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**UNDP FIFTH COUNTRY PROGRAMME:
INTEGRATION OF WOMEN INTO INDUSTRIAL DEVELOPMENT (1)**

I. Present Situation: Women's Role in Nepal's Industrial Sector

According to the last Census of Manufacturing Establishments conducted by the Central Bureau of Statistics (CBS) in 1986/87, women held a share of 17.2 percent in the total manufacturing labour force. (2) Women's participation was highest at the level of operatives and contract workers (22.6 percent); surprisingly, however, it reached only 3.7 percent for Nepalese administrative workers, and only 14.8 percent for working proprietors and unpaid family members, both areas normally being strongholds of women's participation in industrial work. Sectorwise, women's participation (as per the census) was largest in the textile, garment and leather sub-sector (total share 33.3 percent), particularly in the carpet industry (60.4 percent), as well as in textile weaving (39.4 percent) and knitting mills (40.6 percent).

The industrial census covers, however, only a certain part of manufacturing establishments, those employing at least ten persons or using automotive power. It leaves out a large number of cottage industries, including several hundreds of thousand household-based production activities which involve an estimated one to two million people on a part-time basis, particularly during agricultural slack periods. In these traditional activities (partly oriented at the consumption of the household) which complement the meagre proceeds from mainly subsistence-oriented agricultural work, women constitute the main labour force particularly in textile-related activities, i.e. spinning, knitting, weaving, as well as in traditional food processing.

In general, the pattern of women's economic integration in Nepal is characterized by a concentration on traditional

1. This document has been prepared by Corinna Kuesel, adviser on the integration of women in industrial development attached to project DP/NEP/86/005, "Assistance to Industrial Planning and Monitoring". The elaboration of this document was undertaken in reaction to a request from UNIDO headquarters to provide inputs on the integration of women in the assistance to the industrial sector in the frame of an official UNIDO industrial sector review mission (see telex 02277).
2. Among Nepalese workers (20.6 percent of the industrial labour force is Indian) it reached 19.6 percent.

activities at the lowest end of the informal sector.(3) As concerns the increasingly emerging modern manufacturing sector in Nepal, women - if they at all find access to modern sector employment - tend to be concentrated at the lowest level of unskilled auxiliary work. In a nutshell, women - while making a substantial contribution to the traditional segments of the economy - have not taken part in Nepal's social and economic modernization process, and in particular the comparatively fast progress of the industrial sector.

As regards the trends in overall industrial development and their potential impact on women, manufacturing industry has seen a fast growth over the past decade, with annual average growth rates of around 16 percent, and, even more importantly, has undergone distinct qualitative and structural transformations. With an increasing participation of the private sector, including foreign investment, the industrial production structure has diversified notably, and an increasing number of modern large-scale enterprises has come into being. Data by the CBS indicate thus a remarkable shift in the relative importance of the modern and cottage industry sector, with the latter being slowly displaced by the former. If no special protection and promotion is given to the cottage industry sector, and specific support to women to improve and upgrade their traditional activities, this implies a strong risk not only of women being displaced out of their work, but also of an important economic contribution being curtailed, and rural areas being deprived of an important source of income. At the same time, it gives a strong argument for strengthening women's participation in the modern sector, from which they are up to present largely excluded, also with a view to enhance their contribution to the progress of this sector.

The reasons for the specific pattern of women's integration into economic activities must be seen in the context of their social role and a number of very specific obstacles and constraints women face, which mainly arise therefrom. Women's role is still strongly determined by traditional norms which restrict them to a role within the house. This together with the heavy burden of household work and family responsibilities limits their mobility and their possibilities to integrate into economic - particularly modern sector - activities. Women's inferior social status is reflected for example in a much lower educational level generally reached by them, and particularly low participation rates in vocational and technical training, a bias against women in the attitude of employers as well as of Government/support institutions, problems of access to credit,

3. Women play a particularly important role in the mainly traditional subsistence-oriented agriculture - of the economically active women, a considerably larger share is engaged in agriculture than of the male EAP.

etc.

One of the basic obstacles to women's integration both in industrial employment and in entrepreneurial activities is their generally much lower educational level. Women's literacy rate stagnates still at only 18 percent compared to 52 percent for men and school enrolment even at the primary level is only 29 percent for girls (4) - whose education is generally not considered a necessity. The gap in educational attainment widens even further at the higher levels of the education system. In vocational or skill development training, women's participation directly reflects the above-summarized pattern of economic integration. Women have a considerable share (over 50 percent) in training programmes focussing on very basic traditional skills addressed to rural family-based processing activities. In programmes addressed to the more modern and organized segment of the industrial sector, however, women are considerably underrepresented, and they are conspicuously absent in technical training courses.

