

Realizing women's economic empowerment in rural areas through cooperatives and micro-enterprises

Experiences from LDCs, SIDS and middle income Countries

Concept Paper

Women remain disproportionately affected by poverty, discrimination and exploitation and even when they do have an active role in their societies, their economic contributions are often invisible or go unrecognized, their work undervalued and their promise un nourished. Gender discrimination begins when women have little or no access to economic assets such as land and loans, develops with women having insecure, low-wage jobs, if any, and ends up with women's limited participation in shaping economic and social policies.

Women's economic empowerment is key for a Country's sustainable development. And this is especially true in post conflict and fragile Countries, where women represent the backbone of society.

The beneficial effect for the whole society of women economic empowerment is no more questioned. There is a growing body of evidence that gender equality significantly contributes to poverty eradication and inclusive economic growth. According to the International Center for Research on Women:

- where women's participation in the labor force grew fastest, the economy experienced the largest reduction in poverty rates;
- when women farmers can access the resources they need, their production increases, making it less likely that their families go hungry or are malnourished;
- when women own property and earn money from it, they may have more bargaining power at home. This in turn can help reduce their vulnerability to domestic violence and HIV infection.

In Countries with prevailing rural economic structure, the model of cooperatives can help achieving women's economic empowerment and hence sound development. As enterprises created by people for people, cooperatives enshrine social sustainability and equality at the heart of their activities. Cooperatives are especially suited to empowering women, who make up a large part of their membership. Cooperatives also provide economic security by converting individual economic risk into collective risk. Shared risk can increase access to financial capital, particularly in the case of savings and credit cooperatives.

Particularly in economically fragile countries and in LDCs, the experience of women in the agricultural sector and in the cooperatives can be critical to shaping an economic development model based on micro-entrepreneurship with a human dimension. For example, in the agricultural sector, women are frequently pioneers in innovative and emerging business activities such as agro-tourism and organic farming, and as such are critical agents in achieving poverty reduction, food security and environmental sustainability in poor and vulnerable households.

To this end, financing the gender agenda is crucial. The inability for women to access credit means that their opportunities to work in the private sector and succeed as entrepreneurs are limited. Affirmative action programs can ensure that qualified women are provided equal opportunities in accessing important financial services. But it is also important to ensure that any project, program or financial aid be geared toward strengthening women's capacity building and maintaining long-term sustainability for their economic activities.

In the context of CSW60, Italy, Botswana, Fiji, Mongolia, Morocco, Papua New Guinea, Solomon Islands, UNWOMEN and IWPG organize a high-level panel on how the contribution of women in their local economies - in rural areas, in cooperatives, in promoting sustainable agricultural practices, improving the agricultural productivity of farmers and facilitating access to markets and credit - can be instrumental to forging the collective spirit and the collaborative partnership that will be required to implement the 2030 development agenda.