



INTEGRATING GENDER EQUALITY INTO PRIVATE SECTOR DEVELOPMENT OPERATIONS

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INTRODUCTION

This Technical Guidance Note (TGN) is part of a series of documents on integrating gender equality into the sector operations of Caribbean Development Bank (CDB). The Notes identify key issues which lead to, and reinforce gender inequality, and propose possible solutions for addressing them.

The TGNs fall within CDB's strategic objectives of supporting inclusive and sustainable growth and development and promoting good governance, both internally and among its Borrowing Member Countries (BMCs).

This specific TGN focuses on Private Sector Development (PSD) Operations.

The main disadvantages in the area of PSD are disproportionately experienced by women, particularly at the low-income levels. Those women-owned businesses (WOBs) tend to be in low-productivity and low-growth sectors. They face limited access to finance, networking support and market information. They are also challenged by a lack of collateral and business skills. Research shows that women who own businesses have to balance their work with family responsibilities and face a lack of affordable care services, which

constrain their economic empowerment. These gender inequalities limit the growth potential of the Region overall.

In response, this TGN outlines the underlying gender issues affecting women and men who work in the Caribbean private sector and provides guidance on how to integrate gender equality into PSD projects.

This TGN also supports CDB's Private Sector Development Policy and Strategy (2017).

The expectation is that the TGN will assist the relevant field officers, technical specialists and decision-makers in effectively infusing gender equality into the Region's private sector development.



KEY GENDER EQUALITY ISSUES IN PSD OPERATIONS

1

Socio-cultural factors restrict women's participation as entrepreneurs, micro and small enterprise owners.

Socialisation has a significant influence on the careers that girls and boys choose from an early age. Parents also encourage their daughters and sons to seek jobs with a regular salary rather than to start their own businesses because of the potential risks involved. As a result, women tend to choose occupations that pay less and that are often in service sectors. Women also assume primary responsibility for family and children which would limit women's time and flexibility to support the growth and operation of businesses.

2

In the Caribbean, women's businesses are often located in low technology sectors which experience the lowest levels of growth.

Occupational segregation patterns in the Region reveal that women who operate at the micro-enterprise level tend to select business areas that reflect more traditional gender roles and occupations. Women's businesses also tend to be less capital-intensive due to limited access to finance and collateral.

3

Low income segments of the population, in particular women in some parts of the Region, tend to have less access to collateral and financial services including savings, credit, insurance and training.

Low income segments of the population tend to have less access to financial services including savings, credit, insurance and training which constrains their ability to establish and operate businesses. The situation is further exacerbated in some parts of the Region where females are constrained in accessing collateral, e.g. land, which is usually held by males or is communal. Since these women often have fewer assets to fall back on should their businesses fail, they tend to be more credit-averse. Loan programmes, including loan guarantees, need to adjust their products to meet small credit needs of women-owned micro, small and medium-sized enterprises (MSMEs).

4

In the lower income segments of the population, WOBs in the Caribbean have limited access to market information including pricing trends, export and industry information.

Reliable and consistent internet access can be a challenge in the Region, especially in rural areas. This, as well as the cost of information technology (IT) services, can limit the extent to which businesses owned by women can take advantage of technical assistance programmes and market information online services etc.

5

In the lower income segments, women entrepreneurs in the Caribbean have limited access to business support services and networks.

Women involved in micro or small businesses, especially in the rural areas, may not have knowledge of, or access to the relevant associations or networks that can provide support services, market information and networking opportunities to help strengthen their businesses. These WOBs may not be aware of how to gain membership in regional business networks which can help to facilitate the growth of their businesses and to identify potential partnerships and export opportunities in regional and international markets.



SOLUTIONS FOR INTEGRATING GENDER EQUALITY INTO PSD OPERATIONS

Socio-cultural factors restrict women's participation as entrepreneurs, micro and small enterprise owners

There is a need to develop training opportunities and to support business start-ups for women in non-traditional sectors. National forums should also be set up for women in non-traditional businesses. Governments should conduct needs-assessment surveys in an effort to develop strategies that provide women in business with relevant support systems (care, business support, access to finance etc). Women business associations should be encouraged to act as advisors and mentors to other businesswomen.

Education specialists are needed to address gender biases in education, career selection and female entrepreneurship and BMCs should support the development of an entrepreneurial culture among female youth through the school system. Surveys should be conducted to identify the attitudes of men towards female entrepreneurs to set an attitudinal baseline that can be tracked. Also, innovative programmes for female-led business start-ups should be developed, including access to training, financial and business development services, etc.

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There needs to be policy dialogue with Ministries of Economy and Planning, and Science and Technology to advocate for support to female entrepreneurs in national strategies. BMCs should ensure that the national strategic plans encourage balanced participation of women and men in knowledge and technology industries. Women in low technology businesses should have access to training in technology including the use of social media and e-commerce as well as technology-driven initiatives such as mobile applications. Incentives such as soft loans and duty-free imports should be introduced to help women-owned businesses purchase the needed technology and Information and Communications Technology (ICTs). Also, local gender champions in the technology and knowledge industries should be identified and profiled.

Low income segments of the population, in particular women in some parts of the Region, tend to have less access to collateral and financial services including savings, credit, insurance and training.

CDB needs to initiate policy dialogue with the relevant financial institutions to communicate the importance that the Bank places on the provision of gender-sensitive and inclusive financial services. Dialogue should also be held with Ministries of Economy and Planning to incorporate support to female entrepreneurs and business owners in national banking policy and bank governance. There should be an assessment of the constraints and barriers affecting access to financial services by WOBS in different sectors in order to design responsive interventions.

Within financial institutions, there should be assessments of the personal biases of staff towards poor women so that gender-sensitive training can be implemented effectively. Gender champions should be identified in each institution. BMCs also need to establish sex-disaggregated databases to learn about repayment behaviour, areas for lending and credit needs. Standard gender-specific indicators should be developed to be used by all financial institutions in monitoring and reporting on loan defaults; and availability and access by users to other services.

In particular, in the lower income segments of the population, WOBS in the Caribbean have limited access to market information including pricing trends, export and industry information.

There is a need to collect and assess sex-disaggregated data on women's access to market information; to conduct needs assessments of WOBS to determine their needs for relevant market information; and to establish advisory panels established to advise the governments on needed market information. The local export agency and business associations should be encouraged to strengthen market information gathering and engage in outreach programmes to WOBS to help boost competitiveness. Export promotion agencies also need to identify export markets for businesses owned by women.

There should be efforts to expand internet access especially into rural areas and to provide training to small business owners in internet marketing and social media. Governments need to support innovation in the cultural and heritage industries sector and to develop workshops on scaling-up and expanding small businesses. It will also be important for government staff, who work on private sector development, to be exposed to gender sensitisation workshops.

In particular, in the lower income segments, women entrepreneurs in the Caribbean have limited access to business support services and networks.

There should be an assessment in each BMC of the presence of business associations in the local, national and regional environment and sector-specific networks, with an emphasis on women's organisations. Collaboration is also needed at the local and regional level to strengthen the existing national and regional business networks.

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