Access to credit has been shown to be another specific bottleneck to women's integration into entrepreneurial activities in Nepal. As in the Nepalese society women normally do not own property, they can in general not fulfill the strict collateral requirements banks in Nepal apply. This also implies that women's high participation rate in certain training programmes is somewhat offset as in many cases they do not arrive at obtaining a credit afterwards. Only at the lowest level of income-generating activities, mainly in the agricultural or agro-based field, some efforts have been successfully undertaken to facilitate women's access to small credit by providing loans on the basis of group collateral with the members mutually guaranteeing for each other. Only a small share of these loans is, however, used for micro-scale processing activities.

While a number of national institutions as well as internationally funded projects are specifically focussing on the problems of micro-scale women producers, they often fail to substantially solve them: These organizations offer for example technical skill development programmes (generally confined to training in manual skills, such as stitching or knitting), help small production groups to get outside funds, or give some assistance in marketing. Having been established with a mainly welfare-oriented approach in mind, these organizations suffer from a multitude of problems, such as lack of proper technical skills, absence of business know-how, marketing problems, and thus their activities are often not able to provide their women

4. His Majesty's Government/Central Bureau of Statistics, 1987, Demographic Sample Survey 1986/87, First Report, Kathmandu.

members with a viable income base.

While for an overwhelmingly rural and traditional country like Nepal labour-intensive cottage and small industries will continue to play an essential if not indispensable role, women's present and potential role in the fast growing modern sector deserves special attention. Women's participation in the organized sector both as independent entrepreneurs and as labour force in the modern industrial sector is up to present limited by various obstacles restricting women to the lowest level of production activities. Often they are employed as temporary contract workers or trainees, thus receiving a considerably lower level of remuneration than their male colleagues, and being deprived of prospects for promotion. One of the most daring problems to women's integration in the industrial work force is their low educational level. This particularly prevents them from gaining access to positions beyond the lowest level of unskilled work. Apart from this basic difficulty, however, research has shown that even women with the corresponding educational background are generally employed at a lower level than males with a similar qualification, that they have sizably less access to in-service training, and generally have to wait much longer for a promotion. However, while women workers are generally appreciated for the diligence and accurateness of their work, they have nevertheless the reputation of being unreliable in their attendance of work, or not to remain in the job - due to problems which mainly arise from the family responsibilities they have to carry -, so that many firms are reluctant to accept and even more to train women workers. Basic facilities, thus as the setting up of day care centres would, however, greatly contribute to help women solve these problems.

While women's participation as labour force in the modern industrial sector has not yet received too much attention, this is an area which has become more and more relevant and will become even more crucial with the rapid growth witnessed by this sector which is certain to accelerate in the future. Industry at present suffers from a severe shortage of manpower. This is specifically notable at the level of skilled and qualified personnel, in particular in mechanical and electrical trades. But even at the level of unskilled work, there exist several constraints limiting the availability of industrial labourers. Only if these problems are addressed in a concerted form, i.e. addressing both men and women, can industry - and other modern sectors of the economy - hope to find the required labour force.

The urgent need to remove the persistent obstacles to an integration of women into industrial work, must in particular be seriously considered in the Government's plan to set up an Export Processing Zone in the near future. Experience from other countries shows that the foreign companies transferring labour-intensive assembly work to developing countries strongly rely on

a specific type of labour force, i.e. young, relatively well educated women.

The problems women face in their integration into manufacturing activities at all levels can be summarized as follows:

