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Gender equality and empowerment of women

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# PROMOTING GENDER EQUALITY AND EMPOWERING WOMEN THROUGH TRADE, INVESTMENT AND INNOVATION

During implementation of all projects, programmes, and processes the department of Trade, Investment and Innovation (TII) aims to promote a sustainable economic environment where access to economic resources and market entry are free of any form of discrimination, especially based on sex, and where the benefits of economic growth are equitably distributed. Each project integrates a gender dimension at the design phase and often carries a gender-related component throughout implementation. TII makes a significant contribution to Sustainable Development Goal (SDG) 5 on achieving gender equality and empowering all women and girls in parallel to its work towards SDG 9 on building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation.



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### INTRODUCTION

The United Nations Industrial Development Organization (UNIDO) promotes Inclusive and Sustainable Industrial Development (ISID). ISID involves, among others, realizing productivity gains and returns to scale, creating jobs and income, enhancing international competitiveness and trade, building productive capacity, supporting economic diversification, uplifting green industries, and grasping value addition. The structural transformation brought about by ISID offers an abundance of development potential with close linkages to innovation. In this context, and as the specialized agency for industrial development, UNIDO occupies an optimal position to help achieve Sustainable Development Goal (SDG) 9 on building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation.

Parallel to UNIDO's work on SDG 9, is a significant contribution to SDG 5 on achieving gender equality and empowering all women and girls. UNIDO recognizes that gender equality and the empowerment of women and girls have positive impacts on sustained economic growth and social equality. The Organization's vision of ISID encourages the full integration of females and the promotion of gender equality in all industrialization policies, programmes and processes.

Within this context, the Department of Trade, Investment and Innovation (TII) offers a range of services to help countries develop competitive manufacturing capabilities, conform with market requirements, and connect to markets. Trade, investment, and innovation encompass areas of technical assistance that offer particularly

strong potential to push towards gender equality and the empowerment of women and girls. With an overall objective of helping developing countries and economies in transition to achieve greater industrial competitiveness and innovation, TII designs and implements holistic interventions tailored to specific country needs, all of which feature gender perspectives and a contribution to the wider effort of gender mainstreaming.

In practical terms, the Department works across six strategic thematic areas which improve market access and spur economic growth, as well as create jobs.

The services are grouped into six modules as follows:

- » Improving the business environment
- » Industrial modernization and SME clustering
- » Mobilizing responsible investment and sustainable technologies
- » Boosting innovation
- » Promoting quality and standards
- » Trade facilitation

Promotion of gender equality and the empowerment of women and girls are key features of each of the six modules. Specific components focus on supporting females in acquiring skills and gaining access to resources to enable them to participate effectively in the economic life of their communities. The following sections will provide more details about the work of the individual modules.



# IMPROVING THE BUSINESS ENVIRONMENT: EQUALITY MEANS BUSINESS

TII spearheads a range of technical assistance projects for the private sector to bolster its contribution to sustainable growth, employment and income generation. Private sector development can be successful in addressing and scaling up women's economic opportunities, contributing to skills development, fostering women-led businesses, and increasing access to networks as well as global markets. Nonetheless some aspects of business do not represent a level playing field for women and present many obstacles.

Fashion designers working in a textile and garment enterprise, supported by the project: Improving Competitiveness of Export-Oriented Industries in Armenia through Modernization and Market Access, Armenia

A few examples of gender inequality experienced in business are: difficulties in raising capital and offering collateral, or in obtaining finance at all, social constraints imposed on working hours as a result of domestic obligations or societal norms, lack of representation of women's interests by mainstream business associations such as Chambers of Industry & Commerce, as well as limited educational opportunities that translate to lack of business understanding and skills. As a result, working women in the formal economy are largely concentrated in vulnerable and low-paid jobs. Not only this, the majority of those employed in the informal economy are female.

