda project: June 2004 – 2006; Budget approximately \$630,000: Government of Sweden
Women's Economic Empowerment and Participation in Local Government and Development Processes (MyDEL) project: January 2005 - December 2005;: \$2,093,773; Government of Italy