- considerably lower educational attainment than men at all levels, starting with a strikingly low literacy rate, and an educational gap which is widening at the higher levels of the education system; exposure to training in technical trades is almost non-existent; perhaps most worrying is that even in the younger generation women's participation in education and training is still considerably lower than of men, putting women at a strong disadvantage in the modernizing economy, where educational qualification and in particular technical skills will become the most important assets;
- concentration of women's economic activities in the most traditional segments of the economy, mainly limited to household-based, partly subsistence-oriented activities; still very limited access to the modern segments of the economy, and thus no adequate participation in the progress of modern development;
- the traditional production activities are characterized by a conspicuous absence of business skills, including lack of marketing know-how, management skills, resulting in the common failure of most of the female micro-scale producers to set up economically viable activities;
- women-specific training and support programmes tend to suffer from similar problems, i.e. insufficient technical skills, lack of business know-how, absence of marketing skills and channels;
- women face specific problems of access to credit because of the absence of collateral and the bias of credit institutions;
- women's potential contribution to the modern industrial sector has - in spite of a shortage of manpower - not at all been exploited; even worse, no relevant efforts to do so in the future are visible;
- the underrepresentation of women in official positions and in higher levels of the economy leads to a strong lack of role models which could stimulate women to integrate into the economy; among others it both reflects and enforces the bias of institutions against women's economic integration and entirely restricts women's issues to a social welfare aspect.

II. Policies for the Integration of Women

II.1 Government Policy for the Eighth Plan Period

The Government is currently preparing its Eighth Five Year Plan covering the time period 1990 to 1995, the main thrust of which can be derived from a document on the "Basic Principles" of this upcoming plan.

Fulfillment of the basic needs of the population until the year 2000 has been placed in the centre of Nepal's development policy. This overall target includes the objectives of an increased national production of essential goods, and of a considerable expansion of productive employment opportunities for the growing population, also through the development of human resources. A further important aspect is the reduction of regional imbalances in economic and social development.

In this overall context, a major thrust has been given to an accelerated industrial development without which the envisaged rates of growth and the fulfillment of the basic needs will be impossible to achieve. The approach of the industrial policy has undergone a marked change in past years, and puts now main emphasis on the criterion of efficiency and the principle of comparative advantage in industrial production, the primacy role of the private sector, and an outward-looking orientation.

It is notable that the Basic Principles of the Eighth Plan, which put a strong emphasis on human resource development, expressively underline the essential role of women's involvement and participation in all areas of the development process, considering women on an increasingly integrated basis. It is made explicit that women's participation in programmes "will not be of an exclusive or welfare nature", but that "women's participatory programmes will be embraced as an integral part in the mainstream of the overall development process". As a matter of fact, women's full participation must be considered as crucial in Nepal's ambitious development programme. Women's integration in the basic needs programme is particularly essential in view of their important role in the production of basic goods for the decentral rural market; on the other hand women particularly in poor and rural families make a crucial contribution to the household income, and thus the strengthening of their production activities is essential to lift these families beyond the poverty level.

However, if women are to participate in all areas of the economy as stipulated by the plan document, their promotion should not be limited to the traditional segments of the economy. As has been shown, they lag much further behind in the modern segments of the economy, and thus their integration needs special support and enhancement particularly in the organized industrial

sector. In line with the overall industrial policy, a leading role in this respect should be attributed to the private sector.

II.2 The Mandate of the UN System

During and following the United Nations Decade for Women (1975-1985), the UN system has made a strong commitment to ensure the integration of women into all aspects of the development process. Also UNDP has made the integration of women a priority concern stipulating that "it is necessary to examine consistently and systematically programmes and projects of UNDP and its special funds with a view to analyzing women's roles and activities, assessing their real and potential participation rates and proposing reorientations, as necessary, to address women's concerns more comprehensively and adequately." In more specific, it establishes procedures to be adopted during country programming, the project cycle and monitoring, review and evaluation so as to ensure the adequate attention to women's issues (see United Nations Development Programme: Programme and Projects Manual, 1988).

In a similar way has UNIDO committed itself in various General Conference decisions as well as in its medium-term plan (1990 - 1995) "to ensure that women are more fully integrated in technical cooperation and promotion activities as well as in policy study and research programmes and that they are equal beneficiaries, especially in projects related to the small-scale and agro-industries as well as to the development of appropriate technologies and human resources."

The focus of the UN system is on "mainstreaming", i.e. on ensuring women's participation in general programmes and projects. While this seems self-evident, it must be noted that at present women's equal participation in development is hampered by a variety of constraints calling for a specific attention to women's role, specific efforts to facilitate their integration, and attention to a potential negative impact of programmes on women. To enable women to fully participate in the development process may in certain cases also require activities specifically addressing them.