Technical assistance designed to improve the business environment fall into two broad categories – advisory services, and capacity-building services – with a particular focus on Small and Medium-sized Enterprises (SMEs). TII projects concentrate on reforms to business registration and the establishment of one-stop shops, the formulation of sectoral or thematic policies, enabling public-private dialogue, and strengthening business membership organizations (BMOs) so that they are better able to communicate business concerns to policy makers and

advisory services to set up and operationalize industrial parks and zones. Each one of these activities lends itself to gender initiatives within the technical area in question.



Women working in a peanut factory, Ethiopia

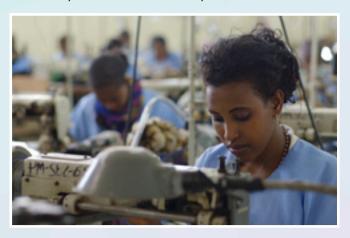
Gender mainstreaming in TII projects begins with a thorough gender analysis at the design stage and takes into account practical and strategic needs of the different sexes. When TII project Managers design a project or programme, they are supported by the UNIDO gender mainstreaming guidelines for projects. A dedicated UNIDO Gender Office provides further advice and counseling support, if required. The benefits of this holistic approach from the design phase are clearly demonstrated in Armenia where TII supported the development of the textiles sector. The project included key gender dimensions from the outset, not least because women make up 90 per cent of the workforce in the country's textile and garment sector. Despite this predominance in numbers, the project's indepth gender analysis showed that the vast majority of management staff were male, and that females had little or no decision-making powers.

In response, the project built on the idea of encouraging enterprises in the sector to hold semi-annual events to discuss gender issues, with feedback from employee surveys to assess gender awareness and generate activities to gender-sensitize stakeholders. Regular meetings were held between the project team and management and employees to build awareness, to advise on corporate practice on working conditions for women and men, and to promote gender equality. With the bulk of beneficiaries being female, the project has been so successful a second phase has recently been financed.



# GENDER MAINSTREAMING IN INDUSTRIAL MODERNIZATION AND CLUSTERING

UNIDO works at the macro-, meso- and enterprise- levels to upgrade and improve the competitiveness of sub-sectors and value chains. Within those sub-sectors, support is given to strengthen and establish clusters of mainly small formal enterprises as well as micro and informal enterprises where women entrepreneurs are prevalent. The process begins with the selection of the cluster, bearing in mind the geographical setting. Activities span all stages from a diagnostic study, through implementation, monitoring and evaluation. There is a focus on the specific needs and circumstances of females, encouraging their integration into all aspects of the cluster's operations.



Women working in the leather industry, supported by the UNIDO Programme for Country Partnership (PCP), Ethiopia

To be viable, the units involved need to be sufficiently developed to facilitate the establishment or strengthening of backward (supply of inputs and raw materials) and forward (market) linkages. For example, bulk purchasing of inputs reduces costs and increases competitiveness as does the sharing (often on a rotational basis) of special tools and equipment. Cooperating within a cluster means that production is facilitated beyond the possibility of an individual enterprise. Where a group of enterprises is well established in the domestic market and is seeking to expand abroad, TII is active in supporting the formation of export consortia.

A TII cluster project which illustrates the enhanced integration of women into the formal economy is in Morocco. Female-run Berber cooperatives that produce argan oil are being supported to comply with national and international standards to strengthen their linkages with companies involved in the value chain, ultimately to enhance value addition that is kept at the local level. The demand of this precious oil has more than doubled over the last decade, thanks to its international recognition by

the cosmetic industry as an effective moisturizing product. Despite the continuously increasing demand, the method of producing argan oil has remained very traditional in its first stages: women are involved in collecting, drying and shelling the plum-size argan nuts, in order to obtain the kernels, that will then be crushed manually or industrially to release the oil. With this traditional method, it usually takes one woman 16 hours, using about 30 kilograms of argan fruits, to produce one litre of oil. Although female cooperatives play a very important role in the upstream part of the value chain, their profits are small, mainly because of the weak linkages among cooperatives and companies involved in the oil production, value addition and trade. Moreover, 90 per cent of the national production is exported in bulk, reducing the benefits for local women to earn a fair price for their work.