III. Consideration of Women in the Fourth Country Programme

In the Fourth Country Programme UNIDO's activities have been strongly focussing on a number of large-scale institution-building projects, such as "Assistance to Industrial Planning and Monitoring", "Assistance to Foreign Investment Promotion Division" and "Assistance to the Nepal Bureau of Standards and Metrology". Other activities with UNDP funding included the setting up of a pilot and demonstration foundry, a fruit

processing project, and two projects in the sector of herbal and medicinal plants, assisting the Herbs Production and Product Company Ltd., and the Royal Drugs Research Laboratory. Some small projects and studies have been financed from UNIDO and SIS funds. While the first mentioned institution-building projects do not lend themselves so much to providing a strong focus on women's role, women's participation - which was with certainty important - does not seem to have been addressed, at least not explicitly, in the fruit and herbs processing projects.

In 1987/1988, UNIDO undertook, however, a major effort to give adequate consideration to women's role by conducting a study on "The Current and Prospective Contribution of Women to Nepal's Industrial Development" which led to a "National Workshop on the Role of Women in the Industrial Development of Nepal". held in July 1988. On basis of the recommendations of the workshop an adviser on the integration of women was attached to the industrial planning project/the Ministry of Industry. The main objective of this activity is to ensure attention to women's role in the industrial Master Plan set up under the planning project and to propose specific projects to strengthen women's integration into industrial activities.

Other UN executing agencies have focussed more strongly on the cottage industry sector, where areas of specific concern to women arise more immediately. An important example - also for some of the typical problems - constitutes the OPS-executed CSI-II project (support to Cottage and Small-Scale Industries, Phase II). This project was supposed to address (in conjunction with a World Bank/IDA-credit) the total range of problems of the CSI-sector by providing technical and entrepreneurship training, consultancy services, credit, marketing (export and domestic), and supply of raw materials. In the training component which addressed largely rural informal sector producers, women as a matter of fact constituted almost 50 percent of the beneficiaries. However, only a small share of these trainees finally arrived at setting up an enterprise or at finding employment. Another problem was the lack of linkages of the training programme with the other components (credit and export advisory services in particular) with the latter ones addressing a much more organized part of the industrial sector - with the concomitant result that the access of women was minimal. Thus the pattern of training women in technical skills without providing them with other related skills and services required to set up a viable economic activity was once again replicated.

The informal household-based production activities which are the forte of women have been the target of a variety of other international and bilateral donors, as well as of NGOs. One of the more relevant and successful projects in this regard seems to be the ILO-executed TRUGA-project (Training for Rural Gainful Activities), based in the Department for Cottage and Village

Industries. TRUGA, a vocational training methodology, puts major emphasis on measures complementary to the training programme, i.e. a preceding identification of viable economic activities and of skill requirements appropriate to the local situation; a main thrust is equally on supportive follow-up programmes. Women constitute more than half of the training participants, though it was found that they suffer from comparatively larger problems to get access to credit, and it is foreseen to address this by setting up a revolving credit fund from project finances. The project is also going to be analyzed as to which measures should be taken in order to increase its impact on women.

As regards women-specific projects of relevance to facilitating women's integration into manufacturing activities, the list to be made on the activities during the Fourth CP is quite short. Apart from the mentioned UNIDO activities, the only project which addresses women's involvement as entrepreneurs in the modern sector is a regional project which is strengthening the initiative of employers' organizations (in the Nepalese case the Federation of Nepalese Chambers of Commerce and Industry, FNCCI) to support women's economic participation. So far, a study has been conducted on specific problems of women entrepreneurs, and a seminar discussing the course of further action is to be held on 1st March 1990. Two small projects address the perspectives for artisanal production by women: One study assesses women's craft production in selected rural areas of the country, and identifies products which can be marketed by the Skill Development Project of the Nepal Women Organization. Another market survey under UNIFEM funding (in co-operation with the Women Social Service Co-ordination Council) evaluates the feasibility of jute crafts production in the eastern terai region. Furthermore, there is the Production Credit for Rural Women Project which is at least of potential relevance to female micro-scale producers. This project, initiated by UNICEF and now supported by various UN and bilateral donors, gives credit to women on a group collateral basis, mainly for livestock projects.

As already mentioned, in the case of bilateral and non-governmental donors, there is a variety of projects focussing on income-generating activities mostly in rural areas, in some cases also specifically addressing women. The effectiveness of these programmes and their impact on women would certainly merit a closer view which goes, however, beyond the objective of this paper. The only project of relevance to the industrial sector is the GTZ-executed Small Business Promotion Project, which conducts new business creation and follow-up management courses, and has an established system of business and technical advisory services. It is addressed mainly to the more urban cottage and small industry sector. It is notable (and confirms the above stated pattern) that in spite of certain efforts to encourage women's participation, it has remained relatively low - at around 15 percent up to present.

IV. Areas for Assistance in the Fifth Country Programme

Support to women's production activities and a strengthening of their participation in the modern manufacturing sector is a complex issue and will require a wide range of assistance and support measures. These fall only partly under the purview of organizations dealing with industrial development properly speaking, be it the Ministry of Industry or UNIDO, but necessitate a concerted effort to create the necessary preconditions for, and to remove the persistent obstacles and constraints to, women's economic integration.

One of the most crucial problems and an essential issue to be addressed is the severe underrepresentation of women in all fields of education and training. Measures stipulated by the Government to facilitate the enrolment of girls at the primary and secondary school level must thus be welcomed, but even more efforts are required, possibly involving international donors, to stimulate the spread of education to women. All education and training programmes, particularly if provided with international assistance, must put highest emphasis on an equal participation of women, to avoid a further widening of the educational gap.

At the present stage of development, tiny household-based production activities, both in rural and urban areas, are still the only possibility for women to complement the household income and combine production activities with their family responsibilities. In view of the persistent strong concentration of women in this traditional informal sector of the economy, and the multitude of problems they are facing, appropriate emphasis must be given to assisting and upgrading this sector, with a main focus on giving it an economically viable basis. The approach of assistance must, however, be carefully chosen. It is impossible to convert all these micro-scale producers into small entrepreneurs by providing them with the necessary business and marketing skills. The strategy should rather be on offering them the services required, i.e. supply of raw materials (thus allowing bulk purchases), identification of viable production lines, provision of technical skills, and assistance in commercialization (including transport, a particular problem in Nepal's remote rural areas). Instead of the prevalent piece-meal approach of addressing individual organizations, should such assistance proceed in a properly organized way and focus on the underlying problems at a more fundamental level.

An area of specific importance is also the issue of credit for both micro- and small-scale women producers. Women's access to loans must be ensured in the frame of existing projects, but in addition to that, specific measures to facilitate their access to credit should be envisaged. In the unorganized sector, this should be addressed through the principle of group collateral for

micro-scale women producers: in the organized sector, programmes should be discussed with the banks to establish a small credit line under specific conditions for women. This might be undertaken in cooperation with the Women's World Banking Programme (a guarantee scheme for official bank loans).

As regards assistance to women's household-based production activities particularly in rural areas (the kind of "subsistence-entrepreneurship which is partly oriented at household consumption), organizations like ILO, UNJCEF, or programmes like the "trickle-up" project seem to be the most experienced and appropriate to provide them with the required services. While there is a strong demand for assistance in this field, UNIDO does not seem to be properly equipped to deal with this very micro-scale production level. Instead, UNIDO should focus its attention on the integration of women in the more organized sectors of manufacturing (including the organized cottage and small industry sector), where women's underrepresentation is still most striking, and where it has not yet received adequate attention, neither from the Government nor from donors. It is also in the modern manufacturing sector where future progress will be particularly fast, and where women's participation has to be ensured now to avoid a further widening of the gap in participation prospects.

In this context, UNIDO's and UNDP's first priority must be the integration of women into general projects, in line with the commitment both by HMG and UNDP on "mainstreaming" the attention to women. While this basically refers to all areas of assistance, projects which appear of particular relevance in this regard concern assistance to cottage and small industries, agro-industries and processing of herbal and medicinal plants, technical assistance to the setting up of an Export Processing Zone, assistance to the private sector, and the establishment of a mechanical prototype centre. It is also most crucial that in all programmes dealing with human resources planning and training a specific effort is made to enhance women's participation.

An assistance programme to the cottage and small industry programme would even need and justify a "women's component" which addresses women's specific problems and needs, and aims at the upgrading of (selected) women's micro-processing activities to viable small-scale enterprises.

At the end of this document, more specific comments on aspects relevant to women's integration into individual projects will be provided.