The Swiss-funded project for the market access of traditional and typical food products (PAMPAT) has built capacity and provided training to more than 50 producers to comply with the recently introduced geographical indication and national law on safety and hygienic standards, also necessary to access international markets. Furthermore within the PAMPAT project, linkages and partnerships between cooperatives and companies have been set up, through the establishment of two export consortia. UNIDO experts assist consortia members, mainly females, to enhance their product quality and to better access markets, through branding and the participation in promotional and trade events in Europe, Africa and Middle East. As a result of the PAMPAT project, women cooperatives are now better integrated in the argan oil value chain and involved in producing certified geographically indicated argan oil with a higher value addition for local communities.



Export consortia workers examine an argan oil product, Projet d'Accès aux Marchés des Produits Agroalimentaires et du Terroir (PAMPAT), Morocco



# INVESTMENT AND SUSTAINABLE TECHNOLOGY: A PLATFORM TO BOOST EQUALITY

As more women become integrated into the monetary economy in developing countries and economies in transition, so the potential for more investment in womenled businesses increases. Despite the fact that women have lower incomes than men, the proportion of women investors in the world is also growing. While it is often assumed that women are more risk-averse than men, experts have come to the conclusion that it is rather that women are more risk-aware than men and so invest differently based on a number of parameters. Moreover, in many cases, women investors are particularly well equipped to understand the needs of female entrepreneurs who, in turn, may prefer women as investors for the same reasons.

This is the context in which UNIDO's Investment and Technology Promotion Office (ITPO) in Italy, together with the authorities of the Basilicata region, organised a workshop in December 2015 under the title of 'When Creativity meets Business: Sharing Stories of Women Entrepreneurs for Local Development'. The event brought together women entrepreneurs, experts, practitioners, policy makers and researchers from Italy and 12 countries in the Middle East and the North Africa region. The focus was on gender equality in business and entrepreneurship and on promoting networking between institutional and business representatives. Matera has been designated European Capital of Culture for 2019 and, under this umbrella, various follow-up activities are planned by UNIDO's wider ITPO network around the theme of promoting women-led enterprise development.

Still to this day technology is too often thought of as a 'male' area with insufficient numbers of women in decision-making functions in high-technology sectors. Globally,

women account for less than 20 per cent of individuals working in information and communication technology. Tll strives to ensure that all of its technology initiatives and projects include the mainstreaming and monitoring of a gender perspective. It is also very important to ensure that sex-disaggregated data on women's participation in the economy (and project area in question) is collected and updated throughout the project, and that effective targets, indicators and benchmarks are identified to track the progress of women's access to the benefits of technology.

Implemented by ITPO Bahrain, the Enterprise Development and Investment Promotion (EDIP) programme is designed to build and strengthen the business and technical skills of potential and existing entrepreneurs, with a particular focus on those led by youth and women, thus enabling them to start or expand their own businesses. The programme provides a variety of support services including business counselling, market assessments, technology selection, business plan preparation and access to finance. First developed in 2000 in Bahrain, the EDIP programme has since been successfully implemented in 38 countries. The majority of programmes are in the Middle East and North Africa (MENA) region, where women's economic and public participation is the lowest in the world. Strengthening women's empowerment in MENA countries can support inclusive growth by fostering investment in human capital and stimulating female labour force participation. Further, entrepreneurship is a largely untapped source of vital human capital for the region. In order to address these gaps, the programme seeks to target 20,000 beneficiary women entrepreneurs by 2020 through the EDIP 'training of trainers' feature where participants of the programme provide entrepreneurship training to other women.