In addition, and in view of the extent of women's underrepresentation in the organized industrial sector, women-specific support programmes seem, however, to be also necessary

to accelerate the slow progress of women's integration in the modern industrial sector. In line with UNDP policy and in view of its multiplier function, an important aspect is the strengthening of existing concerned organizations. Due to the welfare-nature of many women-related organizations (and in accordance with the strong thrust given by the industrial policy to the private sector), it is commendable to select a more business-oriented private sector women organization which is concerned with the needs of women in the modern sector. Most suitable in this context appears to be the Women Entrepreneurs Association of Nepal (WEAN). A strengthening of this organization could effectively assist women to integrate into independent entrepreneurial activities, and give their concern a much needed voice. (WEAN is in the process of becoming a full member of the Federation of Nepalese Chambers of Commerce and Industry, FNCCI, which is going to be recipient of UNDP assistance. This project might provide a means to enhance the representation of women entrepreneurs through FNCCI/WEAN.)

As regards the component of direct support, which is also needed to support institution-building projects, the following areas should be mentioned:

To address the overall problems of female cottage and small producers, which have been mentioned repeatedly. WEAN has also launched the establishment of a women's production and marketing cooperative, intended to provide marketing assistance, and production support services in the field of design, quality control and technical advice/training to these producers. This project should be able to make a most important contribution to solving the stated problems, focussing initially on the urban sector in order ensure high production standards. In the longer run, the co-operative should, however, also benefit women producers in rural areas.

The integration of women in the labour force in the modern industrial sector also seems to require some special attention. Without adequate skills and qualifications women will always remain confined to the lowest end of labour-intensive industrial work - precisely the sector which is most vulnerable to displacement in the course of industrial modernization. In view of women's extremely low participation rates in industry-related training programmes special courses for women in skills required by modern industry might be necessary, particularly with a view to enhance their participation prospects - also at higher hierarchical levels - in the planned Export Processing Zone.

V. Specific Aspects of Women's Integration into Industrial Development in the Frame of the Fifth Country Programme

Cottage and Small Industries Project, Phase III

Following an in-depth evaluation of the CSI-II project, the project review team suggested a recasting of the approach of assistance by focussing on the component of training to the small business system. To this end, it proposed to "upgrade" CIDB, and to shift its target group from the rural micro-scale producers to the more organized cottage and small business sector.

With this shift there is a strong risk implied - if no appropriate remedial measures are taken - that this negatively affects women's access chances to the training programme, and reduces their participation as compared to their present enrolment rates. Research has shown, that women's participation in entrepreneurship and technical training programmes is impeded by a number of specific obstacles and constraints which can only be removed if they are specifically addressed. Similarly, women's problems of access to credit require specific action to overcome them.

However, if properly addressed and supported, women's participation in the more organized cottage and small industry sector could be sizeably strengthened through this project. The establishment of a women's cell (with a national officer with WID-experience), and possibly the inclusion of an international short-term consultant which would set up training modules respectively ensure attention to women's specific problems, would be essential to facilitate women's participation.(5) Also, women's access to the credit line foreseen to be established under the project, needs to be ensured through appropriate measures, or otherwise, a separate credit line for women with specific conditions be set up.

Assistance to FNCCI

This project is intended to strengthen the capability of the Federation of Nepalese Chambers of Commerce and Industry to represent the private sector, to take solid positions of industrial and trade policies formulated in the country, and to

5 A note has been prepared in the frame of this project on "Women Entrepreneurship Development - What Needs To Be Done Differently?", summarizing areas where specific constraints for women exist, and proposing some measures to deal with them.

establish an effective dialogue with decision makers. To this end, the project will establish an "Economic Research Unit"; improve and organize FNCCI's library; participation of FNCCI members in "business opportunities meetings" will be facilitated; and short-term seminars and workshops be organized.

FNCCI has in the recent past taken on a more active role regarding the integration of women into entrepreneurial activities and has set up a Women Entrepreneurship Committee. It has also accepted the Women Entrepreneurs Association of Nepal as a full member which will give WEAN a strong voice in the Federation's decisions. FNCCI is beneficiary of a regional project aiming at strengthening the initiative of employers' organizations for the integration of women. In this context, a study has been conducted, and a seminar will be held on 1st March in Kathmandu to formulate recommendations for FNCCI's further course of action in this respect.

In this context, it was explicitly mentioned by FNCCI that in the frame of the activities planned under UNDP assistance, specific attention should be given to women entrepreneurs.

In the first place, it should be natural that FNCCI's female members equally benefit from the participation at meetings, as well as seminars. The research unit should among others collect data on women's business participation, including examples for experiences from other countries, how women entrepreneurship was successfully enhanced, and on activities by other women entrepreneurs associations.

In addition, there is a further aspect which deserves consideration: WEAN, which does not yet have a proper office of its own, is considering to set up an information service for women entrepreneurs with a view to provide them with required business information. Obviously, it would be not efficient to set up such a service only for women, and thus the better resources of the envisaged library and research unit should be brought to the full use and benefit of women entrepreneurs. In order to overcome the barriers of access which affect many women entrepreneurs, one day of the week could be designated for providing advice by women entrepreneurs to their colleagues. Also for other related activities, WEAN should be permitted to use the facilities of FNCCI.

Establishment of an Export Processing Zone

As already mentioned, the Government is very keen on the setting up of an Export Processing Zone, and a feasibility study is presently being conducted. For the establishment of this zone, UNDP/UNIDO assistance is foreseen for the building up of the administrative and organizational structure. As one element of

infrastructural facilities, the setting up of a training unit is under consideration.

Experience shows that in almost all countries women constitute the majority of the labour force in such zones; they tend, however, to be mostly concentrated in low-skilled, labour-intensive, and poorly remunerated work, generally not gaining access to technically qualified or supervisory posts.

In order to ensure that women derive an equal benefit from the employment created they should receive an adequate share in training opportunities, also for supervisory levels. The arrangement of training courses specifically for women might be envisaged.

In order to allow women to participate in the industrial labour force on a reliable basis, day-care facilities should be set up.

It should also be studied, if production work can be subcontracted to cottage and small production units, for example through the concept of Export Production Villages. This concept was successfully introduced in Sri Lanka, and links village-based production with the formal sector. Thus it makes optimal use of resources by tapping rural labour force and traditional skills, and directing it to viable activities by the linkage to the export sector. Women have been major beneficiaries as it allowed them to continue their traditional home-based production.

In this context, it should be assessed which traditional artisanal production activities can be upgraded. Nepal has shown to have a comparative edge not only in cheap labour, but also in the availability of artisanal skills and traditions which, properly upgraded and adapted to western designs and tastes (as has happened in the case of carpets), can successfully secure a niche in the overseas market. Proper attention in this context must be given to women, who as explained, are the main contributors to this kind of work.

Pilot Project for the Setting Up of Herbal Centres

The Master Plan for the Forestry Sector envisages the establishment of twelve Herbal Centres to regulate the collection of medicinal and aromatic plants, train people in appropriate collection and cultivation techniques, and encourage the setting up of production and marketing cooperatives. As a first step it is foreseen that a study be carried out on the viability of these centres, and a model facility be set up, both under UNIDO technical assistance.

It can be assumed with certainty that women play a major

role in this sector, particularly in the cultivation and collection of herbs. In order to ensure that they derive the full benefit from the envisaged project, it is proposed that the feasibility study looks also into the gender-specific division of labour, and that appropriate measures be taken to ensure full participation of women in the activities of the project. In particular, care should be taken to avoid that the project leads to displacement of women out of their traditional income sources, when the activities are being technically upgraded and monetarized.

Development of Agro-Industries

It has also been suggested that feasibility studies are carried out on agro-processing and wood-based industries, which should include recommendations on the appropriate technology to be adopted.

It is proposed that these feasibility studies take note of the division of work by gender in these sectors, and that follow-up measures take this into account, aiming at giving women corresponding benefit from project activities (e.g. ensuring equal access to training and credit), and taking care that women are not displaced out of their traditional employment opportunities.

Engineering Prototype Development and Training Centre

Following a feasibility analysis it is envisaged to develop an existing workshop into an engineering prototype development and training centre. This centre would contribute to the development of indigenous production of agricultural tools and equipment, simple post-harvest processing equipment, spare parts, etc.

Women constitute a large part of the labour force both in the agricultural and traditional food-processing sector in Nepal. Therefore, the design of agricultural and post-harvest tools and equipment must take into account that women will be operating the equipment, and that it must thus be appropriate to their work habits. At the same time, women's access to the technology produced and to their long-term benefits must be secured.

Beyond this general consideration of women's needs, it should be mentioned that the design of technologies which can alleviate women's daily chores and thus permit them to devote part of their time to income-generating activities has received increasing attention in the context of technical assistance. Such technology must be on the one hand appropriate to women's needs and traditional working habits, on the other hand appropriate