ITPO Italy event 'When Creativity meets Business: Sharing Stories of Women Entrepreneurs for Local Development, December 2015, Matera, Italy



### GENDER IN INNOVATION

As the driving force of economic development, innovation is crucial for developing economies and economies in transition. The explosion of ICT over the last two decades has driven the emergence of knowledge-based economic activities. If developing countries are to take their place successfully in global markets and to build a competitive edge which is not dependent on low cost labor, low value added, or raw materials, they must carefully nurture an effective and efficient National System of Innovation (NSI). To this end, TII supports countries such as Ghana and Kenya to attain a position in the Information Age by ensuring that an ICT component is integrated into their overall development strategies, and by overseeing longterm monitoring and adaptation through the information generated by Science, Technology and Innovation (STI) Observatories. Innovation plays a vital role in the empowerment and emancipation of women, securing freedom and resources for them to make their own decisions, build confidence, and act in their own interests. It can help to reshape their roles in society.

Women working in the manufacturing sector in Nampula, Mozambique

At the meso-level, TII reaches out to associations of women entrepreneurs and women's organizations by offering innovation-focused institutional capacity building as well as training for groups of female entrepreneurs to promote enterprise-level innovation. There is even room for innovation in micro-enterprises run by women who can prove particularly inventive in adapting global trends to harness local resources.

UNIDO's Subcontracting and Partnership Exchange (SPX) Programme supports local supplier bases, enabling them to participate in domestic and international supply chains, generate investment and increase employment opportunities. At the enterprise level, SPX addresses gender considerations by collecting and analysing sexdisaggregated data, for example, on the number of women employed at different levels from managerial through to unskilled workers. Reliable data also facilitates a qualitative analysis in terms of jobs created within the different employment categories. The programme uses a benchmarking tool to assess enterprise practice and performance including a focus on Human Resource Management (HRM). This directly refers to enterpriselevel gender analysis and provides a comparison with international best practice.

Gender awareness and reliable data can help SMEs in developing countries to act as suppliers to large multinationals. The increasing emphasis on Corporate Social Responsibility (CSR) has seen many large international firms include gender-related criteria when assessing the suitability of enterprises and clusters in developing countries as business partners or suppliers. Yet many enterprises continue to overlook the full innovative potential of women employees because senior management either do not know how to harness their insights or lack the foresight needed to endorse their ideas. Research shows that teams with even as few as one woman member perform better than male-only teams in terms of recognizing new opportunities and acting upon them.



UNIDO's Enterprise Development Centre at the Iraq Women Crafts and Design Show, Iraq



# GENDER DIMENSIONS TO PROMOTING QUALITY AND STANDARDS

Manufacturers throughout the world now face a plethora of quality standards and technical requirements which must be fulfilled before their products reach international markets. The greatest impact is felt by agricultural and food products, where regulations, standards and labelling are reported to account for as much as 87 per cent of the retail price of processed food — precisely the sectors in which female entrepreneurs and workers are particularly active.

TII has an expanding portfolio of projects and programmes designed to help developing countries and economies in transition to set up the globally recognized conformity assessment infrastructure and services that are a precondition for effective trade participation. The end target is a fully functioning National Quality Infrastructure (NQI), which embraces the policies, laws, regulations, institutions and services that guarantee product quality and compatibility, safety and health of plants, animals and human beings, and environmental protection. This involves putting in place appropriate standards, assessing the conformity of products, ensuring quality production and service delivery processes by providing reasonable proof of conformity to both consumers and authorities.

Image from the National Quality Infrastructure Project (NQIP), Nigeria

Gender mainstreaming in NQI projects is an essential part of the implementation process. At the design stage, each project must take into account whether activities will impact on males and females on an equal basis and whether women's specific needs and priorities, and knowledge and skills, are catered for to ensure their full economic participation. There should be a gender balance and equality at all levels of project management, with gender equality concerns taken into account at all stages of the project management cycle.

It is important that both women and men participate in and benefit from capacity-building and technical activities on an equal basis and that both are given the same opportunities to contribute to decision-making processes and to take on leadership roles in promoting quality and standards. As countries expand and strengthen their NQI, it is encouraging to note the increasingly strong presence of women not only at enterprise level but also in technical and managerial positions in quality-related institutions.

With funding from the European Union (EU), UNIDO has implemented a series of programmes helping the 15 member countries of the Economic Community of West African States (ECOWAS) to strengthen and expand their NQI. The West Africa Quality System Programme is multifaceted in implementation, with a gender perspective that has been mainstreamed throughout. Examples of gender-sensitive activities include awareness raising seminars on technical regulations, standards and quality for women's associations, female entrepreneur-focused campaigns on the application of standards, training lab technicians, teachers, and business managers on gender mainstreaming, the creation of ECOWAS Quality Awards for high performance with a dedicated award for women-owned enterprises, and the strengthening of quality excellence centres by facilitating access for women farmers and entrepreneurs.



Testing a sample at a laboratory facility assisted by the West Africa Quality System Programme, Benin



### GENDER AND TRADE FACILITATION

By exporting to international markets, integrating into global value chains, and sourcing quality products at best value, producers around the world have the potential to expand their businesses, to upscale their production techniques and level of productivity, as well as to diversify their outputs. The massive expansion of global trade over the last two decades has brought with it both opportunities and obstacles for female workers in productive areas. The need to move goods over national borders has become ever more important, not only in terms of exports of finished products but also because the explosion of global value chains involves the transport of raw materials and semi-manufactured goods from country to country. Borders represent many challenges in terms of lengthily procedures and paperwork and, perhaps most hazardous of all, rejections of products on the grounds on non-compliance with a myriad of standards and other technical regulations.



Women fishers sorting their fish, supported by the project: Sustainable Market Access through Responsible Trading of Fish (SMART-fish), Indonesia

All too often, women's contribution to trade goes unrecognized. Informal cross-border trade is a major economic activity in a number of regions across the globe, particularly in Sub-Saharan Africa where the majority of traders and carriers are women. Females play a critical role in food security, carrying basic food products from their production point over the border to where they are in short supply. The global community has established various agreements to both regularize and smooth trade flows, primarily the World Trade Organization (WTO)'s Trade Facilitation Agreement, along with the Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary Agreements (SPS). In response, UNIDO has built a reputation in its trade-capacity building activities

designed to help producers – primarily SMEs and micro enterprises – understand and overcome these technical challenges. Helpful tools include methodologies for trade performance analysis of specific value chains, advisory services to manage the risks identified from the analysis, targeted assistance to conformity assessment bodies and support in promoting mutual recognition of conformity assessment procedures to eliminate duplication of tasks and procedures.

For instance, in Indonesia, TII is working to strengthen the trade capacity of selected value chains in the fisheries export sector, while simultaneously ensuring the preservation of biodiversity through promoting sustainable use of maritime resources by implementing the Sustainable Market Access through Responsible Trading of Fish (SMART-fish) project. This is carried out by boosting value-added to exports by advising the government to enact enabling policies for exports, strengthening the supply side aspects (improving competitiveness of products in terms of price and quality, branding, enhancing compliance with international market requirements, including certification for sustainability standards), and facilitating entry into the respective global value chains. The supply side will be further reinforced at the meso-level through a Quality & Productivity Centre at the Fisheries University to provide support to SMEs. Local expertise will be built through establishing a curriculum for a Masters training course on Quality, Productivity and Innovation where female participants are preferentially considered. Support to the international accreditation of a local body to certify producers against sustainability standards will make certification more affordable to local enterprises.



Measuring rice at a factory supported by the project: Market Access and Trade Capacity Building Support for Agro-Industrial Products & the development of a robust standardization, quality assurance, accreditation and metrology (SQAM) Infrastructure in Malawi





